



Nether Edge Management Company Limited

ANNUAL REPORT 2014 – 2015

Chair's Introduction

We could not have achieved what we have over the past year without the contributions of some Directors who are no longer on the Board and I would like to thank them: Jennie Heppleston, Steve Perrin, Carole Bishop and Jonathan Seaton. The Board operates very much as a team and **all** directors have played their part, fulfilling their statutory duties and working for the benefit of our development as a whole.

I would like to pay particular tribute to Simone Jarvis, our Head of Facilities Management, who has worked closely with us in overcoming the difficulties associated with the transition period.

We have been fortunate to attract three new Directors - Karen Webster, who has been with us for a few months and Andrew Grant and Alison Tate who are due to join the Board this month. Without leaseholders prepared to take on the role, it is not possible for the duties of the management company, as set out in the leases, to be fulfilled.

I will be standing down as Chair and we will be appointing a new Chair at our next Board meeting. It has been very rewarding to have undertaken the role during this momentous year.

A New Era

Much of the Board's work this year has focussed on implementing the decision to dispense with a managing agent from 1 January 2015. This decision was informed by thorough research and advice as to the best way to manage the estate in the future. We felt that, by putting in place a tailored package of management services, the estate would be run more efficiently, more effectively and in the interests of its residents.

The handover of documentation to NEMC was unfortunately not as smooth as we would have liked, particularly as comprehensive records had not been maintained in certain areas. It has taken considerable time and effort to obtain the necessary information and to correct errors – such as those in some of the service charges.

However, apart from a few loose ends to tie up, the handover is now complete. Administrative and financial systems and procedures are regularly reviewed and we are exploring ideas and suggestions from our specialist business advisers to further improve them. Using specialist advisers for advice and support is proving invaluable and the Board feels thoroughly justified in its decision to change the way the estate is managed.

Finance

At our AGM last year, we reported a small overall surplus for 2013, with a small deficit on the communal costs. For 2014, the budget was prepared by NEMC in close conjunction with Simone Jarvis, Facilities Manager.

Expenditure was monitored carefully: in addition to careful scrutiny of quarterly budget reviews, all expenditure over the agreed spending limit was subject to Works Approval forms submitted to the Board for consideration. More day to day maintenance was undertaken by staff and the benefits of the energy-efficient measures put in place are increasingly evident.

All of this has helped to achieve a situation for 2014 where we are able to report that there are no deficits. The surpluses have been allocated to Reserves to reduce annual contributions for all leaseholders.

With the transition on 1 January 2015 to a tailored package of management services and the staff reverting to NEMC, even greater control of costs has been possible. Simone Jarvis, in her new role as Head of Facilities Management, has negotiated excellent terms with an approved team of contractors. In addition, she has negotiated advantageous contracts for telephone and internet services.

Systems have been put in place to ensure that costs are agreed in advance and payments made within agreed timescales.

Protocols introduced to minimise the accumulation of service charge debt are now being implemented consistently and proving effective.

The advice and support of our specialist advisers during the transition process, as well as providing training and help in setting up accounting systems has been invaluable. Their ongoing role includes undertaking monitoring of Budget Reviews, payroll services and assistance with company secretarial duties.

On the resales side, the systems put in place this year with our appointed solicitors have ensured that correct percentage transfer fees are now being paid at the right time and that post-sales paperwork is being provided within the required timescale.

The half-year Budget Review for 2015 shows expenditure on track against Budget.

Staffing

The most valuable asset we have is our staff. We are very conscious of our duties towards them; much helped by our specialist HR advisers, who led the TUPE process and have an important ongoing role in ensuring that all statutory requirements are met in respect of staff employment.

Further training has been undertaken and staff are now better qualified than ever before.

Our Head of Facilities Management, Simone Jarvis and her Facilities Team – Jordan Sorsby, Tawanda Rupere, Keith Schofield, Aislinn Adams and Kate Fenton – work closely with the Board to ensure that the development is managed effectively and efficiently.

Estate

The Quarterly Newsletters have provided more detailed information on what has been happening, but the following are some of the major items:

- The phased redecoration of the Leisure Suite has continued into the pool area.
- The lighting to Osborne Walk had to be replaced and the opportunity was taken to put in a system which uses LED lighting, in line with our energy conservation policy.
- All gates have now been upgraded to meet statutory H&S requirements.
- The phased re-pointing of the boundary wall has continued, as has the work to enhance the gardens and grounds. New benches have been located in different areas for the use of residents.
- Blocks have been redecorated both internally and externally as part of the ongoing phased programme.
- The Parking policy, which is implemented for us by our staff, continues to reduce the numbers and frequency of vehicles parked inconsiderately. We would take this opportunity to remind everyone that VP spaces are there for visitors.
- There was a major incident following a chemical leak in the plant room in the Leisure Suite which we could well have done without! However, it was reassuring to know that the ensuing investigations showed all the procedures and protocols in place were totally satisfactory.

Communications

In line with the Communications Policy adopted in November 2013, information is provided via our Quarterly Newsletters, Estate Circulars, Facilities Newsletters, Twitter account and updates on the website where the Quarterly Decision Logs are posted.

Maintaining the website is time-consuming and we would urge all leaseholders to make use of this valuable resource.

Guidance Notes and other important information are there to help - particularly, for example, if you are considering making alterations or additions to your property, need to make an insurance claim or are considering selling your property. Not following the procedures outlined creates considerable additional work for the Board and can cause delays and problems for leaseholders, both at the time and when selling.

We have added a further communications tool this year with the preparation and printing of Welcome booklets containing a wealth of helpful information, for distribution to new owners moving onto site. They are also available in the Estates Office for anyone who wishes to have a copy.

The Board e-mail – nemcboard@outlook.com – is readily accessible and we welcome comments on the range of information we provide.