

CANARY RIVERSIDE ESTATE

Sec 24 Manager's Update # 1 November 2019



This is the first in a series of regular management bulletins I intend to issue for the benefit of residents and all stakeholders in the Estate. I will ask that these are routinely uploaded to the residents' association (RACR) website so that it will be accessible to all interested parties and to ensure that there is transparency on my actions and intentions.

Landlord & Tenant

I was appointed by the Tribunal to take over Alan Coates' role as Section 24 Manager of the Estate with effect from 1st October. In view of the apparent breakdown of trust between key stakeholders I made it my priority to invite the main parties in the tribunal proceedings to an informal roundtable meeting. I was delighted that they all came along and that we were able to have an open and good-natured hearing of the needs and concerns of all parties.

I have since had constructive talks with the landlord's representative to address my concerns about lack of proper working space for the estate manager, Keely Skelson and the need for a workroom and storage facility for the onsite M&E staff employed by Wates.

On finance, I agreed to set up a meeting between my company's FD and the landlord's accountant as soon as HML's closing accounts have been provided in order to address and hopefully narrow the setoff list of financial claims between the landlord and the Estate respective to insurance charges and service & utility charges for the hotel and other recipients of shared services.

At the roundtable meeting I said that a major priority would be to split the mains electricity supplies so that the hotel, leisure centre and commercial parts could be billed independently by the utility companies instead of having their collections administered as part of the estate management. The landlord has now agreed to give me access to the archive room to copy the relevant plans and wiring schematics which will be required for the feasibility study.

I am optimistic that these initial discussions on practical management issues will help me discharge my duties to the Tribunal more efficiently and for the ultimate benefit of all concerned.

Management

In delegating management functions to my company Parkgate Aspen (PA), I have directed a raft of its resources to the immediate needs of the Estate. Principally there is our Docklands property manager Jonny Weisrose and his assistant Kathryn Perry and the other support staff. Independently of my own weekly visits, Jonny is also there on a weekly basis when he liaises with the site and security staff and Wates' maintenance crew and will review matters arising such as water damages and maintenance issues.

As proposed in my management proposal to the Tribunal, I have assigned my colleague Phillip Cove to the management of concierge and other staff and ‘front-of-house’ issues and procedures. Phillip has already been on site twice this first month along with his assistant Jaime Rodas and has met all the members of staff, gone through their job specifications and addressed any concerns they had in terms of rotas and payroll. He has also provided new jackets and shirts where required.

In my management proposal I had intimated an aim to install an experienced building manager once some proper office space could be secured. However, I have been impressed with Keely’s performance so far and would hope this continues under the new management structure and working agenda. In the meantime, with an eye to cost control, I am assigning a facilities manager to attend each Friday to review all M&E activities and costs undertaken by the onsite operatives in the prior week. I hope that this combination of best-qualified resources will yield dividends for all concerned.

Electricity & Metering

The new electricity contract was put in place on the October 1st renewal date. It was unfortunate that energy rates shot up in the last two weeks of September following the missile strike on Saudi Arabia’s refinery which knocked out some 5% of world production. As prices started reducing daily in October, my broker was fortunately able to get a late fix and then backdate it to October 1st.

The electricity metering and reading has been taken care of by Energy Controls Group which has served the estate for some 20 years. Their control boxes and bespoke software have been translating the many hundreds of daily readings into the intelligible format necessary for billing purposes. Unfortunately, ECG informed me that they no longer wished to continue at this Estate. We have agreed a 6-month transition whereby others will be appointed to carry out that function and deal with the replacement of faulty meters with smart meters as appropriate.

Meanwhile the utility billing which used to be handled by HML’s inhouse team, will be taken over by a professional utility billing firm, Clever Energy, which will provide online account access and customer service.

Works & Contracts

In my management proposal to the Tribunal I described Canary Riverside as looking ‘tired’, and this was a sentiment similarly expressed by other candidates for the role.

I have made it a priority to address many of the most visible shortcomings so that residents and visitors would be able to see an immediate change in some of the most trafficked areas, such as the tower entrances from the car park. As a result, the following works will be undertaken in the coming weeks:

- The decoration of the most worn P2 entrance to Berkeley Tower, including the washing down of the external entrance and signage and decoration where

necessary, the repair and redecoration of worn swing doors and service riser hatches. Spot cleaning and decoration of the P1 entrance.

- Similar clean-ups and swing-door repairs to the P2 entrances to the other towers and, to a lesser extent some spot cleaning and decoration at the lesser trafficked P1 entrances.
- Washing and cleaning-down of all courtyard entrances where the glazing frames are dirty and discoloured and jet washing of soffits and stained stonework bands adjacent to some of these garden entrances. Also, the repair and redecoration of dry riser inlet doors which have become misshapen and rusted.
- The stripping of peeled paintwork on iron entrance railings and emplacements in front of the security office and adjacent to the Virgin/Battery entrance and their repainting in black Hammerite.
- In the central gardens, the repair of cracked render and decoration of the white dwarf walls surrounding the garden beds and replacement of corroded recessed brick lights with UPVC equivalent and LED fixtures.
- Identifying the manufacturers of the glazed entrances in hope that we can refurbish the worn and corroded semi-circular handles and replace the broken thumb-locks.
- Replacement of entryphone panels whose numerals have become erased.
- Jet washing of discoloured steps and stairway to the riverfront.

These are all to remedy signs of neglect as will be seen from the attached photographs.

In addition, I have been unimpressed by the standards of garden maintenance and landscaping on the estate. This falls well below the standards of major estates in my company's management portfolio. The main planted beds seem to be without form or nearly enough colour. Canary Riverside residents deserve better.

Accordingly, I have walked the gardens with one of my management portfolio's best gardeners and am considering a quotation for his radical overhaul of the situation, but still within the HML budget for this year. I intend to discuss this with the RACR with the aim of encouraging a garden committee to become involved.

Legal & Tribunal

Various tribunal matters remain live, including an application by RACR for a determination on the reasonableness of insurance charges levied by CREM on the residential parts over the past several years. Mr Coates' solicitors, Downs LLP have managed a handover of most of these matters to my solicitors Wallace LLP who have also been reviewing the status of arrears and other litigation relating to the property for which cases I have had to be formally substituted as plaintiff in place of Mr Coates.

Financial

As mentioned earlier, I am now awaiting Mr Coates' final management figures for the period ending 30th September following which my accounts team will engage with the landlord's finance team to try to narrow the offset issues and seek resolution of claims on both sides. More than enough money has been expended on litigation – it's time to direct cashflow into your real estate.

It has been pointed out to me that the service charge accounts published until now have been certified rather than fully audited. Whilst this does not imply there have been any irregularities or that certified accounts are not totally acceptable as widely used in property management, I am nevertheless seeking quotations from suitably reputable firms for the full audit of this current year's accounts.

Conclusion

In summary, October has been an exceptionally busy month in terms of handover, but also in terms of proactive work and in 'hitting the ground running'. I would like to place on record that Alan Coates and David Broome of HML have been exceptionally helpful in the handover process and I am most thankful for that.

And finally, just a reminder of my key management personnel and their contact details:

Property Manager:	Jonny Weisrose	Jonny@parkaspen.co.uk
Jonny W's Assistant:	Kathryn Perry	Kathryn@parkaspen.co.uk
Front-of-House Manager:	Phillip Cove	Phillip@parkaspen.co.uk
Accounts, Credit Control:	Paul Smith	Paul@parkaspen.co.uk

As always, your first point of contact on site issues should be the concierge stationed in your block or the Estate Manager Keely Skelson: keely.skelson@canaryriverside.net



Sol Unsorfer, FIRPM
November 2019





