

**Barking Reach Residents Association Meeting Minutes**  
**Wednesday 18 March 2020**  
**7.30pm, online/telephone conference**

**Attendance:** 34 online

**Meeting started:** 7.40pm

**Guests:** Paul McCormack, director at Love Your Block

**The agenda** was agreed.

**Minutes** of the previous meeting were not taken due to the nature of the meeting being hosted by Love Your Block.

**Right to Manage (RTM)**

The chair, Pete Mason, introduced Paul McCormack from Love Your Block on right to manage (RTM).

Paul started by explaining what right to manage is and his company charges.

He said the RTM laws allow residents to take control of the management of their building, which is then typically delegated to a managing agent that residents can choose and appoint. Paul also said that residents don't have to prove any wrongdoing by the owner of the building, so the process is typically unchallenged by the freeholder.

Paul said that by completing an RTM claim, service charge payments can often be reduced by taking control of the management of the building. Working directly with a managing agent, residents are often able to get the best deals for the provision of services and buildings insurance.

To progress with an RTM claim, Paul said there needs to be at least half of the owners in one individual block of flats that will support the RTM application: 50% of leaseholders per block are required to start the process. He said there is a lot of administrative work involved in following the legal proceedings, but Love Your Block has years of experience and he said the company will take care of the whole process.

Paul added that some of the benefits of RTM would be to have the control of holding the managing agent to account, also any amounts spent above a certain limit would need to be brought to directors. The role of directors should not be onerous, without any greater efforts, he said.

Paul recommended that leaseholders do some door knocking, speak to neighbours to see the level of support from everyone. Once residents are confident that there will be a 50% membership, then Love Your Block will send the formal invitation. The company will also conduct a land registry for all flats in each block.

As for charges, Paul said the charge for setting up the RTM company cannot be reclaimed through the service charge. Charges will be split equally between all leaseholders. He added that Love Your Block are willing to offer their services on a no-win-no-fee basis if the company is appointed as block manager.

Answering residents' questions, Paul said that housing associations such as Southern Housing will need to be informed and residents should perhaps get their support towards RTM. The process is not applicable to houses. When asked about recalculations of service charges and current disputes with existing managers, Paul also said that Love Your Block will help coordinate with residents taking legal action against previous managing companies.

Once an RTM process is in place, if Love Your Block is appointed as managing agents, they will receive a list of debtors from the previous company and enter them in a system to follow up payment for those charges – if it is deemed that charges are reasonable, then they have a fair but robust way of recovering those charges in arrears. He also said that annual audited accounts are available for viewing through an online portal.

Pete said sorting out the budget for the year is essential for residents to know and asked how Love Your Block usually deals with budgets. Paul said the company prepares a draft budget with the directors of the

RTM company set up by residents, which is then presented at an annual general meeting (AGM) for comment and feedback. He added that Love Your Block proposes quarterly directors' meetings take place with the appointed managing agents, if it was themselves, but can be increased to deal with historic problems. The financial benefit is to be able to reduce costs by renegotiating contracts, Paul noted.

#### **Any Other Business**

It was agreed that future meetings will now be hold virtually. The RA will contact residents in due course to announce how best to proceed for the next meeting.

**Meeting closed at 9.05pm.**