

## Building Management Plan

### Proposed Development at Belcamp, Dublin 17



**Client:** Gerard Gannon Properties

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## **1. Introduction**

Purple Property Management have been engaged to provide an initial building management plan to form part of planning applications by the applicant, Gerard Gannon Properties, for a proposed mixed-use development in Belcamp, Dublin 17.

This document will demonstrate that satisfactory arrangements for the future management of multiple unit developments at these sites will be in place. Completed developments will be protected and managed in accordance with policies of encouraging lifetime homes.

The information provided to date by Gerard Gannon Properties has allowed us to produce our initial strategic thoughts on a Building Management Plan and a first draft budget.

## **2. Executive Summary**

The developments will consist of residential houses, duplex units and apartments, no. 2,527 in total.

The services provided as detailed in the Building Management Plan will commence when the buildings are ready for occupation. The planning for implementation of these services will commence prior to occupation and involve detailed collaboration between the developer and the managing agent.

The range of services available to residents is outlined in section 5.

It is very important to have a robust Management Plan in place to provide a framework for the ongoing Planned Preventative Maintenance and buildings refurbishment over time. This will assist to have long term management and maintenance structures in place for a development.

The annual service charge fees for the blocks covered in this report aggregate to €2.79m. This report outlines a range of services to be contracted on behalf of the OMC members that are disbursed from these service charge fees which are collectable from the members.

Regulatory requirements are required to be satisfied for a number of services, including maintenance on life safety systems such as fire alarm maintenance or fall prevention assets. These are serviced in accordance with the required standards and that certification is received.

In the past number of years the number of areas that has been regulated extends to the provision of services such as vermin control. This demonstrates the requirement to ensure that Professional Service Providers (PSPs) with the satisfactory knowledge required to operate the day to day operations of an OMC. Thus ensuring the members best interest are being best served with value for money contractors and corporate compliance requirements be satisfied.

Regular supervision checks will be completed with timely attendance to repairs being completed. Service providers will be selected, using a robust procurement process, to complete the regular standard services to include waste collection, landscaping, vermin control, pumps maintenance and water tank cleaning.

Insurance appropriate to the building sums insured and requirements will be put in place with AAA rated underwriters.

Administration functions for the OMC will be completed by a licensed property management agent and suitable qualified professionals will be engaged to carry out accounting and legal support type services as required.

We have applied a number of assumptions based on unit capacity for each block to allow a budget estimate to be calculated.

### **3. Formation of Owners Management Company**

Prior to the sale of the first unit, and in accordance with Section 3 of the Multi Unit Development Act 2011, an Owners Management Company will be formed with each owner becoming a member on a one unit one vote basis. Any areas not being taken in charge and not a freehold unit will be transferred to the Owners Management Company.

A management agent, registered with the Professional Services Regulatory Authority, will be appointed to co-ordinate the activities and services for the common areas.

Maps will be provided to show those areas of the proposed development which will be within the responsibility of the Owners Management Company. These areas should contain the common areas of shared entrance buildings and any outhouses or shared storage (i.e. bin sheds, bike storage room, utility service rooms).

The Owners Management Company will budget for the cost of services to be provided and recover costs of same from the members. Professional and experienced services providers will be assigned to perform the required services, with best value sought by completing tender protocols.

A 1<sup>st</sup> draft budget is enclosed at page 15 of this report outlining the proposed costs. It is not anticipated that costs will differ materially year on year. Two bank accounts should be opened. One to cater for normal costs in any year plus a second account (i.e. sinking fund) being used to build cash reserves for longer term capital and once off items.

#### 4. Ongoing Maintenance and Protection of Buildings

##### a) Planned Preventative Maintenance

The overall development will benefit from the utilisation of a Planned Preventative Maintenance (PPM) programme. The PPM will be completed annually for each building to include the shared internal and external common areas. This programme will also detail the requirements to be met for the overall area to be developed resulting in a coordinated centralised plan. Consideration will be given to the ongoing maintenance of the buildings assets in an effort to protect the asset lifecycle and to identify when replacements/upgrades are required. Items covered will guide which services are required, the timing and number of occurrences of same. Typical PPM programmes will detail the timing of the visits for fire alarm maintenance, lift maintenance, the landscaping specification, waste management protocols, along with day to day cleaning requirements.



##### b) Building Investment Fund

Each building will also have in place a longer term “Building Investment Fund” report. This report will detail the expected wear and tear on the building assets and its infrastructure. The cost estimates in this report will assist in establishing the Sinking Fund levels and the annual contributions required to be collected via Service Charge Fees.

The requirements for each building will vary however we provide in the following section a summary review of the services to be provided to ensure the management of each building is satisfactory.

## **5. Block Management Services**

Consultation between the developer, build contractors and management agent will be required prior to the occupancy of the buildings. These consultations will include an assessment of the type of equipment within each building, recommended life cycles and maintenance plans, repairs supporting details such as paint codes and other details relating to the ongoing maintenance of the buildings and common areas.

A Health and Safety file will also be provided. This file should contain a record of information, prepared by the project supervisor design process for the end user, which focuses on safety and health. The information it contains will alert the Building Management team and those responsible for the structure and services of each building of the significant safety and health risks that will need to be addressed during subsequent maintenance, repair or other construction work.

### **5. (a) Insurances**

A broker will be appointed to provide an insurance risk assessment. The type of insurances to be provided typically cover:

#### **I. Buildings Insurance**

This type of cover will be based mainly on the Buildings Sums to be insured (i.e. the rebuild cost in the event of a catastrophic incident). In future years the level of insurance premium will also be dependent on the level and type of any claims made. Vigilant management of the building and the house rules can help minimise insurance claims.

#### **II. Public Liability Insurance**

This will provide cover for risk associated with the cost of legal action and compensation claims made against the management company if a third party is injured or their property suffers damage whilst on the common areas of each block.



### III. Directors and Officers Insurance

This cover will be provided to cover the legal defence costs suffered due to any claim made against the company and its officers.

A 24/365 out of hours phone number will be provided to resident. The purpose of this line is to ensure rapid response to any matter that is likely to cause damage (i.e. leaks) or harm (i.e. lift entrapment). By being in a position to attend, assess and relieve the risk this will protect the buildings and reduce claims.

### 5. (b) Mechanical & Electrical

Each building will have within its cores equipment which will require regular supervision checks and regulatory certification. Planned Preventative Maintenance (PPM) schedules will be in place to ensure that all building equipment is properly supervised. Maintenance and performance of the equipment in many cases is required to comply with strict regulations and must be performed by licenced individuals. Assets with the remit of the OMC to consider include;

- Entrance / exit doors and operating systems
- Entrance / exit gates and operating systems
- Fire Alarms
- Emergency Light Systems
- Fire Extinguishers
- CCTV Monitoring
- Lifts
- Pumps – sewage and water
- Roof safety equipment



Stock Image

The block managers will be required to ensure that appropriate service contractors are engaged to properly service the assets.

Any installation, upgrades or repairs to access systems will need to be performed by contractors that hold a licence issued by the Private Security Authority. The requirement for this licence is extended to many of the functions of the CCTV systems.

Specifically referring to Fire Alarm Systems and Emergency Lighting, these will be serviced 4 times per year in accordance with Irish Standards (IS) 3217 & 3218. Records of each required service will need to be stored and available for inspection.

Where appropriate certificates will be displayed within the blocks. Fire evacuation signs and assembly point notices will be posted on each floor of the buildings.

Where access is available to the roof for amenity purposes or for equipment maintenance fall arrest safety systems should be in place. These safety systems will need to be tested and re certified annually.

The management plan should allow for all these services to be performed and documented. By being in a position to furnish this quality management practice information to the insurances can result in lower annual premiums being charged to the OMC.

## **5. (c) Repairs and Maintenance**

Multi-unit developments from Day 1 are subject to wear & tear. Ongoing maintenance will be required to ensure that any issue that arises is dealt with efficiently. Everyday items occur, from graffiti removal to broken fence repair, from bulb changes to spillage cleans, from door closing adjustments to leaking pipe repairs. Service technicians and engineers will be available to maintain the aesthetic look and feel of the development, protect the equipment and maintain a secure block from a health and safety viewpoint.

## 5. (d) Landscaping

A landscaping service specification suitable to each area and each block within Belcamp will be designed and performed. As each block has its own unique features so too will the requirement to ensure that amenity open space areas are managed in accordance with the original plan and design. Consultation with the landscape architects will be had to put in place a suitable programme to establish the green areas and help optimum development of these spaces.

The landscape architects have provided a detailed masterplan by area and block. This allows us to establish requirements that can be incorporated into the specifications that will be used as part of the tendering process such as the ongoing maintenance of shrubs and trees.



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## 5. (e) Janitor / Handyman

Janitors will be in place to complete handyman type services and ensure that the blocks are clean and presentable. A janitor will be onsite for a suitable number of hours each week and at the times deemed most suitable for each block. The overall aim is to ensure health and safety matters are evaluated with the presentation of the blocks and supporting facilities maintained. This service is also important from an insurance risk perspective as risks can be identified and rectified in a timely manner.

## **5. (f) Waste Management**

A waste management plan suitable to each shared block will be put into operation. There will be adequate bin store provision provided. Any commercial units (e.g. Café / Creche) occupants will be responsible for their own waste management arrangements.

In order to comply with legislation and best practice we will provide for 4 waste streams which we will have to deal with on site. These are food waste, dry mixed recyclable material, glass/bottle waste and residual waste.

All bins will be charged on a per lift basis so with more use of the recycling bins and less use of the residual waste bins the residents will be in a position so as to keep their annual charges to a minimum. The residual waste and the dry mixed recyclable bins will be collected on a weekly basis. The food waste and glass bins will be collected every second week.

All waste streams will be collected by separate vehicles. Bins will be removed from the bin stores, waste loaded onto the trucks and returned when finished. Bins should not be left on the road for any undue time.

As part of the block management plan it will be arranged for the bins to be chemically cleaned at least once a year and more often as required. It will be part of the remit for the service teams to ensure that the bin stores are kept in a presentable condition and that any hazards are dealt with without delay.

Vermin control will be contracted to an accredited contract service provider who will provide at least 6 service visits annually.

## **5. (g) Management and Administration**

On appointment by the directors of the Owners Management Company (OMC) a management agent licenced by the PSRA will be appointed to undertake the day to day functions of the OMC. In addition to the planning, organisation and performance monitoring of the onsite estate management services the management agent will be responsible for ensuring all other responsibilities of the OMC are carried out, including;

- All regulatory actions and filings are completed

- The books and records of the company are properly kept
- Compliance with legislation including the MUD Act 2011 and the PSR Act 2011
- Execution of proper procurement procedures
- Management of owners and tenants queries
- Provision of emergency call handling



## 6. Long Term Planning

A Building Investment Fund (BIF) plan will be commissioned to establish capital requirements for the longer-term protection and replacement of assets. This will establish the basis for the sinking fund requirement and monies collected for this purpose will be kept in a 2nd specific purpose account. Funds from this account will only be used to discharge expenditure on refurbishment, improvement or non-recurring maintenance in accordance with the requirement of section 19 of the MUD Act 2011.

The BIF will outline the capital works required to replace and upgrade the building and equipment over 3 to 25 years. The types of items covered are to include;

- Painting/treatment of facades of buildings externals
- Internal painting of walls, ceiling and wood
- Fire alarm systems
- Replacement of carpets
- Roof maintenance
- Lift equipment replacement
- Water tank maintenance and replacement
- Door / gate systems maintenance and replacement
- Light fittings maintenance and replacement

With these long-term plans in place it provides for the timely replacement of assets resulting in optimum performance of the buildings and equipment. This will result in lower maintenance costs and lower service charge fee costs in the long term.

## **7. Budget**

Based on the information gathered from the various stakeholders, a budget will be compiled to estimate the funds that are required to provide the recommended services. Under legislation provided in the MUD Act 2011, budgets are to be put to a vote at an AGM of members on a one member one vote basis. The legislation provides rules on the voting which details that if less than 40% of those voting object to the budget it is deemed to be passed and can be billed to the members.

The management agent will organise for the collection of the service charges, the organisation of services and the payment to contractors for these services.

We have compiled a first draft budget as guidance using the information provided by Gerard Gannon Properties and using standard costing assumptions based on the unit numbers. See budget on page 15.

The initial overall annual budget estimate for the blocks forming part of this project is €2.79m.

Further consultation will be required to consider if all services budgeted for are required and/or additional line items which may be added.

Planing Application Support  
Belcamp - Owners Management Company Budget Forecasting

Project	1 Apartments	2 Duplexes	3 Houses	Totals
<b>Expense Category</b>				
Buildings/Public Liability Insurance Policy	299,040	38,360		<b>337,400</b>
Lift Engineering Insurance Visits	-	-	-	-
Lift Maintenance & Repairs	50,880	-	-	<b>50,880</b>
Lift Telephone	17,808	-	-	<b>17,808</b>
Electricity	462,919	21,377	-	<b>484,296</b>
Repairs & Maintenance	267,000	16,440	-	<b>283,440</b>
Pumps Maintenance	29,250	-	-	<b>29,250</b>
Water Tank Maintenance	9,750	-	-	<b>9,750</b>
Fire Alarm Maintenance & Repairs	89,000	13,700	-	<b>102,700</b>
Windows & Guttering	35,600	5,480	-	<b>41,080</b>
Caretaker / Handyman	80,000	15,808	-	<b>95,808</b>
Garden/Ground Maintenance	89,000	13,700	-	<b>102,700</b>
Out of Hours Line & Support	8,900	1,370	-	<b>10,270</b>
Refuse Collection	320,400	49,320	-	<b>369,720</b>
Vermin Control	3,560	548	-	<b>4,108</b>
Bank Charges	3,560	548	-	<b>4,108</b>
Secretarial Fees	890	890	-	<b>1,780</b>
Audit Fees & Accountancy	5,340	5,340	-	<b>10,680</b>
Management Fees	284,800	30,688	-	<b>315,488</b>
Security	-	-	-	-
Contingency Fund @ 5%	102,885	10,678	-	<b>113,563</b>
Sinking Fund (Unit charge per MUD Act)	356,000	27,400	-	<b>383,400</b>
<b>TOTAL Service Charge Fees</b>	<b>2,516,582</b>	<b>251,648</b>	-	<b>2,768,229</b>
<i>Avg Per Unit (apportionments to units to be defined at a later stage)</i>	<b>1,414</b>	<b>918</b>	-	

*Estimated annual costings for "Belcamp" based on current market rates and assumptions. Pricing will be adjusted at appropriate time to costings based on proper tender procedures. The apportionment management of service charge fees can be redefined.*

Costs are inclusive of Vat as residential OMC