

## **Chelsea Bridge Wharf – Resident’s Meeting Presentation -12 August 2020**

Service charge – key points:

- Worth noting that the whole development has a 31<sup>st</sup> December year end apart from Warwick which has a 31<sup>st</sup> March year end, which can cause some confusion, especially where estate costs straddling 2 years are brought into the Warwick accounts.
- Vat on wages – Nov 18 (2 months in y/e 18) Full impact in 2019.
- Fire enhancement officer – from April 18 – 8 or so months – again full impact in 2019
- Insurance costs have risen due to market conditions, but in the case of Lanson, Hawker and Burnelli, which are under the Berkeley Group policy, due to revised and increased reinstatement valuation. It is worth noting that the Fairhold Artemis buildings are insured separately from the Berkeley retained buildings and L&Q insure Warwick building. These policies have differing renewal dates and can see varying terms and premium increases.
- Utility costs have risen as per market conditions – water is not a competitive environment, but electricity is bulk procured, although market trends have been upwards. We are seeing lower prices at present as a result of Covid 19, low oil prices etc, so hopefully that will have a positive impact on next year’s contract and costs.
- For Warwick building only, costs have fluctuated over the years as items have been included and then taken out by L&Q and recently substantial electricity costs have been introduced which are being reflected in the March 2020 accounts and have had to be provided for in the March 2021 budget. Whilst provision has been made, we are looking into these costs with L&Q in detail.

- Finally, costs have been impacted, as seen from the graphs to follow, by reserve fund collections, to fund major works and capital replacement projects.

A slide has been produced for each building but as these are a bit repetitive, I will touch on each one and common themes, and we will provide the slides on R&ROnline after the meeting and are of course happy to deal with queries.

### **After estate slide**

It should be noted that whilst an estate budget is produced the costs are apportioned to each building and therefore the total budget for the individual building, includes, that building's estate charge proportion. Therefore increase on the estate filter into the buildings, but are not of course duplicated.

As Jenniffer will touch on later in relation to future service charge budgets, we are also happy to engage with a small representative group in relation to service charge matters, to ensure we are transparent in the costs applied and to enable residents to have an input.

Finally, it is important to note that our management fee is fixed each year and not based on a percentage of expenditure, so it is important to understand that there is no incentive for us, perceived or otherwise, to increase costs any more than needs to be the case.

I will now handover to Jenniffer to talk through the staffing arrangements, day to day activities and future plans for Chelsea Bridge Wharf.

Thank you for listening and hopefully we will, in the not to distant future, be able to meet face to face again and have a more interactive meeting. Please however let me or the team know if you have any queries. And now over Jenniffer...

### **Team Structure and Update**

My name is Jenniffer Mann and I am the Senior Property Manager at Chelsea Bridge Wharf. I am going begin by explaining the current team structure. Since October 2019, the management team at Chelsea Bridge Wharf, has undergone some personnel changes.

The Estate Manager Role was filled by Neil Turner, who oversees all of the on-site operations. The Front of House Manager role is overseen by Stefania Petcu , who moved across from Vista in September 2019. Stefania manages the concierge and front of house teams.

The Facilities Manager role sits with Yaw Frimpong-Monsah, who assists in the management of the hard and soft FM on site and is ably helped by Denise Grandison, Estate Administrator, who plays a leading role in compliance.

You will see from the flow chart, all the supporting roles that sit underneath each of the office staff. In total, there are 28 team members, each of whom play a pivotal part in ensuring the estate is well managed and safe.

In this pared down version of the head office roles, you will note Richard Daver, as Managing Director, overseeing all of Rendall and Rittner and the various head office teams . In particular, the finance team provide invaluable support in administering the Chelsea Bridge Wharf accounts, specifically, Kishan Karia, who is the System Client and Finance Manager, supported by Chloe Brown, Portfolio Accountant.

The Divisional Director, is Martin Hellenas, whom I report into and I in turn, am supported by the very capable Diana Lupulescu, Property Manager.

You will note the strong layers of support accessible to the onsite team and you as leaseholders who on occasion will require the assistance of different teams within the company.

Despite the obvious challenges that many of us lived through in the recent Coronavirus pandemic, the onsite team, worked throughout this period. Not only did they

demonstrate an unflinching team spirit and willingness to continue working but they quickly adapted to an ever-evolving situation, making the necessary adjustments.

As the UK and indeed much of the world, entered lockdown, the essential services that make up site operations, continued unhindered. The cleaning team dramatically increased the level of cleaning to all high traffic areas, refuse was removed quickly and efficiently so as not to elevate risk, hand sanitisers were installed and even when these were purloined, the team went to great lengths to secure replacements as quickly as

possible. You will appreciate that this was not easy and be aware that at one-point, stocks were requisitioned and made available only for the NHS.

The team continued with daily checks ensuring the integrity of the fire systems were maintained, that emergency repairs were conducted and that any issues that manifested were quickly responded to.

The question has been asked why staff were not sent home over this period and in short, they made up part of the team of people outside of the NHS that also provide an essential service. The fact that residents did not see overflowing bin rooms, unkempt communal spaces, failing sewage pits, multiple light failures, unresponsive life safety systems and a pile up of maintenance issues, is all testament to the dedication and commitment of the onsite team.

The question has been asked what cost savings were made during lock down. Whilst the site team continued to be very busy and as mentioned, increased operations in some areas, we did stop the engagement of temporary staff. All absences were either covered by the in-house team by way of overtime or duties were adjusted to accommodate the absence. As several contractors run on scheduled periodic visits, these have not been significantly impacted.

### **Site Team Achievements**

To give you some indication of what the team have achieved, there have been just shy of 500 reported defects since January of this year, 63.5% of these reports were handled in-house by the onsite team. The concierge team until the end of July, received 20,358 packages and carried out over 11,000 key transactions. The lockdown saw a decrease in figures, due to the restrictions put in place, but package activity has increased over the past two months. By way of comparison, 2019 saw 29,043 packages received between January and July. It is likely that with monthly figures of approximately 5000 packages, we could have easily surpassed last year's figures at this stage.

### **Completed Works**

Outside of the routine maintenance conducted daily on site and post lockdown, the team have repainted the riverside wall, stripped and re-varnished the bench and wooden planters by the riverside and outside of Burnelli, repainted the blue gates, overseen the biennial tree cutting and conducted repairs to the water fountain.

You may also be interested to know that by the latter half of 2019, we had recycled almost 1000kg of clothing via the onsite recycling bins, raising over £5,000 for charity.

Whilst the piazza and gardens are a focal point of Chelsea Bridge Wharf that look truly impressive when at best, some residents have expressed a desire for the ponds and fountains, to be redesigned and landscaped into something deemed equally as

impressive but more cost effective to maintain. Should there be enough interest expressed, this is something to be considered moving forward.

### **Site Developments**

You will be pleased to hear that there are some planned changes underway. As more people are making use of alternative modes of transport, there has been an increase of queries into bicycle storage. Berkeley Homes have already committed to providing a locked bicycle cage and estimated this will be complete by October. Further updates will be provided on this as they become available, but the installation will be undertaken by Berkeley Homes in conjunction with PPL who manage the car park area.

We are also pleased to advise that plans are underway to install fibre optic cabling across the development. Hyperoptic have carried out a survey with plans to offer speeds of up to 1 gigabyte per second. We are yet to receive the report following the survey but will again, keep residents updated on the progression of this project.

### **Capital Expenditure.**

As the development is nearing 20 years since the first build phase, we do need to turn our attention to a number of large-scale projects.

Over the coming months, our focus will be on internal redecoration, replacement carpets, upgraded lighting, replacement ceiling tiles, pond re-lining and an upgraded intercom system.

You will appreciate that these works are all high value and therefore for the same reason, cannot be conducted at once. The focus will be to establish what works are most urgent in consideration of available funds. A survey has already been conducted on the ponds by specialist consultants who have provided us with costs in the region of 1.3 million (before VAT and fees) to replace the pond lining. Whilst this work would be measured against reserve funds for the estate, other works such as replacement carpets and internal redecoration, would come from internal building reserves.

Replacement carpets for Hawker and Lanson building were previously put on hold due to the internal Waking Watch presence in those buildings. Resident' later decided that it would be better not to spend against the reserves before knowing the outcome of who would foot the costs of the ACM cladding remediation works.

With the scaffolding now in place to the exterior of these buildings and later Eustace and Oswald, this will impact any plans to replace the pond lining in these areas, before works are complete.

### **Covid '19**

On the lead up to lockdown, much work was going on behind the scenes with the head office support teams. Regular briefing notes were issued to residents and staff on how the pandemic was progressing and identified steps being taken by the company to mitigate risk. This was all of course, very much led by the issuance of government guidance.

The Senior Management Team (made up of directors and key personnel), regardless of the hour, met immediately following each government briefing, to discuss next steps. They very quickly identified the need to enact our Business Continuity Plan, which consists of four stages. The plan allows us to manage our developments in a systematic approach and to provide clear structure and guidance for the way ahead in what we all came to realise and has been aptly coined 'unprecedented times'. The R&R Business Continuity Group communicated to the business what stage we are operating at and when this was necessary.

- Stage 1 – Normal Operations Phase – Where business activity continued as standard.
- Stage 2 – Extra Care Phase – For the head office staff, we reviewed the capacity for each member of staff to work from home.

The company's recent investment into upgrading our IT system to accommodate office 365, was propitiously timed to allow for remote working. For Site teams, stage 2 looked at placing extra consideration on site operations. Reviewing areas such as the frequency of cleaning, the implementation of social distancing measures and how site services such as the concierge would need to be adapted.

- Stage 3 – also known as our 'Special Measures Phase' enabled the site teams to engage the carefully considered and site-specific adaptations from phase 2. For Chelsea Bridge Wharf, this saw socially distanced led changes to concierge services, the introduction of Covid friendly PPE and work regimes, monitored site access for visitors and contractors and regular staff briefings.
- The Head Office operations team, having carefully mapped the location of each site, against every site-based employee were able to ensure resources could be deployed at short notice where required. For head office staff (now all working from home) the Senior Management team scheduled weekly live broadcasts to provide updates to all members of staff. The updates allowed staff to be kept abreast of business developments, as well ensure the dissemination of information was executed with alacrity. The needs of staff were quickly

identified and additional computer screens/ergonomic chairs and other office items were delivered to individual homes within a matter of days.

- During the height of lockdown we were also operating within stage 4 'The Business Critical Phase' – For Chelsea Bridge Wharf - This saw further restrictions on concierge and office services, socially distanced led resident interaction, the deliberate and carefully controlled access to visitors/contractors and staff on site. Head office staff fully continued to support the onsite teams via remote working. For Chelsea Bridge Wharf, I advertised support to residents 7 days a week and took out of hours calls to answer questions, provide reassurance and offer assistance where required.
- The site team were aiding individual residents, delivering items directly to homes and liaising with overseas residents and those elsewhere in the UK who were unable to get back to Chelsea Bridge Wharf.

Without question, it has been the decisive, well planned and carefully managed approach adopted by Rendall and Rittner that has carried the staff and residents (across the hundreds of manned and unmanned sites) through the companies most challenging time to date. Whilst we and the country, still remain within the grip of the aftermath of the pandemic, and are yet to fully realise the affects, Rendall and Rittner will continue to use the tried and proven approach in managing this situation.

### **Thanks and reviews**

We would like to extend our thanks for all the support received from residents during what we can all safely conclude, has been a very challenging time.

We have received a steady stream of positive and encouraging comments from residents thanking the site team for their service. A small sample of this feedback is shown on the following slides.

We also like to say a huge thank you to Flora, one of our residents, who in her own initiative to thank local heroes, included the team at Chelsea Bridge Wharf, in her weekly distribution of cakes. We thank you all, for the cards, emails and in person messages of appreciation. Every kind comment motivates the team to excel, to give more and to try harder.

Whilst the pandemic has created a difficult situation for many, it also allowed us to witness the Chelsea Bridge Wharf community at its best and it is our desire in the weeks and months ahead, to work with residents in continuing to bring in positive change.

## **Conclusion**

In conclusion, it would be remiss of us not to acknowledge that not all residents are happy. The stress and strain that has been caused on the estimated 3 million leaseholders throughout the UK, affected by the EWS1 form, is palpable. For the five buildings on the development that need to undergo ACM Cladding remediation work the inability at present to buy/sell or remortgage has undoubtedly impacted your life in deeply profound way.

We are also aware of concerns regarding the increase in service charges, particularly in the current economic climate. As we will soon be starting the budget process for 2021, we would like to propose working with a small group of leaseholders, who would be willing to engage with us on this subject. Presently, this would not include Warwick residents, who have a March year end and not December however, we will approach Warwick residents towards the end of the year. If you are interested in being a part of the group, please do contact me for further information.

In closing, if you do have concerns then please do not hesitate to contact myself or Richard Daver and we will our best to assist. If you submitted your question beyond the deadline and have found that it is not covered in this evening's presentation, please contact me directly.

As this is the first time, we have conducted a Resident's Meeting online, we would very much appreciate your feedback on how you think the meeting went. We are particularly keen to hear back on whether you enjoyed the content and would ask that you please email the email address presented on the screen.

Thank you very much for your time this evening, we look forward to hearing from you and will continue to keep you updated as matter progress.

**Meeting concluded.**