

# LANGDALE OWNERS CLUB COMMITTEE MEETING

Held via Video Conference Wednesday 9 December 2020 at 9am

Present: Mr I Hamilton (Chairman) (IH)  
Mr K Bird (KB)  
Mrs Paula Gorst (PG)  
Mr I Murray (IM)  
Mr M Coletta (MC)

In attendance Mr D Visser (DV)  
Mrs A Durnall (ALD)  
Gary Dixon (GD)  
Mr P Symonds (PS) for Part One attending as an observer

## MINUTES

### Part 1

#### 1. Apologies for absence

There were no apologies for absence

#### 2. Approval of the minutes of the meeting held on 21 August 2020

The minutes of the meeting held on 21 August were approved

#### 3. Finance

##### a. Management Accounts

There is currently £655k in the Reserve Fund of which £224k is surplus funds (including rates refund). £50k of that is for Grants from SLDC which amount to £50k with more to come although not at the same level as previously – probably in the region of £7.5K.

The significant increase in property management costs is transport which SS feels will continue in the region of between £4 - 5k per month.

##### b. Reserve Fund

Payments out of the Reserve Fund will start now as the maintenance period is underway.

##### c. Management Fee

Current payment levels – SS reported that current management fee levels are good. From the first closure, since credit notes have been sent out, there are still 90 weeks unpaid. These have not yet been chased and SS proposed that once all final credit notes have been sent out the Accounts team will start to “softly” chase any remaining unpaid invoices. IH felt that an aim would be to recover those funds by the end of year bearing in mind the uncertainty for many people.

SS reminded LOC that owners affected in Weeks 12 and 13 would be due to start to arrive in 2021 and in normal circumstances manco would “no fee, no key” owners (deny access). Do LOC want manco to continue with this policy? KB felt that it did need to continue with a reminder that owners had to be fully paid up in order to have access to their week. PG agreed. SS will make letters softer but no fee no key will still apply. LOC agreed on this approach.

2020-2021 budget proposal - SS and MC had been discussing the budget review and had considered putting a percentage increase through. SS wanted to review some of the costs ie transport which has increased significantly.

There was a general discussion about the uncertainties that still existed and would continue to exist next year.

IH felt an increase in the Management fee by CPI, would be appropriate, given the operational pressures and uncertainty at play with the Covid emergency. The additional Covid costs should be identified and recorded separately. MC stated that Covid related costs this year would be met by LOC as common costs. In 2021-2022 the additional Covid costs will be charged per accommodation unit as an identifiable addition. However, it is anticipated that this situation will not continue at the same level beyond the next financial year. SS also noted the impact of Brexit which would need to be taken into account in the management fee review.

MC agreed that he and SS would review the Covid costs this year, apply CPI with a view to leaving a final recommendation until the last minute to allow for any further information to be considered. SS stated that a decision would need to be made by the end of January at the latest.

KB felt that it might be difficult to assess the costs by the end January on the basis that there may be another lockdown after Christmas but that an estimate of the costs for next year would need to be made. SS agreed to provide all information for decision making at the beginning of January **(SS)**.

PG commented that transparency was key and that Covid costs should be made clear. PS felt that owners would be expecting to pay extra but felt that transparency was important.

A further discussion took place regarding the difference in owners experience, those who were prevented from coming because the estate was forced to close, those who couldn't travel when the estate re-opened and those now who were prevented from travelling due to Tier restrictions. It was a complex situation. GD commented that from conversations with owners who had chosen not to visit due to travelling restrictions in their Tier area most had been very respectful but found it a bitter pill to swallow when they were having to pay their management fee. GD also reported that some owners felt that renters had been treated more favourably as they had received full refunds.

LOC asked whether a further explanation with regard to the situation with renters could be included in the Covid Q&A's? After further discussion of all the complexities involved, DV agreed to draft a Q&A on the specific point as KB felt that it was a manco decision (to refund renters) but all felt this would be helpful to GD and the team. ALD reminded all that renters can also be owners.

d. Management Fee Apportionment Model Review

LOC-065 – MC agreed that this review would be reactivated at the end of January 2021. SS reported that there had been a costing to refurbish the whole estate in cycles which apportioned the Reserve Fund in percentages and in addition IH had undertaken work with Graydon Jones on a model. IH stated that the work he had undertaken was to understand how the current model worked and that it was a fair and reasonable approach. He had satisfied himself of that. But it was clear that the whole model needed to be reviewed in order to create a new approach.

LOC's concern was that the existing model might not be fit for purpose for the future and the conclusion of the review was that the model needed to be a new model, in order to demonstrate, simply, how the fees are apportioned.

MC and SS would undertake the work in order to present to LOC to enable them to understand the impact and they would be able to present a model to LOC by the end of June 2021 **(MC/SS)**

e. Shared Costs Review

LOC-069 Action reactivated - MC agreed to issue a timeline for the work on both the management fee apportionment and the shared cost review.

#### 4. Services

##### a. Performance indicators

KB queried whether LOC were getting more feedback? DV stated that as check-in/out was now mainly remote due to Covid safety measures then face to face interaction with owners was reduced. GD felt that weekly lodge owner meetings were being held virtually and thereby uptake was low and perhaps owners were using guestfolio as a way to provide feedback but also to report issues. GD was aware that many owners did not want anyone coming into their lodge. IH wanted to ensure that manco were picking up maintenance issues at this time. ALD confirmed that GD's welcome letter explained the procedure for reporting any concerns and the Maintenance team's formal service provision was copied onto the back of GD's welcome letter.

A discussion took place with regard to the practice of quarterly reporting previously agreed. Manco agreed to produce quarterly (calendar) reports as follows:-

- Re-Sales (for LOC's information regards owner re-sales, a manco managed service for owners)
- Rentals (for LOC's information regards owner rentals, a manco managed service for owners)
- Defaulting owners
- Guest Satisfaction Report
- Employee Report

##### b. Owner Correspondence – to be taken in Part 2

##### c. Employee Report

The report had already been circulated with nothing untoward to report. Overall, absences as expected had increased due to Covid as any staff who were self-isolating for whatever reason were marked down as sick. The number of staff was consistent, and there had been far fewer unauthorised absences.

LOC agreed to fund the Christmas gift of a grocery voucher for LOC employees, in lieu of the annual Christmas party and in line with LOP.

##### d. Owners Data – security and management.

Nothing to report

##### e. Business Continuity

An awareness that Brexit might impact our supply chain was highlighted by DV.

#### 5. Maintenance

##### a. Health and Safety

Nothing significant to report.

KB enquired about the position with regard to legionella. LOC-137 IM reported that every property would be tested at least once a year (inspection of 10 lodges on a 10 month rolling cycle). Action closed.

##### b. Property Maintenance

No significant items to report overall. IM reported that the maintenance programme was progressing well and as planned.

LOC-052 Action closed as this action forms part of the overall manco estate-wide energy management review and DV would report at the next meeting (DV). Gas meters would be replaced as and when required.

KB also enquired, based on queries raised at the AGM, about progress on electric charging points onsite. KB was aware that charging points at every lodge would pose an infrastructure challenge but in view of

the UK government's recently announced intention to ban the sale of petrol/diesel vehicles from 2030 there was the possibility of future regulatory requirements for charging points so he felt LOC should at least start examining options now.

DV talked to the forthcoming approach as to how net Zero Carbon might be achieved and that there was work for the senior team to undertake. MC stated that in terms of planning ahead to be carbon net zero by 2030 the team would need to think bigger and possibly to look at parking space provision.

IM confirmed that consideration had been given to installing more charging points at other locations via Charge My Street eg, 4 more by Lodge 36 and at Chapel Stile but this would necessitate an additional transformer (at a cost of £30K).

c. Estate Maintenance  
General

LOC-124 - lighting review. IM reported that this was still on-going and might involve a new cable backbone although solar options were being considering and IM was looking for a partner to assist with that.

LOC-125 – EWH fire escape – planning permission given, works had been undertaken, the fire service had also inspected and were satisfied with the protection afforded. Action closed.

LOC – 133 – blanket weed – This is an on-going action. AD had been using barley straw which had a positive effect on main tarn and will be a regular grounds management activity in future Action closed.

Ramorum Disease

IM reported on the tree felling programme necessitated due to P-Ramorum disease on site. Significant parts of the estate were affected. However, there was a very good re-planting programme already taking place and put together by Andy Dawson (Grounds Manager). Unfortunately, the tree felling is a statutory requirement, to be undertaken as timely as possible.

d. Inventory – Lakeland Relationship  
Suspended

## 6. Projects

a. Project Programme

IM reported that works to instal the artwork at Chapel Stile, soft furnishings at Elterwater Hall Barn and Cottage and the window replacement at Chapel Stile were all in hand with positive feedback received.

b. Project Programme 2020-2021 – Proposed Refurbishment Programme

The refurbishment programme was on-going. IM reported that in lockdown manco had taken the opportunity to undertake balcony replacements, the programme for which was now ahead of scheduled. Second bedrooms (5 this week) are on target.

LOC-101 – an alternative drawer insert has been installed in a couple of lodges. IM will take an image of same and present to LOC but feels this is an expensive option (**IM**).

LOC-122 – TV's on order and waiting delivery.

### Comments on Part 1 by PS attending as observer

PS asked whether any consideration had been given to making the handsfree lodge check in/out and the virtual Zoom AGM permanent?

DV responded by saying that offering guests a great choice for check in/out would be permanent but in addition work was being carried out with our Property Management system for an enhanced online check-in.

MC stated that Manco would review anything that benefitted guests but that there were also consequences in terms of losing contact/interaction with owners and this would also be reviewed.

IH felt that as an advocate of virtual communication, the AGM this year had opened up the debate about greater access to owners who might not have been able to travel to an AGM which was a positive for some owners. IH stated that he had proposed a shared LOC/LOP format on the Q&A section of the meetings for next year.

KB stated that this format had been adopted previously (sharing the Q&A section of the AGM) but LOP had decided that they no longer wanted to do so. IH would formally raise the matter with the LOP board (IH).

## **Part 2: 10.30 to 11.00 - LOC**

### **7. Committee**

#### **a. Cancelled Members**

There were no owners to be considered for cancellation at the meeting today.

XXXXX

XXXXX

#### **b. Property re-sales**

DV had previously shared the latest report which showed a spike in sales during the first lockdown with reasonable levels continuing. KB noted the number of units available was at its lowest in his experience and wanted to congratulate DV and the sales team as he felt it was a positive sign. DV stated that Covid had had a positive impact on sales at Langdale and owners had removed lodges from rental in order to take up occupation themselves. Whether this would continue is yet to be seen and DV felt it would be a short-term trend.

#### **c. Property rentals**

The value of rentals is generally increasing and the success rate is 90% which is fairly static.

#### **d. Succession Planning and Committee Support Activity**

IH felt that it was helpful and worthwhile to continue to have PS attend as observer and LOC agreed.

#### **e. Meetings – AGM Feedback and LOC Committee Meeting Schedule 2020-2021**

##### **AGM feedback**

PG felt the meeting was very good and feedback very positive. IH felt that a hybrid meeting in conjunction with LOP would be a good way of proceeding and would help with the perceived split between LOP and LOC. DV confirmed that all conversations with owners regarding the virtual AGM had been positive. SS thought it was very positive and felt that it was a more manageable use of time. KB felt that the AGM went well and definitely felt that some sort of continuing form of online participation for an AGM would be desirable.

IH thanked ALD for producing the AGM minutes so quickly.

KB asked what LOC would like to do about making the AGM recording available to owners and after a discussion of the merits of doing so, bearing in mind that LOP had already made the LOP recording

available, LOC agreed to make the recording available on the owners' website as this was a secure environment **(DV)**.

#### Schedule of meetings

IH felt that formal LOC meetings could now resume on a more regular basis with ad hoc meetings in between as required. IH had previously circulated a schedule of meetings which were agreed. PG felt that she might have missed out on the interpersonal interaction with the committee due to meetings taking place virtually and this would be borne in mind. LOC agreed to move the next meeting by a week to assist PG to 12 February 2021.

f. Rules

LOC-129 – A re-draft of the Rules had been circulated late yesterday with apologies from KB. KB stated that there was no time pressure to make a decision today but felt that the draft was fit for purpose. This matter would be carried forward to the February meeting.

g. Surrender Policy

MC confirmed that DV, ALD and MC had met to discuss next steps to proceed. DV had put together a flowchart and papers would be circulated to LOC when complete. MC felt that the Surrender Policy would be capable of being communicated to owners in the new year.

h. Week Swap Service

LOC discussed the service and asked DV to present a recommendation to LOC for any future scheme at the next meeting **(DV)**.

i. Exchange Organisations Relationships

Noting to report

j. Owner Specific Facilities

LOC-110 Trim Trail. This had formed part of a set of options presented to LOC some time ago (2 years) which LOC were going to consider and report back to Manco.

Trampers – ALD asked whether LOC would like to make a contribution towards the cost of the 2 off-road mobility scooters (Trampers) or to lease another Trampler? GD confirmed that it was mainly owners who used the Trampers and these would typically be hired for 3 or 4 days.

IH asked GD what owner feedback was like generally. GD stated that owners still mentioned the loss of the Terrace bar which some perceived as a less formal area which had been taken away. However, these comments had diminished gradually over time.

DV stated that he and GD were continuing to work on activities to do/places to visit in the Lake District for owners, which had been well received with all information now being up to date.

k. Management Agreement

On-going

l. Insurance

ALD reported that the appeals had not yet been heard, the FCA were still in talks with the insurers involved and might avoid the need for an appeal and would keep LOC updated.

m. Policy – Covid Management Fee Closure Cost saving refunds, full and part week.

SS felt that LOC needed to decide whether those impacted by the second lockdown would receive the same refund bearing in mind the different costs and circumstances of this lockdown. Although less owners affected SS felt that LOC should refund in the same way. There was a general discussion as to

whether LOC had set a precedent (KB) in that LOC refunded for Week 12 so should this be the same for weeks 44 and 48. LOC acknowledged the difficulty as the circumstances were different.

LOC agreed to proceed as SS suggested and LOC agreed this was a sensible way forward. IH asked SS to calculate the cost of the part weeks refund for LOC to consider before making a decision. GD felt that dealing with the part weeks in the same way as others would land more positively. PG felt that that was generous, but many owners didn't occupy. MC reported that out of a possible 87 arrivals, only 40 arrived last week.

n. Sponsorship - ALP4 - Aspiring Leaders Programme

KB reported that he had been in contact with the programme leader and confirmed that LOC had agreed to continue with the sponsorship. ALD will liaise with Andy Woodhead **(ALD)**.

## 8. Communication

a. Views

LOC felt that an update on the second lockdown would be well received and bring owners up to date. This communication could also include the tree felling as a result of the P-Ramorum, the Covid Q&A's, ALD's presentation at LOP, and explanation of re-cycling process and the effect of COVID on the local community. LOC agreed that this communication could be via an extended email and DV would draft the proposed content with a proofing deadline and circulate to LOC **(DV)**.

b. Owners Website

DV updated LOC on the development of the new owners' website and LOC agreed that this should continue with positive feedback on the layout and aesthetic of the website.

c. Communication to Owners (include 4.b Owner Correspondence)

MC had already shared a breakdown of the significant owner correspondence received.

XXXXXX

d. Industry Developments

Nothing to report other than DV would be attending a Euroc seminar on timeshare scams.

e. Regulatory issues

Nothing to report

## 9. Any other Business

a. LOC Action Log

MC to take over management of the Action Log.

GD asked whether LOC would allow owners to swap into surrendered weeks and LOC agreed that this would be allowed and that those weeks would not be excluded.