

COMMUNITY ASSETS MANAGEMENT BODIES - PRECEDENTS

1.0 *Buckshaw Village Management Company (BVMC), Chorley.*

1.1 This is an industrial and residential development of 2,800 homes by a consortium of house builders, which has set up its own estate management company. The company employs RMG as its managing agent and it in turn employs Envirocare to undertake the day to day maintenance.

1.2 Residents do not have a place on the board of BVMC but RMG consults a residents association:

We have regular meetings with the Residents Association to ensure they are actively involved in the running of the community facilities. RMG....supports and attends resident held events such as the Christmas Pantomimes, Farmers Markets as well as the regular festivities around Halloween and Easter.

RMG have established themselves as part of the community infrastructure and developed its role beyond traditional facilities management. We have a weekly presence on site to meet with the residents and monitor services.

1.3 The annual management fee was initially £150 per dwelling, but may increase if the income from community centres and sports facilities does not meet costs.

2.0 *Chatham Maritime Trust, Medway.*

2.1 A development of 2,000 homes, university campus, marina and other commercial and leisure uses. The Trust is a charity and a limited company and the board comprises Medway Council, Homes England, the residents association and an association of the commercial interests. The Trust will own all of the public

domain. The Trust has growing role in community development, including activities in the wider area.

2.2 The Trust's income comes from residential and non-residential service charges and endowment funds. The residential service charge is £82.00 per bedroom.

3.0 *Chilmington Green, Ashford.*

3.1 Hodson Developments are building 5,750 homes to the west of Ashford. They have collaborated with the Council on a quality charter, which also sets standards for the management of community assets.

3.2 The Council modelled the cost implications of taking on the estate management function itself but concluded that the long term sustainability of the quality standards was more likely to be achieved by a trust. Detail on the status, role and function of the Trust was set out in the s.106 agreement.

3.3 The board of trustees includes the developers, District and County Council nominees, housing associations and the voluntary sector. Places on the Board will be offered incrementally to residents, up to a maximum of five. The developers will withdraw on completion of the development. Regardless of the number of directors present at a Board meeting, they will have 50% of the available votes divided between them and the Chair will not have a casting vote. This may deadlock the Board on some issues, with the intention of giving the developers a strong say but no overall control.

3.4 A service charge will commence at £335 per dwelling. The Trust will also obtain revenue from assets in the form of commercial units on the development which will be transferred to the Trust by the developers and from a contribution from the developers of £335,000, to be paid in instalments. The

developers are also committed to a contribution of £250,000 over the first five years towards community development.

4.0 *Elsea Park Community Trust, Bourne, Lincs*

- 4.1 The trust manages the community assets of a development of 2,020 homes where Kier Living is the principal developer. The s.106 agreement set out the articles of the Trust, but it is in fact just a company limited by guarantee. At the outset Kier had a majority on the board and had to underwrite its costs, but the s.106 may now be re-written to give Kier less control. Residents pay a service charge and are automatically members of the Trust; and most of the staff of the Trust, including the manager, are local residents.
- 4.2 Building has been intermittent since 2001 and first occupiers objected to paying a service charge in the absence of community facilities. The initial charge was £189.00 p.a. It is linked to the Consumer Price Inflation index and is now £286.00.
- 4.3 Major assets were transferred to the Trust in 2012, by which time it had built up reserves of £500,000, but delivery of the community centre by the developer was delayed and other community assets are yet to be transferred to the Trust. In the circumstances, public relations with residents have been challenging, including residents complaining that the facilities they pay to upkeep can be used by people from outside Elsea Park. However, the Trust is in a secure financial position.