

the address

YOUR NEWSLETTER FROM JAMES GIBB RESIDENTIAL FACTORS

SPRING 2022

In our welcome message last Spring, we were reflecting on the restrictions we had over the 2020 Christmas period as we looked forward to a brighter 2021. Although slightly better last Christmas, many of us have still been eagerly awaiting brighter times ahead so, hopefully, we'll all have a better year, this time, as restrictions ease.

In the background, though, we've been extremely busy at James Gibb over the past year; re-structuring our teams and investing heavily in existing and additional staff to cope with the new and unprecedented demands that all businesses have witnessed over the last two years. We've responded to these demands and the requirements for change in this new era and, with our new Property Portfolio Teams and revised Central Support structures in place, we are more than ready to return to the office, as required, and continue on our journey of exemplary customer service.

The James Gibb Team

Handing Over the Reins

A message from our Chief Executive, Douglas C Weir.

In February 2012, I took over the James Gibb business as a fresh faced 50 year old. Ten years on, and maybe not quite so fresh faced, it's time for me to step back from day to day operations and hand over the reins to someone who is more than ready to take us on the next step of the James Gibb journey.

David Reid, our Deputy Chief Executive, will take on the Chief Exec role from 01 April this year. David was Managing Director and owner of Life Property Management Limited and joined us when we acquired his business in August 2019. I'm sure many of you have met with David and enjoyed his enthusiasm and positive attitude.

David has a lifetime of experience in Property Management and has built an enviable knowledge of the industry over the years. He shares our passion for customer service and will, undoubtedly, take us to the next level with his dynamic and exuberant approach to his role and to life in general.

David will take charge of a great team within our business and will be central to developing them further, ensuring our values and behaviours are positively evident on a daily basis. I would like to offer enormous thanks to our staff for their hard work and dedication over the years and, particularly, over the past 2 years during such difficult times and adapting to necessary change.

I must also offer my sincere thanks to all our homeowners who we have been privileged to serve over the years. I am wholly confident that, with David leading our business, you will see continued improvement in our service offering.

Thank you.



Can we Manage/Factor our own Development?

We have been asked this question by a few committees in developments which we manage and by some who are looking to either move to us or self-factor.

The simple answer is that, yes, this is possible in situations where the Deed of Conditions does not have any specific burdens stipulating that a Factor must be appointed to manage the common parts.

Whilst, on the face of it, this may appear an attractive option, we would caution against homeowners considering this approach for a number of reasons.

In the past, we have ceased management of a small number of developments that have chosen to self-factor. Some have since returned to James Gibb because they have experienced problems such as:

- collecting debt from homeowners
- been charged higher contract costs
- had difficulties arranging insurance such as Buildings & Property Owners Liability Insurance Policies
- not realised the extent of the workload involved in the management of the development
- understanding communal ownership.

It's easy to think that money can be saved by trying to self-factor a block or development. This may work if everyone involved is equally committed to maintaining the property and all homeowners pay their share of costs on time, each time.

At James Gibb, we believe that, by taking the strain away from one or two committed owners and managing repairs, maintenance projects, funds, etc., we can add value and remove the burden of self-management.

Scottish charity "Under One Roof" has identified a number of potential pitfalls of self-factoring. These are quoted below:

- some people can feel put upon when other owners don't do their share, or refuse to co-operate
- there may be no system in place to cover admin costs so some owners - often the more active ones - pay more than their neighbours
- some builders are reluctant to work with self-factors, fearing they won't get paid
- it can be difficult to manage some tasks
- it can be hard to do when there are many absentee owners
- need to set up maintenance account to which all owners contribute - the maintenance account covers admin and professional costs as well as repair costs
- requirement to share tasks around other owners
- deal with professionals to survey their buildings and manage more complex repairs or help with other complex tasks
- have to chase reluctant payers for overdue payments
- deal with difficult builders/tradespeople
- handle annoying bureaucracy.



Client Bank Account Charges



Most of you will be aware that, on behalf of all home owners, we manage a client bank account into which all owners' payments are received and from which all contractors' invoices, block insurance premiums etc. are paid. This account is completely ring fenced from our company and, in the unlikely event that our business was to suffer financial difficulties, your funds are fully protected.

Although the client account is wholly separate from our company bank accounts, over the years, James Gibb has absorbed the cost of bank charges imposed on each transaction. As you can imagine there are many thousands of transactions in and out each month. Initially, the cost to us was relatively low as the interest generated on the account went a considerable way to offsetting the cost of the charges. Of course, in recent years, we have all seen interest rates plummet and charges escalate.

We are now at a stage where the gap between interest and charges is hugely significant.

Because of this, we cannot, as a business, continue to absorb these costs on your behalf, so we're having to charge these out. It is important to note that the client account bank charges (and interest) have always been the responsibility of our developments but we have chosen not to pass these on in previous years.

What we plan to do is, after our financial year is completed and agreed (31st March), we will calculate the net amount of client account costs by subtracting the interest gained from the charges made. We'll then spread this cost between all homeowners and charge it out in one of your invoices during the next financial year. We expect this to cost around £1.50 per homeowner for the year.

Please also note that it is normal practice in our industry for all client account charges to be passed on to the homeowner and it is with disappointment that we find ourselves in a position where we can no longer absorb this on your behalf.

New Scottish IRPM Professional Exam Launched

The Institute of Residential Property Management (IRPM) has recently launched the Professional Diploma in Property Factoring, replacing the previous IRPM exam and syllabus which were very much based on regulations etc. south of the border.

The new Diploma is the culmination of several years' work by IRPM's Scotland Working Party who have worked with Professor Douglas Robertson of Stirling University to produce a comprehensive modular syllabus covering a wide range of topics such as finance, health & safety, building maintenance and the history of factoring.

James Gibb directors, David Reid, Nic Mayall and Roger Bodden served on the Scotland Working Party and their contribution has helped produce a modern, dynamic, and relevant factoring qualification for the industry in Scotland.

As a company, we understand the benefit of professionally trained and qualified staff and, accordingly, we have recently enrolled 12 members of staff to undertake the new qualification. James Gibb is committed to raising industry standards and investing in our own staff and the new Professional Diploma in Property Factoring is an important part of this.





Christmas Competition Answers & Winners

Office Contact Details:

Glasgow Bellahouston Head Office

James Gibb residential factors
Bellahouston Business Centre
423 Paisley Road West, Glasgow G51 1PZ

Tel: 0333 240 8325

Email: incomerecovery@jamesgibb.co.uk
complaints@jamesgibb.co.uk
propertysales@jamesgibb.co.uk
businessdevelopment@jamesgibb.co.uk
directbdebit@jamesgibb.co.uk

Glasgow Greendyke Street

James Gibb residential factors
65 Greendyke Street, Glasgow G1 5PX

Tel: 0333 240 8325

Email: glasgow@jamesgibb.co.uk

Edinburgh

James Gibb residential factors
4 Atholl Place, Edinburgh EH3 8HT

Tel: 0333 240 8325

Email: edinburgh@jamesgibb.co.uk

Aberdeen

James Gibb residential factors
2 Thistle Street, Aberdeen AB10 1XZ

Tel: 0333 240 8325

Email: aberdeen@jamesgibb.co.uk

Dundee

James Gibb residential factors
Unit 20 Prospect 111 Gemini Crescent
Dundee Technology Park Dundee DD2 1SW

Tel: 0333 240 8325

Email: dundee@jamesgibb.co.uk

doing it
the right way

As ever, thanks to all of you who sent in your Christmas Competition entries. We had a great response with lots of correct answers. Maybe we need to make it a bit harder next year!

In case any of you were stuck on some of the riddles, here's a reminder of the clues and the answers:

- 1 Nativity location - **Bethlehem**
- 2 Kissing plant - **Mistletoe**
- 3 Santa's pulling power - **Reindeer**
- 4 A good King - **Wenceslas**
- 5 Evergreen - **Fir tree**
- 6 Type of Christmas pudding - **Figgy**
- 7 Door decoration - **Wreath**
- 8 Christmas plant - **Ivy**
- 9 Present receptacle - **Stocking**
- 10 Santa's helpers - **Elves**

Congratulations to our lucky winners, (randomly selected) who will each receive their choice of champagne or luxury chocolates.

Our winners, this year, were:

- EDINBURGH** William Gordon, Slateford Village
Fiona Smith, Easter Road
- GLASGOW** Mary Davren, Millbrae Gardens
Rebecca Holderness,
Kelvinside Gardens East
- ABERDEEN** Valerie Hepple, Hilton Campus
Thomas Little, Grandhome
- DUNDEE** Graeme and Linda Munro,
Windsor Terrace
Kim Tacchi, Oakwood Lawns