

Understanding some of your charges

Third Party Managing Agents charges

If you live in a building managed by a third-party managing agent, you may wonder what this means for your services and charges. These are called **Third Party Managing Agents charges**. This explains the role of a third party managing agent and what it means for you.

Why is a Third Party Managing Agent used?

In some cases, PA may not be the freeholder of the building and instead holds a long lease. This means the freeholder may appoint an independent managing agent to look after the day-to-day management of the building or estate.

The Managing Agent is responsible for maintaining shared areas, delivering services, and ensuring legal and safety requirements are met. PA has limited control over their appointment.

The Managing Agent charges PA for the services provided. PA then recovers some or all these charges through your service charge, in line with the terms of your lease or tenancy agreement.

While PA does not appoint the Managing Agent, we will monitor the standard of services and the costs charged and raise issues with the agent or freeholder where we have concerns about service quality or value for money.

How does PA set my charge where there is a Third Party Managing Agent

PA estimates your charges each year for the year ahead. This is based on the information we have from the Managing Agent. In some cases, the Managing Agent will have provided us with a detailed estimate of costs for the year ahead, but sometimes we will not have this information. Where this is the case, we must estimate your charges based on what we think the Managing Agent will charge us. We know this isn't ideal

and we'll always review the information when this does come through.

Why might charges increase?

Managing Agents are responsible for arranging contracts with service providers and managing the cost of these services.

These costs are likely to increase each year through inflation, rising costs for labour, and materials which may increase faster than inflation, and additional legal and regulatory requirements.

Managing Agents must balance these pressures while ensuring services are to a good standard and buildings are safe. PA works with managing agents to ensure that services and charges are appropriate, transparent, and offer value for money.

How does this affect you?

- The service charges you pay contribute directly to the cost of maintaining your building or estate.
- If you need to report an issue in a communal area, this may be done through the Managing Agent rather than directly with us.
- While the Managing Agent sets and manages the services, we continue to oversee arrangements and raise concerns where needed to help ensure services remain fair and reasonable for residents.

Do you have any questions?

If you have any questions about Third Party Managing Agents, please contact us or visit our website for more information.

www.pahousing.co.uk