



Setting Standards for Retirement Communities

ARCO CONSUMER CODE

22 AUGUST 2023

FOR CONSULTATION AT CTSI CCAS STAGE 1

1 Introduction

1.1 This Code is owned and maintained by the Associated Retirement Community Operators (ARCO) Ltd. ARCO was formed in September 2012, and is the main body representing the 'integrated retirement community' sector in the UK. Integrated retirement communities (IRCs) offer integrated accommodation, catering, and access to personal care for older people. They may also be referred to as: retirement villages, extra care housing, Housing-with-Care, assisted living, close care apartments, or independent living. Properties in integrated retirement communities must be offered with security of tenure and may be purchased outright, leased in whole or in part (including Shared Ownership), or rented or occupied under a tenancy agreement.

Membership of ARCO is open only to Operators of Integrated Retirement Communities complying with the definition at paragraph 3.1 of this Code who maintain an onsite presence at their registered communities. Membership is not open to developers, freeholders or landlords of IRCs who do not also manage the operations and service provision in their communities directly or through another entity in their corporate group, unless the operating entity is itself a member of ARCO.

1.2 ARCO aims to:

- (a) Promote confidence in the sector by setting rigorous standards for integrated retirement communities and actively enforcing these through robust self-regulation.
- (b) Raise awareness of the IRC model, ensuring that older people are aware of their housing options and that public policies enable the sector to meet the housing, lifestyle, health, and social care needs of our ageing population effectively.
- (c) Increase the volume and quality of expertise within the sector by investing in and undertaking research, and identifying and sharing good practice among members, affiliates, stakeholders, and across the wider sector.

1.3 This Code applies only to those integrated retirement communities that members have registered with ARCO. It does not apply to other forms of housing, care, or services that an ARCO member may provide. Members must register all their eligible IRCs with ARCO.

1.4 ARCO members are accountable under the Code for the activities undertaken not only by their own staff but also by individuals or companies that they contract with at registered IRCs. This includes both entities within the member's corporate group and external agents or contractors, carrying out any aspect of service provision, management, advertising, marketing, or sales/lettings activity relevant to Code compliance.

1.5 This Code promotes and protects the interests of consumers and provides a benchmark for good practice. 'Consumers' includes anyone with an interest in, or who comes into contact with, an IRC, and includes both 'customers' and 'residents':

(a) 'Customers' are prospective occupiers, i.e. prospective purchasers, renters, or other tenants, from the point when they first make an enquiry about any IRC up to when they sign a reservation or tenancy agreement for a property in an IRC.

(b) 'Residents' are current occupiers, i.e., any property owner, renter, tenant or other occupier living in an IRC. A customer who has signed a reservation or tenancy agreement but has not yet moved in is also considered a resident (sometimes termed an 'incoming resident').

1.6 Nothing in this Code affects the legal rights of consumers.

1.7 An organisation that wishes to become an 'Approved Operator' under the ARCO Code must demonstrate that it has achieved compliance with the Code through assessment of at least one operational IRC. Independent assessors regularly monitor compliance with the Code and report to ARCO and its Standards Committee and Board, which determine

whether an organisation should become and remain an Approved Operator. The ARCO Standards and Compliance Framework requires members to take action to rectify any compliance failings. The ultimate sanction for non-compliance with the Code is expulsion from membership. All ARCO Approved Operators and their registered communities are listed on the ARCO website (www.arcouk.org).

1.8 This Code is intended to complement the other Codes that cover aspects of the IRC sector, and to offer specific consumer protection for customers and residents of ARCO members. In preparing and reviewing this Code, ARCO has had regard to the Core Criteria and Guidance for the Consumer Codes Approval Scheme produced by the Chartered Trading Standards Institute; the National Trading Standards Estate and Lettings Agency Team guidance; the New Homes Quality Code; the Codes of Practice of the Property Ombudsman and the Housing Ombudsman; the ARHM Code; and the Law Commission's report *Event Fees in Retirement Properties*.

1.9 All Approved Operators enable residents to access personal care in their ARCO-registered IRCs. Approved Operators will ensure that any such services that they provide to residents (either themselves, through a subsidiary, or through a third-party provider) comply with relevant de requirements. Each local care service will be registered with the relevant regulator (e.g., Care Quality Commission in England) which undertakes regular inspections that ARCO does not attempt to duplicate. Consumers are advised to raise any concerns about care services with the care provider in the first instance, and, if unresolved, the relevant regulator can direct consumers to the appropriate council or ombudsman. However, if the care services provided by an Approved Operator at an ARCO-registered IRC receive an 'inadequate' rating, this will be regarded as a compliance matter and the Standards Committee will take action to ensure the member is complying with the regulator's requirements.

1.10 ARCO aims to ensure compliance with the Code through its annual assessment programme. The Code requires Approved Operators to provide a clear complaints procedure for complaints under the Code and to offer recourse to an independent statutory or approved Alternative Dispute Resolution (ADR) provider/Ombudsman service (the Housing Ombudsman, Property Ombudsman or Property Redress Scheme) if they cannot resolve a complaint to a complainant's satisfaction. If a matter cannot be resolved through ADR, or if a member fails to abide by the decision of the ADR provider/Ombudsman service, this will be considered by the ARCO Standards Committee. ARCO itself does not have a complaint handling function, but can refer evidence of a

breach of this Code to the Standards Committee. The Standards Committee will consider evidence supporting allegations of an infringement of the Code that are referred to it by ARCO, and ensure appropriate measures are taken to rectify any compliance failing, if found. Anyone with a concern regarding non-compliance with this Code by an ARCO member should contact consumercode@arcouk.org

1.11 ARCO monitors compliance with the Code and publishes information on its website regarding the performance of the membership as a whole against key performance indicators. ARCO regularly reviews this Code and updates its provisions as necessary in the light of changes in the law and guidance, and in circumstances and expectations. Comments are welcome and should be sent to: ARCO The Heals Building, Suites A&B, Third Floor 22-24 Torrington Place, London WC1E 7HJ Telephone: 020 3697 1204 Email: consumercode@arcouk.org Website: www.arcouk.org

1.12 In the following sections of this Code, 'we', 'our' and 'us' refer to 'ARCO Approved Operators'.

2 General Provisions

2.1 From the date of our formal recognition as an ARCO Approved Operator, we will comply with all the provisions of this Code at each of the integrated retirement communities that we have registered with ARCO. Our activities will be consistent with the spirit of the Code, and we will not bring it into disrepute.

2.2 Where applicable, we will promptly implement any mandatory guidance from ARCO on compliance matters. We will abide by the decisions of any statutory or approved regulator, or Ombudsman, with a remit over our activities, in addition to those of the ARCO Standards Committee and the statutory or approved ADR provider/Ombudsman nominated by us to hear disputes under this Code.

2.3 In all our dealings with consumers we will act with integrity, and in a professional, reasonable, fair, transparent, and non-discriminatory manner.

2.4 We will comply with all relevant legislation. We will hold all the licences, registrations, and permissions required to enable us to carry out our activities lawfully.

2.5 We will comply with any decision of a court or tribunal that sets a precedent relating to our activities.

2.6 We will draw this Code to the attention of our employees. We will train them, as necessary, to ensure that we meet our legal obligations to consumers and our responsibilities under this Code. We will monitor their performance.

3 Requirements for integrated retirement communities (IRCs)

3.1 In our ARCO-registered IRCs we will:

- (a) Provide IRCs that are primarily for older people.
- (b) Offer self-contained accommodation that can be occupied with security of tenure.
- (c) Enable residents to take advantage of personal care that is delivered flexibly, usually by staff based on the premises.
- (d) Have staff onsite and available at the community 24 hours a day.
- (e) Make meals available in restaurants or dining areas.
- (f) Offer communal facilities and encourage an active social programme in the community.
- (g) Aim to offer people a home for life and to enable them to 'age in place'.

3.2 We will register all of our eligible IRCs with ARCO on a yearly basis and will notify ARCO as soon as reasonably practicable if one of our communities becomes eligible or ineligible for registration, and keep the information that we provide to ARCO about our communities up to date.

4 Marketing and advertising

4.1 We will ensure that the information provided about our integrated retirement communities and services in our marketing, advertising, and sales/lettings materials, whether in hard copy or electronic form:

- (a) Is legal, decent, honest, and truthful.
- (b) Is up to date, clear, accurate, consistent, and makes no significant omissions.
- (c) Contains nothing that is, or could be held to be, confusing or misleading.

(d) Accurately represents the actual or intended nature of the IRC in terms of tenure arrangements, charges, care provision, and residents.

(e) Makes no unclear, inaccurate, confusing, or misleading comparisons with other operators.

(f) Complies with all relevant advertising codes of practice and with relevant legislation and guidance.

4.2 We will review any advertisements about properties at our communities produced by external estate agents and/or care or property portals when they are acting on our behalf, and will ensure that they are compliant with paragraph 4.1 of this Code. We will also review, so far as is reasonably practicable, other advertisements or listings produced by portals and/or on behalf of individual vendors, and will draw any substantive errors or omissions to the attention of the relevant portals, estate agents and/or vendors for amendment.

4.3 Whenever we state the price or a price range for a property in our marketing, advertising, or sales materials, or on our website or on any price list, we will also state whether other fees (e.g. an event fee, service/management charge, ground rent) are payable. We will include all material information about a property in property listings. Once prices have been identified, we will include the asking price or price range in all property listings and will not list properties as “POA” or “Price on application”.

4.4 We will respect any consumer’s expressed wish not to receive unsolicited visits, canvassing, mailshots, emails, text messages, or telephone calls at their home. When invited into a consumer’s home, we will not engage in any high-pressure selling techniques, including but not limited to befriending vulnerable consumers in order to sell or let to them at a later date. We will leave immediately if requested to do so or if it becomes apparent that the consumer is not interested in our IRC(s).

5 Joining an integrated retirement community

5.1 We will ensure that our staff do not give advice, or use any sales technique, which places undue or improper pressure on customers to buy or rent a property at an IRC or to purchase services unnecessarily. We will allow customers sufficient time to digest information and to raise queries with us before making any formal commitment. These

requirements apply whether we deal with customers at our own premises, in their own homes, or remotely.

5.2 We will make additional efforts, as appropriate, to meet the needs of vulnerable customers. This includes people who: have an illness or disability that may put them at risk of making an incorrect or inappropriate decision; have poor literacy skills; have a lack of knowledge about the IRC product; who are considering moving at a time of particular stress or distress (for example, recent bereavement); or have a first language that is not English, where English is the only language in which material is available. We will make information available to individual consumers on request in alternative formats as appropriate.

5.3 We will advise customers to seek independent legal, financial/benefits and any other appropriate advice, support, and representation in connection with a move to an integrated retirement community.

5.4 We will provide customers with all the pre-contractual information relevant to their form of tenure detailed in this Section of the Code (and any other information specified by relevant legislation) well in advance of asking them to make a commitment to buy or rent. This will include providing customers with at least a Key Facts on registering an interest in an IRC by providing their contact details on first enquiry by telephone, email, in person or by completing an online form. In the case of customers liaising directly with a vendor or a sales/lettings agent, we will provide this information as soon as we are introduced to the customer. We will equip our employees with a checklist setting out which documents to provide at each stage of the customer journey.

5.5 In the information provided, we will include a Key Facts document, titled “Key Facts” and based on the current ARCO template (which can be found on the ARCO website, www.arcouk.org). Key Facts documents will provide information on the relevant property (if a specific property has been enquired about) or types of property, tenure(s) and the relevant IRC, including:

- (a) Property and tenure information as set out in paragraph 4.3 of the Code;
- (b) Unavoidable charges payable to the operator before joining the community, while living there, and on leaving.

(c) Unavoidable charges payable to third parties.

(d) Services to which discretionary charges apply.

(e) How capital expenditure works are funded and whether any liability will fall on residents if the funds available are insufficient.

(f) Any charges for sub-letting, where this is permitted.

(g) Any other matters specified in the current ARCO template.

5.6 Where a property is being resold or sublet, and we are not providing estate or lettings agency services for the vendor, we will, once we become aware of the sale/letting, seek to equip the vendor/lessor and/or their estate/lettings agent with the relevant Key Facts document, making clear which aspects of the Key Facts are relevant for sub-tenants and any other necessary information specified in Section 5 of this Code. We will encourage the vendor/lessor and/or their estate/lettings agent to provide this information to customers at the earliest possible opportunity, and to refer any queries to us.

5.7 We will provide customers with clear information on how the IRC is managed, including information on how support, care, and other services for residents are organised.

5.8 We will provide customers with all material information on the properties available. This will include (this list is not exhaustive):

(a) Price/rent information and other fees and charges applicable

(b) Tenure information

(c) When the property was built or converted to its current use.

(d) Whether the property is new or previously occupied.

(e) What rooms and facilities the property offers, including a floorplan, if available.

(f) What furniture and kitchen/utility appliances, if any, are included.

(g) What structural guarantees are included, if any.

(h) Energy Performance Certificate (EPC), if required.

5.9 We will provide customers with information on any 'reservation fee', 'holding deposit' or equivalent. We will explain how, if at all, this payment is protected and make it clear that a prospective purchaser's liability on cancellation outside any cooling-off period prior to exchange of a sale contract will be limited to the amount needed to cover our reasonable costs only, up to a maximum of the full value of the fee. We will avoid putting pressure on customers by setting an unreasonably short reservation or holding period.

5.10 (a) We will provide customers with information on any 'service charge', 'management charge', 'inclusive charge' or equivalent. In particular, we will explain:

- (i) The current charge and what services the charge covers.
- (ii) Whether the charge is 'fixed' or 'variable'.
- (iii) When the charge changes and with what advance notice period (which must be no less than 28 days).
- (iv) How we would manage any significant failure to provide a service covered by the charge.
- (v) If any of the charge is payable before moving into the property.

For communities with a variable charge, we will also:

- (vi) Provide a copy of the current year itemised charge budget and/or accounts.
 - (vii) Explain how and when residents are informed about the charge budget and/or accounts.
 - (viii) Explain whether and how residents can influence the charge and the services offered.
 - (ix) Describe how we manage any annual surplus or deficit on the charge account.
 - (x) Whether any part of the charge is held in trust and/or in a separate account.
- (b) We will set out in our policies what avenues of redress are available to residents if they are unhappy with the standard of service provided or the charges levied.

5.11 We will provide customers with information on any event fees that may be payable under their lease. Event fees are any fees payable on events such as sale, subletting, or certain changes of occupancy.

5.12 If any event fee applies, we will:

- (a) Provide information on the amount of the fee.
- (b) Provide information on how and when the fee is payable.
- (c) Explain how the fee is calculated and provide realistic worked examples of the financial impact of any event fee, clearly stating the assumptions behind the examples and all relevant thresholds.
- (d) Disclose what percentage of the fee goes into a sinking fund, if any.
- (e) Disclose what, if anything, the customer will receive for the fee.
- (f) Disclose who will receive the fee.
- (g) Disclose whether any element of the fee will be held in trust.

5.13 Where we operate one, we will provide customers with information on any 'sinking fund', 'reserve fund', 'contingency fund', or equivalent, if applicable. This will include:

- (a) The current size of the fund (including any known shortfall), and how it is funded.
- (b) What processes are in place to assess future capital expenditure needs.
- (c) What additional financial liabilities may fall on residents if the fund is unable to cover the full costs of major capital works.
- (d) Whether the fund is held in trust.

5.14 We will advise customers if we have a commercial interest in any other firm involved in running the IRC or providing services to residents or customers. We will also advise customers if we receive an incentive or commission from service suppliers that we promote to customers or that provide services to the IRC.

6 Contracts, and terms and conditions

6.1 Where we are selling or letting the property, we will provide all customers with a contract for a purchase (of a freehold, leasehold, or shared ownership property), or a lease or a tenancy agreement, as appropriate, in English. We will also make this available in accessible format(s), on request.

6.2 The terms and conditions set out in our contracts will be clear and fair and will comply with relevant legislation and guidance including the Consumer Rights Act 2015.

6.3 The occupancy agreement will set out the rights and responsibilities of all parties and will cover at least the following items, where applicable:

(a) Any weekly, monthly, annual or fees payable to us and how these change; any event fees charged when the resident leaves, sells, or sub-lets the property; and any fees payable on entry to the community; and (for leases predating the commencement of the relevant sections of the Leasehold Reform (Ground Rent) Act 2022) any ground rent, including its terms of escalation.

(b) Any eligibility criteria that residents must satisfy.

(c) Arrangements for maintaining and repairing the property.

(d) What modifications may be made to the property and any conditions that apply.

(e) Any conditions applying to the keeping of pets.

(f) The circumstances in which either party may terminate the lease or tenancy.

6.4 We will make it clear, in the lease or tenancy agreement, and/or in our policies, how we manage the circumstances under which we may ask a resident to move temporarily or permanently to another address within or outside the IRC and our procedures when a resident's needs can no longer be met within the IRC. In any such cases we will consult the resident, authorised resident representative(s), and health and social care professionals, as appropriate. We will comply at all times with relevant legislation and guidance, including that relating to mental capacity.

6.5 We will place as few restrictions as possible on residents, so that they are able to enjoy their own lifestyle and live with maximum independence. We will make clear in our policies and/or in the lease or tenancy agreement any behaviours that are not permitted within the IRC and what residents should do if they are concerned about the behaviour of another resident.

7 Managing our relationship with residents

7.1 For new properties, we will give incoming residents a realistic expected completion or moving in date. We will provide as much advance notice as possible of any delays and offer incoming residents an opportunity to negotiate alternative arrangements. If a delay occurs, we will provide appropriate remedies where necessary to minimise any undue hardship or distress.

7.2 In handing over a property to an incoming resident, we will:

- (a) Explain how key services operate.
- (b) Demonstrate appliances.
- (c) Provide information on the roles and responsibilities of staff, our customer service arrangements, and how residents can contact us for assistance.

7.3 We will maintain appropriate and effective customer service arrangements via a variety of appropriate methods including a postal address. We will not require people to contact us using telephone lines that charge more than a basic call rate.

7.4 We will agree a clear process for consulting and responding to any recognised residents' association. Where there is no such association, we will consult residents regularly and on any significant matters that affect them. We will respond positively to any requests for consultation from residents on such matters, wherever possible.

7.5 We will invite feedback from residents on our IRC facilities and services, including those provided by any third parties, at least once a year. We will report back to residents on the findings and on any resulting actions, and if we cannot act on any suggestions, explain why.

7.6 We will ensure that any personal care services that we provide comply with the requirements of the relevant regulator. Where any such services are delivered by a third party, we will support residents in securing high quality care, including signposting residents to relevant advocacy services, if appropriate. If we provide personal care services, these will be clearly described in separate contracts between us and the residents involved. We will maintain a safeguarding policy and make residents and staff, including those of third parties delivering services within the IRC, aware of what to do if they have a safeguarding concern.

8 Handling and resolving complaints

8.1 We will encourage our employees to welcome all forms of feedback from customers and residents, whether positive or negative. We will effectively distinguish between service requests and complaints. Service requests will be recorded, monitored, and reviewed regularly. Complaints should be dealt with under our Complaints procedure (see paragraph 8.3).

8.2 We will treat all feedback seriously, review it, and use it to promote continuous improvement in our services.

8.3 We will maintain a clear written procedure for handling and resolving complaints. This will apply to complaints made in writing. Where necessary, we will make a note of an oral complaint and treat this as a written complaint once the complainant has confirmed that it is accurate. We will make our procedure readily available to customers and residents both online and in hard-copy forms. The procedure will include our full contact details.

8.4 Our procedure will include a clear timetable for dealing with written complaints. Our complaints procedure will not include unnecessary additional stages of review. We will provide a final decision as soon as possible and within the earlier of 56 calendar days from when we received a complaint or the maximum timescale permitted by the relevant statutory or approved Ombudsman or Alternative Dispute Resolution (ADR) provider, unless we have previously agreed a later deadline with the complainant.

8.5 Our procedure will assure complainants that:

(a) We will deal with written complaints appropriately (e.g. in a speedy, responsive, accessible, and user-friendly way).

(b) We will not discriminate against anyone who makes a complaint. If a complainant behaves inappropriately in making a complaint we will seek to manage that behaviour as necessary, while treating the complaint like any other.

(c) We will acknowledge a written complaint, and provide a written response as soon as possible.

(d) Where there is an escalation procedure, and where complainants tell us that they are not satisfied with our response, we will escalate the complaint immediately without the complainant being required to write in again.

(e) We will cooperate in the same way with intermediaries formally authorised to act on behalf of complainants.

(f) We will advise complainants that they may refer the complaint to the relevant Ombudsman Service or ADR provider if they remain dissatisfied with our final decision, or we fail to provide that decision by the relevant deadline.

(g) We will co-operate fully with the relevant Ombudsman Service/ADR provider during any investigation and comply fully with the Ombudsman/ADR provider's final decision, which will be binding on us.

8.6 We will keep a complaints log. We will record the nature of the complaint and the dates when we: receive a written complaint, acknowledge it, issue an initial response, and issue a final decision.

8.7 We will maintain membership of a statutory and/or Chartered Trading Standards Institute-approved Ombudsman or ADR body in relation to all of our IRCs registered with ARCO and all of the matters covered by this Code. We will notify ARCO of the Ombudsman or ADR provider(s) that can hear complaints against us under this Code.

8.8 We will signpost complainant to the appropriate scheme listed in 8.7 above where we issue a final response to a complaint relating to this Code. Either we or the complainant may refer the dispute to the appropriate scheme. Referral does not prevent the complainant from taking legal action.

8.9 We will also make customers and residents aware of the role of the Ombudsman or ADR provider in resolving disputes under this Code.

9 Breaches of the Code

9.1 If we fail to cooperate or to implement the decision of the relevant Ombudsman or ADR provider this will be referred to the ARCO Standards Committee. The Standards Committee has power to consider any allegation of a breach of the Code referred to it by ARCO (at ARCO's sole discretion) or by an Ombudsman or ADR provider notified by the member as having jurisdiction under para 8.7 over complaints under this Code (for failure to implement a remedy or failure to meet their contractual fees).

9.2 The ARCO Standards Committee, after hearing an allegation of breach of the Code under para 9.1, may:

- (a) issue a formal warning;
- (b) suspend Approved Operator, or Provisional or Prospective membership status for a fixed period;
- (c) require the member to take additional measures (either temporarily or permanently) as a condition of continued membership;
- (d) require a member to change, modify or establish an operating practice as a condition of continued membership;
- (e) require a member to provide remedies to an identified group of consumers as a condition of continued membership;
- (f) require a member to implement a remedy as directed by the relevant Ombudsman or ADR provider, and/or settle fees due to the Ombudsman or ADR provider, as a condition of continued membership;
- (f) in the case of serious or repeated compliance failures, terminate membership.

10 Monitoring compliance with the Code

10.1 We will nominate a Code Compliance Officer, who will be an employee whose role is relevant to ARCO compliance and sufficiently senior to allow them to ensure our compliance with this Code. The Code Compliance Officer will:

- (a) Provide a first point of contact for ARCO on Code compliance matters.
- (b) Maintain an overview of the implementation of the Code across all our registered IRCs.
- (c) Cascade information on the Code, and any guidance or training materials on compliance matters from ARCO, to our registered IRCs.
- (d) Ensure that we implement any guidance from ARCO on compliance matters, and any future revisions to the Code, by amending our materials, processes and systems, as necessary, as soon as possible.

10.2 We will audit our own compliance with the Code at least once a year in all of our ARCO-registered IRCs. We will take action to rectify any non-compliance with the Code, and make our audit reports available to ARCO assessors.

10.3 We will readily facilitate any compliance assessment or investigation by ARCO.

11 Promoting the Code

11.1 We will inform consumers that we aim to comply at all times with this Code and will make them aware of its benefits. In particular, we will:

- (a) Display the ARCO Approved Operator certificate at our registered integrated retirement communities.
- (b) Display the ARCO Approved Operator and CTSI kitemark logos in marketing materials, property listings and on webpages relating to our ARCO-registered IRCs.
- (c) Make the Code available via our website.
- (d) Make hard copies of the Code available to customers and residents, free of charge.
- (e) Raise awareness of the Code among residents at our communities. (f) Comply with current ARCO branding guidelines.

GLOSSARY

Alternative Dispute Resolution (ADR): Any method of settling a dispute without going to a court or tribunal.

ARCO Approved Operator An Integrated retirement community operator that has agreed to be bound by the principles of the Standards and Compliance Framework and has demonstrated compliance on one or more assessments under the ARCO Consumer Code in at least one operational Integrated Retirement Community.

Consumer Anyone with an interest in, or comes into contact with, an IRC. This includes both 'customers' and 'residents'.

Customer Prospective occupiers; i.e. prospective purchasers, renters, or other tenants, from the point when they first make an enquiry about any IRC up to when they sign a reservation or tenancy agreement for a property in an IRC.

Event Fee This applies when a leaseholder has to pay an amount (or forego a financial benefit) on an event such as the sale of a property or lease, subletting, or certain changes in occupancy. The fee is fixed or calculated in accordance with a formula. Event fees may

also be referred to as 'exit', 'transfer', 'deferred management', 'contingency', or 'selling service' fees.

Ground Rent A sum payable, usually annually, to the landlord in respect of a leasehold property. The amount may be fixed or change according to a formula. Ground rents will no longer be included in new IRC long leases following the commencement of relevant provisions of the Leasehold Reform (Ground Rents) Act 2022.

Material information Information required to be given to customers about a property in accordance with the NTSELAT guidance and the Consumer Protection from Unfair Trading Regulations 2008

Resident Current occupiers, namely any property owner, renter, or other tenant living in an IRC. A customer who has signed a reservation or tenancy agreement but has not yet moved in is also considered a resident (sometimes termed an 'incoming resident').

Service or Management Charge – Fixed A service charge that changes in accordance with a fixed formula. In some cases this will be a charge that remains fixed for the entire duration of a resident's stay.

Service or Management Charge – Variable A service charge that changes according to actual costs only.

Sinking Fund A fund established by setting aside revenue over time to fund a future capital expense. A sinking fund may also be referred to as a 'reserve' or 'contingency' fund.