



Victory Hill Management Company Limited

Residential Management Company limited by guarantee with no shares
 Co no.: 04659245 Registered in England and Wales
 Registered office:
 c/o Chaney's Chartered Surveyors
 Chaney's Chartered Surveyors
 Chiltern House | Marsack Street | Caversham | Reading | RG4 5AP

VHMC Directors Meeting

Meeting Details

Date	Tuesday 26th May 2020	Time	18:00 hrs.	Venue	Online virtual meeting hosted over Zoom
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Present	In attendance	Absent / Apologies
<ul style="list-style-type: none"> • Matt Garvey • Martin Edge • Jaz Parmar • Wayne Buckley • Des O'Neill • Dave Griffiths • Matt Bertram 	<ul style="list-style-type: none"> • Sarah Morrisen (Chaney's) • Andrew Copley (Chaney's) 	<ul style="list-style-type: none"> • Stewart Smart • Lorcan Loughrey

Minutes of Meeting

Item	Description	Due Date	Action
1 18:00	<p>Meeting commenced at 18:00 hours</p> <p><u>Directors only discussion</u></p> <p>Directors discussed the current managing agent contract. They agreed to begin a retendering process starting with a subcommittee of WB DO MB to lead and inform the process. WB was nominated as the lead. This group will provide to the board an initial scope and timeline for the tender by the next board meeting. Directors agreed for the Tender process to be concluded in time for an operational date of 1st Jan 2021.</p>		

2.
18:50

Chaney joined the meeting

Minutes of previous meeting

- Articles of Association, AC/ME working together, will be discussed at a future meeting
- Death in benefit insurance for site staff, quotes will be made available after meeting
- Leak spreadsheet circulated to all
- Hot water cylinder report circulated to all
- Ex gratia payment to Sue Ross - D'ON will gain details of payment made to and convey to HMRC AC to confirm with D'ON
- 2020 board meeting minutes now updated on Winterthur Way website
- PMP analysis per block AC will complete and circulate within two weeks
- Cladding letter to leaseholders, work to date has been circulated to board members
- Winterthur Way website migration to GoDaddy - AC is working with WB to carry out transfer, WB will provide his login details to expedite
- Date and agenda for AGM agreed
- Proposal regarding oversee of reserve funds AC has circulated to board members
- ME requested clarification regarding PMP, i.e. was it suspended for all of the blocks or just for Cherry, Holly and Elm (which are affected by the cladding issue) thought we had agreed to just suspend Cherry Holly and Elm and proceed with the other blocks
- SM confirmed that at the previous meeting the entire PMP was agreed to be delayed
- AC - that wasn't the spirit of discussions
- D'ON - the minutes clearly show what was voted on and that was to suspend, we either do what we voted on or we change what we voted
- AC - I took from the meeting that the external cleaning for the larger blocks (Cherry, Holly and Elm) should be delayed for a year but with regards to the estate and smaller blocks, (not affected by cladding) PMP should continue
- MG - Birch was an example of impact upon reserves if we were to proceed with PMP this is what swayed directors to not proceed
- AC - from the last meeting I perceived that external cleaning would be delayed but other works on the PMP would continue
- D'ON - minutes clearly state that Directors voted to delay the PMP for this year
- JP - there was mention that we would not get a better deal if we were to carry out works in different parts and also the cladding issues
- AC - it's important to make a distinction between the external cleaning and the rest of the PMP, the rest of the PMP should continue

SM

AC/D'ON

AC

AC

<p>3. 19:15</p>	<ul style="list-style-type: none"> • WB - noted error in previous minutes which state DG no until decision recladding SM to amend to DG yes until decision re cladding • WB - Can we revisit after discussions on cladding • MG - wanted to answer ME's initial question 'has the PNP been delayed for the large blocks' my understanding is no, only large discretionary expenditure stops for all blocks and has been pushed back to next year and the basis of this decision was based on block Birch as an example whereby if we proceeded Leaseholders would be asked for a top up which none of the Directors want. That drove the decision, and this should have been better captured in the minutes of previous meeting Minutes of previous meeting agreed <p><u>Code of conduct</u></p> <ul style="list-style-type: none"> • MG - SS would have led but he couldn't attend the meeting Requested feedback on document (Code of Conduct) • D'ON - It's a shame SS couldn't attend, would have asked to see conversations he had carried out with the solicitors • MG - is this necessary? • D'ON - yes. I cannot agree to Code of Conduct, it needs to be rubber stamped as being legal and how it relates to our existing Mem and Arts. I thought this is what SS was going to do. The Code of Conduct gives all-encompassing power to the chair • MG - I disagree with that • D'ON - mentioned the discussion regarding the complaint's procedure • MG - asked for clarification of this • D'ON - Reference the email sent on the 2nd of May by MG with other directors copied in • MG - I will respond to your question but this is exactly the type of behaviour I was citing. That email was sent to all Directors anyway, it wasn't just between me and it was sent following on from your unnecessary confrontational behaviour • D'ON - it's not confrontational it's challenging • MG - this is not productive; do you have anything to say on the Code of Conduct? • D'ON - the Code of Conduct gives the Chairman all the power. It's important that we see communication between SS and solicitors and approval from the Solicitors before it is voted on • JP - nothing to add, Code of Conduct is perfectly acceptable, nothing offends or is unreasonable there needs to be a Code of Conduct and we do need to have the Chair being able to hold everybody to account and get them working as a team • DG - happy with what SS has produced 		<p>SM</p>
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	<ul style="list-style-type: none"> • MB - no queries, has read, all self-explanatory, no issues • ME – asked MG to summarise the provenance of the document, what are the origins of the text, is it a standard template and how did it evolve? • MG - We had a previous Code of Conduct in the past which WB shared, along with the second Code of Conduct template from Chaney's. The new Code of Conduct was developed using the Solicitor's expertise cross referenced with the Articles of Association. SS was given a brief • ME – Generally comfortable with the contents and how it's written however it doesn't add anything that can't be found in the Articles of Association and Companies Act this is except for: The section re removal of a Director, which has clearly been pasted in. I'm not comfortable in principle, the Companies Act lays out the practise that Directors to a board are appointed by the members and removal of a director is the power of the members and has to be done at a special general meeting. The Board themselves do not have that power as we found out in October during the unfortunate process with DON. The Code of Conduct states the following: "this document seeks to devolve the members ability to remove a director to the Board only" This is unhealthy, if the Board or a member of the board feels that one Director has good reason to be removed, it is not for those around the table to make that decision it is for the members and the process of removal should be taken to a special general meeting The rest of the document is fine but not the section on the removal of a director • WB - I am broadly comfortable however would like to add some caveats: <ul style="list-style-type: none"> ○ I would expect some clarification that legally the document is consistent with the Mem and Arts and we will not find ourselves, in the event that any aspect of the code needing to be exercised, in any conflicts or illegal dispute. It requires absolute certainty. I would therefore request a letter from the legal team confirming the Code of Conduct is written in accordance with our Mem and Arts ○ Would be more comfortable that the removal of a Director was changed to a suspension until the next AGM where it would be agreed that the Board can remove a Director (for example for gross misconduct). The Director has the right of reply in front of the Members. Would also like to see the T&C's adjusted to incorporate this 		
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	<ul style="list-style-type: none"> • DG - How many of the members know why the Director is being got rid of? the Board should have the right to remove a Director • ME - The Companies Act is drafted by people with far more experience than us and a good reason why a Director should have the opportunity to put his case to Members. Members don't know the situation, but they are entitled to know. Members have the authority to appoint or dismiss • MG - requested right of reply to D'ON's assertion that the document gives all the power to the Chair. In the document the word Chairman is mentioned twice and that all the power is given to the Chair is untrue. The Code of Conduct clause re removal of a Director can only exist in the document as a result of a resolution at the AGM and the clause would have to be ratified by the Leaseholders. If they chose not to do so they have exercised their right, if they do choose to do so, they have given the authority to the Board. In any event, the Mem and Arts clause will still stand irrespective of the Board. • MG - Requested that a change is made to the quorum numbers currently held under the Mem and Arts (currently 2). The quorum should be increased to a minimum of three or a proportion of any directors at any one time • DG - it should be at least 50% • WB - 2 is ineffective, a minimum of at least four ideally 5 and if Directors numbers fall below, we should actively seek more members, the virtual format of meetings will open up the opportunity for members who are not local to join • ME - the code of conduct is not the right place to make a change re minimum number of board members, the right place is in the Articles of Association, which I am waiting to circulate and will include increasing the quorum. I am currently waiting feedback from AC regarding this • MG - to change the Articles you have to get a 75% member vote but the articles allowed board members to change the quorum without changing the Articles • ME - but the 75% rules will apply to acceptance of the Code of Conduct at the AGM • MG - it won't require 75%, the solicitor's advice is that a majority vote applies as the Code of Conduct doesn't change the Articles but instead supplements them • ME - Would like to see what the solicitors have said • WB - would like to see a letter from the solicitors confirming that the Code of Conduct is compatible with Mem & Arts and that a letter of confirmation be shared with the Board • D,ON - I request that SS copies in the Board on all correspondence he's had with the legal team. My 		
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	<p>personal opinion is that this document has not been put in front of solicitors</p> <ul style="list-style-type: none"> • MG - I can assure you it was confirmed by the Head Partnership, I cannot allow that comment to stand • D'ON - did they support the document • MG - it was written by them • WB - we need a headed paper endorsement from the Solicitors to say I've done the work I'm happy with the work and it's compatible with the Articles • ME - During works on Articles Head Partnership gave two sets of advice that were diagonally opposed and would like to see which Solicitor gave the advice and what was involved in this process • AC - request that he is included in the correspondence regarding Code of Conduct • MG - will ask SS to share correspondence to date. We also need clarification from the solicitors regarding resolution and the threshold for passing <p>In lieu of the stipulations following on from discussions, Directors were asked to vote on adoption of the Code of Conduct:</p> <p>JP - yes in lieu of information DG - yes clarification of quorum and vote MB - yes mirror other points already made and pending clarification from legal advisors ME - No cannot support D'ON - No supports a code of conduct but not this one WB - yes conditional on legal guidance on effectiveness of code of conduct and our ability to adopt (MG - asked WB if he was referring to the document in general or that particular clause) WB - the entire document MG - Yes to adopt</p> <p>Directors were asked to vote re Quorum:</p> <p>MG - Yes ME - Yes WB - Yes D'ON - Yes JP - Yes DG - Yes MB - Yes</p> <p>Summary:</p> <p>All Directors agreed to increase the quorum to 50% of registered directors or a minimum of 3 with immediate effect Code of Conduct - Vote in favour of adoption pending confirmation and clarification from Solicitors and supply of the necessary documents (correspondence to date) from SS MG - Thanked SS for leading on this project</p>		<p>SS</p>
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4.
20:10

AGM

- MG - rotation of Directors - we haven't followed the Articles whereby we should have rotated 1/3 of Directors for reelection, every year at the AGM. The last written record reads that all Directors were reelected so we are all considered to have equal length of service. The Articles allow that in this case rotation is drawn by lot. I asked for a secret names in the hat exercise (however MB and LL were reserved as eight and nine). The other Directors were numbered 1 to 7 and picked in the following order:
 - This year, numbers 1,2, 3 being MG, D'ON and DG for re-election at the AGM in June 2020
 - Numbers 4,5,6 will follow next year for election
 - 7,8 the year after
- Usually reelection of officers is a formality and presumed but due to friction amongst the Board it would be presumptuous to assume proposed reelection of all three retiring officers. Are there any objections?
- D'ON - asked where drawing of lots is stated in the Articles and was referred to item number 30
- Reelection of officers was agreed

AGM agenda

- SM - Confirmed notice and agenda have been sent to leaseholders
- AC - paperwork will be displayed on the Winterthur Way website 14 days prior to AGM and will be circulated to Board members prior to this
- MG - confirmed appointment of MB and LL as Directors is presumed if recommended by the board unless a vote is called
- D'ON - asked if relationships, personal or otherwise with candidates or board members are declared
- MG - yes both LL and MB were asked for any conflicts both said no. It's good practise to clarify any conflicts

All voted in favour of MB and LL to be recommended onto the Board of Directors at the AGM

- AC - will send all relevant documents for the AGM to MG and JP for checking prior to posting onto the website
- ME - item agenda re Code of Conduct, in view of clarification required, may be difficult to complete by Monday
- WB - we can ask for clarification from Solicitors and ask them to clarify in writing the points we discussed earlier. As long as they do this then we

AC

<p>4. 20:35</p>	<p>can publish as is but if answers to any points are no we cannot publish</p> <ul style="list-style-type: none"> • MG – asked AC to seek clarification from solicitors on headed paper • AC - confirmed he would read the Code of Conduct and associated documents first and then seek clarification from solicitors • ME - asked for reconfirmation of procedure for adopting the Code of Conduct • MG - and confirmation regarding the threshold of votes • AC - if the Code of Conduct is not ready it can be withdrawn from the agenda <p><u>Finances</u></p> <ul style="list-style-type: none"> • SM shared the financial spreadsheet and advised it had been distributed to Directors prior to the meeting • Confirmation that scenario D regarding site staffing had been added to the spreadsheet • Confirmed that surveyors’ fees have increased due to additional fees regarding cladding • WB - survivors fees are currently estate costs these costs should be shared between the three blocks • SM to reflect this in the next report • Increasing waste collection costs due to halting of council collection services during Covid-19 lockdown, forecast 31% over budget at year end • Pest control, pigeon proofing in problem areas has taken place which are forecast to continue as SM aware of more areas of concern. Forecast 20% over budget • Landscape maintenance over budget due to seeding of grassed area between Birch and cherry and fence repairs • WB – why are we going over budget on discretionary items such as landscape? • SM - ad hoc landscaping repairs at year end can be moved to estate repairs. The reseeded of the grassed area between Birch and Cherry followed on from feedback from Leaseholders and were approved by the Board in the early May 2020 meeting • MG - the grass area is wrecked • AC – rather than adjusting figures at year end, make adjustments as you go <p>SM – Actions:</p> <ul style="list-style-type: none"> • To make the necessary adjustments to the financial spreadsheet by next week prior to the AGM and discuss with ME • ME - estimate shows we will be £10,000 (18%) overspent on Birch and the issue is with some essential fabric repairs that have been going on 		<p>AC</p> <p>AC</p> <p>SM</p> <p>SM</p>
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6.
20:45

- WB - current Birch run rate is £1000 per month on maintenance. Is this expected to continue?
SM - yes, we have put the £1000 per month in as a provisional. Birch has suffered with regards to repairs of cracked render, made worse in the storms which has caused ingress into 6 properties. SM will present a report for the next board meeting and feels it's important that the Board see the problems that have been experienced
- MG - blocks that are over budget will want an answer as to why. Will we have an answer prior to the AGM?
- AC - summary for approval by the board to be presented at the AGM
- MG - thanks ME work on the finances

SM

Projects and initiatives

Children's play area

- DON - 7th April submitted proposal re play area since 7th of April has had a wall of silence with no replies
- D'ON read emails from MG and SS who recalled a decision not to proceed with a play area, that was made at the previous board meeting. DON raised concerns that Board Members were having outside meetings on board meeting agenda items
- MG - responded that he had apologised for the error after speaking to SM for clarification and that board members were not getting together and having separate meetings. Acknowledged that the topic needs to be resolved
- D'ON - the decision for the board is do you want to playground or not?

After discussions a vote was taken on whether to proceed on the principal of a playground (but not necessarily using DON proposal:

ME - Yes
D'ON - Yes
WB - Yes but to replace the grassed area with astroturf
DG - No
MB - No, does not believe a play area would be appropriate use of the area
JB - No, agree with MB, we do not have the space or the money
MG - No, not something we should be spending money on and won't resolve the issue

Agreed - not to proceed with a play area

MG thanks D'ON for the work done on this

Site office

	<ul style="list-style-type: none"> • SM - Site office progressing well and expected completion on Friday the 29th of May • DG - has been visiting and is happy with the work to date • MG - will it be 2 separate buildings • SM - yes but there will be a walkthrough • AC - this will be done at a later stage • ME - are we going ahead with the modifications to the existing office • SM - yes, the existing office will be a breakout area for staff with the addition of another toilet • ME - we need a review of the cost if the cost of building the office does not include refurb of the existing office • MG - how do we articulate the benefit of the estate office to leaseholders • AC - convey that it's a legal environment for staff, a meeting area and it allows for increased interaction with residents • WB - we need to highlight compliance, we had to provide the correct facilities for the onsite team <p>Cladding</p> <ul style="list-style-type: none"> • AC - I have circulated FAQ's to the Board but I want to ensure we have received the necessary advice to convey this to leaseholders. So far, I have sought advice from Fire Risk Assessor, Mike Harris, Hants Fire and Vemco Fire Consultants regarding interim measures we can put in place until replacement of the cladding takes place. Do we still communicate to leaseholders without this information? • WB – I thought the Board had already voted yes <p>Agreed – Letter to Leaseholders to be sent in its current form. FAQ's will be posted on website after clarification from fire professionals. Ensure that as this evolves, any new information is updated on the website</p> <p>CCTV</p> <ul style="list-style-type: none"> • SM - The required CCTV links to the estate office have now been done. CCTV quality is very good • Bin store doors are currently being replaced after which access control will be fitted to bin stores • MG - safety on site is a high priority for leaseholders and there are areas that are not covered by CCTV and although it would be a discretionary spend would like to consider extending the CCTV onsite • MB - we need to look at the effectiveness of the currency CCTV • WB - we need to be managing our finances and there should be no discretionary spends unless there was a rock-solid business case • MG - is challenging to rule out discretionary spends and you must respond to the will of the 		<p>AC</p>
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2. 18:45			
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3. 19:45			
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4. 20:10			
5. 20:20			

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