

## **Platinum Point Owners' Association Annual General Meeting**

**Wednesday 27<sup>th</sup> October 2010**

**The Forth Suite, David Lloyd Sports Centre**

**Chair: Nick Timmins**

### **1. Welcome**

Chairman of the PPOA, Nick Timmins, welcomed the owners in attendance and any tenants who were present as observers.

He indicated that Shirley-Anne Somerville MSP was expected to attend.

He alerted the meeting to the fact that after the resignation of the 2009-10 Committee (item13) that Gerry Rooney, Deputy Chair, would take items 14 – Appointment of 2010-11 Committee and item 15 – Committee's means of communicating with owners. He added that with such a full agenda the timings for each item would be strictly adhered to.

### **2. Minutes of the AGM held on 14th October 2009**

No objections were made to the minutes from the previous year's AGM (NB these are available on the PPOA website). The minutes were approved by Gillian Waddell and seconded by Duncan Clark.

### **3. Matters arising - There were no matters arising.**

### **4. Police Report by PC John Pennycook**

PC Pennycook was welcomed to the meeting. He discussed the incidence of crime in Western Harbour and indicated that Platinum Point had suffered less than nearby developments. He attributed this in part to the CCTV and the security measures in place, but indicated people should constantly be vigilant by not buzzing in strangers and ensuring doors were properly closed.

He reassured those present that the perpetrator of the 2009 break-ins was currently in prison.

PC Pennycook encouraged owners to put identifiers on their moveable equipment as a deterrent and an aid to recovery if stolen.

The contact number for Lothian and Borders Police is 0131 311 3131 and calls may be patched through to PC Pennycook via that general number.

## 5. Site security

- The Chair outlined problems with flat door security. He recalled that in 2009 there was a spate of break-ins by the method of kicking in the door, weakening and breaking the locks. Owners had been advised to put in one or more extra mortise locks to strengthen the doors. A special PP discount for this work had been obtained from ETC locks.
- There were also problems with the closure of the external doors. Nick Mayall (Ross & Liddell) indicated that a variety of options were being explored to remedy these problems. Costings and options would be put to the Committee in the first instance once all information had been collated.
- The Chair went on to reiterate PC Pennycook's advice not to buzz in strangers.
- The security of the basement car park was discussed. It was agreed that it was virtually impossible to make it completely secure. The problems with the entry and exit gates were discussed. Nick Mayall again indicated that he was collating costs and options to improve the gates and would convey his findings to the Committee in the near future.
- The issues around the bin shelter doors were acknowledged and remedies are in hand.

The Chair reminded everyone to report problems directly to Ross & Liddell, either by using the e-form on the PPOA website or directly by phone/email to Ross & Liddell. He indicated that discussions on the concière/caretaker issue would be at item 6 – Chairman's Report.

## 6. The Chairman's Report

The Chair indicated that he would give an overview of his entire report which had been circulated. See full text at Annex A.

1. In 2009, More than 75% of owners voted for the removal of Charles White as factor. Ross & Liddell replaced them in March 2010. There would be a fuller discussion of the Charles White debt at item 11.
2. It was fortunate no real problems arose in the interval between Charles White walking off the site on 18 December 2009 and Ross & Liddell joining us in March 2010. We are grateful to the cleaners and electricians for deferring invoices during this period. R&L found and dealt with a variety of inherited issues.
3. Prior to the tender decision, references for Ross & Liddell were taken up and were glowing.
4. Ross & Liddell's invoices were clearer/ more accurate than those of the previous factor. Nic Mayall's practice of showing 'dummy' invoices to the PPOA Committee helped iron out some teething problems.
5. Finances were good, but there were a number of flats either fully or partly in arrears. Nic Mayall indicated that Ross & Liddell will take steps to recover these

arrears including placing an inhibition on the properties. The Factor did not have a practice of naming and shaming those in arrears but as the inhibitions were a matter of public record, any interested party could apply to the Land Registry to find out this information.

Consideration of item 8 (Site maintenance including Zurich Buildings Warranty issues) and item 9 (Concierge/Caretaker) were subsumed into item 6 in the course of the discussions.

### **Concierge/Caretaker**

A lively discussion ensued from the reference to it in the Chairman's report. The Chair outlined the sequence of events leading from the ballot rejecting a Concierge/Caretaker to the offer made by the Administrators to offer a licence to occupy the a Concierge/Caretaker flat at a peppercorn rent.

The question of engagement of a Concierge/Caretaker, and the possibility of another ballot with a range of options covering the job description, performance standards, and remuneration package of the individual were discussed. Interest was shown in the method of decision making from an Extraordinary General meeting to ballots with single transferable votes on a range of costed options. Ross & Liddell would discuss these further with the Committee before determining the mode of decision making across a range of costed options for a Concierge/Caretaker service to the owners in the near future.

### **Site maintenance including Zurich Building Warranty issues**

A discussion ensued at this juncture from the reference to it in the Chairman's report. Zurich seemed to have placed a different interpretation on how insurance excesses were calculated in the relevant section of their Building Warranty for 1 and 3 WHD.

The Chairman advised people to check that their certificate of insurance for their flats actually also covered the common parts (or that they had a separate certificate for the purpose), since an owner was under the impression that the Administrator had reneged on the promise to honour obligations for 2WHP. The Chair also reassured those present who had purchased their flat around the time of GS going into administration that the Zurich building warranty certificate should be available on request from the administrator.

## **7. Ross & Liddell's report, including financial report – Nic Mayall, Property Manager**

Nic Mayall, Property Manager for Ross & Liddell, indicated he would give an overview of the position since Ross & Liddell became the Platinum Point factor in March 2010.

He made the following points:

- The handover from Charles White was unusual in its incompleteness of information being proffered to Ross & Liddell whose team had to piece together the information on contractors. He is in the process of preparing a tender for the gardening contract. Ross & Liddell seek three tenders for contract to ensure value for money.

- Ross & Liddell inspect the property on a minimum of a monthly visit, though in practice Nic Mayall indicated he tended to visit 2-3 times per week.
- He reiterated the value of the CCTV system and said he valued PC Pennycook's presence to discuss security matters.
- Nic Mayall discussed security. He highlighted the decision to abolish the practice of entry door codes to force inhabitants of Platinum Point to use the entry fobs for access. He indicated he was aware that the entry doors were problematic and that a range of options were being looked at to improve them. He reminded people to ensure doors were closed after them, not to buzz in strangers and not to leave doors ajar.
- Stair signage was now complete in all blocks.
- Nic Mayall floated the idea of height restriction signs at the entry ramp to deter higher vehicles from entering as they could get stuck or damage overhead pipes. The Chair indicated that this had already happened to some overhead pipes.
- The suitability of the entry and exit gates was discussed. A specialist report had recently been received but had not yet been considered. Associated costings were awaited.
- The measures to combat the noise and mess of the roosting pigeons were discussed. The spring wire had been put in place in the common areas. Residents were reminded that if they wished their personal balconies fitted with spikes/wires then they should contact the contactor directly for a quote.
- ARC was in the process of power washing the car park and the slabs in the garden area.
- A lighting audit was in place. Residents were requested to inform Ross & Liddell of any faulty light. A range of lighting queries were posed and discussed.
- The double yellow lines around the entrance and exit of the car park had been painted to deter vehicles from parking too close and obstructing access/ egress and visibility of oncoming vehicles.
- The issue of the Concièrge/Caretaker flat was discussed. The factor is happy to organise a consultative vote on the employment of a Concièrge/Caretaker, with a range of costed options, if the owners so wished.
- Nic Mayall went on to discuss finances. As part of the initial tendering process, Ross & Liddell agreed to forego their commission for arranging buildings insurance and assign this to the development to provide a fabric fund for large repairs. The 2009/10 remittance is £10,876.

- He briefly recapped on the actions the factor intends to take on owners whose accounts are in arrears and repeated the factor's policy of pursuing them through a robust credit control procedure. He invited owners who feel there is a problem with their quarterly accounts to contact him to discuss the matter.
- The level of Direct Debits was still under review as the factor was still gathering information about costings. This was in part due to the scant information transferred to Ross & Liddell by Charles White.

Finally, Nic Mayall invited feedback on property matters and encouraged residents to contact the factor with queries, problems and suggestions for improvements.

The Chair indicated that some questions would be taken after an interval.

- The issue of water ingress in some flats at 1 & 3WHD was raised. Ross & Liddell to investigate.
- Caretaker/Concièrge – an owner asked if such a post could be shared with the Bryant development. It was agreed it could be a possible option but the practicalities would need investigated.
- Unkempt gardens were discussed. Ross & Liddell have been in contact with flats and note some improvement. Others may need coercion.

#### **8. Site maintenance including Zurich Buildings Warranty issues**

See discussion within item 6.

#### **9. Concièrge/Caretaker**

See discussion within item 6.

#### **10. Electricity charges – see Chairman's specialist paper at Annex B.**

- Some owners raised concerns over lighting issues. Ross & Liddell agreed to investigate these.

#### **11. Recovery of funds from Charles White Limited**

Three owners had been supported in taking their cases forward. The legal process was painfully slow and no conclusion had yet been reached, although the Chair remained optimistic. Once these three cases had clarified, Charles White might concede or other owners could follow the path mapped out by the original three.

#### **12. AOCB**

- The limited provision of recycling bins was discussed. Owners expressed concern at the irregular uplift of recyclable material and the fact the bins were left unemptied for long

periods. Ross & Liddell are seeking to set up a meeting with Edinburgh Council to discuss PP waste management.

- An owner asked about future plans for the peninsula. It was confirmed that the vacant plot is owned by the Administrators and is being marketed by Savills.
- The Park situation is in limbo. The lighthouse park has been laid out and is maintained but not opened. The park facing Britannia is not currently being developed.

### **13. Resignation of 2009-10 Committee**

The Chair indicated at this juncture that the 2009-10 Committee would stand down. He indicated his intention not to stand again, but that he would act as a consultant to the Committee on insurance and other specialist matters.

Gerry Rooney gave a warm and appreciative vote of thanks to Nick Timmins and applauded his hard and unceasing work over the last few years. He indicated that there would be a handover meeting on 7 November between the outgoing and the new committee.

### **14. Appointment of 2010-11 Committee**

The following committee members were appointed for the 2009-2010 season:

#### **1) Lindsay Brown (in absentia)**

Proposer- Nick Timmins

Secunder – Tina Finch

#### **2) Gerry Rooney**

Proposer – Nick Timmins

Secunder- Duncan Clark

#### **3) Gwenne MacRaid**

Proposer – Margaret Rooney

Secunder – Nick Timmins

#### **4) Maxim Tereshchenko**

Proposer- Gerry Rooney

Secunder – Gwenne McRaid

#### **5) Tina Finch/David Gillon (to be further discussed)**

Proposer - Gerry Rooney/Gerry Rooney

Secunder – Gillian Waddell/Barry Smith

**6) Barry Smith**

Proposer – Linda Hunter

Secunder – Maxim Tereshchenko

**7) John Doig**

Proposer – David Gillon

Secunder – Jean Røhr

**8) Peter McWilliams**

Proposer – Linda Hunter

Secunder – Maxim Tereshchenko

**9) North Kerr**

Proposer – Duncan Clark

Secunder – Gerry Rooney

**10) Gavin Strang**

Proposer – Nick Timmins

Secunder – Gillian Waddell

**11) Pat Rennie**

Proposer – Tina Finch

Secunder – North Kerr

**15. Committee's means of communicating with owners**

Gerry Rooney asked the floor how best the committee could communicate with owners.

- Options ranged from an up to date PPOA website to a newsletter but in recognition of the work involved there was no strong support for the latter.
- One owner thought there should be a communications survey.
- Email alerts could be sent to alert owners to new information on the website.
- Committee meeting minutes could be placed on the website appropriately redacted.
- Alternatively the minutes could be summarised with notes of decisions taken and placed on the website and on the notice boards in the stair.

- Committee meeting agendas could be placed on the website. Those interested could contact their stair reps for further information or comment.

Gerry Rooney thanked the floor for the valuable input and indicated the Committee would take these ideas forward.

There being no other business, the meeting was closed around 10.30 pm.

## Annual General Meeting

27 October 2010

### Chairman's Report for 12 months ending October 2010

#### Charles White Slams the Door on the Way Out

After organising an Invitation to Tender in the summer of 2009 which was sent to Charles White (who did not respond) among other property management firms, the owners overwhelmingly selected Ross & Liddell as our new Factor out of four applicants. Charles White was informed of this decision on 01/10/2009, requesting an orderly handover to Ross & Liddell by February 2010. Charles White's response was to personally threaten the PPOA Chairman with Interdict and Damages, followed on 18/12/2009 by walking off the job and refusing to repay deposits to owners. They are still being pursued through the Courts.

#### The "Interregnum"

There followed a 3 month period during which we had no Factor. Ross & Liddell, our Factor designate, was extremely helpful during this period, providing us with background support. However it could not just step in while we were challenging Charles White over its untimely exit, especially as Charles White had provided minimal handover data. The "factoring" was therefore handled by the Committee. Both ARC (cleaners) and GP Electrical undertook to postpone invoicing until Ross & Liddell came on board, and we are grateful to both of them for this gesture. We were indeed fortunate to survive the 3 months without any major crisis which might have incurred significant cost.

#### Ross & Liddell started in March 2010

We have been extremely pleased with Ross & Liddell's service over their first 7 months as our Factor. The Committee has an excellent relationship with not only their Property Manager, Nic Mayall, but also with members of their Board. Not only has Nic implemented improvements to the development with more to come, but uncovered and corrected a lot that Charles White had left undone. In particular certain lifts had no service contract, some lift emergency phones were not connected, and the Fire Service Dry Risers (one per stair) had never been pressure tested, with two found to be leaking badly (one open at the top, and one leaking into an electrical cupboard).

#### Finances

The presentation of invoices has been an enormous improvement on what we had become accustomed to with Charles White, both in accuracy and clarity.

There are three areas of cost that will have inflated Ross & Liddell's invoices, and given the false impression that costs are higher under Ross & Liddell than under Charles White. The first is the accrued costs from the "Interregnum" where payment of 3 months' invoices had been held over until Ross & Liddell started; the second is Buildings Insurance premiums which have been included in the regular invoicing (Charles White billed them separately); and the third is electricity charges for the Common Parts. There are reasons why Charles White might have refused to pick up the entire electricity bill on our behalf (contractors were working on site), but it is not clear what went on between them and Gregor Shore in Administration. The Common Parts electricity account remained in the name of Gregor Shore in Administration until Ross & Liddell took it over in March 2010. It ought to have been in the name of Charles White.

Such is the goodwill between Ross & Liddell and the Development, that it may come as a surprise for owners to learn that from time to time R&L has had to subsidise the Platinum Point account. **There are 11 apartments which have paid no dues whatsoever.** We are fortunate to have as prompt payers *Europa Apartments* which owns 34 Platinum Point apartments, including one complete stair. Sadly there is at least one owner in each of 7 stairs who have not paid anything. These defaults

comprise: (i) no £300 deposit; (ii) no insurance premium; (iii) no payment of the May and August accounts; and (iv) no payment of their share of the “Interregnum” costs. Proper process is now being followed to recover these funds.

### **The Concièrge Flat / Caretaker Issue**

Much of the summer was dominated by this issue. It had been the intention of Gregor Shore (prior to their bankruptcy) to hand over the concièrge flat, which houses all the security and fire monitoring equipment, to the PPOA for a peppercorn rent. This would have left owners only having to pick up the ongoing electricity, maintenance and insurance costs associated with the flat plus the wages of any concièrge or caretaker they decided to appoint.

This was also the initial position of the Administrators. Regrettably though, without forewarning to us, in July the Administrators gave Eddie Crooks one month’s notice to quit, and surprised us with a hardening of their attitude. With this change of tack they presented us with 2 options, neither of which was particularly palatable. These options were as follows:

- a) They would pass us the flat in total as envisaged by GS, but at a full commercial rent or commercial purchase price. Clearly, this would present very poor value to the owners.
- b) Alternatively, they would sell off the flat to a third party, partitioning off the electronic equipment and arranging some form of alternative access for us. This seemed an approach fraught with difficulty and would permanently deprive the development of ever being able to appoint a concièrge or caretaker, since we would have lost the relevant accommodation.

In an ideal world, it might have been appropriate to have mounted a full scale legal challenge to the Administrators’ position but such an approach would have required very significant funding which was simply not available.

Negotiations took place as to how this stand-off might be resolved. A proposal emerged whereby it was agreed that R&L would put the first option to ballot, i.e., people would be asked whether they wished to bear the cost of the flat at a commercial rent, with a caretaker on a remuneration package appropriate for the role—offset by contractors’ costs that could be saved where the caretaker provided the services himself. It was agreed that this ballot would take place with neither R&L nor the Committee providing a specific steer. The wording was left deliberately vague in order to afford Eddie a degree of privacy regarding his remuneration package. In exchange, the Administrators agreed to bear the cost of Eddie’s employment for a further 3 months and not to seek immediate enforcement of the large retrospective electricity bill which they had issued to owners and which they agreed would be subject to further discussion after the flat issue had been resolved.

As you are aware, the overall majority of owners required for acceptance of the caretaker and flat proposal was not achieved. As it has turned out, this was the ideal outcome since, in effect, it called the bluff on the Administrators’ position. Although some face-saving language has been used, they have essentially reverted to their own and Gregor Shore’s original position. They have now offered us a “Licence to Occupy” at a peppercorn rent.

Our access to CCTV and alarm equipment is secured and the ongoing running costs for maintenance, services, insurance, etc., will be approximately £3 per year per flat. Additionally, through the Licence to Occupy, we have the use of the living accommodation within the flat (but not as residential accommodation). This preserves our ability to employ a concièrge or caretaker and it would be R&L’s intention to bring forward a range of costed options, reflecting different possible levels of service provision, for consideration by owners in the near future.

### **Building Maintenance and Warranty**

By the time that the last two stairs (1 & 3 Western Harbour Drive) were released onto the market, Zurich Building Guarantee had issued a more restrictive Warranty compared with that covering the other 9 stairs. There are on-going discussions between a firm of surveyors representing Zurich, Ross

& Liddell and the Committee over the interpretation of the new Policy, which centres on how excesses should be applied. Zurich maintains that the excess is per apartment rather than per item of claim.

This only affects common area claims where, if for example an excess of £1,500 were applied per apartment, the chances of ever being able to lodge a claim with Zurich would be greatly reduced. We are still seeking resolution.

### **Summary**

This started as a difficult year, with us trying to keep administration of the Development on an even keel until Ross & Liddell came on board. Gradually matters improved from thereon until today where those improvements are palpable. I would like to thank all members of the Committee for their tireless support, and in particular Gerry Rooney my deputy Chair, but not by any means forgetting Helen Gallagher (Secretary), Tina Finch, Max Tereshchenko, Gillian Waddell, Lindsay Brown, David Gillon and Gwenne MacRaid, all of whom have contributed to the progress that we have made. Many owners have sent us supportive emails, and we thank you for those, and indeed for your patience when things have not gone entirely according to plan.

Nick Timmins

Committee Chair

27 October 2010

**Platinum Point Owners' Association  
Annual General Meeting  
Wednesday 27 October 2010  
Agenda Item 10: Electricity Charges**

***Background***

With one brief exception, Platinum Point Owners were never charged for Common Area Electricity until Ross & Liddell's most recent invoice. There were two reasons for this, (i) the Developers had been consuming much of the electricity on site while most of the site remained in their ownership; and (ii) there was an agreement between the Developers and the then Factor, that some Developer costs would be borne by the owners. In particular it was necessary for the Chubb 'Redcare' fire and alarm system to be installed in all the stairs, whether occupied or unoccupied. A single Chubb contract covering all 11 stairs was far cheaper than 11 separate contracts, so the owners undertook to bear that cost in exchange for free Common Area electricity.

***Costing Basis***

Common Area Electricity consumption for the entire Development is measured via one dual rate day-night meter for which the Factors negotiate the best annual commercial tariff from competing suppliers. This attracts VAT at the full rate (currently 17.5%, but soon to rise), and a Climate Change levy. Even so, the tariff including these on-costs compares favourably with a typical domestic rate including 5% VAT.

***Allocation of Charges***

The main drawback with single metering is that the apportionment between each of the 11 stairs and the 'Common Areas of the Development' has to be estimated, so that the ratios in the Deed can be applied as closely as possible. The Deed requires that electricity for the 'Common Areas of the Development' ought to be equally divided between each apartment (1/246), whereas electricity within each stair is a private matter for the owners in that stair, allocated in the ratio of flat area, in the same way as other stair-specific charges.

Installing 12 meters, which would each need to be on the domestic tariff, would be out of the question. Not only would the total cost of the supply exceed the single aggregated charge that we have at the moment (each meter would attract a standing charge), but the re-cabling would require a major capital outlay.

Other developments faced with this dilemma have ignored their Deed of Conditions and have charged apartments in the ratio of flat area to the total area of all the flats in the Development, as a means of going some way towards a fair allocation. This is what the Committee advised Ross & Liddell to do for their most recent invoice, and which they followed. However it is open to challenge by those whose preference is that the Deed should be followed, or at least followed more closely. That challenge has come about.

***Charging in accordance with the Deed of Conditions***

It is possible to come up with a close approximation for the consumption in each of the 12 sections of the Development.

**1. Common Areas of the Development.** The 'Common Areas of the Development' comprise basement lighting, the water pumping equipment, courtyard lighting at night and intermittent use of the vehicle gates and bin store lift. Basement lighting levels have been reduced to approximately half by not replacing all tubes, and it is actually cheaper to keep them on continuously. Frequent

switching reduces the life of each tube, and cabling work to achieve this would be costly. By counting fluorescent tubes (each 55 W) we have estimated basement lighting to amount to 10 kW. The water pump accounts for 5 kW average (it does not run during periods of minimal use), with a further 0.5 kW for the other items. We already know from actual meter readings that all 12 areas together consume 62 kW, more or less constantly across the 24 period, so the 15.5 kW total for the 'Common Areas of the Development' amounts to 25% of the 62 kW total for the site.

**2. Common Areas of each Stair.** Having established that the 11 stairs consume 75% of the total, it remains to divide that consumption between them. Stair electricity costs are shared between lighting and the lift, of which by far the greater part is lighting. Some of the 28 W light fittings are on permanently, while others operate on movement sensors. However, that is the case in every stair, so the ratio between one stair and another will remain constant. It follows that the ratio of the number of light fittings between stairs ought to be an accurate guide to the ratio of electricity consumption for stair lighting.

It is a misconception that lifts are high energy users. In light of their intermittent use, and background consumption even when idle (to operate control equipment, cabin lights, indicator displays and ventilation), the average consumption of a residential passenger lift in a 6 storey building is around 130 W, two thirds of which would be consumed on standby, even if the lift were not used at all (Ref: *International Organization for Standardization, Switzerland, 2009*). As a crude planning guide, it is proposed that we use a ratio of  $(100 + 1.5 \times A)$  W per stair (where 'A' is the number of apartments in the stair) to calculate lift power consumption, which—as already stated—is small compared with lighting costs.

#### ***Periods of Charge***

a) The above method of calculation is proposed for all charges from Ross & Liddell with effect from the commencement of their factoring at Platinum Point in March 2010. The Committee will undertake a full survey of lighting in each of the stairs to bring this about.

b) Many owners will have received an electricity bill from 'Gregor Shore in Administration' for the period starting with Gregor Shore's bankruptcy in October 2008 until they handed over Platinum Point to the then Factor (Charles White Limited) in October 2009. Throughout that period until December 2009 when Charles White resigned, the electricity account remained in the name of 'Gregor Shore in Administration'.

It is not clear why the account was not transferred into the name of Charles White Limited who could have passed on charges to the owners, in accordance with which stairs had been adopted. This matter remains in dispute, and is tied up with other issues related to Charles White, which are progressing through the courts.

c) From December 2009 until March 2010 when we had no Factor, 'Gregor Shore in Administration' continued to be the electricity account holder, although they deny any responsibility for the charges. This too is unresolved, and may also be a charge on Charles White, given that they would have continued to be Factor throughout the period if they had not resigned prematurely.

PPOA Committee  
October 2010