

SCHEDULE 1

DEVELOPMENT MANAGEMENT SCHEME

PART 3

MANAGEMENT

RULE 7 –

APPOINTMENT OF MANAGER

First manager

7.1 The first manager is [*complete name and address of manager*] and–

- (a) acts as manager until the first annual general meeting is held;
- (b) is entitled to reasonable remuneration; and
- (c) is eligible for reappointment.

Appointment of manager

7.2 The association–

- (a) at the first annual general meeting; and
- (b) where the manager’s period of office expires or a vacancy occurs, at any subsequent general meeting,

is to appoint a person to be manager on such terms and conditions as the association may decide.

Certificate of appointment

7.3 Not later than one month after the date of a general meeting at which a person is appointed to be manager–

- (a) that person; and
- (b) on behalf of the association, a member,

must sign a certificate recording the making, and the period, of the appointment.

RULE 8 –

DUTIES OF MANAGER

Duties of manager

8. The manager must manage the development for the benefit of the members and in particular must–

- (a) from time to time carry out inspections of the scheme property;
- (b) arrange for the carrying out of maintenance to scheme property;
- (c) fix the financial year of the association;
- (d) keep, as respects the association, proper financial records and prepare the accounts of the association for each financial year;
- (e) implement any decision made by the association at a general meeting;

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- (f) in so far as it is reasonable to do so, enforce—
 - (i) any obligation owed by any person to the association; and
 - (ii) the provisions of the scheme and of any regulations which have taken effect;
- (g) if there are regulations, keep a copy of them (taking account of revocations and amendments); and
- (h) keep a record of the name and address of each member.

RULE 9 –

CALLING OF GENERAL MEETINGS

First annual general meeting

9.1 The first annual general meeting must be called by the manager and held not later than twelve months after the day on which, in accordance with rule 2.1, the association is established.

Annual general meetings

9.2 The manager must call an annual general meeting each year; and a meeting so called must be held no more than fifteen months after the date on which the previous annual general meeting was held.

Other general meetings

- 9.3** The manager may call a general meeting at any time and must call a general meeting if—
- (a) a revised draft budget requires to be considered;
 - (b) required to call that meeting by members holding not less than twenty five per cent. of the total number of votes allocated; or
 - (c) so required by a majority of the members of the advisory committee.

Calling of meeting

9.4 Not later than fourteen days before the date fixed for a general meeting the manager must call the meeting by sending to each member—

- (a) a notice stating—
 - (i) the date and time fixed for the meeting and the place where it is to be held; and
 - (ii) the business to be transacted at the meeting; and
- (b) if the meeting is an annual general meeting, copies of the draft budget and (except in the case of the first annual general meeting) the accounts of the association for the last financial year.

Validity of proceedings

9.5 Any inadvertent failure to comply with rule 9.4 as respects any member does not affect the validity of proceedings at a general meeting.

Member's right to call meeting in certain circumstances

- 9.6** Any member may call a general meeting if—
- (a) the manager fails to call a general meeting—

- (i) in a case where paragraph (b) or (c) of rule 9.3 applies, not later than fourteen days after being required to do so as mentioned in those paragraphs; or
 - (ii) in any other case, in accordance with this scheme; or
- (b) the association does not have a manager.

Procedure where member calls meeting

9.7 Where under rule 9.6 a general meeting is called by a member—

- (a) any rule imposing a procedural or other duty on the manager in relation to general meetings (other than the duty imposed by rule 9.4(b)) applies as if it imposed the duty on the member; and
- (b) if there is a manager, the member must send that person a notice stating the date and time fixed for the meeting, the business to be transacted at it and the place where it is to be held.

RULE 10 –

GENERAL MEETINGS: QUORUM

Number required for quorum

10.1 A quorum is—

- (a) where there are no more than thirty units in the development, members present or represented holding fifty per cent. of the total number of votes allocated;
- (b) where there are more than thirty such units, members present or represented holding thirty five per cent. of the total number of votes allocated.

Quorum necessary for meeting to begin

10.2 A general meeting is not to begin unless there is a quorum; and if there is still no quorum twenty minutes after the time fixed for a general meeting then—

- (a) the meeting is to be postponed until such date, being not less than fourteen nor more than twenty eight days later, as may be specified by the manager (or, if the manager is not present or if there is no manager, by a majority of the members present or represented); and
- (b) the manager (or any member) must send to each member a notice stating the date and time fixed for the postponed meeting and the place where it is to be held.

No quorum at postponed meeting

10.3 A meeting may be postponed only once; and if at a postponed meeting the provisions in rule 10.2 as respects a quorum are not satisfied, then the members who are present or represented are to be deemed a quorum.

Quorum need not be maintained

10.4 If a general meeting has begun, it may continue even if the number of members present or represented ceases to be a quorum.

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RULE 11 –
GENERAL MEETINGS: VOTING

Allocation and exercise of votes

11.1 For the purpose of voting on any proposal at a general meeting one vote is allocated to each unit; and any right to vote is exercisable by the owner of that unit or by someone (not being the manager) nominated in writing by the owner to vote.

Exercise of vote where two or more persons own unit

11.2 If a unit is owned by two or more persons the vote allocated to that unit may be exercised by either (or any) of them; but if those persons disagree as to how the vote should be cast then no vote is counted for that unit.

Decision by majority

11.3 Except where this scheme otherwise provides, a decision is made by the association at a general meeting by majority vote of all the votes cast.

Method of voting

11.4 Voting on any proposal is by show of hands; but the convener may determine that voting on a particular proposal is to be by ballot.

RULE 12 –
GENERAL MEETINGS: FURTHER PROVISIONS

Election of convener

12.1 The members present or represented at a general meeting are to elect one of their number or the manager to be convener of the meeting; and on being so elected the convener is to take charge of the organisation of the business of the meeting.

Additional business

12.2 Any member present or represented at a general meeting may nominate additional business to be transacted at that meeting.

Manager to attend and keep record of business transacted

12.3 Except where unable to do so because of illness or for some other good reason, the manager must attend each general meeting and–

- (a) keep a record of the business transacted; and
- (b) not later than twenty one days after the date of the meeting, send a copy of the record of business to each member,

and where the manager does not attend the convener is to nominate a person present to carry out the manager's duties under paragraphs (a) and (b) of this rule in respect of the meeting.

RULE 13 –
SPECIAL MAJORITY DECISIONS

Special majority required

13.1 The association may–

- (a) make a payment out of any reserve fund which it has formed; or
- (b) use any money held on behalf of the association to carry out improvements or alterations to, or demolition of, scheme property (not being improvements, alterations or demolition reasonably incidental to maintenance),

but only after the association have, at a general meeting, by majority vote of all the votes allocated, determined to do so.

Consent of owner to be given where not common property

13.2 Where scheme property is not the common property of the members (or not the common property of members who between them own two or more units) a determination under rule 13.1 for the purposes of paragraph (b) of that rule may be implemented only if the owner of the property consents in writing to the improvements, alterations or demolition in question.

RULE 14 –
EMERGENCY WORK

Power to instruct etc.

14.1 Any member may instruct or carry out emergency work.

Reimbursement of member

14.2 The association must reimburse any member who pays for emergency work.

Meaning of “emergency work”

14.3 “Emergency work” means work which requires to be carried out to scheme property–

- (a) to prevent damage to any part of that or any other property; or
- (b) in the interests of health or safety,

in circumstances in which it is not practicable to consult the manager before carrying out the work.

RULE 15 –
ADVISORY COMMITTEE

Power to elect advisory committee

15.1 The association may at a general meeting elect such number of the members as it may specify to form an advisory committee whose function is to provide the manager with advice relating to the manager's–

- (a) exercise of powers; and
- (b) fulfilment of duties,

under or by virtue of this scheme.

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Manager to consult advisory committee

15.2 Where an advisory committee is formed, the manager is from time to time to seek advice from the committee.

RULE 16 – VARIATION

Deeds of variation under article 7

16.1 The manager may, on behalf of the association and after consulting the advisory committee (if any), grant a deed of variation under article 7 of the Development Management Scheme Order, and at the first general meeting after the granting of the deed the manager must then report that it has been so granted.

Deeds of variation under article 8 and deeds of disapplication

16.2 The manager may, on behalf of the association, grant a deed of variation under article 8 of the Development Management Scheme Order or a deed of disapplication but only after the association has, at a general meeting, by majority of all the votes allocated, determined to do so.

RULE 17 – WINDING UP

Distribution of funds on winding up

1. Where funds are distributed under rule 6.2 the basis of distribution is that each unit receives one share.