

Bellharbour

Building confidence in property management

Insights



What is an 'insight', and what makes someone 'insightful'? In this paper you'll discover what shapes a truly respected career in property management, how to keep one step ahead in a strangely changing world, why a snow room made a real difference, and why one lady cried tears of joy!

Mike Brown, Director of Property Management, discusses:

PROPERTY MANAGEMENT IN A STRANGELY CHANGING WORLD

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Firstly; just what is an ‘insight’, and what makes someone ‘insightful’?

The official definition is: ***“When you have the ability to look inside something such as a discussion or a situation and find what others aren’t seeing.”*** It goes on to say, ***“An insightful person is someone capable of deep, insightful thinking.”***

The ability to see what others don’t see has certainly been a defining factor in my career to date, and something I bring to Bellharbour. I’m Mike Brown and my aim is to make a real difference to the property industry, but first a look back at what has shaped my individual approach to property management.



People

At age 18, I was already working in the commercial team for the Department of Health & Social Security looking after three benefits offices and following that all of their London HQ offices; approximately 15 in total and subsequently the relocation of the personal and professional relocation from London to Leeds of more than 1000 staff. The insight of helping people and their families through their personal journey of moving house and their place of work simultaneously has, I believe, given me an appreciation that it’s people’s money and wellbeing I am ultimately looking after, and in order to do that effectively it’s the end customers who matter the most. My next move took me to London to work for Cluttons – a building surveyors and property management agent, where at age 26 my interest in residential property management began to take hold. I started with County Hall (a conversion from offices into flats and commercial units) and the Butlers Wharf Estate - Tower Bridge. The switch to residential provided a more personal way of working, one that is less governed by a 9-5 ethos and where more time could be dedicated to investing in the residents – something that remains the focus of my day now.

Adaptation

My next role with Cluttons took me to church - to manage the Church Commissioners residential portfolio on the Hyde Park Estate. The Church Commissioners had staff living onsite which naturally meant this role was a lot more about customer service and reputation and less about the financial perspective, which provided a more rounded experience of customer service – and a deeper understanding that no one method fits all, it really depends on the individual customer’s needs. It became prevalent that adaptability was (and still is) key to good people management.



Construction

I then joined Ballymore—an independent Irish construction company producing huge mixed-use developments predominantly in the Canary Wharf area but also including Embassy Gardens in Nine Elms. Here the managing agent was in-house, so I was Head of Property Management but client side. I continued working on several developments, advising on the construction aspect of the building in terms of how it affects residents' use and enjoyment of its services and facilities. We were one of the first Developers to design and build a private residential cinema. My in-depth understanding of a building's structure from a management viewpoint enriched how I managed properties, ensuring the residents could live in a good and safe environment. As we were Managing Agents employed directly by the client, we were well placed to create longer term relationships on both sides - with residents and contractors alike, leading to better financial management for everyone.

Expansion

I then went fully client side for St George, overseeing the management of high-end mixed-use sites such as No1 Blackfriars. As I had a Managing Agent working for me, I had to become more strategic in all aspects of customer service. With every new building we took on, the team were learning vital lessons to use in the next, such as implementing a larger and more sophisticated cinema which became the social hub of the building. We evolved further, with subsequent buildings implementing tech solutions such as satellite TV, gaming facilities, on-demand films, and sports. Leisure centre facilities is another example of growth with innovation. Starting small in my career, my first sites had just a few items of gym equipment (in 1989 we had just 4 machines and a few

mats), evolving over the years to a recent site boasting a complete leisure centre including a full gym, cinema, wine tasting room (where people could store their wine securely and run tasting sessions), a golf simulator room, outdoor yoga garden, 25m swimming pool and in the wet area a private spa environment including sauna, steam, massage and snow rooms. All of which brought new issues and challenges to overcome particularly in maintaining the Health & Safety and wellbeing of residents and staff:

- » Safety of the staff who were going to run it was ensured by providing specialised training on many diverse procedures such as the safe use of chemicals for use in the pool and use of equipment.
- » Safety of residents who would be using the facilities was ensured by thorough induction procedures, bespoke training plans and health care advice.

All whilst balancing the books! Working closely with Health & Safety professionals became a vital aspect of the job in recent years, compared to the early days of my career.

Every time something new was implemented there were takeaways to improve on next time, for example, the snow room worked well and was popular, but the wine tasting room as originally intended was generally under-utilised and difficult to manage cheaply with insurance issues to cover the expensive wines. Every new idea brought with it new challenges to deal with.

Bringing all this knowledge, experience and key skills to Bellharbour means my team can promise a truly bespoke service to clients and residents alike. Listening to what they want is a vital part of the day to day running and longer-term strategic planning of any existing site or new development





Looking into a changing world:

So now you know a little about my background, we'll fast-track to today, and demonstrate how seeing things differently really does make a difference and how implementing change from learnings brings value to the property industry. As I see it, three subject groups dominate the focus of successful property management:

1. LEGISLATION & INSURANCE

From the 80s the rate of changing legislation hasn't slowed – and in order to keep compliant the maintenance, upkeep and day to day running of buildings are the main things to get right. This means using the best contractors and following the latest H&S guidelines and policies. H&S and legislation is seen by many as a force to tackle, but I've learnt that if you get the right expertise behind you and follow best practice to manage buildings compliantly and safely is achievable. You can do that comfortably with a realistic budget but it really is all about having the appropriate and proportionate resources to deal with big issues at any point in time (ie cladding at the moment) – which means adapting to issues as soon as they arise isn't a shock to the system.

2. CUSTOMER KNOWLEDGE AND RESIDENTS' EXPERTISE

The key factor here is to remember that they may now be at least as knowledgeable as us. Again, going back as far as the 80s leaseholders were not aware of the details of their lease or what it might mean to them in the future, but now they know a lot more and ask a lot more questions that are not just about the basics – their knowledge means they can ask complex questions that we need to have the answers to. We also need to impart knowledge to Directors which is why our correspondence hits their inbox before anyone else's, so that they can provide informed answers to any resident's queries.

3. ADVANCING USE OF TECH AND GREEN ENERGY

Over the last 10 years or so, the drive towards development in tech solutions and the push to become carbon neutral has meant the property industry has had to be transparent about the costs involved in the construction and on-going management of the building people are investing in. With new build this is easier but with older buildings far more difficult as certain improvements are very costly to retrofit. The supply of energy is a less regulated and more complex market which makes it more difficult to demonstrate transparency and value for money. Our approach is to take more time to inform the residents of any potential issues and involve them in procurement decisions wherever possible.

Example 1:

Adapting finances to improve the wellbeing of a customer - an elderly house bound lady living in a top floor apartment whose life was geared around her small rooftop area she had converted into a garden. Unfortunately, the area wasn't strictly speaking hers to use though not accessible or useful to any other resident but keeping her plants hydrated caused water to leak into flat and staircase below. Normally we would advise against having plant pots on a roof terrace, but as we explained to the RMC, this small oasis made for a better quality of life for this lady. The lease did not cover improvements but when major renovations were due, by fully consulting all residents, allowing beneficial use of this area and adjusting the spec of the works whilst undergoing general maintenance of the roof, we were able to make the area watertight and protect the building. This meant that she could still have her plants, the flat below was dry, and although the costs came under the service charge 'general maintenance' fee – it was all done at no additional cost to the other residents. Inviting the team to join her on her rooftop after the works had been carried out, she burst into tears as she explained how much it meant to her. We could have just said it wasn't possible to restore the roof within the terms of the lease but with a little creative thinking a compliant solution was found that worked for everyone.



In the future how we manage properties may never be the same again, and only agents who are willing to adapt and overcome obstacles with a clear focus of what's been learnt in the past will survive.



Example 2:

Finding affordable and cost-effective contractors can be daunting and a time drain. Having access to the best advice and H&S experts and ensuring intelligent procurement processes delivers good quality tradesman and third-party suppliers. Our advice is to set up good procedures in advance of any eventuality – which means that should a problem occur the infrastructure is already in place to ensure that the best solution can be implemented, and it gives more time to act. Robust procedures and planning enable the team to move forward with timely and strategic advice and a clear project plan.

Example 3:

Buildings are expensive. It costs to keep them standing up and compliant, so when it comes to planning for future costs, you'll need a workable service charge budget and a fair and reasonable Capital Expenditure Plan (CAPEX). If you don't maintain the building properly it won't attract buyers and in the longest-term potential purchasers don't want a long list of required works to factor into the purchase price. To keep a tight control on costs and ensure they don't run away - delay non-essential works if it appears not to be needed and funds are tight. For example – redecoration. In one of our buildings the lease stated that the communal hallways were required to be decorated every five years but on inspection and after talking it through with the residents they were happy with the way it looked. We were flexible and parked that project until it would later be required. Of course, this can only happen if you have the right relationship with the RMC, it's Directors and the residents. So, if you don't visit the building regularly for a visual health check, or discuss options with the residents, you may make wrong and costly decisions.

Looking ahead

I've tried to avoid mentioning Covid19 however it has become clear in writing this piece that all of the strategies and procedures that I have put as standard in my approach to property management has enabled the team to deal with major challenges such as these, and has proven that we are not only well prepared, but can adapt quickly.

In the future how we manage properties may never be the same again, and only agents who are willing to adapt and overcome obstacles with a clear focus of what's been learnt in the past will survive. Will the focus on sanitisation and social distancing drop or remain? Will we be looking for more automated or contactless services/door access/bin or storeroom locks, or maybe we'll see the birth of the robot concierge! I do hope so as an alternative but nothing can ever replace Jorge, Frank, Asam or Sue on the front desk!

Overall being complacent is not acceptable – all the most successful developers and agents continue to innovate and evolve – something that has stayed with me since age 18.

If you have a question about how your property is being managed or any aspect of property management, contact call
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