

Kelly Harvey  
Regional Manager

[customerservice@rmguk.com](mailto:customerservice@rmguk.com)

21<sup>st</sup> November 2024

Dear Kings Moat Residents Association,

Thank you for your letter and for taking the time to escalate your concerns. I am sorry that it has been necessary for you to raise a complaint on this occasion.

There is currently a phased handover underway at Wrexham Garden Village. As further parts of the development are completed by the developers, they will be handed over to the Management Company to maintain and manage going forward. The timescales of future handovers are dictated by the developers. At the moment, we have no dates confirmed for the next handover, and we will be informed once areas have been finalised to the required standard.

As you will be aware, Wrexham Garden Village is solely dependent upon the service charge income to meet its financial obligations. At the start of each financial year, we will set an estimated service charge budget which will be reflective of the estimated costs for the forthcoming year. The budget is always based on full completion and full services being provided. I have attached copies of the service charge budgets for 2023, 2024 and the proposed budget for 2025 for your records.

- The 2023 Budget was prepared and agreed prior to handover and based on estimated costings.
- The 2024 current budget is reflective of the current contracted costs.
- The 2025 budget is the costs proposed for next year, based on any known cost changes. Whilst this remains a draft and is still subject to change, we do not anticipate any significant variations in the service charge costs next year and there are no planned increases to any professional fees.

The Service charge costs are apportioned to all households on an equal basis, meaning that each household contributes 0.078802% towards the service charge. This percentage doesn't change as more houses are completed and handed over. This is reflective of the terms of the transfer documentation.

This is the reason for the service charge budgets being based on full completion and full services being provided. Until the development is fully occupied, the development will not collect in the full-service charge budget. At the moment, only 575 households contribute towards the service charge income. When the development is fully complete, all 1269 households will contribute and 100% of the budget will be collected. As such, we expect that only around 45% of the service charge budget will be collected this year.

At the end of each financial year, year-end accounts are produced to document what the total income (invoiced sum) and expenditure has been for the financial year. At this stage, a balancing transaction is issued to residents to either return any surplus within the accounts or to collect in any deficit owing. No funds are retained by the Management Company. This is in line with the terms of the transfer documentation.

As management only commenced in June 2023, only one set of year end accounts have been finalised to date. A copy of the accounts for 2023 are attached for your records. As you will see the accounts resulted in an overall surplus which was credited back to residents in July 2024. The year end accounts are always issued within 6 months of the financial year end. The accounts for 2024 will be issued before July 2025.

Following your meeting with Jemma and subsequent email, I'm sorry that not all requested information has

been forthcoming. With regards to the requested documents, please find my comments below:

### **1. Landscaping Plans.**

We don't hold a single landscaping plan for Wrexham Garden Village that we can share with you. At the moment, until areas are fully complete, they will be subject to change, so there may well be deviations away from the original landscaping plans provided. We have requested updated plans from the Developers which we will share upon receipt. In the meantime, I have attached a landscaping master plan for you to review. I will also email over separately, a file of original plans that will include the ecology report, tree reports and planting plans.

### **2. Grounds Maintenance Tender**

To date, the grounds maintenance contracts have not been tendered. Envirocare worked closely with the Developers and RMG prior to handover to agree the specification and works required. Envirocare will also work closely with both RMG and the developers on all future handovers to ensure that the communal areas are to standard, prior to being handed over. We propose that the contracts are tendered once the majority of the managed external areas have been finalised and handed over.

### **3. PL Insurance Commissions**

Details were provided by Jemma on 20th August. Please find a copy attached.

### **4. Business Plan for the Sports Pitches**

This is not available to us at the moment. This is something that will be complied by the Developers and shared upon completion. Once available, we will ensure that all details are shared with you. We are not in a position to confirm how the sports pitches will work, what the costs will be or how they can be booked at this stage. Once this information is confirmed, we will ensure that you are updated.

With regards to the 2023 accounts, please be advise that the full-service charge budget was not issued in 2023 as handover commenced in June 2023. As such, completed households have only been invoiced between their completion date and the end of the financial year.

### **Audit and Accountancy fees**

This is the cost incurred in relation to the preparation and production of the year end accounts. The price is based on the size of the development (number of units), rather than the period of management. The accountancy costs to the development once fully occupied will be in the region of £4350 per year (based on today costs), the total charged within the 2023 accounts reflects that the development is partially complete. You can expect the development to incur similar costs to those in 2023 for 2024 (despite the budget being set at £4355). The accounts are prepared in house by RMG but also sent to a third party for audit. This is currently undertaken by the TC group, following a procurement exercise. There are currently no plans for the accounts process to be amended, but we do regularly review which third party auditor to use to ensure that the costs remain competitive.

### **2023 Surplus**

The surplus within the accounts was credited to accounts in July 2024. This will be visible on your service charge statements. You can also view your service charge account via RMG Living. The surplus has been applied equally, based on the service charge apportionments.

### **Building Insurance Costs**

The building insurance costs for the apartments should not have been collected under the Estate Schedule.

This has been picked up by our accounts team and will be corrected within the 2024 accounts. You will notice a credit for this amount within the estate schedule for 2024.

## **Apartment Costs**

As noted in the accounts, there was no income from the apartment buildings within 2023, due to delays in the apartments being invoiced. The accounts for all apartments have since been set up and all apartments will be invoiced within future budgets. As mentioned above, a balancing transaction is issued at the end of each financial year. Whilst those in the apartments have received a credit for their estate costs, they have also received a demand for the accounting deficit in order to cover the costs incurred during 2023.

## **Management Fee**

Our Management Fees are reflective of the services provided by RMG and the number of overall units, rather than the size of the managed areas. As a result, our management fees will not change, as additional areas are handed over. At the start of each financial year, we do review the level of fees charged on an annual basis and all fees are subject to change due to inflation and other factors. The Management fee charged is usually in the region of £43.00 per unit (this does increase for those in apartments due to the increase in services provided), which is in line with the current budget. However, I share your opinion that the initial fee should have been honoured for a minimum of 12 months. As such, I will ensure that the management fee charged for 2024 is in line with the 2023 budget, and not the 2024 proposed cost. This reduction will be reflected within the 2024 year-end accounts.

## **Current Years Expenditure**

All funds for Wrexham Garden Village are held in their own accounts and in trust. We do have separate bank accounts for the reserve fund, estate fund and apartment schedule. As the development has sufficient cash flow at the moment, we have not had to loan money from the reserve to cover service charge (or insurance) costs. However, as there has been a delay in receiving the income from the apartments, some apartment costs have been temporarily funded using cash from the estate. This is not the case or going forward as the development holds sufficient funds across the schedules to sustain their own expenditure.

All invoices are paid manually as they are received from contractors. Throughout the year, we do reallocations and adjustments to ensure that all invoices are settled under the correct fund. Any expenditure reports that you see, will be live data and may still be subject to change. At year end, we do a full review of the expenditure and will ensure that all invoices are allocated correctly and that there are no duplications.

All service contracts are renewed on an annual basis and the costs are subject to change. The Grounds contract with Envirocare has been subject to a 4% increase for this financial year. We do allow a provision with the budget to allow for contract changes such as this.

Each year, we will undertake a full fire risk and health & safety inspection of the estate and apartment block. Our costs with Osterna are agreed in advance based on the entire development being complete. The final costs for 2024 will be reduced to reflect the partial handover of the development as not all communal grounds have been included within the assessment at this stage. The price seen on your expenditure report will not be the final cost noted within your year-end accounts.

Whilst at the moment, the only visible service to Wrexham Garden Village is the grounds maintenance contract, there are a range of other services being undertaken by RMG which are covered by the management fee. I have attached a breakdown of the services provided to this response. We consider that the fees charged in respect of the services provided are reasonable. Please be advised that our management fee is also not determined by the seniority of the Property Manager. All Property Managers have access to the same training and wider support provided internally by RMG. Jemma who is your current Property Manager has a wealth of knowledge and experience managing similar developments locally.

Unfortunately, I am unable to share individual residents account details/balances as part of this complaint response for GDPR reasons. Any late payment fees charged remain with the individual and are not recovered from the Service Charge. If any residents are unable to pay or would like to put a payment plan in place, it is important that they contact our customer service team to discuss the options available. The customer service team are available 24 hours a day to assist with any accounting or payment query.

Where there are grounds too, we can remove late payment fees in agreement with individual residents. When these costs are removed, they are not recovered from the management company. Such costs are not able to be recovered from the service charge.

## **Tenders for Landscaping**

At the moment only the areas highlighted on the site plan are maintained under contract with Envirocare. The Sports Pitches and remainder of the estate remain under the management of the Developers at present. We will notify you once areas are ready to be handed over. Thank you for the feedback regarding the standard of Envirocare's Grounds Maintenance, particularly with regards to the maintenance of the trees. Jemma is working closely with Envirocare to ensure that the managed areas are to a high standard and in line with the contract specification. We will ensure that any issues raised are addressed. We are making arrangements for any deceased shrubbery to be replaced as required and Jemma will continue to monitor during our site visits. Please be advised that Jemma undertakes 4 site visits per year to review the standard of grounds maintenance and other service provided. The frequency of our visits will increase as additional POS areas are completed and handed over.

Both Jemma and Envirocare have raised concerns with the drainage of the pathways with Taylor Wimpey and I understand that the issue is now resolved.

With regards to the Hedges and Shrubs, the main boundary hedge is not within the managed areas and is still being maintained by Taylor Wimpey's Grounds contractors. We will ensure that all hedgerows and POS areas are to the required standard prior to handover. I understand that there are a number of failed shrubs within the managed areas, that haven't taken well due to the nature of the ground. Envirocare has proposed a replacement with a different species of plant that may be more appropriate, but the costs to do so are significant (around £7k). Jemma is in discussions with Taylor Wimpey regarding the funding, as we are looking to recover the cost of the works needed from the developers.

The Management Proposal is a document intended for the developers as part of our tendering process. The details contained within the proposal are subject to change in agreement with the client. I am sorry that there has been a change to the Property Manager at Wrexham Garden Village and give assurance that we do aim to keep such changes to a minimum to ensure that you receive continuation of service.

I'm sorry that you have been dissatisfied with the services provided by RMG to date. Whilst meetings have taken place with the Residents Association, we will commit to the following going forward to ensure that communication is improved:

1. An annual general meeting with all residents commencing in 2025.
2. Quarterly in person meetings with the Residents Association. I am happy to come along to the next meeting and propose that we also invite Envirocare to review the communal grounds at the same time.
3. We have arranged for quarterly newsletters to be issued to all residents to keep everyone informed of any changes or planned handovers.
4. A residents drop-in surgery will be held following the issuance of the budget and accounts each year to assist with any residents' queries.
5. We agree to tendering of service contracts annually (grounds to be included once fully handed over).

As mentioned above, I will also ensure that the management fee for 2024 is in line with the 2023 fee. This will be reflected within the next year end accounts. I hope that the above addresses your concerns. Should you require any further information, please do not hesitate to contact me.

Your sincerely,

Kelly Harvey  
Regional Manager

RMG is open 24 hours a day 7 days a week. Please call 0345 002 4444 to speak to Customer Services.

**Do you want to receive invoices and correspondence in an electronic format?**

To sign up to RMG's Paperless Service, click [here](#). You can also sign up through your RMG Living account at [RMGLiving](#) or by using the online chat button at [www.rmguuk.com](http://www.rmguuk.com).

----- Original Message -----

**From:** [customerservice@rmguk.com](mailto:customerservice@rmguk.com) [customerservice@rmguk.com]

**Sent:** 12/11/2024, 09:48

**To:** [kingsmoatra@gmail.com](mailto:kingsmoatra@gmail.com)

**Subject:** Resolve Complaint Acknowledgement - Case Ref: (03799279)



Dear Kings Moat Residents Association,

Thank you for your below email.

We can confirm that your concerns have now been raised as a formal complaint at the Resolve stage of our complaints procedure. At this stage your concerns will be investigated by the appropriate management team.

Your grievances will be fully investigated and a response issued within 10 working days. If, for any reason, we are unable to issue a response within this timescale you will be provided with a revised timescale for resolution.

Please find attached a copy of our complaints procedure. This details the full procedure from beginning to end and provides information on how to raise your complaint externally should you remain dissatisfied with the outcome reached by RMG.

If you have any further questions, please call us on 0345 002 4444 and a member of our customer services team can assist further. You can also email us at [customerservice@rmguk.com](mailto:customerservice@rmguk.com).

Yours sincerely,

**Catherine S**

Complaints Analyst

T: 0345 002 4444

E: [customerservice@rmguk.com](mailto:customerservice@rmguk.com)

W: [www.rmguk.com](http://www.rmguk.com)



Residential Management Group Ltd

Chelford House, Gadbrook Park, Northwich,  
CW9 7LN

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----- Original Message -----

**From:** Kings Moat [kingsmoatra@gmail.com]

**Sent:** 07/11/2024, 15:15

**To:** [kelly.harvey@rmguk.com](mailto:kelly.harvey@rmguk.com); [jonathan.webster@taylorwimpey.co.uk](mailto:jonathan.webster@taylorwimpey.co.uk); [lisa.waugh@taylorwimpey.co.uk](mailto:lisa.waugh@taylorwimpey.co.uk); [jason.newton@redrow.co.uk](mailto:jason.newton@redrow.co.uk); [romangreen@redrow.co.uk](mailto:romangreen@redrow.co.uk); [gareth.williams@redrow.co.uk](mailto:gareth.williams@redrow.co.uk); [paul.hitchen@rmguk.com](mailto:paul.hitchen@rmguk.com); [jemma.last@rmguk.com](mailto:jemma.last@rmguk.com)

**Cc:** [razia.daniels@cheshirewestandchester.gov.uk](mailto:razia.daniels@cheshirewestandchester.gov.uk); [danielle.obrien@estatespm.co.uk](mailto:danielle.obrien@estatespm.co.uk); [matt.carter@cheshirewestandchester.gov.uk](mailto:matt.carter@cheshirewestandchester.gov.uk)

**Subject:** Kings Moat Formal Complaint

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

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Good Afternoon,

Please find attached a formal complaint from the Kings Moat Residents' Association.

Thankyou

KMRA

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Kings Moat Residents Association [kingsmoatra@gmail.com](mailto:kingsmoatra@gmail.com)