

Hunts Pond Road Management Company Ltd.
Annual General Meeting
5th December 2023, Joe Paxton outdoor heated area
MINUTES

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Please note: The overall outcome of this meeting was to pursue self-management and therefore residents who have been paying Hampshire Property Management Ltd. are requested to cancel any direct debits. Residents within properties provided by Vivid and Hyde do not need to change anything as those companies remain responsible for maintaining their properties and will pay any management fees directly.

Section 1: Attendees

A total of 27 people comprising residents and owners of both leasehold and freehold properties within Hunts Pond Road Management Company Ltd. (HPRMC) attended this Annual General Meeting (AGM) but only directors and committee members are detailed to maintain overall privacy.

Further details of all attendees can be requested but HPRMC will need to seek permission from them.

Section 2: Introduction and Background

An introduction was given by the two current directors, Richard Dean and Steve Preston, who have been joint directors since April 2021. Richard outlined the main purpose for this meeting was to ask all attendees if they would like to join HPRMC as either directors or committee members and then to discuss the potential of self-managing due to the experience of working with managing agents.

The directors were asked directly why they did not want to renew the contract with the current managing agent, Hampshire Property Management Ltd. (HPML). Steve answered that, despite them being the best from four companies interviewed last year, there were many reasons. The main one arose when Steve noticed back in April a company known as Pride Hampshire Ltd. was being utilised as HPML's preferred subcontractor / supplier. Companies House was checked and Neville Goddard was listed as the director of Pride Hampshire Ltd. but Nigel Spencer was also listed as a person of significant control with ownership of shares 75% or more, despite also being the director of HPML. The directors challenged Nigel about this who initially denied it but eventually admitted the relationship when confronted with the evidence. The directors felt this was not only a conflict of interest but that trust had been lost.

Other reasons included that HPML assured the directors they could provide cheaper building insurance for the blocks of flats which has proved not to be the case and the proposed 2024 budgets proposed up to 15% increase in some areas despite inflation stabilising. Overpriced workmanship was also demonstrated with £180 billed to tighten some screws on banisters within a block of flats in Bedford Drive and when lights were replaced in Maud Avenue an invoice was raised on 8th May 2023 for the sum of £380 to carry out the actual work but an additional fee of £360 for Pride Hampshire Ltd. to make phone calls to facilitate this work was also billed but not submitted until September 2023 some four months later.

Richard stated that unfortunately the directors, as well as keen residents who expressed a real interest in being part of the decision making process as either directors or committee members, have now seen similar poor behaviours and issues across multiple managing agents and that the best way forward, if at all possible, could be to self-manage. To that end, each resident was hand delivered (as well as property owners emailed who don't live on this estate) an invite to attend this AGM to confirm new directors and committee members, discuss findings and manage a way forward with likeminded people who were passionate about the estate.

The directors also stated that Steve had personally found out that all electricity bills have been estimated under all managing agents and accurate bills were never generated. Specifically for Maud Avenue, the managing agents said there were no meters and no way to identify the electricity that was consumed, yet Steve worked tirelessly with the electricity provider to identify the relevant feeder pillars and fit smart meters with the result being that it was actually in credit by over 30,000 units of electricity.

A brief discussion was had about Remus with further poor examples of workmanship identified from the attendees, increasingly high management fees with no financial transparency and a contract that was wrong, unsigned and undated.

Remus accounts were questioned with the last set of management accounts that the residents have seen is 2019/2020 and there were concerns that we would have unexpected bills for the missing years. The directors stated this is likely due to them refusing to sign off additional accounts from Remus because they contained so many errors and no evidence was provided when requested for specific transactions. Attendees confirmed this with an example of 160 Bedford Drive being charged £120 for emergency lighting when the block does not have any.

A map of all the properties and roads included under HPRMC was shown and is included with these minutes. The other parts of the estate include those under Hunts Pond Road (No. 2) Management Company Ltd. still managed by Remus and other properties built and managed by other developers and managing agents. It is believed the history of this is derived from the different build phases. The directors stated they are happy to work with anyone across the estate but are only primarily responsible for the properties and areas highlighted in the area coverage map.

It was put to all attendees that self-managing will occur by default if no objections were raised or the room suggested recruiting another managing agent. Due to the evidence provided, it was decided to pursue self-management of the site in order to put the control back in the hands of the residents, improve the quality of the workmanship and hopefully reduce costs by using local tradespeople.

Residents who currently pay HPML were advised to cancel their direct debits and new bank details will be distributed with invoices early in 2024. Residents who live in properties provided by Vivid and Hyde should not have to do anything as those companies remain responsible for maintaining their properties and will pay any management fees directly.

Section 3: Confirmation of Directors, Committee Members and Area Representatives

All attendees were invited to become a director or committee member of HPRMC with the outcome summarised as the below.

The **directors** were confirmed as the following in joining Richard and Steve with no objections:

Sam Weaire;

Carina Smith;

Stuart Jones.

The **committee members** were confirmed as the following with no objections:

Chairman: Richard Dean;

Secretary: Sue Glasby;

Treasurer: Sam Weaire;

Fire Safety and Fire Risk Assessments: Derek Freeman;

Member: Gavin Woods, to assist wherever he can and provide advice on GDPR and finances.

Although anyone can raise an issue, it was suggested that representatives for each area of the estate would be beneficial to co-ordinate and monitor issues with the outcome summarised as the below.

The **area representatives** were confirmed as the following with no objections:

Chris Weaire for Elsanta Crescent (road);

Phyl Jewkes for Bedford Drive flats 159-169 (odd numbers);

Peter Howson for Bedford Drive flats 67-81 (odd numbers);

Carina Smith for Elsanta Crescent flats 1-11 (odd numbers);

Glyn Thomas 54 – 56 Lynn Crescent (even numbers);

Richard Dean and Stuart Jones for Maud Avenue.

It is intended to put personal biography of everyone on the website once launched and it was suggested all directors are signatories on the bank accounts and are live CRB checked.

Section 4: Self-Managing - Roles and Responsibilities, Budget, Communications

Roles and Responsibilities

There was a debate about the roles and responsibilities and general format under self-management. The directors answered that it would remain a non-profit making company although it was only fair that time and expenses would be reimbursed to the directors and committee members when working on matters relating to HPRMC. For comparison, Remus previously charged ~£17,000 and HPML ~£12,000 respectively (with both increasing annually) for management fees and it's extremely unlikely the costs incurred for self-management would approach this.

Post-meeting note: The directors decided that any remuneration will be no more than the current minimum wage.

Budget

It was noted that Maud Avenue and Elsanta Crescent are private unadopted roads and the budget for these would need to include a significant reserve for unanticipated costs such as sinkholes and road maintenance etc. Similarly, the aim would be to annually build up the reserve funds for the blocks of flats for future unanticipated costs and repairs. It was asked if there is a limit to the reserve funds and the answer was that although there is no reserve limit it would be reviewed regularly and completely transparent as will all the accounts. When asked about what each resident would be charged, there were differing opinions between keeping it the same as previous years whilst the directors and committee adjust to self-management or if immediate savings could be made by effectively cutting out a managing agent. The directors agreed that when they meet they will decide on the final figures and these will be detailed on the invoices sent out in early 2024, although any decision on the budget comes with a caveat that if something major and unexpected did occur then the residents may be asked for more money to cover it.

It was asked how much time and what skill set was needed from the group in the room to self-manage and it may be a serious issue with time frames to respond. The reply was that self-management should be more responsive considering the performance of Remus and HPML with examples including when a satellite disk at one of the flats had issues, the engineer drove 104 miles

because Remus said he was their only approved contractor rather than use local contractors and when the fencing at a block of flats needed attention Remus were still getting quotes while a local private company had already repaired the fences of many freehold properties. Remus insisted on £10M worth of personal liability insurance which ruled out some local suppliers as they had ~£1M personal liability insurance. This instigated a debate about what is considered an appropriate amount of personal liability insurance to ensure the safety of fixing something like communal fences with the conclusion being to decide what the most sensible solution for any work was utilising local tradesmen as much as possible who came recommended and could achieve a high standard of workmanship.

Fire safety and fire risk assessments were raised and amongst the attendees was a retired fire officer (Derek Freeman) with over 44 years of experience with flat and business fire safety who informed the room that fire risk assessments need to only be carried out every 5 years unless something to the building changed, not on an annual basis with an associated charge each time. Derek kindly volunteered to be on the HPRMC committee to represent fire safety and fire risk assessments.

It was asked how can future work be assessed and that it is done properly. The response was that there is no reason all residents can't all assess the work done in all their areas unless specialised skills are required and any managing agent would simply take the word of their contractor. Only local trusted contractors will be selected and invoices will be matched with the quality of workmanship before being paid, therefore giving residents the opportunity to check for quality and report back any issues or concerns. It was agreed that the directors would meet regularly to prioritise the list of work that needs to be carried out and arrange suitable contractors.

It was agreed the directors would establish a charter to manage expectations and provide accountability.

Communications

A discussion occurred on how residents would report any work that needed carrying out or any issues. The directors answered that a common email address would be created which would go to all the directors and committee members. An accompanying website would also be created as a central repository for all information and updates on HPRMC, as well as continuing the Facebook page associated with HPRMC - Tanners Gate Management.

Post-meeting note: The common email address is now confirmed as **XXXX** and website at **XXXX**.

Post-meeting note: Some of the posted comments cards suggested separate meetings for the freehold and leasehold properties but the directors have all agreed that this is not sensible as all residents should be aware of all the issues across all the communal areas and associated decisions made.

Section 4: General Issues

Residents are unhappy with unauthorised and dangerous parking and that visitor parking spaces are taken up by people who live near them and stay in the same spaces for days or weeks with the directors and committee agreeing to explore all possible options to address this.

Residents living on the estate for the past 8 years or so raised concerns that they had seen the place deteriorate, especially with the amount of dog fouling around the estate. Sam, one of the new directors, is also passionate about this and will pursue all available options to tackle the problem.

The maisonette owners would like insurances for the roofs and to make good the decoration. 56 Lynn Crescent said it had not been decorated since 2010 and pointed out that the building does not have cladding but rendered walls, these issues were raised with management agents but nothing was done. 71 Bedford Drive said that last year £1,600 was spent to steam clean the outside walls which worked very well and it was noted that Steve personally identified that contractor.

The issue of increasing costs of building insurance for the flats was raised again and the directors reiterated they have now been told by two managing agents that the building insurance is determined by the freeholder Tapestart Ltd. (part of the Compton Group) who appear to have a monopoly on the provider. The directors stated they would continue to challenge this as it's extremely unfair and unethical.

Attendees were keen to explore the option of purchasing the freehold due to changes in the law introduced in the King's Speech earlier this year. It was noted from one of the early residences that Persimmons had previously offered the freehold to be purchased but at that time the offer was not taken up because all residents in the block had to agree. Other residents confirmed leases could be renegotiated for between £8,000 and £15,000 and this could buy 999 years if paid up front.

Other concerns from residents were that some of the dwellings did not have acceptable broadband levels to which HPRMC will do all it can to assist although it was suggested that the residents in the areas concerned get together and contact their MP as this has worked for others - the Rt Hon Suella Braverman KC MP, Conservative MP for Fareham.

It was noted that directors have already signed deeds of variations for residents that wished to sell their properties. It is a concern that the ground rent is at £500 per annum and going up to £750 and £1,000 respectively every 10 years after that. For new builds this is now illegal to and was noted in the King's Speech this year. Carina, one of the new directors, is very passionate about this and in her new role will be taking up this matter collectively.

It was highlighted that cards and a boxes representing flats, houses and communal areas were there so that all residents that attended the AGM can have a voice should there questions not have been answered on the day. It was also suggested that the site had regular spot checking and maybe the most effective method is that we all have responsibilities and a voice for where we live.

Section 6: Actions

The HPRMC directors and committee will:

1. Confirm budget and send out invoices with new bank details and payment options in early 2024.
2. Establish a charter to manage expectations and provide accountability.
3. Continue challenging lack of competition of building insurance for the flats.
4. Investigate a collective way of capping ground rent charges for flats.
5. Send Derek Freeman copies of current fire risk assessments.
6. Meet regularly and discuss work required and issues, including items raised on the anonymous voice cards.

Section 7: Area Coverage

