

Minutes of the Annual General Meeting of Rivermead Court Limited

Held at the Hurlingham Club on Monday 3th June 2019 at 7.00pm

Directors Present:

Mr Thomas Hackett	Chairman	Mrs Carol Ferguson	Chair of the Finance Committee
Mr Peter Green	Director	Mrs Deborah Richards	Director
Mr Timothy Soane	Director	Mr Bernard Weatherill	Director

Directors Not Present:

Mr Michael Stevens	Director	Mr Timothy Halford	Director
Lady Fiona Fowler	Company Secretary		

In Attendance:

Mr Peter Tiao	Treasurer	Mr Ian Gilbert	Managing Agent, Faraday
Mr Graeme Elkington	Building Surveyor, Faraday		

Invitees:

Mr Jeremy Smith, Wellden Turnbull Ltd Auditors
 Mr Michael Cave, Chair of the Estates Committee
 Tim Stranack, Business Development Director

Thomas Hackett Chairman of the Meeting took the Chair and welcomed the shareholders of Rivermead Court Limited for their attendance at the Annual General Meeting.

The Chair outlined the order of business for the meeting and confirmed the receipt of 4 proxy votes from Mr Schmiegelow, Mrs Sheffield, Mr & Mrs Horn and Whitesides Ltd. Apologies were expressed on behalf of Faraday Property Management for an email that was inadvertently included with the AGM papers were circulated.

The Chairman’s Statement - Appendix 1

Delivered by Thomas Hackett

Carol Ferguson drew out the following points arising from the annual report and accounts.

The Service Charge Accounts

Expenditure in 2018 exceeded the budget by some £73,000. The key differences were primarily attributed to overspends on staff costs. The category of building repairs was also over budget, but some improvements were included such as laying the stone paths and paving the former summer house base.

The costs of water hygiene have fallen partly due to higher water temperatures. RCL has maintained its £40,000 contribution to water hygiene.

Gas costs are down, but the savings hoped for as a result of the replacement of the boilers have not been fully realised, partly the result of prices. Boiler repairs exceeded the budget and will be a continuing burden under the current system.

The Reserve Fund Accounts

The only significant major work carried out in 2018 was the emergency lighting which amounted to nearly £190,000. Along with the 2017 Fire Detection costs, these were unbudgeted costs incurred as a result of newly imposed regulations with which Rivermead Court is required to comply. So far in 2019, a further £194,000 has been spent on emergency lighting.

In 2019, there will be major expenditure on roof works and the East Block external refurbishment. It is apparent from the quotations received for the East Block works that current levels of inflation in the construction trades are at a much higher rate than the annual 5% increases in the Reserve Charge. The Board is mindful of the need to keep costs under control as far as possible to avoid larger rises in the Reserve Charge.

Rivermead Court Limited Statutory Accounts

Repairs and Maintenance includes the cost of refurbishing the garages, construction of new storerooms, and expenditure on staff flats. The former house manager's flat is being refurbished for rental and this should start to provide income later this year.

Income from storage is expected to increase further in 2019. However, company expenditure continues to outstrip rental income primarily due to one-off improvements. "

Ordinary Business

Ordinary Resolutions

- 1. To receive and adopt the Directors' Report and the financial statements for the year ended 31 December 2018 and the report of the auditors thereon (the "Accounts").**
Proposed by Thomas Hackett and Seconded by Carol Ferguson

- 2. To re-elect Thomas Hackett, who retires by rotation, as a Director.**
Proposed by Bernard Weatherill and Seconded by Tim Soane

- 3. To re-elect Bernard Weatherill, who retires by rotation, as a Director.**
Proposed by Thomas Hackett and Seconded by Tim Soane

- 4. To elect Michael Cave as a Director.**
Proposed by Thomas Hackett and Seconded by Tim Soane

- 5. To re-appoint the Wellden Turnbull Ltd as auditors and to authorise the directors to fix their remuneration**
Proposed by Thomas Hackett and Seconded by Tim Soane

Carol Ferguson updated Shareholders on preparations for offering lease extensions as follows:

The offer to extend leases is unlikely to be made before the autumn of 2020. An informal poll of residents received 160 (77%) responses out of a possible 207. All except one indicated that they would be very likely to take up the offer of a lease extension.

The reason for the delay in making the offer is that the Board has been advised by the solicitors that it would be unwise to apply to the Tier One Tribunal for the necessary lease changes to allow the pipework to go forward while the Leases were in various states of renewal. The Tribunal will only accept the applications if all the leases are identical. This would not be the case if lease extensions were granted before the Tribunal application were submitted. The current plan is for the Lease extension offer to be made as soon as possible after going to the Tribunal.

Once the lease changes required for the Heating project have been drafted by Rivermead's legal advisers, all leaseholders will be asked to agree to the changes in a ballot. 75% acceptances are required, with no more than 10% dissenting. It is important therefore that all leaseholders participate in the ballot to enable the project to proceed.

Rough calculations indicate that the likely cost of premiums will not be very different from those given at the last AGM. The leases will have two years less to run, implying a slight increase, however valuations in this part of Fulham have been soft and are likely to offset the less favourable discount calculations.

Pipework Project

Tim Soane thanked Gerald Wombwell, Michael Stevens & Peter Green on the Pipework Committee and Annabel Barkes, Jane and Julian Thompson & Patrick Hanratty on the Leaseholder Focus Group.

Tim reminded the meeting of the plan: to replace all the communal pipework and serve each flat with a Heat Interface Unit (HIU) for hot water and heating; to charge for heat used (as we voted for in 2013/4 and is now the law); to have a long transition to 2034 to minimise disruption inside flats; and that RCL will pay for the communal pipes and HIUs from lease extensions receipts; pipework internal to the flats will be for the leaseholder's account

In response to written questions from Ms Lise Vaudin #41 about the reasons for the approach adopted way, he said

- The pipes will fail before too long. Waiting for that to happen would result in residents being without water for many months
- The system is inherently unhygienic and costs around £70k a year to keep safe
- The pipes cannot and should not be replaced 'as is' - cost astronomical and still unhygienic
- Practically every option has been considered and the solution voted for in 2013 remains the best;
- The new system will be more efficient - saving money once the old system is switched off (over and above the hygiene measures)
- It will be controllable within the flat
- It will last: parts will need replacing of course but because they are all accessible this can be done in a planned way

Tim gave a recap on actions in the last year:

- Maintained safe supplies (He thanked residents for flushing and asked them to keep doing it)
- Streamlined sampling and testing saving about **£20,000** a year
- Following a tender, appointed solicitors, **Bishop & Sewell**, to make the lease changes for pipes and extend the leases

- Appointed a project coordinator, Patrick Davies, to make sure that the three strands - tribunal, lease extension & mechanicals - fit together and can be paid for while minimising the tax payable by RCL
- Leaseholder Focus Group has appointed Prospect Law to advise leaseholders independent of RCL and leaseholders are free to obtain their own advice
- Installed a few more HIUs and future-proofed (up to **32** now or in progress)
- Issued the consultation in January and received many helpful supportive replies and, understandably, some questions about how people will make the changes in their flats, which I have tried to answer individually. (He offered to speak to other leaseholders, particularly about their options within their flat)

Tim outlined the next steps:

- Discuss/agree the pipework lease changes with the Leaseholder Focus Group and their lawyers. Awaiting a draft from Bishop & Sewell
- Issue the ballot; gather the votes; apply to the Tribunal. This will involve lots of paper
- Secure a more up-to-date estimate of costs, which will mean doing some design work, for which we will need to pay Ramboll
- He appreciated how difficult it is not knowing when things will happen. He promised to give as much certainty as possible as soon as possible.

Questions asked

Mike Dudgeon Flat 111

I note in the accounts that the Company made a loss in the in the last tax year, and the year before that.

Yes – there are £800k of tax losses which will be used for the pipework

Gavin Trechman Flat 91

Pensions, can you remind me how the Pensions are managed.

All staff members are members of a pension fund and there is no unfunded Company liability.

Rosie Harris Flat 5

We gave generously to the Staff Christmas Fund, why was it shared out so late? Can you reassure me that it will not happen again?

Barclays Bank were at fault and made setting up a new account exceedingly difficult, they accepted responsibility for the delay, it will not happen again.

Sue Riley Flat 22

What provision is being made for electric cars?

If residents have an electric car they will be able to charge it in their garage. Garages will be made available for the owners of electric cars. To date no one has requested this, and it appears that as yet no one has bought an electric car.

Mike Dudgeon Flat 111

2 questions to Tim Soane – You said you want some money to get a full quote for the pipework, how much money?

To have a final plan with the estimated costs will cost in the region of £35K

A plea for adequate time to review all the pipework documentation and paperwork

Yes

Belinda Haig Flat 172

The heating is still on in my flat, when will it be turned off?

The heating has been turned off; however, the control button does not seem to be working and the engineers have been called out.

Jen Tatham Flat 113

Hot water comes out my cold taps and the loos do not flush.

Mixer valves need to be serviced to ensure that the cold and hot water are kept separate and the water pressure is the problem with the loos, these challenges will be overcome with the new pipework.

Karen Springthorpe Flat 135

Can we have softener in the water?

Currently the hot water has some softener in it, we are not able to soften the whole supply as it makes it undrinkable. You can put a Water Softener in your flat and John Wells, the Water Consultant, can advise you how to do this.

Rosie Fellowes (Proxy) for Christopher Osborne Flat 115

Please can you review the policy on keeping dogs?

Supplementary question asked by Karen Springthorpe Flat 115

What about Support Dogs?

Chairman explained why this was not a policy that will be changed, the request had been considered at length by the Board and there was no justification to change. Even if a poll gave a majority for dog ownership, those who had moved to Rivermead on the basis of no dogs being allowed would feel that they had been penalised. Support Dogs were different as they were properly trained and of course would be allowed. However, to date we have never had a resident with a support dog.

Virginia Pendock Flat 95 added the following comment.

When she first lived here dogs were allowed, and the barking and noise when they were left alone was awful. In addition, when owners became too frail to walk them they made a mess all over the garden.

Molly Bartle Flat 78

Thanked the Board and the Rivermead Staff for all that they do.

Tim Stranack, Business Development Director from Community Fibre gave a brief overview of the company and outlined the process of how and when the fibre will be installed at Rivermead Court. Tim relayed a question asked previously by email

➤ Is it our own network or are we dependant on BT, Openreach or Virgin?

this is all our own network the existing customers we have a very happy with it although Openreach regulator have allowed us to use their pipes under the road it means we don't have to dig up the whole road to get these cables down to you

Openreach will start turning off the copper network starting 2025 which is why the government is keen to get this new fibre caballing installed.

The Chair posed two the questions; the location of the router as cabling will enter the flat at the back door, although the tv or laptop will be in another room, and the fact that the walls are very thick which will hinder the signal strength. Tim outlined that Community Fibre will work with the resident to ensure their router is wired through the flat to their desired location, and that a booster router could be installed to ensure coverage around the flat.

The Chairman thanked the members for their attendance at the Annual General Meeting, the Board, the members of the Sub Committees and the staff of Rivermead Court.

Thereafter the Chairman declared the meeting as concluded.