

LANGDALE OWNERS CLUB COMMITTEE MEETING

Held via Video Conference Friday 10th September 2021 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)
For Part 1 – Paul Symonds (PS)

MINUTES

Part 1

1. Apologies for absence

There were no apologies for absence

2. Approval of minutes

The Minutes of the committee meeting held on 25 June were approved.

- a. Actions Closed since last Meeting - MC has previously uploaded the Action Tracker with which actions are closed and any outstanding items would be picked up within in the course of the meeting.

- b. Approval of 26 July 2021 Conference Call Notes

The minutes of the Conference call meeting held on 26 July were approved.

3. Finance

- a. Management Accounts

SS had previously uploaded P3 accounts and recently P4, commenting that the spend from the Reserve Fund (RF) is as the committee had already agreed. The installation of new windows at Chapel Stile has fallen into this year (from last year) and has an impact on the Reserve Fund as can be seen. SS confirmed that the rates rebates are not included but will be £136k. The Reserve Fund spend this year is less than it would normally be (on projects).

KB queried whether the line in RF expenditure that had previously been included (for fire regulation safety work) had been put into lodge maintenance? SS confirmed that those were project titles so she would be able to retain or not and it was agreed that if the cost was minimal it would remain within lodge maintenance but if significant it would be shown as a separate project cost. The committee agreed that there needed to be clear identification of all items whether maintenance, refurbishment and/or projects.

- b. Reserve Fund

As above.

- c. Management Fee – Payment levels

SS reported that payment levels are very good with nothing outstanding for weeks 12 - 35 (apart from one owner from W14 who missed 2020 and 2021) and that as anticipated as owners arrive on site, any outstanding balances are being paid at that time.

DV confirmed that 2 owners who were unable to occupy at a time when the Tier System was in place would be communicating with the committee in due course.

d. Management Fee Apportionment Model Review - (LOC-065)

LOC – 065 - MC reported that no further progress had been made but that it would be useful for all relevant parties to meet to progress. IH provided a summary of context for the review and explained that the management fee apportionment model is what happens after all the costs have been identified and how it then gets allocated to timeshare accommodation types. The model currently used has been built over the years and has evolved over time but now probably requires a fundamental review in order to create a model that Manco is comfortable with and that LOC can understand, particularly for new committee members at any future date.

At the moment the model is working for SS but needs reviewing once the Shared Cost Review had been concluded. SS confirmed that the biggest part of that work is how the RF is shared out.

e. Shared Costs Review - (LOC-069)

LOC – 069 - MC circulated Part 3 of the Shared Cost Review, progress having been made and MC felt that the review needed to be progressed away from this meeting with an LOC and LLL focussed discussion. Therefore, MC will arrange a subsequent meeting including SS and all members of the committee to discuss further with a thorough explanation of the details behind the review. MC believed some items could be agreed quickly. IH believed that the shared cost discussion would benefit from the challenge from other members of the committee, including PS **(MC)**.

4. Services

a. Quarterly Reporting

ALD confirmed that as the new HR Manager did not take up her position until 8 November could the committee review and decide upon what the Employee Report should include and provide that feedback to MC **(ALL)**.

b. Owner Correspondence

Taken in Part 2

c. Owners Data Management

Nothing to report

d. Business Continuity

MC confirmed that the operation is currently getting back to normal with regards to COVID with the team trying to move on as best as possible whilst being aware and taking every precaution as previously. The next concern may well be the threat of any impending flu epidemic. The impact of a national staff recruitment crisis, Brexit and COVID are business continuity issues in addition to lack of resources and supplies. ALD felt that for LOC personnel currently, recruitment was no worse or better than previously.

5. Maintenance

a. Health and Safety

IM referred to the SHEF (Safety, Health, Environment and Fire) minutes previously uploaded, main concern is legionella. A full survey has been undertaken and frequency of testing has been increased but IM sees that next year there will be work to do to manage the risk and would keep the committee updated **(IM)**.

IM also referred to the work that the E-Team had been doing and the environmental objectives which had been worked on including the drive to reduce our carbon footprint and this would be a relevant concern to be aware of with any projects presented to LOC. There had been a number of swimming pool scrapes, mainly involving children, however the team have re-worked some of the stainless steel fittings and the contractors have returned to site to review the current quality of the poolside and all fittings with appropriate action being taken to mitigate further risk.

MC referred to the photograph that he had circulated showing a location where there was the potential risk of an individual falling into open water which he believed needed to be addressed in areas around site. The consultant, Damian Jenison, had already attended site and provided advice confirming that some of those risks could easily be addressed in some areas with appropriate signage, low walling etc., MC thought that the mitigation costs might be for LOP rather than LOC.

IH suggested that a policy may need to be developed when discussing responsibilities and liabilities for such work, in order to adopt a consistent approach. MC clarified that the review had emanated from an inspection of lodges by himself and IM but was also aware that when any such works are undertaken, owners may complain about the solutions. IH referred to a Risk Report that was undertaken a number of years ago (via John Potter from Lockton) which had resulted in some pragmatic approaches being taken to mitigate the risks.

b. Property Maintenance

IM reported that property maintenance was on-going and at this time of year was mainly reactive. Planned property maintenance outlined in the paper previously uploaded confirmed that there was nothing untoward for this year. However for next year there may be further works with regard to water systems (legionella risk management). The balcony installation project will have to be reduced due to a reduction in the total RF figure from the £136k Rates Refund.

SS stated that resurfacing work at Elterwater Hall is within maintenance this year however as a result of COVID surface material to be used is not available until spring 2022, so may fall into next year.

There were no exceptional property maintenance items to address.

KB queried the refurbishment of Beckside balconies and IM confirmed that these balconies have not been refurbished and having been assessed IM considered that the steelwork was not in a critical condition although remains a priority. The complication feature for work undertaken to balconies on Beckside is that scaffold will need to be placed in the river and the Environment Agency are prescriptive about how and when those works take place - and would also need to take place in the summer months.

c. Estate Maintenance

There is currently an on-going issue with weed in the waterways due to a lack of flow and work done to waterways (ie they are now holding water as they should be). Generally the estate is looking very good.

KB asked whether a solution/replacement had been found for the gas fire in Elterwater cottage. IM confirmed that a suitable replacement could not be found so recommended draughtproofing the area and installing some kind of statement piece within the hearth, retaining the original range which was a historic feature in itself and should remain.

d. Inventory

KB asked whether the fabric sofa in Lodge 29 was a sample as he had received feedback that it was very comfortable IM confirmed it was a sample unit from Hall and Letts and is a sofa bed. Generally the

feedback has been that it is comfortable and is easy to use but the sample doesn't fall within the interior design of the lodge – however Hall and Letts can create a bespoke design if required. This will form part of a further report from IM and MC **(MC/MC)**.

6. Projects

a. Project Programme 2020-2021 - Refurbishment Programme Progress

IM had previously uploaded the relevant costs spreadsheet for maintenance, refurbishment and other priced works and this was discussed with IM commenting on particular items as follows:-

Lighting on balconies – the lamp is now discontinued so IM has identified a suitable replacement fitting which is an LED IP65 rated unit of which there will be 2 per balcony. However it will be necessary to wire this back to the switches and that has a cost attached to it in addition to the replacement fitting.

Bathroom refurbishment – the first set of bathroom refurbishment had been undertaken in 2007 and a tranche of these undertaken by one contractor in particular have been identified as needing to be taken out as they are no longer fit for purpose. Six will be done this year which will leave 17 of this type to replace.

Blown glazed units across site – IM proposed to make a start on replacing what he has identified as approximately 80+ units across the estate. A longer term consideration is replacing all units in a whole accommodation unit. Existing units are showing signs of degradation as they are dry sealed with gaskets on both sides. IM has been reviewing solutions which would include a wet seal which is better long term and more thermally efficient. IM will present those findings at the next meeting but there will be a considerable cost to that work **(IM)**.

Front doors and gutter replacements – this is being managed as a rolling programme using a deep flow gutter and gaskets which are all still available.

EWH living rooms – recent feedback is that the quality of the living rooms is not what it used to be and the recommendation is that living rooms should be re-decorated and re-carpeted.

Gas meter replacements – this forms part of the on-going commitment to undertake 10 per year however due to COVID it was not possible to replace any this year. However, IM felt that it was important to continue to do so.

Pull down bed mattresses – a number of these need to be replaced but replacement had not been addressed systematically in the past. IM will produce a programme of replacement with a good solution (which he has yet to identify) **(IM)**.

Bike security – this has already been agreed for lodges and the recommended solution for Elterwater Hall and Chapel stile is a “toast rack” style which was agreed **(IM)**.

Lodge refurbishment – there are 9 bedrooms remaining to refurbish and £67k was required to fund that. Hallway and fire separation is a continuation of fire safety work undertaken last year when work was undertaken to all 2 storey properties. Fire safety protection work to 28 properties will be undertaken this year and the remaining next year to complete them all.

IM felt that re-surfacing work at Elterwater Hall is necessary although materials required, will not be available until spring 2022.

Some steps for accessing lodge properties, particularly #36 and #72 are not compliant as they differ in height and width. IH suggested that as this was a H&S issue it should be undertaken. The committee agreed for this work to be done within this maintenance period at a cost of £29k plus VAT. KB thought that even if the Elterwater Hall re-surfacing was done this financial year there should be sufficient funds to do the access steps as well. The committee agreed to approve the works as presented.

KB asked about designs for Beckside and Brackens and IM confirmed that there would be a design fee proposal and SS confirmed that this fee could be covered by the monthly allowance which she provided for.

KB raised the issue of replacement of balcony furniture for next year and it was agreed that IM would continue to obtain samples of balcony furniture (**IM**). KB asked about wooden furniture and IM said he could look at this but LOC should be aware that there would be on-going maintenance costs associated with wooden furniture. IH suggested that we could look at a managed solution for balcony furniture.

Remaining Action points not dealt with elsewhere

Trim Trail – work is being undertaken; the cost in this financial year is £5k.

Bluetooth Audio Connectivity – the proposal put forward by IH, of a Logitech Bluetooth Audio Receiver at £30 per unit per timeshare unit has proved a good solution. The committee agreed to proceed with this. IH also instructed IM to review and put forward a recommendation for a replacement audio sound system. IM to identify any current audio systems that are in need of early replacement. The Bluetooth Audio Receiver will provide a good solution to allow Bluetooth connectivity from owners devices to the audio systems, for in room audio replay (**IM**).

PV and battery storage (estate lighting) LOC - 147

IM will share progress made so far with proposals/solutions for estate lighting. There are some interesting solutions, eg, solar arrays. IM confirmed he was very much at the start of the project but that it did have a huge amount of potential (**IM**).

IH stated that the Estate lighting should be a Manco solution with the committee contributing but did not agree that LOC should be involved in the capital construction of that solution.

PG suggested that it would be helpful to know the areas that Manco would be looking at for future refurbishment/development in order to assist forward planning. MC confirmed that the priorities were lounge area, and pull down beds within the Hulsta units.

GD confirmed that based on feedback he had received from owners was that living rooms and hallways were in need of attention, but in general owners were content. A lot of guest feedback currently was concerned with balcony furniture and blown windows.

DV commented that the Stakeholder Engagement Group work and the company's recent Purpose Vision and Values work could inform long term plans. DV felt that on behalf of the membership the committee would need to know what members want and the Stakeholder Engagement Group will be able to assist with formulating those views.

Part 2: 10.30 to 11.45 - LOC

4. b. Owner Correspondence

Taken under 8c

7. Committee

a. Cancelled Members

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b. Succession Planning and Committee Support Activity – Observers Attending PS to be invited to attend the Shared Cost Review meeting (MC)

c. Meetings – AGM Preparations

A conference call was held on 26 July to confirm arrangements for the LOC 2021 AGM, following this call LOC requested legal advice from Oglethorpe, Sturton and Gillibrand (OSG) on the subject of what type of AGM meeting could be held this year. Subsequent to receiving the advice from OSG, LOC decided to hold a hybrid AGM in 2021. AGM preparations were continuing with papers needing to be approved and printed next week. A run through would be arranged for 2 weeks before the AGM and the date circulated as soon as possible (DV/ALD). IH confirmed that LOC would re-instate the original running order previously circulated which includes the session between the formal LOP AGM and the formal LOC AGM.

IH confirmed that he would not be attending either LOP or LOC AGM meetings in person, he would participate remotely. KB and PG would be participating in the same way.

KB confirmed that Andy from the Aspiring Leaders Programme would be able to let us have a short video (5 minutes) to include as a presentation at the LOC AGM.

d. Rules

Nothing to report other than the Rules on the website are up to date.

e. Surrender Policy

A report of contacts subsequent to the launch of the Surrender Scheme had previously been uploaded with 21 contacts received. A number have sought further information about the process. Out of those, 2 requests have been approved for Surrender. A number of those making contact have subsequently put their weeks up for sale and rent. KB asked if there had been any enquiries about what happens to LOP shares attached to surrendered weeks – so far no-one has asked.

f. Working Groups – LOP Board Working Group (Stakeholder Engagement)

DV reported on the last meeting that had taken place and provided some background as to how this group had come to exist. Given that LOP were undertaking work on Purpose Vision and Values (PVV) it was considered sensible to hold off pursuing Stakeholder Engagement work until that work had been completed. Following the PVV work the team met and discussed the need deciding that the 2 biggest stakeholder groups not being engaged with currently were owners and shareholders. PG said that she was delighted to see the alignment of purpose, vision and values from that work and that it would be good to communicate this to owners.

PG has also had sight of the story of the buy-out which she felt was fantastic and also worth sharing with owners, as an appropriate means of reminding people how the estate got to where it is. She felt that the key issue was how we engage and she felt that DV's suggested table was a good way forward and would be good to share. She is keen that stakeholders are aspirational, and do not to feel limited with bringing ideas forward but that expectations would also need to be managed.

DV stated that from the PVV work there were some very high level outputs, eg, what Landale should look like in the next 30 years which could have a huge effect for all. It would be important to frame

these ideas/aspirations carefully but by asking open questions, within an open focussed group able to discuss freely it would be possible to get a clear idea of the direction that stakeholders would want the company/committee to move to.

IH commented that it was important to remember that the Stakeholder Engagement group had been created to allow LOP to engage with its stakeholders but had invited LOC to participate. They were looking for better and more effective ways to engage and position themselves. Care needs to be taken to avoid LOC participants believing or having an expectation that their involvement would lead to actions being taken (by LOP). DV felt that there would be no danger of this happening.

MC informed the committee that he had been instructed by LOP to invite an LOC committee member to attend board meetings as an observer and this offer would be relevant for either KB or PG. IH explained that this was borne out of the understanding that it would not always be the case that a member of the LOC would be a board member (as currently) so LOP felt that it was a natural progression to have and invite an LOC member to attend board meetings as an observer but able to participate in discussions which were relevant to LOC.

g. Exchange Organisations Relationships
Nothing to report.

h. Owner Specific Facilities
Nothing further to report.

i. Management Agreement
KB reported that broadly there were 2 areas of the Management Agreement to be addressed; the fee (which will be put to one side) and the service agreement aspect ie, what Manco provide. KB and MC had decided that the first thing to do was to break down what Manco do for LOC as a whole with the next stage being to attach a performance level to items where appropriate on each item. KB doesn't feel that the agreement should over specify but that it would be a matter for LOC as to what level of detail to include.

KB and MC had identified items such as cleaning, reception etc and items provided to LOC such as accounts, quarterly reporting etc. but there are others which are services to LOC which are not currently routinely monitored or controlled by the committee, ie things like banking, tax returns, health and safety and these had opened up a broader discussion as to the extent to which they should be detailed/delegated/ or where LOC should have an oversight. Comments and feedback from all would be appreciated at this stage.

PG stated that it had been helpful to see key services clarified and KPI's were also helpful – what specific feedback would MC/KB need? MC suggested that this could be discussed at the Share Cost Review meeting and IH felt this was sensible. IH suggested whether the agreement could take the form of an overall agreement between LOC and the company with schedules attached for different services, capable of being updated or amended as and when necessary? It might be helpful to spend some time developing those schedules, again this format would be very helpful as the make-up of the committee changes over time.

The commercial terms will need separate consideration bearing in mind bank covenants.

j. Insurance
Nothing to report.

- k. Policy
Nothing to report.
- l. Sponsorship - Aspiring Leaders Programme (“ALP”)
KB reported that at next years’ AGM some students from the ALP might be able to attend, in person.
- m. Environment and Community
DV reported that the company will be seeking sign off/support for a net zero aspiration backed up by carbon net zero action plan which will affect the whole site and is something for LOC to consider as there will be an impact for LOC.

MC stated that there had been a whole re-invigoration of the environmental work from LLL particularly the net zero aspiration which will have significant effects on the estate over the years. MC will be asking LOP to declare a climate emergency at their next board meeting. There is now an updated Environmental Action Plan in place.

8. Communication

- a. Views
Nothing to report.
- b. Owners Website
DV reported that some profiles transferred across had failed but these have now been successfully re-instated. There are now 1282 profiles within the password protected profile area and for last month there were 557 users, 934 sessions and 8700 page views with an average duration of 5.8 minutes.

This activity is expected and the feedback on the new website has been 100% positive. IH wants to ensure website content is regularly updated and whether there were particular touchpoints on the website which committee could update. DV felt that the ALP video and refurbishment and maintenance work would be helpful to include together with any news from the committee that they want to share with the ownership eg, any interesting output from these meetings however, some of the things LOC might consider mundane are in fact of interest to owners.

IH believes that LOC should try and develop a process of updating and refreshing content on the website. PG suggested that committee member photos be uploaded to the LOC website with up-dated biographies (**PG/KB/IH/MC/IM**).

IH confirmed that all committee members should continue to approve any content to be uploaded to the website - unless it is something that already agreed in a committee meeting.

- c. Communication to Owners - includes 4.b from Part 1
No specific or outstanding owner correspondence to discuss. DV reported 2 pieces of correspondence regarding management fees, previously mentioned. Those owners have already received all the pertinent information from the committee.
- d. Industry Developments
MC reported that he and GD will be attending the EUROCC seminar on 3rd November and MC has been asked to speak at the seminar.
- e. Regulatory issues – issues of compliance.
Nothing to report

9. Any other Business

- a. New Timeshare Owner 'Welcome Information Pack'
On-going for Manco.

KB - mentioned on-site re-cycling and whether information provided to owners should be reviewed, particularly why there are no re-cycling bins inside lodges. KB had unfortunately missed the E-team workshop on waste but MC agreed to forward the notes and the action points from that meeting to KB **(MC)**.

KB - IH and PG had discussed informally but KB wanted to raise formally the question of holding AGM virtually as it has now been shown by Jennifer Grabowski (JG) at Oglethorpe, Sturton and Gillibrand (OSG) that LOC could not hold a virtual only AGM. KB would like to suggest looking at a Constitutional amendment so that if the need arose the committee would be able to hold a virtual only AGM. As it was too late for this years' AGM KB's suggestion could be discussed at the next meeting. IH felt that any proposed constitutional amendment could be put to the membership at the EGM next year (before the 2022 AGM). ALD agreed to approach JG with a view to the wording of any proposed amendment **(ALD)**.

ALD – confirmed that she was leaving Langdale at the end of October therefore the committee would need to consider minute taking and committee secretary responsibilities. ALD agreed to help LOC this year with their AGM.

At the close of the LOC committee meeting individual members of LOC and Manco thanked ALD for her service to the LOC committee.

The meeting concluded at 12:02

The following has been added post the meeting closing in recognition of ALD's service to the Langdale Owners' Club

As Chairman (IH) I wish to thank Anne for the support given over many years to the Langdale Owners' Club committee in providing secretariat services, not an easy task. I feel sure that current and many previous committee members would agree that Anne's council and professional attention to detail at all times has been much appreciated.

Anne's experience and knowledge of the estate has always proved valuable in supporting the business of the committee. Anne's commitment to continuous improvement in how the committee operates and interacts with owners has been important in the past 18 months. In particular in the management of owner correspondence and issue resolution, in often difficult and challenging operating conditions.

The sensitivity and empathy that Anne has shown to members of staff, hotel guest and timeshare owners has been appreciated in helping deal with the pressure and stress of the pandemic, for which we are all very grateful.

On a personal note, Anne has always supported me as chairman, providing a sounding board for the more complex issues involving owners. Anne's professional perspective on matters of procedure in operating the owners club have always helped things run smoothly. I will miss the friendship and collaboration, with Anne, which I have enjoyed over many years as a committee member and as Chairman.

I wish Anne well in her new ventures and challenges ahead and thank her on behalf of the present and past committee members and the wider owner's club membership for her service to the Langdale Owners' Club.