

Our fees Explained

We believe you should enjoy your home, safe in the knowledge the money you spend on maintenance and the upkeep of your property is being well spent. So, here's a handy guide to the fees that come out of your pot.



ROYAL HASLAR



Looking after your money

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Service Charges and Management Fees

Clarity over costs and charges



Service charges and management fees fund maintenance costs to keep the development in good order and to a standard you expect. This guide tells you what these charges are, what they cover and ways to pay.

What is the service charge?

Your service charge is split into five parts, called schedules.

When is the service charge paid?

Depending on your lease you may be required to pay your service charge once a year, twice a year (usually every six months) or in monthly instalments. If you are unsure of when you are required to pay your service charge, please speak to your Development Manager or contact our Customer Service Centre (the details are on the inside back cover of this brochure).

Schedule One

This covers the communal services within the development and day-to-day running costs for them. Every resident pays towards this and the money is used to cover:

Cinema, meeting rooms and communal facilities.

Maintenance & Repairs

Licensing and equipment

Electricity

Schedule Two

This covers the internal and external block cost for the day to day running of your building and is specific to the building you live in, this includes:

Communal Electricity and Gas

Insurance

Water and sewage

General and Planned maintenance, Lift servicing, Communal Cleaning

Development Manager and 24-hour staff

What bills and costs am I responsible for?

You're responsible for:

The internal decoration, repairs and maintenance of your property

Your electricity bill

Your television licence

Your council tax

Your telephone bill

Home contents insurance

Internal window cleaning

Are there residents' meetings to discuss the estimated costs and annual accounts?

Yes, there are. A file containing all invoices and receipts will also be available for inspection via your Development Manager or Area Manager. This enables you to see exactly how much has been spent and on what.

How do you work out the annual service charge?

For new build developments, the service charge is based on estimated costs. We make every attempt to make sure the budget is accurate and as close as possible to actual costs. For established developments, the previous year's costs are used to prepare the estimate for the coming year.

We have no control over charges such as electricity and VAT, so we can only anticipate what these costs might be. Rest assured that we keep track of the best market prices to ensure charges remain as low as possible.

Schedule three

This covers the running costs of the Gym, Pool and Spa facilities, every Resident Pays towards this:

Gym equipment

Pool and Spa

Water and sewage

Plant equipment Servicing and water hygiene testing

Supplies, Repairs and Maintenance

Access to the Gym

Included within the Service Charge is the running costs for the gym, you are able to access the facilities once you have completed your gym induction. Access is managed using a key fob system.

Access to the Pool and Spa

This is included within the Service Charge and you are able to access the facilities during the operational hours. Please note that the swimming pool does not have a lifeguard so is used at your own risk. Should you require emergency assistance there are panic alarm buttons.

Schedule Four

This covers the associated costs for the restaurant services, every Resident pays towards this:

Electricity and Gas

Restaurant Operations including chefs, front of house staff and management of the service.

Water and sewage

Supplies, Repairs and Maintenance

What costs are not included within the Schedule?

Meals within the restaurant are an additional charge and paid for at the time of purchase.

Schedule Five

This covers Extra Care services within the main hospital block including in-apartment cleaning and laundry services.

Residents in other blocks do not contribute to the costs for this directly, however, are able to arrange services with the Development Manager at an additional cost to them directly should they wish.

What
does our
management
fee cover?

Explaining Management Fees

Your money, our management

This is the fee you pay to FirstPort Retirement to cover the costs of a wide range of activities that we carry out to efficiently manage your development.

Financial

- Annual budget review meetings with customers
- Preparation and issue of annual service charge budget
- Administration of direct debit/credit card payments
- Preparation of annual accounts and invoice files
- Service charge accounts assessed and verified by independent auditors
- Well-managed contingency fund
- Annual account liaison with external auditors
- Arranging tenders for maintenance and repair work to be carried out.

Communications

- Production and distribution of helpful printed information for customers, including our welcome pack
- Website and online customer information service.

Estate Management

- Development Manager training and welfare
- Company operating costs including staff travel, staff visits to developments and support centre overheads
- Area and Regional Manager support.

Regulatory Compliance

- Major works consultation
- Health and safety
- Association of Retirement Housing Managers (ARHM) codes of practice.

Treasury

- Development bank account interest paid to customers
- All bank accounts held under a statutory trust
- Safeguarding customers' money.

Credit Control

- Chasing late/non-payers.

What is the 'financial year'?

The financial year is a standard accounting period. At the end of every financial year, the actual costs for your development are compared with the budget provided at the beginning of the year. Audited accounts will be circulated to all residents within six months of the end of the financial year.

A typical financial year will run from the beginning of April to the end of March, but this can vary based on when your development's lease was drawn up. If you are unsure, please ask your Development Manager or contact our Customer Service team.

When is the service charge worked out?

We prepare a budget for the estimated service charges for the next financial year. Residents are invited to a budget meeting, held by the Area Manager, where they will consult with you before the budget is finalised.

What happens if the actual budget is different from the estimated budget?

If running your development has cost less than the estimate, there will be a surplus for that year. This will be refunded or credited

to you or your development in accordance with your lease.

If running your development has cost more than the estimate, there will be a deficit. Depending on your lease the deficit could either be added to your next service charge or an additional invoice will be raised.

Is the money I pay for the service charge safe?

Yes. The service charge you pay is held in a bank account in your development's name under statutory trust and is separate from all other FirstPort Retirement Property Services accounts. The money can only be used for your development and all interest earned goes back into the account.

What is the contingency fund (also called the reserve or sinking fund) and redecoration fund?

Each year a certain amount of money is put by for the **redecoration fund**. This goes towards the cost of internal and external decoration of the communal areas.

The **contingency fund** is there to pay for the renewal or replacement of major items such as communal carpets plus major structural maintenance, e.g. lifts, roofs, fire safety systems.



3,000

people dedicated
to looking after
our residents.

Explaining Service Charges

The bottom line, line by line

Your service charge covers all the costs of running the development, including any Assisted Living services.

Estate management:

Salaries for the Development Manager

Employer's National Insurance contribution

Pension contributions (if applicable)

Deputy or Relief Development Manager (if applicable)

Office telephone rental and cost of business calls

Telephone link to your emergency call monitoring centre (for example, Appello)

Employers Liability cover in relation to your Development Manager

Communal maintenance and running costs:

Cleaning communal areas

Maintaining garden and grounds

Cleaning all exterior windows

Lighting, power and heating

Light bulbs and sundries

Maintenance contracts:

Lift

Emergency lighting

Fire prevention equipment

Door entry system and intercom systems

Laundry equipment (post warranty period)

Your service charge covers all the costs of running the development, including any Assisted Living services.



Insurance:

This may be placed by the landlord or, where we are responsible, via our insurance business

Buildings

Terrorism cover

Communal items such as furniture and carpets

Lifts

Sick leave for the Development Manager (after 10 days)

Contingency fund (reserve fund):

Internal and external redecoration

Furniture costs (for the communal areas)

Food service:

Catering staff

Kitchen electricity, gas, water and sewage

Housekeeping:

Staff salaries

National Insurance contributions

Pension contributions (if applicable)

Cleaning materials

Essential Health & Safety

FirstPort Retirement employs surveyors to handle major tenders on our behalf. This ensures the process is entirely independent and neutral. Major tenders are required when at least one property has to pay more than £250 for a repair or essential maintenance work.

Surveyors are appointed on a site-by-site basis when works are required. Their fees are on a sliding scale, depending on the contract value, and their charges are consistent across all sites.

Savings and Efficiencies

We save,
you benefit



20%

**Lift maintenance
contract costs
cut by 20%***

*As a result of national lift maintenance
contracts negotiated in March 2014.

We've negotiated lower prices across our service portfolio so we can keep your service charges as low as possible.

Procurement Policy

Thrifty by nature

We work hard to obtain competitive prices and negotiate cost savings for insurance cover, utility providers and maintenance contracts through our bulk purchasing power.

We do not receive or accept payments or commissions from contractors - all cost savings at each development are passed directly to residents.

We sometimes earn commission on essential services that we arrange instead of your landlord. Whenever that is the case, we make it clear in the development's accounts.

Our management fees are competitive and cover the cost of running regional property management and support centre functions, including accounts, human resources and group procurement in the 'Your money, our management' summary on page 3.

In 2014, for example, we negotiated reductions in line rentals for development phone lines and reduced communal electricity and gas prices.

**in 2014:
Energy savings**

20%

**We saved 20% on
telecoms compared
with 2013.**

25%

**Electricity
contracts were
also cut by 25%.**



Payment Processes

Your ways to pay



Online

If you'd like to pay your service charge online, by debit card or credit card you'll first need to register to use our secure online portal at www.FirstPort.co.uk.



Card

Just call our 24-hour automated payment line on 0333 321 4079 to arrange a payment by credit or debit card. We accept most debit and credit cards.



Direct bank transfer to the development account

Please use the bank details which appear on your invoice, alternatively just call us on 0333 321 4079 for guidance or assistance.



Direct debit

If you'd like to set up payment by Direct Debit, just call us on 0333 321 4051 to discuss the options available.



Cheque

Please make cheques payable to FirstPort Retirement Property Services Limited and send to:

FirstPort Retirement Property Services
P.O. Box 9012
New Milton
Hampshire
BH25 9FB

Late payments

It is important that you pay your account on time. Late payments have a huge impact on levels of service and maintenance we can provide and ultimately affects your development and your neighbours.

If you're having problems paying, please get in touch.

Our policy on late payment:

First reminder in writing 28 days after the invoice date.

Second reminder 21 days after the first reminder. A £60 late payment fee will be charged to cover our administration costs. Interest may also be charged to your account.

Third reminder 14 days after the second reminder. This is a court warning letter.

For more information

The information in this brochure is purely for guidance. You should refer to and rely on the provisions contained in the lease or title document for your property and not on the general provisions outlined here.

If you have any questions please get in touch with your Development Manager or call us on the number below.

How to contact us



Post

FirstPort Retirement Property Services
1st Floor
Trinity Point
New Road
Halesowen B63 3HY



Telephone

0333 321 4041
(Monday to Friday, 8.30am to 5pm)



Email



retirementhelp@firstport.co.uk



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More than just bricks and mortar

A service brought to you by FirstPort
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INVESTORS |
IN PEOPLE

Silver