



One Off Payments & Service Charges – We don't like them either

Nobody likes the unexpected. Nobody ever wants to pay more. We get it. Unfortunately, no matter how good we are – we cannot see into every eventuality that might arise on a building.

Some leases also don't allow us to build up a sinking fund and therefore we budget from year-to-year and have to deal with what arises. Some leases do allow a sinking fund provision – and we will often have to make requests for funds (that have to be reasonable) to provide for payments and cashflow for the management company's function.

What we do find is that when a one off payment is requested, some people seek to confront us for everything and anything to do with the estate. Whilst we understand unexpected payments are unwelcome, this is not acceptable.

If you were to purchase a house, unexpected bills occur all the time. Whilst we budget effectively, sometimes things will occur in a financial year that require that budget to be amended or changed. Some things, like insurance demands from the freeholder, or excesses on policies, need to be budgeted for due to an upturn in insurance claims, and these are outside of our control.



Sometimes latent defects occur in a building's design, and again, these need addressing and funding.

This is not our fault. We put a lot of work into trying to avoid these issues, by passing liability to insurers/warranty providers, or legally pursuing parties who may have contributed to the problem. This isn't always practical or economical though and the bottom line is that funding of the building's issues rests with the owners of the building, which will include you.

To that end, we ask you to carefully consider: is the payment requested justified and is it a matter of affordability. If you understand it is justified, but cannot afford it, it would be much better to raise this with us rather than adopting a confrontational approach looking to challenge it. Such challenges will inevitably result in increased legal costs to the scheme if the payment is upheld and that will result in a greater liability to you in the longer term.

Furthermore, it takes management resources away from the job in hand, and directs them towards adversarial litigation.

With that in mind, arguing with us when a decision to raise a cost has been made is not going to achieve anything and you should pursue the procedures laid down by the law – invariably that may involve you consulting a solicitor. We will not just raise costs without thinking about it or just to be difficult.

The work involved in raising the budget or undertaking a one off major project is often considerable. We don't get more money for this work – and would love to avoid these situations arising. When they do, arguing with a minority of leaseholders about the decision isn't helpful and achieves nothing apart from frustration on their part and office time wasted on ours. We will never issue a one off payment request during the year unless it is absolutely necessary.

As such, please think very carefully before making the call to argue over something that has been very carefully considered by either a freeholder or a group of directors and us.

We have the building's needs, both short and long term, in mind and are simply doing our best.

Our team really appreciate that this may be a difficult time for you, and we will do all that we can to help.

Thank you for helping us to help you.

Let's see if we can help

Call **0845 456 4980** or

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