

Keeping in touch

We are pleased to provide an update for your development

Beckets Grove Phase 2 (Wyndham) Residents Management Company Ltd

	<p>Residents Meeting minutes held via Zoom internet conference on Wednesday 12th August 2020</p>
<p>Attendees</p>	<p>Chamonix Estates Limited (CE) Managing Agents represented by:</p> <p>Emma Offei (EO) - Estate & Property Manager Karen Lacey (KL) - Regional Manager Emily Barber (EB) - Estate & Property Manager</p> <p>Residents:</p> <ul style="list-style-type: none"> 6 Barnes Close 4 Barnes Close 6 Coldham Grove 17 Bartrum Close 28 Bartrum Close 27 Chamberlain Rise 92 Jeckyll Road 11 Reeve Way <p>Apology given by the developer (Persimmon Homes) for not having a representative present.</p> <p>Apologies:</p> <ul style="list-style-type: none"> 22 Reeve Way 43 Reeve Way 13 Briggs Mead 90 Jeckyll Road 3 Briggs Mead 5 Swatman Grove 53 Jeckyll Road
<p>Introductions</p>	<p>The meeting commenced at 12:34 pm.</p> <p>EO informed everybody that the meeting will be being voice recorded and asked anybody who had objections to advise her.</p> <p>EO explained that she is the development's Estate & Property Manager and ran through the Agenda of the meeting, which was as follows:</p>



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	<ul style="list-style-type: none"> - What is a Management Company? - What your Management fee covers? - The Service Charge estimate/budget – an overview. - Overview of Management Company areas and plans. - Site issues. - Any Other Business.
<p>What is a Management Company</p>	<p>EO explained that once residents purchased their homes from Persimmons, they automatically became members of the Becketts Grove Phase 2 (Wyndham) Residents Management Company Limited and would have agreed to pay their service charges towards the up keep of the shared facilities.</p> <p>EO explained that in an ideal world, the council would adopt those communal areas, however sadly they don't.</p> <p>This is why a management company is incorporated and Persimmons have appointed Chamonix Estates as the Managing agents for this development.</p> <p>EO continued that once the development is complete and all of the homes are sold, they would legally transfer the land to the management company and once this is done, we can then call for an EGM (Extraordinary General Meeting) where we would appoint a minimum of 2 home owners on the development to become resident directors.</p> <p>EO explained that we are unsure when this will happen as this is down to the developers and their legal department.</p> <p>Once directors are in place, they can then choose to either manage the development themselves, appoint new managing agents or keep Chamonix.</p> <p>EO proceeded to explain that resident directors can be as active as they wish however, they will receive Financial Packs showing the management company's financial income and expenditure, the account balance, the reserve balance and also showing any debtors to the management company.</p> <p>Should there be any major works carried out, the directors will be provided with quotations and choose whom they wish to proceed with.</p> <p>Directors also get involved with setting the annual budget/estimate and approving the year end accounts and deciding whether surpluses are placed back into the reserves or returned back to residents.</p> <p>Although the resident directors will be responsible for directing the affairs of the management company, Chamonix Estates will continue to run the day to day administration of the company such as requesting, receiving and receipting service charge money, dealing with resident's queries and issues relating to their service charge account, amongst many other duties.</p> <p>Please see the respective attachment</p>
<p>What your Management fee covers</p>	<p>Please see the respective attachment</p>
<p>The Service Charge estimate/budget – an</p>	<p>EO stated & briefly explained what elements are included in residents' Service Charge contributions:</p>

<p>overview</p>	<ul style="list-style-type: none"> - Cleaning for apartment blocks - Grounds maintenance Chamonix Property Care (CPC) team attend site to mow the lawns and attend to garden maintenance issues - Grounds maintenance supplies for replacement bark, bulbs, shrubs, trees etc - Tree/hedgerow/woodland protection To maintain hedges, tree inspections by an Arborist - Communal window cleaning for apartment blocks - Repairs & maintenance general reactive works when required - Water feature/water course CPC attend to meadow cut grassed areas and litter pick - Ecologist legal requirement for an annual inspection - Private drains & sewers for maintenance of the ACO drains (main drains & sewers are the responsibility of the developer) - Door entry & satellite digital aerial for apartment blocks - Health & Safety – estate legal requirement for a 5-yearly inspection - Fire detection protection equipment for apartment blocks - Electrical 5-year hard wire legal requirement for an inspection (apartment blocks) - Fire risk assessment – apartment legal requirement (apartment blocks) - Insurances legal requirement to have Public Liability & Directors & Officers insurances valid - Administration Management fees - Reserves for potential future major works; immediate emergency repairs etc (tree work, for example)
<p>Overview of Management Company areas and plans</p>	<p>EO showed a copy of the plan (minimised and shown below; larger plan also attached) to show areas that are the responsibility of the Management Company (CE), stating:</p> <ul style="list-style-type: none"> - areas shaded in the orange colour (since 2018) - that in purple has just recently been 'handed over' to us to maintain - the other areas (in green, yellow & blue) have yet to be handed over to us. <p>EO had spoken with the developer, just prior to this meeting, and they confirmed the areas yet to be handed over to CE are still their responsibility and will be 'refreshed' in the subsequent few days, and then every two weeks going forward to maintain them.</p> <p>EO advised residents that she is happy for any resident to contact her if this is not happening where she will then chase up the developer</p>



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	accordingly.
Development Update	<p>Site issues</p> <p>Grounds Maintenance</p> <p>Following EO explaining the Management Company areas and plans:</p> <p>One resident did ask if we have a date when the above areas will be handed over to us, from Persimmon. EO advised not at the moment unfortunately, in view of much construction still being undertaken. However, they 'mentioned' late this year, but this cannot be confirmed or taken as any sort of guarantee.</p> <p>The resident then followed, asking if the current Service Charge covers only the areas currently being maintained by CE, and if so, would it then increase when the further areas are handed over to CE? Or, if not, are the 'excess' monies being transferred into the current Reserves?</p> <p>EO answered stating the current Service Charge will not increase in this respect, as it relates to the site in its entirety. So, yes, the Reserves are being built up, which would then be 'reduced' accordingly.</p> <p>Another resident pointed out that those residents who move into their property earlier than others are contributing to build up Reserves that those who then move into their property later will actually 'take advantage of'. Also, that the only 'benefit' being seen is that, re the orange shaded areas on the plan, the grass is being mowed and one tree lopped. No understanding could be garnered on either of these points, although it was admitted the second point was more a thought, rather than a question.</p> <p>EO understood the first point and explained that all residents, upon purchase of their property, are signing their transfer/lease, of which includes the legal requirement to pay their Service Charge, of which a contribution goes to the Reserves. This is for all residents, whether they own a house or an apartment.</p> <p>A further resident also commented upon what 'benefit' are residents getting stated earlier, expanding to state that an area of grass in front of the property is not being mowed by CPC, but by GDC, who are Persimmon's own contractor.</p> <p>EO stated that house owners' Service Charges are in no way contributing to anything payable by apartment owners – works on apartments, for example, are only paid from monies collected from apartment owners' Service Charges.</p> <p>Re GDC, EO explained that Persimmon would have instructed their own contractors to attend to areas that have not been given to CE to maintain. EO suggested that if this area falls within the orange shaded area (on the plan, previously), she would look further into it.</p> <p>EO therefore finished this section by re-iterating the areas CE are currently responsible for.</p> <p>Parking issues</p>

	<p>Residents have asked if there is anything that could be done. EO stated unfortunately not, as CE are not responsible for the roads on the development. The roads are currently the responsibility of the developer until such time the local Council 'adopt' them.</p> <p>EO stated is happy though to send out correspondence to owners/occupiers to remind them to be responsible/mindful in how they park their vehicles.</p> <p>Dead trees EO stated she has been made aware of a number of these and has spoken with Persimmon who confirmed they will replace these. Although not until Autumn time/end of year, as currently we are in the growing season.</p> <p>Unfinished areas on the development As stated earlier, the developer is continuing to build and the site has not been fully completed. At that time, areas will be handed over to CE to maintain.</p> <p>Handover of remaining areas within the development Also as stated earlier, there is no date given, although it may be towards the end of the year.</p> <p>Dogs and dog waste bins EO explained that dog waste bins are the responsibility of the local Council. The reason being that a specific licence is required due to the hazardous nature of dog waste.</p> <p>If residents were interested in getting dog waste bins installed, this would have to be put to Persimmon, where they would then need to discuss with the local Council.</p> <p>Reporting repairs via our issue reporting system on FixFlo PIMS – Property Issue Management System EO explained that any issues on the development can be reported directly to CE via our portal.</p> <p>Visit therefore www.chamonixestates.co.uk and click the blue 'Report any issues' button and enter details accordingly. This will then come direct to EO to follow up.</p> <p>One resident raised a concern that a (parking) issue was reported at the start of the year, but nothing has been done, or acknowledged. Asked whether there is an SLA for an acknowledgment, at least.</p> <p>EO asked for the property address concerned to investigate and get a response to the resident accordingly.</p>
<p>Questions and Answers</p>	<p>Received from residents not able to attend the meeting:</p> <p>Why has it taken nearly four years since the first of us became residents of Beckets Grove Phase 2 for a residents meeting to be held?</p> <p>Although some have been residents for 4 years, CE have only taken</p>



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handover of the development since October 2018. As the development was still in build phase, we believed that it would be wise to allow additional time so that newer residents that move in would be able to join.

Resident questioned the time of day this meeting is being held and asked that those attending be asked if they would have preferred a meeting outside of typical 9 to 5 working hours?

This is understood and EO apologises for inconvenience to those affected. Equally though, EO advises she too works within 9 to 5, with a family, and trying to find a time to suit all parties is all but impossible. Also, that resident meetings are usually once a year and politely asks that residents wishing to attend make the time, much they would have to for a hospital, doctor, dentist, solicitor appointment.

Has a final handover date been agreed with Persimmons for all of Phase 2 management areas to be adopted by the management company? If so when will this be? If not then is there an estimated date.

As stated above, not yet. But possibly towards the end of the year.

How often is email communication sent out to your list of subscribers missing it.

There is nothing set and it's more when there is information, updates, to advise residents of.

Currently and historically all directors of Becketts Grove Phase 2 (Wyndham) Residents MCL have been employees of Persimmons. Other than on initial incorporation of the company which was by Chamonix with Chamonix employees. The assumption is that as directors have to be subscribers to the management company that Persimmons as existing plot owners nominate these individuals as representatives. Also correct that when the deeds on the last plots transfer to their new owners, and all management areas are handed over to the MCL then these existing directors will be resigned and replacement directors chosen/appointed from the resident members of the MCL?

What is stated here is correct.

One resident asked if communication will be received as to how to proceed with this.

Yes. To advise of an extraordinary general meeting, where owners will be

asked if they wish to become resident directors.

Have directors' meetings been held over the last four years? If they have, why we not been advised of this and why have meeting notes not been issued or made available?

There have not been any such meetings.

Chamonix Estates Ltd has always been responsible for the management Becketts Grove Phase 2 (Wymondham) Residents MCL,. What contract period does Chamonix Estates Ltd have with the Becketts Grove Phase 2 (Wymondham) Residents MCL, when was this agreed, when will it be reviewed, and by whom?

Chamonix Estates tendered for the contract when the development was agreed. The developer instructed the contract to us and until such time resident directors are nominated, Chamonix will remain as the Managing Agents of the Management Company.

Of course, at such a time resident director are nominated, they are more than welcome to ask us to continue.

The demand for the maintenance fee payments coming in at Christmas will be difficult and unwelcome to many. This is set out in our legal agreement with the management company but it does also state "or such other date as the Management Company shall determine". Therefore, this suggests this date could be an alternative date. Therefore, that if we as members of the management company and its directors instructed this date to change then it could be done?

Yes, this is correct. If, at such a time, resident directors are appointed and motions are passed accordingly.

On the yearly estimates, your account for there being 6 apartments. Our understanding is that there are 18 plots attributed to single story properties / flats. Does 1 apartment account for a block of 3 plots on your estimates? In addition, there are 8 courtyards estimated for, what and where are they on the site?

Whilst there are further apartments/blocks, CE's responsibility is only for the one block, 6 apartments. Similarly, for the courtyards where CE's responsibility is only for the one, that serves this block.

Somewhat unfortunately, we are unable to comment further.



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The overall maintenance costs over the last three years have seemed high considering the amount of work that we see being done and the size of the areas you have had to manage. Other than the costs you have attributed for it can you provide greater detail on the work quantity and type that has been carried out? The 2019 £13,387 ground maintenance stand out to me as it is more than the average part time salary for a person for a year. Resident does not believe that level of work has been done to maintain the grounds on phase 2.

The actual cost was £5,349 for the year (the estimate was £13,387) as confirmed within the 2019-year end accounts. As states earlier, this is due to billing out fully, but works only be carried out to partially handed over areas. The 'excess' monies received in this respect have been transferred to the Reserves.

One resident therefore asked if the (increased) Reserves will be off-set against next year's (Service Charge) premium.

Not as such. The Service Charge, in total, may be reduced slightly because the Reserve amount aspect may be reduced. However, this may not happen in reality because, as again stated earlier, EO is looking to get a healthy Reserve amount for the site and estimates about £30,000.

After this has been reached, then yes, residents' Service Charge's will reduce.

A further question was raised in respect of Reserves – if Chamonix were to lose the Management Agent contract, what would happen to the Reserve account(s)?

The account(s) belong to the Management Company and would therefore transfer to the new Agents.

All service charge money relating to this development is held in a trust account which is specifically for this development only. Should resident directors choose to move to a different managing agent, all funds within the account will be moved also.

A question was then raised if there would be any 'exit' fees charged by Chamonix?

No.

And would any resources be shared with Phase 1?

No. They are an entirely separate Management Company and have their separate trust account.

As above the Management Fees is a significant proportion of the costs to the company. We are aware that there are many and various activities attributed to the management fees. Can you provide a more detailed breakdown of what these costs have been?

Please see the section above 'What your Management fee covers' and the attachment.

Chamonix are also responsible for the managements of Becketts Grove Phase 1 which ends at the boundary of the park and the path between the start of Reeve Way and Jekyll Road. How does Chamonix separate the cost and time attributed to each company?

Our Property Care teams have detailed plans and know what areas are for which site and what areas they need to undertake works on.

Chamonix employees working on site doing general grass cutting work on Bank Holidays, do they get paid extra for working Bank Holidays? If so, why isn't this work completed at a less costly time to the company?

Our Property Care team do not have to work on bank holidays and in doing so, get no pay at all. It is solely their choice.

It a good sign if that is what has been seen as they obviously wish to keep on top of works to maintain the development.

Are Chamonix responsible for the installation and emptying of dog waste bins on Phase 1. If so, are there plans to install any anywhere on Phase 2?

As stated above, Chamonix are not responsible and we are not aware of any plans to have them installed on Phase 2. However, residents are free to contact Persimmon Homes to request them – their contact is 01603 977 200

One resident then commented that this would be the responsibility of Wyndham Town Council.

If we pay our service charges on demand at the beginning of the year, do we get a discount?

No but you won't have to pay for the £24 Direct debit fee. If residents wish to utilise this option, please contact us as soon as you receive your invoice/demand to make the full payment so that we do not apply the



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instalment fee to your account.

Others raised by those in attendance:

Some residents have commented that they have received full bills prior to October 2018, which is when EO stated Chamonix would fully bill from, as this was when CE first took hand over of any area.

EO asked such residents to email her direct so she can investigate. Following on, no resident would have been charged the full-service charge amount for 2018 as we would have only billed out from the hand over date which was 9th October 2018.

An issue was raised concerning the recent drain/sewerage problems, but believe this has been resolved now. However, the storm drains are full of mud, blocked and have never been cleared out.

A resident did comment that they have already contacted Persimmon and had confirmed that they will deal with them. EO advised that she will (also) now contact Persimmon, as they are certainly still responsible for these.

EO also asked residents not to put anything into the drains that shouldn't be – such as baby wipes, which are a massive problem in blocking up drains.

And one of grounds maintenance, where certain areas are not looking tidy. Admittedly though, was unsure whether such areas were for Chamonix to maintain, or Persimmon.

EO has looked into this and advised that she has contacted Persimmon to remind them of their responsibilities.

Also, that the ditches on site are blocked with all sorts of rubbish, overgrown vegetation and litter - no water will ever run through these ditches. Persimmon have confirmed these are part of the site's drainage system and the question was asked if Chamonix are responsible for keeping these clear.

EO says yes. And we are looking to get the outlets cleared but do not wish to encourage children playing, for example, near or in a ditch should it be completely clear.

Some residents report that Grounds Maintenance has not been carried out responsibly, or in certain areas, not at all.

	<p>Specifically, on an occasion where tape (to cordon off the play area previously) was just mowed over and not picked up and disposed of beforehand. And a grassed area, per the site plan, which Chamonix are responsible for, has just been left for a number of years, to go to weeds, which now looks terrible.</p> <p>EO will follow these issues up with our Property Care team Regional Manager.</p> <p>Can the recording of this meeting, as opposed, to minutes be sent to residents?</p> <p>Unfortunately, not.</p> <p>When will the next meeting be?</p> <p>Residents meeting are held annually.</p>
Close of Meeting	The meeting closed at 13:38 pm.



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Why is there a management company?

When a development is built, there will be certain areas which are not demised to a specific property and these areas will be deemed as "communal". The developer will then set up a management company and appoint managing agents (Chamonix Estates Ltd) to administer the company on behalf of its members. The members of the management company are all properties on the development; each property has one membership regardless of how many people own the property. The management company will then when handed over be responsible for maintaining the communal areas, which will not be adopted by the local council. All areas maintained by the management company will be marked on a plan (please e mail in for a copy)

Responsibilities of the management company.

The company is responsible for maintaining communal areas and dealing with Companies House requirements including filing of the accounts and annual return each year. The company has its own trust account and an annual budget will be set each year as a forecast for the forthcoming service charge year expenditure. Funds collected via the service charge are then held within the trust account and used to pay the expenditure associated with the development. The company is also responsible for insuring the Management Company areas for public liability insurance.

Importance of sustaining the management company.

It is extremely important to sustain the management company from an investment point of view because the management company is written into all legal documentation in relation to the properties. If there is no management company or if the management company is not sustained, this will affect the sale of the properties. It is also important to keep a vested interest in the company as purchase of a property will be one of (if not) the biggest investments people make. It is therefore important that residents ensure the smooth running of the company and that its areas of responsibility are well maintained and not allowed to run into dis-repair.

Importance of filing accounts each year.

It is important to ensure the management company dormant accounts are prepared and filed each year on time as Companies House will charge a late filing fee if the company misses the filing date. Management accounts are also prepared each year and are independently audited. The management accounts will detail how the company's funds have been spent during that period. Any unspent monies collected are returned by the way of a credit to each account.

Volunteers for Directors and Company Secretary.

Once the development is complete the development will be transferred into residential control. The agent will call an Extraordinary General Meeting and at that point any property owner can become a Director of the management company. The Memorandum and Articles of Association state that there should be a minimum of 2 Directors appointed and there is no maximum amount stated.

Directors can choose to administer the company themselves or appoint a managing agent. Directors can appoint a company secretary to sign on behalf of the Company any notices of assignment/ charge relating to the transfer of mortgage of any of the dwellings within the company or Fairfield Company Secretaries (Chamonix Estates Ltd) can do this. The company secretary would also sign for and on behalf of the company all certificates of compliance relating to the purchase of any dwellings within the company.

Management Fee

This is a fixed fee based on the level of works required per development. Works included but not limited to within this fee:-



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Preparation of annual budget
Issuing service charge invoices
Receiving service charge payments received
Seeking quotations
Instructing contractors
Contract renewals
Supplier payments
Regular financial review of development expenditure
Arranging Health & Safety inspections and action any remedial works
Attending site inspections (as and when required but a minimum of 2 per annum) and an annual evening resident meeting.
Resident communications including e-mail, letters, phone calls
24 hour emergency support (for communal areas only)
Placing public liability insurance and dealing with any claims
Ensuring the management company is compliant with Legal and Statutory requirements
Provide professional advice

Break down of service charge budget

- Sundry minor repairs - Is a provision for if any works are required throughout the year for any of the street lights or bins in the areas within the plans as well as quarterly attendance to cleanse all the bin collection points
- Contingencies - For any unforeseen expenditure, if unspent, this sum will be transferred into your reserves or returned to you as a credit.
- Health & Safety - To instruct for a Health & Safety inspection every 5 year by an independent company
- Public Liability, Perils & Employers - This is liability insurance for the estate areas within the management areas, these areas must be insured.
Directors & Officers - liability insurance for the directors of the management company.
- Management Fee - As detailed above
- Audit & Accountancy - For the preparation of annual dormant and service charge accounts, including independent auditing
- Sundries - For postage, annual return, meeting venue hire costs, bank charges etc.
- Equipment Reserve - For any future major works required to the estate areas such as street light replacement - bin replacement

All properties pay the service charge. When you legally completed on your property you will have paid an amount of service charge, this will have been offset against any charges we have applied to your account. If you have any concerns or questions in this regard, please contact us so we can clarify your individual account

Management Fee:

- Site visits
- One AGM
- Additional residents meetings if appropriate
- Director meetings
- Issuing letters/Keeping in Touch Notes
- Interaction with Key Account Director, Customer Account Manager and Assistant
- Company Secretarial duties
- Legal department assistance
- Preparing Budgets
- Issuing service charges
- Dealing with incoming correspondence-letters/emails
- Dealing with Director emails/requests
- Taking customer telephone calls
- Meeting customers onsite if and when necessary
- Placing contracts and sending purchase orders
- Posting invoices and undertaking payment runs (weekly)
- Dealing with any onsite staff or suppliers
- Negotiating contracts and prices for works
- Obtaining quotations
- Dealing with developers and handovers from developers as and when the site completes
- Chasing snagging with developers
- Dealing with insurance and NHBC claims
- Liaising with Social Housing regarding tenant issues, Police/Anti-social matters
- Scanning and filing of any management company documents
- Running financial reports monthly
- Sending through payment run reports/bank statements to Ari weekly
- Running initial reminder/arrears letters for non-paying residents
- Updating tenants contact details on our bespoke property management system
- Linking of correspondence documents from residents to our property management system
- Filing annual returns for the management company (Companies House charge the £30 to do this- not Chamonix Estates)

The management fee is reviewed based on the level of time spent on the development, various difficulties throughout that year (if expected). There is no budgeted item per task (as listed above).

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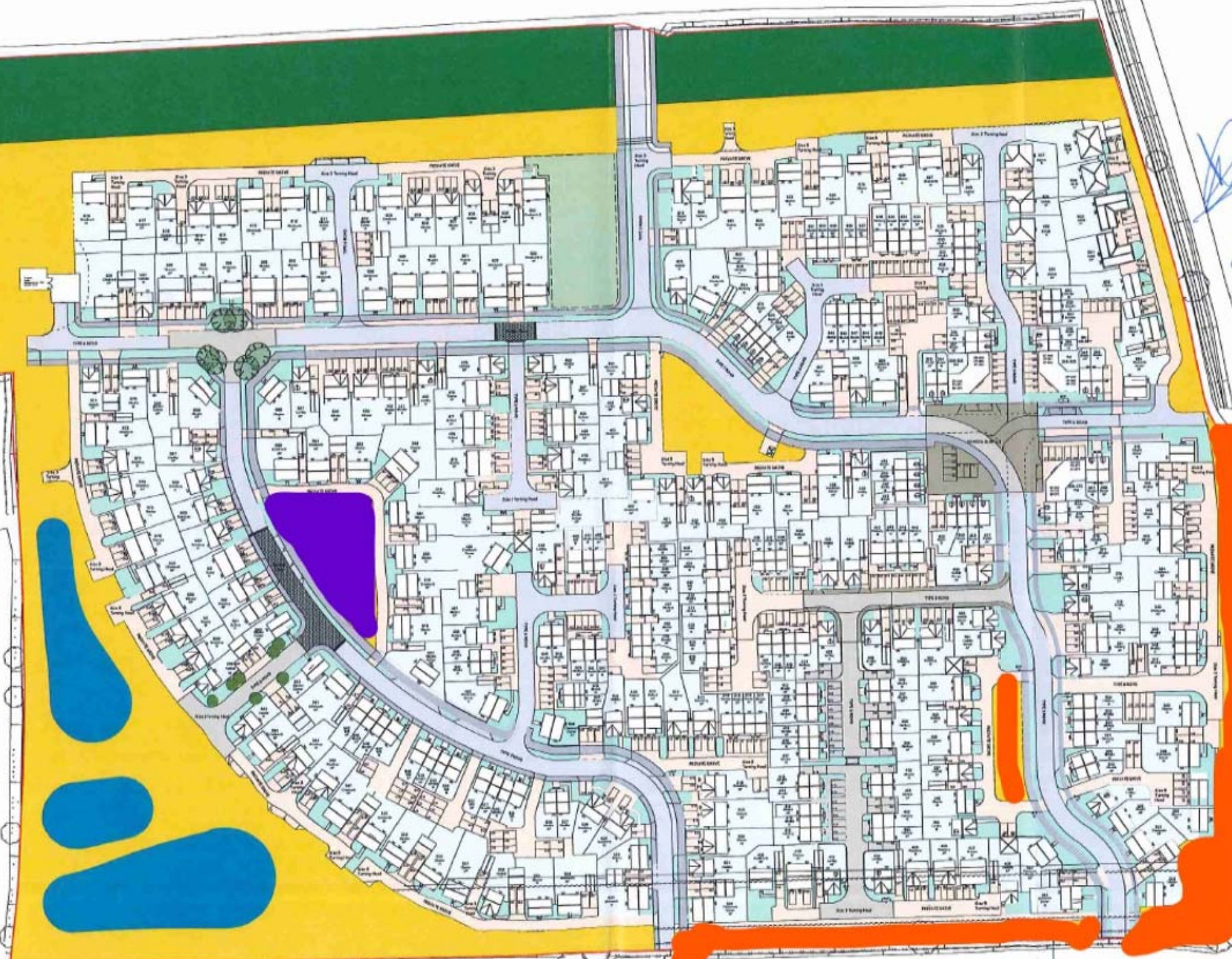


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**CARPENTERS BARN
WYMONDHAM**

Drawing:
**MANAGEMENT CO
AREAS
PLAN 2**

Scale: 1/8" = 1'-0"
Drawing No: CBA-CO-01