

# The Parks Residents Association

Meeting

11th March 2025

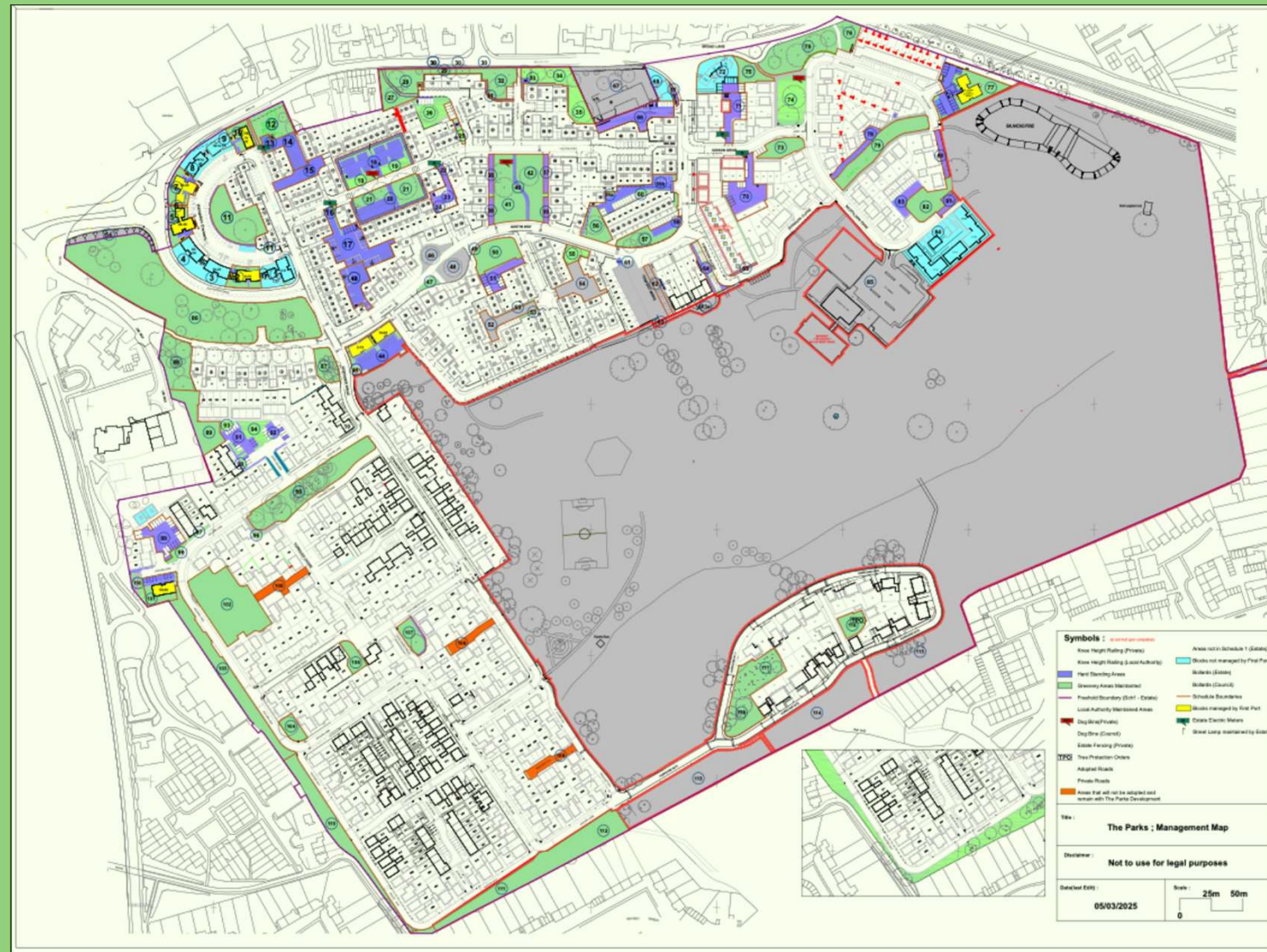


# Agenda

1. Background to proposed course of action
2. A brief analysis of costings
3. The vote and pledge
4. Questions and answers
5. Any other business



# Latest Development plan Rev: 14



# Ownership and Membership

	Number	Percentage
Total Dwellings	749	
Privately owned & pay FP charge	557	74.37%
Housing Association Owned	189	25.23%
Privately owned - no liability to FP	3	0.40%
<b>Type:</b>		
House	615	82.11%
Flat	117	15.62%
Flat over garage (FOG)	14	1.87%
<b>Membership:</b>		
MEMBERS WHO PAY FP SERVICE CHARGE	433	58.04%
To get to 60% FP service charge payers	14.6	
To get to 50% FP service charge payers	-60	

# Where are we now?

- The Parks is now complete, last dwelling sold by the developer in 2016.
- Since 2006 there have been thirteen FirstPort managers.
- With Imran Alam, I consider we have the best manager ever from FirstPort.
- March 2025 reached without accounts for the year ending April 2024.
- Insufficient planning for the collection reserves.
- Grounds maintenance whilst improving yet lacking direction
- FME1 & LPE1 high cost and slow in supply.
- Large scale of FirstPort brings high contractor costs.
- Grounds maintenance whilst improving is lacking direction. Costs low for work.



# Where are FirstPort making their money

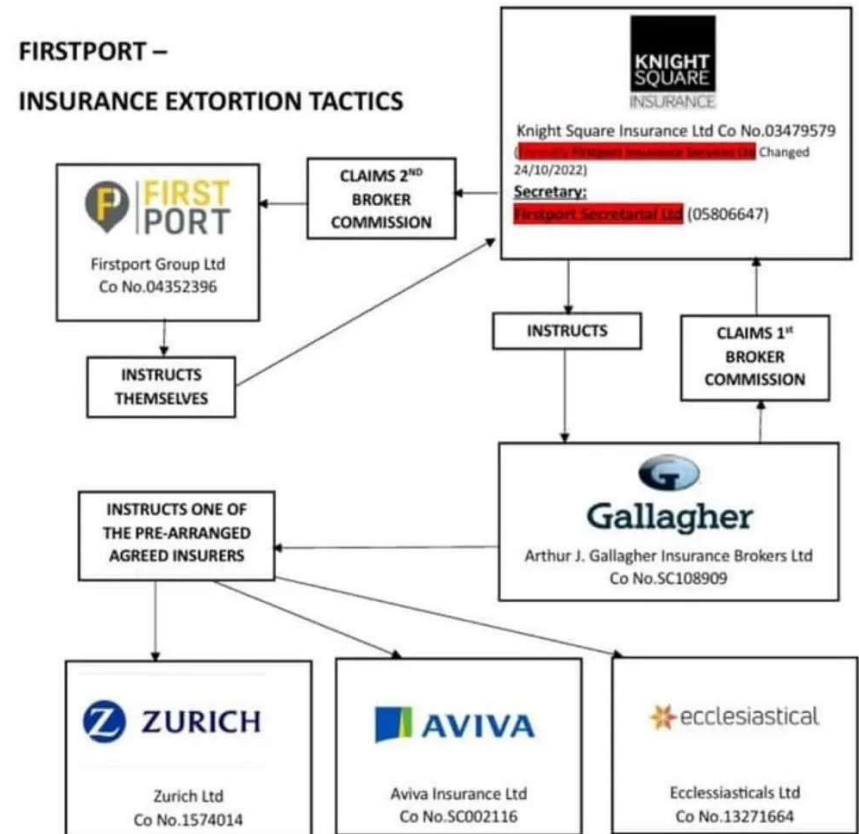
1. Management fees
2. Legal fees related to property transactions
3. Section 20 management fees – The related to flats and FOG's.
4. Late payment fees
5. Insurance commissions

FY23/24 Budget draft figure including VAT items 1, 2 & 3 - £150,579.80

Includes accounts prep fee and monitoring fee - £45% of total budget

# Insurance supplied by FirstPort

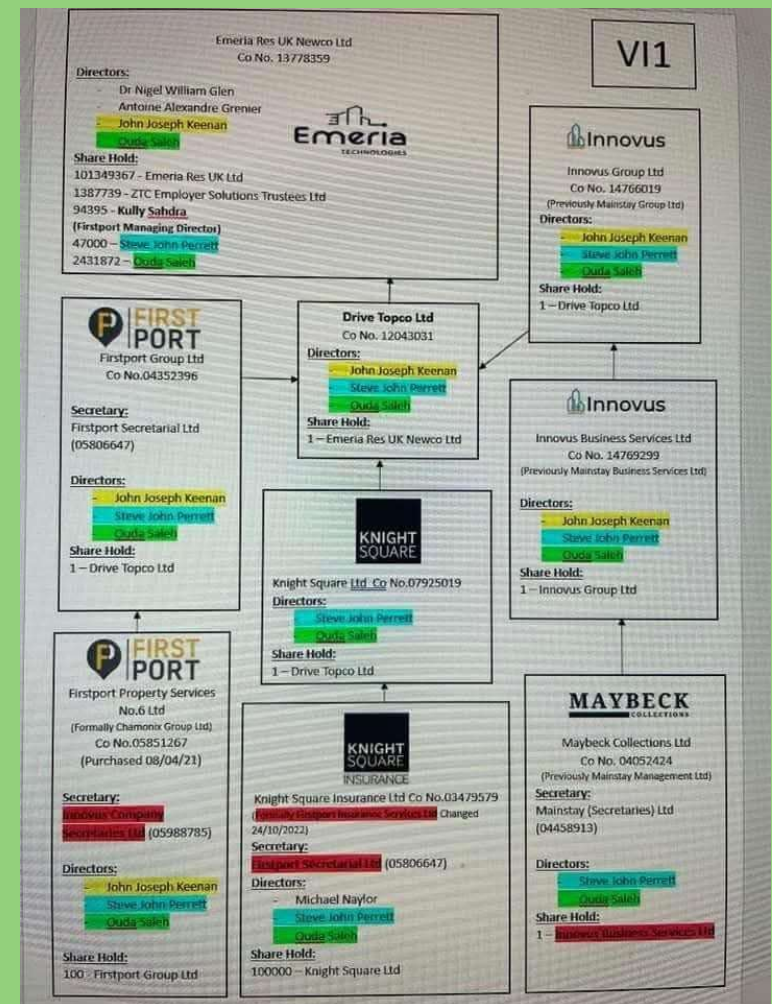
- This slide was produced by a contributor to the FirstPort online action group. The insurance supplied is the best for FirstPort and not its customers.



# Ownership of FirstPort

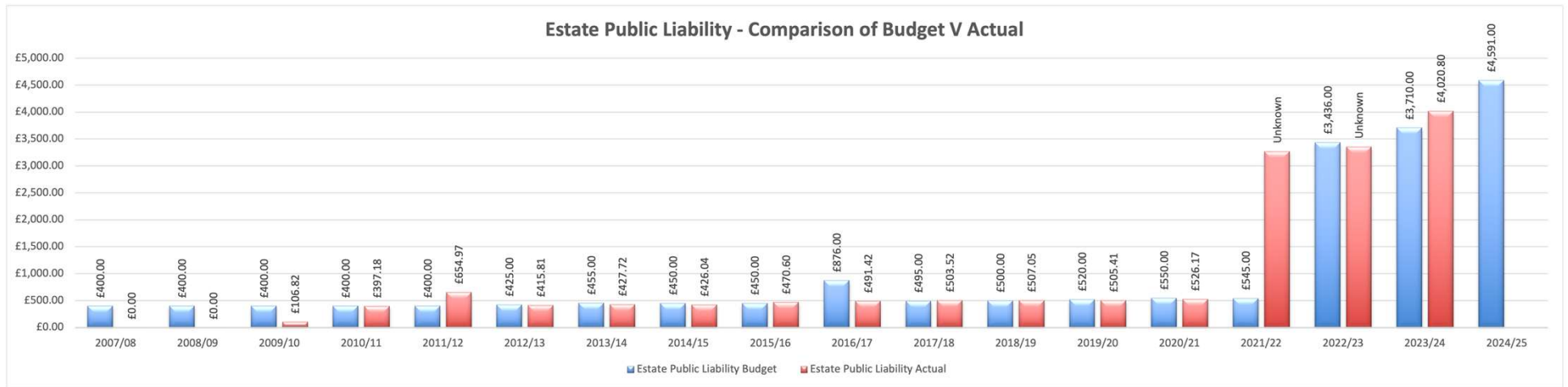
March 2022 FirstPort joined the residential real estate service group Emerica.

It has been suggested that the corporate structure makes it very difficult for individuals to challenge FirstPort.





# Estate Public Liability Insurance



# Potential Cost Savings

Description	Potential New Manager	First Port	Difference
Estate management fee	£44,760	£119,850.21	-£75,090.21
Apartments management fee	£175	£186.83	-£11.83
FOG's management fee	£100	£110	-£10
Annual accounts preparation	£1,800	£8,912	-£7112
Section 20 fees (leaseholders)	8%	10%	-2%

- Estate charge down by £120 from the current £302.26
- Flat owners service charge down by up to £1,000 from £2,126.63

# Where do we want to be?

- Accounts for the development produced in a timely manner
- With the above invoices can be issued in accordance with legal framework
- Improved budgeting to ensure funds are in place for future costs
- Value for money from our development manager

# How do we get where we want to be?

Use a clause in our contracts, whereby management can be transferred to a nominee company.

7.9 If at any time after the expire of five (5) years following the sale and purchase of the last Dwelling by the Landlord a simple majority of the lessees and transferees thereof (on the basis of one vote per Dwelling) shall serve notice on the Manager requiring the obligations of the Manager under the terms and conditions of the transfers and leases of the Dwellings to be undertaken by a party ("the Nominee") other than by the Manager or its managing agent and subject to production of written evidence of the votes cast by the said lessees and transferees at the serving of such notice then the Manager shall enter into an agreement with the Nominee within a reasonable time period in terms sufficient to transfer on a full indemnity basis all of the covenants and conditions on the part of the Manager contained in the leases and transfers of the Dwellings And subject to the payment of all reasonable and proper legal and/or administration costs and disbursements together with Value Added Tax incurred by the Manager thereby

# Matters to consider

- Funds to cover the set costs – Worst case £10k = £13.40 across 746 dwellings
- Selection of the new Manager – One in mind, due diligence to follow
- Who would stand as Directors of the Nominee company created
- Directors' remuneration – typically zero



# **Nominee company - The Parks Management Limited**

- We need to gain votes for this change from a minimum of 50% (373) of the dwelling owners liable for the Service Charge
- We already have 58% of FirstPort Service charger payers as RA members
- We think it's the right time to take over control over the management

# New Managers Under Consideration

Pinnacle Property  
Management

Ringley Property  
Management

Common Ground  
Estates

Estate	FY24/25	
	FirstPort	Pinnacle Offer
Management fee	£134,914.00	£53,712.00
Accounts Preparation Fee	£8,912.00	£2,660.00
Audit Fee	£1,448.00	£420.00
Totals	£145,274.00	£56,792.00
Saving		£88,482.00
Saving per dwelling		£118.61

# What next

- Those attending the meeting today can cast their vote in person
- Those who would like to vote later can do so via the online form on the R A website
- An email will be sent to all R A members after this meeting giving you the opportunity to vote.
- Only if there is sufficient support and pledges of funds will work proceed.
- The next stage is due diligence to select a new manager along.
- Thereafter a nominee company would be created and funds collected.

# Possible Board of Directors Structure of Nominee Company

Chairman

Secretary

Treasurer

Grounds

Safety/Security

Council Liaison

General Board Member