



Mrs Rickman

4 March 2020

To all members of the Advisory Committee

(and via the Trustee intranet, all other members of the Board of the Incorporated Trustees of The Dulwich Estate, for information)

Notice is hereby given that a meeting of the Advisory Committee will be held on Tuesday, 10 March 2020 at 5.30 p.m., at **The Old College, Gallery Road, SE21.**

Nina Rickman
Administrator

A g e n d a

Page No.

- | | | |
|----|--|----|
| 1. | Apologies for absence: Irene Bishop, Nicola Meredith, Russell Vaizey | |
| 2. | Minutes of the meeting held on 12 November 2019 | |
| 3. | Matters arising | |
| 4. | The Scheme of Management Charge - 2019/2020 and 2020/2021 | 2 |
| 5. | The Scheme of Management Charge - Basis of Apportionment | 8 |
| 6. | Items raised by The Dulwich Society | 8 |
| 7. | Any other business | 10 |
| 8. | Date of next meeting - 9 June 2020 | |

4. **The Scheme of Management Charge 2019/2020 & 2020/2021**
Forecast for the year ending 31 March 2020 & Budget for 2020/2021

1.1. **Generally**

The Schedules attached show (in columns A to E):

- (A) The proposed Budget for the year ending 31 March 2021;
- (B) The Forecast, prepared in February 2020, for the year ending 31 March 2020;
- (C) The Forecast, prepared in October 2019, for the year ending 31 March 2020;
- (D) The Budget, prepared in February 2019 for the year ending 31 March 2020;
- (E) The actual results for the year ended 31 March 2019.

1.2. **The Scheme Charge for 2019/2020**

Schedules 1 to 3, columns (B), (C) and (D), show the revised Forecast, the previous Forecast and the Budget for the current financial year. The Forecast now estimates a Management Charge (Schedule 1, column B) of £470,692 as compared to the Forecast (presented to the Advisory Committee on 12 November 2019) which showed (column C) a Charge of £454,398. The increase of £16,294, 3.59%, in the revised Forecast is due to:

Total Basic Expenditure (Schedule 3, column B) shows the revised Forecast of £295,100, which is £14,200 above the previous Forecast (column C) of £280,900. This increase is primarily attributable to a decrease in Freehold Licence Fee Income of £18,000. This is partially offset by decreases in Actual Staff Costs of £1,600, Notional Rent £1,200, and Printing and Stationery £1,000.

Amenity Expenditure (Schedule 2, column B) shows the revised Forecast of £218,100, which is £2,750 above the previous Forecast (column C) £215,350. This is primarily due to increases in Other Areas Repairs to Paths & Roads of £10,000, Tree works of £2,000, and small increases in Dulwich Woods Repairs and the Management Charge. This is partially offset by a decrease in Repairs General £10,000.

Basis of Apportionment (Schedule 2, column B) shows the revised Forecast of £13,320, which is the same as the previous Forecast (column C).

1.3. **The Scheme Charge for 2020/2021**

Column (A) on the Schedules shows the Budget for the year ending 31 March 2021 on which the Committee is **INVITED** to **COMMENT**, prior to consideration by the Board of The Dulwich Estate on 28 March.

The Scheme of Management Charge (Schedule 1) is budgeted at £468,745, a decrease of £1,947, 0.41%, as compared to the Forecast of £470,692 for the current year.

Basic Expenditure (Schedule 3) is budgeted at £303,900 as compared to £295,100 as of the revised Forecast, representing an increase of £8,800, 2.98%, net and is due to:

Actual Staff Costs are budgeted to increase by £6,500 primarily due to the Administrator reverting to full time and some additional working hours by the Assistant Administrator, partially offset by a reduction in Dulwich Estate support services.

Professional Fees are anticipated to increase by £11,050 due to an increase in Solicitors Advice £2,000, Architect's Fees £7,000 and Tree Consultant's fees £2,000 for increases in hourly rates for services from January 2020.

Premises Costs is anticipated to decrease by £1,000 due to lower Rent at 16 Gallery Road.

A provision of £15,000 for Scheme Enforcement is included in this budget, a decrease of £3,000 on the current year projected costs of £18,000.

Income from Freehold Licences and Registration Fees is estimated to increase by £5,000 from the revised Forecast for 2019/2020. Application fees for 2019/2020 have been £18,000 lower than originally budgeted due to the nature of the applications.

Amenity Expenditure (Schedule 2) is budgeted at £203,700, as compared to £218,100 as of the revised Forecast, representing a decrease of £14,400, 6.6%, net.

This is primarily due to decreases in Repairs to Paths and Roads of £10,000 and Tree Works - Other Areas of £2,000, and Tree Works – Dulwich Woods £1,000. These decreases have been partially offset by small increases in Insurance, Tree Consultant's Fees, and Auditors' Fees.

The Cost of Management Fees (to defray the cost of its building surveyors' time spent on the Scheme) are down by £1,700 reflecting the decrease in the cost of Total Works Done.

Basis of Apportionment (Schedule 2) costs are provided at £13,300, a decrease of £20 from the revised Forecast.

The overall effect of the above on the Scheme Charge to be billed to freeholders in September 2020 is as follows:

	Actual 2018 £	Actual 2019 £	Estimated 2020 £
Charge for year (based on the Budget)	416,465	443,327	468,745
Balancing (credit)/debit re prior year - actual less billed on account Charge	<u>(20,660)</u>	<u>5,060</u>	<u>27,365</u>
Net Charge billed in September	<u>395,805</u>	<u>448,387</u>	<u>496,110</u>

The increase in the Charge for 2020 as compared with 2019, £47,723 (£496,110-£448,387) equates, on average, to £11.78 per freeholder. However, it should be noted that the Charge is apportioned according to the Council Tax banding for a property. The Estimated Charge for 2019/2020 ranged from £51.12 (Band A) to £153.35 (Band H).

The Committee is **INVITED** to **CONSIDER** the report.

THE MANAGEMENT CHARGE

for the Accounting Periods 2019/2020 and 2020/2021

SUMMARY OF EXPENDITURE & INCOME

	(A)	(B)	(C)	(D)	(E)
	Budget (Feb '20)	Forecast 2 (Feb '20)	Forecast (Oct '19)	Budget (Feb '19)	Actual
	Year Ending March 2021	Year Ending March 2020	Year Ending March 2020	Year Ending March 2020	Year Ended March 2019
	£	£	£	£	£
AMENITY EXPENDITURE					
From Schedule 2	203,700	218,100	215,350	214,250	190,668
BASIC EXPENDITURE					
From Schedule 3	303,900	295,100	280,900	270,700	264,829
TOTAL	507,600	513,200	496,250	484,950	455,497
BASIS OF APPORTIONMENT					
From Schedule 2	13,300	13,320	13,320	13,200	15,098
TOTAL EXPENDITURE	520,900	526,520	509,570	498,150	470,595
AMENITY EXPENDITURE					
From above	203,700	218,100	215,350	214,250	190,668
Add Basis of Apportionment costs - pro rata	5,337	5,661	5,780	5,832	6,320
	209,037	223,761	221,130	220,082	196,988
Percentage recoverable	75.05%	75.05%	75.05%	75.09%	75.09%
BORNE BY THE DULWICH ESTATE	(52,155)	(55,828)	(55,172)	(54,823)	(49,070)
AMENITY EXPENDITURE : TOTAL	156,882	167,933	165,958	165,259	147,918
BASIC EXPENDITURE					
From above	303,900	295,100	280,900	270,700	264,829
Add Basis of Apportionment costs - pro rata	7,963	7,659	7,540	7,368	8,778
BASIC EXPENDITURE : TOTAL	311,863	302,759	288,440	278,068	273,607
MANAGEMENT CHARGE : TOTAL	468,745	470,692	454,398	443,327	421,525

NOTES (Schedules 2 & 3) Bases of costs 2020-21 (2019-20):

- 1 Bills received
- 2 Notional scale charge
- 3 Apportionment of premium
- 4 Time spent charged at hourly rate: Head of Department £100 (£98),
Administrator cover £37 (£36) and other staff £35 (£34)
- 5 Administrator - actual costs of employment
- 6 Depreciation: computer 33.34% and other equipment 20%
- 7 Actual fees received
- 8 Provision - estimated

*The Scheme of Management***AMENITY AREAS & BASIS OF APPORTIONMENT**

		(A) Budget (Feb '20) Year Ending March 2021	(B) Forecast 2 (Feb '20) Year Ending March 2020	(C) Forecast (Oct '19) Year Ending March 2020	(D) Budget (Feb '19) Year Ending March 2020	(E) Actual Year Ended March 2019
	Note	£	£	£	£	£
DULWICH WOODS						
Maintenance Contract	1	9,000	9,000	9,000	9,000	8,930
Tree Works	1	5,000	6,000	6,000	5,000	1,352
Repairs	1	5,000	5,500	5,000	5,000	5,131
Other	1	500	500	500	500	0
OTHER AREAS						
Gardening Contract	1	52,000	52,000	52,000	52,000	50,512
Tree Works	1	10,000	12,000	10,000	10,000	3,407
Repairs to Paths & Roads	1	40,000	50,000	40,000	40,000	27,742
Sweeping & Gully Cleaning	1	4,500	4,500	4,500	4,500	4,275
Garden Refuse Removal	1	15,000	15,000	15,000	15,000	21,004
Road Salting	1	2,500	2,500	2,500	2,500	1,673
Repairs - General		25,000	25,000	35,000	35,000	35,898
Other	1	500	500	500	500	701
TOTAL WORKS DONE		169,000	182,500	180,000	179,000	160,625
COST OF MANAGEMENT						
15% on total excluding VAT	2	21,100	22,800	22,500	22,400	20,079
Public Liability Insurance	3	3,800	3,600	3,600	3,600	3,552
Tree Consultant's Fees	1	9,000	8,500	8,500	8,500	5,722
Auditors' Fees	8	800	700	750	750	690
AMENITY EXPENDITURE		203,700	218,100	215,350	214,250	190,668
<u>BASIS OF APPORTIONMENT</u>						
Staff & Office Costs	8	3,800	3,920	3,920	3,800	3,753
Surveyors Fees	8	8,000	8,000	8,000	8,000	10,075
Auditors Fees	8	1,500	1,400	1,400	1,400	1,270
TOTAL		13,300	13,320	13,320	13,200	15,098

*The Scheme of Management***BASIC EXPENDITURE**

		(A) Budget (Feb '20) Year Ending March 2021	(B) Forecast 2 (Feb '20) Year Ending March 2020	(C) Forecast (Oct '19) Year Ending March 2020	(D) Budget (Feb '19) Year Ending March 2020	(E) Actual Year Ended March 2019
	Note	£	£	£	£	£
Administrator & Cover	5	147,350	135,850	127,450	127,450	127,616
Heads of Department	4	15,000	20,000	30,000	30,000	20,093
Other Staff	4 & 5	25,000	25,000	25,000	25,000	44,908
Actual Staff Costs		187,350	180,850	182,450	182,450	192,617
Premises Costs						
Notional Rent		22,000	23,000	24,200	25,000	25,000
Electricity & Gas	1	3,000	3,000	3,000	3,000	(727)
Rates	1	500	500	500	500	197
Cleaning	1	4,500	4,500	4,500	4,500	4,581
TOTAL		30,000	31,000	32,200	33,000	29,051
Office Costs						
Telephone & Fax	1	2,250	2,200	2,200	2,200	1,937
Photocopying	1	2,300	2,300	2,300	2,300	2,116
Postage	1	4,500	4,500	4,500	4,500	4,629
Printing and Stationery	1	3,000	2,800	3,800	3,800	2,537
Office Equipment Depreciation	1	8,000	8,000	8,000	8,000	7,126
Website	1	4,500	4,500	4,500	4,500	4,825
Repairs	1	3,000	3,000	3,000	3,000	3,321
Catering Supplies	1	300	300	300	300	482
Banking Costs	1	300	300	300	300	237
Sundry Expenses	1	800	800	800	800	550
TOTAL		28,950	28,700	29,700	29,700	27,760
Professional Fees						
Solicitors - General Advice	1	5,000	3,000	3,000	2,000	0
Solicitors - Debt Collection	1	500	500	500	500	0
Surveyors - General Advice	1	500	500	500	500	0
Architect's Fees	1	70,000	63,000	63,000	60,000	56,997
Tree Consultant's Fees	1	43,000	41,000	41,000	40,000	36,396
Auditors' Fees	8	900	850	850	850	800
TOTAL		119,900	108,850	108,850	103,850	94,193
Scheme Enforcement	8	15,000	18,000	18,000	12,000	14,891
TOTAL EXPENDITURE		381,200	367,400	371,200	361,000	358,512
Less INCOME						
Management Fees	7	0	0	0	0	0
Freehold Licences	7	(75,000)	(70,000)	(88,000)	(88,000)	(91,267)
Registration Fees	7	(2,300)	(2,300)	(2,300)	(2,300)	(2,416)
TOTAL		(77,300)	(72,300)	(90,300)	(90,300)	(93,683)
TOTAL BASIC EXPENDITURE		303,900	295,100	280,900	270,700	264,829

5. **The Scheme of Management Charge - Basis of Apportionment**

Under the terms of the Scheme, the basis of apportionment of costs is to be determined by an independent surveyor, appointed by the Managers with the approval of amenity society members of the Advisory Committee. As mutually agreed, Messrs Gerald Eve has been retained in past years.

At the time of writing no material issues have been identified as requiring the independent surveyor's specific attention.

The Committee is **INVITED** to **AGREE** the appointment of Gerald Eve to determine the basis of apportionment for 2019/2020 and 2020/2021.

6. **Items raised by The Dulwich Society**

The Dulwich Society has raised the following matters (*italicised*), followed by the Managers' responses:

Scheme of Management budgets and forecasts

a) *Awaiting sight of the figures.*

Scheme of Management operations

b) *Please confirm:*

- *The number of applications since the last meeting*
- *The number of approvals and rejections*
- *The number of breaches and the progress on resolving them*
- *The number of arbitrations*
- *The number of meetings held with Resident Associations*

Please refer to the attached Information Table (Appendix I).

How many properties are currently on the enforcement action list and how many have been removed since the last meeting?

Please refer to the attached Information Table (Appendix I).

How does the Estate monitor the performance of the Scheme of Management statistically?

There is a database for enforcement issues and for all applications received. At the current time it is not possible to create statistical reports from the databases but property management software is being explored that would enable this function.

Matters arising

- c) ***Changes to licence protocols:*** *At previous meetings the Estate has said that it was considering a different method of licence operation – effectively giving permission to proceed with works but not issuing the actual licence until a final inspection has confirmed that the works are in line with the permission. Our understanding from the last meeting was that the member of staff identified to carry out the final*

inspection had left. What is the current position re staffing and when will the new protocol be introduced?

Unfortunately, Peter Dawson is no longer with the Estate and we are in the process of seeking a replacement surveyor. We are unable to provide a timescale for when the new protocol will be introduced at this stage but hope to have the new surveyor on board by late Spring/early summer.

- d) **Enforcement:** *The Estate's approach to enforcement of breaches of the Scheme of Management guidelines is raised at all meetings. At the last one we discussed the list that the Scheme of Management had issued on the Whytefield Estate – what is the progress on that? When will the Estate put in place a schedule of regular inspections to pick up breaches elsewhere?*

The Whytefield Estate letters have all been dispatched. As reported at the last two meetings, regular inspections of the wider Estate are in place. The Administrator is generally out on the Estate for half an hour per day.

- e) **Accommodation for SoM meetings to review applications:** *The Society's Planning and Architecture Group have raised concerns about the facilities offered to them on their visit to the Scheme of Management office. They find the reception area becomes very stuffy, there is insufficient space to lay out drawings easily, no direct access to the toilets, nor for making a hot drink when they are there for a few hours. More importantly there appears to be no easy access to Scheme of Management staff to ask questions about precedents for individual projects, nor to find out what comments we have previously made on a revised application. What other locations are available in the Old College offices for The Dulwich Society to consider and make comments on the licence applications?*

The room that was first used for these meetings, which was ideal, has now been turned into an office and so in the short term the Planning and Architecture Group have had to be housed in the reception meeting room which we know is not ideal. Going forward, we will be able to hold these meetings in the Board Room the majority of the time. With regards to access to staff, the Assistant Administrator will make regular visits to the Planning and Architecture Group to answer any queries they may have. There is also a telephone in the Board Room that can be used to call the Assistant Administrator for more immediate assistance if required.

- f) **Japanese Knotweed:** *What is the current position on the knotweed outbreaks on the Estate? Have there been any reports of new outbreaks since the last meeting, have any existing outbreaks been eradicated, and how often do the Managers of the Scheme check the sites?*

We are not aware of any new outbreaks since the last meeting. Our garden maintenance contractor visits and treats the known sites at least three times a year, with ad hoc inspections by the Estate staff. Please also refer to the attached Information Table (Appendix I)

- g) **Pest Control:** *Have the Managers of the Scheme seen an increase in reports of pests, especially rats and mice, particularly with regard to the number of construction sites being left empty and unsupervised?*

We have not seen an increase in reports of pests.

- h) ***Dulwich Healthy Streets:*** *What action are the Managers of the Scheme taking to offset the levels of air pollution in the Dulwich area and are they in support of the Council's current consultation on the Dulwich Healthy Streets (OHS) proposal?*

The Estate plants many trees each year in Dulwich to help alleviate the air pollution. This year 19 are planned across the Estate. The Estate is also looking at ways that it can reduce down its carbon footprint.

The Estate is attending the 4 March meeting at JAGS to listen to the proposals on Dulwich Healthy Streets. The concern is that vehicles will be displaced onto the surrounding residential streets and as such these areas will see a rise in air pollution levels and also possible rat running of vehicles making it unsafe for residents, pedestrians and cyclists. There is also a proposal in Lambeth for a Rosendale Healthy Route Scheme and has the effect of both of these proposals being implemented been considered as a whole by TFL? The Estate would welcome a cross-council, area-wide approach to the plans that addresses impact to all residents, traders and area users.

- i) ***Dulwich Village Pavements:*** *What action are the Managers of the Scheme taking to rectify pavement defects outside the shops at the north end of the Village?*

The works to repair the pavements in the North Parade will be undertaken as part of the North Parade Plaza works. This will be dependent on planning consent for the works and also consent to remove the existing trees. The plaza is currently not planned to be started until at least 2021 at the current time.

The Committee is **INVITED** to **NOTE** the reports and **COMMENT** as appropriate.

7. **Any other business**

8. **Date of next meeting** - 9 June 2020.

General Scheme of Management Information

[illegible]

Minutes of the meeting of the Advisory Committee

held at The Old College, Gallery Road

on Tuesday 10 March 2020

Present: Representatives of the Managers:
Andreas Köttering

Representatives of The Dulwich Society:
Patricia Bramble
Irene Kimm
Ian McInnes
David Roberts

In attendance: Staff of The Dulwich Estate: Simone Crofton (Chief Executive); Adrian Brace (Director of Property); Simon Hoare (Principal Building Surveyor); Nina Rickman (Scheme of Management Administrator), John Austin (Interim Finance Manager)

Introductions were made around the table.

1. Apologies for absence

Apologies for absence were received from Irene Bishop, Nicola Meredith and Russell Vaizey.

2. Minutes of the meeting held on 12 November 2019

The minutes of the last meeting, which had been circulated previously, were **APPROVED** by the Committee as an accurate record and signed by the Chairman.

3. Matters arising

None.

4. The Scheme of Management Charge – 2019/2020 and 2020/2021

John Austin, Interim Finance Manager, introduced the report circulated with the agenda.

Simon Hoare confirmed that the increased figure of £10,000 was largely due to the resurfacing of Grove Walk; at the time of preparing the budget for 2019/20, the level of repairs was unknown, and tenders were not received. Part of the cost of the work to Grove Walk will fall into next year.

Confirmation was provided that the full cost for developing the Orchard were met by The Dulwich Estate but the costs for ongoing maintenance of this land are paid for by the Scheme of Management, as it always had been historically. Tree maintenance is being taken care of by The Forestry Commission.

It was noted that once the two-stage licence process is in place, the cost of the Surveyors' fee will impact slightly on the Scheme of Management figures going forward. Any increase would be shown in the Basic Expenditure under Other Staff.

It was agreed to arrange a meeting between The Dulwich Society and The Dulwich Estate to reformat the way in which the accounts are presented. Nina Rickman will arrange the meeting once it is decided who best to meet with from The Dulwich Estate.

The Committee **NOTED** the report

5. **The Scheme of Management Charge – Basis of Apportionment**

Ian McInnes queried where the percentage recoverable of 75.05% came from.

Post Meeting Note

Adrian Brace confirms that the determination on the basis of apportionment and the percentage recoverable figure is undertaken by Gerald Eve LLP who have done this each year since 1998.

The Committee **AGREED** the appointment of Gerald Eve to determine the basis of apportionment for 2019/2020 and 2020/2021.

A meeting is to be arranged between Gerald Eve and The Dulwich Society at Gerald Eve's offices to ensure they continue to be satisfied with their service.

6. **Items raised by The Dulwich Society**

The Committee **RECEIVED** and **NOTED** the report circulated with the agenda, with discussion in particular on the following:

b)

The Dulwich Society voiced their concern at the lack of consideration shown to other residents, by contractors of large building sites. Adrian Brace confirmed that the process for skip licences has now been amended, applying a monthly fee rather than a single fee so that the overall fee increases the longer the skip is in place on private roads.

f) Japanese Knotweed

Irene Kimm requested to be notified by Simon Hoare when Japanese Knotweed inspections are made by specialist contractors to The Whytefield Estate so that she could attend.

h) Dulwich Healthy Streets

Simone Crofton confirmed the Estate's intention to comment on the Dulwich Healthy Streets proposals by the deadline of 29 March 2020.

7. **Any other business**

Nina Rickman confirmed that she had attended a Section 19 Group meeting at Port Sunlight earlier in the year where it was agreed to set up an online sharing portal where group members can collaborate together to problem solve and pool resources on Scheme of Management issues.

Ian McInnes requested the details of the staff involved with estate management to better understand their roles and responsibilities. Adrian Brace agreed to provide this. Communication from residents should be with the Heads of Department and then filtered down.

It was agreed to begin to publish the Advisory Committee Agendas and Minutes on The Dulwich Estate's website.

8. Date of next meeting

The date of the next meeting was confirmed as 9 June 2020.

18.03.2020