

CAMBRIDGE PROPERTY SERVICES
CENTURY HOUSE RESIDENTS' SURVEY

Final report and analysis of findings

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Notes:

The following terms are used in this report:

- q Resident leaseholders (self-explanatory)
- q Non-resident leaseholders (self-explanatory)
- q Tenants (= non-leaseholding residents)
- q Residents (= all those living at Century House, resident leaseholders and tenants)
- q CPS (= Cambridge Property Services as both managing agent and freeholder)

Introduction

Century House, a block of flats in Streatham, has a history of disputes between tenants and leaseholders (on the one hand) and the block's various management companies and owners (on the other). These issues (mostly focusing on the maintenance of the building) have been ongoing and the current owners and managers, Cambridge Property Services have asked CLEAR, a communications consultancy, to help them move towards a resolution. We decided that CLEAR should undertake a research exercise in order to ascertain the views of tenants and leaseholders as a first step towards a resolution of all the outstanding disputes

Research Methodology

Preliminary research was undertaken by means of a series of conversations with Cambridge Property Services (CPS) and by a review of the correspondence and minutes of meetings with the Residents' Association.

Following an exchange of e-mails a meeting was held between representatives of the Residents' Association and of CLEAR in order to enable CLEAR to outline the research proposal to the Association and to gather information as to the issues that the Association felt should be covered.

A draft questionnaire was then drawn-up and passed to CPS for comment. In the summer of 2000 the survey was mailed to all leaseholders and tenants from the offices of CPS but with instructions for the forms to be returned to CLEAR.

At this point the Residents' Association reported to CLEAR that they were instructing their members to boycott the exercise.

In mid-July 2000 CLEAR sent a follow-up letter to all non-respondents inviting them to return their forms.

Discussion

Before beginning this analysis it is worth pointing out that surveys such as this can only ever represent a sample of the views of the residents/leaseholders of Century House. Thirteen questionnaires were received out of the 33 that were sent out - of these, six came from non-resident leaseholders, four from resident leaseholders and three from tenants.

In postal surveys any response rate above 33% is regarded as good and, given the call from the Residents' Association to boycott this exercise, a return rate of 40% must be regarded as an indication of the desire of a significant body of leaseholders and residents to see the ongoing disputes resolved.

In general the survey offers both positive and negative perspectives with respect to the resolution of the disputes that are affecting Century House. On the one hand there is undoubtedly a high level of mistrust and resentment demonstrated towards CPS and/or its predecessors; equally there is a strong desire for a resolution of the disputes. This is accompanied by a recognition that compromise is going to be required in order to achieve such resolution, and some indications that making direct contact with residents and tenants might assist progress.

Findings and Analysis

The survey findings and analysis follow the question numbering of the original questionnaire.

Q1 There has been a series of differences between previous owners and residents at Century House. How important to you is it that these issues are now resolved to the satisfaction of all parties?

very important	12 respondents
important	1 respondent

Q2 As you know, there have been a series of disputes between the Residents' Association and the owners and managers of Century House. Whilst recognising that all these issues are important please place them in your order of priority:

(assessed using a technical attitudinal measurement scale)

1. Historic problems	63
2. Dolphin	57
3. Current relations	53
4. Service charges	39
5. Internal refurbishment	32
6. Major external works	29

Q1 Are there other issues which you would give a higher priority to than the above six?

- Security CCTV
- Future relations
- Orange installation

Clearly respondents attach very high priority to solving these problems. Of our 13 respondents 12 said that solving these problems was very important and just one said it was important. No one indicated any lower sense of priority. This is an important finding in that it establishes that there is a general consensus about the importance of resolving these issues.

The attitudinal measurement analysis reveals that the external works are seen as the most important issue to the respondents, followed by that of internal refurbishments. This, in turn, is followed by the service charge arrears and then a considerable gap to the fourth most important item - current relations between the leaseholders and CPS. The Dolphin issue is, perhaps surprisingly, the second least important, with the historical difficulties coming (understandably) last. Other issues mentioned included the Orange installation, the security of the building and future relations with CPS.

Now looking at these issues individually do you have any additional ideas that might help achieve a resolution of....

Q4 ...the external works

- Reduce the costs
- Contributions from freeholder and Dolphin/Orange
- Take legal action against non-payers
- Obtain proper quotations
- Proper execution
- Liability for maintenance of roof is complicated by lease of roof to phone companies
- Fix gate to garage to prevent damage e.g. graffiti
- Get the works done as rapidly as possible
- Set deadline for all parties - if this fails then attempt mediation
- Resolve past and existing difficulties to create a positive atmosphere

Respondents offered a range of possible solutions to the external works issue. These mostly appeared to revolve around issues of cost and management but in fact were probably more indicative of the lack of trust displayed by respondents towards CPS. One respondent felt that this issue could only be resolved by creating an overall better relationship between residents and CPS. Two respondents demonstrated slightly different attitudes - one calling for legal action to be taken against non-payers in order to get the work underway, and the other coming up with the potentially fruitful idea of taking this (and other) disputes to mediation

Q5 ...the internal works

- Complete redecoration
- Costs reduced and contribution from freeholders and phone companies
- Obtain proper quotations
- Proper execution
- Washroom was part of facilities and should be restored
- Remove old carpet
- Mend lift
- Paint corridor
- Set deadline for action, then mediation
- Agree a timetable for action conditional on a resolution of the arrears issue after consultation with ALL parties (not just Residents' Association)

Similar sentiments to the external works issue were voiced in relation to the internal works issue. In addition, three specific areas of interest were mentioned: removing the old carpet, mending the lift, and painting the corridor. One respondent felt that a timetable of works should be agreed which in turn would be conditional on a settlement of the arrears issue; but this approach would only work after consultation with all residents and not just members of the Residents' Association.

Q6 ...the Dolphin installation issue

- Income used to subsidise building
- Consultation
- More tests
- Remove the installation
- Dolphin should make a contribution to maintenance

There was little outright hostility to the Dolphin installation. Only one respondent suggested removing it. One other, a worried parent, sought reassurance on the health issue by having further tests conducted. Another respondent suggested that Dolphin should make a financial contribution to the costs of repairing the roof.

Q7 ...the service charge arrears

- Arrears are always a problem
- Legitimate tactic by tenants
- Keep charges realistic - three-monthly statements, demands delivered on time, no hidden costs
- Essential to resolve this quickly to enable a fresh start

There were various suggestions with regard to the service charge arrears. One proposal that seems to reflect the lack of trust factor and also a perceived lack of communication, is that the agents should send out more regular information about service charges, possibly in the form of three-monthly statements. Several respondents stressed the importance of resolving this issue quickly to enable a fresh start to be made.

Q8 ...current relations

- CPS to be more 'honest and transparent'
- Have a meeting and invite all the residents
- Having the owner and manager as the same organisation means poor service and high charges at the expense of residents
- Residents' Association are well intentioned but poorly advised. They must take a large share of the blame

The answers to the question about relations between CPS and residents reveal a deep level of mistrust and antagonism. Comments include finding CPS staff 'unhelpful and sometimes rude'. Residents want CPS to be more 'honest and transparent'. One positive suggestion called for CPS to set up a meeting and invite all residents. One respondent was particularly critical of the Residents' Association, claiming that though it might be well intentioned, it had clearly been poorly advised and had to take a large share of blame for the present state of relations.

Q9 ...historic problems

Residents had little sympathy with the notion that the problems had occurred under past owners and were therefore not the responsibility of CPS. One respondent said that by taking over the ownership and management of Century House CPS had inherited the problems. This said, another resident suggested that yesterday's problems should be consigned to yesterday.

Q10 An offer was made in 1997 by the previous managing agents, and renewed by CPS in 1998, to resolve historic service charge disputes by offering a rebate on sums owed. Did you accept this offer?

Yes	2 respondents
No	5 respondents
No (but have now)	1 respondent
Not applicable/no answer	4 respondents

Q11 If the offer were still available, and acceptance of it (by you) would enable the major works to the property to take place, would you now accept the offer?

Yes	3 respondents
No	2 respondents

Q12 Please indicate below the statement which comes closest to your attitude regarding payment for the major works:

Paid	2 respondents
Will pay when start date is agreed	1 respondent
1 need to raise funds	2 respondents
Monthly instalments required over 1 year	0 respondents
Monthly instalments required over 2 yrs	0 respondents
Not applicable	2 respondents

Other responses received on this issue:

- Will pay from a solicitor's account in stages as work progresses
- Will pay when a certain proportion of the work is done
- Have paid half, will pay the other half when a start date agreed
- Funds were available but are not now because of high solicitors' fees when we tried to sell our flat and failed
- Can pay but only willing to do so as part of an overall settlement

In terms of the 1997 offer, just 2 respondents accepted it at the time and one has done so more recently. Five have rejected it and four either did not answer or the question did not apply to them. Of the five who rejected the offer, three said they are now minded to accept and one said that he had been in the process of negotiating a settlement but that had ground to a halt in 2001. Raising the funds did not appear to be a major obstacle for most residents. The real problem was that of trust, with several respondents wanting to set up payment arrangements that ensured that the work promised is actually carried out.

Q13 The current managers of Century House are Cambridge Property Services. Compared with previous managers, how would you rate CPS?

Better	3 respondents
No difference	1 respondents
Worse	2 respondents
No opinion/not applicable	7 respondents

Q14 Do you have any suggestions as to how CPS could improve their service?

- Greater honesty and a less aggressive attitude towards residents
- By keeping property clean and in good repair
- By being proactive and taking a tough line with leaseholders in arrears
- Improve communications
- Sort out the outstanding problems
- Be more approachable
- By copying non-association members in on their correspondence with the Residents' Association

Despite the criticism of CPS there was no significant overall sense that CPS was a worse manager/owner than its predecessors. In fact 3 respondents felt they were better, 2 felt they were worse, 1 said 'no difference' and 7 didn't feel they could make any useful comparison. However, the lack of an opinion as to whether CPS represented an improvement or decline in service did not prevent respondents from voicing suggestions as to how the service could be improved.

Replies demonstrate again the feelings of mistrust and resentment particularly with respect to style of management and the CPS solicitors. Suggestions included being 'less aggressive' and being 'more approachable'. On a constructive note there were calls for better communication (i.e. keeping tenants more informed); one leaseholder believed that, given the communication shortcomings of the Residents' Association, it would be useful if CPS copied all tenants in on their correspondence with the Association. And one respondent believed that action should be taken against leaseholders in arrears.

Q15 Which of the following best describes your involvement with the Residents' Association?

Committee member	0 respondents
Active member	1 respondent
Inactive member	3 respondents
Former member	0 respondents
Non member	8 respondents
No answer	1 respondent

Q16 And how do you rate the service provided by the Residents' Association?

Very good	2 respondents
Good	1 respondent
Average	2 respondents
Poor	2 respondents
Very poor	0 respondents
No opinion/not appropriate	6 respondents

Q17 Do you have any suggestions as to how the Residents' Association could improve their service to you?

- Keep tenants informed
- Badly advised, too personalised
- Improve communications - regular updates
- Include tenants not just leaseholders
- Better communications - 1 can go months without hearing from the Residents' Association
- Contact new residents
- The Residents' Association has consistently failed to solve any problems

Given that the Residents' Association called on its members to boycott this survey, it is significant that four of the 12 respondents were actually members of the Association, one describing himself/herself as a regular attendee. Of those respondents who had an opinion on the matter three thought the Residents' Association gave very good or good service whilst four thought the service was only average or poor. There were several ways in which respondents felt the Association could improve its service; these included improving communication with members and non-members alike, keeping non-residents informed, allowing non-residents and/or tenants to become members and making greater effort to contact new residents. Respondents also thought the Association should negotiate in a more constructive manner and it was also noted that the Association had failed to solve any of the current problems.

Q18 Are there any other issues that you would like to comment on?

- I'm very keen to resolve the major works issue as soon as possible - it is devaluing the property and I've got water coming in
- As an owner I am dependent on my agents to enforce necessary renovation work
- Remove both the telecom installations
- Because I feel in the dark, I am reluctant to hand over large sums of money

The main thrust of the final section, in which respondents were invited to add other comments, is a further reflection of the distrust and antagonism that some of the respondents feel towards CPS and its solicitors. Complaints often focused upon poor communication. Nonetheless, despite these negatives, there is a strong sense of a willingness to put historic issues to one side in the cause of reaching an overall settlement.

Conclusion

The survey offers some important and positive pointers for the future. Clearly residents want the outstanding issues settled. They are not happy about living in a block of flats that is in poor repair both internally and externally.

The overriding theme is that of communication between tenants and leaseholders, and Cambridge Property Services. Many respondents want more information from both the freeholder and the Residents' Association. They would like to see an improvement in the communications activities of both organisations.

Whilst the roof-based mobile phone installations is an issue, no reading of this survey could suggest that it was a major issue, nor one that should prove insurmountable given an atmosphere of good will and constructive dialogue. There is undoubtedly some resentment at what are perceived to be heavy-handed tactics on the part of CPS and its solicitors but on the other hand some respondents think the solution to the underlying problem lies in CPS adopting a tougher line with those who have not paid service charges. Overall we perceive there to be a genuine desire for better communications as a means to achieving a final settlement.

These responses reveal that despite all the apparent difficulties there is evidence of a strong desire on the part of respondents for a settlement, and it is a realistic desire based on a reasonably clear recognition of what might be required to achieve this.

Options for Future Action

There is no magic solution to this problem. What is required is a series of measures designed to improve communication and understanding and create the necessary atmosphere of goodwill that would enable constructive discussions to proceed.

Suggested courses of action include:

- The production and distribution of a regular CPS newsletter for residents and leaseholders that would include information on finances, work and communication with the Residents' Association, and perhaps input from the Association itself.
- CPS inviting all leaseholders (and possibly tenants) to a formal meeting that would be facilitated by a neutral, third party.
- CPS inviting leaseholders to an informal gathering.
- Independently chaired focus groups with residents/leaseholders to inform the current process of resolution and anticipate future issues.
- Appointment of a third-party solicitor to act as a 'fund-holder'.
- Agreement on a mediation process.