

Haydon Court (North) Residents Company Limited

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Minutes of Annual General Meeting

held at 7.00pm on 15th October 2019 at The Emmanuel Church Hall,

81 High Street, Haydon Wick, Swindon SN25 1HU

Present:

J Waldron

J Stockton Hill

S Watts

D Leggett

A Parker

Director

S Parker

J Morris

Managing Agent & Company Secretary

D Morris

Managing Agent

Apologies

J D'Avila

J Gayler

V Jamieson

E Malley

D & C Smith

1. Welcome and Introductions

Alan Parker welcomed attendees to the meeting and then passed over to John Morris to conduct the meeting. John Morris confirmed that the meeting was quorate as there were at least two members present.

2. Minutes of previous meeting

The minutes of the previous meeting on 26th April 2018 were provided to members at the meeting and are published on the company website. It was agreed that any issues arising would be dealt with under the agenda of this meeting with any exceptions covered at the end under Any Other Business.

3. Resolution 1: That Alan Parker, who retires as a director by rotation this year be re-appointed.

Alan has kindly offered to stand for re-election. All attendees unanimously agreed to Alan's re-appointment.

4. Lease extensions and ground rent

John Morris advised the meeting that the company has a headlease with the freeholder Bath Ground Rent Estate Ltd and members each have an underlease with the company who is their landlord. In accordance with their lease's members must pay an amount of ground rent to the company. This is currently £65 per year. These amounts are then totalled by the company and an amount equal to the total is paid to the freeholder.

Two members recently extended their leases by 90 years and agreed with the freeholder that their ground rent would reduce to zero. The company however was still left to pay the full ground rent to the freeholder under the terms of the headlease.

The law says that when a leaseholder extends their lease that the freeholder must either:

- a) reduce the amount of service charges paid by the company or
- b) that part of the amount received from the leaseholder to extend their lease should be paid to the company to compensate it for the loss of income as it still has to pay the same total ground rent to the freeholder.

The leaseholder and the freeholder failed to do either of the above and were therefore in breach of the law. The managing agent contacted the freeholder's solicitor and agreed that the freeholder would amend the headlease in respect of the two lease extensions so that the ground rent payable by the company was reduced to match the amount the company receives from the remaining 22 leaseholders. The freeholder amended the headlease to reflect this agreement and paid all the legal fees for doing so.

Since then a further member has extended their lease and £1,236 of the amount paid by the leaseholder has been passed by the company to compensate it for the loss of ground rent from that member for the next 55 years. It was noted that the company would need to invest the £1,236 at an interest rate of nearly 7% to earn enough to compensate members for the loss of income of £5,755 over the next 55 years to enable the company to continue to pay the ground rent due from it to the freeholder under its headlease.

5. Service Charge Arrears

As at the date of the AGM all members have either paid the current years' service charge in full or are up to date with instalments apart from 111 and 129 who have balances outstanding from the last financial year.

6. Maintenance Issues

a) Car Parking

Members expressed concern relating to the continued problem with inconsiderate parking in the communal car park for Haydon Court (North). Various options were discussed including:-

- install private parking notices
- painting white lines on the car parking spaces to encourage considerate parking. It was agreed to measure the space and divide the parking spaces equally to fit the space.
- Paint flat numbers on the spaces to allocate the parking. This is not usually recommended as the lack of a vehicle in the space indicates that the resident is not at home.
- installing drop down bollards – it was decided that there may be an issue with this because of emergency service vehicles and access to the adjacent bungalow's garage.
- engaging a parking control company that would issue parking permits to residents. Residents could photograph cars parked without the necessary permits and the parking control company would issue parking charge notices to the unauthorised vehicle owners.

Following a lengthy discussion, it was agreed to install "Private Parking" notices and monitor the situation.

b) Gardening/Site Maintenance

The members present are satisfied with the gardening contractor.

It was agreed that the managing agents will contact the owner of the property to the rear of the site in an effort to gain access to treat the overhanging ivy. Mr Waldron has kindly offered to obtain the address.

c) Internal Communal Lighting

Sensor activated LED lights have been installed in three of the four blocks. It was agreed that as sensor LED lights provide better illumination, last significantly longer than the existing lights and use much less electricity that the lights in the remaining block would be changed.

d) Roof

The roofs of the four blocks were discussed as the leaseholders are currently contributing £4,800 a year to the sinking fund for the roof replacement when it becomes necessary. A roofer was engaged to carry out inspections during the year and advised that although the roofs are over 15 years old and out of guarantee they are currently sound. However, he was unable to advise the expected life expectancy. Based on the agreed contribution of £4,800 a year it was likely to take until about 2027 until sufficient funds became available. It was agreed to continue to review the situation.

e) Electricity Supplier

The electricity supplier was changed to Ebico as they offer a no standing charge tariff. The electricity supply was previously with Green Energy, however, they withdrew their no standing charge tariff earlier in the year. A member asked if the site should invest in solar panels to subsidise the electricity expenditure, however, it was noted that as the electricity charge for the year 2018/2019 was only £101.22, the initial expenditure to buy and install the panels would outweigh the monetary benefits.

f) Window Cleaner

The windows are currently cleaned three times a year at an annual charge of £420.

g) Bank Interest

During the last year HSBC have started to close some of their community accounts. The management company and the directors are working together to open a new Lloyds no charge current account. It is hoped that this will be open shortly. The HSBC funds will then be transferred into the new account. Haydon Court (North) Residents Company Limited also has an interest paying Aldermore Account for funds on deposit earning 1% a year.

7. Budget and Service Charge

A summary was provided of previous year's income and expenditure together with the current year to date and the forecasts for the next few years. The managing agents advised that as a general "rule of thumb" that residents' management companies should aim to hold reserves equal to about two years' worth of service charge income. This would allow for unforeseen expenditure on items such as collapsed drains or non-payment by several members for a period of time. Without these reserves the company would have to delay repairs until it could collect one-off large increases to members at short notice. Having a well-run company with a reasonable level of reserves is often a requirement of prospective buyers who will not want to risk buying a property to suddenly find that service charges are dramatically increased or that funds are not available for essential maintenance work.

The meeting unanimously agreed to increase the service charge for the following financial year to £1,060 per year with an additional £65.00 payable for the ground rent, so the total for the year 2020/2021 is £1,125.

8. Management Fee

The managing agent proposed that the management fee be increased to £3,440pa from 1 October 2020 which is an increase of £100.00. This was unanimously agreed by members.

9. AOB

Gutters and Downpipes

On inspection it was noted that the gutters and downpipes on the site are in a poor condition. In consultation with the directors, quotes have been obtained and the work is due to commence on 28th October 2019 and should take approximately one week to complete.

Cupboard Doors

Two of the locks on the cupboard doors on the site have had their locks changed to a standard fire brigade lock to enable the fire service to gain access in an emergency. On the recommendation of the managing agent it was agreed that the other two cupboard locks be changed to comply with current Fire Regulations. It was proposed that those residents using the cupboards for storage be asked to remove their items and the doors kept locked.

A discussion followed relating to fire risks following the Grenfell fire. The attendees requested that the managing agent obtain a quote a fire risk assessment.

It was noted that there is a problem with the staircases as they are ceramic tiled with no contrasting nosing's to highlight steps in the event of a fire with smoke in the stairwell, or for visually impaired persons. It was agreed to obtain a quote for installing contrasting nosing's on the staircase.

Footpath Potholes

A resident commented that there are small potholes in the pathway to the alley to side of flat 133 to 143. It was agreed to contact Swindon Borough Council to report this issue.

Rental of Extra Garage

The extra garage on site is currently being used by a resident from a house in Helmsdale. A Parker is co-ordinating the use of the building and it was agreed that the renter should be charged £25.00 per month for its use to be deposited into leaseholders' funds. Residents have commented that the user of the garage leaves Helmsdale at 6.30am and uses a motor bike which he rev's for a considerable time prior to leaving the area, disturbing many residents in the surrounding area. It was agreed that the letting agreement should require the user to not cause a nuisance to neighbours or the privilege of renting the garage will be withdrawn.

Communal TV System

A member mentioned that there is a loose aerial on the roof of block 97-107. The management company will engage an aerial system engineer to carry out a survey of the communal.

There being no further business the meeting closed at 8.55pm