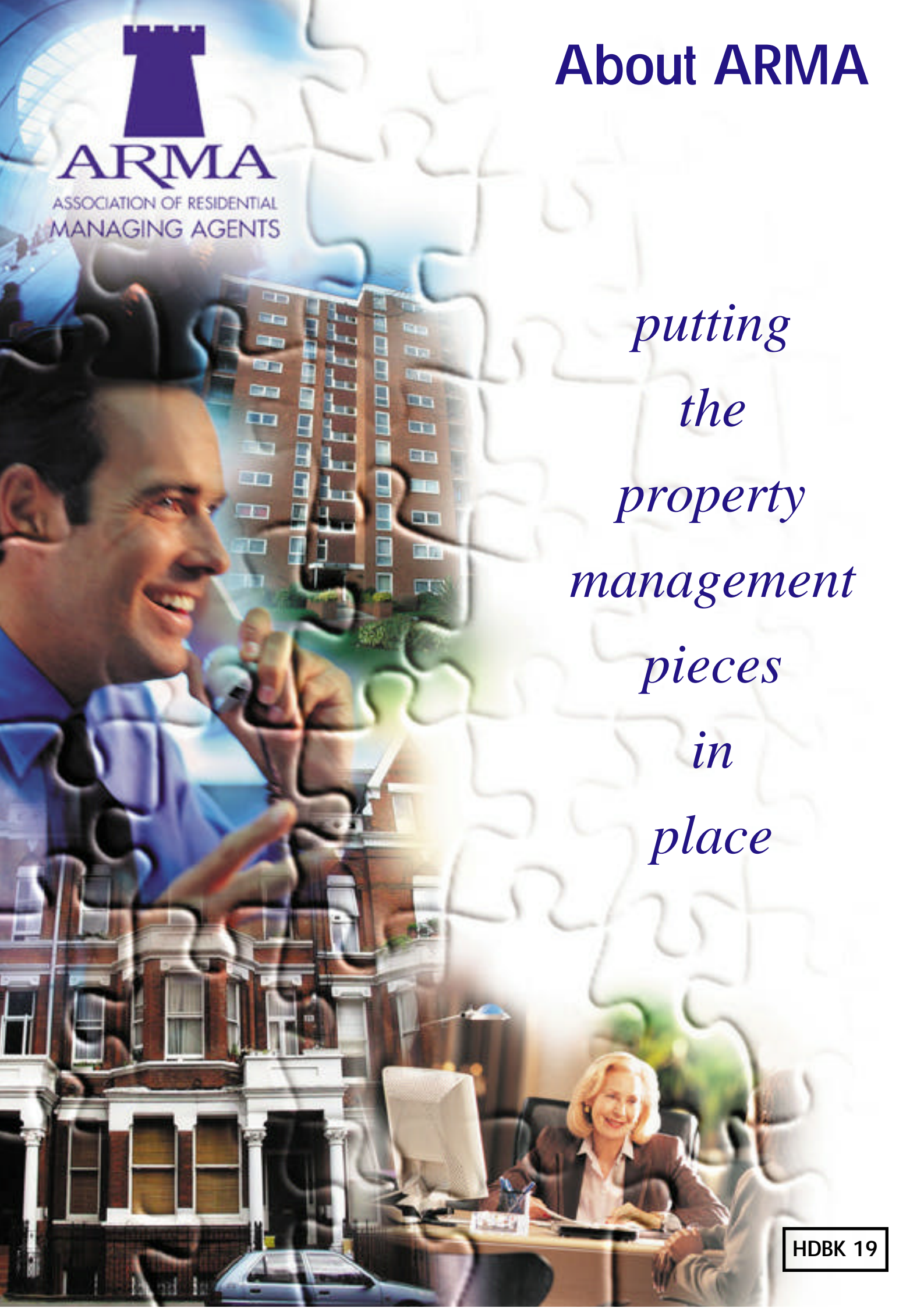




**ARMA**  
ASSOCIATION OF RESIDENTIAL  
MANAGING AGENTS

# About ARMA

*putting  
the  
property  
management  
pieces  
in  
place*



## Managing Blocks Of Flats

Whether purpose-built or a converted house, buildings containing long leasehold flats do not manage themselves. Nor do other types of residential property where service charges are payable.

The management of long leasehold residential property is a complex business requiring a full understanding of the structure and meaning of leases, a thorough knowledge of the statutory requirements of the various landlord and tenant legislation (there are six key Acts of Parliament) and compliance with the recognised Codes of Practice.



In addition the management of blocks of flats requires proper accounting procedures, an understanding of buildings, their maintenance and insurance requirements, a good grounding in all relevant Health & Safety legislation and, where relevant, good people management skills allied to compliance with employment legislation.

In effect managing a block of flats is like managing a business which requires specific skills and time.

## What Are The Options For Managing?

Some lessees who own their own freehold or have the responsibility to manage, do undertake self-management of their properties perfectly satisfactorily.

***“A long leasehold flat is often someone’s most treasured possession, their home and a valuable asset to be maintained, protected and enhanced.”***

However self-management is too often reliant on a small group of volunteers prepared to give of their time and deal with problems that arise with other lessees who are also their neighbours.

This is not always a comfortable situation and is the reason why most larger lessee-owned or controlled blocks of flats choose to appoint a managing agent in the same way as an outside investor freeholder would.

## What Is A Managing Agent?

A managing agent is a person or firm that is appointed by the freeholder or head lessee of a property to manage that property on their behalf.

In the case of residential leasehold property (subject to the lease permitting such an appointment) the managing agent contracts with the freeholder or head lessee to manage the property in accordance with the terms of the lease and statutory requirements. The freeholder or head lessee may be an outside investor or, indeed, the lessees themselves.

It should always be remembered that the managing agent is only the agent of the freeholder or the person / organisation with legal responsibility for the management of the property, thus the ultimate responsibility for the full and proper management of the property will always remain with such a party.

A lease is a contract between the lessee and the freeholder (often referred to as the lessor) to which the managing agent is not normally a party.



## Why Use An ARMA Member?

Because:

- they are members of an association which is committed to reputable practices in the profession, professional codes of practice, consistent levels of service and client satisfaction,
- all members endorse, accept and have promised to comply with the current Code of Practice relating to service charges published by the Royal Institution of Chartered Surveyors and as approved by the Secretaries of State for England and Wales under the terms of Section 87 of the Leasehold Reform, Housing and Urban Development Act 1993,
- all members undertake to maintain appropriate professional indemnity insurances,
- all members undertake to maintain adequate books and records, safeguard their clients' money and ensure a regular audit thereof,
- all members' clients have access to ARMA's Practice Committee when a member is considered not to have honoured their undertakings to ARMA,
- all members are expected to maintain a current Health and Safety Policy statement,
- and ARMA members are expected to have a published internal complaints procedure. Details should be requested direct from the member.

To find an ARMA member near you, either visit ARMA's website at [www.arma.org.uk](http://www.arma.org.uk) or call 020 7978 2607 to request a membership directory.

## Why Use A Managing Agent?

Because, if you select the right agent they will:

- have a full understanding of leases and relevant legislation,
- comply with the Codes of Practice,
- have an in-house team (and outside contractors) to deal with all aspects of managing the property,
- be able to provide full accounting facilities for budgeting, service charge collection and year-end accounting,
- deal with arrears collection and disputes between lessees in an independent and fair manner,
- and most importantly, free up the lessees to enjoy their homes, avoid lessees becoming involved directly with disputes with neighbours and reduce the personal time that lessees would otherwise have to give in managing the property themselves.

***“A good managing agent working closely with the freeholder and lessees can ensure a happy and harmonious community.”***



## What Is ARMA?

ARMA was founded in 1991 and is the only body in England & Wales to focus exclusively on matters relating to the management of residential leasehold blocks of flats, whether for investor freeholders or resident management companies.

Its principal objectives are to...

...create and maintain an awareness amongst property owners, developers, residents as well as national and local government of the proper role of - and indeed need for - residential managing agents.

...provide a forum where members involved in the management of residential blocks of flats can discuss and develop management practices to enhance service to clients and lessees.

...promote the highest standards of management.

...fix and endeavour to maintain consistent standards of practice amongst members in an otherwise unregulated market.



ARMA members comprise selected firms and sole practitioners engaged in the management of residential leasehold blocks of flats in the UK.

ARMA has over 140 members managing some 450,000 units in around 16,000 blocks of flats, at least 50% of which are lessee-owned properties.

***“Managing agents who are ARMA members are demonstrating a clear commitment to good practice and customer service.”***

All members agree to adopt and abide by ARMA's principal objectives and undertake to comply with the codes of practice issued by the Association and the Royal Institution of Chartered Surveyors (RICS).

## What ARMA Is Not

ARMA does not cover lettings management nor retirement housing, although some of its members are also involved in these sectors. Neither does it encompass management in Scotland where there are differing property laws.

## ARMA Can Help By:

- providing guidance on the leasehold system through its leaflet 'Living in Leasehold',
- discussing and advising as to the need for a managing agent and supplying its booklet 'Appointing a Managing Agent',
- providing a list of members geographically split,
- providing advice on issues arising with its members,
- and having a complaints procedure if there is a problem with a member over compliance with the Codes of Practice.

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