



NOCTON PARK MANAGEMENT LTD

Helping to make Nocton Park a better community!

61 Bridge Street, Kington, HR5 3DJ | Email: enquiries@noctonpark.co.uk | Company Number: 02335481

30 August 2022

NEWSLETTER AND UPDATES FOR THE SHAREHOLDERS OF NPML AND THE AGM

The Board would like to ensure that the Shareholders and community of Nocton Park are fully updated on the various projects that the Board has undertaken this year as well as the interaction with the various service contractors NPML uses for the benefit of the community.

The updates below have been noted on the attached formal AGM notice to all shareholders.

1. CONTRACTOR FOR THE GRASS CUTTING AND ARBORICULTURAL WORK

The decision to appoint a new contractor for the provision of grass cutting and arboricultural work was taken after the previous company contractor withdrew from the multi year contract for their own reasons and unfortunately without notice. While this issue is a separate one and is still being managed, the Board appreciated that they needed to seek a new contractor which they undertook through a tender invitation to suitable contractors. This was resolved in early 2022 and Welton Tree Services Ltd was appointed with an annual contract.

While the new contractor started a few weeks later than was hoped, from April 2022 they have undertaken regular, specific and wide-ranging work to meet the needs of the community. The Board fully acknowledge there have been some minor hurdles which have needed to be overcome, but the Board is very pleased to say that there have been numerous compliments from the community and most appreciate the increased standard being set - especially in regard to the grass cutting. The contractor has been very open to any issues being raised and been willing to talk to the community.

The contractor has also been heavily involved in the arboricultural work to manage the various trees in the community - but as most of the community will be aware a large amount of trees in the Park have legal tree protection orders (TPOs) placed on them which means that any work (other than emergency work needed under health & safety) must be permitted by the Tree Management Officer at North Kesteven District Council. This obviously causes some delay in the work being done as often the permission can take 6-8 weeks in coming through.

Overall the very significant heat we have experienced this summer has caused additional issues for the maintenance of the amenity areas as well as the trees and grassed areas. But the appointed contractor has been able to manage the specific areas and ensure that the areas receive as much care as appropriate.

Through the building of the working relationship with the contractor, the Directors are very pleased to announce that the contractors have agreed to keep the rate of daily expenditure for 2023 the same as 2022 which means that the Board can be confident in the cost of the work projects they envisage need undertaking. This will also allow more work to be done.

The Board have agreed plans with the contractor for work over the autumn and winter period, specifically in regard to some long needed work on the trees on the amenity areas and while the amount of historical work needed across the whole park may not be achieved in one year, the long terms plans the Board have formulated means that over



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the next 3-5 years most of the work that has been needed for many years, including the ditches and dykes, will be undertaken - but as the community will appreciate all the work that is planned is supported by one thing: the income it receives from the community through the EMC and the amount of work it can be undertake is limited by the resources available.

2. MANAGING AGENT

The following is a statement from the Chair of the Board of Directors:

The current board was appointed at the EGM back in September 2021 following the resignation of all the previous directors. In order to protect NPML as a business to ensure its continuity, it was decided to retain the services of S R Baxter Business Consulting as managing agent and review the position at a later date. This maintained access to the bank account and ensured that there was a knowledge of matters and arrangements which were ongoing before the new directors took post.

It has been an eventful year, and one in which the new directors have had to learn an awful lot in a short period of time. During which, we have been thoroughly impressed by Mr Baxter's professionalism, his willingness to take direction from us and the range of advice and support that he has been able to give us. In short, his work has been exemplary, and it is because of Mr Baxter's diligent work on behalf of the Board and our community that Julie and I have been able to continue as Directors. We believe that we would not get this quality of service or advice from a high street managing agent and we would have had to spend a significant amount money taking formal legal advice for some issues. Taking all this into consideration, we have recently taken the decision to retain his services for a further year (at the same cost as for the current year) when progress will, of course, be evaluated again.

The board are aware that there are a small number of residents who are still concerned about our agent and we would like to remind residents of some aspects of NPML's structure and of some of the safeguards that are in place.

- The Directors are non-executive directors, and as such, are responsible for the strategic long-term management of the company, in other words the planning and direction of the company. This includes but is not limited to managing the overall budget to ensure that long terms capital works can be carried out (i.e., repairs to roads, the children's play area, major arboriculture work etc.)*
- The managing agent is responsible of the day to day running of the estate, this includes but is not limited to things along the lines of debt management, dealing with contractors, enquiries from residents, the payment of invoices and production of monthly management accounts which enable the Board to carry out its duties. This separation of the day to day from the long-term management helps the Directors maintain an overview of the company and to live in peace with their neighbours.*
- The managing agent takes direction from the board, offers advice to the board and acts upon the board's decisions and instructions. He does not instruct the board or act on his own authority.*
- The board is aware of all communication from the managing agent on estate business. We have access to the enquiries@ email address and regularly review its contents. We are copied into all major correspondence; the agent seeks our views and instruction on all replies to residents.*
- The Directors have full access to the bank account.*



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- *All payments made from the bank account are approved by both Directors before they are made, and the bank account is reviewed by them monthly to compare approvals to payments made.*
- *The board is restricted on their ability to spend amounts worth over 10% of the budget (from a motion placed on the Board at the AGM of 19th July 2012). This applies to projects and not to contracts. It enables the board to appoint contractors for regular works (e.g., grounds maintenance) but not to initiate new projects without consulting with the shareholders.*

Julie and I would like to thank Mr Baxter for his continuing support and hard work. We would also like to thank you, the residents and shareholders for your patience and support during our first year and looking forward to the continuing improvement of relationships between, yourselves, us and the Managing Agent.

Mrs Alison Cooke

3. ACCOUNTANTS

The Board wish to reassure the shareholders and the community that a decision was taken earlier this year to retain the services of the accountant, **Ms Tabitha Bannister FMAAT and ATT (Fellow)**, of whom the Board had used for a number of years. The Directors wished to retain a degree of continuity with the overall review and creation of the formal accounts and with the recommendation and aid of the Managing Agent have recently completed the formal accounts for 2021 which have been recently published on the Companies House official record.

The Board have again been impressed with the services that the Accountant has provided and feel that she provides a very good and reassuring viewpoint on the finances of NPML which provides confidence to the Board.

The copy of the accounts and the Directors report is provided in attachment to this update newsletter and AGM notice. Should any shareholder wish to ask any questions or clarify any detail in the accounts please will they contact the Managing Agent on enquiries@noctonpark.co.uk.

4. DEBT MANAGEMENT POSITION

The Directors do wish to make the shareholders aware of the position of NPML in regard to the amount of property owners (and the financial value) who owed funds in conjunction with the Estate Management Charge when they were voted into their roles in September 2022. There was in excess of 80 properties which owed in excess of 60-70% of their annual EMC which had the very serious result of the Managing Agent providing formal advice to the Board that if this was allowed to continue then NPML would be of serious risk of insolvency - which would be contrary to Companies Act legislation. The forecast was taken very serious by the Board and immediately took action to ensure that both it was fair on the properties who did pay their contractual obligation but also on the community as a whole.

Through the advice of the Managing Agent and the diligent approach the Board took, the amount of properties that have failed to pay some or all of the EMC was reduced over the following 4-5 months and by March 2022, there was only two properties who had not paid their full commitment for 2021 - both of whom had historically objected to paying their obligation. Whilst the Board did not take a decision to use the Courts to seek payment for the owed amounts likely, they felt they were left with no choice to ensure that the interests of the community needed to be protected. **The Board were very pleased to see that through their firm, determined yet empathetic approach both these historical debtors have in July 2022 paid their full obligation and the Board was able to withdraw court proceedings in regard to 2021 EMC owed.**

www.noctonpark.co.uk | Managing Agent: **SR Baxter Business Consulting**



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The Board have felt that a consistent approach to all property owners in regard to their EMC obligations is crucial and thus have proposed a formal policy approach to ensure that all parties, both the property owners in the community as well as the Board, know what will happen in regard to any EMC not paid so that if any property owner does not meet their contractual and legal obligation they cannot be surprised by any stages of the debt management approach. The policy does include specific considerations of what the Board can do in regard to any property owners who are genuinely struggling to meet their contractual obligation.

The Board feel this approach is appropriate, fair and effective to all stakeholders, and they would implore the shareholders to support the motion to agree the formal policy.

As the shareholders are aware the previous Board took the decision last year to open the NPML specific bank account which has significantly helped the management of the payment of the EMC by shareholders. Through this, the current Board has been able to keep a closer eye on the receipt of payments which has meant that for the 2022 EMC, by mid year only six properties have not paid their 2022 EMC, either partially or fully.

In regard to the overall payment data, there has been a significant reduction in the amount of properties not paying as well as the financial amount owed. This has reduced from in excess of £12,000 in early 2022 (for the 2021 EMC) to around £1,700 for the 2022 EMC (as of July 2022) - this is through a consistent, firm and meticulous approach and regular management data to the Board to allow quicker decisions to be undertaken on individual members of the community that own properties or leases.

It is hoped that through the introduction of the proposed policy as well as a more diligent approach means that the Board can be more confident in the income resources to plan larger capital projects and significant maintenance management in the future.

5. INTERACTION WITH PETER SOWERBY

The Board and Managing Agent have received various communications from Mr Peter Sowerby who raised various questions in the way he felt that Nocton Park was being cared for and the management of NPML by the current Board. It was hoped that some time would be given to allow the various proactive plans of the Board to come to fruition to show to the community and stakeholders that the significant background work and infrastructure the Directors were engaged was for everyone's gain.

The Board are aware that Mr Sowerby has been in contact with the community through the publishing of a letter he wrote, both in regard to the issue of the piece of land (commonly known as Plot 72a) as well as his feelings of the alleged state of Nocton Park. The Board were saddened by this letter and felt that the approach the Board was taking had not been allowed to be shown to be effective - the Board also disagreed with his viewpoint on various elements of the Park and felt he did not have all the information of the Park's state.

The Directors were also disappointed that he wished to make several unhelpful statements in regard to court claims the Board of NPML had submitted in regard to several local property owners who failed to honour their legal contractual commitments to pay the Estate Management Charge. The Board felt that as the court claims were a private affair between the Board of NPML and the specific property owner it was not appropriate to comment on Mr Sowerby's viewpoint on any paths the Board did or didn't follow in regard to the outstanding liabilities owed to them.

Going forward the Board do wish to work with Mr Sowerby in regard to the remaining work he is obligated to finish once the final building on the Park is completed - specially the plot of land commonly known as plot 72a on the



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junction of Wegberg Road and Steamer Point Road. The Board have taken the decision to put the question to the shareholders at the AGM of whether the Board should give conditional support to any planning application by Mr Sowerby in regard to plot 72a. This way the community can act as a collective through the Board of NPML and if the shareholders support the motion, then should any planning application be submitted by Mr Sowerby the Board would express it's formal support (on condition of certain aspects of the Park being completed).

The Board do wish to ensure that the community are aware that the majority of the road and pathway issues in the Park are the responsibility of Mr Sowerby though his historical agreement with NPML and other stakeholders.

IN THANKS

The Board do wish to place on record the sincere thanks to two individuals who reside in the flats who have offered great assistance in the regular fire alarm checks that are needed to ensure that all who live in the flats are safe. The Directors are very grateful for their assistance.

CONCLUSION

All the Directors on the Board do wish to thank the whole community for their support doing the last year and while there have been some hard decisions, some delicate management within the community and some feedback which needed careful responses, they do wish express their gratitude for the support given by the vast majority of the community.

With thanks.

BOARD OF THE DIRECTORS OF NOCTON PARK MANAGEMENT LTD
