

PROPRIETORS ASSOCIATION GLASGOW HARBOUR (TWD)  
AGM Minutes on 13th October 2011 at 7p.m.  
at St. Peter's church hall, Chancellor St/White St, Partick Glasgow.

In Attendance: Malcolm Carrick(MC), Ian McCarley(IM), Alan McClelland(AM), Kathleen Grace(KG), Rod McKendrick(RM), Simon McGillivray(SM), Stephen Gray(SG), John Midghall(JM), Liz McGlinchey(LM), David Doran(DD) (H&P), Craig Sorley(CS)(H&P).

Apologies Received: Alan Waugh, Alicia Salceda.

After taking an initial count of the number of flats represented by the registering process conducted by Murdo MacLeod, Kathleen Grace and David Doran of Hacking & Paterson then added the number of proxy votes received in advance. The result was a few short of the required quorum (20% or 65) required to carry through any passed motions on behalf of the 321 owners however under the terms of the deeds H&P have the final say in whether in their opinion there is sufficient representation to fairly act on behalf of all owners. In this case 4 short of the required 65 was deemed acceptable and therefore approximately 7.05pm the meeting was underway. It is duly noted that there were some latecomers who signed in at the end of the meeting effectively reaching the required quorum.

LM proceeded to provide housekeeping and safety information before running through a brief plan of the format for the evening advising an expectation to be finished by 8.30 before inviting MC to open the meeting with his Chairman's Report.

MC began by thanking everyone for coming along then introduced each of the committee members in turn including the representation from H&P, David Doran Manager for our Development and his assistant Craig Sorley. He acknowledged the loss of 2 members since last year, Mark Docherty and John Mulcahy who had to step down due to other commitments but thanked them for their contributions to the committee along with welcoming our two newest members Stephen Gray and John Midghall who joined during this past year. At this point MC acknowledged the vast amount of work time and commitment that Ian McCarley the Vice Chairman has given to the group over the past years and in announcing his decision not to stand for re election this year would leave a huge gap in our resources and he would be sorely missed by all. Taking this opportunity to advise our fellow members of the opening for two people to join the existing committee who all wish to stand for re election tonight. In particular to allow representation from all parts of the development, he then encouraged anyone from 10 Castlebank Drive and 312 Meadowside Quay Square to consider joining us. We do understand that all blocks are experiencing different problems therefore it would be beneficial having coverage of the whole development when considering solutions and decisions which will affect everyone.

Many people over the past year have lent their expertise, time and help in whatever capacity they could manage and as such MC proceeded to thank Murdo MacLeod for his assistance in preparing and co-ordinating the registration process as well as supporting us throughout the year. He also thanked Ben Sawatsky, Liz Tracey, Bob McIntyre, Euan Miller and Alex (Alicia's partner) for all of their assistance. Malcolm also thanked the committee at this point for all of their time and efforts during the past year recognising the amount of time spent attending meetings at least every 4-6 weeks and recognised the support received from H&P, at times on the phone daily, also their efforts to assist and improve both relations and general running of the development. Reiterating that we constantly seek the assistance from fellow members in whatever area of experience or expertise they may have as with family and lifestyle commitments ourselves, everything does take up a lot of time as we strive

to give up our spare time to achieve results. However if this is not your cup of tea we would also welcome any assistance on an adhoc or project basis.

From feedback received we took on board the need to improve communication. We set up the red post box outside of the concierge office for residents use plus encourage use of the notice boards in each basement. The website has been up and running for over a year and with the help of RM is updated regularly. Very early on we recognised the need to improve the dialogue with H&P, since then, due to effort on both sides can confidently say we have achieved this and find a better understanding of each other's position. H&P made a commitment to attend every 2nd committee meeting with us and keeps both parties focused and able to better prioritise issues of the development. We have produced two newsletters already this year and opened up a channel of communication with Glasgow Harbour Ltd bringing to their attention poor maintenance issues within the areas of their responsibility i.e. bins, Square lighting, the Rise etc. We took on the challenge of reducing costs by controlling garage lighting, spent months negotiating with cleaning contractors to finally have a contract which will work with us to ensure a high standard of cleaning in every area is maintained. We met with Community Police, tried to deal with car parking issues, negotiated new CCTV cameras which have improved whilst not completely resolved, the car parking incidents in the garage. Much is still ongoing and indeed many will remain ongoing e.g. Fabric fund which David will talk about shortly, the concierge duties to name but one plus other items on the to do priorities list which have been briefly looked at are the Lift Maintenance and Cradles also Solar Panels and Trace Heating System. We also experienced a break-in at the concierge office after which an alarm was installed. Records are now kept of maintenance carried out by contractors, including recently, the window cleaning service in the hope of improving their practices and encouraging where possible an environment that will promote proactive attention before something goes wrong.

Since day 1 there have been many problems which have not been addressed by the builder I am currently trying to draw up a comprehensive list of anything which has been communicated to them and as yet unresolved. If anyone has any evidence in writing of any such issue, could you please get a copy to me to enable us to follow this up with NHBC within the allowed timescale and to meet their requirements. They will handle only claims over a certain value. This matter is well overdue and would be an achievement if we could bring this to a close however collectively we have a better chance.

Some of the concerns we have received include litter and cigarette butts being evident everywhere throughout the development, people not using their own car parking space or not being aware of theirs, many more items were covered in the newsletters. Unfortunately whilst we recognise and agree these are unacceptable behaviours it is very difficult to influence changes in people's habits.

MC then made a plea to any Landlords present to please pass on these communications to their tenants as we fear that many people in rented flats may not receive this information.

MC then concluded his report, hoping that he had not spoken for too long and thanked everyone again for their attention.

LM then introduced Alan McClelland who has drawn up 2 pie chart illustrations which demonstrate the differences in this year versus last year charges. (On the wall for perusal.) Alan addressed the feedback received where many are unhappy with the current common account charges and the window cleaning charges.

AM advised the meeting that looking at the breakdown of charges, the two most costly areas are the services of the concierge and electricity. The Management fee totalling £50,000 per year, when this is divided between 321 properties it is not a lot of cost per person. Looking at the electricity costs of last year to this, it has actually gone down by 41%. The reason for this is that initially the developer tied us in to a three year deal with Scottish Power at a very high rate. Last year SG got

involved in this project analysing the costs and sourcing best deal available to us at the time did manage to secure a much better deal which has meant we have saved a lot of money this year, this contract has ensured that the cost per KW of usage has come down. In addition to that the committee took the decision and action to remove unnecessary lights from the garage/basement area, this has also we believe contributed to savings in usage. Another contributing factor to the electricity costs and prioritised as a concern of many of you is the burning of lights all day and night. Now we did look at changing the system which would reduce the time the lights were burning but this was quoted at around £40,000 at that time which we could say would now cost more however there were no funds to pay for this at that time. Its something we may need to consider again in the future but would be costly to implement and would need to be carefully looked into to determine if there would be an effective saving. Presently I don't have the answer to that. Some people have said that they should not pay for window cleaning as they do not get their windows cleaned, I also don't get my windows cleaned however under the terms of the deeds this is a cost which has to be shared by all. To improve the service being provided I would urge everyone to report to the concierge when their windows are not being cleaned. KG has provided the concierge with a folder containing a detailed plan of which windows should be cleaned, please feel free to call in and check it out. The concierge will complete a schedule for the notice boards, which should help to keep you informed as to when to expect the cleaning to be done. Another item of concern for you is the duties of the Concierge which we also recognise and have prioritised with two committee members already looking at this problem. Currently we have two concierges who seem to do admin, collect parcels but who are not allowed to climb a ladder. May I suggest that you contact us via the email facility on the website suggesting what you want from the concierge service. It seems to me that concierge is the wrong terminology for a start but I believe we do agree on the need for a better service and better value for money.

LM thanked Alan for his report, calling on Simon McGillivray to deliver the report from Alan Waugh who could not attend the meeting due to other commitments. This report provides both the history and current status of the common area cleaning contract.

#### Common Area Cleaning

In 2010 it was agreed that a review of the Common Area Cleaning was required. This was prompted by the declining standards of cleaning noted across the development. The existing provider Cleansweep, through various meetings on site with Cleansweep's Director and Operative, was given various opportunities to improve the situation. There was no subsequent improvement in the quality of cleaning and so it was decided to go to the market.

Through Hacking & Paterson, and using their standard specification, quotes were obtained from three similar service providers – Capital Cleaning, C.A.S and O.C.S. These were reviewed in February 2011 by the Committee and after full review and comparison, it was agreed that the contract with Cleansweep would be terminated and the contract would be awarded to Capital Cleaning. The decision to select Capital Cleaning as our provider was based on the quality of information given in the quote, their experience in providing similar cleaning at similar developments over long-term contracts, plus their quote was the most competitive.

In respect of the contracts, the annual cost comparisons are as follows:

Cleansweep	£32,760.00 inclusive of VAT
Capital Cleaning	£24,036.48 inclusive of VAT
Annual saving to owners	£ 8,723.52 inclusive of VAT

The previous Cleansweep contract used one operative on site each and every week, working his way around the development during the course of the week. Consequently, most areas of the

development received a once only weekly clean and there was no supervision or regular checking of quality by the company.

The new arrangement with Capital uses a team of operatives (generally 8 persons including a supervisor) who visit the development each Tuesday for a minimum period of 3 hours each, during which time they fully clean the block or area that they are assigned to. Their work is checked by the supervisor and there are further checks with our key account handler at Capital, Graeme Leitch. They provide extensive equipment and cleaning materials.

Since Capital Cleaning took over the contract, there has been marked improvement in quality in many parts of the development. However, it's recognised that improvements are still required in some areas and there have been regular meetings on-site with Committee members and Graeme Leitch to meet the standards required. This process will continue until all problems have been addressed. If necessary, we may decide to tweak the number of hours/ operatives, consider a second top-up clean pre-weekend or use some of the annual savings realised for related activities, e.g. occasional power washing, in order to reach the required standard of common area cleaning throughout our development.

All feedback and suggestions welcome...

LM thanked SM and handed the meeting over to IM who gave an update on the Insurance project which he is currently working on with fellow proprietor Alan Henderson.

Ian began by advising that having met with the Insurers and H&P in the past to try and negotiate better rates for our development gave him a better understanding of just what is involved and how the insurance companies come to decide on their figures for renewal. He noted that the premiums increased by approx 5% this year in part linked to inflation, effectively 3.8 + tax. We sought the assistance of Brokerage firm Hendersons, whose underwriter Jane Harrison did some work to look into the feasibility of us securing savings by changing insurers however many firms were not willing to take on a development of our size, therefore we were unable to secure a comparable quote. Due to the very high level of claims £69,000 against income of approx £100,000 thus making us very high risk from an insurers perspective. The reality is that we can expect a substantial increase in the premiums for this coming year based on the history mentioned. We will do well if we can at least maintain costs around the same level however in order to do that we need to undertake to employ assistance to make a case for a change in how our properties are insured and seek to change the overall value of the policy. We have started this work very early on in the hope that we give ourselves every chance of success. Fellow proprietor Alan Henderson has had some previous experience at other similar developments on this same subject and has offered his valuable assistance in co-ordinating for us. IM then handed over to Alan Henderson for his update to the meeting.

Alan introduced himself, as a property landlord with various properties across the country as well as Chairman of the Leith Development owners committee in Edinburgh. He also has properties in the Western Harbour development in Edinburgh, advising many similarities to our development given that it too was developed by Bryant Homes with many similar problems and aspects. The owners on Western Harbour development believed that their properties were over insured given that the value of the policy was drawn up depending on the cost paid for each property and not the usual benchmark of rebuild cost thus culminating in many flats over or under insured. Alan advised that some small flats were insured for more than larger flats. They approached 3 chartered surveyor companies, JB Hall, Graham & Sibbald and J&E Shepperd, finally choosing Graham & Sibbald. It was then established that we needed to get a true value for rebuild costs starting with surveying a cross section of the development to collate the square footage of each property. In the past with this

method Alan advised that he has had some measure of success where savings have been made however in some cases premiums have gone up therefore he advised that whilst he is more than happy to assist in co-ordinating this with the assistance of a surveyor there are no guarantees. At this point it was noted that he and Ian are seeking the floor plan to a property in block D and addressed the floor for assistance. Mr Brian Thompson acknowledged that he could provide this missing piece of information to the evident delight of Alan and Ian who have been chasing this piece of the jigsaw. Alan then explained that in order to facilitate further progress the surveyor will take all the data, make visits to approximately 15 flats in the development of varying styles to establish realistic information to enable us to approach the insurers with their reasoning on what a more accurate figure to be insured should be. He further advised that as property prices have dropped and some may go up it is recommended that a survey be carried out every 5 years. Again Alan reiterated that at Western Harbour where most properties did make a saving, a few did go up in premium and whilst he hopes for a similar success for Glasgow Harbour there are no guarantees. Alan then handed the meeting back to IM for his update on the Gas Flues situation to date.

IM then proceeded to complete his report the meeting by addressing the concerns voiced by a number of residents on the latest requirements in respect of the Gas Flues situation with regards to our properties. Ian advised that he is aware that many people have had different experiences in their dealings with the various central heating maintenance contractors to the extent that some have been passed and some have not. The question seems to be that some of these gas companies are not prepared to guarantee the safety of a boiler because they cannot see specifically the joint where the boiler enters the flue. In older property this would not be required however all relatively new properties do require this under the new legislation. Ian advised that he had spoken to Gas Safe very recently to gain the latest knowledge on the requirements and was advised that it is not mandatory to provide inspection hatches nor is it a requirement for them to sign off given that there may not be any hatches. This problem is a burden to each individual and as such will be up to each individual to take the necessary steps as they see fit for their own property. However he advised against anyone physically trying to make access to these vents as this may interfere with the building safety regulations attached to each home. It was also clarified that this would not be the responsibility of H&P. IM advised that he has also been in touch with some people who could carry out this work to allow a hatch to be put in place and the costs could amount to somewhere between £65 -£150 per flat. He also said that it would be prudent to use a gas safe engineer in order to get this approved and offered to provide further information at the end of the meeting should anyone wish to approach him.

The second part IM advised to this puzzle is the common flues which run like a modern chimney from the basement up through the building to the top. Currently there is a working party involved at looking at these C ducts and to date have not reported their findings. This area does come under the common area of maintenance and at some future date once the legislation is agreed and in place the development will need to take the necessary steps in line with the outcome. IM again advised the meeting that he would be happy to provide contact details for all of the people whom he has spoken to during this investigation.

AM then advised the meeting of his experience which was unfortunately that his gas servicing company took the view that his boiler was unsafe and actually switched it off however AM advised that they continue to use given no alternative. MC then interjected to reassure everyone that we are not unique and this is affecting a huge number of homes throughout the country. LM thanked IM for his input before inviting Stephen Gray to provide his report which answers the feedback received in respect of dissatisfaction with the current management company H&P.

SG REPORT : FROM DRAFT PROVIDED

Hacking & Paterson – It was suggested that Hacking & Paterson be removed and replaced with a factor that will provide both better services and a lower price.

The overall position in the view of the committee, not necessarily each individual on the committee, is as follows:

On forming the committee it was agreed that it should work with H&P in a cooperative manner to try and ensure the best outcome for the owners.

We have been fully involved in negotiating contract for insurance, electricity, cleaning, ground maintenance and other areas. At present we believe we have the best deals we can obtain in these areas representing over 60% of the factor costs.

It is noted that Hacking & Paterson obtain a commission on Insurance of some £25k, which together with the management fee of around £38k, mean they have an income of around £63k per annum or some 9% of charges / £16 a month per property. H&P have stated / confirmed that they take no other fees or commissions from the development.

Assuming total costs of around £460k per annum this represents an average of £1,433 per property. For modern apartment blocks with lifts, underground car parks and maintenance services this is no worse than most other developments.

In the past 2-3 years the outstanding amounts due by owners to the factor have been excessive, resulting in negative funding after taking into account deposits. Only recently has this been reversed after some significant success and the account is now running at a small surplus. The law as it stands prevents bankruptcy proceedings if a debt is under £3,000 and other restrictions are in place to prevent re-possession and thus the key is taking inhibitions to prevent sale of a property without fees being paid.

This has prevented the development moving ahead with improvements to the property – only now has this been possible, and additional cameras have been placed to improve controls especially in the car park. However, we now hope we can do more to improve the decoration in areas of the development and have taken steps to set up a “Fabric fund” to assist funds for planning on future improvements and maintenance.

In addition, lack of funding would have meant a change of factor would most likely have meant a loss of deposit/ floats and possible additional ones being requested. Debt recovery may have also been put at risk to make matters worse.

Removal of factors requires a 2/3rds majority of the owners which could prove difficult, although it is possible that this restriction may not be enforceable

Before we took the step of removing a factor, we would have to ensure that suitable alternatives are available and in place to step in, with legal areas of concern covered before we took such steps.

The committee have met with an alternative option, but they took the view that the approach was both unconventional and risky. Another alternative was also approached for an initial discussion but it is likely that costs would be similar.

We recognise that H&P can provide a better service and over time we expect a more pro-active approach to the Property management. With both committee involvement and other expert assistance (both from owner experts and professional experts) we will strive to improve matters.

From an owners perspective, in particular with buy-to-let owners, we also have our part to play to ensure we take good care – poor attention has resulted in lack of cleanliness, cigarette butts everywhere, neglect and high insurance claims, not paying factors bills, abusing the car park spaces, and be good neighbours to each other. That is why we have asked for possible future committee members, details of your areas of concern and experts to volunteer their services as the committee members all work full time and can only dedicate a limited amount of their time.

I hope this broadly covers the issue raised and understand we cannot keep everyone happy but would welcome any further comments we can take for future consideration.

Following SG report LM called upon David Doran of Hacking & Paterson to address the meeting. DD began by stating their position as managers of the development keen to work with proactive owners in moving things forward to maintain and keep improving the development, stating "we're here to help". One of the main challenges for a development such as Glasgow Harbour since day 1 has been the debt situation. As factors we have been fighting this, concentrating our efforts in recovering these debts. DD advised that not too long ago the level of debt was getting to a level where we couldn't continue to sustain the development and were considering our position, due to the lack of funding available. However, since this time, we have been able to focus on recovery and have been able to push forward and recover dramatically. DD advised that it isn't an easy task and can be very time consuming in chasing these outstanding debts. More recently there was success in reducing the outstanding debt from £231,450.00 to 140,950.00 which David recognised as still a substantial amount however progress can be seen. DD recognised that unfortunately due to the recent financial downturn and subsequent pressures on owners which have resulted in many units being repossessed which all adds to the overall continual debt situation with H&P effectively still funding the day to day costs whilst potentially the debt continues to grow. Last year David advised that H&P were out of pocket by £57,000.00 however as of today that has been reduced to a credit balance of £550.00. Presently H&P continue to fund the development for the best part of any quarterly accounting period, however, the improvement in the overall balance has a direct effect on ability to then give the go ahead to improvements such as the CCTV installation in the basement. Now that funds are being replenished David was hopeful that he could continue to work with the committee to get costs down where possible and where possible meet the requirements of effective maintenance. DD also acknowledged that they do not always get things right but assured the audience that they do aim to provide a good service and do not want to lose any development but prefer to strive for improvements to the benefit of all owners in protecting the value of their investments. He also acknowledged that hopefully soon owners would see the benefit of the fabric fund and he hoped to work with the committee going forward.

LM then thanked DD for his update and requested that he co ordinate the standing down of the committee and the re election process.

It was confirmed that all of the existing members with the exception of Ian McCarley were seeking re election.

David then asked for a proposer in favour of re election as afore mentioned - Alan Henderson proposed and Annette Gray then seconded the re election of the committee. LM advised the meeting at this point of the vacancy on the committee for two new members if anyone present had an interest in joining the group however no volunteer came forward. LM then encouraged anyone who may wish to assist on a support level for any period of time or project to please contact us via the website providing their contact details.

A time check at this point allowed questions from the floor. Owner Annette Gray firstly offered her services to be involved in our dealings with Glasgow Harbour Ltd advising that she would be

interested in supporting this area. Annette then posed a question to the committee and H&P regarding the build up of unsightly moss on the building facing at CBT side facing the motorway, expressing her concern that this may be caused by poor drainage. Was anything being looked at already? Is there any plans to look into this problem? MC then advised that the committee had previously looked at this problem via the NHBC warranty scheme which proved unfruitful, had also looked at power washing however due to the render on the building this was also not successful. Owner Graeme Reid then sought advice on the basement at 11 Meadowside Quay Walk which has suffered damage due to water penetration and is currently under investigation by the insurers but there has been no progress or update for a long time. Graeme expressed his concerns the time this is taking to resolve as there is severe dampness and mushrooms evident. Despite numerous calls to H&P nothing seems to be happening. DD advised he was aware of the claim and would look into moving this issue forward and get back to Mr Reid.

An owner at the back of the hall then asked if the committee had been successful in gaining the flue plan drawings. When it was confirmed that the committee have been unsuccessful in this regard Alan Henderson suggested that the Council may be able to assist with this. Noted for action by the committee as is currently an ongoing issue.

Proprietor Sandy Workman advised the group of a problem with guttering outside 10 Castlebank Terrace due to debris gathering in the gutters from the weekly emptying of bins in this vicinity. Whilst Mr Workman understood the need for the bins to be emptied highlighting that part of the reason could be the design of the drain system, he recommended we take a look at the gutters to allow us to seek a permanent solution. It was acknowledged that an immediate task to arrange a remedial clean in this area would be beneficial. Action KG to contact GHLtd.

Mr Moffat then asked the committee if the road at Glasgow Harbour Terrace had yet been adopted by Glasgow Council and questioned the validity of the issuing of parking tickets. It was agreed by Malcolm that this is fair comment and noted that he also was aware of tickets being issued, some have successfully been appealed however the road is currently being updated with new lighting etc and it is expected that the adoption of the road into Glasgow City Council jurisdiction would be soon.

Ms Graham advised of her concern at the impact on recycling when the current number of bins is obviously insufficient. She advised her concerns that if people find the bins frequently to be full then it will impact in residents support of our recycling efforts. Malcolm advised that he was aware of this situation however confirmed that the committee would follow up and pursue an increase to our current bin stocks. The final point for discussion was voiced by Ms Bell in respect of improving communication between the committee and resident. It was suggested that members should be made aware of our meetings to allow people to attend. The chairman thanked Ms Bell for raising this point but advised that it would be impractical to maintain an open invitation to the meetings due to space and time constraints as very often there are a large number of items for discussion and the venue does not lend itself to more than our membership of 12. It was suggested however that if anyone wished to attend for a specific point for discussion we would be happy to consider a solution.

LM brought the meeting to a close at approx 8.40 after thanking everyone in attendance and advising that the minutes would be published on the website, copies would also be made available on notice boards for those without access to a computer.

Everyone was invited to remain for tea and coffee and a chat with neighbours.

*APPROVED*

SIGNED:.....

DATE : .....