

# Sinclair Proprietors Development Meeting

7pm 25th January 2012 - Gorgie/Dalry Parish Church

**Meeting:** 007

**Attending:** see attached sheet

**Chairing:** Chris Chapman (4 Sinclair Place) [CC]

**Representing the Factors:** Nancy Lambert [NL], Jeni Bole [JB], Ken Whittle (Insureness) [KW], Alan Henderson (Quantum Forth) [AH]

## 3. Committee Report

CC gave the committee's report for the period since September:

- The committee has met three times, to discuss plans, primarily for working with the factors and how to progress the issues of financial accountability and refurbishment plans
- We have constructed a website (<http://sinclairresidents.org.uk>) to better communicate with the development throughout the year.
- We have been through a billing cycle (September/October) and worked with Aspect to minimise any billing mistakes. As part of this we have, together with Aspect, established the exact apportionments for the charges expected, as the majority of billing mistakes have been from charges being shared amongst the wrong sub-set of proprietors. A document has been produced detailing the charges and apportionments and is available on the website.
- Chris Hutton (the Treasurer) reports:
  - We worked with Aspect to agree a process whereby we could examine the invoices and financials prior to them being distributed to proprietors.
  - For the first billing cycle we worked through that process, with a few hiccups, getting to see Aspect's billing systems and invoicing processes work.
  - A large sample of invoices for ad-hoc charges were examined and were mostly found to be correct.
  - Some mistakes of billing and mis-apportionments were spotted, varying between a few pounds to much larger charges.
  - All but two of the mistakes were corrected prior to the final invoice, and those which did make it in will be verified as fixed in the subsequent invoice, due at the end of January.
  - The next billing cycle we hope will go much more smoothly, and we will continue to keep an eye on all aspects of the development financials.
- We have, together with Aspect, established a list of refurbishment items of varying priorities that could be implemented, and we are working with Aspect to turn that into a schedule / plan, detailing when proprietors can expect to see work done, when regular refurbishments are next due, and the expected cost
- As part of that, we hope to be able to better plan out the raising of finances for refurbishment work (both through the refurbishment fund and from ad-hoc charges), so necessary work is not delayed while money is raised.
- The plan will be a work in progress, continually updated, and will be communicated to proprietors via the email list and website as soon as it is available.

## 7. Factors Report

Delivered by NL, accompanied by a documentation pack (scans of which will be made available on the website).

- NL took over from Alex Corrigan at the end of July 2011
- The gutter cleaning / roof inspection was tackled in late November (paid for from the refurbishment fund at a cost of £14,904)

- The line painting around the electricity substation near 7 SP, requested by the council to facilitate refuse lorry collections, was tackled in November.
- The townhouses were brought into the development billing as of August 1st, and were included in the December billing cycle.
- Re-tendering for the gardening contract was on-going and due to complete soon, and that some amount of re-planting would happen in the spring
- Noted that work was ongoing to nail down a refurbishment plan as described by CC
- Gave estimates for the external paintwork refurbishment (the most pressing of the work needing done), which should happen before end of summer 2012
- Noted that the cleaners had attempted a new type of deep cleaning for the stairwell carpets, but that the test showed the carpets were worn rather than dirty.
- Noted that the internal redecoration of stairs was needed, ideally starting in summer 2012 but possibly into summer 2013. Programme to be set out in due course, commencing with those stairwells most in need of refurbishment.
- The cleaners (ARC) are taking on cleaning out of the bin-stores at no additional charge
- Noted that insurance for next year was likely to be an issue, given the poor claims history of the development; and encouraged proprietors to make use of services like First Call to make sure their properties were well maintained.
- Education of proprietors responsibilities in regards to maintenance would be helpful, also noted that the current policies for charging claim excesses should be reviewed (in consultation with the committee) in an attempt to put the burden more onto proprietors who are negligent in maintaining their property.
- The high excesses for water damage claims means that the maintenance float is now insufficient and will need reviewed.
- The outstanding debt to the development was around £21K, of which £8K is old debt being pursued.
- JB noted that Aspect had changed their debt collection agency to one which would be more proactive and effective at reclaiming the debt.
- Aspect will be switching over to a new billing / invoicing system as of April 1st, which should help to streamline work and reduce mistakes.
- Aspect have added a letting department who have offered their services to proprietors.
- Aspect, in consultation with the committee, have reviewed and set this year's management fee increase at 5%, to take effect as of April 1st. This fee increase has no bearing on the current agreement with the committee to provide additional administrative services, however Aspect will continue to review this agreement to ensure it is cost effective for them.

#### **4. Dismissal and re-appointment of the Factor**

CC noted that the fees Aspect had set allowed the proprietors to make a fully informed decision to reappoint, and that they could be confident in the costs for the duration of the appointment. As described in the title deeds, the proprietors are obliged to dismiss and reappoint the Factor on an annual basis, even if the same Factor is continuing. This is a formality, but one that needs to be observed for the proprietors to be fulfilling their obligations. The deeds insist that there must be a Factor at all times.

##### **a) Motion to reappoint Aspect Residential as the Factor**

It was noted that as Aspect were the only available option as Factor, we would be in breach of the deeds if they were not reappointed. CC pointed out that despite that fact, of the 28 proprietors passing their proxy to him, 2 had voted not to reappoint Aspect, and 1 had abstained, citing disappointment with Aspect's past efforts; however in addition another proprietor had spoken up to say they were happy with Aspect's work.

- The vote was called, and the counts were: 48 in favour (28 proxy + 20 in person), 3 against (2 proxy + 1 in person), and 1 abstention (by proxy); and so the motion was carried

## **b) Motion to seek tenders from other factors prior to the 2013 AGM**

CC noted that the committee felt it important that the proprietors be offered a choice of factors (given that the current factor had been appointed by the original developer rather than a vote of proprietors). However since even considering a change of factor is a major thing, the committee considered support from the proprietors necessary before doing so.

Malcolm Warrack of 5 SP spoke up to suggest that Aspect be given another year to 'settle in' given the scale of recent changes, and that postponing tendering till next year might be better.

It was discussed and agreed that changing factor is a major thing, not to be undertaken lightly, and that a pre-existing rapport with a factor is a positive and valuable thing; also that this wasn't a process that would be repeated every year. CC noted that Aspect would of course be included in the re-tendering, and the proprietors are free to reappoint Aspect by popular vote when the choice is presented.

AH spoke up for Aspect, noting the change from McBrides was accompanied by Angela Henderson (his wife) taking charge of the company; admitting that McBrides was neither popular nor particularly effective, but that all of the McBrides staff had now been replaced and that it was a radically different company now. It is established on a 5-year lease in new offices, and is improving the software systems in use.

It was also pointed out by Aspect that the ~£21K debt could not be transferred to another factor, so any decision to change factor would have to accept that cost, split amongst the proprietors (who are jointly and severally liable for the debt). The distinction between McBrides and Aspect was raised, and it was clarified that both are the same legal entity (only a name change), so no transfer of debt needed to take place between them.

It was clarified that there are no written contractual terms binding Aspect to the development or vice versa; so no minimum terms or notice is involved. Aspect are working to establish a written document stating clearly the agreement with the development, which would include notice periods.

- The vote was called, the counts were: 37 in favour (9 in person, 28 by proxy), 13 against (10 in person, 3 by proxy) and 2 abstentions (in person); and so the motion was carried.

CC made clear that the committee would endeavour to go about the re-tendering process with a minimum of impact to the day-to-day business of the development, and that no decisions would be made one way or the other without another binding vote of a proprietors general meeting.

**Action (007-01):** Committee to invite factors to submit tenders for development to consider

## **5. Dismissal and re-appointment of the Sinclair Proprietors committee**

The interim committee appointed in September had all agreed to stand again, with the exception of Colin Douglas (representing Sinclair Close). Stuart Hamilton (of 30 SP) had volunteered to represent 30-31 SP. There were no volunteers to fill the vacant spot, or contest any of the other spots, and so the committee was re-instated as follows:

- |                              |             |                                |
|------------------------------|-------------|--------------------------------|
| • Chris Chapman (4 SP)       | - Chair     | - representing 32 SP           |
| • Barry Moore (1 SG)         | - Secretary | - representing 1-5 SG          |
| • Chris Hutton (28 SP)       | - Treasurer | - representing 27-29 SP        |
| • Richard Simpson (2 & 3 SP) |             | - representing 1-2 SP          |
| • Rosina Weightman (7 SP)    |             | - representing the town-houses |
| • Alan Eccles (19 SP)        |             | - representing 18-20 SP        |
| • Bob Buchanan (6 SP)        |             | - representing 3-6 SP          |
| • John Fox (24 SP)           |             | - representing 24-26 SP        |
| • Stuart Hamilton (30 SP)    |             | - representing 30-31 SP        |

**Action (007-02):** Committee to seek a representative for Sinclair Close

## 6. Motion to approve the changing of the locks on the bike sheds, with new keys to be distributed by request to the factor

CC detailed the reason for the motion: the bike sheds are now effectively insecure, due to the keys being so widely copied and distributed. While there are many things about the bike sheds that need attention (lighting, access, abandoned bikes, rubbish), the security is the first priority. Since asking proprietors to request a key (rather than having one by default) is a significant change, the committee felt a vote was required. The relatively small cost of the lock-change (being a development repair) would be borne equally by the 306 properties, but the cost of key copies would only be borne by those actively using the bike sheds (a far smaller number)

It was noted that a solution which did not require any key cutting (such as a keypad or combination lock) was more desirable, and the committee and factor would look into a potential solution, but regardless of the lock type chosen the locks needed to be changed.

Concern was raised that lock changing might happen too abruptly and people would be locked out; CC clarified that the lock change would be publicised several months in advance.

- The vote was called and the counts were: 38 in favour (19 in person, 29 by proxy), 2 against (by proxy), with 2 abstentions; and so the vote was carried

**Action (007-03):** Committee to enact a plan for changing the bike shed locks

## Discussion of roof repairs / insurance

Alan Henderson (Quantum Forth, Aspect's surveyors) gave report on the storm damage repairs, summarised as follows:

- 3 distinct storms (early December, late December and early January)
- Increasing amounts of damage to tiles each time; especially the hip-ridge tiles (those ridges joining the gutters to the apex)
- Repair work covered under the block insurance policy
- Emergency repairs, securing and making weather-tight was done as quickly as possible
- Full reinstatement of roof tiles has been delayed due to insurers calling in loss adjusters due to the scale of the damage (estimated to approach £100,000)
- Emergency work done by 24 Roofing, loss adjusters are looking to appoint a different contractor
- Independent project management has been requested to ensure quality / completeness of works; Aspect and AH would be monitoring closely
- Hip ridge tiles are secured using mortar only, there is an option to attach them more securely and reduce the risk of recurrence dramatically, however this would be additional work, to be paid by the development and not covered under the insurance claim. AH was asked to get estimates for how much that work would be so that a later decision could be taken on authorising the work.
- Claim excess should be £750 (3x £250 excess), split evenly amongst flats in buildings affected. The majority of buildings are affected.
- Proprietor complaints about scaffolding being erected and then sitting idle were noted, but it was pointed out that emergency work was done prior to Christmas. Complaints about scaffolding also causing damage in the storms were noted, but it was pointed out that damage would have occurred even if no scaffolding had been erected.

**Action (007-04):** AH/Aspect to provide quotes for better securing the hip-ridge tiles

**Action (007-05):** Committee to consult on having the hip-ridge tiles better secured

Ken Whittle of Insureness (Aspect's insurance broker) was asked to talk on the block policy situation, summarised as follows:

- The insurer has made a loss on our development every year since 2007/08, paying out around £90K more in claims than they collected in premiums.
- We are a very unattractive development to other insurers due to this. Our current insurer has been quite fair despite this, KW recommends staying with them and taking advantage of the good relationship in place.
- Insurance gets put out to tender every year to get the best deal; negotiations over excesses have

got us better terms.

- We will probably face higher premiums and excesses next year due to poor claims history, but must wait until renewal to see how bad. Massive storm claim this year will also be reflected in renewal.
- Claims analysis and surveys of properties relating to water damage claims came up with nothing conclusive. It was noted that tenanted properties were no more likely to cause water damage than owner-occupied flats.
- Need to be pro-active in tackling preventable claims to reduce claims before we will see improved premiums / excesses.
- Survey of reinstatement value needs done (last was in 2001), this will be arranged for summer 2012

## Summary of actions

Action	Description	On
007-01	Committee to invite factors to submit tenders for development to consider	Committee
007-02	Committee to seek a representative for Sinclair Close	Committee
007-03	Committee to enact a plan for changing the bike shed locks	Committee
007-04	AH / Aspect to provide quotes for better securing the hip-ridge tiles	AH/Aspect
007-05	Committee to consult on having the hip-ridge tiles better secured	Committee

## Attendance - Sinclair Proprietors Development Meeting (25/1/2012)

Chris Chapman (4 SP)	Caroline Aynsley (18 SP)	Pamela Gidney (6 SP)
Dawn Allen (15 SP)	Mr Morrison (31 SP)	Alec Webster (3 SC)
Richard Gibb (27 SP)	John Williamson (31 SP)	Peter Williamson (2 SP)
John Morrison (32 SP)	C. & W. Mackay (26 SP)	R. Weightman & J-B. Richon (7 SP)
Stuart Hamilton (30 SP)	Jane Buxton (4 SC)	Malcom Warrack (5 SP)
Richard Simpson (2&3 SP)	Trudy Thomas (2 SG)	John Fox (24 SP)
Barry Moore (1 SG)	Robert Houston (26 SP)	Louise Ballentyne (24 SP)

### Votes by proxy

Penny Curtis (26 SP)	Sheila Robertson (24,27 SP)	M McKenna (25 SP)
Alan Marshall (3 SG)	Brian McConnell (29 SP)	Ian Lawson (29 SP)
Paul Bruce (2,3,4,4,25,30 SP)	Christine Henderson (32 SP)	Beate Dennis (20 SP)
Catherine O'Connell (5 SP)	Alan Eccles (19 SP)	Chris Hutton (29 SP)
Stuart McKay (6 SP)	Alan Nisbet (5 SP)	Gloria Craig (29 SP)
Andy Beveridge (2 SC)	Susan Grant (28 SP)	Keith Tait (18 SP)
Margaret Robertson (19 SP)	Brian Henry (19 SP)	Amanda Lott (5 SC)
Fiona Dawe (30 SP)	Joanne Clarke (9 SP)	Bob Buchanan (6 SP)
Linda Campbell (6 SP)		