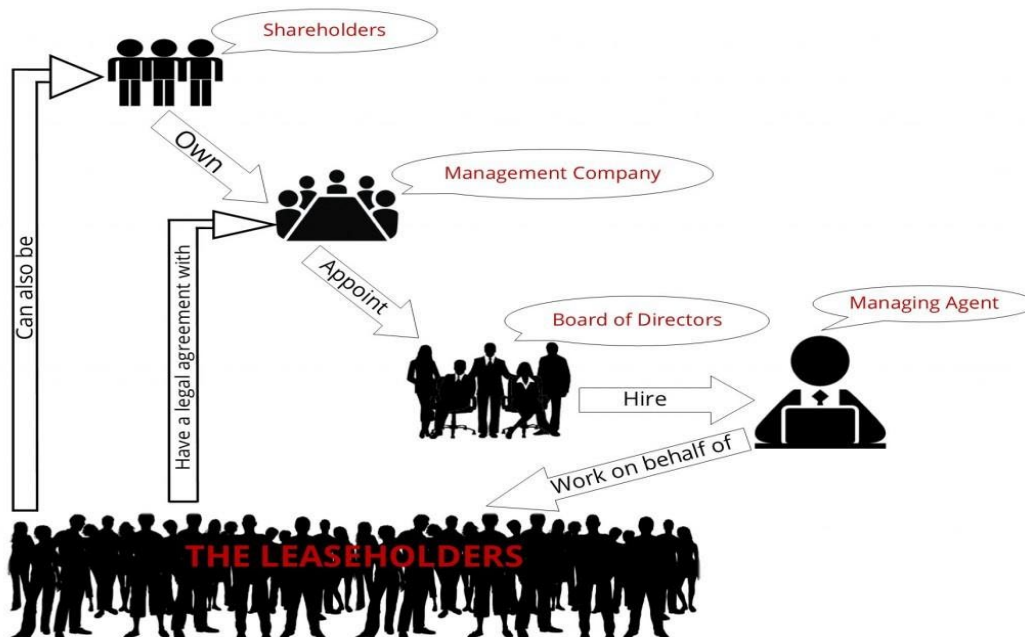


We have outlined some information that may assist in your decision making. Board service is rewarding but is a serious commitment to our neighbours and community.

What is a Residents Management Company

A Residents Management Company, or RMC, is a company set up specially to undertake the management of the communal areas within your building and the estate for instance the hallways, roofs, gardens and so on. The Directors of a RMC are made up of the Head Leaseholders, owners at the Grand Ocean Estate (GOE). There are rules as to who can become Director.

The **Grand Ocean View Management Company (GOVMC)** is your RMC and is set up as a standard Limited company which means it has certain annual obligations such as holding an Annual General Meeting, filing of company accounts and completing company secretarial duties. Below is a quick guide to the relationships between the different parties.



Understanding the stakeholders of Grand Ocean Estate GOE

Elmbirch Properties – own the land and common parts, the freeholder.

Explore Living (wholly owned by Laing O'Rourke) developed the estate.

Remus part of Fexco Property Services are our appointed Managing Agents.

Hyde Housing are the head leaseholder and Managing Agents for Shared properties.

Head Leaseholders are shareholders and own apartments owners.

Shared Leaseholders have 50 flats across the site (25 in Baltic) on a part own and part rent sublease from Hyde under the Housing Act 1980 – They are not shareholders.

Commercial Leases the NHS have a lease for the Doctors Surgeries and have parking bays in front of the GOB

Things you should consider.

- Directors do not receive remuneration but may apply for out of pocket expenses.
- You will take a direct leadership role in management of our home. The external and internal communal areas create the first impression of our home, so it is important that the Directors through the Managing Agents maintain the site in good condition within the confines of the budget and costs.
- Directors must be trustworthy and respected members of our community, who act without favour, declaring any conflict of interest and operating in an open and honest manner.
- You will bring appropriate skills to work as a team.
- You must act with integrity in a dignified and respectful manner.
- You agree to a respect and confidentiality Directors charter

The Legal stuff about being a Director.

Memorandum and Articles of Association (Mem & Arts). As with any Limited company, the Mem & Arts define the rules by which the company should act. These will give you a clear indication as to the overall powers you have as a Director and the responsibilities that are placed upon you. In addition to your powers, they direct the Management Company as to how decisions can be made, such as calling meetings, nominating new Directors etc.

The Companies Act 2006. This is statutory law that defines how all Directors of companies should act. This act provides general guidance on your duties as a Director and should be noted in conjunction with your companies Mem & Arts.

Your Lease outlines responsibilities between flats and gives Directors the authority to act.

If you want to go for it - here are the details.

You can simply make an email request and, if endorsed by the existing Board, become a Director from that point (on a casual basis until the next AGM). When the AGM is announced, as a shareholder you should receive a formal invite to the AGM, with a Director application. You may be asked to address the meeting or send something in writing for distribution. At the AGM you may have to answer some questions and there will be a vote at the AGM. We offer interested candidates the chance to meet with the Directors beforehand. The Managing Agent as the Company Secretary will arrange registration. Directors can be asked to step down or can be removed under certain circumstances.

How it works with the Managing Agent.

One of your roles as a Director will be to appoint a Managing Agent who undertakes the management of our buildings on our behalf. They will provide professional guidance and efficiency in the ongoing management of the buildings. You will be asked for your consent or decision over certain matters. You will be required to agree to annual budget levels, sign annual accounts, service charge, as well as general issues such as decisions for the undertaking of certain works. Your Directorship is a serious obligation and the Managing Agents will use their experience to provide support and help. You should be aware of your responsibilities and liabilities of the role.

Other sources of information:

- The Leasehold Advisory Service - <https://www.lease-advice.org/>
- The Association of Residential Managing Agents (ARMA) <https://arma.org.uk/>
- Gov.uk <https://www.gov.uk/set-up-property-management-company>

<https://grandoceanestate.info/>

Fostering vision, values and integrity

Grand Ocean View Management Company Limited # 06185134

Thinking of becoming a Director at Grand Ocean Estate -Nov 2021

Page **2** of **3**

Other points to consider before becoming a Director

Understand your Lease: Your Lease will define exactly what both the Residents Management Company and your Managing Agent can do. It is therefore essential to become familiar with this document and understand it. Managing Agents are experienced professionals who can guide and clarify any confusing elements.

Directors and Officers Insurance: This type of insurance covers past and present Directors who may breach their duties to the RMC.

Legality: We would suggest that you also become familiar with the variety of laws that impacts the management of your building such as Health and Safety law, Landlord and Tenant Law etc Our Managing Agent can assist if you have any queries.

Teamwork: Successful Boards work with all have a variety of skills and are allocated the differing obligations to work as a productive team. Your Managing Agent may provide more advice on this as we do but allocating management elements will reduce any overall feeling of a burden and generally make your Residents Management Company more successful.

Your time and qualities needed.

- You can expect to deal with business for around 2-4 hours per week, reading and answering emails, meeting virtually / in person and accessing documents online. plus, various meetings with the Property Manager and others.
- The quarterly Board Meetings and the Annual General Meeting.
- A Director should have a working knowledge of accounts, with competent computer skills and you may need to research areas to widen your knowledge, to digest and understand sometimes detailed and complex reports.
- The Management Company has no responsibility inside flats – “demise leasehold premises and properties”.
- Some decisions are difficult and can involve confidential issues around lease violations, overdue payments and other such matters that require discretion.
- Loyalty and trust between Directors is essential as they regularly communicate with each other, to ensure they remain fully briefed on job progress, decision-making, while sharing thoughts, ideas and questions in confidence.
- Any abuse of Directors, staff, agents or suppliers is not tolerated.
- The Board works as a team with joint responsibility, we organise our working arrangements and leadership. We support each other and offer a helpful and cooperative environment.
- Good communication skills, team working and being respectful to all are essential elements to make the work of the board effective, efficient and rewarding.
- We currently have a bi-weekly catch-up meet and talk via WhatsApp and have share files on Google Docs with task and control sheets and files. We each have access to and communicate using our god.saltdean@gmail.com account not personal accounts and storing documents on personal computers is discouraged.

To find out more ask questions or apply

Email us today god.saltdean@gmail.com