



NOCTON PARK MANAGEMENT LTD

Helping to make Nocton Park a better community!

**NOCTON PARK
MANAGEMENT LIMITED**

Company Number: 02335481

**ANNUAL
GENERAL MEETING**

MONDAY 24 OCTOBER 2022 7pm

Meeting held at the NOCTON VILLAGE HUB, Nocton

MINUTES



Nocton Park Management Ltd. 61 Bridge Street, Kington. HR5 3DJ

Email: enquiries@noctonpark.co.uk

Company Number: 02335481

A) PRESENT

➤ Directors

- Mrs Alison Cooke (“AC”)

➤ Managing Agent

- Mr S Baxter of SR Baxter Business Consulting (“SB”)

➤ Shareholders & Proxies

- 26 shareholders were present
- Two voting proxies had been sent to the Company prior to the meeting
- One had been received after the permitted deadline and in addition were contrary to Company Act legislation and thus the proxy was not accepted as being valid

➤ Non-voting attendees

- There was an undetermined number of attendees from Peter Sowerby properties who were permitted to speak or ask a question, but not vote as they were not shareholders of NPML.

Mrs Julie Wallhead (“JW”) (Director of NPML) gave her apologies for the meeting as she was unable to attend due to ill health. This apology was accepted by the Chair of the Board.

1. POINTS OF DISCUSSION

A) UPDATES FROM THE BOARD

WELCOME FROM THE BOARD AND MANAGING AGENT

The Managing Agent on behalf of the Chair and the Board of Directors welcomed all attendees who had attended for the NPML AGM. It was noted that following the agreed resolution at the EGM in 2021, members of the community from Peter Sowerby Development properties were also invited and could ask questions, but it was made clear that only shareholders present (or who had appointed proxies) could vote. To ensure that only shareholders could vote, all shareholders had been sent a ‘*shareholder voting card*’ which they need to use to vote.

The Managing Agent thanked those who had previously submitted questions to the Board.

It was confirmed that a full update with details on various subjects was sent to the shareholders as well as published on the website. The main elements were:

Contractor for grass and arboricultural work

It was confirmed that a new contractor was appointed in the beginning of 2022 as the previous contractor decided to withdraw from the contract. The new contractor was appointed after a proper tendering procedure. While there were a few bumps in the initial contract management, it was now accepted that the



contractor was working very well and undertaking a very good management of the grassed area as well as the arboricultural work.

The Board had received many compliments on the work of the contractor and through an established working relationship the contractor had agreed to the contract for 2023 at the same price - probably saving NPML in excess of £1k.

Managing Agent

The Board upon appointment had stated they wanted to keep the new MA for a sense of continuity and while they appreciated there was some resistance in the community to the agent because they lived some distance away, the Board now felt the MA was undertaking a very good job and it was through his involvement that the Board could concentrate on the long term strategic needs.

The Board had agreed that the contract would continue and have recently signed another year's contract with the Managing Agent on the same terms, and crucially cost, as previously. This contract will of course, like others, will always be kept under review for the benefit of NPML.

Accountant

The Board kept the same accountant as the previous Board as it felt that continuity was crucial and there was reason from the initial Board appointment to change. The Board have since decided to keep the accountant on for 2022 and will review the contract for another year and have felt the service provided has been to a good standard and serves the Board well.

Debt position and management

The Board through diligent work, the attention to detail of the Managing Agent and the hard decisions made by the Directors has greatly reduced the previously growing debt from properties in the community who were not paying their obligation - for a variety of reasons. The debt from non-payers was at one point in excess of £12,000 but has recently been reduced to closer to £2,000. Not only has this stopped the growing risk of insolvency of NPML, and put the finances on a firmer footing, but has allowed the Board to be confident on the finances to consider further work, and more extensive work, on the Park. The informal adoption of the Debt Management Policy has also been a very useful framework to base any decisions on individual properties who either won't or can't pay their Estate Service Management Charge obligation. This approach has vastly reduced the amount of serious debtors from in excess of 80 properties to now less than five. The adoption of the policy will allow all parties to be aware of the approach and hopefully problems will be resolved before a court submission is needed.

Interaction with Peter Sowerby Developments

The Managing Agent has been in contact with Mr Sowerby to discuss the issues facing the Park, his obligations as well as how a way forward can be found. The Board had hoped that a better working relationship could be found but was quite saddened and disappointed when it was found that he had sent communication to a social media site criticising the Board for lack of action before he allowed the plans the Board had in place to come to fruition. The Board also were aware that Mr Sowerby had made some comments on a legal submission the Board had placed in regard to a long running dispute with a resident who refused to pay their covenant obligations. While the Board do not wish to comment on the actions of Mr Sowerby, it did not feel it was helpful to anyone and would proceed as they had intended.



B) LEASE OF THE NOCTON PARK ALLOTMENTS BY THE NOCTON PARK ALLOTMENT ASSOCIATION

Following the EGM of NPML in September 2021, it was agreed by vote of ordinary resolution, that the shareholders give permission for the Board of NPML to enter into a lease of some of amenity area of Nocton Park (which is being used as various allotments) within Nocton Park Allotment Association.

The Chair of the Board has confirmed that the negotiations are in the final stages and it is hoped with a short period of time the final details can be agreed. This will include such details as the specific area of the allotment to which the NPAA will be responsible as well as the insurance needed.

It is hoped that the Board will be able to announce the resolution of the negotiations in good time.

2. RESOLUTION AGENDA ITEMS FOR VOTE

A) MINUTES OF PREVIOUS MEETING

To receive and consider the minutes of the Company's previous Extraordinary General Meeting on 28 September 2021.

SB stated that the minutes for the meeting had been sent to all the shareholders as well as publishing the minutes on the website. He continued that while the minutes had been approved by the Board, it was best practice and appropriate to put the minutes to the Shareholders to allow them an opportunity to make any comments on the minutes.

SB asked if there were any comments from the shareholders or directors in regard to the previous minutes. No comments or questions were raised.

SB then asked for shareholders to vote to accept the minutes as a true record.

Vote	
For	18
Against	0
Abstain	0

It was confirmed by **SB** that accordingly the shareholders had agreed to accept the minutes of the 28 September 2021 and it would be recorded as such. **AC** signed the minutes as the Chair of the Board.

B) FORMAL ACCOUNTS AND DIRECTOR REPORTS

To receive and consider the Statement of Accounts and the Balance Sheets of the Company for the year ended 31 December 2021 with the Accountant's Report.



SB stated that the accounts for the year ending 31 December 2020 had been presented to the shareholders for their consideration as well as the accounts being published on the website.

Comparison between 2020 and 2021.

The main points that were noted in the accounts:

- Turnover remained relatively constant - an increase of 1.18%. But the figure for 2021 does not include any payments made in 2022 for the debts of 2021.
- There has been a large increase of current debtors - a rise of around 150%. This was a rise of £3,320 to £8,600. This resulted in the Managing Agent warning the Board that the risk of insolvency of NPML due to this pattern was a real issue that needed addressing.
- In regard to spending, there was an increase of £1,721 on the flats; a decrease of £3,048 on the non-flats area; and an overall decrease of £1,326 on the overall estate. It was an overall reduction of around 3%.
- The general maintenance spending had increased by £1,234 or 18.74%
- The play area spend had increased by £1,761 of 112%
- There was a reduction of £2,165 on the spend on the tennis courts
- There was a reduction of £802 in legal costs
- The management fees increased by £2,887 - this was primarily caused by the new Board in September 2021 taking more of a non-executive strategic role and the Managing Agent undertaking more hands on day to day management of the Park
- Significant reduction in deficit on the overall P&L - from £3,998 to £2,198: a reduction of 45% in the deficit which has showed the hard work of the Board in addressing the financial issues

The main questions raised were:

- *Why had the insurance increased by around £700 across the whole estate?*

SB stated that the insurance had increased for two main reasons: i) the insurance also now included a coverage for lease payments should the flats become uninhabitable - this protected the company and shareholders financial interests. ii) the cost of insurance across the insurance industry had increased partly due to the general economy as well as the insurance being a very specialised marketplace and while the cost was carefully managed through the use of an insurance broker, there was no alternative but to accept the increase in the cost.

- *Why had the management fees increased?*

SB stated that the main reason behind the rise in the cost was that the previous managing agent had not done all that was asked and the majority of the management of the running of the Park was left to the Board. This had the effect of not only causing significant personal issues for the previous Board



members (and to somewhat the current Board as well) but meant their role turned into a full time UNPAID role. The previous Board, confirmed as well by the new Board, was that they wanted a management agent to take on the day to day running of the Park - this meant that Management costs increased but allowed the Board to take a more strategic role.

- *Who audits the accounts and who is the accountant?*

SB stated that NPML use an external accountant who is very experienced and fully certified. While the month to month management of the finances are undertaken by the Managing Agent (and then approved by the Board) it is the Accountant who then on an annual basis reviews all the finances, check the figures provided and produces the accounts. The accounts are not audited as it is not legally required - but the figures are fully reviewed for accuracy. The accountant then advises the Board on any issues (non were found for 2021) and it was the Board who approved the annual accounts.

The name of the accountant is stated on the accounts.

SB then asked for shareholders to vote to accept the accounts a proper record of the finances of NPML.

Vote	
For	14
Against	0
Abstain	3

DRAFT

It was confirmed by **SB** that accordingly the shareholders had agreed to accept the presented accounts as a true record of the finances of NPML as of 31 December 2021. **AC** signed the accounts as the Chair of the Board.

C) PROPOSED CONDITIONAL SUPPORT FOR PLANNING PERMISSIONS

This resolution was put forward to the shareholders following various and increased interest by the community in regard to the issues they are facing with the plot land commonly referred to as Plot 72a. The Board have, as detailed, been in contact with Peter Sowerby, and thus wanted to get the feelings of the community, should Mr Sowerby submit a planning application in future for the development of the plot of land. The Board stated that this was not from any intelligence of what Mr Sowerby will or won't do in regard to future planning applications, it was purely to ascertain if the shareholders wished to instruct the Board to make a stance clear.

The Board did want to state any support, if directed by the shareholders, would be on very strict conditions of Mr Sowerby meeting all his previous obligations, especially the works on the roads and pathway. Thus the Board wanted to put the following to the shareholders:

Do they wish to direct the Board to make conditional support of any planning permission applications submitted by Peter Sowerby Developments in regard to the plot of land nearby Wegberg Road and Steamer Point Road (commonly referred to as Plot 72a).



There were questions raised:

- ***Why had the Board decided to put this to the shareholders ?***

SB stated that the Board wished to get an updated opinion from shareholders as they had been an increase in comments and issues raised by the community in regard to the plot 72a as well as other responsibilities that laid with Mr Sowerby but that it was felt he had not met. While the Board appreciated that there was a lot of bad feeling towards the lack of work by Mr Sowerby and he had left the area in a state that was not the standard expected, the Board did want to work with all parties to get the affected areas managed appropriately and brought to the standard needed.

- ***Why had the Board not ensured that Mr Sowerby followed through and met his responsibilities to finish the various works on the roads, pathways and other areas?***

SB stated that it was very much appreciated by the Board that the consensus in the community was that Mr Sowerby had not met his responsibilities to ensure that the areas of his ownership were finished. But they also had very little power or control over Mr Sowerby's action other than regularly reminding him of what he should be doing and finishing the various works on the Park. They had hoped to restart the working relationship with him after the initial communication earlier this year but were very much saddened when he made several significant and highly critical statements against the Board without giving them the opportunity for the Board's plans to come to fruition.

They would of course continue to ensure that Mr Sowerby is strongly encouraged to meet his obligations and finish the works he promised many years ago.

- ***Why should the shareholders vote on the conditional support when Mr Sowerby has not met his previous promises and conditions previously?***

SB agreed that the Board do know and appreciate that there have been multiple missed opportunities and lack of progress from Mr Sowerby and there is various instances when Mr Sowerby, could and should have continued to finish the various elements of the Park infrastructure as he assured the parties involved. But while they appreciate the frustration faced by the community, they want to ascertain if a line can be drawn - they wished to reassure the community that any support given would be given under the tightest of conditions which would be very carefully managed.

- ***What conditions would be placed on Mr Sowerby for the support of any planning permission?***

SB stated that the condition would in effect be that Mr Sowerby met all his previous obligations and responsibilities and that all the infrastructure to which he is responsible is fully met. If these obligations were not met in full, then the Board would not support the planning application.

- ***What are the Board going to do about the lack of proper safety provision for the Plot 72a - it was feared the area is not safe and needs attention.***

SB stated that the Board was fully ware that the area's fencing was not as proper as needed and that the plot needed attention to make safe. He agreed that the Board would contact Mr Sowerby and remind him of his obligations to ensure that the area was safe and request proper fencing is provided.



There was a very detailed discussion in the AGM meeting room among the shareholders of NPML - as well as with the Chair of the Board, and the Managing Agent. There was a broad consensus that the shareholders felt badly betrayed and let down by Mr Sowerby in the past and no faith in any promises going forward. The shareholders discussed that rather than making any offers of support even conditional, he should be made to finish the works he was meant to do some years before.

The Chair of the Board agreed to suspending the resolution put to the shareholders and await further detailed discussion with all stakeholders.

D) FORMAL ADOPTION OF THE DEBT MANAGEMENT POLICY AS PROPOSED BY THE BOARD

The Board, upon becoming elected into the role, were faced with a serious issue of there being insufficient oversight and proper management of ensuring that all members of the community of Nocton Park who had a contractual obligation with NPML were held to that commitment. It was found that at the end of 2021, there was in excess of 80 properties who owed some or all off their obligations for not just 2021 but previous years as well.

From a recommendation by the Managing Agent, the Board agreed that proper action was needed to not only ensure that future commitments of the property owners in Nocton Park were properly managed, but any historical debts were also properly recouped. On the direction of the Board, a full Debt Management Policy was written to ensure that the Board had a framework to which they could work from in regard to what efforts could be made to ensure all debts were paid.

This policy was agreed by the Board (informally - as it was felt that this should be agreed formally by the shareholders) and was put into action earlier in 2022. It was used to manage the historical and current debts from property owners and has proved very successful in ensuring that all commitments by way of covenants on properties were met. This included two very historical debts which both of which have now been cleared. By mid 2022, all 2021 debts had been paid.

The Board feel this policy not only allows a proper framework for them to manage the issue of the debts from the Estate Service Management Charges (and other debts from properties), but will ensure that all property owners are aware of what to expect, and crucially how the Board will manage the debts of properties.

The Board do have the underlining objective to differentiate between:

- *Those who wish to pay and have simply overlooked it*
- *Those who feel they cannot afford to pay due to personal circumstances*
- *Those who refuse to pay*

It is crucial however for all properties to note that the obligation to pay the charges will remain.



- **How long does each stage take and how long would does the Board wait before taking Court action?**

The Board do wish to state that the option of using the Courts for the recoup of the debts owed against property owners is very much a last resort but occasionally when all other options have been exhausted, it is the only option left.

The main process is that it would be generally 1-2 months after the debt is due before the Board would instruct the Managing Agent to review the debt position of all properties. This would then result in a first reminder, then followed (if no payment made) by a final reminder after at least 28 days and only then, after at least another 28 days (or probably longer) that the Board will instruct the Managing Agent to commence the legal options. Thus overall it would take at least three months (but probably longer) before Court claim as are submitted.

SB then asked for shareholders to vote to accept the proposed policy.

Vote	
For	16
Against	0
Abstain	2

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3. ELECTION OF DIRECTORS

SB stated that **AC** and **JW** were in the second year of the three year appointment as directors of NPML and thus their appointment did not need to be voted upon.

SB also stated that despite the shareholders and the community being invited to nominate (or put themselves forward as directors if nominated) there had been no nominations or any persons putting themselves forward.

It was also clarified that while the Board could operate with just two directors (and confirmed that the Managing Agent was not on the Board, a director or a company secretary), it was preferable that there should be more directors on the Board to not only allow for the work that the Directors undertook to be shared out, but also for good governance in case one director left the Board suddenly.

The main points of being a director of NPML were clarified as follows:

- Directors can be voted by the shareholders, or can be co-opted through agreement of the Board (but the Board has to agree that the co-opted person is suitable and they can work with them)
- A director did not have to live locally - no restrictions on location
- An appointed director has legal responsibilities and they have to sign their appointment forms to be submitted to Companies House
- While the company is a separate legal identity in regard to liabilities, directors can be personally liable if they breach any directors legislation



- The Managing Agent would advise and guide, but legal responsibility of NPML lays with the Directors and the Board.
- An appointed director must be willing to take on some responsibility in regard to some local management in caring for the Park
- It was unpaid and voluntary
- If any persons over the next year wishes for the Board to consider their co-option, they can contact the Managing Agent.

That Mrs Alison Cooke and Mrs Julie Wallhead remain as Directors of NPML.

4. QUESTIONS

i) What are the Board doing in regard to the safety of the bridge on Wegberg Road?

The Board do recognise that area needs some action to ensure that the area is safe. The Board will write to Mr Sowerby to ask him to ensure the area is safe and that the fence is properly maintained.

ii) What are the Board doing in regard to the subsistence on the road as you enter into Nocton Park?

The Board stated that while they agree that the road does need some attention, the main issue is that the road is adopted by the local council. We have been in contact with the Highways Team who have stated that they will review the area. It is not the responsibility of NPML and thus the Board unfortunately while appreciate the need for work cannot unfortunately can't do anything about the state of road.

iii) What are the Board doing in regard to the missing gate on the play area?

The Board had a full safety inspection from a certified ROSPA certified play ground specialist in February of 2022 to ensure the Board were fully aware of any issues in regard to safety and usage of the play area. The report came back and various urgent, medium and long term issues were recommended to be looked upon. The Board can confirm all the urgent (red) issues, all the medium (amber) issues and most of the non-urgent (green) issues were attended to with the remaining issues to be planned over the next year. One issue they raised was the gate - they recommended that the gate be removed as it actually caused more issue than solved and provided a false sense of confidence. The Board have followed this recommendation. They will, in addition, be looking to replace the flooring with the more appropriate rubber based flooring which is more adaptable to the long term use.

iv) What are the Board doing as to the dogs that have been seen and left mess on the tennis and netball courts?

The Board has great sympathy with the local community who wishes to use the tennis and netball courts only to find the courts with the remains of dog activity. The issue the Board faces is how to Police the usage of the court as either the Court is left open for usage, or it is kept locked and then the management of the keys comes into question. The Board will look to review and renew the signage on the Courts to firmly state that dogs are not permitted on the courts.



v) In regard to communication, what are the Board doing for members of the community that do not have email and can't access the website of NPML?

The Board do appreciate that some members of the community don't have as easy IT access as others - however the Board do want to ensure that they look to be careful with the use of financial resources and the environmental factor. As an example all the paperwork for the shareholders for the AGM used around one and half trees in paper and cost many hundreds of pounds in time, postage and resources. Thus the Board have made the decision to look to use the email contact and website updates more thoroughly to save money and environmental impact.

The Board will look to see if the noticeboard in the community can be used more regularly for urgent and one of notifications (such as insurance and AGM notices) - but while the Board will look to ensure that any specific or urgent contractual notifications are sent to relevant parties by post, they do feel that the use of email and website updates is appropriate in the current economical and environmental climate.

They will of course welcome any members of the community who wish to provide their email address

vi) Why did the Board authorise the grass to be cut during the very hot summer when it was not growing?

It is recognised that the very hot periods in the summer of this year did create very unusual growing (or lack thereof) growing of the grass and amenity areas. During the summer the Board did ask the contractor to look to see if any grass cuts were needed and to use any booked time for other tree work that is needed. The issue the Board faced is that we had to book the contractor quite some time in advance (to ensure we got what was deemed needed) and we had a contract with the contractor. But the Board do understand that it may have appeared the grass was cut when not necessary and it would appear that cost was expended when possibly not necessary - the Board can reassure the community that it did, and would continue to, make the necessary amendments to the working schedule to the contractor when it is able.

vii) What are the Board doing in regard to the tree on Akroteri Square that has been damaged?

This issue the Board appreciates is quite important to not only the residents near the damaged tree, but also for the whole community. The Board are aware the tree was damaged during strong storms during late February 2022 and since various parts of tree have been significantly damaged and were considered possibly dangerous. The issue the Board faced is that the tree is under a Tree Protection Order (TPO) and thus the Board have to be very careful in what work they authorise on the tree to ensure they do not breach any legislation.

Once the damaged was thoroughly reviewed, the Board authorised the arboricultural contractor to remove and parts of tree that are considered dangerous and a severe risk under general health and safety, as there are exceptions to the TPO rules which do allow this. This was undertaken in mid summer with the removed branches left for the NKDC Tree Officer to inspect.

The Board did apply for permission from NKDC for more work on the tree to ensure the health of the tree and to ensure the area directly underneath was able to be managed. The Tree Officer at NKDC refused permission application for a variety of alleged reasons. The Board have then consulted a tree specialist to produce a more detailed report - this was due to be undertaken in mid October but unfortunately had to be rescheduled for mid November. Once this undertaken the Board will then take a decision on how to proceed - they remain concerned that unless action is taken the actual health of the tree is in question.



They will however look to ensure to the area remains safe and taped off but the previous tape was removed by persons unknown.

SB thanked the shareholders and guests for attending.

Meeting was closed by the Chair of the Board of Directors at 8.50pm.

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