



WOODILEE VILLAGE: RMG FACTORING SERVICES

Performance Report by Woodilee Residents Association

1.	Introduction
1.1	The third AGM of the Woodilee Residents Association (WRA), established in September 2017, took place via Zoom on 17 November 2020. Due to the many challenges posed by the Covid-19 pandemic and the ensuing lockdown, there had been no AGM in 2019. The principal outcome of the meeting on 17 November was the election of a new committee of the Residents Association.

1.2	<p>The membership of the committee elected at the AGM is almost entirely new. Members of the new committee are most grateful to the previous committee for their sterling work, during what was a difficult inaugural tenure, to secure a high quality service from RMG. They are especially grateful to its office bearers for the excellent handover arrangements put in place and for the extensive and very welcome ‘induction’ advice and information which they have provided in relation to the WRA’s current priorities and challenges.</p>
1.3	<p>In their helpfully comprehensive reports to the 2020 AGM, the outgoing chair and treasurer revisited concerns, previously addressed in their reports to the 2018 AGM, about perceived shortcomings in aspects of RMG’s management of the factoring service. It is disappointing to note that the 2020 reports highlight persistent and therefore unresolved concerns about difficulties and delays experienced by owners and by the WRA committee in obtaining timely, detailed and accurate information from RMG in respect both of financial and budgetary management and ground maintenance works.</p> <p>The chair’s report highlighted the outgoing committee’s need to “regularly <i>challenge RMG Scotland and continually make requests for improvements in their service delivery as well as the service received from the ground maintenance contractors</i>”. That judgement points up the requirement for the new committee to give high priority to the task of undertaking an urgent, open and mature discussion with RMG management in order to establish, if possible, an improved working relationship that will guarantee the standards of service which Woodilee residents are entitled to expect from its factors – those standards are set out in RMG’s current Service Level Agreement.</p>
1.4	<p>While the work of RMG and maintenance contractors has undoubtedly been inhibited by pandemic challenges and restrictions, these cannot explain, for example, repeated delays over recent months in providing WRA with outstanding audited accounts for 2018-19 and 2019-2020 or delays over the same period in providing ready information about progress in relation to key maintenance work .The continuing absence of outstanding audited accounts was the subject of a somewhat strained exchange between committee members and RMG’s Regional Manager and the Woodilee Property Manager at the recent AGM.</p> <p>These and related difficulties have been the subject of extensive consideration by the new committee since the date of the recent AGM. In taking forward its clear ambition to secure an improved estate management strategy, the committee believes that <i>it is necessary to review in some detail current concerns about the failure of RMG to deliver a factoring service that meets its own specifications and standards, hence this report.</i> Those standards, together with the Specification for Grounds Maintenance, draw on the terms of the Deed of Servitudes and Conditions, issued to owners when they concluded the purchase of their Woodilee property. RMG’s performance in relation to these standards is considered in the following sections of this report.</p>
2.	<p>Delivery of a Factoring Service: Standards and Specifications</p>
2.1	<p>In seeking to secure a high quality ‘value for money’ service, it is the duty of the WRA to monitor the services delivered by RMG with reference to the current standards and commitments which RMG has set out on pages 5,6,9,10 and 11 of the Woodilee Village Service Level Agreement (SLA), issued to all property owners. These are set out in paragraphs 2.2, 2.3 and 2.4. below. While useful, the standards statements, provided in what is clearly a generic SLA document, are limited in scope and will need to be revised and</p>

	<p>clarified in order to monitor effectively the performance of RMG in discharging its factor obligations to the residents of Woodilee Village. Performance ratings have been allocated against the relevant standards, some of which have been minimally re-worded for the purposes of this report. Performance ratings have been allocated by the new committee using this simple three-point scale:</p> <p style="text-align: center;">1- POOR 2 - ADEQUATE 3 - GOOD</p> <p>Ratings have been allocated against individual standards within a given service area and overall ratings are allocated to each of the three areas, 'Communication', 'On Site Responsibilities' and 'Financial Performance (including Insurance)'. The performance ratings, which are indicated in the following paragraphs, draw on extensive discussions within the new WRA committee. These discussions have taken due account of (i) the increasing level of dissatisfaction felt by Woodilee owners about the service delivered by RMG (ii) the views and experience of members of the WRA and members of the new committee (iii) the acute level of frustration and disillusion felt by the previous committee in its efforts to engage effectively with RMG.</p> <p>Detailed commentaries in relation to RMG's performance in all three service areas are provided in section 3.</p>
2.2	<p>Communication:</p> <ul style="list-style-type: none"> ● "We aim to respond to all customer emails and letters <i>within 5 working days.</i>" [1] ● "Fully trained and monitored property teams will answer all property related calls. <i>Target for 80% of property maintenance enquiries to be resolved within 48 hours.</i> [1] ● "Customer Contact Centre agents empowered to instruct contractors" NOT APPLICABLE ● "Property Manager to meet <i>on request</i> individual residents / Client" [2/1] ● "RMG will hold 'on site' surgeries, as required" [1/2] ● "Quarterly Client meetings to review SLA and Financial Performance" [2/1]
2.3	<p>On Site Responsibilities:</p> <ul style="list-style-type: none"> ● "Quarterly detailed site inspection reports to the Client" [1] ● "Appointment and monitoring of contractors <i>on an annual basis</i>, re-tendering on instruction of the client" [1] ● "Produce annual Health and Safety reports – all issues identified and actioned by the Property Manager" [1] ● "Carry out weekly, quarterly, and annual <i>playground</i> inspections, with the quarterly and annual inspections being carried out by appropriately qualified professional inspectors" [1] ● "Carry out an annual programme of grounds maintenance / repair works in accordance with the guideline specifications set out on pages 10/11 of the SLA and in the May 2017 updated Statement of Service Delivery Standards" [1/2]
2.4	<p>Financial Performance and Insurance:</p> <ul style="list-style-type: none"> ● "Management of Arrears - tight monitoring and control of each stage of the recovery process" [1] ● "Budget - produced at least a month in advance of year end and approved in a meeting with Client" [1] ● "Accounts – produce and review with Client" [1]

	<ul style="list-style-type: none"> • “Provide Client on a quarterly basis with a Financial Pack to include report on arrears, expenditure for the period review, bank balance statement and budget comparison report” [2] • “Reserve Fund Management – ensure account is ring-fenced and appropriate amounts are accrued each year to meet the demands of the lease” [2] • “Work along with our insurance supplier providing correct level of cover for insurance policies including Block buildings, terrorism, public liability, Client and Officers Insurance and Perils Insurance - all to be agreed by Client” [1]
3.	Commentary on RMG Performance against SLA Standards
3.1	<p>RMG believes that the service it provides is <i>“clear from the start, measurable, fits the development’s needs and can be monitored”</i> (sic) [page 5 of SLA document.]. It is not surprising to find that aspirational view expressed in the opening paragraph of what is essentially a generic SLA document. Such a view, however, is inevitably a hostage to fortune where the reality of the services delivered does not match the welcome ambitions of a procedural or agreement document. Sadly, the current level of concerns about the performance of RMG would indicate that there is a disturbingly significant gap between RMG’s ambitions and the quality of the factoring service actually delivered. A clear indication of the depth and extent of these concerns is the growing interest in exploring options for changing the property factor for Woodilee Village. That interest is now a matter of public record.</p> <p>The following paragraphs will address variously, with close reference to the standards and specifications listed above, key requirements which, unsurprisingly, RMG considers fundamental to the service it aims to provide, namely, service clarity, fitness for purpose, and arrangements to monitor and measure service quality.</p>
3.2	<p>Notwithstanding the range of concerns which have led to this report, it is recognised that some effort has been made, albeit not consistently, by RMG to engage with Woodilee residents and seek feedback about their wishes for the development of the estate. In this regard, reference should be made to the work of the then interim Property Manager from March 2018 to June 2019. Commitments to client engagement highlighted in their introductory letter to owners of 17 June 2018 saw the establishment, on a trial basis, of ‘drop in’ surgeries and the regular issue of informative and duly reflective reports and updates. A similar level of engagement with residents had not been evident previously. In a very comprehensive report to the AGM in September 2018, the interim manager referred to an initial instruction (from RMG) “to greatly increase the customer facing role of RMG within the development”.</p> <p>That emphasis on customer engagement and responsiveness <i>appeared</i> to augur well for RMG relations with residents and the WRA acting on their behalf. It is acknowledged that there have been some examples of service improvements over the past three years. These include (i) more regular grass cutting and maintenance of shrubs and bushes, for example, on the embankments adjacent to Menzies Drive and on the buffer and bund adjacent to properties neighbouring the infant play park and MUGA (ii) the adoption by EDC of Menzies Drive (iii) the increased provision of litter, grit and dog bins (iv) a generally responsive winter gritting service, with grit bins usually replenished when necessary and key paths across the estate cleared and gritted during severe wintry weather (v) agreement of EDC to service the estate’s dog bins (vi) clearance of silt , weeds and debris along kerb lines (viii) ongoing work to improve drainage around the estate (<i>work which is far from complete and which will be extended subject to the findings of Envirocentre whose report has been received by RMG but not yet shared with the WRA</i>)</p>

	<p>Despite the welcome improvements in relation to routine grounds maintenance work, it remains regrettably the case, as noted above, that there is now widespread frustration among owners and members of the WRA committee about RMG’s broader factoring service. These frustrations relate, in the main, to what are increasingly seen as unacceptable flaws in the company’s approaches to customer care and communication. The following paragraphs provide comment on salient deficits in service delivery that are a source of concern and disappointment to residents. These deficits are detailed with reference to the service standards quoted in paragraphs 2.2, 2.3 and 2.4 above.</p>
<p>3.3</p>	<p>Communication</p> <p>In terms of general and routine communications to owners, there are a small number of pluses. The availability of the portal, RM Living, and RMG’s practice of sending email alerts to owners about new documents or notifications posted on the portal, are welcome. Likewise, the ability to contact RMG through different media (WhatsApp etc) is very useful. Despite those positive features, as can be seen from the ratings allocated, in paragraph 2.2, RMG’s current overall performance in relation to its own ‘Communication’ standard is deemed to be ‘POOR’ [1].</p> <ul style="list-style-type: none"> - The target of providing substantive responses to communications within 5 working days is rarely, if ever, met. Initial acknowledgements and the provision of a case number are not in themselves adequate responses. - Owners including members and office bearers of the WRA committee, often experience frustrating delays in obtaining from call centre staff and the Property Manager clear and substantive responses to queries or requests for specific information which should be readily available. Repeated requests are frequently necessary to obtain even minimal information. - Difficulties of this nature, recently experienced by committee members, relate to requests for: (i) legal advice about the use of MUGA for commercial purposes (ii) clarification about whether or not the Property Manager had passed on information about street light problems to the relevant developer (iii) updates on work to carry out urgent repairs to a retaining wall in one of the play parks (iv) detailed Financial information and documentation. - Call centre staff are clearly not trained to answer, in an effective way, “all property calls” and resolve related matters “within 48 hours”. - While the Property Manager, as a matter of courtesy, is clearly willing to meet individually with committee members or residents, it is not clear that they are on site with sufficient frequency. There is now a need to agree with the WRA committee a schedule of recordable site visits so that RMG and the committee are regularly updated about issues affecting the estate. - The commitment to ‘drop in’ surgeries appears only to have been met when the interim Property Manager was in post. There were none previously, and there have been none of late, due possibly to Covid-19 restrictions, albeit virtual ‘drop in’ surgeries using Zoom or Teams would clearly be possible in the current challenging circumstances. - Reference has already been made to the emphasis which, “<i>on instruction from RMG,</i>” the interim Property Manager had placed on engaging with and communicating proactively with residents and the committee. As well as ‘drop in’ surgeries, there was a series of very informative communications with owners including a comprehensive and duly evaluative report to the 2018 AGM. Work to “<i>increase the customer facing role</i>” of RMG was increasingly successful at that time and no doubt set a high bar for the company to meet in its communications with owners.

	<ul style="list-style-type: none"> - It is not clear that the current Property Manager is subject to the same instruction from RMG. It is, however, clear that they or perhaps the staff who support them have not yet been able to be as effective with respect to the quality and coverage of customer-facing communications. An obvious example is the recent report to the 2020 AGM. By any standards, this is a disappointingly thin report with no overview of or evaluative commentary on RMG’s delivery of services <i>over the past two years</i> - which is what owners were expecting. It appears to be a hurriedly produced document and reflects poorly on the company. Although the report is described as the Property Manager’s report, it is RMG’s report and the Property Manager, who is the visible face of RMG for Woodilee owners, ought to have received greater support in preparing a key customer-facing document than appears to have been the case, whether through in-house guidance from senior colleagues or relevant training. - There would be merit in RMG taking steps to manage the portal more effectively. It has the potential to be a very useful tool for communicating with owners on a regular basis. At present, while useful owner information is provided, for example, in the ‘My Accounts’ and ‘My Account Summary’ sections, the ‘Property Maintenance: Jobs on Record’ section is scarcely fit for purpose since it does not appear to be up to date and provides no information beyond ‘job created”, and then for only a tiny number of jobs. It needs to be developed to offer a live transparent record which enables owners and the WRA to track the progress of all works, whether routine maintenance, improvement, or repair works. The contents of the Documents section provide a clear indication of how little regular use RMG makes of the portal to provide owners with key information. There are currently only two quarterly reports located there - the January 2019 report and the most recent report, produced in August 2020. Given the times in which we live and the impossibility of holding public meetings, it is all the more imperative for owners to receive regular updates from RMG about the services being delivered. - Quarterly meetings to review SLA and Financial performance – these meetings do not always take place and do not take place consistently on a quarterly basis; no arrangements have been made in such meetings either to review or amend the SLA in any significant way. - As was highlighted in paragraph 1.3 above, the major cause of the frustration the WRA and individual owners have experienced in engaging with RMG is its apparent inability to provide, with little or no delay, information which it should hold, and which should be available on enquiry. On the contrary, repeated requests often have to be made to obtain key documents or simple updates about even urgent repairs. This wholly unresponsive approach to communicating with owners is at odds with the company’s stated ambition to ensure that its services are clear and can be (easily) monitored. The commentaries below in respect of ‘On Site Responsibilities’ and ‘Financial Performance’ demonstrate how that unarguable ambition is far from being realised.
<p>3.4</p>	<p>On Site Responsibilities:</p> <p>Specific grounds maintenance improvements in relation, for example, to grass cutting and shrub bed management have been highlighted in paragraph 3.2. Aside from those welcome and visible improvements, there are major concerns about the overall quality of service provided by RMG in managing, planning, prioritising and monitoring the range of grounds maintenance works that require to be undertaken to meet the terms of both the Deed of Servitudes and Conditions and the SLA. These concerns are elaborated in greater detail in the following commentaries on the standards and ratings listed in paragraph 2.3. As can be seen from the ratings allocated, RMG’s current overall performance in relation to its own ‘On Site Responsibilities’ standard is deemed to be ‘POOR’ [1].</p>

- *Quarterly site inspection reports* are not produced timeously and, as is the case with the August 2020 report, they are sometimes not available to owners for several months.
- These reports are made available to owners via the portal, but, as indicated above, there are **only two** quarterly inspection reports sited there
- Site inspections are not conducted on a strictly quarterly basis; there was no site inspection conducted in December 2020 and no advice received to explain the slippage.
- To date, RMG have not shared with owners or the committee any management plan or schedule relating to the August 2020 report detailing priorities, targets, timescales, and, where appropriate, indicative costs for repair or improvement works. The lack of transparent and trackable planning documents in relation to grounds maintenance works has been highlighted above with reference to the 'Property Maintenance Jobs Record' held on the portal. In its current state that document serves no practical purpose whatsoever; it has no relationship with the most recent site inspection report and it is wholly unclear why it is there. There is an urgent need to have sight of a rolling live register of all maintenance and improvement works which shows, for every job created, a clear 'start to finish' progress record. Vague references in the August report such as 'in due course' or 'will instruct Root One' or 'quotes will be ingathered' are of no value in tracking work or monitoring the effectiveness of contractors in carrying out such work.
- Beyond providing useful photographic evidence for a range of repairs (*the need for many of which is longstanding and already clearly visible to owners*) the narrative comments in each section of the quarterly report are disappointingly vague and imprecise about timescales for the work required. That lack of precision might be less of a challenge if the "*Overall Works Summary*" (referred to in the introduction of the report) was actually included in the published report. Apparently, the missing summary "**provides owners with an insight into the current contracts we have in place and works identified which are currently being investigated with tenders being issued at this time**". Were it available, it *might* provide a level of planning / scheduling information in relation to grounds maintenance which, frustratingly, has been extremely difficult to obtain from RMG.
- There are growing concerns about the extent to which contractors are monitored particularly where contractor invoices are insufficiently detailed about the specific works carried out. Tellingly, where the WRA committee has sought more detailed information, RMG have been unable to provide the information without reverting to the contractor. In these circumstances, it is very difficult to determine that a contractor is or is not providing value for money. No less importantly, RMG's inability to provide ready information suggests a worrying absence of effective internal controls and monitoring procedures.
- From the above, it is clear that there are no specific *annual* arrangements in place for the appointment and monitoring of contractors. The WRA committee is, of course, aware of its power to instruct a re-tendering exercise and that power may need to be exercised subsequent to a forthcoming review of the SLA.
- Osterna, a subsidiary company of RMG, have been contracted to carry out *annual Health and Safety inspections and produce related reports*. However, in the absence of annual reports, it is not clear that these exercises are carried out, as required. Inspection reports have never been shared with the WRA committee or with owners via the portal or by any other means. In this regard, it is extremely disappointing that, to date, RMG have failed to produce in response to a recent request by the chair of the WRA committee annual reports for past years. Health and Safety issues are identified in the course of site maintenance inspections but, as has been noted above, these do not occur on a strictly quarterly basis and there have been inordinate delays in producing and distributing reports relating to the site inspections. Those delays and the countless delays in responding to requests for legally required

documentation which should be held on file and which should be made available by return again bespeak systemic management failures within RMG.

- At the present time, the chair of the WRA committee is still awaiting sight of Active Play reports which were recently requested. It is, therefore, not clear that *playground inspections are carried out, as scheduled - weekly, monthly, annual*. The delay in receiving the reports simply adds to the profound concerns about RMG's information management procedures and their unresponsiveness in addressing their obligation as factors to release with little or no return key documents which the WRA, as client, are contractually entitled to receive.
- The SLA, which has yet to be the subject of annual review or amendment, specifies an annual programme of grounds maintenance / repair work in order to comply with the legal terms of the Deed of Servitudes and Conditions. The programme is summarised on page 9 of the SLA document and detailed tables specifying a range and proposed frequency of landscape maintenance activities are helpfully set out on the subsequent pages. While, as noted earlier in this report, there have been recent improvements in more visible landscaping work, there have been no arrangements to monitor the complete range of grounds maintenance work with reference to the specification documents or to amend that specification in the light of changing circumstances.
- As is clear from comments above, beyond personal observations or anecdotal information, Woodilee owners have **no** knowledge of the extent or the quality of work undertaken to maintain or improve the physical environment of the estate. The absence of a live and regularly updated and transparent register or schedule of works is bordering on incompetence, if not negligence. Without access to such a crucial resource, it is not possible for owners to understand the countless delays in carrying out remedial grounds maintenance works including simple tasks such as litter collection which have bedevilled deliberations in the new WRA committee since its inception on 17 November 2020. In offering this indictment, it is, nonetheless, recognised that delays in carrying out some scheduled work will result from the need to withhold a budgetary commitment pending receipt and scrutiny of key documents in relation to major works , for example, the (not yet issued) *Envirocentre* drainage report or tenders recently received for the removal of legacy waste .Those delays might excuse the timing or re-prioritising of works; they do not explain the absence of an accessible record which allows the factor and owners jointly to track the work of contractors and assess whether or not the client is achieving value for money.
- *Specific* examples of *current* poor service in respect of *routine* grounds maintenance work have been considered in recent discussions within the WRA committee. These include:
 - o Long delays in dealing with equipment repairs and repairs to a retaining wall in a children's play park, despite repeated requests / enquiries
 - o Delays in dealing with street lighting enquiries and in confirming that requests for repairs had been passed on to the relevant developer
 - o A lengthy and continuing delay in arranging for broken or missing treads to be replaced or repaired on the bridge across the Bothlin Burn (the need for these repairs has been known since March 2020)
 - o Frequent delays in sharing with the WRA committee quotations for repair work
 - o Failure on several occasions to respond to a concerned owner in relation to possible options for altering planting arrangements in the common area adjacent to his property in order to minimise annoyance resulting from antisocial behaviour nearby
 - o A frustrating lack of information updates for owners about arrangements to address recurring drainage problems in different areas of the estate, in particular, the Bridle Path

	<ul style="list-style-type: none"> o A frequently inadequate litter collection service even in areas where routine grass cutting, and shrub bed maintenance are carried out satisfactorily. In this regard, the following specification in respect of the “removal of litter “in the Deed of Servitudes and Conditions is worth noting: “<i>All litter and other debris shall be removed from all maintained areas, paying particular attention to the removal of broken bottles, glass, tins, sharp objects and other items likely to be hazardous to members of the public.</i>” It is disquieting that the maintenance contractors frequently fail in their duty to discharge this obligation and no less disquieting that RMG fail to monitor effectively this crucial aspect of landscape maintenance or to respond promptly to concerns about uncollected litter. When contacted, the call centre on occasion ask for photos but offer no commitment to ensure that the litter issues are addressed without delay! It is not uncommon in summer months to find bins in MUGA and the adjacent toddler play park overflowing with litter. It is also not uncommon to find potentially hazardous objects, for example, cans, bottles, canine waste bags and, quite incredibly, soiled nappies strewn across the toddlers play park. To their credit, there are residents who put themselves out and voluntarily tidy up what is often an utter eyesore. That is only necessary because the litter collection arrangements are at times simply inadequate. Bizarrely, there have been occasions when only one of the litter bins has been emptied, with the other left overflowing. As it is bound to do, RMG commits on page 9 of the SLA “<i>to collect all litter and debris that is detrimental to the appearance of this site</i>”. Sadly, it is a commitment which is too often not met, to the detriment of the site and of its users. o The challenges and deficits captured in the foregoing commentaries are in significant measure the result of RMG’s <i>communication, management and procedural failings</i> already considered in this report. There is an urgent need for the company to develop a more responsive and customer-centric ethos supported by management systems and procedures that will deliver an attractive physical environment for Woodilee owners and residents.
<p>3.5</p>	<p>Financial Performance and Insurance</p> <ul style="list-style-type: none"> - Reference was made in paragraph 1.4 above to major difficulties which the previous committee experienced in obtaining audited accounts from RMG for 2018-2019 and 2019-2020, despite repeated requests. Discussion at the AGM on 17 November 2020 highlighted differences of opinion between RMG staff and members of the committee about the precise number and timing of requests for these accounts. The Property Manager was unable to explain why RMG had not yet acceded to the requests but undertook to pursue matters with the relevant colleagues. Similar issues in respect of vague, imprecise, uncertain or much delayed responses from RMG to financial information communications from the WRA committee are captured in the following commentaries in respect of performance against the SLA standards listed in paragraph 2.4 above. As can be seen from the ratings allocated, RMG’s current overall performance in relation to its own ‘Financial Performance’ standard is deemed to be ‘POOR’ [1]. - The arrangements for <i>managing arrears in respect of factor management charges</i> which owners are legally bound to pay are not absolutely clear. Steps have recently been taken by the new committee, for example, to clarify where responsibility lies for paying additional administration charges and fees in respect of debt recovery procedures. There is a need for a comprehensive debt management protocol to be produced and shared with owners who understandably wish to be assured that the requisite procedures including monitoring procedures are fit for purpose and capable

of achieving a steady decline in the overall level of debt which has trebled in the last two years. That protocol should allow for joint RMG / WRA quarterly reviews to record and consider the overall debt level as well as options for sustainably reducing that debt. [*The WRA committee has recently had to clarify the precise level of current debt following receipt of conflicting data; regular joint monitoring of the debt level would obviate such difficulties in the future*]. These options should include consideration of possible changes to the billing system. Concerns about the current system, recently brought to the attention of the WRA committee, include: the confusing way in which invoices are presented (largely as a result of the inclusion of a long list of running expenditure), the occasional issue to owners of grossly inaccurate invoices inclusive of punitive additional charges, the occasional cavalier attitude of RMG invoice staff about the distressing impacts of erroneously inflated bills, and the failure by RMG over the past two years to advise some new owners that the factor management charges can be paid via a direct debt. On a positive and apologetic note, RMG has recognised the need to ensure that invoice staff receive additional training in order to provide a better customer service, not least by minimising the level of incorrect invoices.

- *Budgets have not consistently been produced at least a month in advance of the year end*, nor have they always been agreed in a meeting with the WRA. For the current financial year, a budget breakdown was issued to the previous WRA chair on 9 April who responded with some queries. On 20 April, the Property Manager emailed the committee about a number of issues and advised them that the budget would be issued to residents on 1 May. That did not happen, and it has still not been issued. On a similarly disappointing note, it took some eight attempts to agree an acceptable budget for year 2018-19. In 2019-2020, the agreed budget was not received by the committee until May 2019 but was not shared with owners. In order to avoid similar difficulties in the future, budget setting procedures require to be reviewed at an early date to the satisfaction of both parties.
- *Arrangements for the production and review of accounts have varied*. Accounts for 2015-16 were issued in January 2017, 9 months after year end. No accounts appear to have been issued for 2016-2017. Accounts for 2017-18 were issued in January 2019, 9 months after year end. The WRA was set up in September 2017 and, therefore, no review was possible prior to financial year 2017-18. No review of that year's accounts took place, albeit the accounts were adjusted in response to queries raised by the treasurer of the WRA. In 2018-19 RMG amended their invoicing/accounts system with the result that accounts were no longer independently audited. No accounts have been produced for 2018-19 or 2019-20. That system change was neither explained to nor approved by the then WRA committee. The new committee believes the annual production of independently audited accounts is necessary to support the effective management of the estate's finances, and, at its meeting on 15 December 2020, the committee approved a proposal that RMG be asked to revert to the production of annual accounts in accordance with the requirements of this standard in the as yet unamended Service Level Agreement for Woodilee Village.
- Since the election of the new committee, the treasurer has been involved in painstaking work to investigate and clarify a range of issues in relation to the accounts of previous years. Despite repeated requests, it has proved very challenging to obtain detailed documentation needed to check accounts records, including invoices for specific years. These frustrating difficulties and delays suggest, as has been noted earlier in this report with respect to other areas of service delivery, that RMG's internal controls and financial monitoring procedures are inadequate. These crucial matters require an early discussion with the company.
- *Quarterly financial packs* appear to have been provided since August 2019, the most recent having been issued in November 2020. In light of personnel changes within the previous committee and the temporary non-replacement of the interim property

	<p>manager, these packs have not yet been scrutinised or interrogated by the committee.</p> <ul style="list-style-type: none"> - <i>Arrangements for managing the reserve fund</i> are in place and steps are taken to ensure, where appropriate, the inclusion of a reserves allowance in annual budgets. The RMG accounts team arranged for owners to receive a management charges refund of £60 per household in respect of unspent monies in 2018-19 but ring-fenced by the interim Property Manager for major repairs. That decision was taken without the agreement of the committee who were simply advised to use existing reserves to deal with the repairs and to include a reserves allowance in the next year's budget. The detailed scrutiny of accounts currently being undertaken by the treasurer necessarily includes work to ensure that the estate's cash and reserve positions are adequately covered - this work clearly requires access to well documented records which, as has been noted, have not been readily produced by RMG. - No arrangements have been made, as stipulated by the SLA, for the WRA to agree on an annual basis <i>the correct level of insurance cover</i>.
4	Improvement Priorities: Recommended Actions
4.1	<p>This review of RMG's performance in providing a factoring service to Woodilee Village has highlighted a range of necessary service improvements without which it will not be possible to address the fundamental concerns of owners or the WRA committee. The review report would be incomplete without providing recommendations for each of the SLA's three service areas. These are presented below.</p>
4.2	<p>Communication</p> <p>RMG should:</p> <ul style="list-style-type: none"> • Carry out and complete in early course a comprehensive in-house review of its vision, values and operating principles • Revise the company's current customer care and communication procedures with due regard to the key messages of this report and to industry best practice • Produce and publish an updated Customer Care Strategy to demonstrate that the company has the will and the capacity to be a listening, learning and responsive organisation which aims to achieve high levels of customer satisfaction • Ensure that the implementation of revised procedures is supported by high quality staff training and guidance • Agree in partnership with the WRA a fuller and more detailed Service Level Agreement, with customer-focussed commitments which are clear, specific, measurable and timebound • Ensure that quarterly meetings to review Financial Performance and the SLA occur on schedule, with outcomes of the review actioned timeously thereafter • Review the operation of the portal and maximise its potential to provide owners with regular information updates including quarterly progress reports in relation to agreed grounds maintenance priorities
4.3	<p>On Site Responsibilities</p> <p>RMG should:</p> <ul style="list-style-type: none"> • Produce and share with owners a live register / record of <u>all</u> maintenance and improvement works which provides, for every job created, a clear 'start to finish' progress record

	<ul style="list-style-type: none"> ● Agree with the WRA a schedule of regular site visits by the Property Manager ● Ensure that quarterly site inspection reports occur on schedule and arrange for owners to have sight of inspection reports and related action plans no later than one month from the date of the inspection visit ● Review information management and record keeping procedures with a view to responding timeously to requests by owners for contractor information including records of work, invoices and tender quotations ● Agree with the WRA steps to minimise delays in processing quotations from contractors and related delays in commencing works ● Ensure that all health and safety inspections including inspections of play parks occur as stipulated in the Service Level Agreement, with inspection reports and proposed action plans shared no later than one month from the date of the inspection ● Take steps to provide a more proactive and, where appropriate, more responsive litter collection service in light of the comments in the final part of paragraph 3.4
<p>4.4</p>	<p>Financial Performance and Insurance</p> <p>RMG should:</p> <ul style="list-style-type: none"> ● Develop and share with owners a comprehensive debt management protocol to include arrangements for a quarterly review of the debt level and related procedures ● Take steps to ensure that annual budgets are produced at least a month in advance of the year end and then agreed in a meeting with owners, as stipulated in the SLA ● Revert to the production of independently audited accounts ● Review in house financial controls and monitoring procedures with a view to ensuring that requests by owners for sight of key financial and accounting documentation are met with little, if any, delay ● Meet annually with owners in order to set and agree the correct level of insurance cover
<p>5.</p>	<p>Conclusion and Next Steps</p> <ul style="list-style-type: none"> ○ This report has been prompted by a growing sense of dissatisfaction and frustration which owners and the WRA committees have experienced over recent years about the failure by RMG to deliver a responsive factoring service which both meets their aspirations and the very standards enshrined in the company's own Service Level Agreement. ○ There is now an urgent need for the WRA committee to meet with RMG senior managers in order to undertake an open, mature, candid and solution-focussed discussion about the terms of this report. ○ It is hoped that the report's comprehensive review of service deficits and the inclusion of actions recommended to progress improvement priorities will allow both parties to focus on ways of establishing, if possible, a confident basis for delivering a much improved factoring service that can be guaranteed to meet the needs and aspirations of Woodilee owners and residents.