

Manor Fields Estate Limited (MFEL)

Manor Fields Putney Hill London SW15 3NE
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30 September 2024

Dear Leaseholders,

In August 2024, the Board commissioned a detailed surveyor assessment of the estate (house-by-house). It is a number of years since a full assessment of the estate was last conducted and it provides valuable input for future planning and maintenance programmes.

The Board is now reviewing in detail the surveyor's report and recommendations, and ensuring that the Long-Term Plan is updated accordingly.

Following the Board's in-depth review, the Long-Term Plan and Projected Trustee Reserve Movements for the Service Charge years 2024-2034 will be shared with Leaseholders in November in advance of the AGM.

Please find enclosed for your review the **Trustee Reserve Accounts** and the **Lessor's Income and Expenditure Accounts** for the year ending 31 March 2024 for both the **Principal Service Charge** and the **Garage Service Charge.**

The **Company Accounts** will be shared with the AGM Notice which will be sent out by 1st November 2024.

The Directors will hold the **2024 MFEL AGM on Saturday 23rd November 2024 at 10:30am** at Prospect School (attendance in-person). We will continue with an in-person AGM this year based on guidance provided by MFEL's Company Secretary (Kinleigh Ltd). We are reviewing the options for remote attendance.

Directly following the AGM, the Directors and KFH Senior Property Manager will hold a **Leaseholder meeting** to provide an update on current plans/priorities (following on from the update provided at the May '24 Leaseholder meeting) and to answer Leaseholders' questions about the estate. This is in line with our commitment to update Leaseholders every 6 months.

The Manor Fields Estate Limited is registered in England number 01924651.
Registered office: KFH House 5 Compton Road, Wimbledon, London, SW19 7QA.

Overview of Financial Statements

The Board is in the process of resetting the culture of MFEL to reflect that the company's principal function is to serve its Shareholders and Leaseholders. The company is committed to spending your money prudently, transparently and always with the aim of achieving value for money.

1. Lessor's Income and Expenditure Accounts and Surveyor's Estimate

1.1. The Principal Service Accounts and Garage Service Accounts, with the Surveyor's Estimates, cover regular ongoing expenditure (regular/routine maintenance spend) and from these contributions are made to the Trustee Account which holds reserves for future expenditure.

1.2. In 2023/24, by enhancing the company's financial controls, the Board has reduced annual operating costs by £198k. The cost reduction enables the Service Charge to be maintained at the same level in 2024/25, and the amount has been transferred to the Reserve as an additional provision for works in the Long-Term Plan.

2. Principal Service Charge 2024/25

2.1. As promised, the Board has approved no increase to the Principal Service Charge for 2024/25, balancing running costs against the projected contribution to Reserve Fund and keeping in mind wider cost-of-living pressures.

2.2. The Board is also mindful of the additional leaseholder expenditure to upgrade their apartment front door (leaseholder responsibility) for compliance with fire safety regulations (with reference to Important letter from Directors to Leaseholders – 03 September 2024).

2.3. We will review the outlook for the Service Charge again at the end of March '25 for the financial year 2025/26 taking into consideration the updated long-term plan.

2.4. The Surveyor's certificate in respect of the 2024/25 Service Charge is enclosed.

3. Garage Service Charge 2024/25

3.1. Garage Service Charge for this year will also remain unchanged, following the refurbishment of the garages completed two years ago.

4. Annual and Projects/Major Works Expenditure – 2024/25

4.1. **Lifts**. The project to overhaul and refurbish all of our lifts on a phased basis is progressing as planned.

- Phase 1 – two Lifts (11-20 Girton and 11-20 Glenalmond) were completed successfully during the year on time and on budget.

- Phase 2 - five Lifts (1-8 Somerville, 9-16 Balliol, 9-16 Somerville, 9-16 Bede, 1-8 Keble) – from Oct '24 to April '25, starting with one lift by 31st December 2024.

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- There will be targeted communication to leaseholders and residents in Phase 2 blocks in advance of the works in their building.

- As each lift is overhauled, it is expected that the cost of maintenance will reduce. Components that have been replaced will be recycled (where possible) for use in ongoing lift maintenance, thereby making further cost savings.

4.2. Communal Front Doors

- Communal Front Door refurbishment has been completed for the following houses – Armstrong, Newnham, Harvard, Balliol, Girton, Gonville and Mansfield.

- The project will be paused over the winter months and will restart in March ’25 for completion of the remaining houses by the end of May ’25.

4.3. Fire Safety Projects

- Fire Safety projects are a key priority and we will progress the works for the communal areas for:
    - Riser Cupboard Doors, Electrical Cupboards, Fire Stopping of Risers
    - Treatment of Entrance Staircase Woodwork.

- We have appointed White and Lloyd as surveyors who will initiate the tender processes in October to appoint contractor(s) for the works.

- These works will be progressed in parallel with the residential front door upgrade works to ensure consistent look and feel.

- The upgrade of the residential front doors was described in our letter to Leaseholders dated 3 September. Further details, particularly the negotiated costs, full scope and timing will be shared with Leaseholders shortly after completion of the tender process.

- We are grateful to all those Leaseholders who have volunteered to participate in the pilot programme to show how the residential front doors will look after their upgrade.

4.4. Major Reburbishment Cycles

- The final inspection of Phase 3 (Bede and Keble Houses) was carried out. The inspection was undertaken 12 months after works were completed and marks the final step in the latest round of cyclical refurbishment.

- The timing of the next cycle of major refurbishment is currently under review following the surveyor’s comprehensive assessment of the estate this Summer and the review of the long-term plan.

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4.5. **Electricity Costs**

- With support from our Electricity broker we have negotiated a reduction in electricity costs from 1st November 2024 (contract renewal date).

- We have recovered historical overpayment of electricity bills to EDF made in early 2023 (EDF was our electricity provider until 31st October 2023). We have now recovered 90% of the overpayments and continue to pursue the remaining 10%.

- We have replaced the lights in Glenalmond Garages with more energy-efficient lighting and are reviewing electricity usage for other lighting across the estate and for communal areas in general.

4.6. **Routine Maintenance**

- Routine maintenance continues, including drain maintenance and repair, storage tank maintenance, resolving damp issues and footpath repairs.

5. Update on KFH Arrangements

5.1. We have extended our current arrangements with KFH for a further 364 days for (1) Property Management Services (2) Finance and Accounting Services (3) Company Secretarial Services. The new contract, effective from 1st September 2024, is at last year's fee. We will now be billed monthly in arrears (previously quarterly in advance) and 10% of the monthly fee is now linked to contract performance.

5.2. The KFH management agreement for Manor Fields is based on a standard TPI (The Property Institute) contract in line with industry best practice and adapted to address the estate's needs. We expect to retender the contract in the coming year. The September 2024 contract is available for leaseholders to view on the Manor Fields website. Please contact The Estate Office if you require login details.

5.3. The KFH team continues to attend Manor Fields twice a week and is available to meet Leaseholders every Thursday 09,00-10,00am in The Bunker.

5.4. In conjunction with KFH, we have strengthened financial controls with enhanced monthly finance reporting from April '24 and we have revised the Purchase to Payment process, with additional approval steps for all discretionary spend items.

5.5. As a reminder, the Manor Fields KFH Portal can be used to pay your service charge and view your service charge history.

6. Legal Services

6.1. We completed our review of legal services for the estate in May '24 this year and have now fully transitioned all new and existing legal work to Taylor-Rose, a top 60 UK law firm. The move has been well-received by leaseholders and office staff.

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7. On Site Manor Fields team

7.1. Personnel costs for the year ending March 2024 align with the Surveyor's Estimate for that year.

7.2. With support from KFH HR team, we are in the process of reviewing and refreshing all Manor Fields staff contracts to ensure that they reflect latest HR best practice and current employment legislation.

7.3. We thank all the estate office staff and the gardening team for their continued hard work and commitment to the estate.

8. Gardens

8.1. We are currently reviewing the Gardens Committee terms of reference and will be able to share more news at the Leaseholder meeting following the AGM.

8.2. We have had an external assessment of the state of the Manor Fields pond and its lining. Given there is no immediate need for the pond lining to be replaced as originally planned, the timing of these works will be reviewed as part of the long-term plan.

9. Sustainability

9.1. As a Board, we remain committed to Manor Fields being an energy-efficient and sustainable estate.

9.2. The Sustainability Committee is focussed currently on four priority areas:

- To explore the feasibility of generating solar power with a potential partner offering end-to-end solar energy services
- To apply to Wandsworth Council's Better Futures Scheme which provides advice to qualifying organisations in the borough on sustainability and reducing energy consumption
- To investigate the potential for geothermal energy and hydro-electric power at Manor Fields
- To provide advice to Leaseholders on measures to reduce domestic energy consumption which accounts for roughly 94% of the estate's carbon footprint.

9.3. We have conducted an initial assessment of the feasibility of solar power and the indications so far are that solar is not viable at this time because the electricity is generated during the day and consumed mostly after dark. Battery storage is necessary and is very expensive. Also, the offer price for privately-generated power is too low to be attractive. We continue to review options.

9.4. During the Summer, we implemented the Wandsworth Council Waste Food Collection Scheme, which has been well received, helping to reduce the amount of general waste.

9.5. We are currently reviewing the Sustainability Committee terms of reference and priority projects and will share more news at the Leaseholder meeting, following the AGM.

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10. New Directors

10.1. During this year, three new Directors were appointed – Dean Buckner (January ’24), Alex Blake-Milton (April ’24) and Dr Sheela Sharma (September ’24), all of whom have added value to the Board in a short time and we thank them for their contributions. They will be put forward for election at the 2024 AGM in line with our Articles of Association.

10.2. We have an immediate need for new Directors and would encourage you to put yourself forward for consideration. We are looking particularly for people with experience in Finance, Construction, Architecture, Surveying, Law, Procurement, HR and general Senior Management If you are interested to learn more, please contact directors@manorfields.co.uk for an informal discussion,

We look forward to seeing you at the AGM if not before.

Yours sincerely,

The Board

Clare Morton (Chair)
Deirdre Noonan (Finance Director)
Alex Blake-Milton
Dean Buckner
John Chrastek
Khushroo Dastur
Sheela Sharma

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