

Westminster Green

Welcome to the Annual General Meeting
Tuesday 7 November 2017

Chairman's Report

Westminster Green Management Company Limited

The Board's Focus throughout 2017:

- Foyer – completion and snagging
- Risk Management
 - Security – Building, Residents, Staff, visitors
 - Safety – Avoiding Accidents; Revised Guidelines
- Governance
 - Board tenure/refreshment
 - Regular planned reviews of:
 - Risk Management, Governance
 - Data and Personal Security
 - Website
 - Health & Safety, Insurances, Staff, Suppliers

Notable Successes

- Environment
 - Foyer
 - Flowers
 - Bin store!
- Security
 - Restricted use of side exits but introduction of fob for lift
 - Additional concierge staff providing better desk cover and nightly building inspection tours
 - 2 way radio contact for concierges
 - Foyer Whiteboard for "emergencies" (e.g. terrorist attacks nearby)
 - Improved CCTV coverage

More Notable Successes

- Risk management (what to do if Jeremy not here!)
 - Fire, power cut, gas smell, drainage or sewage emergency, water leaks, lack of water,
 - Suspicious packages,
 - Person stuck in lift or apartment
 - Medical issues
 - Lone workers
 - Staff absence
 - Animal rescue
 - Death in the building

Not so Successful

- Lambeth Bridge traffic consultation
 - We tried!
 - We involved other buildings
- Coaches and Recycling Bins on Horseferry Road
 - We keep trying!
- Rough sleeping and Begging
 - We keep trying!

Chairman's Report

- **Board**
 - 3 or 4 members willing to stand down over next 2 years if others come forward
 - New Board members welcome – especially welcome are full time residents, relative youth, experience in business and risk management
 - LET ME KNOW OF ANY INTEREST and WHAT YOU OFFER!
- **Finances**
 - HSCPM Presentation
 - Control of costs (eg LED lighting) and building of reserves to match Asset Replacement needs
- **Staff - training**
- **Website**
 - Use it and tell us what you want on it, PLEASE.

Thanks to the Staff for all they do

Jeremy	Building Manager	07:00 - 15:30
Aliona	Day Concierge	08:30 - 17:00
Anthony	Day Concierge	08:00 - 20:00
Ian	Day Concierge	08:00 - 20:00
Pompeo	Night Concierge	20:00 - 08:00
Cris	Night Concierge	20:00 - 08:00
Pawel	Night Concierge	19:00 - 07:00
Lucian	Night Concierge	19:00 - 07:00
Andrea	Weekend Day Concierge	07:00 - 19:00

The Cladding Issue

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Cladding – Timeline 1

- Immediately after GT disaster – note to all leaseholders and residents re fire safety and individual's responsibilities
- July Board consideration of differences between GT and WG buildings
 - Height
 - Type of construction (mainly brick)
 - Recent fire service visit (May)
 - 3 WG emergency exits v 1 GT stairwell
 - No gas supply at WG
 - 24 hour concierge service and nightly inspections
- Siemens to review alarms, sprinklers and options for changes
- Cladding inspection arranged asap

Cladding – Timeline 2

- August – early (oral) indications were “not serious”
- 23-25 Oct – clarification questions and responses to ABS Report received at weekend; HSCPM asked to find Cladding Expert, commission independent samples to be taken, talk to Fire Service and list immediate actions
- 31 Oct – Meeting with John Boucher, Cladding Expert; instructed to proceed immediately with further inspections and samples
- 1 Nov – instructions to solicitors; Fire Engineer visit 7 Nov arranged
- 3 Nov – note to leaseholders and residents after all day consultations with lawyers, HSCPM, JB and sight of updated advice from DCLG

Cladding – Timeline 3

- Today's inspections ?
 - New Fire Risk Assessment which could lead to revision to Fire Evacuation Plans
 - Examining mitigation possibilities
- Future actions
 - Update notes to all leaseholders and residents
 - Meetings to discuss progress, plans, options
 - Possible revision of Fire evacuation plans
 - Requests for £££ from leaseholders

Cladding – Implications for us?

- Immediately
 - await further inspections, reports
 - Personal Assessments of safety in light of these
- Likely outcomes include:
 - Serious costs for leaseholders (scaffolding, security, removal and replacement of cladding, advice)
- Possible outcomes include:
 - Cost recoveries from insurers or other 3rd parties connected with cladding installation and certification

Review of 2016 Service Charge Westminster Green

Review of 2016 Service Charge

	Actual 2016	Budget 2016	Variance
⊙ Paid by Everyone:	224,760	234,758	-9,998
⊙ Paid by Residential:	668,195	658,200	9,995
⊙ Car Parking	69,252	68,998	254

Review of 2016 Service Charge

	Actual 2015	Actual 2016
⊙ Paid by Everyone:	224,610	224,760
<ul style="list-style-type: none"> • Taken to Reserves £5k; Underspends: Plant Maintenance £2k • Overspends: Repairs and Maintenance £6k, Staffing £3.6k 		
⊙ Paid by Residential:	588,065	668,195
<ul style="list-style-type: none"> • Taken to Reserves £414k Foyer; Underspends: Water £24k, Electricity £4k, Emergency Lighting £4.6k • Overspends: Five Year Electrical Work £12.6k, Lift Repairs £2k, Staffing £8.7k, Landscaping £2.4k 		
⊙ Car Parking	70,464	69,252
<ul style="list-style-type: none"> • Taken to Reserves £5k. Underspends: Electricity £4k • Overspends: Repairs & Maintenance £8k 		

2016 Reserve Funds

⊙ Balance B/fwd	437,710
⊙ Collected	+249,000
⊙ Foyer Expenditure	-408,447
⊙ Net Other Expenditure	+ 26,247
⊙ Bank Interest	+211
⊙ Outcome for the Year	
⊙ Balance C/fwd	+304,721

2016 Reserve Funds

	31 Dec 2016
⊙ Building	122,877
⊙ Residential	373,799
⊙ Foyer	-273,447
⊙ Car Park	81,492
⊙ Total	304,721

2017 Service Charge January-September

	Budget	Actual	Variance
Building	206,805	204,848	-1,957
Residential	554,703	559,152	4,449
Car Park	63,078	58,856	-4,222
December Forecast:	990,439	990,000	

2017 Reserve Funds

	31 December 2016	30 September 2017
Building	122,877	143,752
Residential	373,799	494,247
Foyer	-273,447	-248,045
Car Park	81,492	92,931
Total	304,721	482,885

November 2017 Balance Sheet

Reserves	£482,885
Cash in the Bank	£570,455
Debtors of less than £1k	
<small>Creditors include funds owed to Surveyors, and Reserves include a retention on the Foyer Contractor, total held £25k</small>	

Preparing the 2018 Budget

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First Pass Budget for 2018

- Last Year we advised that the proposal is to postpone the Common Parts Redecorations to 2018, phase it over three years, and replace the carpets in 2024; this is still the proposal
- We have to start thinking about replacing the lifts
- We have a potential issue with cladding

First Pass Budget for 2018

- The Board look at the 20 Year Property Maintenance Plan on a regular basis.
- The current projection for 31 December 2017 Reserves is **£467,523** (at 30 September we have £482,885)
- There is no reason at present to change the Reserves Collection Plan for 2018

Property Maintenance Plan

Projection of Reserves at Year End 31 December

Year End	Collection	Expend	Total Year End
2017	255,166	- 92,364	467,523
2018	246,406	-230,260	483,669
2019	253,518	-130,219	606,969
2020	265,947	-171,260	701,656
2021	245,564	-284,213*	663,007
2022	241,974	-99,645	805,336
2023	254,435	-510,795**	548,977
2024	268,581	-354,927	462,631

*Roof Work and External Decorations ** Lift Refurbishment

Westminster Green Service Charge History

	Expenditure	Percentage Increase
2008	£572,140	
2009	£600,974	+5.4%
2010	£613,977	+3.6%
2011	£619,501	+9.1%
2012	£688,326	+15.5%
2013	£713,320	-1.3%
2014	£826,477	+3.3%
2015	£882,883	+10.8%
2016	£962,208	+9.0%
2017	£990,439 (Budget)	+2.9%

First Pass Budget for 2018

- We would like to target an increase in the normal Budget of 2-3%
- However, we have increased the staff with two additional people to increase security, and Auto-enrolment Pensions increase on 6 April 2018 to 5% so the final outcome may be closer to 5%
- The Board are investigating the implications of the GDPR (there is unlikely to be a cost implication) and are looking at the level of the insurance premium
- The impact of the Cladding Issue is as yet unknown, but some costs could initially come from Reserves
- The Final Budget will be agreed by the Directors in December

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Thanks to the Staff and the Directors for all they do during the year.