

**Maunsel (Fourth Co-Ownership) Housing Society Ltd.
Committee Meeting held on Thursday 4th May 2023 at 7.30pm via Zoom**

Present: Robert Larkin (RL), Bella Murray (BM), Denise Hayward (DH), Ben Lamb (BL), Rick Fisher (RF), Billie Dainton (BD), George Tormod-Little (GTL), Jennifer Jeffrey (JJ),

Guests: Marie Travers, JMW Barnard (MT), Olivia Cox - Minute Taker
Chris Bushell (CB), Russell Mulchansingh (RM)

1	Apologies - Judith Blakeman (JB), Philippa Collie-Cousins (PCC)	
2	Minutes of the last meeting, previously circulated - Mon 16th January 2023 minutes was the previous meeting. All approved.	
3	New Chair	
4	Service charge review – Bella	MT
5	AOB Bridge House Resurfacing works	

3. New Chair: MT explained that the issue of New Chair was raised at the AGM. The only person who stepped forward was RL. Committee was asked to vote on whether they wished to vote RL forward. MT told the Committee that the next meeting will be in the middle of June, and RL will be chairing. The Committee thanked RL.

4. Service charge review – Bella: MT explained that BM and BD have compiled a report and circulated this to Committee members ahead of the meeting. This included a forecast of the next potential external works costings in the instance that these take place in 7 years. MT also provided approximate costing for other potential works - e.g. resurfacing of BR spaces. MT told the Committee that there have been mixed responses. One Co-owner approached MT prior to the AGM asking if service charge should be reduced. RF has presented a longer term idea of a scale of differing service charge amounts, but wished for this to be discussed later on, allowing an immediate decision to be made regarding the potential service charge increase.

BL noted that currently WS pays a very low service charge compared to other buildings in similar parts of London. He believes WS is due a rise in service charge, regardless of any forecasted costs. MT added that most of her other buildings tend to have an increase annually. MT added that most other buildings also have to pay on demand when it comes to major works. Sometimes there is a reserve, which can be used if a person cannot pay. This is quite rare, and there are several options in this instance, e.g. recovering costs upon sale or legal action. BL's concern is that if the service charge isn't raised significantly, there will not be sufficient funds to cover future works, which would require lump sums from all co-owners in the future. This is an inevitability unless service charge is raised significantly.

BM wishes to increase the service charge at least in line with inflation. RL asked if there's a tax liability for having large reserves. MT confirmed no. RF suggested increasing the service charge by £50 per unit for now and let Co-owners know it will need to continue to go up by 10% each year. BM responded that is insufficient to get the WS finances to the level inevitably needed for future works.

The document circulated by BM presents several options for reaching the required financial level.

DH raised that there could be numbers of properties sold over the years, which would lead to clawback. BM noted that previous Treasurers have never relied upon clawback when taking account of income. MT agreed that clawback should not be relied upon as a means of raising capital.

CB believes there is no choice but to raise the service charge considerably, and that the service charge freeze over the past four years has been unrealistic.

BM told the Committee that there may be a silver lining in that there could be other quotes coming in lower than the amounts estimated by CS. MT believes it would be unrealistic to get quotes in advance so this will only be a projection. MJ has also looked at the roof and believes this will be quite a complex matter, not just a case of replacing like for like, due to changes in building regulations/control, asbestos removal, and planning application. It was noted that the roof has never been replaced since 1979. BL suggested seeking another surveyor to give a second opinion of projected potential costs.

JJ asked what sort of provision there would be for people in flats while their roof is off. MT told the committee that works will only be done in warmer months (spring / summer). DH asked if there is an estimate as to how long each roof would likely take to replace. CB suggested doing one block at a time, staggered over a couple of years, rather than as a whole, although this may not be the most cost effective. MT pointed out that one of the large costs is scaffolding. The reason 7 years time has been suggested is because that would coincide with the next external re-decorations (when full scaffolding is in place).

GT suggested a large initial jump in service charge, with incremental increases afterwards.

MT suggested agreeing an amount now which will take effect from July, in order to give people a bit of time. A second increase could then be scheduled for a further increase.

DH is concerned about putting service charge in line with inflation, since that may make it difficult to keep increasing the service charge if inflation falls. BD suggested looking back on the past four years' inflation and using this as justification for increases.

BL believes the amount the service charge is raised to should be £300.

BM checked with MT that this can be decided upon by the Committee and is then enforceable to all Co-owners. MT confirmed this, but suggested making sure everyone has been given sufficient notice. MT to draft something on the basis of what is agreed at this meeting, to be reviewed by the Committee.

DH asked if there are any cost-cutting measures that can be put into place. BM did at one point raise the gardens, but it was decided that this was a reasonable cost and should remain. BM also suggested other money making options, e.g. renting out parking spaces.

RL suggested telling people renting out their property that they must observe the law - i.e. having a local agent who declares the rental to the tax agencies.

BL suggested a vote to increase the service charge to £300, and review it at the next AGM, alongside multiple surveyor analysis. RL wishes to go through the proposals and align these with the options. BD noted that the figures on the proposals are estimates and rough figures. RF proposed increasing to £250 from July, then £300 from January, since a 50% jump at once may be a little steep.

MT clarified that this initial vote is deciding whether to increase the service charge by £50 or £100 for the next six months.

Vote:

£300 from July: 5

£250 from July: 3

Decision made to raise service charge to £300 from July 2023.

MT to draft an email of what will be sent to every Co-owner explaining the discussions that have taken place. Agreed. BM wishes it to be made clear that this isn't the forever increase and that incremental increases will take place. JJ also stressed that people still paying a historical service charge amount urgently need to change their standing order.

BL suggested presenting a concrete business plan to everyone. This to be ready for the AGM in January.

5. AOB: RL wished to return to Bridge House to give everyone a heads up that this will potentially affect the whole square in terms of the available light in the evenings. If they go for six stories instead of four it will have a detrimental effect on life in the square. There is also the issue of privacy, as well as increased traffic in the local area. Planning meeting is on 23rd. MT to circulate link to everyone again. CB noted that the official consultation period is over. CB's concern is that the default position of developers in the North Kensington area seems to be six stories. MT noted that there is a thing called a right to light survey, which WS may need to have as back-up in order for a complaint to be taken seriously. CB told the committee that many years ago, WS had a successful complaint for a similar issue. It may be stronger for a few people to get together and make a complaint as a community rather than as individuals. The development was due to be 6 or 7 stories.

Resurfacing parking was raised. This has become more of a background issue. RL asked what benefit this would have. MT reported that at the time there was a real issue with fly tipping, and the idea was this would make the area look as if it was in regular use. RL believes this will have no effect. BL believes it would have a deterrent on anti-social behaviour. BM believes a case could be made to the council that there is better lighting in this area, as a first step. RL believes additional cameras might make a difference. RM previously circulated a quote for two additional cameras.