

NORTHWOOD HALL

Residents Association

Minutes of the Meeting held on 5 October 2015

Present:

Directors Julia East (5-7), Andrew Fyvie (0-5)

Apologies Bob Saunders (1-23)

Committee members: Kate Calvert (6-23), Mark Blacklock (6-16), Valerie Hall (6-1), Gwyneth Isbister (1-15), Gerald Leach (4-11), Jo Moody (1-7), Mary Openshaw (3-3), Chris Perrett (3-23)

Adrian Armstrong (6-17), Kirsten Barnes (0-21), Jiff Bayliss (LG-5), Leena Bedri (6-4), Chris Beecham (4-25), Roger Bower (1-13), Sharon Breen (3-9), Paul Brown (3-17), Kleanthis Charalambous (4-5), Graham Cutts (0-15), Grace Dempsey (4-18), Eve Dewhurst (6-21), Barbara Donninelli (6-11), Shelagh Edge (4-1), Nicholas Frank (5-10), Michele Freedman (6-7), Sarah Friedrich (0-18), Bill Frost (6-3), Marianne Frost (6-3), Simon Haggis (2-21), Shathi Haque (6-22), Rob Hinchliff (6-6), Andrew Isaac (LG-6), Michael Israel (5-3), Gillian Lebof (1-1), Martin Lebof (1-1), Neil Mason (6-5), Pauline McLeod (1-8), Adriette Myburgh (2-22), Gill O'Beirne (1-17), Ralph O'Beirne (0-16), Aylin Orbasli (4-3), Dorothy Owen (5-1), Lesley Pearson (2-14), Carmen Peña (6-17), Anna Rose (5-11), Carolyn Sherman (4-17), Marietta Vavrides (4-8), Sally Vernon (5-20), Adam Waldman (5-1), Erna Weiss (5-4), Margaret Weiss (6-19), Philip Whale (6-23), Angelika Wienrich (3-11), Sybilla Wilson (0-6), Barbara Wylie (5-25)

After a welcome from Kate as Chair, Julia and Andrew answered questions that had been sent in by members, collated and sent on to the directors to give them time to prepare their answers. A recording of the meeting is available on the Residents Association page of the NWH website: <http://northwoodhall.co.uk/residents-association-2/> and there is also a transcript of that. These minutes are therefore not intended as a definitive record, which is to be obtained from the recording and transcript.

At the start of the meeting the directors said that in principle they would be happy to return to report back further to the RTM.

Parking

What action is being taken to enforce parking rules? The MET signs have been removed, indicating that the contract has been terminated. Did the directors authorise this?

Removal of parking restrictions was approved by the previous directors when the building works commenced and MET asked for their signs to be taken down. Some able-bodied drivers are using the disabled parking bays, leaving those with disabled tickets without a space. Directors said they had been asked to action a job involving disabled signs and that it might already have been authorised.

Repairs

What action is being taken to repair window sills? Are the directors planning for Canonbury to manage other repair works?

A number of flats have water penetration due to problems with the timber sub-frames of their windows. Flats above the third level (i.e. from the third floor on the front of the building and from the second floor at the rear) cannot be safely reached with a mobile scaffold tower and need cradle access. The directors said they are planning for Canonbury to manage repair work, with windows accessible from the ground being done first and then working on adjacent groups to make optimum use of the cradle and avoid the wasted resources of a recent repair on a single window before the cradle was removed.

A speaker reported that Canonbury had written to her to say they were not going to repair windowsills but the directors said that the work is on-going, with some but not all the work authorised.

A speaker asked if, given concerns expressed about the quality of work, the directors would prefer to use different firms for different aspects of the renovation. They said that at the moment they are asking Canonbury to manage all the work.

Heating season

Several if not most or all leases state heating is to be provided from 1 October to 1 May. Canonbury have stated that the heat is "always" switched off on 1 April in accordance with the majority of leases. Has this been agreed by Directors?

While everyone attending the meeting said their leases stipulated heating until 1 May, directors said they had been told by Canonbury that some leases had 1 April as the end of the heating season. They suggested the RA canvas members for preferred dates but would check the legal status of those leaseholders whose lease requires the provision of heating up to 1st May and report back.

NOTE: It would be helpful if leaseholders could check their leases and advise the committee of the dates given for the heating season to establish the actual situation. It was reported that the only terms to differ in Northwood Hall leases are the term and ground rent, not the period of heating.

We face another autumn and winter where some of us have no heating. It was said that those flats without centrally supplied heat would be provided with suitable heaters and that the RTM company would contribute a fixed sum towards the cost of running such heaters. Is there a plan in place to bring this about?

Directors said that with the new boilers in operation there was improved heating in some flats. A straw poll indicated that this did not apply to anyone present. As in previous winters individual heaters will be provided on request to those flats experiencing problems with their radiators, but directors said that there was never any agreement to pay money towards the running of those and are not going to alter that.

Building appearance

The new LED lights do not resolve the existing depressing feel and lack of light. When works are finished in the hallways, can we have better lighting in the corridors? How will residents be involved in decisions on interior redecoration, primarily in the lobby?

Directors said that the structural work needs to be done before addressing decoration but agreed that additional lights are required in some hallways and that decoration and paint will have an impact on how light is refracted. They suggested the RA canvas members on the subject.

Are the directors aware that because the building is in a conservation area, the option to change windows is not available to us? Emails from Canonbury have claimed that with approval this would be possible.

Directors said that being in a conservation area did not prevent a change of windows but that there are no plans to do so, and any future window work should not be on a piecemeal basis. A speaker said the windows were replaced in 1990.

Communications

Will there be regular newsletters to keep leaseholders informed, e.g. monthly? Will there be consultation with leaseholders about planned renovations and if so how?

Directors do not plan to send out a monthly newsletter, preferring to communicate as and when important information is available. They said they will continue as to date, averaging a communication once a month. Asked about planned renovations the directors said they are hoping to have annual meetings at the end of the financial year to discuss budget and elections, year-end being June.

Given the level of activity planned, the directors were asked if they felt a consultation might be required before June. The directors asked what that consultation might cover. When the issue of planned renovations was suggested the directors suggested that the RA members might like to discuss possible subjects before asking for a consultation. A speaker queried whether June was soon enough given the questions about current renovation work and the directors said the date was arbitrary but might work. It was asked whether the planned renovations would happen before June and the directors asked for clarification of what was meant by the term planned renovations.

Another speaker asked whether an architect experienced in the type of building would be engaged or whether Canonbury would choose all colours, materials and design. The directors said they hadn't discussed this but Canonbury would do what the directors want. There was some surprise expressed at this.

Listing

Has there been any work done on possible listing of the building to protect its period character?

No work has been done on this because directors think a listing would increase renovation costs and not be in the interest of leaseholders.

A speaker said that recent repairs to the front boundary wall were in a brick that doesn't match other NWH brickwork and so damages the appearance of the block. The directors confirmed that they had authorised the work but said they weren't given any 'catalogue of designs'. They were asked if they had signed off the work and they said they would have to discuss that as a board.

The directors added that the wall in question is frequently knocked down so can be rebuilt at a later stage, and that they are focusing on the heating project.

Heating project

In the first communication of 4 August the directors said that they were requesting the following documents and giving Canonbury seven days to produce them. Can you please circulate the following which should be seen by all residents before there is any further progress on the heating project:

- *The original asbestos survey and an explanation of why this led to the decision to re-route the piping.*
- *The evidence that the drilling of new vertical risers was impractical.*
- *The thermal modelling of the new corridor pipework to understand whether there is going to be an overheating problem.*
- *The letters of engagement between the RTM and Canonbury and the RTM and CBG to understand the basis for their remuneration for the project.*

The directors said they have had meetings with CBG, Parker Bromley and Canonbury and confirmed that they have seen the documents in question and are satisfied with what they have seen. They said that the documents are not confidential but have decided not to share them because doing so would give rise to more questions and so delay. Several speakers from the floor said that this was not acceptable and the directors said they were simply reporting what they had decided which was to enable them to get the heating project under way.

A speaker asked whether under the articles section 41 there is a right for members to see those documents. The directors said they had no objection to him seeing them. Another speaker said he had requested sight of the documents under the same clause and has not been allowed to do so.

Another speaker from the floor asked if the directors could give a formal reason why they were unwilling to show the documents. The directors said all legal aspects have been dealt

with by Bob Saunders who could not attend, and they could not discuss anything that he had been handling. The directors said they will take on board that people want to see the documents and that a number of people asked for them to be circulated.

The directors said that there are no letters of engagement but a contract with Canonbury covering the works, and then a contract with CBG to carry out the works. A speaker asked for clarification of how Canonbury were able to take £265,000 for their part in the heating project but this was not discussed.

The directors reported that Andy Payne and CBG told them that thermal modelling is so complex on a building like Northwood Hall it is not possible to do it. The directors said they are happy with that as verbal advice and will not seek written confirmation. They said that if the corridors do overheat there are ventilation options. There were numerous concerned comments from the floor.

A speaker said there was huge disquiet among leaseholders about the quality of professional and other advice being taken on the heating project, and it was worrying to hear that the new directors are happy to continue to rely on the advice of those who created the current problems and have a vested interest in completing the project as it stands to avoid additional costs to themselves. The directors said that they do not agree that the current team created the current problems.

There were comments expressing doubt at this and the directors said they were simply reporting back what they have decided to do. They were asked whose fault the current problems are if not the contractors, and the directors said they would not be drawn into specifics.

The directors said that there are benefits to horizontal piping such as maintenance and installation, that an unrecorded gas pipe had been found, that vertical piping would cause enormous disruption, and that people wanted their heating now.

A speaker said that vertical piping was in the Section 20 agreement and was what everyone paid for. Another speaker said that there is an obligation to carry out the work properly and professionally. The directors said that costs are an issue and funds limited and surveys throw up more problems that require more surveys and are not free. The expectation of work for free was queried from the floor.

The directors said vertical risers would involve extra cost and disruption. It was reiterated from the floor that vertical risers were what the contract undertook to provide. The directors said they disagreed and thought that interpretation was misguided.

Some of the corridor pipes are not positioned in the right place for entry to the flats. Will the directors please report who was responsible for this, clarify who will decide where they would be better located and who would pay for them to be moved? Has there been a definitive decision to continue with the ceiling piping?

The directors said they don't know who is responsible for the current siting of the pipes but

are happy that the contractors used reasonable judgement to plan the system. However, they confirmed that the entry pipes can be moved.

A speaker from the floor said they had written to Canonbury to complain about a pipe entry sited next to a beam. Canonbury had responded saying this was to save costs on cutting pipes to equal lengths. The speaker was doubtful that this made sense.

Directors said that there will be an opportunity to discuss the entry point with Parker Bromley when the new surveys take place, and an independent person will attend to discuss the practicalities of whether leaseholders can have what they want.

Directors said that the moving of the pipes had already been paid for. A speaker from the floor said that there will be additional costs but the directors said it would not cost more money, and then that the issue of costs had not arisen.

Another speaker said the cost would be moved to another area of the project. The directors said they didn't know about that and couldn't be responsible for those delivering the project. A third speaker reiterated that there had been a sign off on a summary of related costs and with the current significant changes an updated cost plan would be expected.

The directors said this might be correct but wasn't a matter they had considered at this stage. They were trying to work within their budgets and have been told that broadly the costs are the same and the only thing that will cost more will be the boxing in of the pipes.

The speaker asked whether the directors had that in writing and the directors said they did not, but think there is a plan and plan of costs, though they have not seen it.

Has there been a definite decision to continue with the ceiling piping?

The directors said there was.

As ceiling pipework wasn't part of the original plan, will the directors please provide accurate costing for boxing-in and moulding before any further work is carried out, and an assurance that if it goes ahead the work will be of high quality to reflect the building's 1930s interior?

Directors said they will try to get an assurance of high quality work and will get a proper cost once the main project is finished. They said other facilities need to go into the ceilings such as fire safety and wires.

There was concern expressed at this approach and a speaker from the floor said that it was a right of leaseholders to have this information and the job of Canonbury as project managers to ensure there is a cost plan going forwards. The directors said they will continue move on with the heating project.

Is it now confirmed, as promised originally, that piping inside the flats will be underfloor in all but lower ground floor flats and kitchens and bathrooms?

The directors said piping cannot go under floor in kitchens and bathrooms. Two ex directors said that the original specification was for all piping go under floor. The directors said they were unaware of that but that they have been told that piping is not possible underfloor in kitchens and bathrooms and will only go underfloor where it is possible to lift floorboards. In flats with hardwood flooring in contravention of the lease piping will be surface mounted.

A speaker asked the directors if they had read the specification report for the heating project and they said they had not but that the specifications had changed. A speaker said that any alteration to the project specification must be properly agreed between the RTM company and other parties to the contract. The directors asked whether they had been given this document and were told that it had been sent to all leaseholders.

Is there still the option to have more period-style radiators installed and can we buy those for ourselves or do we have to pay the prices specified by Parker Bromley and CBG?

The directors said all radiators must be bought via Parker Bromley as there might be problems with delivery, specifications and heat output calculations with other radiators, and issues with non-standard radiators would not be covered by the contractor's guarantee.

The 5-Year Project Fund Charge charges show revised costs for 2015/16 but these were not circulated in advance of the quarterly demand. Have the Directors agreed the revised cost analysis? Is this the last year leaseholders will be expected to pay into the 5-year plan as reported by Canonbury?

The directors said they have agreed to the revised costs analysis because there had been no communication between Canonbury and the previous directors so Canonbury needed to create a generous charge as they had only one chance to issue it. The directors said that if there were not enough money and a supplementary charge were needed, there would be a legal entitlement not to pay. They added that because of delays to the works the cost might be higher than envisaged, but anything not spent will be credited to the account.

Is this the last year leaseholders will be expected to pay into the 5 year plan as reported by Canonbury?

The directors said they are not envisaging any further costs or 5 year plans at this stage.

What is the timeline for the works?

The heating works will restart on 1 November with the flat surveys. The directors hope they will be finished in six months.

Costs and managing agent

Are the directors seeking quotes from outside contractors before permitting Canonbury to allocate them to another Canonbury company?

The directors said that getting quotes from companies other than Canonbury would cost more money because of the work involved in creating the specifications and that as a management company Canonbury offers economies of scale so they are happy for Canonbury subsidiaries to carry out the work.

The directors said that when they took over there were more than 50 outstanding repairs which needed to be signed off and for convenience they said to Canonbury to get them done.

In future the directors hope to scrutinise Canonbury and are asking them to detail how their contractors compare with outside contractors. But their prime concern is the heating project.

Why have the directors decided not to seek another management company? They cite lack of time and resources but this could be delegated to other members of the RTM. Will they please do this?

The directors said they didn't feel that the choice of another management agent could be delegated. They said they know directors of successfully run blocks but do not want to seek new agents now as they are prioritising the heating project but welcome details of alternative agents. One speaker suggested Aspen who manage Cholmley Lodge and the directors asked for their details to be given. The speaker said he had already done so.

Have the directors questioned Canonbury about the accounts and can they confirm that they are audited as legally required?

The directors said that the accounts had been appropriately audited to a legal standard, checked by two external accountants and issued. The external accountants were leaseholder Ralph O'Beirne and a firm called Gascoynes. A letter was shown confirming that Gascoynes are employed by Canonbury so not independent.

Ralph O'Beirne said an audit is not required by the lease and would not cover anything very different from the current report, so the directors certified that they didn't think an audit was necessary. He confirmed that he didn't inspect the book side but asked

questions of Gascoynes who had confirmed the bank balance, and had had discussions with David Braere of Canonbury.

He was asked whether there was any assurance that double payments by Canonbury had not recurred. He said he was not aware of it and while the matter had been raised with him, he did not see it as something to raise with Canonbury.

A speaker said that there were many issues in the accounts which were not in accordance with the leases, for example charges for banking, parking, office expenses which Canonbury do not have a right to charge leaseholders for. Another said that the previous directors had significant concerns on 20 points which was why they did not sign off the accounts and asked the directors to explain why they felt these were not significant. The directors said no-one had told them about the 20 points and that they were satisfied that the accounts had been audited. Ralph O'Beirne said he had asked Canonbury for a copy of the correspondence with the previous board and hadn't seen anything about the points raised.

A speaker said that the accounts are not compliant with clause 4 of the lease and that it was the fiduciary duty of the directors to investigate thoroughly and were accountable. The directors said they had been told that the accounts were fit to be signed off.

Canonbury are now charging almost double last year's fee for gardening and cleaning and the fee of almost £5,000 for "telecoms" compares with about £700 last year. Can the directors please explain Canonbury's justification for these charges?

The directors read out a written response from Canonbury which reported that gardening costs of £20k per annum now includes leaf removal and tree work with smaller trees pruned and a log of larger trees. One speaker said that the pruning of the small trees and magnolias has been badly done and there appeared to have been a directive simply to do more gardening. The directors said the speaker would have to ask the gardeners about that directly.

Cleaning costs are reported to be about the same as before but pay the London living wage which sees a small inflationary increase. The communal windows are now cleaned internally and up to the 4th floor externally every 6 months and when the cradle is on site to the 6th floor at least once a year. The directors said this was not done before and has made a considerable difference to the main staircase, fire exits and bin rooms.

They said Canonbury had given no explanation of the telecoms costs and will chase this up.

One speaker asked who was holding Canonbury to account. The directors said they would really like to do that more but don't have the luxury of trying to. They said they are trying to get a lot done and believe they have achieved quite a lot in a short time including issuing the accounts and going through the long task list. However they said they have held Canonbury to account in asking them for documentation, and they are not clear what more they can do.

Will someone (other than Canonbury staff) be in charge of checking each flat's Service Charge account to make sure everyone is paid up? At the last request for a much larger than expected amount some flats continued to pay into the Canonbury account, others paid into the new account, and some made a part payment or held back altogether. This needs to be addressed so there is time to respond before the next payment is due.

The directors said they weren't sure what the issue was with this and are satisfied with the way things are being handled and any checking of who has paid how much will be done by Canonbury.

A question was asked about how the decision was reached to significantly increase the capital investment service charge in the last two quarters compared to the original proposal, without discussion or other notification. The directors said the matter had been dealt with earlier and the questioner asked if the directors believe that Canonbury's charges on lessees are reasonable. The directors said they do.

Do the directors believe residents should be paying twice for flat surveys? It is hardly the fault of residents that Colin and Will did such a poor job first time round.

The directors said there was no intention to charge twice which was met with surprise from the floor.

One speaker said she had never received her survey but managed to find it on the CBG site but it did not bear any relation to what had been discussed and the plan of the flat was incorrect. According to a show of hands a large number of those present had not received their survey either and two had never had their flat surveyed.

There was a request from the floor for the original surveys to be circulated in advance of the next visits and the directors said that they would ask about this.

The directors said that the smaller heat exchanger, the need to change the entry point into the flats, and the possibility to discuss again where leaseholders want their radiators sited offer opportunities for leaseholders. One speaker said that the second heat exchanger was smaller in certain dimensions but deeper and asked if the exchanger to be brought round will be that second model or a third one. The directors did not know but said a mock-up of the heat exchanger will be brought when the survey is carried out, together with a copy of the original survey and the surveyors can explain what can and can't be done.

This was queried from the floor, saying that it is the original spec which specifies what can and can't be done, not the surveyor. The directors said that the new heat exchanger means that things have changed from the original spec. The directors were asked if they could circulate the dimensions of the new heat exchanger in advance of the surveys.

Speakers from the floor said the original specification provided for piping under the floors but the directors said that there wasn't much space under the floorboards and there are unforeseen issues and people have to be reasonable. The directors were asked if there

would be an extra cost for piping under the floor and the directors said there would be if the flat had a hard floor which is contrary to the terms of the lease.

A previous director clarified that if something unforeseen arises a contract variation would be discussed for the specification and the RTM company would have to agree and sign that off, with documentation re-issued to all involved in the contract, including the leaseholders. Were the directors asking for documentation of the variations to the original spec? The directors said they are not looking at flat by flat variations.

Legal

The RTM faces legal issues regarding the contracts with Parker Bromley, CBG and Canonbury. Can the directors confirm that they have appointed lawyers for the RTM who are completely independent of Canonbury, Parker Bromley, CBG or Triplark to advise them on these and related issues and enable the RTM to take best advantage of its legal position?

Directors said they have appointed independent legal advisers called Wragge's [Wragge Lawrence Graham & Co].

The directors were asked if they were receiving any financial assistance for legal advice and if so where from. The directors said they were not receiving such assistance.

Please outline progress on legal action re Mr Wismayer's licence to assign for the flat which he has purchased in Northwood Hall.

The directors said initially that this was not a matter they could discuss but that they are not involved with it. There was some confusion about who the matter was with, one director nominating Triplark and the other the freeholder and Mr Wismayer and some confusion about funding with Triplark mentioned but they said they don't know as it is not an issue that directly involves directors.

Speakers from the floor said that a letter sent to Mr Wismayer by Wragges said that the lawyers were acting on behalf of the RTM company. The directors said that the letter was in connection with the licence to assign. Other speakers asked who paid for the letter from Wragges and the directors said that it was Triplark because of Triplark's 30 day period in which to refuse or accept an individual as a leaseholder, and that they were told there could be issues with Triplark so felt they had to get involved in the litigation and Triplark had offered to pay. They added that if Triplark had not paid, the cost would have had to be met by the leaseholders. The directors emphasised that the matter is now between Triplark and Mr Wismayer.

A speaker from the floor said he felt that this called into question probity issues, including that the directors presented themselves for election specifically on grounds of not wanting to undertake litigation. It was also asked that there be a full account given of how the instruction was placed with the RTM's solicitors.

Another question was whether there was any precedent for the RTM getting involved in action against a prospective leaseholder and the directors said they didn't think so.

A broadband company has been speaking to Canonbury and have visited the site apparently offering to install in the building at no cost. Are the directors aware of this and if so have they sought alternative quotes and assessed the level of cost and service which would be provided? Can we be assured that any installation will not cause further damage to the interior of the building?

Directors said they were not aware of this and could they be sent the details to investigate. It was reported that it has already been investigated and the contact details are no longer active.

Kate ended the meeting thanking Andrew and Julia for attending. The date of the next meeting will be advised as soon as a date is agreed with the directors.