

## Leaseholder Service Charge Working Party Report to RCC

### 1.Membership

Two more new members have joined us following Christopher Makin's request for a refresh of the Working Party:

Bernie Burrows

Frits van Kempen

Existing members:

Adam Hogg

Andy Hope

Helen Hudson

Sandra Jenner – Chair

Fred Rodgers

Sally Spensley

### 2.Areas of Activity

- BEO Review:
  - Heads of Terms have been finalised and copies have been circulated to RCC Members
  - A procurement exercise has been undertaken in which we were involved and Altair Consultants appointed.
  - A Project Team has been established (Paul Murtagh, Rosalind Ugwu, Sandra Jenner and Julie Leo the Altair Lead Consultant) to oversee the project
  - Residents and RCC communications completed
  - Consultation with all stakeholders (including House Group nominees and residents) scheduled
  
- Outturn 21/22; Progress against budget 22/23; Budget 23/24

We have had meetings with Paul Murtagh, Rosalind Ugwu, Anne Mason, Mike Saunders, Helen Davinson and Jason Hayes the budget holders who spend our money, to understand and challenge:

  - 21/22 outturn which showed a significant overspend against the published estimate.
  - 22/23 year to date spending and revised estimates

- 23/24 budget compilation, assumptions and justification. The figures provided were incomplete but we will review the updated budget early next year. This version will be the formal estimate for 23/24 publicised to residents and against which spending is measured.

Increases year on year are forecast and we have continued with our push to be forward looking and stressed that we expect budget owners/the managers who authorise expenditure ie who spend our money, to:

- actively consider value for money and whether there are opportunities for delivering the service more efficiently ;
- produce monthly reports on progress with variance explanations for the Working Party

We await the report resulting from the reconciliation of energy usage which is still being undertaken. An update is being provided to the RCC.

Given the amount of work to be done we have split into groups of 2 so that a deeper dive can be undertaken into key elements of Service Charges: Energy; Repairs; Programmed work; and the BEO itself.

- Impact on Service Charges of Programme of Work arising from Stock Condition Survey (SCS)

Following the presentation on the SCS and the circulation of Saville's report we will need to consider how best the RCC maintains oversight of this complex, risky and expensive programme and its impact on service charges.

Sandra Jenner  
Chair, LSCWP  
22/11/22