



Channels (Chelmsford) Management Company Limited
C/O Pod Group Services Limited
2 Angel Square
London
EC1V 1NY

Friday 30th August 2019

Dear Residents,

RE: SITE-WIDE SERVICE CHARGES

One of the key concerns raised by CRCG Committee Members from an early stage was the level of governance surrounding site-wide costs that all residents are all expected to pay as part of the overall service charge. Whilst the legal position is very clear about the responsibility to contribute to a service charge for management of the Bellway at Channels (Phase 1/2) land, there has never been any evidence of the legal position in relation to site-wide contributions, other than notification of a cost that had historically been advised via DJC Property Management.

By way of a reminder, and based on the 2018/19 budget, site-wide costs formed almost half of the overall service charge, the vast majority of which covered grounds maintenance for land that we generally have not been able to access.

As you will be aware, we have been promised access to strategic site-wide open spaces since the summer of 2018 (subject to construction starting on the later phases by Marden Homes) and yet in reality the only site-wide open space that we have been able to access has been the Western Mitigation Area at the bottom of Fairway Drive. We have not even been able to access the Village Green area adjacent to the Brassiere despite being given assurances during the Spring of 2019 that this would be made available for all to enjoy.

Essentially it would appear that we have been paying to maintain land that is within the ownership of Channels Estates and for which we have not been able to make any use of. Additionally my understanding is that Marden Homes have owned the lakes that are due to be built around for some time and as such I do not believe we should have been contributing to maintenance of these areas. Indeed, in the same way that Bellway would have paid for maintenance of Phase 1/2 land until such time that residents started to occupy properties, I believe that Marden Homes should be paying for lake maintenance and ecology from the point at which they took ownership of the land.

I do not therefore believe there has been sufficient transparency or governance in relation to the site-wide budget or for what we have been charged over the previous 2 years, especially as nobody can seemingly explain the costs to us.

Working together for residents of Bellway at Channels Chelmsford





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POD Management have been tasked with urgently looking into the position, both from the perspective of better understanding what we have been paying for, what the likely costs might be for the future and to confirm any legal obligations we have to comply with.

For the year to 30th June 2019, and for the coming year, I strongly feel our position should be that nothing should have been, or will be, paid for land we cannot access. As such I will be seeking significant rebates that can offset the increase in grounds maintenance costs that we know will be required on Phase 1/2 land to comply with planning conditions and for which DJC did not appropriately budget for.

Unfortunately due to the above queries there will be a further delay to notification of the 2019/20 budget however it is suggested that *at the very least* residents make provision for the same level of budget as notified during 2018/19 plus 10%.

Yours sincerely

Andrew Wright, Director
Channels (Chelmsford) Management Company Ltd

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