

Waterways Management Company AGM 15 December 2009

The Report of the Chairman of the Management Committee

I'm going to cover three areas in my report.

I'm going to say a bit about the Company. Then, I'm going to report to you on what we, the Management Committee, have been doing to meet the specific objectives we set ourselves at the beginning of the year, and I will finish with a report on some of the other matters that have been keeping us busy, since the last AGM.

I would like to remind you that you can find information on the Management Company, and the Management Committee, on 'the waterways' website.

The Management Company is a properly constituted Company, registered with Companies House and therefore subject to certain laws and rules about the way we conduct our business. We do not have any share capital and therefore no shareholders. Instead the Company has members: you. Anyone who owns a freehold house or leasehold apartment is a member of the Company. There are 400 such properties and therefore 400 members of the Company. You may hold that membership outright, or, if you own your property jointly with someone, then you hold your membership jointly with them too. If you own more than one property then you are a member as many times as you have properties. That's why some of you may be sharing a voting card tonight and others perhaps have more than one.

In a sense, the Company is the membership: it's us. Peverel OM Ltd are our Managing Agent. Peverel oversee the work of those contractors who deliver services on site and all queries about the management of the estate should be directed in the first instance to Peverel. They are responsible for ensuring the Company discharges its day to day responsibilities, and a great deal else besides. But they answer to us, the Management Committee, and in turn, we answer to you.

The Company exists primarily (but not exclusively) to look after the communal areas around the Waterways. We are not responsible for everything, for example, the main roads and the equipped play areas. Also, about a hundred properties are looked after by Oxford Citizens Housing Association (OCHA). And Woodstock Lodge is not part of the Waterways and is managed separately.

The Company can act as an association of and for the property owners but we should not be confused with the Waterways Residents Association (WRA). We work closely with the WRA but we are quite distinct and separate organisations. The WRA is open to all residents in the development, aims to encourage a sense of community through organising events and to act as a voice for residents on various issues.

Who then are the Management Committee? Well, we are property owners, like you. We are not experts at property management. We are volunteers, working in our own time, for free.

After last year's AGM we had eight Directors on the Committee, and we finish the 'year' with ten. Which is good.

The Management Committee take the big decisions, the most significant, the most difficult. We have collective responsibility for the Company and how it operates. We have met six times since the last AGM. But most of our work is done through our sub-committees and by the lead directors and I will report later on some of the work they have done.

Now I am going to move on to report on what progress we have made to meet five objectives we set ourselves at our Management Committee meeting in March.

Our first objective has been to ensure the procedures, actions and decisions by the Company are transparent and are communicated effectively. To fulfil that objective we have done the following.

We have published articles in the newsletter 'Waterways World'. This is delivered to all residents on the estate. Since the last AGM we have used the Waterways World newsletter to provide residents with information on a number of subjects, including the work of the Management Committee (Spring), how to reports problems and make complaints (July), the work of the gardening sub-committee (Spring & Sep) and this year's AGM (Nov).

The Company has its own pages on the website 'thewaterways.co.uk'. This website is available to all residents and all members. Recent editions of the newsletter are available on it. We have updated the Company's pages on the website to explain what and who we are. We have published all the approved minutes of the Management Committee meetings since control of it was handed over to members. We have also published the minutes the Apartment Block and Gardening sub-committees. Reports from other sub-committees and lead directors are included within the minutes of the Management Committee.

We also provide information to our members by direct mailing and via Peverel OM's website.

We have published information so residents and members know what to do if they want to report a problem, such as a faulty light in a communal area, or if they have a query about something, such as about their service charge. This information also tells people what to do if the problem or query is not dealt with to their satisfaction, that is, how to complain. We published an article in the

Waterways World and added details of how to complain to the website 'thewaterways.co.uk'. Our Complaints Portfolio Holder investigated how our Managing Agent records and handles the messages they receive from our members, when reporting problems and making complaints about service.

There is still more work to do to ensure all residents and members know how to report problems and how, if necessary, to complain. We will continue to monitor our Managing Agent's handling of complaints to look for themes that we can tackle proactively.

We have made good progress toward a new 'Good Neighbour Guide', suitable for distribution to all new residents, whether owners or tenants. It will provide a kind of 'user manual', pulling together a range of useful bits of information and advice, designed to help people understand some of the protocols that should be followed to help ensure everyone's experience of living on the Waterways is a pleasant one. This will contribute to ensuring the Waterways remains an attractive place to live, and will also therefore contribute to safeguarding the investment we each have made in it.

We will seek to secure agreement from letting agents that they will pass the Guide on to new tenants. Private tenants can create a number of problems simply because available information has not been given to them. We would ask all landlords to ensure their letting agents are passing this Guide on, when it becomes available. We hope to complete and launch the Guide early next year.

Our second objective has been to regularly audit the policies, procedures and operations of the Managing Agent to ensure value for money and control of costs.

I have already mentioned the work undertaken by our Complaints Portfolio Holder to investigate our Managing Agent's customer service centre operation. Our Apartment Block and Gardening sub-committees have also undertaken inquiries into how tenders are let for some of the major contracts on the estate. As a result cost efficiencies have been achieved on the cleaning contract for the apartment blocks and on the landscape maintenance contract across the estate.

Good work has been done on your behalf. However, I still feel there is more to be done. But it has to be recognised that we are not operating with limitless resources and therefore there is only so much that can be done in each year.

Our third objective has been to ensure the policies and procedures by which the Management Committee, and subcommittees, conduct their business are relevant, up to date and effective.

This has been an inward looking objective, to update guidance on how we as directors should conduct ourselves when acting for and representing the

Company. The original guidance was adopted in January 2007 and after two years it was felt appropriate to review and update the guidance in light of experience.

We have therefore updated our committee constitution and communications guidance, and have also established a Compendium of Decisions.

Our fourth objective has been to bring into use the Community Meeting Room, in accordance with the strategy agreed at the last AGM.

We have been unable to achieve this objective because for most of the year the landlord, of the Community Meeting Room, did not respond to our requests to re-open negotiations on the proposed lease. We finally heard from their agent in late October and have now passed to that agent our comments on the draft lease. We are still awaiting their response.

In accordance with the strategy agreed at last year's AGM, we have held discussions with Shout, the youth services organisation that works on the Waterways. We have proposed that they manage the Community Meeting Room on our behalf, for which they would pay the Company a sum to cover all or most of our costs. In exchange, Shout could keep all income derived from the hire of the Room, as well as make use of the Room themselves.

However, until the way forward with the landlord is clearer it is difficult to progress much further in our discussions with Shout.

We will not commit to taking on the lease for the room (and its attendant costs) until we know we have an agreement in place for someone (hopefully Shout) to manage the room on our behalf and to meet the costs we would otherwise face.

Despite the long delays in obtaining any response from the landlord I remain hopeful that matters will move forward on this, to deliver a facility that will be an asset to the community without being a burden financially on the membership of the Company.

Our fifth and final objective has been to secure improvements to traffic and parking conditions for the benefit of the community.

Our Traffic and Parking Sub-Committee have been involved in discussions over the course of the year with the County Council and others, to secure agreement on a set of revised on street parking arrangements.

However, we have been unable to achieve the objective we set ourselves because the principal parties, Oxfordshire County Council and the developer of the Waterways, Berkeley Homes, failed to reach agreement on terms for the transfer of the roads and bridges from ownership and control by Berkeley Homes

to ownership and control by the County Council. To date, only Frenchay Road has been adopted by the County Council.

In the meantime, on street parking arrangements are not laid out as we would wish. There are some areas that give rise to particular concerns and these are probably familiar to most if not all of you. They are the area close to the junction of Elizabeth Jennings Way with Woodstock Road, the area around the junction of Elizabeth Jennings Way and Clearwater Place and over the Elizabeth Jennings Way canal bridge.

We are now cautiously optimistic that adoption will take place in the near future but we have no information on when exactly. But when the County Council have adopted the roads then they will organise a period of public consultation on changes to the on street parking arrangements, and they will then be responsible for implementing the final scheme.

The Parking and Traffic sub-committee have worked on this issue with the WRA, OCHA and our local District and County Councillors. But special mention should also be made of the work of one of the members of this company Dr Steven Wilson. He is not a director but an ordinary member. He has been tenacious in his pursuit of answers from Berkeley Homes, the City Council and the County Council about the delays to adoption of the roads and bridges by the County Council. As a result it became clear why for so long so little progress was being made, and bringing these reasons out into the open appears to have been instrumental in getting the negotiations moving again between Berkeley Homes and the County Council.

On behalf of the Management Committee I would like to acknowledge Dr Wilson's contribution and to thank him for the time and effort he has spent, helping to move matters toward a resolution, for the benefit of the whole community.

The Management Committee had also wanted to review some of the arrangements for the parking areas on the development for which we are responsible. These areas are off-street. This review was something we proposed to undertake once we knew what the new on-street arrangements would be, so we could take them into account. Therefore, in the absence of new arrangements for on-street parking, we have been unable to pursue the review of our areas.

We have good progress against the objectives we set ourselves and only in a couple of areas, where we have been reliant on the actions of others, has progress stalled. Our work in pursuit of these objectives has been only a part of the work we have done since the last AGM. In this final part of my report I want to touch on some of the work undertaken by our various sub-committees and lead directors.

This year the Gardening sub-committee

- has re-negotiated the contract with the gardeners, and in doing so has successfully helped to minimize a rise in costs
- arranged a clear out of the wildlife corridor to improve drainage on the Waterways
- reduced the height of the line of the poplars down the western boundary of the Waterways
- has overseen the management of a major pest control problem on the Waterways.

I should say a word or two more about this last item. All members will soon receive information that brings to their attention some of the problems encountered during recent months and what action could be taken to reduce the risk of such incidents from re-occurring. Badgers have made setts for themselves beneath three of the apartment blocks. There is no threat to the structural integrity of the apartment blocks and their presence might be seen by some as benign. However, where badgers lead, rats follow. Indeed, we only discovered the badger setts as a result of investigations made following reports of rats having found their way into some apartments.

This was a serious health and safety issue that we needed to address. However, it is proving to be a complicated and expensive business. Badgers are a species protected under the law so badger setts can only be closed in accordance with a licensing procedure overseen by English Nature, the government body responsible for such matters. We found ourselves caught between on one hand, the need to take action to address the on-going risk presented by the presence of rats and on the other hand, the restrictions imposed by the protected status of the badger setts. The Committee agreed that work needed to be undertaken as a matter of urgency.

This year the Apartment Block sub-committee

- re-negotiated the contract with the cleaners, and in doing so has successfully helped to minimize a rise in costs
- has overseen the undertaking of an energy audit, the recommendations of which will be put into action over the next year. This investment will both reduce our carbon footprint and save money
- has successfully brought the Developer back to, at their own cost, seal the lift shafts and carry out repairs to the lifts where necessary, because the original design was allowing in water.

I have already referred to some of the work undertaken by the Complaints Portfolio Holder. In addition, he has investigated a number of individual complaints since the last AGM. Some of these complaints can be quite involved and have included meetings with complainants. Working closely with the Managing Agent, the Portfolio Holder has overseen the resolution of these.

Over the course of the year we have maintained a good dialogue with the Waterways Residents Association (WRA). The WRA receives most of its financial support from OCHA and from us. Our two principle means of communicating with the residents of the Waterways, the website 'thewaterways.co.uk' and the newsletter, 'The Waterways World', are produced by the WRA. Also, WRA works to support a sense of community across the Waterways, encompassing 'private' property owners, private tenants, tenants of OCHA properties and those in shared ownership arrangements (also with OCHA). For example, our funding contributed to the Community Summer Event in September, together with funding the WRA sourced from elsewhere, including OCHA. I firmly believe it is to the benefit of the members of this Company, to the investment they have made in property and, for those who also live here, for the investment they have made in choosing the Waterways as their home, that the Company supports initiatives whose purpose is to promote communication, understanding and co-operation between all those who live in or have an interest in the Waterways.

We have had occasional dialogue with OCHA, particularly over certain matters. However, I have to say that we have found it difficult to maintain a regular general dialogue and I think this is due to both sides struggling to find the resources to do so when there are a great many other matters also calling on our attention. Nonetheless, when we need to, we know who to pick up the phone and call.

Over the course of the year we have also had contact with a number of other organisations and groups, including the local neighbourhood police team, the Canalside Environment Group (CEG) and the Shout youth project. We have had contact with the City and County Councils on a number of different matters but I would in particular like to thank our City Councillor, Jim Campbell, and our County Councillor, Jean Fooks, for their interest in and assistance with various issues over the last year.

And there are yet other, numerous smaller actions that the directors have been involved in over the year: from dodgy door handles to parking bay issues, from problems with the way Berkeley Homes dealt with the transfer of some property to problems with how many people we need to hold a meeting.

What I have provided is a summary of the main actions since the last AGM. I hope you have found this account of interest and an adequate demonstration of the range, scale and complexity of the matters we have been responsible for managing since the last AGM.

Information about what the Management Committee will seek to undertake next year will be provided on 'thewaterways' website, and via articles in The Waterways World newsletter.

We continue to learn more and more about the business of running this Management Company and caring for this estate and your interest in it. It can be variously challenging, frustrating and rewarding – sometimes almost all at the same time! I would like to give my heartfelt thanks to my fellow directors for their commitment and dedication to the work involved. I think they have done a tremendous job.

I hope you find this report satisfactory and I thank you for receiving it with such patience.

Treasurer's Report

Good evening. I will speak briefly about the accounts issued to all company members on 29 October covering our financial year that ended on 30 April, and also touch on how things are going, half way through the current year.

Firstly, looking at the financial year 08-09, you contributed approximately £280,000 in service charges. Unfortunately, you will have noted that our accounts recorded a net deficit for the year of almost £9,000 (a 3.2% overspend), due mainly to unexpected major works being needed to trees in the communal areas and to the leaking roofs of two apartment blocks. Of course, as with all costs on the estate, the deficit is recovered per schedule, so while all members will have contributed equally to the costs of the tree surgery, only those members with property in the affected apartment blocks will have contributed to the roof repairs.

As of 30 April this year, we had set aside just over £170,000 in reserve funds to cover planned future expenditure, for example, scheduled redecoration of apartment blocks, major repairs to apartment block passenger lifts, repair and replacement of water pumping equipment and repair and replacement of footbridges on the development, to name but four.

Secondly, in the current financial year, you will contribute approximately £318,000 to cover estimated expenditure and reserve fund contributions. This is a steep increase from last year, approximately 13.5%, but one which we hope will cover adequately the larger than previously expected general repairs bill and future tree surgery. It is possible, though, that some additional items that we could not have predicted may mean that even this increased sum might be insufficient: specifically, we are having to spend rather large sums this year on vermin and badger control.

I think we, and our managing agents Peverel OM, are still learning about how much it costs to maintain The Waterways to the good standard we have come to expect, and we are still discovering our liabilities, for example the trees adjacent to the railway line and the water pumping station. We can't rule out that next year's service charge estimate will rise again, but I hope we are converging

towards a service charge figure that will increase only in line with inflation. We will continue to work to get good value in the way we spend your service charges and will report on this next year.