

Sinclair Committee Meeting Note

28th May 2019, 7pm – 9pm, Gorgie Church Hall

Attendees

Sinclair Committee:	Myreside:
Alex Schooling (Chair)	Peter Bertaut (PB)
Alan Dickson (AD)	
Ruth Evans (RE)	
Pamela Gidney (PG)	
Niall Scott (NS)	
Rosina Weightman (RW)	

Committee Pre-Meet 7 - 7.30pm

AS welcomed everyone to the meeting.

AS/AD/RE/PG/RW discussed the following:

- **Myreside Fee Change** - there was a re-cap of the points raised by the Committee via e-mail about the fee increases proposed in Myreside's rev1 and latterly rev2 fee structure –i) level of change, noting the rise above inflation rise; ii) understanding of the key factors driving the change; iii) management fee model and iv) committee remit to ask queries of the information provided, but not an approver/endorser function.
- **Communal Electricity** - AD updated there had been further positive progress since the last meeting in March and all 29 electricity accounts are now transferred to Myreside. AD shared that liaison with Myreside and Scottish Power (SP) continues to establish the balances on each of the eight accounts held by SP.

PB joined the meeting at 7.30pm.

NS joined the meeting at 7.45pm.

1. Myreside Fee Change

- Further to receipt of the rev2 fee structure issued by Myreside on 16/5/19¹, there was discussion about the points raised by the Committee via e-mail on the 22/5/19. The key points discussed included:
 - PB advised the suggestion of the Committee to consider apportioning the percentage increases in rev2 (ranging from 6.7% to 7.9% depending on charge) on an incremental basis by charge between 2019-2022 was not a feasible option due to the reduced income that would result for Myreside.
 - PG offered the further alternative of reviewing the profiling of the fee increase over the three-year period in such a manner to retain the same level of income to Myreside. PB advised Myreside had not increased the fees on the basis of a set income for the period between 2019 to 2022 and the increase would be as presented i.e. 6.7% to 7.9% increase in 2019 with the fees then held for three years.

¹ This followed queries raised by the Committee on 12/5/19 to the rev1 fee information issued on 25/4/19 outlining a fee increase in 2019 ranging from 8.3% to 12.7% depending on the charge element. The new fees would apply until 2022.

- In discussing the change in fee period from two to three years, PB advised this varies across developments and the change to three years at Sinclair made with good intention. This was acknowledged, but noted that while there is no contractual tie-in were there a change in the Factoring contract within three years this would adjust the percentage year on year increase to owners (albeit a change in the contract is not a current consideration).
- The Committee sought to further understand the factors driving the fee changes which were observed to be above inflation. PB noted that staff time is a factor with the gardens specifically highlighted. It was commented by PG that, while the efforts of the gardening team have been recognised and previously acknowledged by the Committee, the bid submission by Myreside for the Factoring contract in 2017 committed to return the gardens to a good standard for the fee stated in the Tender. PB re-stated the time factor involved with the intention being to continue to commit to the gardening effort to ensure the standard remains high. PB also commented that Myreside had gone over and above on occasion during their tenure as Factor since May 2017. AD queried if there were any other factors driving the increases, such as fuel; office costs. PB reiterated that staff costs were the most significant factor to the fee increases presented and noted these to be in line with other developments managed by Myreside, and wider industry.
- The Committee suggested Myreside may want to consider providing some accompanying narrative to explain the fee changes when advising the wider ownership of the increases. **Action: PB (31/5/19)**
- The discussion concluded with PB confirming Myreside would be increasing their fees for Sinclair as per rev2:
 - **Flat management fee** - £32/flat/quarter (previously £30/flat/quarter).
 - **Townhouse management fee** - £10.75/townhouse/quarter (previously £10/townhouse/quarter).
 - **Stairwell cleaning** - £16.85/flat/quarter (previously £15.75/flat/quarter)
 - **Garden maintenance** - £9.73/flat/quarter (previously £9.02/property /quarter).
- It was agreed the fee changes will be effective from 1st June 2019 rather than 1st May 2019 to tie in with the next quarterly billing cycle.
- PB reconfirmed the commitment that the fees for the management of the flats and townhouses and garden maintenance as well as stairwell cleaning will be held for the three year period to 31st May 2022.
- PB also confirmed that while the fees were being held for a three year period there was no contractual tie-in and the Statement of Service permits the Sinclair owners or Myreside to serve a three month notice on the Factoring contract at any time.
- The Committee sought clarification of the management fee model with this previously working to a fixed fee apportionment basis between all properties with the townhouse fee two-thirds less per property to reflect the smaller amount of management time. PB qualified that the Myreside management fee operates on a per property basis and that the level of difference between the flat (£30/property/quarter) and townhouse (£10/townhouse/quarter) charging is commensurate with the division of time between development wide and flat only management activities. RW noted that the townhouses originally paid no

management fee for the first five years post-occupation and she had been a key advocate at the time for the townhouse owners to be paying a fee for the Factor management activities they benefit from at a development wide level.

[Post-meeting note: Following the meeting, PB advised the Committee by e-mail on 29/5/19 of a revised fee structure (rev3) taking account of comments at the meeting while trying to be fair – this entails a flat 5% increase on all four charge elements in 2019 with the fees held for a two year period. The increase would be effective from 1st June 2019 and reflects the final fee change carried forward].

2. Electricity

- PB/AD confirmed the outstanding SSE meter/account transfer for 4SP has now been addressed. The £61.99 incorrectly billed by SSE for a flat within 4SP will be credited and chased up as required to close this matter This will also need to be credited to owners following the flat/development wide usage apportionment. **Action: PB/AD (28/6/19)**
- The eight electricity accounts held with Scottish Power have also been transferred and communication is ongoing to establish the debt position. **Action: PB/AD (28/6/19)**
- PB advised that £1,217 has been paid by Myreside to Scottish Power in May 2019. PG raised the point discussed previously of a 12 month limit to the back-dating of charges for unpaid sums. With amounts going back to May 2017 the Committee asked that Myreside make no further payments to Scottish Power and that invoices received with a billing date from 1/5/17 are put into query. PB agreed to this and that the amount paid to date will not be billed out to owners until the full position is known for all eight Scottish Power accounts. **Action: PB/AD (28/6/19)**
- It was agreed a formal complaint will be submitted to Scottish Power regarding the following points:
 - Query on why invoices are being issued for debt that is two years old when back-dating permits unpaid debts can be recovered for a maximum 12 month period?
 - Query what attempts were made by Scottish Power to obtain payment for each of the eight Sinclair accounts they hold in the 24 month period since May 2017, including details of who was contacted and when.
 - Changes in the account balance information received leading to questions on the accuracy of Scottish Power's account management system for Sinclair and citing all examples/enclosing invoices e.g. the changing 32SP debt position between Nov-18 and May-19.
 - Inaccuracies in the account details, citing the accounts at 26P and 4SG which share the same account number in information issued by Scottish Power.
 - Overall poor customer service citing examples, e.g. the previous complaint submitted by AD which was closed in Scottish Power's system prior to full resolution.
- A letter of complaint will be drafted by PB in liaison with AD and shared with the wider Committee prior to submission to Scottish Power. **Action: PB/AD (14/6/9)**
- PG noted that if the complaint to Scottish power is not satisfactorily addressed after eight weeks then the Energy Ombudsman can be engaged on the matter if necessary.

- PB also advised he had received communication from Scottish Power for debt on three electricity accounts pre-dating May 2017. PB noted he intends to contact Scottish Power to advise the debt is not a Myreside matter as they were not the Factor at the time. **Action – PB (5/6/19)**

3. AGM Paperwork

- AS confirmed 18/6/19 as the revised date for the AGM. RW and NS offered their apologies.
- PB to update the Factor Report with details about the electricity situation and also Myreside's fee increases (including a brief outline of the reasons for the change in fees). PB to circulate the final Factor Report to the Committee prior to issue to owners. **Action: PB (30/5/19)**
- Committee Report to be reviewed for currency after the time which has elapsed since the original version was drafted. Updated version to be returned to Myreside for issue alongside the other AGM paperwork. **Action: AS (31/5/19)**
- There was a brief discussion about the presentation of the electricity information to owners at the AGM. It was agreed a short background to the situation would be useful context alongside an outline of the progress made in this Committee year and current position. **Action: AS/AD (18/6/19)**
- AGM invite and papers (Agenda; Factor Report; Committee Report and voting form) to be issued to all owners. **Action: PB (3/6/19)**

4. AOB

- The next meeting will be arranged after the new Committee is voted in at the AGM on 18/6/19.

Sinclair Resident Committee
June 2019