

Tandem Property Management Client Monies Handling Procedures

Our procedures for managing client money have been designed in line with the RICS professional statement for Client Money Handling (October 2019 edition)

Tandem Property Asset Management Holdings Limited is a RICS registered firm (reg no 813579) and is a member of the RICS Client Money Protection Scheme.

The Client Money Handling Procedures are published on the Tandem website and a copy also available to any person that may reasonably request them.

Definition of Client Money

- Any currency that we hold on behalf of our clients as part of the delivery of our services.
- Excluding amounts which are immediately due and payable on demand.

How and where the money is held

- Client Money is held in a designated Client Money Account with a bank or building society authorised by the Prudential Regulatory Authority (PRA), the Bank of England and the Financial Conduct Authority (the FCA).
- Tandem's Bankers for Client Money Accounts are the Royal Bank of Scotland.
- All client funds are held in discrete accounts.
- Furthermore, separate bank accounts are held to ensure segregation between client funds (rent, insurance, dilapidations etc) and service charge funds, for each client entity.
- Each Client Money Account includes the name of the client entity e.g. Tandem re: Propco A Ltd.
- Each account is interest bearing.
- Tandem incur bank charges in respect of all Client Money Accounts however we reserve the right to charge an Admin fee, deductible from interest earned, in order to recover the cost of bank charges.
- All accounts are under the exclusive control of Tandem Property Asset Management Holdings Limited.
- Accounting records are kept, recording all transactions in each Client Money Account.

Receipts of client money

- Upon receipt of funds in a Client Bank Account we take prompt action to identify the details of the receipt and record it appropriately in our accounting records.
- If details of the receipt cannot be identified the funds will be returned to the payor.
- If we are unable to identify the payor the funds will be transferred to a designated suspense bank account where they will be held for three years. If the funds remain unidentified and unclaimed after three years the funds will be donated to charity, in accordance with RICS Client Money Handling Rules.

- A detailed reconciliation of all amounts transferred to this account is maintained.

Accounting records and controls

- The Client Money Handling Procedures are published on the Tandem website and a copy also available to any person that may reasonably request them.
- All client bank accounts are reconciled monthly, within four weeks of the end of the month.
- Each reconciliation is reviewed and signed off by the Client Accountant responsible for the client.
- Unreconciled amounts by age and value are reported to and discussed by the Operations Executive Committee six weekly.
- Client funds are only used for the client to which they relate.
- Transfers between client accounts are not permitted unless tenants have made payment to the wrong bank account (e.g. service charge funds paid into a rent account)
- All payments from client bank accounts are approved by two senior Tandem employees including at least one Director after reviewing the relevant supporting documentation including proof of recipient bank details.
- Client funds are transferred to the client in accordance with the timeframes specified in the Property Management Agreement.
- Segregation of duties exists between employees that are able to initiate payments from client accounts and those that are able to authorise payments.
- All payments from Client Bank Accounts are made electronically. The accounts do not have the facility to use cheques or withdraw cash.

Compliance

- Any breach of the RICS Client Money Handling rules is investigated and remedied promptly on discovery.
- Tandem holds professional indemnity insurance appropriate to the income, type of work and amount of Client Money held.