

Kiln House Owners Meeting Thursday 2<sup>nd</sup> August 2018

Minutes

Chaired by Mick Shiel (Temporary Chairperson)

Attended

14 Individual owners, representing 17 apartments

A further 1 person also attended who was an observer only, details not recorded (he is partner of Cathy (43).

(See Annex A)

Apologies for absence

17 apologies received representing 18 apartments, including Chairperson, Deputy Chair and former Treasurer.

(See Annex B)

The meeting was also notified that Treasurer has withdrawn from the committee.

1. Introduction

Meeting called to order at 6.30pm. £5 subscription fees collected from those present.

Chair addressed the meeting with regard to need to recruit a new Treasurer.

2. Minutes for previous meeting

Agreed, proposed by Kathy (Flat 43) seconded by Brian (Flat 1)

3. Correspondence

TC reiterated the need for OAK to be recognised by Landlord and Management Company. A letter, on behalf of OAK RH19 has now been sent to the Landlords (Estates and Management) to request recognition of OAK.

4. Report back on service charge end of year accounts

a) It appears not all owners received a letter from Dawn at First Port (Copy of the letter circulated by Mick). Letter from First Port (FP) on 18<sup>th</sup> July states that our accounts have been put on hold re: administrative charges for a one month review period. This period ends August 13<sup>th</sup>. These admin charges are separate to the charges for the repairs. Anyone who has already paid an admin fee (i.e. fine) should contact FP, as they might be eligible for a refund.

See Annex C for copy of TC letter

b) As a result of an enquiry in respect of his own apartment TC received an email from FP Financial Analyst.

See Annex D extract from emails

*TC Reply below:*

TC: FP has not been very efficient from the beginning. However Dawn & other FP individuals are doing their best. FP's issues seem to stem from their being too much management and not enough first-level support. The decision makers at FP need to start making decisions.

Floor: Unanimously agreed.

Brian (1): we should wait until we see the upshot of the current situation.

TC: Owners need to make their own decisions as to whether or not to make their payments. There is no pressure from OAK, although it is acknowledged that our case is stronger if we coordinate our actions.

TC: There is a new pump in storage, as it was removed almost as soon as it was fitted. It has been suggested to FP that nothing else should be put into the chamber until we know it is watertight.

A general discussion took place regarding the pump and more importantly the chamber where it is housed. Although apartments on upper floors suffer low water pressure from time to time, it was agreed that no further work is to be done until the powers that be resolve getting the chamber watertight & serviceable. However that is achieved we believe it is not responsibilities of us leaseholders, therefore we should not be invoiced for such work.

#### 6. Resolution

Water charges should be made completely separately from service charges (they are currently combined, making it much harder to tell how much we are being charged for each).

TC: Ofwat (The economic regulator of the water sector in England and Wales) Have rules on resale of water. The new ruling states how water should be billed, but we need to make Ofwat aware of our complaint. Bulk purchaser must resell at same price they purchase it for, they can only make a small charge for admin fee.

Action on D Thompson (42) to find section in owners' contract which states we will get refunds to balance the charges based on flat size.

Brian (1): Suggests landlords charge a fixed amount per month to their tenants for water.

#### 7. Formal Proposal

Mick (5)

Water charges are invoiced separately and in similar manor to Utility Co. They are not to be included with maintenance charges.



Kass,

Thank you for your advice, however I am in dispute with how First Port with how they arrive at their end of year demands on my account.

As Secretary for Oak RH19 (Owners of Apartments in Kiln House RH19 Association) I know that the vast majority of Account Holders are also very dissatisfied with end of year accounts.

That said I am well aware of the possible threats of financial penalties added to my account, I take full responsibility for my actions.

It is impossible for me to analyse the percentages attached to the account in the format presented, could you please transfer page 8 onto an Excel Spread sheet.

I and a number of other account holders have been requesting that you provide their individual water usage in the same format as the Utility Co send you.

I do hope you understand my request and deal with it as expeditiously as possible

Kind Regards

Mick Shiel (Flat 5)

Secretary OAK RH19

#### 5. Update on recent site visit by FP, E&M, Claims Assessors & Engineer

A large party of people representing FP, Insurance firms, and Loss Adjusters were seen peering into the water pump chamber in the car park recently. TC approached the Chamber Party, and informed them of OAK's feelings on the matter of the chamber and work associated with it and the pump within.

TC confirmed he will communicate with the various assessment parties, and will pass on what they say to the Owners. Contact with Michelle from FP has been established by TC, and on behalf of OAK it has been stated that the leaseholders do not expect any financial loss for any work that is done to rectify the pump & chamber.

The loss adjusters, Landlord & Engineers will be meeting in the not too distant future (hopefully next week) to move forward with getting the chamber water tight again before installing the pump.

Questions from the floor: Are we saying we're disputing the charges for the pump?  
Should we appoint a joint RICS surveyor?

Answer (TC): The dispute is between FP and the insurance loss adjusters.

Q: What about addressing basic problem of the water bills?

Qs (J. Coulter (2)): What caused the damage?

Do we know who did it?

Do we have anything in writing to say who is responsible? Is it Taylor Wimpey (TW)?

Is it an insurance claim, or are we (OAK) making the claim?

Seconded – Kathy (43)

Vote: Unanimous.

Action:-

Secretary to write to FP, requesting billing to be changed as above.

8. Any Other Business

Kathy (43): Have FP committed to get back to everyone about the frozen accounts?

TC will be monitoring this and will be getting updated from Michelle & Dawn this will be passed on to all.

D. Thompson (42): Has anyone had their windows replaced?

Brian (1): Yes, but no internal repairs to flat done after damage from window repair. Flat was left in a right state. Not very impressive.

Q: Is that an NHBC claim?

A: Yes.

TC suggests that at this stage this issue is confined to those corner apartments and that those owners keep in touch with each other. At this time OAK RH19 should not to get involved but leave it to the respective owners, however if there follows complaints of same nature then look at subcommittee being formed to resolve it. OAK RH19 will of course will support those owners.

D Thompson (42): Has anyone had smart meters fitted?

General discussion followed, in which it was mooted that smart meters could not be fitted in our building, and were of little use anyway.

Q: When selling, buyers ask about residents associations, and want to see minutes of meetings etc.

Roland (25): There's a big difference between Owners Associations and Residents' Associations. We're Owners.

TC shows guide for running a Residents' Association. TC will circulate to all – read PDF, to be circulated. Consider whether we should join this Federation, advantages, weigh up against cost. We can decide on this at next AGM in March 2018

Alan (49): Re-iterates TW scheme for changing 10-year doubling clause in ground rent.

TC reminds people that we are not allowed to have "For Sale" and "Sold" signs outside our building. If Estate Agent asks to put one up, could everyone remember to say no.

9. Next meeting is AGM around 30th March 2019 TBC nearer the time.

Meeting ended.



Date 2 August 2018

~~Attendee's~~

OAK Meeting

Annex A

*ATTENDED*

1	Brian Goodman	32	Chris Brooks
2	John Coulter	34	Gemma Halpin
5	Mick Shiel	38	Robin Hii
10	Chris Crowhurst	42	Dan Thompson
14	Glen & Fiona Owen	43	Cathy Rollinson
25	Luke Pickering	49	Alan Watson
31	David Middleton	57	Roland Pickering

Annex B

*APOLOGIES RECEIVED*

9	Sarah Heron	37	Sarah Heron
11	Graham Barham	46	James Jenkins
18	Hannah Smith	47	Fred Dos Santos
20	James Olson	48	Holly
21	Chris Clarke	53	Matt Ruxton
24	James Pickering	54	Diane Phillips
28	Diana Fisher	55	Michaela Bourton
30	Tony Browne	56	Georgina Donovan
33	Michael Clavecillas		

ANNEX C.

Our ref: 39558/DHA/MOA/MPO/RC  
Your Account Number: 39558020013  
(Please quote this number when telephoning or writing to us)

18 July 2018

Mr Mj & Mrs E A Shiel  
32 Halsford Park Road  
East Grinstead

West Sussex  
RH19 1PS

Dear Mr & Mrs Shiel

Letter to all Owners of RH Nineteen

**Update on pump - RHNineteen**

We write to update you on the ongoing matter concerning the pumps.

As we are yet to receive a decision from the insurers as to whether they are going to accept or reject the claim for the replacement pumps, it has been agreed to place the development "on hold". This means that we will not be pursuing leaseholders for the outstanding charges for these pump costs, for a period of one month. After a month we will review the matter and any progress that may have been made on resolving this matter and take a view whether to extend this or not.

This will also mean that admin fees will not be placed onto your accounts during this period. If you have been charged an admin fees because of the pump costs, please contact us and we will review each leaseholders account on a case by case basis.

By way of an update on the pump issue, we would also like to share with you, the complaint that we raised with Zurich last week. Please see a copy of this complaint below :

"Dear Sir or Madam

I am writing on behalf of FirstPort Property Management to complain about the attitude that is being taken to our above claim, lodged with A J Gallagher. On 11 November 2016 there was a flood affecting the pump room at Kiln House and in due course Cunningham-Lindsey were appointed as loss adjusters.



There were lengthy investigations, which we fully supported, before the claim was admitted, including why the pump room kept becoming waterlogged. Indeed, as Cunningham-Lindsey were aware, we had to have the chamber pumped out in early July 2017 and then again in early October 2017 while these investigations were ongoing so that the pump room could be accessed for reports to be prepared.

It took until 25 October 2017 for Cunningham Lindsey to authorise the repairs by Waterforce, one of 3 contractors whose estimates had been submitted. The authorisation was for £29,157.71, to complete works as per Waterforce's estimate. During this period we had to repeatedly chase Cunningham-Lindsey for progress updates - remember, our customers were suffering from low water pressure throughout this period of almost a year and were looking to us to restore this facility to them. There was also a delay because Gallagher's had not passed on one of the quotes we had provided and we stepped in to make sure the Loss Adjuster finally received this.

In November 2017, while working to fulfil the order we had placed for the repairs, Waterforce identified further works that would be required to prevent further flooding of the pump room. My team passed this information to Cunningham-Lindsey who then started to deal directly with Waterforce. We know that Waterforce quoted for the further works on 5 December.

It must be appreciated that at this stage Waterforce were at the end of the approved works when they identified the issue referred to above and that there was a significant payment now due to them for those works.

We again started chasing for urgent updates in early January this year. We chased on 5 and 8 January, then received an e-mail from the Loss Adjuster to acknowledge the urgency of the situation and explain that he needed assistance due to the specialist nature of the work. He undertook to follow this up.

We understand there was an on-site meeting between Cunningham-Lindsey and Waterforce on 18 January, then the pump room flooded again shortly afterwards (the very risk Waterforce had identified in recommending the further works some weeks before).

On 23 January we forwarded the Waterforce invoice for £29,157.71 to Cunningham-Lindsey, saying that we understood they were doing their own investigations and therefore requesting an urgent payment to Waterforce. We were puzzled as to what investigations these were as they had already carried out investigations, specifically into why the pump room kept flooding the previous year, before authorising Waterforce to carry out the works.

Waterforce chased us for payment of their invoice on 4 February. To have such a large sum outstanding for 3 months was causing them cash flow problems and they were imminently going to receive late payment charges from their own supplier. They said, "I managed to get in contact with David Pierce at Cunningham Lindsey on Friday to ask him what's happening with payment on



RH19. He said he'd seen the invoice come through from First Port but wasn't too clear to say he had done anything with it and that it would go the insurers direct to pay me. He wasn't able to say who they were and as I have had no contact from them myself I have no idea when I'm likely to get paid or by whom. With such a large amount owing that needs to cover the cost of the parts can I kindly request FirstPort pay me direct and then you receive the insurance pay out once released."

On 6 February the Loss Adjuster notified us that the payment would not be released - at least at present. He confirmed that an engineer had been consulted to determine whether policy liability was engaged at the time he was considering the original estimate, but then explained that due a variation in the costs being submitted further enquiries had been carried out. He said the cause of flooding within the pump room had been caused by ingress of ground water rather than an escape of water 'as had been advised'.

As context for the comment about 'as had been advised', this is the claim notification we sent to Gallagher's which is very clear about what was believed to the cause of the flood and quotes the contractor directly, completely and honestly.

Since Cunningham-Lindsey's 6 February e-mail we have pressed hard for a final decision so that we could give our residents certainly about the situation and the practical and financial impacts on them. We have also challenged the decision to effectively withdraw the approval already given for the works to go ahead under the insurance policy.

We took the only moral decision possible which was to pay Waterforce 50% of the total invoice for their work, expecting reasonably quick resolution of this matter. The delay in reaching a decision, however, meant the scheme funds became so depleted that we could not pay other suppliers. That situation, the continuing lack of reliable water pressure and the ongoing financial uncertainty have all led to complaints from our customers at RH Nineteen and our reputation has been, and continues to be, badly affected. The goodwill of the freeholder of this site towards FirstPort is also in jeopardy.

We acknowledge that there have recently been some delays on our part in completing the water sample test due to our contractor not following our instructions and a re-visit being required, however in general, it is difficult to comprehend why a decision has still not been made about this claim. There seems to be a determination that FirstPort must account for the works leading to the current failings of the pump house even though we have repeatedly confirmed, including screen shots of our Planned and Reactive Maintenance system, that any alterations to the original build can only have been carried out by the developers, Taylor-Wimpey.

We regret having to bring this to your attention but the combination of (a) the decision not to pay for works that had already been authorised with the loss adjuster's full knowledge of the facts including that there were re-leaks; and (b)



Annex C (Cont.)

the length of time it is taking to make a final decision, have caused and continue to cause us financial detriment and reputational damage, as well as affecting the day-to-day lives of residents affected by the continuing water pressure issue.

We do not believe we or the leaseholders we represent have been treated fairly by those representing Zurich in these matters. We would like you to please investigate this in the hope you will be able to influence a more favourable outcome for FirstPort and our customers.

If we can help by providing you with any evidence at all to support your investigation then please let us know.

Yours faithfully  
Jayne Douglass  
**Complaints and Claims Manager**  
**FirstPort Property Services Limited"**

We will of course, keep you updated on this issue. However, we would like to take this opportunity to thank you in advance for your patience whilst we seek resolution to this matter.

Yours sincerely,



**Dawn Harrell AIRPM**  
**Senior Property Manager**



ANNEX D

Email dated 25 July 2018 1.27 pm

Dear Mick,

I hope you are well.

I got a call log from our customer services team to call you back on water charges query. We normally provide such information's by email (not phone call). I also noticed that we communicated before on water charges.

Today I have attached an extract from the accounts (last attachment). It shows you how the water charges are allocated to your property. Let me explain based on the below apportionment extracted from the accounts.

We levied in advance £271.32 for water consumption from your property. But based on the reads between 23.03.17 & 10.11.17, we have allocated £473.98 of the total £24,410.09 waters costs to your property. This has contributed to the yearend deficit of £374.70 which is still outstanding. Our collections team have applied an administration fee of £60 on 03 July 2018 for late payment. The total outstanding balance on your account is £434.70. I would appreciate if this is paid asap to avoid further penalties.

If you have any queries, please do not hesitate to contact me.

39558020013

1.15

250.96

1.18

632.50

Regards,

Kassahun Bereku Msc AIRPM  
Finance Analyst  
FirstPort Property Services Limited  
M 07739938494

E

Marlborough House, Wigmore Place, Wigmore Lane, Luton, LU2 9EX



Annex D (cont.)

Email in reply Dated 27 July 2018 7.03 am.

Kass

Thank you for your advice, however I am in dispute with how First Port with how they arrive at their end of year demands on my account.

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Secretary OAK RH19