

PAVILIONS (GOSPORT) MANAGEMENT COMPANY LTD

Minutes of General Meeting held on 20th February 2010
At 11am in The Theatre, St Vincent College, Gosport

Present:-

Mr J Elgie, Chairman PGMC (JE)	Mr J Hendrick, Finance Director PGMC (JH)
Mr R MacDonald, Director PGMC (RM)	Mr M Hutchinson, Director PGMC (MH)
Mrs A Ruffles, now professional PM (AR)	Mr D Edgar (DE)
Mr B Carter (BC)	Mrs Hendrick (EH)
Ms A Topham (AT)	Mrs & Mrs Pedroza (JP/HP)
Dr D & Mrs J Bowker (CB/JB)	Mr Murrell (AM)
Mr Eaton (SE)	Mr C Grail (CG)
Mr Roscoe & Ms White (DR/LW)	Mr Hadley (TH)
Mrs V Luff (VL)	

Apologies:-

Mr S Slowther, Director PGMC	Mr A Thompson, Director PGMC
Mr & Mrs Bradley	Mr Cooch
Mr & Mrs Head	

The meeting opened at 11:10am.

JE advised that a number of questions has been put forward by DE and asked DE if he would like to read out the questions. DE advised that he was happy for JE to read out his questions.

COVENANTS

The first questions submitted by DE were in respect of the Lease Covenants, particularly in respect of ball games played upon the development, which is a breach of the lease covenants. He also pointed out that the parking on site, in places other than in allocated parking spaces, is in breach of the lease covenants and other breaches such as people chaining cycles to the barrack block railings, posters in windows etc. were being broken.

He asked for confirmation from the Directors of PGMC that action was taken in pointing out breaches of covenant to the "offenders" and that all residents breaching the covenants were being treated the same.

JE explained that all breaches were being taken seriously, and action was taken where possible, but further explained that such problems as parking on site was likely to take longer, as it is was a bigger issue and not so easy to resolve.

DE asked if it was possible for now professional PM to place notices on cars as a warning to "offenders" prior to them being ticketed by the company who patrol the site. JE said this would be considered. CG also advised that the visitors bays were being used by people who do not live on site but who were going into town. JE agreed that we would contact UKPC to get some statistics from them as to the worst days/times of "illegal" parking on site. JB asked what PGMC are doing about advising landlords of the parking regulations, however it was explained that the onus is on the lessee to do this.

DE advised that another breach of covenant had taken place by a lessee of the hospital block who had taken over half of a communal patio area as their own. AR will look into this and write to the "offender".

Post meeting note: The PGMC Board's legal responsibility to enforce covenants is clear cut in the relevant leases and the Board recognises the need for uniformity, so as to avoid any accusations of "cherry picking". Consequently, the Board is in the process of reviewing all covenants and their enforcement. Whilst it is easy to simply state that all covenants must be enforced without reservation, in practical terms it is not always possible to do so without either incurring a great deal of expense or resulting in the implementation of draconian and overbearing measures that will almost certainly create much animosity between different owners; how exactly to enforce "no ball games" in Cockleshell Square is a case in point. Probably the most contentious covenants are those which cover parking on the site. The Board is currently considering a proposal to issue new (and fewer) car permits as part of a stricter parking scheme applicable to all Pavilions owners and their tenants or visitors, with a target start date of 1 May 2010. A final decision is likely at the next (April) Board meeting, whereupon an explanation of any new scheme will be publicised to all owners and tenants. If you wish to comment on this idea please contact either now professional in writing or send an e-mail to the PGMC Board via pavilionsgosport@live.co.uk.

SIGNAGE TO AFFIRM PRIVACY OF ACCESS

DE read out his next question, in which he stated that it is his belief that the road and pathways upon the estate are private. Both he and Mr Pedroza asked if the Directors of PGMC are going to be placing "Private Estate" signage at the entrances to Pavilions.

JE confirmed that all roads and paths within the site are private and that the Board would be happy to erect appropriate signage, subject to the local council's approval. AR explained that many changes which people have suggested for the estate require both the council's planning and/or conservation department approval.

Post meeting note: It is agreed that some signage is required, especially if we are to avoid Pavilion Way eventually being deemed a public right of way by default. However in the first instance "CCTV in Operation" signs and the siting of some CCTV cameras have been proposed to Gosport Borough Council and approval is awaited from the conservation and planning departments. This is clearly even more urgent due to the recent break-in at the Barrack Block communal cycle store.

SATELLITE TV SYSTEM

DE advised the group that the picture quality fed through the communal satellite dish to his property is failing and wanted to know if there were any plans to upgrade the system in the future. He further advised that other residents have the same problem, with a failing signal. AR advised that other than DE's complaint, she had received no other complaints, except from people who had a problem with the signal box in their own property, however after receiving DE's comments that his signal was weakening, and him being advised by an engineer to another property that the communal dish had some problems, AR had an engineer look at the communal dish and was advised that there were no problems. AR also advised that she did ask the same contractor to propose a future plan for upgrading the system, but had

not yet been received. AR did suggest getting a second opinion from another company and will follow this through.

JH also advised that the eventual replacement of the system would be incorporated in the PGMC Board's long term financial planning.

CB raised some issues, firstly asking if the company would consider having Sky Plus installed to the site. DE advised that he already had Sky Plus and it was therefore possible to have it installed but that there would be limited connection opportunities on the current system. JH and JE agreed that AR would look into this at the same time as having the system looked at generally.

Post meeting note: AR is awaiting some feedback from a second company on the above. However, DE has since confirmed that the problem of poor picture quality may be in just the Gallante block as it looks like the system has not been correctly installed. A contractor has been instructed to investigate.

SERVICE CHARGE ACCOUNTS

All owners should have received by now a copy of the audited FY2008/9 Service Charge Accounts. DE advised that he had a number of queries regarding those accounts but was happy to receive the Directors' written response to these outside of the AGM, as they related mainly to his block and he didn't want to take up everyone else's time. DE thanked the Directors of PGMC for their hard work on the accounts which, DE noted, were much clearer than in previous years.

JE thanked JH and AR for their hard work on getting those accounts finalised.

JH confirmed that he'd like to cover reserve funds later on in the meeting.

HEALTH & SAFETY

DE moved on to his question regarding Health & Safety. He asked what PGMC's health & safety policy was and was advised by AR that as PGMC is a dormant company, no such policy is required. DE further asked if Risk Assessments were on file for each contractor who provides a service to Pavilions. AR advised that Risk Assessments were on file for all contractors except the pump maintenance company, which she was still awaiting.

Post meeting note: The pump maintenance company has been chased again for its risk assessment.

LIGHTING

CB also raised some concerns regarding the long standing issue with street lighting. JH explained that some progress had already been made following the successful trial of a different type of fused lighting unit fitted to the bollards behind the Sergeants Mess and Block P. The fitting of these new units would now be rolled out to other parts of the estate, starting with the bollards at the side/rear of the Hospital Block on 25 February.

JH also advised that he, JE and AR recently held an onsite meeting with Gosport Borough Council's Conservation Officer and a Planning Officer in order to discuss a number of issues, including lighting. The

council officers confirmed that they have no issues with the replacement of the top level verandah lights on the Barrack Block with a different fitting, and that they would also welcome in principle the installation of more street lighting columns similar to those already in place if that enabled the removal of some of the lighting bollards in the future. This is something that the PGMC Board will look at, although it is likely to be an expensive option and thus will probably have to wait until at least 2011 for active consideration.

VL advised that estate lighting had been problematic for a long time and wondered if there was any merit in looking to Sunley for some kind of recompense. JH explained that Sunley have been very slow to respond to queries (if at all) since they handed over responsibility for the Pavilions site. Pursuing Sunley through the courts remains an option but JH stated that at this stage the PGMC Board does not plan to do so given the likely expense, slow progress and uncertain outcome.

Post meeting note: The next phase of the bollards lighting trial was indeed carried out on 25 February but the new lighting subsequently failed, due, it is suspected, to a cabling problem. Investigations are ongoing by our electrical contractor, who expects to have a proposed solution by 15 March. Additionally, tenders have been sought for the fitting of new, brighter (but low energy) emergency lighting along the Barrack Block verandah. It is expected that this project should be complete by 30 April. The new lighting may enable the removal of some of the damaged lighting bollards adjacent to the Barrack Block.

GRITTING OF ROADS & PATHS

AM asked about gritting the estate in bad weather. AR advised that she had tried to have this done during recent snowfall but could not find a contractor who had any grit as there was a shortage of supply.

BIN STORES

DR asked about bin stores and why they were still in such a mess. JE explained that one of the reasons he/JH/AR recently met with the council was to discuss what action they felt would improve the conditions on site.

The council felt that dedicated recycling bin stores with locks on would combat some of the problems and this is something that will be introduced shortly.

The council were also asked if the wooden structures could be replaced with brick stores and both the Conservation Officer and the Planning Officer advised that they had no issues in principle with such a proposal, but that any development would require the use of bricks that would match with those used on the Grade II Listed Buildings and that the relevant planning and building control consents would have to be sought. JE further advised that the PGMC Board was in the process of seeking a surveyor's advice on drawing up a proper specification for improvement works to the bin stores.

DR advised that AR had promised various actions in having the doors on the bin stores sorted out but that the works had not been effective, therefore no improvements had been made. He also asked why it had taken so long (since Sept 09) to look at getting a specification drawn up. JE explained that the delay had been caused mainly by the inability to obtain Gosport Borough Council's agreement to a site visit

until after Xmas 2009. Now that the council's agreement in principle had been given to our proposals it should be possible to expedite the required works.

JH also advised that last September the high level of Service Charge arrears prevented any immediate action being taken. Consequently, despite her wanting to make quick progress with some of the works that had been discussed with DR she did not in the end receive PGMC Board approval to proceed immediately as what often appear to be quick, easy solutions usually end up being costly and ineffective in the longer term.

Finally, AR explained that an informal quote to build new bin stores (approx £8k per store) had been obtained by the previous agent but there was no record of this having been done with reference to a proper specification of works. A formal specification will almost certainly be required for the council's planning department, hence why this is currently being looked at.

DR explained that he was still not satisfied as no improvements had been made and he felt disappointed that he has lived in his property for some considerable time and the same problems remain unresolved. JE said that he was sorry that Mr Roscoe felt that way but that the problem is being taken seriously and that unfortunately it takes time and money to resolve.

DR responded by stating that he has never been in arrears and wants to see a return on the money that he has been paying since 2004. As yet he has seen no evidence of a return on his money.

DR asked where the money is going to be used once it has been recovered. JH explained that a comprehensive 10 year maintenance plan for the entire site is being developed, on which owners will be consulted later this year.

SE advised that he is also disappointed that nothing seems to have been done on site and further advised that if he did not see improvements within the next few months then he will withhold his service charge payments. DR agreed. JH explained that:

- 1) Whilst the understandable anger felt by DR and SE was shared by the PGMC Board (which also, let's not forget, is made up of fellow owners!), the current Board was only formally constituted last year and that many of these problems had arisen from a lack of action by previous regimes.
- 2) Precipitate action such as withholding service charge payments is not only absolutely not allowed under the legal covenants imposed on all owners but it would simply result in not enough money being available to pay for the work which everyone wants done! JH also pointed out that the Board would have no choice but to consider taking legal action against any owner withholding service charge payments and that such owners would also incur considerable additional legal and other costs as a result. By all means, unhappy owners should take the PGMC Board to task and get it to justify its actions, but non-payment of service charges was not a credible option if we are to make any progress with improving this estate.

Post meeting note: It was obvious from the strong feelings shown by attendees at the meeting that the Board needed to make finding a solution to the bin stores problem its highest priority. As the option of having brick-built stores is likely to be both expensive and take at least until late summer to get through

the planning process the Board will be considering at its next meeting the feasibility of completing a much quicker but significant scheme of works to improve the existing timber structures of all bin stores (including the fitting of roofs) without having to seek planning consent. Some ground work on this proposal has already begun. Additionally, it is likely that 2 bin stores will be allocated specifically for the use of those owners who wish to recycle, with access restricted by a coded keypad locking system. A further update on the agreed way ahead will be provided to all owners within the next month, hopefully as part of a planned newsletter.

INTERNAL COMMUNICATIONS

JE agreed that in future he and his fellow Directors will endeavour to keep lessees better informed of what is going on, although the practicality of doing so is not as easy as it sounds. Monthly surgeries had been introduced in October 2009, at which owners could come and talk to some of the Directors face to face in the home office suite (located at southern end of Barrack Block) about their particular issues. Sadly, a total of just 7 people had attended the 3 surgeries held so far.

LW asked if more notice can be given of the surgeries in future. JH advised that in order to save on postal and admin costs (sending everyone out a letter costs rather a lot of money!), notification of surgeries had previously been included when other, formal letters had been sent out. Surgeries are timed to run for the hour prior to a PGMC Board meeting and this is likely to become quarterly after April 2010. Publication of dates via the proposed newsletter should help, as will the proposal that has been made to the Board that 1 or more communal noticeboards be sited around the estate.

JB asked about a regular newsletter, which has been discussed before. The Board pointed out that whilst a regular newsletter is an excellent idea, it requires a significant amount of time to be spent on it and unfortunately the original volunteer Editor is unable to continue. EH stated that the Directors already carry out all of their work in their own time and should not be expected to do everything, a view supported by AT. DE reminded everyone that all owners are members of PGMC, not just the Directors, and CB expressed both his disappointment with the low turnout at the AGM and that everyone needed to take responsibility for improving information flow. CB also thanked AR for dealing with the specific problems in his block.

It was agreed that a newsletter will be created, for distribution to all leaseholders, freeholders and tenants.

Post meeting note: CB has very kindly volunteered to act as Editor for the first couple of newsletters but is understandably reluctant to commit immediately to such a role in the longer term. AR and the PGMC Board will liaise with him to secure publication of the first newsletter early next month.

SECURITY GATES

JB asked about the security gates and AM asked why £2,000 had been spent on gate maintenance. JH explained that the money spent on gate maintenance was due to the repair of damage to the gates plus the installation of the security plates beside the Snape House gate. He further explained that the Board was well aware of the strong feeling among many owners that they want access to the site to be limited by the installation of a secure, electronic gate system. Funding for such a system would be expensive but

is one of the proposals which the Board expects to be consulting owners about over the summer period, prior to the setting of the budgets for FY2010/11.

RESERVE FUNDS

JH explained that until 2008 the previous service charge accounts had consisted of consolidated accounts, with all reserve fund and service charge money held in a single bank account. Since the start of the current financial year (1 Sep 2009) that had been changed so that all blocks, the estate and reserve funds are now accounted for separately and have their own individual bank accounts. However, the problem remains that incomplete records in earlier years and the ongoing issue of large service charge arrears have resulted in many owners believing incorrectly that their block had by now built up significant reserve funds. There is a significant lump sum of money that has been carried forward successively over the years, for allocation to reserves. JH stated that whilst he had a pretty good idea of what most of the reserves should have theoretically grown to by now, taking into account when each block had been completed by Sunley Homes. However, he stated that he intended to delay publishing a formal update until later in the summer, by which time the level of arrears should have decreased even further and he would be in a better position to make recommendation to the PGMC Board as to how the lump sum should be divided.

CG commented that he believes the approach to this is correct. However he also commented that he believes the culture needs to change and the bin stores and on site security need dealing with sooner rather than later.

Post meeting note: CCTV cameras plus appropriate signage are due to be installed around the estate but we're still awaiting the local council's approval.

With nothing further to discuss, the meeting was closed at 12:23pm