

Heronbridge Close RTM Company Ltd

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Minutes of Meeting Of Members held at The Patten Hutts, Lawn Primary School, Cleeve Lawns, Swindon at 7.30pm on 13 December 2005.

Present:

Graham Clarke	6
Samantha Smith	16
John Morris	20,23,24 and proxy for 7

In attendance:

Samantha Smith's parents

Apologies:

Mike Weaver	1
Diana Morris	7
Mrs Simmons	15

1. Introduction

John Morris opened the meeting by giving a brief summary of events to date.

The terms of the Lease oblige the Freeholders' Agent to call a meeting of owners once a year upon written request and such a meeting had called in May 2005. This meeting was very well attended and owners discussed the run-down state of the site and discussed the options open to owners. Several problems existed and in part this stemmed from a poorly written Lease that attempted to make owners solely, partly or severally liable for maintaining various small parcels of land. At the time the site had abandoned vehicles and boarded up apartments and had been described by several Estate Agents as looking like a ghetto. At the meeting support was expressed for the owners to take over the management of the site by forming a Right To Manage (RTM) company and to maintain the whole site by common consent.

At the meeting the freeholders' Managing Agent, West of England Estate Management Company Limited (WEEMCO) promised to write to all owners and to also report back on the position regarding at least one boundary wall that is in a near state of collapse. To date no response has been received from WEEMCO.

The Right To Manage Company was subsequently established. It has 5 members from each of the two end blocks (i.e ten in all) from the twelve apartments. This has enabled it to be in the position where it will formally take over the management of these two blocks from 1 February 2006.

Currently there are insufficient owners who have joined the RTM Company for it to take-over the management of the middle two blocks. Of the twelve apartments in the middle two blocks two owners are members of the company, (No 7 and No 15), four owners have not replied to various letters sent to them and one owner Samantha Smith of No 16 has come along to this meeting.

Samantha Smith advised that she had not received details of the earlier meeting from WEEMCO and would like to become a member of the RTM Company.

2. Discussion re: The site

The meeting discussed the current state of the site. The far block is now looking better following the sale of number 20 and the co-ordinated timing of the refurbishment of that property with number 19. However, the car parks are very untidy and the paving is in a dangerous condition.

Of further concern are the very poor lighting and the state of the boundary walls. John Morris advised that he had failed to get any response from WEEMCO in respect of the subsiding walls so had made direct contact with Mark Comley at Royal & Sun Alliance. Mr Comley had informed him that Bath Ground Rent Estates (The Freeholder) had not insured the site boundary walls and had also not pursued an insurance claim. Furthermore the estimated cost of demolishing and rebuilding the wall by flat No 4 was just under £10,000.

Several of the trees and shrubs adjoining the boundary need cutting back or removing as they pose a subsidence risk and are also obscuring the view on exiting the Close. Following a meeting with the Council Arborologist, the Council have agreed to undertake the necessary works.

3. Proposed Budget

The meeting considered a proposed budget for 2006. It was noted that the RTM Company take-over the maintenance for blocks 1 and 4 from WEEMCO on 1 February 2006. WEEMCO will therefore be responsible for the short period from 25 December 2005 through to 31 January 2006.

a) Insurance

It was assumed that this would be slightly higher than WEEMCO's estimate for 2005. The insurance is due for renewal in June 2006. It will probably be more cost effective to insure the site as a whole and split the premium with the two blocks still managed with WEEMCO.

b) Maintenance

WEEMCO had estimated maintenance for the whole site in 2005 at £834 against an actual £415 in 2003. It seems prudent to provide £500 for maintenance.

c) Gardening

In line with the wishes of members, the gardening has been provided on the basis of maintaining all the grounds for the two blocks. Graham Clarke said that he had noticed that the ground behind block 1 had been tidied. John Morris advised that he had recently been meeting the gardeners' fees until the RTM Company assumes responsibility. A quotation was produced from Stratton Gardening Contractors who also maintain the nearby Applewood Court site. This was for £1,440 for the whole site. A total of £720 has been budgeted for the 2 blocks (£60 per owner).

d) Sundries

A nominal £80 has been provided to cover stationery and postage, plus Companies House fees etc.

e) WEEMCO, Accountancy and Ground Rent Collection costs.

No allowance made. The RTM Company will manage the site. Mr Morris offered to produce the accounts for 2006 without charge. Members present questioned why WEEMCO charge for the collection of Ground Rent as this is a cost that should have always been met by the freeholder in collecting his own Ground Rent. The Lease makes no allowance for these costs to be passed onto owners.

f) Car Parks

A quotation for resurfacing the car park for block 4 was circulated. This was for £2,021 and includes taking up the damaged slabs by the planter. (£168.42 per owner)

A quotation for resurfacing the car park for block 1 was also circulated. This quotation also covered work to level off the ground behind block 1, to clear the brambles, take out two trees and level off the site. This came to £1,621.50. (£135.12 per owner)

It was agreed that this work should be undertaken in 2006.

After allowing for a small contingency surplus of £207.50 the total costs come to £6,000. When divided by the number of apartments this is £500 each.

The meeting felt that for an additional £300 (approximately) over what WEEMCO are likely to charge other owners, this would be money well spent and fully supported the budget proposal. Other maintenance issues were discussed and it was felt that priority should be paid to site paving during 2007.

4. Service Charge Invoices

The meeting were advised that owners must be given at least 30 days notice of the Service Charge. Therefore the Service Charge Notices should be issued soon in order for owners to arrange payment. Payment options were discussed as it was felt that £500 might be too much for some owners to find in one go especially after the expense of Christmas. It was suggested that the Service Charge be set at £560 with payment in ten equal instalments of £56 by Standing Order from February to November 2006 or by one single payment on or before 1 February 2006 of £500. If several owners pay in advance the company will be able to commence maintenance work sooner. In any event this will allow all owners to individually choose whichever method best suites them.

5. Other matters

a) Ground Rent

This will continue to be collected by WEEMCO on behalf of the Freeholder. Some, but not all, owners had already received payment requests for 25 December 2005.

b) Blocks 2 & 3

Samantha Smith said that she was disappointed at the lack of interest by other owners in her block (with the exception of Mr and Mrs Simmons No 15). It only required one additional owner from the block to join the RTM Company for her property to be included in the RTM management. Samantha said that she would attempt to speak to some of the other owners.

c) Licences etc.

John Morris advised that any granting of licences required under the Lease for Block 1 and 4 would transfer to the RTM Company. It was agreed that the owners would not be charged for licences. It was agreed that the company would make a charge of £100 to answer solicitors' enquiries on sale and that the proceeds would be used for general site maintenance.

There being no further items the meeting closed at 9.00pm

John R Morris FCMA
Company Secretary
14 December 2005