



Victory Hill Management Co. Limited – Annual General Meeting

Date and Time; Monday 20th November 2023 – 6pm – 8.30pm (to note 6pm-6:25pm will allow Members to join and register, the actual AGM will start at 6:30pm)

Location:

- Zoom Webinar - <https://us02web.zoom.us/j/88067733440>

The above link will also be posted on the Winterthur Way website – www.winterthurway.co.uk

Agenda:

1. Chairman's message
2. Minutes of AGM of 5th December 2022
3. Managing Agents Report
4. Project Updates
5. Update on annual service charge accounts 2022
6. Appointment/re-election of Directors as per rotation (election is presumed unless a poll or vote is requested)
7. Financial Forecast and Service Charge Budget for 2024
8. Q&A from Leaseholders
9. A.O.B



Victory Hill Management Company Limited

Residential Management Company limited by guarantee with no shares

Co no.: 04659245 Registered in England and Wales¹¹ Registered office:

c/o Chaney's Chartered Surveyors

Chiltern House

Marsack Street

Caversham

Reading

RG4 5AP

MINUTES OF THE VICTORY HILL MANAGEMENT COMPANY ANNUAL GENERAL MEETING 2022 Online held over Zoom Monday 5th December 2022

Board of Directors:

Martin Edge – Chairman

Jaz Parmer - Director

Wayne Buckley – Director

Oliver Kirkham – Director

Stewart Smart - Director

Apologies:

Matt Garvey - Director

Serif Omar – Director

Chaney's Chartered Surveyors represented by:

Richard Duncan - Director

Sarah Morrisen – Senior Property Manager

Lucy Broadfoote-Brown – Assistant Property Manager

The meeting commenced at 18:30 Hours.

Leaseholders

Ruchira Bhave	409	Chloe Judd	244
Christopher Evans	55	Dave Edwards	297
Ritsuko Ozaki	199	Enrico Sapia	162
S McOrmish	251	Kutumba Velivela	138
M Buck	156	A Ebbage	363
Sau Cheung	87	A Milburn	97
Paul Wright	333	Sarah McOrmish	251
Peg Thorn	203	Douglas How	329
Desmond O'Neill	351 & 386	Stewart Smart	193

Nick Aston	191	Wayne Buckley	403
Serif Omar	360	Martin Edge	366
Oliver Kirkham	167	S Hall	278
Christian Stefanini	134	A Mellows	100
Cross Deep Property	198	K Ball	280
R Wells	368	H Kempston	128
Rafael Martins	225	V Needham	406
K Fitzpatrick	166	J Drew	405
Jaz Parmar	359	S Crudge	320
J Foreman	328	C Emmanuel	312
D Nottage	398	S Hirst	281
R Soper	157	P Cheeseman	358
R Shearman	478		

Proxies

1. Chairman's Message:

Martin Edge welcomed all to the meeting.

The last year at Winterthur Way was not one any of us would want to repeat with two major struggles that created substantial workloads for the Directors of VHMC and Chaney's.

The first carried over from 2021 was regarding the refusal of one Leaseholder to pay their service charges across multiple properties, on the grounds that the VHMC Board and Chaney's were in breach of their obligations under the Lease on various matters. The case was referred to the County Court and was after referred to the First-Tier Tribunal. VHMC & Chaney's were able to demonstrate to the Judge that the management of the estate was appropriate and correct in all respects and subsequently the Judge ruled against the Leaseholder on all 17 claims and ordered that all service charges were to be paid with interest. A solid outcome for the partnership between VHMC & Chaney's.

The Second has been the cladding contract. There have been delays to works and doubling of contract costs resulted from unforeseen circumstances. In July, Government changed the law preventing Management Companies from funding remedial works using leaseholder funds. Such costs were to be recovered from Freeholders and developers (in our case from Fairview Homes), but the announcement did not say how or when the recovery could be made. This resulted in VHMC being left to fund the negative projected cash flow from the expanding increment works value. At the meeting in September 2022, we informed Leaseholders that this was a critical time. Although we have passed that point, the problem persists today and will remain with us until we either successfully complete the project or VHMC disappears into insolvency before the job finishes. VHMC & Chaney's do not have the power to influence the outcome. The fundamental issue is that the Governments funding model for replacement of defective cladding and associated works is not fit for purpose, and it does not work in the commercial market. Twice we have stared insolvency in the face and twice avoided it. Homes England and StanLil now understand this cash vulnerability is the key to keeping the project moving and we are now seeing a collaborative effort is required to get funds released to us from Homes England more promptly. We are hoping now that we will get through any more insolvency problems and be able to celebrate the completion of this work in Spring 2023. Although work is not completed, I would like to acknowledge the depth of dedication, patience and resolve which is being shown by those involved. Elm residents lost a year of light and freedom, but we have no way of compensating them for that. All residents have suffered parking inconvenience and that will not be over until we have finished the work in Spring 2023. Many residents have suffered water penetration to their properties, this continues to be a

major consumer of management time in trying to determine the cause and responsibility. Chaney's on site management team of Sarah and Lucy have been pulled in all different directions by the demands of this project from prioritisation of requests and issues of the project to the regular running of the estate which has been very difficult for them. However, order and progress has been maintained, my sincere thanks to Sarah and Lucy for their mammoth efforts. Richard Duncan of Chaney's has proved to be a rock of dedication to Winterthur Way since he joined the front line in December 2021, daily he responds with zero notice to Homes England, Ridge Project Managers, Stan Lil the Fire engineer, Maria Miller (MP) and to the VHMC Directors and Leaseholders. All 7 Directors of VHMC are volunteers and have all been pushed out of their comfort zone this year having to seek advice from Solicitors, insolvency Lawyers, property Lawyers, Insurance Ombudsman, Members of Parliament, the Fire Service and more, but the board has only become stronger due these circumstances with insistence on accuracy and transparency. To sum up, I believe we have come through the toughest part of the recladding project, and we are all looking towards one common goal, to get the works successfully completed to secure the safety of the development and to give Leaseholders peace of mind, there is still a long way to go, and I believe we have the right people to see this project through. Later in this meeting you may be asked by some dissenting voices to change the board, change the agent, now is not the time for change we are on the home straight, trust the team. Beyond the physical completion the directors and Chaney's are committed to recover from Government and or from Fairview all the cost of the work related to rectifying fire safety defects and other building fabric defects where they can be shown to be the responsibility of Fairview. We do not want leaseholders to be out of pocket in the long term. Birch and Fir Richard will be covering this conversation.

Senior Property Manager - Chaney's

Sarah Morrisen - Apologies for starting the meeting late needed we needed to make sure we had everyone's details

SM – went through the agenda for the evening.

2. Minutes of the last meeting

Minutes of the last meeting have been distributed via a link on our website and on our Facebook page and were distributed within about 2 weeks of our last AGM, they are very detailed, and we have had no objections to the minutes since their distribution, so we are going to consider them approved in this meeting.

3. Managing Agent Report

Sarah Morrisen said she is focusing on income for this year and of the importance of collecting the income from leaseholders for service charges. The team in Basingstoke now look after all our arrears and income collection is now our priority. Of the 249 properties affected by cladding we have received payments against cladding demands of £289,000.00 although we cannot collect any more. Arrears as of 31st October 2022 were £206,029.38, our current arrears as of today is £161,717.08. In this short period of time, we have reduced our arrears by £45,000.00. JB Leitch our Solicitors are progressing cases to court on a group basis starting with the highest arrears. We currently have 10 cases in the court system totalling £48,576.00 and 10 more will follow within the next week. By the end of December all our cases should be in the court system. There is a pre court protocol which must be followed.

Richard Duncan mentioned the impact that a large level of arrears has on both VHMC & Chaney's ability to manage the site, currently one quarter of an annual service charge budget equates to outstanding arrears. We are aware these are very difficult financial times but if there is anyone

having trouble with arrears, and you are not in conversation with us come forward and speak to us to see if we can assist in some way.

If we do not have the available service charge funds, we cannot manage the site as well as we would like to.

4. Project updates

Richard Duncan - current update on the progress works of the Cladding and fire protection remediation. In consideration to Elm block we are not finally at the end of the works for Elm block and for those of you on site you will have seen the scaffolding is coming down. Just over half of all scaffolding has been removed and the rest will be removed within this month. Cherry block is moving at a very positive pace, the top 2 levels of the block require the cladding to be replaced and are virtually complete in terms of works. Holly block nearly has all the scaffolding erected and the removal of the existing cladding panels has commenced. Only once all panels have been removed will we be able to see what we must deal with, but initial investigations are giving us indications that time frames will be like Cherry. Scaffolding should come down on Cherry in early and all being well the scaffolding should come down on Holly mid-March. We are on track to complete in line with the latest schedule.

Regarding finances we are in a stronger position than we were but not out of the woods yet. We have applied for and obtained additional funding from Homes England, and they have been very good at assisting us and making sure we can keep things moving. We have recently submitted another variation application to Homes England for further funding which we expect to obtain latest January 2023. One problem we are having is with Fairview Homes who are the original developers, they have pledged to the Homes England support for funding of our project. We had a video call with them in September and since then we have received no communication despite significant chasing. Homes England are helping to chase Fairview Homes so we hope this position will change soon. Homes England are only supporting and funding apartment blocks over 18 meters and above hence why works have not been undertaken on Birch & Fir. The Building Safety Act came in in June 2022 and that stopped us being able to ask leaseholders for additional financial support so we must rely on Fairview Homes however, as previously mentioned Fairview Homes are not responding so we have to keep pushing them and as soon as we have more information, we will share this with Leaseholders.

5. Annual Service Charge Accounts 2021

Martin Edge - At the 2020 AGM the VHMC Directors agreed to have an audit carried out to the 2021 accounts and it is my duty to report to the meeting that this audit has not been carried out. This is not because we do not want it carried out or that it is being obstructed the issue is that the directors received contrary advice for what should be the scope and structure of this audit. Expenditure during the year is not disputed, what is not settled is the allocation for the expenditures. VHMC does not have a Chartered Accountant on the Board of Directors, but we do have two members who have Chartered Accountant credentials and both gentlemen have given the opinion that they agree it is a question of allocations and allocations are solely a matter between Chaney's and VHMC. The idea of carrying out an audit does not have any foundation and would not have any meaning. What is required is a review of the allocations, so on this basis the Directors and Chaney's have agreed to look at the accounts and make the appropriate corrections following those adjustments and sent to Fortus. Reissued balancing charges would be calculated and reissued accordingly for 2021.

6. Appointment of Directors

Wayne Buckley as Director and Martin Edge as Chairman are up for re-election as per the terms of the Memorandum and Articles regarding rotation. Re-election is presumed unless there is an objection.

We will start with Wayne Buckley if anyone objects to his re-election, please put it in the Q & A.

Des O'Neil has an objection for Wayne Buckley and for Martin Edge to be re-elected.

Now an objection has been raised we will follow a process of which we will cast a poll for all participants to vote, we will ask one person at a time starting with Wayne Buckley to give a speech for his re-election then a speech against his re-election from any opposers.

Martin Edge advised that in the event he is not re-elected the chair for the remainder of the meeting will pass to Vice Chair Stewart Smart.

Jaz Parmar speaking for the re-election of Wayne Buckley

I would like to say that Wayne has total commitment and support from each member of the VHMC board. Wayne is an incredibly diligent, hard-working member of the board, he has regularly proven his commitment to its members. We are fortunate to have someone with Wayne's knowledge and integrity, his perseverance to get to the detail has been even more crucial of late with the cladding removal project which is a very complex and costly process. There have been many challenges to overcome and the ask and expectation on everyone involved, this includes Chaney's, suppliers and project managers and Board Members has been immense. Wayne and Martin have given up days and hours to ensure the work has been progressed quickly, this project has introduced new risk to VHMC that we have never had to manage before and thanks to Wayne they were addressed as soon as he became aware of them. Wayne has been a key member of the team making sure we do things correctly, ensuring contractual obligations are known and understood, identifying and highlighting risks when known, consistent in the way he supports and challenges others, always showing integrity and respect. Challenging cash flow insolvency projections to make sure VHMC are still trading solvently. His ability to look ahead to see what is going to happen has prevented VHMC from becoming insolvent. Now is not the time to step aside, we need consistency and unity which we have with the current Directors.

Des O'Neil 396 - speaking regarding his objection against re-election of Wayne Buckley

I strongly recommend members to look at changing the members that are on the board. In 2019 Martin Edge was to have a meeting with him in that June to remove him from the board due to his non-attendance at meetings, this never took place and was a concern of the board at that time. Wayne's commitment to the board is lacking, he has failed to attend several meetings this year, he makes decision for the board which are not a collective approach. I have emails from Wayne throwing doubt on actions of other board members. The focus of the board is to represent Leaseholders and actions over the last 2 years, whereby they use Zoom meetings, so they don't have to face Leaseholders, is not transparent and does not follow a democracy. We are continually blocked, getting accounts late and it is inappropriate for Wayne to sit on information that he knows regarding an active insurance claim, late payment of service charges and inappropriate use of parking permits relating to other board Directors.

The Directors volunteer to represent us all but they do not, one recent action is the appointment of Pennington's. Pennington's were appointed without proper procedure; they were appointed following the actions of I think Wayne Buckley coming to the board in panic thinking we were going to be insolvent. Pennington's themselves produced a Twilight report and was said at the last meeting would be given to any Leaseholder who requested it. We were then informed we cannot see this report because we have to sign a non-disclosure agreement, the only time you should sign an NDA is when something untoward is going on. If we don't get new members on the board, we

will not get transparency, so we need to break this tight control they have. The appointment of Pennington's was done in haste, we are not insolvent and were never going to be insolvent, it was a matter of cash flow and timing. Pennington's must have found something in the information they were given to throw doubt as to what was going on, then recommended to the Board to put an NDA on which is very suspicious and not transparent at all.

Richard Duncan – will read out Matt Garvey reasons for Martin Edge re-election as Chairman on his behalf.

I am Matt Garvey I have been a board member since 2013 and previously Chair of VHMC, I apologise I am unable to attend due to work commitments, I would ask all fair-minded members to consider my statement of support for Martin Edge and vote to continue his tender as Chairman & Director. Martin is leading us through the most intricate and demanding challenge that any of us as Leaseholders will ever encounter. The cladding removal project is expensive, technical, and subject to government bureaucracy. The Directors are part time volunteers which are balancing their careers with the usual demands of VHMC. The cladding project has demanded full time dedication and we are fortunate that Martin has been able to commit to a practical full-time job unpaid upon our behalf. Martin has extensive experience as a project manager in construction which allows him to defend the interest of VHMC. This came into sharp relief since the cash flow issue in September 2022 which Wayne & Martin were instrumental in uncovering. Prompt appointment of legal advice enabled VHMC to stay afloat and for cladding work to continue. The past 10 weeks have been a worry and we are grateful to Martins countless hours leading us in a way we believe no one else would be capable of at this time. I am convinced that without Martin VHMC would be currently insolvent, we would have defaulted on our contracts and the government would have invalidated our funding, cladding work would have ceased with no viable timeline for resumption. At this pivotal moment there are some motivated less by interest of members and more from a personal vindictiveness that would remove Martin, irrespective of the damage such an error would do to the members' interest. Martins' removal would be a conscious act of self-harm leaving us without his breathe of knowledge and history and relationships necessary to complete the cladding project. With the successful completion of the cladding works in sight it is not the time to remove key active Directors from the board. Furthermore, the completion of the project depends on Martin's experience as a Chartered Civil Engineer and Project Manager who is retired and who has sufficient time on his hands to lead Chaney's and Ridge in overseeing StanLil and securing funds from Homes England.

On a personal note, Martin maintains a cool calm respectful head under immense pressure and has nobly endured the slings and arrows of a deeply vocal minority of members. The steady even-tempered display of integrity are the qualities I most admire in Martin having worked with him these last 9 year. We need his leadership and I beseech members to vote for him for all our interests.

Des O'Neil 396 - will speak regarding his objection against re-election of Martin Edge

That was very nice from Matt Garvey but what people must be aware of is the board is controlled by Matt Garvey and Wayne Buckley. They both removed Martin Edge previously and Matt Garvey put himself in under what was nothing less than a coo 2 years ago. Matt Garvey then resigned from Chair without explanation, the Chairmanship then gets given back to Martin Edge without explanation and all we can allude to are e-mails and minutes that go about. It is a matter of trust; I do not trust Martin Edge to deliver transparency or to act in a democratic way. I have copious emails, they tried to prevent me from speaking this evening and at the last EGM where Pennington's were appointed, there was no information coming forward on why we needed Pennington's. We were told Pennington's were selected on the internet, they were not they were recommended by the Board, which is not following a tender process, everything is driven by money and to date Pennington's have been paid over £30,000.00 on account (that is a guess) but I am sure

it is more than that. No one mentions where Ridge are, what Ridges payments are at this moment in time.

Martin Edge and Chaney had a zoom meeting with myself, as being a Civil Engineer Myself as well, it is about the development in the interest of Leaseholders, I also volunteered to support him during the cladding process, which was rejected without explanation.

Accounts, again Martin Edge has this evening just dismissed the accounts like they do not mean anything. We have been waiting for over two years for an independent audit of the accounts. The reason they were requested is the accounts are false and we are still not going to get a look at these accounts, he has mentioned Leaseholders looking into the accounts but does not say who they, are then the board themselves are going to self-fortify the accounts? These are not actions of open and transparent trustworthy people that represent us and our money. I am fully paid up on all my service charges because service charges are required to develop and keep the site running, so for Matt Garvey to mention the vindictive approach, it certainly is not a vindictive approach. Is manipulating and removing people from the Board, and actions such as Board member Matt Garvey wiping his backside with information sent to him and posting a video on the Winterthur way Facebook page, are not the actions of sound minded people. Why are these people staying in tight hold of these chairs that they hold? they need to let fresh blood in, which was attempted last year, they seconded to the board old board members to protect their interest, and this continuously happens with this board. They are protecting their self-serving interest, anyone could have gone and seen that StanLil are a small company with a £400,000.00 turnover, they have taken out over a £500,000.00 loan to do our contract. They were awarded the contract before we are all given the opportunity to make observations on the contract which was apparent in the letter Winterthur Way on 9th April, the consultation period was 4th April which was before the letter was sent, they corrected that as a minor mistake on the date. Martin Edge has worked hard and tirelessly, however, there is enough suspicion and misdemeanours going on within this Board and it's time for fresh blood on the Board. The question you have to ask if you vote anyone else onto the Board in the future, do they all have to sign a non-disclosure agreement before they can sit on the board. This is not something that is open and transparent, this is closed shop, negative and very detrimental to our development so I highly recommend you do not appoint Martin Edge.

7. Launching of the Polls

When we launch the poll, and everyone has voted we will export the poll into a excel spreadsheet for transparency which will be done for both candidates.

Anyone who had arrears were no eligible to vote so we will now cross match our records and it is one vote per member not per property.

First Poll will be for Wayne Buckley, it is a simple Yes / No. Yes, to reappoint No not to. We will cast both Poles and then we will start our counting process and then announce the results.

Wayne Buckley - 1 minute allowed for vote.

Vote for Wayne Buckley Poll now closed.

Second Poll will be for Martin Edge, it is a simple Yes / No. Yes, to reappoint No not to. We will cast both Poles and then we will start our counting process and then announce the results.

Martin Edge - 1 minute allowed for vote.

Vote for Martin Edge now closed.

8. Financial Forecast and Service Charge Budget 2023

Sarah Morrisen - Against the 2022 budget we are anticipating an overspend of not more than 3.5%. Budget for 2022 was £789,413.96 and expected is £816,249.15. a 3.5% rise, in the current climate we consider this rise acceptable.

On site on a day-to-day basis contractors' prices are rising due to cost of material and timelines and availability for Contractors due to them being busy. It is difficult to find Contractors who charge reasonable prices.

Budget for 2023 we will have different assumptions we have had to be put in place to allow for the increase in costs that we know are happening in various industries such as insurance, lift maintenance, asset management, costs have gone up.

Richard Duncan – The reality is we are not impervious to the cost of living crisis and in order to make sure that we produce a realistic budget for the year ahead we have taken into consideration the potential for further uplift, from Chaney's perspective this is not an exercise we have taken purely for Winterthur Way, it is an exercise we are undertaking for all of our sites in order to make sure all sites are readily prepared for the year ahead. This means there will be increase and to consider inflation and RPI the approach we took was from the Office of National Statistics, they have identified in the last 12 months the cost of goods and services has risen on average 12.1%. We may not see the same increase in inflation rise next year that we have this year, we must be prepared for them, so the service charge budgets that are impacted by use of services and purchase of goods have effectively increased by 12.1%. Another substantial increase across the board is insurance. Insurance is increasing because of inflation impacting insurance, increase in cost of material (building insurance) should they need to rebuild whole properties. The pandemic across the world affected the supply chain and demand fell in the opposite direction, being supply went down demand went up and price increases rose with it.

Our overall Service Charge for the budget increase for next year effectively calculates to an increase of 13.5% across the budget itself.

One more piece of information solely for the leaseholders of Elm Block, there will be additional costs required from you in addition to your usual service charges, these costs are one off costs and are in relationship to high value items. Firstly, in relation to the roof leak works that happened back in 2019 where we sought to obtain the funds from the insurance policy, unfortunately the insurer rejected our claim. These amounts totalled £35,000.00, we took the insurers to the appropriate Ombudsman Service, but the view of the Ombudsman was that the insurer did not have to pay out and in addition to that this did come up in one of our recent tribunal hearings and the result from that was that the Insurers did not have to pay out as well, so unfortunately that cost must be covered by the leaseholders of Elm. In addition to that there is another substantial cost that needs to be covered by Victory Hill Leaseholders, that is an additional £69,000.00 and these costs have arisen from works in relation to non fire related works items that cannot be claimed from Homes England and while we have been cautious not to add additional expense where we can avoid, the reality is there are some things we just had to undertake. The bulk of the £69,000.00 is made up of repairs to the guttering and the coping stones that were loose close to the guttering and would have been extremely dangerous should one of them have fallen off. This was a necessity. It is important to identify that the health and safety was a necessity but if we had not done the gutter whilst the scaffolding was up it would have leaked and then we would have had to pay for more scaffolding to complete the work. Should the Elm residents find it difficult to pay these costs when they receive their service charge costs then please talk to us we cannot make any promises but if we understand your specific circumstances perhaps, we can work together regarding this.

9. Votes Counted

Sarah Morrisen votes have been counted and checked by Lucy Broadfoote-Brown, it is confirmed everyone who voted tonight does not have any outstanding Arrears, we have included the 10 proxy votes.

For the re-election of **Wayne Buckley** – 41 out of 50 leaseholders voted YES (82%) result and 9 out of 50 voted NO (12%).

Wayne Buckley is considered re-elected to the board.

Martin Edge – 45 out of 50 voted YES (90%) in favour and 4 out of 50 voted NO (10%) not in favour. Martin Edge is considered re-elected to Chair of the board.

10. QUESTION & ANSWERS

Q - Flat 97 – Martin Edge mentions that the cladding works will be completed in Spring 23, since the work on Birch and Fir has not yet started, I assume this statement does not apply to all Winterthur Way cladding projects.

A - That's correct, we are dealing with Fairview with regards to remediation works to Birch & Fir, Martin is referring to current works on Cherry, Holly & Elm Blocks when he mentions the Cladding works being completed. We will update Leaseholders when we have more information regarding Birch & Fir from Fairview Homes.

Q- Simon - Has Fairview been served with a remediation order.

A – Fairview have not been served with a remediation order from ourselves, Fairview in a conversation with Homes England but we will need to engage further legal advice to serve the remediation order. We are currently waiting for the appropriate moment. VHMC with Chaney's will start to move down that route, we need to pitch our approach correctly at the right time and in the right way. This will be done shortly.

Q – 297 – Will an EW1S form be issued for Block E on completion or is it more complex than that.

A – As the works to any blocks are completed and signed off by Vemco, we will receive a EWS1 form confirming a compliant building.

Q – Simon – Should not Chaney's be paying for the audit of the allocations.

A – Martin Edge replied he does not have anything else to add from what he said earlier, we have said we will resolve this, and we will resolve it. Richard Duncan said he is more than happy to support this process but as Martin identified earlier, it is not a matter of auditing, it is a question of making sure that when specific amounts of money that are spent are allocated under the correct line item to which VHMC deem it appropriate. At the moment, we just need to reallocate some items by moving a specific number from one place to another and that's a conversation to be had between Chaney's and VHMC and therefore in my view does not require a third party.

Q – 398 – Why was there no request for Director nominations, seems poor corporate management to have so little turnover.

A – To all Leaseholders, we will always welcome new requests for Directors, we do not need an AGM to co-opt members onto the Board. Should anyone be interested in becoming a Director, please approach us and we will set the process in motion. Martin Edge added, if you are a professional or a person with a specific sector of expertise and have time on your hands to contribute, please get in contact. We need people who can reason and see a priority, people with logic who understand process.

Q – Simon – Tell Des he can audit the accounts anytime.

A – To all Leaseholders, should they wish to review the invoices etc that Chaney's retains for all expenses VHMC and Winterthur Way you are very welcome to come to our offices in Reading and look through our files if you could give us 24 hours' notice so we can make sure it is all available to you.

Q – Des – Are we still engaging Pennington’s despite them doing nothing for their money what have we paid them to date.

A – Martin Edge - Pennington’s are on call for as long risk of insolvency persists; we need that legal advice. We are Directors and do not pretend to be competent to insolvency, so we need that legal advice.

Q – Heather – Why did the insurers reject the claim.

A – It was a leak in the roof void at the top of Elm for a long period of time, because it was hard to trace where the leak was coming from, we had a professional report done which said it was a leak from the bullnose and it was an actual problem with the windows above the penthouse flats. We submitted to insurers they rejected our claim, we had lots of evidence so we went to Ombudsman, and they backed the insurers, so despite lots of effort, the insurers would not cover this, we had hoped they would at least cover the search and find but they did not.

Q – Simon – Asked Des to circulate proof of his claims to all Leaseholders.

A – Des – If anyone wishes to contact me, please email me at des@linxpropertiesolutions.com.

Q – 278 – Why does Elm have to pay more money for the guttering, is this not covered by our service charge.

A – Elm was developed by a company who during the development went into administration and was then purchased by another company. The difficulties we have found on Elm have not been replicated on Cherry & Holly. The original construction of Elm was just significantly worse than the others because it was constructed by a different company that then became insolvent, so if the coping stones had been constructed to the appropriate building regulations, there would have been additional safety standards which would have stopped the failure of the coping stones by way of the mortar failing. The condition of the guttering on Elm was also substantially worse.

Q – Heather – Why are there so few workers on site, I am home most days and rarely see them.

A – Some days there are more than others, but most of the work are on the upper levels. Hence if you are in a lower apartment, you are not going to see as much activity but will see more when the decking to the balconies is installed. In the first part of the year during works on Elm, there were not as many contractors on site as there were labour issues.

Q – 278 – What is happening with money we paid towards the cladding prior to the law change.

A – This money was requested from Leaseholders against the cost of the work that we knew Homes England were not going to support. Initially that money was going to have to be paid by Leaseholders that is why we sent out additional service charge demands. Then Michael Gove changed the law preventing us from asking for additional monies from Leaseholders, but the money already collected has been used to pay for the work Homes England will not support which is a temporary situation. We are now directed by Government to recover this money from Fairview instead.

Q – 333 – firstly the scaffolding on Elm is being taken down but sharp and dangerous debris is being left on the balconies something StanLil have known about, what is the plan to remove this safety risk before debris falls on balconies and cars below. Also, windows have not be cleaned what is the plan to clean the windows.

A – Martin Edge is relying on Chaney’s to follow up with Ridge to resolve this problem.

Q – Alan – Is remediation work complete and if it is what is the process to gain a positive fire safety rating.

A – When the process has been carried out by Vemco and scaffolding is removed, we will be issued with a EWS1 form which will show the building as being compliant. For Elm, this should be by the middle of January.

Q – Des – Now the scaffolding is coming down how are you going to fix the mess StanLil have made of the balconies.

A – The balconies are going through a process of snagging by Ridge but if there are any problems to your balcony, please send photographs and we will bring this up with Ridge. StanLil are obligated to clear up behind them and obligated to make sure any damage is repaired; Ridge are to undertake snagging and we are confident they will cover all these elements.

Q – Enrico – Can you please provide an update regarding the pigeon proofing work.

A – Pigeon proofing is included as part of StanLil’s scope of works, these are considered non eligible works. Stanlil have already carried out substantial pigeon proofing on Elm and have started pigeon proofing of Cherry. VHMC asked an independent company to see if the pigeon proofing that was being fitted was sufficient and they subsequently deemed it was not, so they gave us a specification of works that would be sufficient and these revised works have now been carried out on Elm and that’s what we plan to carry out on Cherry and Holly.

Q- Raffiel – Can the company that preforms the lift maintenance be changed. Why are the lifts breaking all the time?

A – I know you live in Holly; the Holly right hand side lift has had substantial problems. The lifts for their age are functioning well, however we did have a meeting with Kone and complained about their service levels which are now improving. Kone are also looking at contract costs and reductions that can be applied to save money for Leaseholders. For now, we are working with Kone, but it does not mean we cannot look at other options and we have asked Jackson Lifts to also quote for the lift maintenance contract.

Q – Raffiel – When will an independent audit be performed.

A – This has been answered twice already but what is it you would like audited? what are your doubts about the accounts? once we understand that we might have terms for an audit.

Q – Des – If there was a labour delay why are we paying £680,000.00 to StanLil for late contract start.

A – Unfortunately, I cannot answer this just now.

Q – 278 – Will we get any more visitors spaces any time soon.

A –We are very aware of the parking situation on site. We are down to 6 visitors spaces out of 17 originally but we have only taken them away as it is absolutely essential in relation to the cladding works and we will get them back as soon as possible.

11. ANY OTHER BUSINESS

Martin Edge	– Nothing
Stewart Smart	- Nothing
Jaz Parmar	- Nothing
Wayne Buckley	- Nothing
Oliver Kirkham	- Nothing
Richard Duncan	- Nothing
Lucy Broadfoote Brown	-Nothing
Sarah Morrisen	- Nothing

Martin Edge – Would like to thank everyone who attended the meeting and their contributions, thank you for your voting and thank you for your confidence in Chaney’s.

The meeting ended at 19.58 hours.

VHMC Ltd - EXPENDITURE REPORT

For the year ended 31 December 2022

Note: the expenditure reports below are generated from Chaney's management accounting software. As such, they provide factual data on a 'cash book' basis - i.e. no adjustments have been made for any pre-payments or accruals which is how the accountants will prepare the accounts. They serve to give information to leaseholders at the 2023 AGM

Schedule 1 - Estate Charges	Budget 2022	Expended 2022
Management fees	95,000	96,058
Surveyors Fees	300	0
Confirmation Statement	13	13
Management Company Expenses	50	839
Accountancy Fees	5,610	6,042
Corporation Tax	250	0
Estate Cleaning Staff	54,610	47,353
Estate Office Costs	5,000	10,199
Cleaning Supplies	4,000	5,181
Estate Risk Assessment	500	4,752
Bank Charges	300	293
Legal Fees	5,000	48,903
Water and sewerage charges	500	2,520
Waste management	15,000	36,954
Pest control	2,500	1,926
Gritting salt	500	1,080
Landscape Maintenance	15,000	20,923
Planting - Replacement/Renewal	1,500	6,967
Website Maintenance	1,000	2,499
Street Lighting Maintenance	200	561
Lightning Protection Maint'	420	-
Estate Repairs	15,000	14,611
Contributions to Parking - 15%	-2,731	-
Public liability insurance	1,100	8,339
Directors & Officers Insurance	330	-
Reserve Fund - Estate	15,000	9,960
TOTAL - Sch 1 - Estate Charges	£ 235,953	£ 325,972

Schedule 2 - Birch House Charges	Budget 2022	Expended 2022
Electricity	4,584	12,422
Window cleaning	273	129
Water Booster Pump Maintenance	775	725
Water Tank Cleaning & Testing	800	493
Aerial & Satellite Systems	300	150
Lighting Repairs & Maintenance	500	0
Electrical Repairs	200	0
Intercom System	2,770	3,117
AOV/Smoke Vent Maintenance	1,000	822
Dry riser testing	180	237
Lift maintenance	3,156	3,290
Lift Phone	0	15
Mansafe System Maint/Testing	288	0
Repairs and maintenance	7,500	5,290
Engineering insurance	495	1,095
Buildings Insurance	23,094	23,401
Reserve funds	17,364	2,537
TOTAL - Sch 2 - Birch House Charges	£ 63,279	£ 53,723

Schedule 3 - Cherry House Charges	Budget 2022	Expended 2022
Electricity	13,590	14,168
Window cleaning	363	197
Water Booster Pump Maintenance	775	1,175
Water Tank Cleaning & Testing	800	1,253
Aerial & Satellite Systems	150	0
Lighting Repairs & Maintenance	385	558
Electrical Repairs	350	1,262
Intercom System	4,089	5,935
AOV/Smoke Vent Maintenance	785	990
Dry riser testing	180	360
Lift maintenance	6,312	8,965
Mansafe System Maint/Testing	288	0
Repairs and maintenance	7,500	12,547
Engineering insurance	991	1,095
Buildings Insurance	38,864	39,171
Reserve funds	25,526	32,668
TOTAL - Sch 3 - Cherry House Charges	£ 100,949	£ 120,343

Schedule 4 - Holly House Charges	Budget 2022	Expended 2022
Electricity	15,763	21,223
Window cleaning	364	248
Water Booster Pump Maintenance	775	1,679
Water Tank Cleaning & Testing	800	1,119
Aerial & Satellite Systems	250	0
Lighting Repairs & Maintenance	270	665
Electrical Repairs	500	188
Intercom System	4,976	5,250
AOV/Smoke Vent Maintenance	1,000	1,421
Dry riser testing	180	455
Lift maintenance	6,312	7,939
Mansafe System Maint/Testing	288	0
Repairs and maintenance	13,000	17,902
Engineering insurance	991	1,095
Buildings Insurance	43,359	43,667
Reserve funds	30,308	36,366
TOTAL - Schedule 4 - Holly House Charges	£ 119,137	£ 139,217

Schedule 5 - Elm House Charges	Budget 2022	Expended 2022
Electricity	14,682	14,826
Window cleaning	364	197
Water Booster Pump Maintenance	775	1,175
Water Tank Cleaning & Testing	800	749
Aerial & Satellite Systems	200	0
Lighting Repairs & Maintenance	220	1,944
Electrical Repairs	500	1,221
Intercom System	4,395	4,697
AOV/Smoke Vent Maintenance	680	990
Dry riser testing	180	360
Lift maintenance	6,312	10,401
Mansafe System Maint/Testing	288	0
Repairs and maintenance	15,000	43,824
Engineering insurance	991	1,095
Buildings Insurance	38,864	39,171
Reserve funds	27,563	29,068
TOTAL - Schedule 5 - Elm House Charges	£ 111,815	£ 149,717

Schedule 6 - Fir House Charges	Budget 2022	Expended 2022
Electricity	9,465	5,100
Window cleaning	274	129
Water Booster Pump Maintenance	1,000	1,819
Water Tank Cleaning & Testing	800	493
Aerial & Satellite Systems	200	0
Lighting Repairs & Maintenance	100	262
Electrical Repairs	300	0
Intercom System	2,833	2,833
AOV/Smoke Vent Maintenance	500	651
Dry riser testing	180	239
Lift maintenance	3,156	3,290
Mansafe System Maint/Testing	288	0
Repairs and maintenance	8,000	11,324
Engineering insurance	495	547
Buildings Insurance	20,388	20,695
Reserve funds	18,232	1,294
TOTAL - Schedule 6 - Fir House Charges	£ 66,211	£ 48,676

Schedule 7 - Willow House Charges	Budget 2022	Expended 2022
Electricity	4,134	4,094
Window cleaning	162	0
Aerial & Satellite Systems	100	985
Lighting Repairs & Maintenance	200	50
Intercom System	525	557
Repairs and maintenance	1,000	1,894
Buildings Insurance	7,569	307
Reserve funds	4,341	2,816
TOTAL - Schedule 7 - Willow House Charges	£ 18,031	£ 10,703

Schedule 8 - Oak House Charges	Budget 2022	Expended 2022
Electricity	805	405
Window cleaning	137	0
Aerial & Satellite Systems	200	0
Lighting Repairs & Maintenance	50	22
Intercom System	212	239
Repairs and maintenance	400	810
Buildings Insurance	1,647	307
Reserve funds	2,342	2,374
TOTAL - Schedule 8 - Oak House Charges	£ 5,793	£ 4,157

Schedule 9 - Yew House Charges	Budget 2022	Expended 2022
Electricity	1,773	1,920
Window cleaning	108	0
Aerial & Satellite Systems	20	660
Lighting Repairs & Maintenance	15	22
Intercom System	214	214
Repairs and maintenance	400	1,687
Buildings Insurance	2,987	3,294
Reserve funds	2,322	1,268
TOTAL - Schedule 9 - Yew House Charges	£ 7,839	£ 9,066

Schedule 10 - Maple House Charges	Budget 2022	Expended 2022
Electricity	1,482	1,361
Window cleaning	350	0
Aerial & Satellite Systems	25	0
Lighting Repairs & Maintenance	100	73
Intercom System	699	777
Mansafe System Maint/Testing	288	0
Repairs and maintenance	1,000	877
Buildings Insurance	7,569	7,876
Reserve funds	5,788	1,266
TOTAL - Schedule 10 - Maple House Charges	£ 17,301	£ 12,230

Schedule 11 - MSCP Charges	Budget 2022	Expended 2022
Estate Staffing Costs	1,822	0
Electricity	9,259	5,423
Barrier Maintenance	1,500	3,878
Fire Safety System Maintenance	172	0
Lift maintenance	3,156	7,965
MSCP Shared Contribution	-6,231	0
Repairs and maintenance	4,000	5,209
Engineering insurance	495	547
Buildings Insurance	4,697	0
Reserve funds	15,000	2,110
TOTAL - Schedule 11 - MSCP Charges	£ 33,870	£ 25,132

Schedule 12 - MSCP Shared Costs	Budget 2022	Expended 2022
MSCP Shared Contribution	6,231	0
TOTAL - Schedule 12 - MSCP Shared Costs	£ 6,231	£ -

Schedule 13 - Undercroft Parking Charges	Budget 2022	Expended 2022
Estate Staffing Costs	338	0
Emergency Lighting Maintenance	200	0
Barrier Maintenance	900	906
Repairs and maintenance	1,000	2,076
TOTAL - Sch 13 - Undercroft Parking Charges	£ 2,438	£ 2,982

Schedule 14 - Garage/Surface Parking	Budget 2022	Expended 2022
Estate Staffing Costs	570	0
TOTAL - Schedule 14 - Garage/Surface Parking	£ 570	£ -

	Budget 2022	Expended 2022
VHMC Ltd TOTALS for 2022	£ 789,417	£ 901,918

Funds Carried forward as at 31 Dec 2022

Current Acc	£ 55,425
Reserve Acc	£ 170,297
Cladding Acc	£ 185,800
Aldermore Acc	£ 100
TOTAL funds carried forward:	£ 411,622

VHMC Income and Expenditure Statement for 2022 - Fire Safety Works - Blocks Cherry, Holly, Elm

<u>Expenditure</u>	Total	Eligible	Non-Eligible
StanLil	£2,965,897.40	£2,357,330.40	£608,567.00
Ridge	£203,730.00	£193,156.00	£10,574.00
Vemco	£26,556.00	£25,871.00	£685.00
Chaney's	£14,400.00	£12,590.00	£1,810.00
	£3,210,583.40	£2,588,947.40	£621,636.00
<u>Income</u>			
Homes England		£2,977,987.00	
Service Charge			£248,000.00
<u>Balances</u>		£389,039.60	-£373,636.00
		<i>Note 1</i>	<i>Note 2</i>

Note 1 The positive balance of Homes England funding is held in VHMC client bank account

Note 2 The negative balance arising from unfunded Non-Eligible costs is allocated to Block Reserves of Cherry, Holly and Elm 76:96:76