



Bournville
Stewardship Services

Bournville Stewardship Services

Lawley Village Financial Review



Contents

Page	
3	Foreword - from Peter Roach, Chief Executive
4	Stewardship Services
	What is Stewardship?
	Community Development and Resident Involvement
5	Estate Management
	Development Control
	Maintenance of open spaces and shared areas
6	Maintenance of a Wear & Tear Fund
	Customer Services
7	Governance
	Partnership working
8	Financial Overview
	The Community Charge
9	The Community Charge Statement
10	A. Community Charge Residents
	B. Ground Rents
	C. Notice Fees
	D. Bad Debt Recovery
11	Community Charge Costs
	E. Staffing Costs
	Estates
12	Community
	Management and Administration Support
13	F. Maintenance of open spaces and shared Areas
	G. Legal Fees - Arrears Recovery
	H. Lighting
	I. Insurance
	J. Review of Wear and Tear Fund
14	K. Community Development and Involvement
	L. Office Running Costs
15	M. Administration Charge
	N. Wear and Tear Fund (Reserve Fund)
16	O. Residents Community Fund

Foreword

I am pleased to introduce you to the first Lawley Village Financial Review produced by Bournville Village Trust.

This is an important report giving BVT the opportunity to share with you more detail on the role of stewardship and the costs involved in delivering the stewardship services. We continue to strive to improve the ways in which we communicate with you and this document plays a significant part in that.

Our commitment to achieving a vibrant sustainable community in Lawley remains firm. We believe it is one of the things that sets us apart from other housing associations and it is particularly important in a growing community such as Lawley.

I am well aware that there are many frustrations associated with living on a growing development where much of the legal and financial responsibility lies with the Developer consortium; we share these frustrations and are doing a significant amount of work to try to overcome these difficulties.

I have no doubt whatsoever that Lawley Village is going to be a great place to live which we can all be proud of.

I hope you enjoy reading the Lawley Village Financial Review 2015 - 2016 and I look forward to seeing you soon.



Peter Roach
Chief Executive
Bournville Village Trust



Stewardship Services

For the past 8 years, the stewardship services in Lawley were delivered by two organisations, Bournville Village Trust and Sanctuary Housing Association who worked as part of a joint venture called Ironstone Management Services (IMS).

In early 2016 Bournville Village Trust assumed sole responsibility for delivering the stewardship services at Lawley, so IMS ceased to exist.

As part of the Long Term Stewardship Agreement (the legal document that sets out BVT's role and responsibilities) BVT are accountable to the Lawley Village Developer Group (LVDG) who in turn, are accountable to the Homes and Communities Agency (the government body who are responsible for promoting housebuilding and who own the non-disposed land in Lawley).

What is Stewardship?

Stewardship is a long term commitment to the management and maintenance of a neighbourhood funded through a charge levied on each household. In Lawley, it is broadly split into the following functions:

Community Development and Resident Involvement

In 2015, in conjunction with your Resident Representatives a revised Community Development and Resident Involvement Strategy was put together and approved by the Lawley Village Management Committee. It sets out how BVT would work with residents to help shape a vibrant, sustainable community by building capacity within the community, providing good quality information, creating a community spirit and providing opportunities for involvement in setting standards and decision making. The way BVT are doing that includes:

- Publications and community newsletters
- Social media and website presence
- Large and small scale community events
- Resident meetings both formal and informal
- Welcoming new residents into the community
- Consultation events on matters that affect the community
- Providing mediation and dispute resolution where appropriate
- Providing opportunities for residents to meet and interact socially
- Providing opportunities for residents to get involved in the decision making process
- Proportional representation onto a formal Village Management Committee
- Partnering with local groups and bodies such as:
 - Community groups
 - Parish Council
 - Neighbourhood Watch
 - Local Authority
 - The Community and Voluntary Sector
- Special interest groups such as the Lawley Running Club



Estate Management

Within everyone's transfer document (TP1) or tenancy agreement there are a set of covenants, or responsibilities which everyone is expected to adhere to. The enforcement of these covenants helps to prevent areas from becoming unattractive or blighted by anti-social behaviour issues.

Development Control

Some of the covenants look to control the sort of alterations that can be made within your property boundary, this is to ensure the very specific design of Lawley is not significantly altered so that the character and visual appearance of Lawley Village is maintained and protected. We call this development control.

When you want to make an alteration to your property BVT will work with you to ensure it meets both your needs and the guidelines set out in the Design Guide. Through the application process, BVT will:

- Give on site or verbal advice on potential alterations
- Advising potential purchasers on alterations
- Assess applications for alterations
- Approve proposals which comply with the Design Guide
- Assess the quality and compliance of completed alterations via a site visit to ensure what was agreed happens in practice
- Preventing unsuitable and unsightly alterations that can affect the overall character of the area by refusing unsuitable applications and operating a rigorous appeals procedure
- Consult with neighbours on larger scale alterations
- Ensuring breaches of covenant are rectified
- Work closely with Telford & Wrekin Council planners to discuss proposals and to protect the character of Lawley Village
- Feeding back to the LVDG on design issues that are affecting residents, which allows the LVDG to improve their product

Maintenance of open spaces and shared areas

This function is very restricted at present. The maintenance of open spaces and shared areas is only the responsibility of BVT when we have received legal handover of the land. At present, no land has been handed over to BVT by the developers. All open spaces and shared areas are the legal and financial responsibility of the Developers.

BVT cannot legally use residents' money to carry out work that is the legal and financial responsibility of someone else. At present, no money is included in the Community Charge for areas we do not anticipate to take over in any given year.

When land is legally handed over to BVT, we will carry out the following services:

- Litter picking
- Weed and moss control
- Maintenance of beds, shrubs and trees
- Grass-cutting
- Supply of road salt and storage bins to courtyards
- Inspections of courtyards and open spaces, fault reporting

At the beginning of the development it was agreed that a service would be provided by an on site landscape operative who would carry out the following functions in order to enhance the environment, over and above the responsibilities of the developers, this included:

- Litter picking
- Sweeping
- Leaf collection
- Inspections of courtyards and open spaces, fault reporting

In addition to performing these restricted grounds maintenance tasks, the operative provides a valuable on site presence, ensuring that there is a consistent and regular face-to-face contact point for all residents. This direct contact enables residents to become familiar with BVT and is a key communication line. It can also provide enhanced security for residents, the community and the construction sites.

Maintenance of a Wear & Tear Fund

A major part of long term stewardship is to maintain a Wear and Tear fund. A Wear and Tear Fund (also known as a reserve fund) is a pot of money put aside to cover large future expenditure. Bournville Village Trust will, in the future, have responsibility for large amounts of land and features such as furniture, block paving, street lamps, drainage and walls. When these require replacement they could be very costly. It is good estate management practice to use a Wear and Tear Fund to spread the cost of these items over many years, rather than present a large bill to residents in the year that the cost is incurred.

The Wear and Tear Fund is kept 'ring fenced' and can only be spent on replacement or maintenance at Lawley Village. It accumulates interest and each year any interest earned is added to the Wear and Tear Fund.

More information on the Lawley Wear and Tear Fund can be found on page 15.

Customer Services

BVT acts as a conduit between residents and the Lawley Village Developer Group to take and forward on queries or concerns about the areas they are responsible for or issues affecting the wider community. These issues are outside the remit of long term stewardship but, by reporting the problems for residents and other local partners, BVT aims to forge strong links with the community and help in the process of resolving issues in the community.

BVT assists residents with issues such as:

- Outstanding work and poor workmanship to street furniture, lighting and open spaces
- working with the local Police and Telford & Wrekin Council where there is obstructive or dangerous parking and road safety issues
- Resolving conflict amongst occupiers, the existing community and the Developers

Governance

BVT's Board of Trustees are responsible for the delivery of the Stewardship Services in Lawley. The Lawley Village Management Committee are a sub-committee of the Board of Trustees and this committee are responsible for the following functions:

- The preservation of the standards of appearance and amenity on Lawley Village.
- Managing non-adopted public realm and open space, playing fields and future facilities.
- To encourage the fostering of resident involvement and new communities in the management, maintenance and facilities of Lawley Village through the development and implementation of the Community Involvement Strategy.
- To set and monitor standards of maintenance and management to ensure that Lawley Village is managed using best estate practice.
- Set and monitor Key Performance Indicators (KPI's) for delivery of service standards.
- To work with stakeholders to develop a sense of community within Lawley Village.
- To set and implement policy and changes of policy to the management of Lawley Village within the confines of the statutory legal obligations.
- Plan and manage the annual Budget, make recommendations on the Community Charge and Business Plan including maintaining the Wear and Tear Fund.
- To approve property alterations on Lawley Village following good estate management practice and the Property Alteration Design Guide. Also recommending changes to the Design Guide to the Joint Venture Project Board.

Partnership working

BVT work with a number of partners to tackle wider community issues that are not covered directly by the stewardship services. Our partners include, but are not limited to:

- LVDG
- T&WC
- Parish Council
- Local Schools
- Local policing team
- Local Community Groups
- Local businesses
- Existing communities
- Affordable Housing Providers

Financial Overview

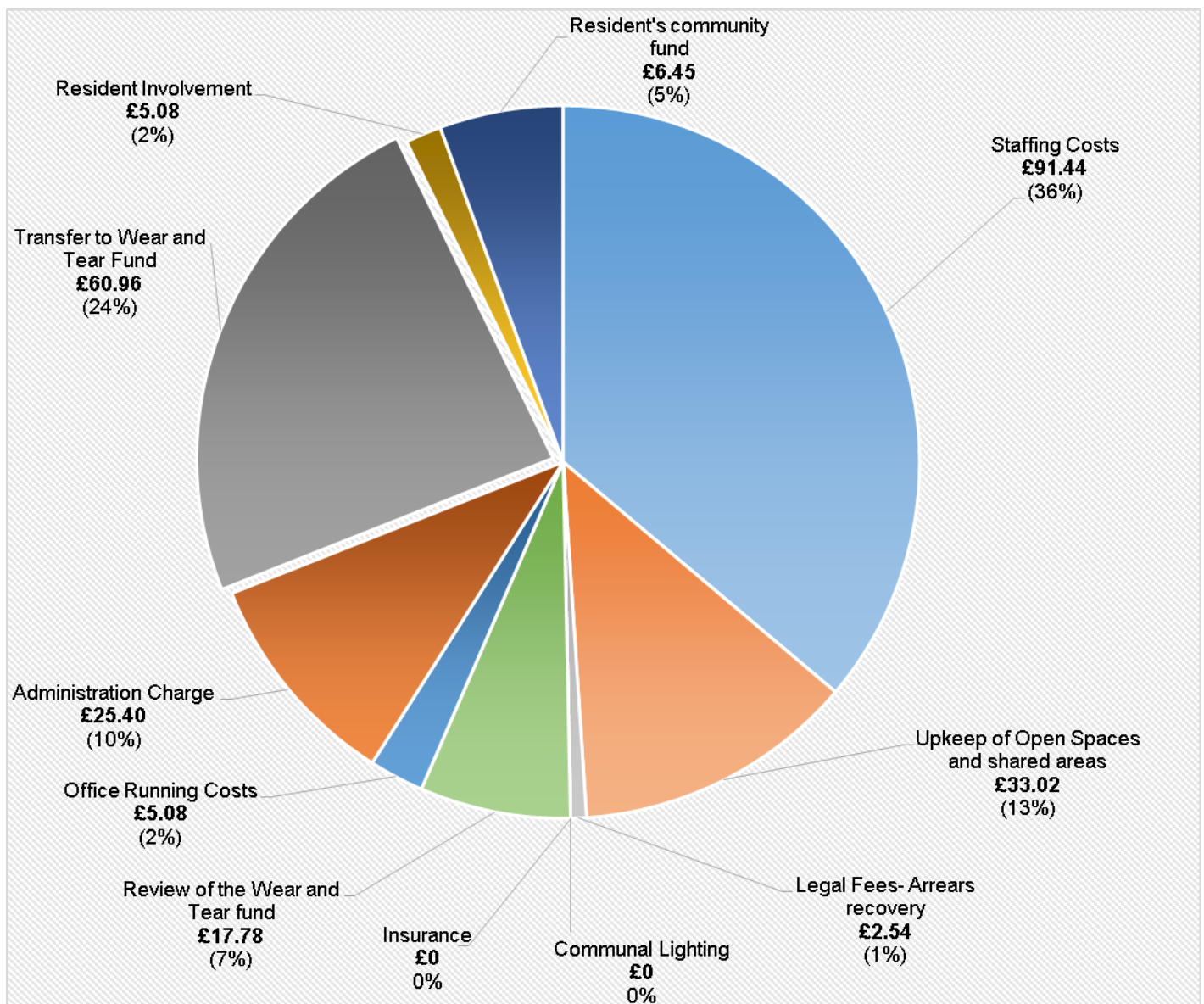
The Community Charge

The Community Charge is the annual charge levied equally on all households at Lawley Village. The Community Charge is the total cost of running Long Term Stewardship (LTS) divided by the number of households within Lawley Village.

BVT is a non-profit organisation. The Community Charge only contributes to the costs of running LTS at Lawley Village and building up a Wear and Tear Fund for future expenditure at Lawley Village.

The Community Charge is not spent on building any part of the development or maintaining parts of the development that have not been fully completed and handed over to Bournville Village Trust.

The following chart provides an overview of what your £254 community charge has been spent on in 2015/2016:



The statement below provides an overview of all income and expenditure in 2015/2016. A set of notes are provided that explain each area of income and expenditure in more detail on pages 10 to 16.

COMMUNITY CHARGE

Financial Period 1st April 2015 - 31st March 2016

NOTE

Community Charge Income

Community Charges Residents	258,248	A
Ground Rents	4,400	B
Notice Fees	420	C
Bad Debt Recovery	(172)	D

Total Income

262,896

Community Charge Costs

Staffing Costs	95,065	E
Maintenance of Open Spaces and Shared Areas	33,634	F
Legal Fees - Arrears Recovery	1,871	G
Lighting	0	H
Insurance	0	I
Review of Wear and Tear Fund	18,000	J
Community Development and Involvement	4,296	K
Office Running Costs	6,548	L

Total Community Charge Costs

159,414

Administration Charge	26,265	M
-----------------------	--------	---

Net Income/(Expenditure)

77,217

Transfer to Wear and Tear Fund	62,478	N
Residents Community Fund	14,739	O

Net Surplus/(Deficit)

0

		Note
<u>Wear and Tear Fund</u>		N
Opening Balance	243,001	
Interest earned	1,579	
Transfer	77,217	
<u>Closing Balance</u>	<u>321,798</u>	

**I confirm that the above account reflects the
Financial Year ended
31st March 2016**

Signed



**Paul Haywood
Director of Financial Services**

Community Charge Income Notes

A. Community Charges Residents

The Community Charge is collected from all households regardless of tenure (i.e. owner occupier, shared ownership and rented). All households pay the same amount apart from residents who moved in part way through the financial year who pay an apportioned amount.

In 2015-2016 the annual charge was £254.

B. Ground Rents

BVT are the Freeholder of some of the apartment blocks at Lawley Village. Everyone who lives in the apartment blocks pay a leasehold ground rent. All of the income from the ground rents are fed back into the Community Charge Account and spent on the delivery of Stewardship services.

C. Notice Fees

These are fees received by BVT for various legal notices, such as of properties. All fees received are fed back into the Community Charge Account, and spent on the delivery of Stewardship services.

D. Bad Debt Recovery

This shows the outstanding Community Charges and legal fees that have not been recovered by BVT. Out of fairness to all residents, BVT actively pursue unpaid Community Charges and seek to recover the costs in doing so. During this financial year a small portion on the legal fees were not awarded through the courts.

Community Charge Costs

These are the direct costs of running Long Term Stewardship for the benefit of the residents at Lawley Village.

E. Staffing Costs

In total BVT employ the equivalent of 3.1 full time posts. Staffing costs include salary and all other associated costs (national insurance, tax, car mileage, etc.)

The staff employed to deliver Long Term Stewardship are:

Estates

- John Haywood, Estates Manager (0.5 of a Full Time Equivalent (FTE) post)



- Darren Helwig
- and Vacant Position,
- Assistant Estates Officers (totalling 1 FTE post).



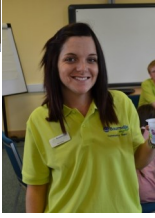
The team have carried out a wide variety of tasks during 2015 -16 including:

- Dealing with 289 breaches such as non-compliant alterations, bins left on the highway and untidy gardens
- Worked with 105 residents on alteration applications
- Attended 89 joint walkabouts with residents throughout Lawley
- Carried out 289 estate inspections
- Reported 147 single Developer issues
- Provided a full review of landscaping defects to the developers
- Attended 11 PACT meetings with the parish council and the police
- Dealt with 38 neighbour disputes
- Developed a robust asset register for Lawley
- Reviewed the way in which we deal with breaches in conjunction with your Resident Representatives
- 6 Community Charge Workshops



Community

- Fleur Hemming, Community Development & Involvement Manager (0.35 of a FTE post)
- Sian Prescott, Community Development and Involvement Assistant (0.4 of a FTE post)



An example of the work carried out by the team include:

- Easter Event
- Launch of Tea & Tots
- Lawley adults get together
- Lawley Summer Event
- A full programme of summer activities
- Children's Treasure Hunt
- Community Pop up Shops
- Cadbury World Trip
- Lawley 5K Fun Run
- Celebrating Macmillan Coffee Morning
- Tobogganing Trip
- Lawley Christmas Event
- Christmas Quiz
- German Market Trip
- Christmas Pantomime
- BVT Big Tidy Up
- Series of Resident Representative workshops
- Golf Evening
- 4 Committee Meetings
- Welcome Pack to all new residents
- Series of Newsletters
- New website consultation
- Resident Satisfaction Survey

Management and Administration Support

- Jill Holland and Jackie Mansell, Administrative Support Officers (totalling 0.6 of a FTE post).
- Becci Youlden, Head of Stewardship and New Communities (0.25 of a Full Time Equivalent (FTE) post)

These members of the team support the activities of the Estates and Community team.

In 2016 Resident Representatives asked for a time analysis to be carried out for all officers involved in the delivers of Lawley stewardship services. This was to ensure the time apportioned to Lawley was accurate. This has been carried out and will be reflected in the proposed budgets for 2017.

F. Maintenance of open spaces and shared areas

This covers the costs of providing the restricted maintenance of open spaces and shared areas for 30 hours per week across phases 1a, 1b, 3, 4 and 6. (see page 5 for more detail on the services provided). It includes the running costs of the van and any other equipment/materials used as part of the role.

To give an example of the work carried out by the operative, 403 lb of rubbish was collected in Lawley during the year. That's the equivalent of 7 pickup truck loads!

During 2016 BVT officers and your Resident Representatives have been working on reviewing the costs of maintaining areas across Lawley ready for when they are handed over to BVT. This formed part of the wider value for money review and details will be published following discussion of the proposals at committee on the 9th November.

G. Legal Fees - Arrears Recovery

These are the fees incurred by BVT in recovering outstanding Community Charge payments from residents. Where possible, BVT recover these legal costs through the courts and any costs recovered are fed back into long term stewardship.

In the 12 month period, legal action was taken against 14 residents to recover outstanding Community Charges, which resulted in 7 County Court Judgments being issued.

H. Lighting

This covers the electricity supply and repairs to lighting in the Courtyards, shared areas and open spaces that are within BVT's ownership. This shows a zero balance as there is currently no expenditure under this heading as no lighting has yet been handed over to BVT. At present, the lighting is still the responsibility of the individual Developers and they pay for the electricity supply and repairs.

I. Insurance

There is currently no expenditure under this heading as no public open space has yet been transferred to BVT. This is currently still the responsibility of the individual Developers.

J. Review of Wear and Tear Fund

In February 2016 committee took the decision to undertake an independent review of the Wear and Tear Fund. This was to ensure that the projections of the costs involved were accurate so that residents could be assured that the contribution they were making was both sufficient, but not overstated.

The draft report from the independent consultant has showed that the level of the Wear and Tear Fund is just right. (See note N for more information on the Wear and Tear Fund).

K. Community Development and Involvement

These are the specific costs of delivering the community development and involvement function (excluding staff costs).

The breakdown is as follows:

Item	Sum (£)
Tea & Tots	310.00
Summer Treasure Hunt	48.00
Cadbury World	296.00
5K Fun Run	362.00
Christmas events	391.50
West Midlands Safari Park	193.00
German Market	136.00
Easter Events	220.00
Lawley Summer Event	794.00
Exotic Zoo	90.00
Support to committee and community groups	562.00
Consultation and workshop activities	120.00
Welcome Packs	210.00
General refreshments	211.00
General equipment and materials	342.50
Total	£4,296.00

The community team are always looking for ideas from the wider community on events and activities that would benefit those living in Lawley village. If you are interested in helping to organise events please come along to the event planning group held bi-monthly. Details can be found on the website www.bvtlawleyvillage.org.uk or contact the community team on 01952 898524.

L. Office Running Costs

This covers the direct office costs, During 2015 - 16 no rent or services were charged to the Community Charge account.

The breakdown of costs are as follows:

Item	Sum (£)
Production and postage of Newsletters (x4)	2,622 (approximately 57p per issue per household)
Production, postage and return postage for annual Satisfaction Survey	1610.45 (approximately £1.40 per household)
General Postage	726.37
General printing costs	363.77
Stationary and office equipment	1005.51
Website (domain names and hosting)	121.96
Sundry	97.94
Total	£6,548.00

M. Administration Charge

The administration charge is 10% of the total Community Charge costs to contribute towards additional indirect costs incurred by BVT in the provision of Long Term Stewardship. These include printing and delivery of invoices, staff time associated with arrears recovery, accounting, human resources, IT and telephony services and other ancillary support.

During 2016 officers and your Resident Representatives have reviewed the administration charge so that it accurately reflects the actual backroom costs rather than applying a percentage figure. This has been included in the current budget.

N. Wear and Tear Fund (Reserve Fund)

In line with good estate management practice, a Wear and Tear Fund (also known as the Reserve Fund) is in place to ensure that large items of future expenditure are catered for. Any interest earned on this is added to the fund.

Any asset that will require replacement or renewal sits within an asset register that notes the life cycle and replacement costs. Each of these assets sit within a long term programme that charts what will need replacing and when and how much the replacement will cost. This is then spread across a number of years to give the total amount required, per year.

The example below shows how the costs are calculated, using a typical area within the village.

Item	Life cycle	Total Cost (£)	Annual Contribution	Notes
Block Paving (100m ²)	25	7,500	300	£75 psqm
Wall and Steps (Replacement)	50	10,000	200	
Signage (replacement)	5	500	100	
Street Furniture Repainting/ treating	5	2500	500	
Seating Replacement (4 benches)	10	2000	200	Stainless Steel and Timber Bench - £500
Bollards Replacement (8 Bollards)	10	1000	100	Stainless Steel Drop Bollard- £125
Tree Grilles Replacement (5)	10	2150	215	Metal Tree Grille, type 'Sunburst Square'- £430
Street Lighting Replacement (3)	25	2250	90	Various Heights - £750
Cyclical maintenance of trees (5)	5	500	100	£100 per tree
Cyclical maintenance of drainage (5)	5	250	50	£50 per Gulley Clearance
Total		£28,650	£1,855	

In line with the model, a total of £62,478 was added to the Wear and Tear Fund for this period. In total, there is £321,798 in the Wear and Tear Fund as at 31st March 2016.

O. Residents Community Fund

In February 2016 your Resident Representatives took the decision to put aside an amount of money that could be used to fund community projects. Resident Representatives are looking at how best this money can be used to benefit the wider community. Your Representatives have formulated some ideas following feedback from the annual satisfaction surveys and will be looking to consult with residents in 2017.

If you have any queries on the content of this financial review or have any general queries please do not hesitate to contact the team at stewardship@bvt.org.uk or phone 01952 898524