

MAUNSEL (FOURTH CO OWNERSHIP) HOUSING SOCIETY LTD

Minutes of the AGM held on Wednesday 24th February 2021 via Zoom at 7.30pm

Present: Shirley Ainger (SA), Simon Slater (SS), Billie Dainton (BD), John MacArthur (JM), Michael Lynas (ML), Rachael Vick (RV), George Tormod (GT), Jennifer Jeffrey (JJ), Carlos Lock (CL), Philippa Collie-Cousins (PCC), Denise Heywood (DH), Sarah Jane Fairey (SJF), Benjamin Lamb (BL), Rick Fisher (RF), Marcus Tozini (MT), Kirsty Malcolm (KM), Cerys Matthews (CM), Steve Abbott (SA), Laurence Dorman (LD), Basia Kapp (BK), Bella Murray (BM), Ben Gladstone (BG), Ana Caludi (AC), Hilary Arnold (HA), David Kitchen (DK), Kerstin Razzaq (KR), Chris Bushell (CB), Sonia Watson (SW), Sarah Collinson (SC), Robert Larkins (RL), Dominique Van Roey (DVR), Russell Mulchansingh (RM), Amelia Elston (AE), David Barrable (DB), Gillie Evans (GE), Murray John (MJ), Sarah Robertson (SR), Judith Blakeman (JB).

Guests: Olivia Cox - Minute Taker, Marie Travers (MT)

1	Apologies - Georgina Brown (GB)	
2	Minutes of the last meeting: Read and agreed upon	
3	Annual report	
4	Accounts for Year ended 30 September 2020	
5	Treasurer's Report & future expenses – presented by Ana Caludi	AC
6	Appointment of Auditors	MT
7	The resignation and re- election of existing Members Discuss qualification requirements for committee membership	MT
8	Management	MT

Extra note: BG opened the meeting by explaining the role of the committee and the role that JMW Barnard plays. The square was established as a low cost housing option. The square is managed by an unpaid committee, and service charge is clawed back on sale. Annual report - JB presented the annual report to the AGM. The square has a freeholding company. Tenants of leaseholders do not have a direct connecting to the company (M4). M4 is an industrial providence company. It does not take profits, and any money at the end of the year is put back into the square. BG further explained that there is a legally registered document of rules which are hard to change. The 50 members of M4 appoint committee members, who must be co-owners. The committee then appoints a chair and other officers eg the treasurers. The committee can co-op up to 15 members (lease-holders) plus 5 of non lease-holders. The committee acts for M4 and appoints agents / instructs contractors and enters into contracts. M4 has a duty to look after communal areas of the square. The boundary between this and private areas at the responsibility of co-owners is set out in the lease. JB added that all of this information is laid out in a document given to all co-owners. CM suggested that this information is put onto the website and kept up to date as this is more easily accessible. Chris added that there is a rules of the association document that could be circulated to support what BG presented to the AGM.

3. Annual report - JB wrote the annual report for the square, which has been circulated. JB wished to add that anyone having a clear-out could go to Bay 20 with old clothes, where the homeless are fed.

4. Accounts for Year ended 30 September 2020 - These were circulated yesterday and have been signed so MT will now circulate the signed copy. MT added that if anybody has any questions relating to the accounts, then they should email her direct. There were no objections raised by the meeting.

5. Treasurer's Report & future expenses presented by Ana Caludi - AC presented the report to the meeting. She explained that this year the service charge was slightly under budget. There was a slight over payment on the ground rent so there may be a small overlap. AC flagged that she doesn't know what the rent amount is. MT clarified that this is ground rent, which would mean that there is a higher level of payment. Building insurance was budgeted quite low and the square ended up paying quite a bit more so it is possible this was a typo (£7000 v £17000). The previous year was £17000 which is which AC thinks it could be a typo. JB pointed out that building insurance has gone up massively due to Grenfell so this could explain the fee being higher than expected. The gardening spend came in under budget, largely because the fencing work expected did not take place, so this cost has been moved to this year. Other expenditure included window cleaning and CCTV. There was £23,000 clawback from two sales. The current cash balance is £380,000. The expectation for the next two years is that spending will go up. The external re-decorations are set to happen over the next two years and will cost in the region of £250,000. The decision needs to be made whether these re-decs take

place in 2021 or are moved to the following year to allow for a free-flow of people coming out of COVID restrictions. In terms of cash, there is certainly enough. BG asked whether the budget allows for the next cycle of works in the next 6 years or so. AC confirmed that if there is nothing extra-ordinary this will be the case. SC flagged that the roofs will also be a substantial sum.

6. Appointment of the auditors - MT explained that the current auditors were new to Maunsel at the last accounts. Their fee was slightly higher last year as it was a new account which meant there was a higher number of questions than usual. The fee is therefore slightly lower this year. MT asked the AGM whether there were any objections to the re-appointment of the auditors. There were not, so the current auditors will continue.

7. Committee - The resignation and re-election of existing Members - BG explained to the AGM that SM has asked for clarification regarding the qualification requirements for members of the committee. BG explained that at the moment, 12 of 15 members are resident in the Square. SM asked when the rules were changing regarding sub-letting to tenants and whether absent co-owners should be eligible to be on the committee. SM further explained that he has seen a conflict of interest when people are renting out a property rather than living in the square in that they do not have so much interest in the community aspect and day-to-day living of the square. JB explained that the leases were changed regarding sub-letting previously, when leases were changed because they were becoming very very short. The conflict of interest in sub-letting was addressed many times in the past, but it was found that it could not be stopped, so instead there were various safeguards added. SM also feels that in the square where there is disagreement on issues it can cause a fractious atmosphere. SM asked for the voting regarding committee members be secrete to help with this. RF reported that two AGMs ago he raised a motion saying the committee should be reserved for people who are full time living on the square. SM clarified that his opinion is that if someone is just using a property for profit / commercial gain they shouldn't be on the committee.

ML asked what this AGM can decide regarding the rules and whether a vote would stand. BG informed the AGM that the decision could not be taken tonight. There would need to be a special meeting, with a vote, which would have a high voting bar, requiring $\frac{3}{4}$ agreement. RL told the AGM that in 2019 this was discussed, voted on and passed. RL further reported that he re-mentioned this in 2020 and was told that this was not within the rules. RL flagged that the committee operates without a chairman, which is not in accordance to the rules. BG clarified that the rules says there should be a chairman and there are provisions if there isn't one. RL suggested an extraordinary meeting in the summer to discuss these matters in a better format than zoom.

LD raised the point that when people are sub-letting, perhaps there should be some representation in the committee to people who are sub-letting, as sometimes these people are treated with some hostility.

SR raised that as someone who moved onto the square reasonably recently and has become friendly with renters, she would be keen to understand why they should be seen as not so much

a part of the community. She also raised the issue that in the current circumstances it is very concerning that sub-letting may not be allowed if it was necessary financially. BG explained that renters are not represented at the AGM because it is for the company M4. BG clarified that the law states that people have to be allowed to sub-let. DH raised that she has lived in the square since the very beginning and there are still people who came to the square at the beginning, when it was designed to be affordable housing. The issue of sub-letting has made some of these people feel that they have to leave the square but they cannot afford to move somewhere else. AC wished to join the discussion on the basis that she is sub-letting her property as her personal situation changed. She remains on the committee. AC wished to clarify that her sub-letting is not a money making plan - it is to be able to afford her mortgage. Her interest remains aligned with the people who do still live in the square. AC flagged that sometimes renters can be made to feel like outsiders. SJF told the AGM that she bought her flat 20 years ago. She has been living on the square for 15 years and now has tenants because her personal circumstances changed. One tenant was there for 10 years. The latest tenants have been there for 2.5 years. She wanted to add that she has never sought to upset anyone and loved living on the Square. JB raised that there is nothing to stop the Square to set up another resident association which would include tenants. They can be in charge of dealing with the council and setting up social events. JB further added that on the sub-letting issue, the Square has always striven to be sympathetic to people's life changes. BG suggested there could be a maximum number of non-residents on the committee. This will need to be at a later meeting.

BG reported resignations from KM and HA. ML was appointed during the year so he will resign and stand again. Furthermore, there is a rule that $\frac{1}{3}$ of the committee must resign each year and stand again. To fill that quota, CD and AG are resigning and standing again this year. This means there are 6 places on the committee. CD, AC and ML are automatically re-nominated. There are also nominations to fill the remaining 3 places from Bella Murray (BM), Benjamin Lamb (BL), Robert Larkins (RL). According to the rules, BL and RL's nominations were too late, but they are being allowed. Next year nominations must be submitted a week before the AGM. BG asked for any further nominations from the AGM. There were none. Since there was the same number standing as there were vacancies. DH added that there are far too few flat owners represented on the committee and the balance needs to be addressed at a later date.

8. Management - MT gave a report to the AGM on the issues faced this year (e.g. fly tipping, car dumping, rubbish, and noise complaints), which have been heightened due to lockdown. MT noted that the community feel of Wesley Square's garden is unparalleled. MT wanted to add special thanks to HA and KM for all their hard work. BG added his thanks to MT and all of her team for all of their hard work, professionalism, and ability to listen.

9. Gardens and fences - MT told the AGM that the gardens update from HA was circulated prior to the AGM. The fences are due to begin work at number one on 1st. MJ will check the work once completed. MT has compiled a list from last year when she asked co-owners to report any necessary works. MJ added that they are starting with a small contract and moving on from there, seeing how it all goes. LD asked what the process for reporting problems or

needs for repairs is. This is to speak with MT. The main issues are the gates not shutting. MJ told the AGM that this will be an extensive job. MJ wished to thank HA for setting up the works.

AOB

Sub-letting and multiple purchases - RF wished to raise that flat 19 has been sold to someone who is intending to sub-let. He asked if there are not rules to prevent the buying of multiple properties within the Square. MT clarified that anyone with multiple properties will still only have one vote. DH added that in early editions of 'Living in Wesley Square' it was said that sub-letting was discouraged, but this was not in the most recent update to the document. MT clarified that this is not a legal document. DVR told the AGM that she is the person buying the flat. It was raised that there can be both good and bad tenants, and good and bad owners. BG suggested there was no point becoming upset about something that cannot be changed.

External repairs - MT told the AGM that the initial notice of work has been circulated amongst the Square. It was asked how many people would like to postpone the re-decs to next year. A majority voted in favour. BG asked if anyone would like to object. None. MT to update all co-owners tomorrow. Charles will continue to work on scheduled plans and specifications. Towards the end of the year there will be a clearer indication of external works plus explanations of why a company has been chosen with a breakdown of costs. MT reported that there have been around 4 co-owners who have suggested contractors. Chris asked whether this vote should hold or whether this should be a vote taken by the committee. BG added that there was not a committee meeting between when the suggestion was first brought up and the AGM, so that is why the issue was raised tonight. MJ asked if window replacements can be done in bulk to save costs.

Budget - AC flagged to the committee regarding the budget whether there will be enough money for the next set of re-decs based on a slow rate of inflation with the current rate of income (service charge) and expenses to the Square. From an external re-decs point, AC has assumed around £250,000-£300,000 in 5-7 years time. This may be something the committee needs to keep a close eye on as it wouldn't cover a total replacement of the roofs if this were to come in around £700,000.

MJ flagged that during the course of the investigations and the works there will be a better view of whether the roof needs replacing. It was asked if the drone report will be on the website. MT to circulate via email.

Electric car charging - ML raised the subject of electric car charging. In less than ten years all cars will need to be electric. ML to take a proposal to the committee. At the moment, according to Octopus EV it is not possible to put an electric charger in the square unless this was straight from the grid which would be costly. ML is investigating an alternative which involves an external organisation constructing and maintaining the charging points. It would be possible to have a bank of charging points in Bartle Road. This would start small and grow. It would be possible to have a profit share with the company. The first step is to get a view from the grid as

to whether there are any points nearby. It is likely to be feasible due to the railway being so close by. JB added that the council is putting a lot of charging points into lampposts. There is already one in Lancaster Road. Chris asked if there are any government subsidies available.

Rubbish - MT raised the issue of rubbish and rats. During lockdown there was a lot of issues around this. Reg ensured that collection of rubbish and move of recycling to pick up points was happening until he retired last year. Every monday and thursday rubbish is collected from outside the church and this now needs to be passed onto tenants so that this isn't taken out late or on different days. MT is happy to add individual tenants to the circulation list for emails for issues including rubbish. BL raised that quite often the collection on Thursday is done by 11am, and the Monday one sometimes not until 1 or 2pm. This could be catching people out. LD suggested leafleting the Square. MT confirmed that this has been done twice already during lockdown. There is another leaflet going out imminently. RF enforced that it is the responsibility of any owner who chooses to become a landlord, to pass on this information. DVR suggested using the CCTV to check who is dumping rubbish at the wrong times. MT confirmed that this is an allowable use of CCTV so long as it is large amounts being fly tipped.

Claw back - This was raised by DVR. Regarding doing major works in the next two years, as WS is not a charitable organisation it was asked how else money can be raised if there is no clawback. DVR clarified that the aim of raising this was never to get rid of clawback, but to re-address the amount.

It was suggested that clawback helps when people are buying, in helping to forge the community spirit. House price and inflation has been so great in the last few years, and 2% is now a better figure. There is a fear that people who might otherwise sell their property might look to sub-let in order to avoid having to pay clawback since the amount now becomes so big.

BD wished to add that she is a relatively new owner and is a big fan of the clawback. She supports this because when she was buying, she felt a lot more informed having the issue raised by her solicitor as it helped her to understand the values and philosophy of the Square. BD further raised that where perhaps this could be looked at is if someone downsizes but stays within the Square.

RL noted that in JB's notes she wrote 'to a degree'. It was 4% of the uplift. The lease was changed around 2000. This was discussed in 2000 and because at the time you could also claim improvements to the property, this was one of the reasons it didn't work, because it was impossible to work out the amount without people being very much involved. At this time, the amount was debated between 1 or 2%. This was to protect people who had been on the square for a long time to prevent them having to pay high amounts. PCC added that a clawback is a good thing because unlike other places in London people aren't scrabbling around for money. PCC asked whether this positive could be better publicised. BG summarised that any changes would need anonymity, on the basis that the Square's foundation was low-cost living and the change would require a higher service charge.

AC reiterated that for the money projected to be in the pot in future she has assumed certain clawback

Gardens - LD raised the gardens. BG confirmed that the next committee meeting will address the gardens post-HA. LD further raised the issue of kids trampling flowers on the flower beds. CD to help with this.

CCTV - RL proposed a vote of thanks to Russell & Dom for dealing with the CCTV and installing it.

HA - BG wanted to flag a huge thanks to HA for her hard work, dedication and countless hours of expertise over the past 10 years. This was echoed by all attendees of the AGM.

BG wanted to add thanks to all the committee for all the time they put in for the Square.