Newport Road Maintenance Limited

MINUTES OF THE ANNUAL GENERAL MEETING

Mercure Holland House Hotel, Cardiff
Monday 19th September 2016 (commenced 6.34pm)

In attendance:

Directors

Emrys Davies	ED (Chair)
Graeme Garrard	GG
Nasir Jarjis	NJ

Western Permanent Property & AH Staff

Neil Gregory	NG
Angela Morgan-Rose	AMR
Karl Ashton	KA

Leaseholders

Sian Davies	SD
Arthur Munday	AM
Karen Seghiri	KS
Richard Battrick	RB
Richard Tinker	RT

Votes by Proxy:
Ms J Morgan
Mr G Herendi
Mr A Papageorgiou
Mr K Morgan
Mr J O'Connell

1 Chair's welcome and summary of the last year

ED opened the meeting as Chair and asked all persons on the top table to introduce themselves (accordingly NJ, AMR, NG and GG did so).

Topics referred to included;

1. WPP had been successfully reappointed as managing agents following a tendering process for a provisional 3 year period to be confirmed by way of an agenda item later in the AGM in line with NRML Policies. This ensured that the members built a long term relationship with the managing agents whilst ensuring value for money was achieved.

2. 2015 had been a challenging year for several reasons;

- Following the sale of the freehold the previous owner held a significant number of parking spaces.

Protracted negotiations were conducted concluding with several members having the opportunity to buy spaces at a discount. The company also obtained two parking spaces in lieu of management fees; these were for sale to members or new leaseholders, at which time sale proceeds would return to the management company.

- The Board had commissioned the development of a scheduled maintenance plan so that long term work could be identified and carried out over and above day to day maintenance. This approach was to mitigate as best possible emergency repairs and be phased to keep the property in good condition providing added value for members.

- The winter of 2015/16 had brought several challenges due to prolonged periods of stormy weather with window seals leaking and visible cracking / blistering of the exterior finish (render) of the building. Emergency repairs were carried out on the worst areas of cracked render and a programme of replacing window seals had been completed on all elevations, however further works were clearly required to the render; these possibly involving cleaning and painting of elevations as well. ED explained that the required works may need a Landlord and Tenant's Act Section 20 Consultation of members to use the reserve funds and / or a levy of additional charges. Detailed further in the minutes under item 8.

3. In 2015 the Board achieved the objective of eliminating the Balancing Charge for the building; whilst there was deficit for the car park, due in main to the electrical costs of operating the lifts, most members benefited from the overall surplus which had been made and so received a modest year end credit.

4. Although early 2016 had also been within budget costs, as the Freeholder had conducted a revaluation exercise on the property the costs of the revaluation, the assessment for increased cover (leading to a higher premium) as well as the increase in Insurance Premium Tax had resulted in charges being encountered beyond the control of the management company and above the budgeted sum. *RB queried the responsibility of such costs falling upon the management company which, following the meeting and consideration of the lease, was confirmed to be appropriate.*

5. ED explained the Standing Orders of the company now supported the Company Memorandum and Articles of Association in order to demonstrate good and transparent governance.

6. In order to continue to promote Admiral House as one of the premier apartment blocks of Cardiff new slate signage had been installed to raise the profile further. The signs had received complementary comments from residents and visitors alike.

7. ED advised the directors had areas of responsibility based on their knowledge and expertise working closely with WPP. He thanked them, WPP and the Concierge team for their support and also for the work that the Directors put in freely on the members behalf, particularly as this team had brought stability and effective governance to NRML with good prospects going forward.

2 Apologies:

Phil Parry	PP
Matthew Currie	MC

3 Acceptance of Minutes relating to the previous AGM

The minutes to the 2015 AGM were accepted upon ED's recommendation confirming a full Board review of their content and accuracy at an earlier date had taken place.

4 Presentation of Annual Accounts and Auditors Report

A summary of the financial position had been delivered by ED earlier in the meeting however additional comments as reported by MC were as follows:

2015 Service charge

2015 had been a good year for Admiral House. The total service charge was £324,707 which was £13,678 less than in 2014 and represented a 4% saving. The management company generated a small surplus of £14,934 versus the budget which was returned to leaseholders through a reduction in the first installment of the 2016 service charge.

2016 Service charge

Having delivered a surplus in 2015, the service charge was maintained at a similar level for 2016 with the aim of finding further cost savings to offset any increases due to inflation. At the time of the meeting whilst tracking broadly in line with the budget on most items there were predictions for an overspend at year end due, in main, to the following reasons;

The increase in buildings insurance premium and associated costs which had been detailed earlier in the meeting by ED.

Increased maintenance to the car lifts which would impact on those paying towards the car park.

Additionally the increase in electrical testing and maintenance costs; these had Already exceeded the budget in the current year and further work was required.

Requirements to adhere to not only day to day maintenance but also ever increasing Health and Safety criteria were advised as being notoriously difficult to budget for in large developments in view of the dozens of electronic opening air vents, emergency lighting systems within the emergency stairwells & corridors across all 15 floors, fire alarms panels throughout the property and general lighting including the car parking areas; fittings when added together run into many hundreds in number.

Each one had to be assessed and as and where required maintained, repaired or replaced and in many instances checked for H&S compliance as well. When material costs were considered in conjunction with required labour and VAT it was clear why this budget heading was difficult to determine accurately.

At this time in the meeting Chris Newman and Mark Greenfield of EAP Solutions (the electrical firm which had undertaken many maintenance remits in Admiral House) further explained that wiring serving lights in the communal stairwells were of concern circulating photos to support the wiring's condition which was perishing, the concerned being confirmed by KA. Options factoring in longevity of fittings and reduced power consumption were discussed and future alternate fittings agreed upon.

5 Re-appointment of the Accountant

(Votes include proxies)

Proposed:	ED
Seconded:	NJ
For:	11
Against:	-
Abstain	-

Carried unanimously

6 Re-appointment of the Managing Agents

(Votes include proxies)

Proposed:	ED
Seconded:	GG
For:	11
Against:	-
Abstain	-

Carried unanimously

7. Re-appointment of Matt Currie to the Board

(Votes include proxies)

Proposed:	ED
Seconded:	GG
For:	11
Against:	-
Abstain	-

Carried unanimously

8 Render Repairs, Cleaning and painting

External cracking render was a visible concern on two elevations, namely the Southern and Western ones. The render on the Northern and Eastern elevations appeared to be in notably better order however these two sides were visibly grubbier (because of the lack of rain-wash and sunlight). The two worst sides (crack wise) took the prevailing weather. Cracks had increasingly become of concern since the time of refurbishment in 2005.

The concern had been exacerbated as some windows never had the correct seals installed at the time of refurbishment and many others had been in a poor state for many years, thus water had tracked behind the render across the Southern and Western elevations but it was only in the last year or so that the concern had started to visibly manifest itself in such a widespread manner.

Regrettably there were no guarantees to claim against the original contractors as whilst the last of these fell away late in 2015 it was an irrefutable fact that because the terms and conditions of such guarantees hadn't been adhered to they would not have supported any claim. In view of this once the repair works had been undertaken it was essential that the terms and conditions of any applicable guarantees be fully adhered to; i.e. factor in the costs for annual checks of windows seals / any other servicing of the render that was considered to be necessary to ensure the guarantees were supportable (if ever required).

NG and NJ were in the process of liaising with suitable specialists as to the options and costs for addressing the cracked render. Once clearer the options would be discussed by the Board and thereafter advised to the members. It was noted that whilst reserves would support an element of the work it was quite possible a Section 20 Consultation to collect additional funds would be required.

9 Response to Members written communications

No written communications had been received.

10. Any other business

ED invited the floor to raise queries or comments.

RB asked that it be minuted that he, on behalf of all members, wanted to thank all Board members and Western Permanent Property for their continued input.

There being no further business the meeting closed at 7.10 P.M.