

## Managing contracts with service providers

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Contracts between the body corporate and a professional contractor are usually entered for a period of at least one year.

Contracts are approved by ordinary resolution. Usually the chairperson will sign the contract on behalf of the body corporate.

The two most common types of service contracts are:

- contracting a professional manager to carry out administration services
- contracting a building manager to maintain the common property

### Professional managers

Professional body corporate managers are common in New Zealand. They carry out administrative tasks for the body corporate. These may include:

- organising meetings
- preparing financial statements
- collecting levies.

### Building managers

A building manager will carry out the [long-term maintenance plan](http://www.tenancy.govt.nz/body-corporate-money-and-maintenance/unit-title-maintenance/) (<http://www.tenancy.govt.nz/body-corporate-money-and-maintenance/unit-title-maintenance/>). They may provide advice on the following:

- what the plan should cover
- when maintenance needs to be done
- how much it might cost.
- how much money should be saved for future work

### Things to consider

Whatever kind of service provider you're thinking of, you should always:

- Decide exactly what you want them to do, and put it in a contract.
- Shop around and find the one that's right for you.
- Check references.

[Entering and witnessing contracts](http://www.legislation.govt.nz/regulation/public/2011/0122/latest/DLM3695739.html) (<http://www.legislation.govt.nz/regulation/public/2011/0122/latest/DLM3695739.html>)  
(Unit Titles Regulations 2011, Clause 17)