

2016 AM Minutes for St Paul's Court Management Company

held on Tuesday 12th July at All Nations Christian Centre, Reading

Attendees:	44	40	5	30	23	24
	3	Neville Pedersen (Pedersen and Company)				
Apologies:	46	29				

1. **Welcome.** Deborah Winyard (DW) introduced herself, Paul Metcalf (PM) and Neville Pedersen of Pedersen & Co (NP). The attendees introduced themselves. It was noted that Graeme Streets has sold his flat so is no longer a director, and the remaining directors thanked him for his hard work over the years.
2. **2015 Minutes:** The minutes were accepted.
3. **Matters Arising:** Flat 30 asked if, as the year end is now December, the AM can be brought forward as this will avoid the discussions being so far behind the actual events. The directors agreed that the AM will be brought forward, however the date will be dependent on when the accounts can be completed, as our year end now coincides with the deadlines for individual tax returns and therefore this is a very busy period for our accountants.
4. **Review of the Accounts for the 9 months ending 31st December 2015 (DW).**

Further to agreement at a previous AM, money has been put into an interest-bearing account, however as interest is paid annually this interest does not show up on the accounts for the year ending Dec 2015. Our status as a non-trading company means we are exempt from paying tax up to a certain threshold and the interest accrued is below that threshold. DW explained that the signatories on the new account are the directors only. It is a notice account so if SPCMC accessed the account in an emergency we would forfeit interest. Flat 3 asked what the item "investment income" was – DW responded that it was the interest on the building society account so although shown as an investment on the accounts is not a risky investment, the account has the same protection guarantee as a UK bank account. DW will ask the accountant if a note to the accounts can be added for future years.

Flat 30 queried the transactions with directors. DW explained that the directors' rebate was applied up to 31st December 2015, and would show as £0 on the next accounts. The directors stopped taking a reduction in maintenance fees once Pedersen & Co took on more responsibility. The rebate appears on the main balance sheet as a reduction in contributions.

Key financial updates since the accounts ending Dec 15: Pedersen & Co has now taken on more responsibility which is not reflected in these accounts but will be in future years. The additional professional fees are around £2000 per year, which has been offset by the directors no longer taking a reduced maintenance fee.

NP recommended we get SPC revalued as this could lead to lower insurance premiums. This cost around £200 to do and has resulted in a reduction in the buildings insurance premium of around £2600, which should be an ongoing annual saving. In addition, NP obtained a part-year rebate of around £1700.

DW stated that the reserve policy was to maintain a £30,000 reserve. It was previously proposed to survey St Paul's Court to aid in planning future long-term expenditure, but further research has shown this would be costly at around £8,000 and not give us the insight we were hoping for, for example the surveyor would not be able to examine the roofs closely. Consequently, this was not deemed good value for money and we are no longer planning to do this. Pedersen & Co has previously advised that based on

his block management experience, the size of reserve we are holding is adequate. Flat 30 asked if Heritage had an interest in maintaining the structure. NP replied that no, if Heritage repaired anything they would recharge SPCMC. The responsibility for repairs lies with SPCMC.

We continue to hold terrorism insurance, which is costly (around £1700) but necessary. NP explained terrorism insurance: blocks of flats are considered to be commercial for insurance purposes, so terrorism insurance is not included in the ordinary premium. Areas deemed high risk include major commercial centres. If an incident was deemed to be terrorism, we would not be covered without terrorism insurance.

DW said external painting was scheduled for 2017. We hope to run a surplus this year.

Michael Bright who has sold his flat did pieces of maintenance so we are spending more money on handymen.

Rubbish removal (bulky waste) continues – if anyone can show who is dumping rubbish SPCMC will bill the leaseholder. NP said councils were cutting back on emptying bins. Flat 23 said that plastic bags containing rubbish should not be put in the red bins. There are clear signs at the entrance to the bin areas and users of the bins should take note. Directors agreed to arrange for notices to be put up on the noticeboards to remind people.

Budget: The budget for 2016 was circulated. There are no major expenditures planned for 2016.

5. **Highlights since last AM (DW)**

Garage leases: Heritage own 7 garages which they let out – they want to sell them and create new leases with SPCMC as a party. If SPCMC are to agree to further leases we want to ensure we do not take on any unexpected responsibility that is a detriment to existing members, SPCMC need to make sure that the new leaseholders are responsible for maintaining their garages. Discussions are ongoing with Heritage.

Lease extensions: It has been highlighted to us that some lease extensions do not have SPCMC as part to the lease (e.g. DW's lease which was extended in 2007). We recommend leaseholders check their lease extensions and consult your solicitor if you have a query. Heritage have indicated they will be sympathetic to approaches by individual leaseholders in this matter.

Abandoned cars: Leaseholders have recently reported potentially abandoned cars parked at the court. NP can find out if a car is taxed and insured, but getting owner information from DVLA is more difficult. We adopt a procedure of placing notices on potential abandoned cars and correspond with the leaseholder of the associated flat to get these removed. As St Paul's Court is private property, the council are not interested in removing these.

Sky: A Sky surveyor was brought in to see if communal satellite television/broadband was possible. It is not possible because of trees. Cable is the only alternative option.

Intumescent strips: Following a Fire Brigade visited us in January 2015 and wrote a report for us. If a leaseholder changes their front door it has to be up to modern regulations e.g. no letterbox flap; intumescent strips needed. Each flat is a safety cell – the advice is to stay put, not escape – a person should not expose themselves to danger in the stairwells such as smoke. Flat 30 said that Lima Court, a 1960s development, has emergency ladders. NP said that Fire Risk Assessments in 2007 contained old recommendations which changed completely by 2011. DW advised the Fire Bridge Report did not advise we needed ladders.

Brickwork stains from overflows: A stain removal treatment has been tested on flats 1-6. The results are not perfect, as the whiteness was removed but some of the stain remains. Photos of before and after the test area was treated were shown to the meeting. It was agreed to treat the remaining walls. Flat 2 overflow has been dripping again, NP will notify the flat owner. Once the rest of the walls have been treated photos will be taken of all walls. The removal of any stains added after that due to leaky overflows will be charged back to the appropriate flat owner.

Flat occupants have been emailing Pedersen & Co about maintenance needed around the court and some are including pictures which is useful. Prompt notification of issues enables repairs to be done quickly, which prevents further deterioration.

6. Maintenance Plans/Charge 2016

DW said the maintenance charge will be unchanged for the next year. We have a healthy reserve, but this will decrease significantly in 2017 when we have the exterior paintwork done. Once the external painting is done the directors will be in a position to review the funds held and the maintenance charge.

External redecoration is possible using scaffolding or a cherry-picker. Flat 5 said that gutters should be cleared at the same time which was accepted. DW described the section 20 procedure which is invoked if a project costs more than £250 per leaseholder (over £14,000 in total) which is likely in the case of the exterior painting. SPCMC get 3 quotes and the quote values are provided to leaseholders. Leaseholders may then propose an alternative contractor to SPCMC and if this is done SPCMC will obtain a further quote from that contractor. This process therefore takes some time so if any leaseholder has a contractor they would like to recommend they should do so now – so that contractor can be included in the initial round of quotations. Flat 3 asked if the contractor we used previously was OK. NP replied that the redecoration had held up well; the contractor was not the cheapest but came well recommended. NP has good contacts also.

There was a proposal from two leaseholders to add a bench by the Holybrook. NP estimated the cost of the bench plus hard standing and labour costs at approx. £1000. It was felt this was not the best way of spending funds.

7. AOB and close

It was noted that we were looking for at least one new director in order to spread the workload.

Kenneth Pearson, leaseholder of flat 39 and regular attendee, has passed away suddenly. Our condolences go out to his family.

Flat 30 proposed a vote of thanks to the directors which was accepted.