Admiral House, Cardiff

Directors Report – December 2020

2020 has been a difficult year for everyone, but the directors are pleased to report that great strides have been made in reaching our goal of securing for Admiral House the title of the premier residential apartment block in Cardiff.

This will boost property values across the board and benefit all leaseholders.

We have created a safe office for the concierge staff on the first-floor following lockdown.

It is clear that having a 24-hour concierge is a particular attraction for residents, and staff here are visible as well as protected.

Directors have successfully dealt with major issues concerning the car park lifts and are about to agree market-value terms for re-decoration, all of which is to be funded from reserves.

The controller drives on three water pumps have been replaced.

Work has continued on the enormous re-rendering project for Admiral House, despite significant delays due to the Covid-19 lockdown, and the implications of the Grenfell Tower disaster.

Directors are mindful that important safety certification is required for high rise developments so that UK Government regulations are adhered to.

These certificates are also demanded by mortgage companies in purchases.

However, confirmation of the latest stage of the Section 20 rendering project have now been agreed, subject to a number of minor details. This will allow Admiral House to move forward to the next stage of this huge project.

Invoices to levy the required funding will be issued early in 2021 following further documentation (for legal compliance) being circulated in the meantime. Provided members settle these within 28 days of billing the work can be scheduled in for the summer of 2021; **please do not delay payment** as that could result in escalation of the overall cost (paid by NRML / i.e. your fellow members) let alone result in interest being applied on late payments (as per the terms of the lease) and if required legal action for pursuit of such monies.

Once the works are complete and the building has been painted the property will be one the most desirable in Cardiff.

2020 Service Charge Budget

Despite the challenges that we have all faced in 2020, the building has been well managed throughout the coronavirus pandemic. This has been achieved whilst carefully controlling costs to

remain within budget for the year. Therefore, we are pleased to report that it is anticipated there will be *no need for a balancing charge for 2020.*

There were three items of note within the 2020 budget:

- After the coronavirus outbreak, work was done to improve the areas used by the onsite Admiral House team and allow them to return to work at the reception desk, as soon as was safely possible.
- Electricity rates for the communal areas increased after having been held steady since 2015. Although rates will now revert to a normal market rate for 2021, Admiral House has benefitted from significant savings over the last few years.
- The water pumping system, which was installed when the building was new, required significant repair and enhancement. This work was completed without inconveniencing residents or turning the water off.

In addition to the normal 2020 service charge budget, NRML spent c. £14k on consultancy and professional fees to progress the specification and tender process for the significant remedial work that is required to the building's render. This has been funded from the building's reserve fund and has not impacted the 2020 service charge. These costs will be refunded to the building's reserve fund when the render-specific extra service charge is collected to pay for the work.

2021 Service Charge Budget

We have budgeted for a 3% increase in both the building and car park service charge budgets for 2021 to:

- Cover Admiral House's electricity bills at the new rate discussed above.
- Cover cost of living pay rises for the onsite Admiral House team.
- Increase the contribution to the building's reserve fund to ensure that any future major building works/repairs can be covered without further extra service charges being requested.

As a reminder, the NRML Directors are all Admiral House leaseholders. They undertake their roles on a voluntary basis and deliver their responsibilities with the long-term, best interests of the whole development in mind. They receive no compensation or reimbursement of any expenses for this work.

The Board of Directors

The NRML Board currently comprises:

Emrys Davies, Chair
Nasir Jarjis
Susan Morris
Matt Currie
Phil Parry

Company Secretary is Neil Gregory of WPP - neil@wppmc.com

The Board of NRML wishes you Season's greetings and the very best for 2021.