

6th ANNUAL GENERAL MEETING of the PROPRIETORS' ASSOCIATION GLASGOW HARBOUR (TWD)

Meeting Minutes on Tuesday 24th November 2015 at 7pm in St Peter's Church Hall, White St./Chancellor St., Partick Glasgow.

Committee Present: John Midghall Chairman (JM), Tom McGuire(TM), Rod McKendrick (RM), Annette Gray (AG), Alan McClelland (AM), Stuart McKie (SM), Chetan Kedia (CK), Donald Hart (DH), Georgia Nephytou (GN), & Liz McGlinchey (LM)(Minutes)

Also present: Colin Devon (CD) & Scott Gillespie (SG), Hacking & Paterson. Owner Kathleen Grace (KG) & H&P taking registration.

Apologies: Gaurav Singal

Whilst the registration figures were being collated, LM took those present through the H&S aspects of the venue, pointed out the muster point in event of having to vacate and advised everyone that tea, coffee and biscuits were available throughout the meeting.

With registration complete & proxy votes received and allocated, the following totals were recorded.

Owners present (including proxy votes allocated to non-committee)	-	26
Proxy Votes received for the Chairman / Committee members	-	55

LM Verified that a quorum had been reached and that the meeting would go ahead and that all decisions reached would be ratified.

- John McCabe from Hyperoptic attended to deliver a short presentation to the members. He indicated that Glasgow Harbour had been identified as the first development in Glasgow to receive this service as it had been recognised as a prime site for this service. It delivers 1 GB per second, will take 2 hours to install the cable into your property and will add value to your property especially when selling on. Many people can take advantage of this exciting new speedy service. "I have been with Telecoms since 1989 and can say that this product will handle all your long term**

needs. We have a Black Friday offer available, which I can release to you on Thursday. This is a very good offer if you are interested; please contact me in the next couple of days. Leaflets have been left for your convenience.” John asked for any questions. AM posed a question on the installation time. John advised 2 hours.

- LM thanked John for his time and advised those present that Post-its were available should they wish any questions to be passed on.
- The Chairman JM was then asked to deliver his message.

John welcomed everyone to the meeting, thanking all members for attending. Acknowledgments to the hard work of the committee members over the past year which have seen a number of improvements in the shape of the upgrade to the basement areas which he hoped everyone agreed were a huge improvement. Carpets and courtyards have been cleaned; the lift lighting has been changed to LED improving our electricity consumption with further cost savings anticipated when the landings are replaced with LED lights hopefully very soon. John advised everyone that we would hear more about these achievements later in the meeting. In the meantime, he handed over to Donald to give the first members update.

- **Members Update.**

Donald began by stating that himself and his wife Laurette first arrived at Glasgow Harbour 10 years ago, now being known as the “Early Settlers”. There were builders on site and no street lighting anywhere, only themselves and Taylor Woodrow in the middle of this building site, with TW in a hurry to finish. Fast-forward to 3 months ago, here we are in these so called, up-market apartments, the basement and entrance areas were looking very tired and worn. “I was absolutely delighted when the committee gave me the decoration project to work on. However I had no idea just what a challenge this would be with lifting of carpets, lowering ceilings, fitting of new led lamping. Sourcing a small group of dedicated tradesmen at great rates I have no doubt has added value to all of our properties.” Donald concluded his report, advising that the committee have pledged to continue to work on improving the development.

- LM thanked Donald for his report and introduced Annette Gray to give an overview of the newly formed Neighbourhood Watch.
- Annette began by introducing herself as our “Miss Marple” although hoped that no one found any resemblance to Geraldine McEwan from the film. Annette explained that as she walked her dog regularly around the development, noticing undesireables who seemed out of place, she realised that crimes could be being committed. Like

her others could be concerned about something without knowing what to do about it. Annette then hit on the idea of co-ordinating the neighbourhood watch for our development. Confirming that she will update our noticeboards regularly with information from the NW website which could be of interest to someone. She advised everyone to note that there is a Crimestoppers telephone number, which will take the details of anything, which you suspect could be crime related, without you having to be identified or leave any personal details or be called as witness. “This is not spying on your neighbour but looking out for each other”, said Annette. Everyone can use this number, which she will ensure is on every noticeboard.

- LM then reported on the future projects, which have been prioritised from your feedback of last year. Taking the CCTV system first. Our committee member Chetan looked into this following our last AGM with quotations coming in at £30,000 at lowest up to £58,000 to upgrade. The committee agreed that this is a significant sum of money to spend with no guarantees that it will lead to a prosecution or deter a crime. LM asked members to hold that thought, as there is much information to come on current and future costs, which might give everyone present a better idea of where they would like to see our money spent.
- Moving on to Fobs for our front and back doors. This suggestion has been discussed numerous times over the past years, supported by the need to try and eliminate the high number of charges for lock repairs. Also there have been questions raised recently on the quality of the workmanship, as the existing locks don't seem to be robust enough in sustaining the high usage throughout the development.
- The gates were discussed at last years meeting and have since continued to breakdown again costing us more money on our quarterly account and an inconvenience when there is a difficulty and delay in sourcing parts. As with all of our decisions for spend, we want to ensure value for money and long-term improvements.
- Lastly we heard from many of you that our electricity costs are too high, in particular questioning why we have to live with lights burning 24/7. We have prioritised replacing the landing lights with LED bulbs of 6 watt and 10 watt, which will form a trial in both towers at 10 CBD and 1 MQS, featuring these trial bulbs on 4 floors for a month. The important feature of these bulbs is an integrated motion booster which as far as we believe is estimated to save as much as £20,000, possibly seeing a return in the first year. The lights reduce to 20% when no motion is detected. Information will be displayed on the noticeboards and we will be seeking your opinions, so please look out for this happening soon and please go and take a look. We want to ensure that the lighting reflects a residential environment and not be too harsh.

- LM concluded by reminding those present that these were the identified priorities however the committee also looked forward to whatever else came up throughout the year which they would be called upon to deal with.
- Liz then called upon the chairman John to deliver the conclusion to the NHBC. John reminded the meeting that the previous chairman Malcolm had raised the initial complaint on behalf of the membership on a number of specific locations throughout the development. Every item in the resolution has been attended to by the builders and is now signed off by the insurers as completed to standard. As far as we are concerned, we still have a couple of areas which we are unhappy with and if any new members would be interested in following this up, please let us know. The past few years of this project have been slow and frustrating therefore the committee will liaise with Hacking & Paterson who are willing to continue to chase NHBC on our behalf. Only those specific items and locations were dealt with under the claim, which means we now still have water ingress problems, which we will have to deal with.
- LM thanked John and asked Alan McClelland to explain the costs analysis, which he has drawn up for us.
- Our total costs last year amounted to £684,000, which is a lot of money. Of this some exceptional costs included 4 lift ropes at 1 MQS at £8,000, lift lighting replacement and carpet cleaning which all amounted to £3,500. The communal flues now require to be checked and have been included in the list of regular service checks. There was the usual pie chart on the wall and it showed one of the highest costs is insurance. The committee have requested a meeting with the insurance broker soon to look at ways to reduce the insurance costs. If we go ahead with the LED replacement we will eliminate Interlink costs. The costs of £22,000 for this work on landing lights will come from the Cyclical Maintenance Fund. After that the second phase will be to tackle the stairwells. With the new lighting underway, we might see a reduction in the electricity bill. We have £620,000 of fixed costs, which means there isn't much room for savings. 5% of the increases this year came from insurance, repairs and electricity costs amounting to £65.00 per flat a year, other than that we don't see any dramatic increases. Obviously we don't want to see this going up at all, as far as we can see our bills over the past few quarters seem to have plateaued. The committee will continue to work to try and keep costs down.
- The debt as of 29th October was £82,969. Compared with December 2010 where the debt was £168,151. Of this £82,969 there are 15 properties in debt to the value of £52,651, for which Hacking and Paterson have registered Notices of Potential Liabilities. This means that there is a charge on the property, Hacking and Paterson

will carry debt and monies will be recouped when the properties are sold. Nine of the 15 are currently up for sale whereby we should see a drop of £30,000. There is not much movement in the lower rate where 37 owners are in debt to £34,000. The debt is moving in the right direction. With the current outstanding plus an estimate for November account, for the first time we are self-funding and covered by the floats.

- CD offered to propose the standing down and the re-election of the committee, thanking them for the work over the past year and advising the meeting that all members were intending to put themselves up for re-election with the exception of Gaurav Singal. Proposer – Mr Moffat, Seconder Mr A Waugh. LM thanked them for their support on behalf of all of those present.
- H&P presentation led by Colin Devon and followed by Scott Gillespie. CD began by thanking the committee for their hard work and commitment during this past year and expressing his hopes that we can continue to work with H&P to ensure that the priorities are met to keep our development maintained appropriately and cost effectively. He reiterated his commitment to Glasgow Harbour evident by H&P agreeing to place a Manager, Scott. H&P remain absolutely behind everyone here and absolutely agree that insurance is a significant cost and therefore a concern to everyone. Last year Alliance was not in a position to match the quote. H&P require a stand-alone common building policy, for which because of the value and risk not all insurers are interested in quoting. The committee put forward a list of questions, which we took to a meeting with committee members and the Broker in the hope of reducing the cost of the premium by understanding what if any measures could be put in place. The policy itself didn't change other than inflation increase of 5.3%. We arranged for a Chartered Surveyor service just to make sure we had the correct re-instatement value and are liaising with Allied Surveyors. They are of the view that this should be done periodically. Renewal is 31st May; we will be looking at the market actively as early as Dec/Jan. The debt has improved thanks to our improved credit control department and looking positive going forward, we are self funding for the first time. Donald has done a power of work improving the basement and entrance areas, we'll be looking to take advice from the surveyor in prioritising the CMF spend in particular, using some of these funds for upgrading to LED. Possibly a new fob system is regularly being suggested, particularly for 1 Meadowside Quay Square and just to reiterate, changing to LED Lighting has got to be something to bring down electricity costs. The meeting was handed over to the Facilities Manager Scott.
- Scott Gillespie: FM: H&P. "It's been a year now since I took on the role, which has now given me a good understanding of the running of this development. It has been

beneficial for me to meet many owners and get to know you. We have implemented the badge system for all contractors visiting the site and have just completed a project of identifying abandoned bicycles in the hope of freeing up space and tidying up the basement area. I've also been working on clearing staircases and common areas of items, which should not be there and have now been collected by the charity Emmaus. It is challenging to have to request items be moved from landings and electricity cupboards however for safety and because these are common areas, we will be sending out letters to request those involved clear the areas in question. I also have been overseeing the maintenance contracts, many of which are mandatory however where possible, I will seek out better rates to try to keep costs down. EON has been our electricity supplier for a while on a fixed tariff however I will be approaching the market soon to seek best rate. It has been beneficial working closely with the committee and I'm looking forward to being involved in the projects planned for this coming year. When at the Development, I am located in the office in the basement, please call in or phone if I can be of any help."

- LM thanked Colin and Scott. Before opening the meeting to questions from those present, LM advised the meeting that owner Mr Einar Steingrímsson had presented a question regarding changing the collection of excess on water claims from individual to a collective cover for all common charge claims. LM invited Mr S. to address the owners present. He proceeded to explain that the common buildings policy held an excess of £250 per household for a claim however when water was involved, the claimant had to pay an excess of £500. Mr S suggested that if all owners would agree that all excesses were paid for via the quarterly accounts then it would be up to us to decide on this and each £500 would be split 321 ways which is not a lot of money. If we decided as a group then it would be nothing to do with the insurance company. CD responded that yes it would be of interest to the insurance company. RM asked for a vote in principal from those present in support of this proposal to which RM and ES raised their hands. ES expressed his disappointment. AM added that we have to remember that 321 owners would be affected by this change and whilst we can see the point of sharing this burden, due to the number of claims we have involving water, (26 this year) this might have a further impact on increasing our insurance premiums. We are very sorry not to be able to support the suggestion. As Mr S was gathering his belongings to leave the meeting, LM advised that we would further investigate the possibility of an alternative solution with the Broker at our future meeting.
- Questions were invited from those present.

Ms McCann asked what is the process for tender and will we approach AON and check

who is more competitive to previously?

CD answered that the Broker will approach a number of companies who are known in the market to insure similar developments including the current supplier. Insurers get nervous when there is storm damage claims and will decide from our exposure and history if we are too big a risk.

Owner Alana asked, "Can you claim on insurance if you're not paying your factors fees?" CD answered: If someone doesn't pay their bills we will issue a notice of potential liability against the property. H&P will recoup any common charges upon sale of the property unless financially unsustainable or court expenses levied to the individual. The debt is closed off to everyone else. H&P will carry the debt as well as cover the insurance premiums.

Mr Moffat asked if his understanding that the quay wall insurance is in place on another bill, which comes in. CD responded – Yes, Clydeport Authority arranges this and it is included in the fees by Newton Factors.

As we have a riverfront development, should we be looking about for terrorism cover? CD advised he would raise this with the Broker.

Owner Alana asked what else are you doing to trace bad debts? CD answered we have a new credit control department, doubled the number of staff and installed a new computer system. We contact owners directly and will chase debt earlier.

Q. Alana/ What about letters and phone calls? A. CD/ Yes, credit control will make calls, look at how long a person is in the property and look at their credit history and offer to split payments over x number of weeks, hold a discussion to arrange new terms of repayment to suit. The repossessions have helped to reduce the debt and improve the cash flow.

Q/ How long before you would progress forward to debt collection?

A.CD/ We look at it carefully. AM interjected, After two bills unpaid a notice of potential liability will be issued.

Owner Mr Henderson asked why the committee had dismissed an email he had sent with proposals to save £30,000 out of hand. LM advised that the content had been discussed but found not to be a like for like proposal as the excess mentioned was very high. She would need to refer back to the original email but remembered that it was not a specific quotation. Mr H disagreed. "Why was Zurich not able to quote? I am involved in other developments and over the past two years have managed to

reduce our insurance premiums. You mentioned this meeting with the Broker; I have some background in this and would like to get involved.” CD responded that if people were genuinely interested, the committee would be happy to discuss with them. Owner Ms McCann raised a question, stating that it might be considered controversial but is it not in H&P best interests to keep the premium’s high? CD responded that H&P ensure that we are sufficiently insured with appropriate cover. He felt it was time to conduct an evaluation of the reinstatement value. Alan, Scott and myself met with Stuart the Surveyor whereby Stuart agreed to draw up a summary, which will be tied to the CMF. VM then asked if H&P held a schedule of works for the buildings? CD responded no but that indications looking ahead were that we should look at increasing the CMF. It makes sense to budget. Ms McCann then quoted the code of conduct, advising that there should be a full programme of works published according to the code of conduct.

Ms McCann continued to question the fact that we should see core costs as summarised in the surveyor’s report which having been published previously, remained no closer to understanding what we need. AM responded that the committee have asked for the report. Ms McCann expressed her dissatisfaction at the management of the development, seeking clarification on Hacking and Patersons role, Stating we need more transparency in what the money is being used for. AM responded that the surveyors report will allow us to budget on the basis of his recommendations of expected costs over a period 1-5 years and beyond. CD also advised that they had taken a steer from the committee with some of these funds being spent on cleaning the render last year. LM added that the committee had taken on board the suggestion to split the funds between decoration and other necessary improvements. TM concluded that we need the surveyors report to be put into layman’s terms to allow us to work with it; this report will then be pivotal in prioritising how the money should be spent. Unforeseen costs can occur at any time – an example of the lift insurers instructing a replacement rope in 1 MQS resulting in a significant cost was quoted. Therefore with 15 lifts, it would be useful to understand the expected life span of this apparatus.

Owner Alana asked what duties Scott performed and if he signed off the work carried out by onsite contractors? Scott explained that he is not a builder nor qualified to inspect the contractors’ work. His role is to represent H&P, more an extension of the office. The role of the Concierge was questioned, should we have a handyman instead? LM responded that the committee needed to hear these ideas from owners, although this option had been explored. TM added that the Management role was an extension of the committee and of owners to oversee the proper maintenance

of our properties. Day to day processes need to be followed. AG also added that it was important for a development on this scale to ensure the safety of all residents by ensuring that all contractors sign in and sign out. This also helps us to check that we are paying for the correct hours of tradesmen. Tom finished by saying that the basement areas were looking really good thanks to Donald. All agreed and thanked Donald for his commitment.

LM thanked all in attendance for their time and support, encouraging those who were interested in being involved in any way, to come and speak with one of the committee. All were invited to remain for tea and coffee.

The meeting closed at 9.15p.m.