

Netherne Management Limited

Company Number: 04026814

Registered Office: c/o Stiles Harold Williams, Lees House, 111 Wardour Street, Brighton, BN1 3FE

Directors Report for the year ending 31 December 2020

Summary

- We reported in our previous Directors Report that whilst 2019 was a fairly “normal” year for NML, 2020 was expected to be anything but normal, as we were in lockdown and the world was dealing with the coronavirus pandemic.
- Our facilities (Leisure Centre, Village Hall, Pavilion, Playpark, Tennis courts) have had to be closed for long periods.
- Service charge rebates have been given back to members as a result of our facilities being closed. The total rebates in respect of the period 1 April 2020 to 31 March 2021 were over £75,000, equating to about 17% of the annual service charge budget.
- The service charge budget for 2021 was slightly lower than that for 2020, and our reserves position strengthened by around £100,000 during 2020.
- During lockdown closures, we managed to proceed with a number of maintenance tasks, at both the Leisure Centre and Village Hall, avoiding the need for disruption during open days/hours.
- The Leisure Centre has been open on every day legally possible, with a new booking system introduced.
- The Village Hall has had its use severely restricted by Government guidelines. Nuffield have recently been running some classes in the Hall, and other activities are also starting up again soon - including Yoga.
- Our new Estate Manager, Jonno, has continued to make a very positive impact on the Village. We have reduced our reliance on external contractors (and benefited from reduced costs as a result). And the grounds look amazing!
- A local cricket club (Salfords) started to play some of their games at Netherne in 2020 and they've returned in 2021 with a full fixture schedule.
- The Netherne Community Bus Company has ceased operating.

We know that communication with members is important, and have several channels available. There is the NML Member Facebook group. You can also sign up for our regular email updates, which are issued by bcc from nmlupdates@gmail.com. We undertook an exercise to try to capture lots of missing email addresses in 2020, and now have excellent communication coverage of our membership (with missing email addresses for just 4% of members).

With the lockdown situation, we had to conduct the 2020 AGM via a Zoom meeting, which worked very well. It was disappointing that only 7% of members attended the 2020 AGM, and at the date of this report, only 9% of members have so far emailed us to say they wish to join the 2021 Zoom AGM. Whilst such turn outs continue to disappoint, we take comfort from these numbers as our view is that it is a reflection of very few issues in the village. We will continue to dedicate our time to ensure the village remains a great place to live, with no issues!

The Directors of Netherne Management Limited:

Steven Buczek, Lee Ronan, Rajen Shah, Lee Sheldon, John Stokoe

7 July 2021

Finances: Reserves and Service Charges

At the end of 2019, our reserves position stood at £349,000.

Draft accounts for 2020 indicate that our reserves position has improved, to about £450,000 at year end. The main reasons for the £100,000 improvement are:

- To help alleviate the impact of COVID-19 on businesses, the Government made available a number of grant schemes. NML applied for a Business Rates Grant from Reigate and Banstead Council. Our application was successful and the total we received from R&B was £35,000. This amount was very welcome and in line with the grant support offered by the Government during the pandemic.
- We received around £19,000 from exit fees during 2020
- We also received around £27,000 from other non service charge income streams (estate rents, telephone mast rental, hall and pavilion hire)
- We collected a year's worth of reserve contributions (£20,000) in the 2020 service charge budget.

The improvement in our reserves position was a primary factor that led us to reduce the line for "contribution to reserves" in the 2021 service charge budget. This line reduced from £20,000 per annum (in 2020) to £15,000 per annum (in 2021). With other changes in the budget (both + and -) it meant that service charges for 2021 were slightly lower than those for 2020. We would in particular like to note the very positive contribution that we have seen from Jonno in helping to reduce costs - this feeds through directly into lower service charges.

We committed at the start of the pandemic to only collect the service charges that were needed for the ongoing running, upkeep and maintenance of the village and our facilities. Any savings arising due to our facilities being closed were to be passed back to our members, and NML would not profit from such savings. Accordingly, we have given service charge rebates in respect of the cost savings arising from the facilities being closed. The total rebates applied in respect of the period 1 April 2020 to 31 March 2021 totalled over £75,000, equating to about 17% of the annual service charge budget.

We have also committed to review the "contribution to reserves" each year, taking into account our reserves at the end of the year, the level of expected non service charge income streams (if these increase, we could reduce the contribution) and the level of projected reserve expenditure. If we believe we can (again) safely reduce the contribution to reserves in future years then we will aim to do so. It would be undesirable to have volatile service charges, with large increases in some years if there are sudden large / unanticipated expenditure requirements. The service charge budget has been managed accordingly over the past few years.

Debtors

At the end of 2019, the level of debt (unpaid service charges/costs) was under close management and control, and stood at £12,400.

Draft accounts for the year ending 31 December 2020 indicate that our total debt had fallen to £9,400. The debt figure has remained low and stable, and our fears of a worsening debt position through the pandemic have not materialised - there has actually been an improvement over the year. It is expected to continue to improve during 2021 as our largest debtor has entered into a payment plan to settle their account.

Leisure Centre

Despite all the turmoil of the last year the leisure centre has been open on every day legally possible, mainly thanks to Travis and the Nuffield team for all their hard work to ensure that Nethene residents have been able to enjoy the facilities. The booking system we had to introduce has worked really well with almost 100% of slots being booked. We even managed to increase capacity for both the gym and the pool during 2020 to squeeze in as many slots as possible.

There were times during the lockdown that the facilities had to be closed. During the closures we were able to proceed with a number of maintenance tasks, avoiding the need for disruption during open days/hours.

With the leisure centre shut on multiple occasions, one of the Board - Lee Ronan - took responsibility for the tennis key as we were keen to ensure we could continue to use such a great facility. Tennis proved to be so popular that in some weeks over 100 residents took to the courts! We have also managed to start a social tennis group, playing 2

evenings a week. We have about 18 members at present (with anything between 4 and 10 coming along to play each week), and are always looking for new members who can play.

We are also super fortunate to have a resident tennis coach, Dave Clarke. You can find him on the Netherne Facebook group and we would encourage anyone who wants to take their game to the next level to book some lessons.

As always, we are always looking for ideas to improve the leisure facilities, so please do put these forward, either via the suggestions box in the leisure centre, or by speaking to either the Nuffield team or one of the NML directors directly.

Village Hall

Due to Covid, during the last year the Village Hall has had its use severely restricted by Government guidelines.

When restrictions began to be eased, a 'COVID-19 risk assessment' had to be undertaken and actions taken to mitigate any risks identified. The result of the assessment was that some bookings could be accepted, but at a much reduced level. In addition, necessary signage was added and a cleaning routine was required after each use. The Nuffield team have recently been running some classes in the Hall (HIIT, ABS and Kettleballs - various days of the week - contact the Leisure Centre for further information).

We look forward to restrictions being eased further / completely and the Hall returning to its full use by all groups, and for private hire. We know that the badminton group plans to restart soon, and we are also pleased to report that a new Yoga class will be starting in the Hall from 27th July.

Bookings are being taken for the Hall and can be requested by emailing Laura Ritchie at SHW via lritchie@SHW.co.uk.

Maintenance: Numerous maintenance tasks have taken place over the last year with rain and damp ingress being the main instigators.

- After very heavy rain the basement section retains a layer of water. At this stage the prohibitive cost to undertake remedial works has taken priority over the lack of use of the area. It will continue to be monitored.
- Leaks from the roof are due to be investigated, hence the scaffolding on the side of the Hall. Current leaks are being dealt with by absorbent pads.
- Quotes to replace the entrance fire doors are currently being invited.
- Jonno has undertaken various works including extending the hand rails on the side of the stage.

Estate

The grounds have now had over a year of loving care and support from Jonno Hart, the Estate Manager we recruited after Dave Brant retired in the summer of 2019.

Jonno has continued to make a positive impact on the Village, from reducing costs and our reliance on external contractors, to promoting new working practices across the Estate. We invested in a new mower and a utility vehicle to help ensure Jonno is as productive as possible, and able to make the Village continue to look its best for us all throughout the year.

If you can recall, the first lockdown period in 2020 coincided with some glorious weather, which led many villagers to take their exercise in the beautiful village surroundings. It was notable just how many comments were made regarding the grounds and how well maintained they were. A reminder of how lucky we are to live in such a wonderful place!

Cricket Pavilion

During 2020, the Pavilion Café was obviously unable to trade for a significant period of the year. Despite the on-going restrictions that they faced the volunteers continued doing an amazing job every Friday and Saturday (even behind face masks and shields!) creating such a warm and inviting environment for residents in the Village to meet and enjoy a brew and a slice of cake. As ever, we congratulate everyone involved in the running of the Pavilion Café and thank the volunteers for all their commitment to keep this treasured part of village life going!

As many of you know, a local cricket club (Salfords) started to play some of their games at Netherne in 2020 and they've returned in 2021 for more "runs and wickets!" The scoring hut has also been repaired with a new roof and some internal improvements to ensure it remains usable for the years ahead.

Once national restrictions are lifted, we should be able to allow residents to hire the Pavilion for parties, without the need to limit numbers and manage social distancing needs. As a reminder, you can hire the Pavilion by emailing Laura Ritchie at SHW via lritchie@SHW.co.uk.

Netherne Community Bus Company (NCBC)

The Bus Company is a separate company from NML, and not part of the NML service charges.

We noted in the last Director's report that the financial position of the Netherne Bus was not great before Covid-19, and with the pandemic / lockdown / suspension of service it was steadily getting worse, with a very grim outlook.

A "Bus Rescue" group was formed during 2020, to explore options for the future of the bus. Four members of that 'bus rescue group' became directors of NCBC. All avenues were explored to attempt to keep the bus going, including applications for grant funding, local councillor funding, investigations into using the bus for school runs and a sponsorship deal with a local estate agent. When the bus service did restart after the first lockdown, in September 2020, NCBC had to ask for £6,000 from NML to try to keep the company afloat.

The £6,000 was approved by members, after an EGM held on 27th August 2020.

However, with so little demand for the bus service, the NCBC directors took the decision at the end of 2020 that the Netherne Community Bus service could no longer continue to operate, despite best efforts to try to keep it going. The bus became a casualty of Covid-19.

The NML Board would like to record its thanks to the NCBC directors and all members of the Bus Rescue group for their significant efforts in 2020 to try to keep the bus going.

We are aware that NOTHRA are in discussion with the council about the possibility of getting a public bus service up to Netherne. We know that the council has considered (and rejected) this several times over the years (due to various reasons, including cost and unsuitability of the roads). We keep our fingers crossed that this is more than just talk from the council and that they finally deliver a much needed bus service for the village.