

# Wentworth Estate Roads Committee Presentation to AGM on 19<sup>th</sup> June 2017

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Chairman WERC (appointed Chairman February 2017)

# Today's talk

Reminder of what WERC does as opposed to WRA

Highlights of 2016/2017 activities

- Review of Settlement with Wentworth Club and PGA European Tour
- Roads progress in last year
- Planning Issues
- Security Issues
- 2016 Financial Summary

Planned activities in 2017/2018

Comments on Survey

WERC Membership

# Reminder of what Wentworth Estate Roads Committee does as opposed to WRA

- Statutory Body set up under Wentworth Estate Act 1964, generally known as the “Roads Committee” or WERC. Covers 720 properties on the Estate itself, and about 400 “adopted” properties.
- Responsible for fixing and collecting Road Rate.
- WERC Revenue of about £900k vs WRA £50k
- Responsible for all Planning permissions on the Wentworth Estate (dual approval needed with Runnymede Council)
- Owner of and responsible for maintaining most of (but not all) the roads on the Wentworth Estate and the verges to those roads
- Authority to enforce the covenants on individual properties
- WERC not responsible for any issues outside the Estate, although of course individual Committee members have views
- WERC does not get involved in issues between Wentworth Club and its members nor generally in disputes between neighbours unless covenant breaches involved

# WERC - Highlights of 2016/2017 activities

- Review of Settlement with Wentworth Club and PGA European Tour
- Roads progress in last year
- Planning Issues
- Security Issues
- 2016 Financial Summary

# WERC - Highlights of 2016/2017 activities

## Review of Settlement with Wentworth Club and PGA European Tour

- WERC's 2016 Committee inherited a historic situation where there was no or little observance of covenants or working rules or of property rights, and a return to WERC of £14,100 in 2015 and £12,800 in 2014
- Survey done in early 2016 showed overwhelming support for the continuation of the Tournament but also overwhelming feeling that the return of £14,100 pa was not adequate
- WERC started litigation against the Club and PGAET in May 2016, having engaged lawyers from February 2016
- Litigation was finally settled on 8 June 2017, and this fact was communicated immediately to all WERC road rate payers and to WRA leadership.
- In summary, a considerably higher return now achieved in a 10 year deal and also a far more satisfactory contractual framework.

# WERC - Highlights of 2016/2017 activities

## Details of Settlement with Wentworth Club and PGA European Tour (1)

- Annual Fee as follows in 10 year deal (excluding VAT) :
  - 2016 : £150,960 (full and final settlement of dispute, consideration for Improvement Works Licence and contribution to legal costs)
  - 2017 : £100,000
  - 2018 : £100,000
  - 2019 : £110,000
  - 2020 – 2025 : £110,000 + inflation adjustment
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- This is a total of £1,120,960 over 10 years if no inflation as opposed to the £141,000 approximately that would have been collected under the old regime, a gain of £ 980,000.
  - Against this excellent gain, significant legal and related costs have to be deducted, but the overall gain to WERC is still more than £600,000 over 10 years.

# WERC - Highlights of 2016/2017 activities

## Details of Settlement with Wentworth Club and PGA European Tour (2)

It was never all about money. In addition WERC has signed with the Club and with the PGAET a ten year **Tournament Licence** which establishes a contractual framework for the tournament including the following :

- a) Contain setup and dismantling time as much as possible. Not to exceed 13 weeks in the absence of a force majeure event
- b) Tournament to be substantially similar to the 2016 tournament
- c) Reasonable compliance with the Estate Contractors Working Rules which are subject to certain exceptions to provide necessary flexibility.
- d) No restrictions on Estate Residents using Estate Roads during the Tournament other than temporary restrictions allowing players to tee off.
- e) Estate residents will receive complimentary tickets to the tournament each year

# WERC - Highlights of 2016/2017 activities

## Details of Settlement with Wentworth Club and PGA European Tour

### (3)

Finally WERC has signed with the Club an [Improvement Works Licence](#) dealing with the existing improvements to the West Course, and intended improvements to the Edinburgh and East Courses. This licence establishes a contractual framework for this.

# WERC - Highlights of 2016/2017 activities

## Roads progress in last year

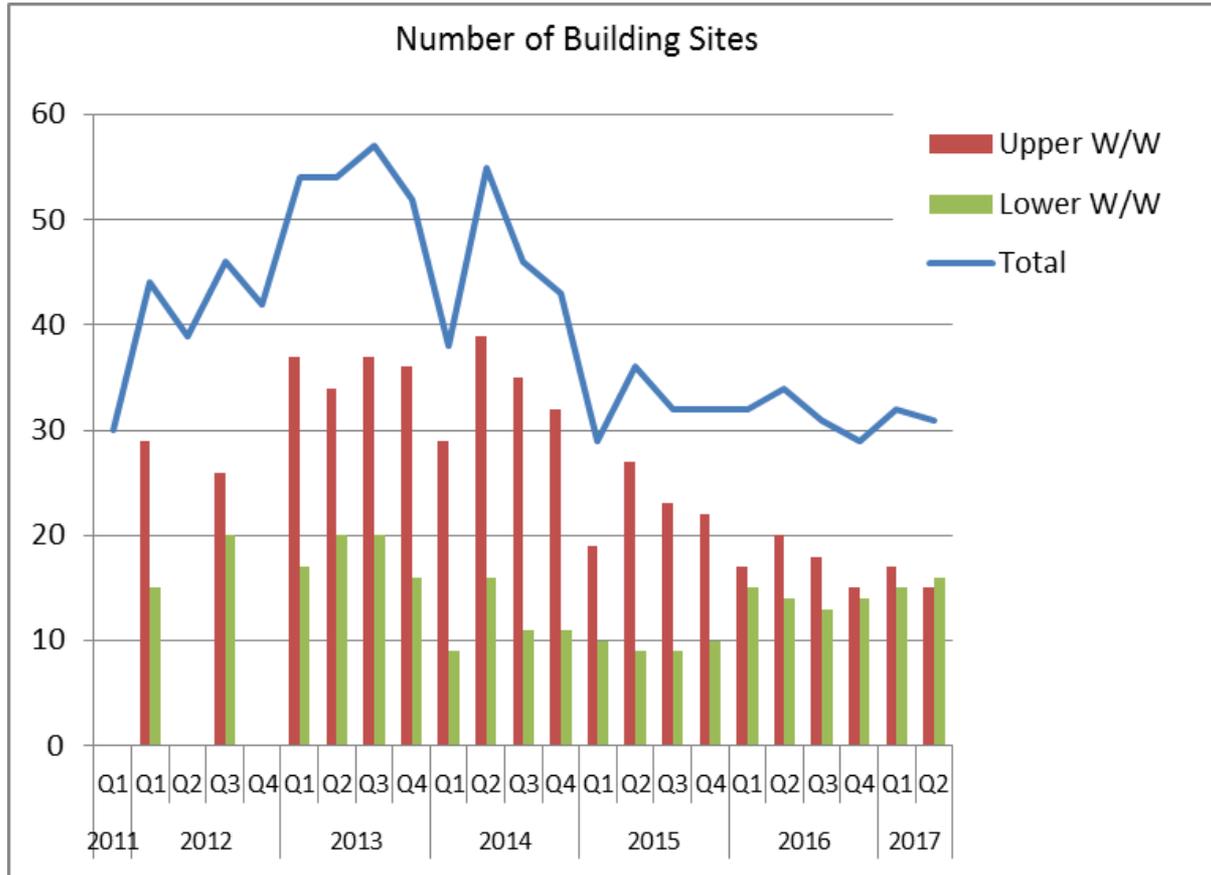
- Expenditure on road maintenance and improvement rose slightly despite high commitment to Club legal costs
- Road improvements include Pinewood Road, Portnall Drive with works completed in previous year in Woodlands Road West and Gorse Hill Lane
- Other improvements include new road sweepers, refurbished bridges, mobile antennae on tree to improve coverage, bulb planting, tree work, gulley cleaning and jet-washing, as well as the progressive removal of ugly stones on verges and their replacement where appropriate with wooden barriers.
- External visitors from other estates have commented favourably on the beauty and good upkeep of the Estate
- No doubt in our mind that this is all value enhancing to properties on the Estate

# WERC - Highlights of 2016/2017 activities

## Planning issues

- Number of new developments on the Estate is significantly down on 2 to 3 years ago. Factors include rise in property prices reducing demand and causing houses to be on the market for longer, stamp duty, widening of the CGT net, uncertainty of Brexit, fall in Russian Rouble in 2015 etc etc.
- For planning permissions, WERC applies fair and consistent rules and judgment, designed to strike a balance between the views of those residents who would like a development free for all with the views of those residents who would like to see absolutely no development, or at any rate no development that creates any noise for them.
- One significant change brought in by WERC in 2016 was the change in planning approvals that requires applicants to sign a development contract which includes a maximum period for development. This addresses the annoyance of some residents over developments that have gone on for far too long.

## Wentworth Estate Roads Committee



# WERC - Highlights of 2016/2017 activities

## Security issues

- Cannons were engaged in 2016, and this has created a large amount of almost wholly positive feedback to WERC
- However despite this, there has been a spate of burglaries on the Estate and neighbouring areas.
- My recent letter covers that and also suggests various precautions discussed with the Police
- Security briefing being organized for residents in conjunction with Runnymede Police and Cannons Security. Date to be confirmed.
- If you are a resident and want to be kept up to date on this subject and your name is not on our email database send us your email address to [werc@wentworthestate.org.uk](mailto:werc@wentworthestate.org.uk), specifying also your name and physical address.

# WERC – Financial Summary 2016

- Overall revenues £ 920,344 (2015 : £ 721,548)
  - Administrative expenses £ 1,100,676 (2015 : 675,890)
  - Operating deficit £180,322 (2015 : Surplus £ 45,658)
  - Interest receivable £ 786 (2015: £ 1,581)
  - Deficit before taxation £ 179,546 (2015 : Surplus £ 47,239)
  - Deficit after taxation £ 181,359 (2015 : Surplus £ 46,203)
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- Revenue includes accrual of £150,960 from Club/PGAET (2015 : £14,100)
  - Admin expenses includes £ 362,678 in legal fees of which £322,000 in relation to Club/PGAET litigation up to December 2016.
  - 2017 expected to show return to surplus with £ 100,000 from Club/PGAET partly offset by further £ 55,000 approx. in legal fees re Club/PGAET

# WERC – Initiatives for 2017

- More business as usual now that Club/PGAET issues settled
- Continued work on Estate maintenance
- Initiative to digitise current and historical records
- Ongoing review of policy, how Longcross etc likely to impact the Estate, and likely impact/cost
- Rebuild financial reserves while trying to keep the road rate lower than it would have been

# WERC – Take on WRA Survey

- Communication can be improved - accepted, particularly this year when WERC had to keep the Club dispute details confidential until settled
- Good co-operation between WERC and WRA agreed by all to be desirable
- Co-operation on medium term plan is good, but devil in detail on what that actually means
- Dilemma is that the survey shows no enthusiasm by WRA members to pay more than £100 pa membership fee, yet this will leave WRA with a funding deficit if it wants to do significant lobbying
- WERC Committee view is that it is strongly supportive of some of the WRA lobbying initiatives and related fundraising HOWEVER it does not believe that WERC should spend (or has a mandate to spend) its money on these WRA initiatives, so separate fundraising by WRA is the way to address the funding gap. This has been done successfully in the past on other initiatives which residents have cared about, and is the best blueprint for the future

# Elections and Questions and Answers

Thank you very much for your attention today, and now we proceed to the elections and to Q&A