



## OYSTER QUAY MANAGEMENT LIMITED

### Annual General Meeting

Company No. 2237440

Marriot Hotel, Portsmouth

Wednesday 22<sup>nd</sup> October at 7.00pm

**Chairman:** Apartment

Mr C Queen (CQ) 22

**Directors:**

Mr J Collins (JC) 121

Mr R Pennells (RP) 127

Mr T Feeney (TF) 77

Mr Kevin Corkindale (KC) 152

Ms Paula Riches (PR) 116

Mr Tony Cox (TC) 76

Mrs Margaret Rees (MR) 85

Apologies from

Mr T Tetchner (TT) 50

**PS&B Estate Management (Managing Agent)**

Ruth Smith Senior Property Manager

Michael Barber Chief Operations Officer

Cliff Groves Head of Client Accounts

**Shareholders:**

Mr M S Vidgeon – Apartment 8

Mr A K Blight – Apartment 40

Mr Andy Tucker – Apartment 14 & 18

Mr & Mrs J Herbert – Apartment 42

Mr & Mrs P Selley – Apartment 20

Mr & Mrs Jum – Apartment 43

Mr & Mrs C Queen – Apartment 22

Mr Freeman & Ms S J Davis – Apartment  
54

Mr Derek Tucker – Apartment 35



Mr M Mace – Apartment 59  
Mr Howick – Apartment 64  
Mr & Mrs Goodlake – Apartment 74  
Mr T Feeney – Apartment 77  
Mr & Mrs Wellcoat – Apartment 80  
Ms K Holland – Apartment 83  
Mr & Mrs Rees – Apartment 85  
Mr & Mrs Harris – Apartment 91  
Mrs M Firth – Apartment 94  
J Tensley – Apartment 102  
Mrs P Somerville – Apartment 103  
Delaware Mortgage Corporation –  
Apartment 106  
Mrs R Dodd – Apartment 107  
Margo & Paul Sonntag – Apartment 111  
Paula Riches – Apartment 116

Mr J Collins – Apartment 121  
Mr R Pennells – Apartment 127  
Mr Barrell – Apartment 132  
Mr J Adey – Apartment 136  
Mr M Wallbridge – Apartment 138  
Mr P Mingay – Apartment 145  
Mr & Mrs P McGennity – Apartment 146  
Mr & Mrs C Hamill – Apartment 150  
Mr & Mrs Peed – Apartment 151  
Mr & Mrs Corkindale – Apartment 152  
Mr & Mrs Barker – Apartment 159  
Mr P Moss – Apartment 163  
Mrs S Brindley – Apartment 164  
Mr M Birch – Apartment 166  
Mr & Mrs Pask – Apartment 167  
Mr R Wynn – Apartment 169

Apologies were received from:

Mr. Lambert – Apartment 5

CQ explained the voting and welcomed everyone to the meeting.

CQ introduced all directors and PS&B members of staff present.

### **Approval of the AGM Minutes from 8<sup>th</sup> January 2025**

Minutes of last meeting were accepted and approved by those persons present.

### **To Receive and Consider Company Accounts for the Year End 31 March 2025**

The 2025 accounts were approved with a majority vote and subject to further discussions throughout the evening.



## The Election of Directors

- A.** Directors retiring by rotation in accordance with the Articles of Association of the Company and seeking re-election are:

Chris Queen - **44 votes FOR, 1 AGAINST, 0 ABSTAIN**

Roy Pennells - **44 votes FOR, 0 AGAINST, 1 ABSTAIN (or no vote given)**

- B.** Directors co-opted to the Board since the last AGM and looking for AGM ratification of their appointments:

Kevin Corkindale **44 votes FOR, 0 AGAINST, 1 ABSTAIN**

Paula Riches **44 FOR, 0 AGAINST, 1 ABSTAIN**

Tony Cox **44 votes FOR, 0 AGAINST, 1 ABSTAIN**

All Directors were duly elected.

## Questions and Answers Session

CQ read out questions from leaseholders submitted ahead of the AGM and the Board's response.

### Phil Moss – Apartment 163

#### Q. What is the Board asking shareholders to vote on?

1. Is it approval of the whole 10 year plan and the go ahead for all musts/shoulds/coulds?

#### Response:

No, the idea is that this was to approve a 10 year plan.

2. Is it approval for the principle of a 10 year plan, and that there will be future votes on each individual must/should/could ?

#### Response:

Yes, the resolution is for the principle of a 10 year plan and further meetings and votes would take place.

3. Is it approval for the Board to make the decision on which must/should/could goes ahead ?

#### Response:

No, other than the MUST do actions, the Board will consult on other proposed actions within the 10 year plan.



## **M & Mrs McGuinness – Apartment 155**

**Q. “How and when will the debt of some £300,000 [still for you to discuss and confirm with us] owed by OQML be returned to the service charge account?”**

### **Response:**

The figure of £292,000 as determined by OQML arising from the FTT judgment was **not described as a 'debt' owed by OQML**, but rather as the amount the Tribunal considered **not properly recoverable via the service charge** over several years. The Board recognises a potential difference between Mr and Mrs McGuinness’s calculated award and OQML’s however awaits a breakdown of this from them so that the two calculations can be discussed.

This figure included items such as:

- The cost of **bin bags and waste collection**,
- Certain **managing agent reimbursements**,
- A small number of **misallocated invoices**, and
- The **fire door upgrades** carried out across apartments, which the Tribunal agreed were technically leaseholder responsibilities accepted the Board had acted in good faith to ensure ROI/Scale, building safety and regulatory compliance.

It is important to note that:

- The **FTT decision applied only to the service charges of the individual applicant leaseholder**, not to any other property or leaseholder.
- The Tribunal made **no order for repayment to other leaseholders**, and **no order requiring OQML to refund the wider estate**.

In summary, there is **no £300,000 “debt” owed by OQML**, and the Board has already complied with the Tribunal’s decision in full, notwithstanding the exact figure above awaiting agreement.

**Q2. Fairbairn v Etal and Responsibility for Legal Costs.** “As per Fairbairn v Etal Court Maintenance Ltd [2015] UKUT 639 (LC), all legal fees incurred at the FTT by the Board need to be paid in their entirety by the Board of OQML as they are defence costs and not payable from the service charge account. Are you prepared to pay this?”

### **Response:**



The interpretation suggested here is incorrect and does not reflect either the legal position or the specific findings of the First-tier Tribunal (FTT) in this case.

**The McGuinness v Oyster Quay Management Limited (OQML) Tribunal (2024)**

considered the question of legal and professional costs in full and reached a clear conclusion in **paragraph 324 of its judgment**, which states:

“Taking matters in the round in light of the law, the Tribunal concluded that it is just and equitable to disallow recovery of 20% of legal and litigation costs pursuant to both section 20C and paragraph 5A. The section 20C and paragraph 5A applications are therefore granted to that extent.”

This means that:

- The Tribunal expressly permitted **80% of the legal and litigation costs** to be recovered via the service charge;
- Only **20% was disallowed**, reflecting the Tribunal’s discretionary power under **Section 20C of the Landlord and Tenant Act 1985**; and
- There was **no order or suggestion** that the directors of OQML should personally bear those costs.

No **Rule 13** costs order was made against OQML or any of its directors, on the contrary.

The *Fairbairn v Etal* case cited in the question concerned **a very different factual and legal context**, involving a management company that had failed to comply with its lease obligations and where no costs recovery clauses existed. It does not create a general rule that all defence costs must be paid personally by directors.

In our case, the fifth schedule of the lease provides for the recovery of properly incurred legal and professional fees as part of the service charge, and the Tribunal’s judgment expressly confirmed that recovery — to the extent of 80% — was both just and equitable.

Accordingly, the Board will follow the Tribunal’s ruling precisely:

- 80% of the legal and litigation costs will be reflected in the service charge account as permitted; An initial assessment of this has been applied to the 2025 Service Charge Accounts.
- 20% will not be charged; and has been refunded to the Service Charge Accounts from the OQML Company Accounts already.
- No personal liability arises for the directors, who have acted properly, transparently, and in accordance with their statutory and fiduciary duties.



**Q3. Refuse Policy – Collection of Rubbish in Common Parts? “When will the collection of rubbish and food bins stop?”**

**Response:**

We are aware of Portsmouth City Council’s policy, Our responsibilities and leaseholders (Tenants) responsibilities under the lease.

Our agents have recently issued updated guidance, and we will consistently review **how best to balance legal compliance, health & safety, and operational practicality**. Our intention is not to stop collecting rubbish but to make sure requirements which conform to PCC, Health and Safety and Fire Officer assessments are complied with. In light of the recent FTT bin bags which comply with the lease requirement and food bins which comply to the above considerations will still be provided but now at OQML’s cost.

Leaseholders will be notified of any changes to current policy and procedures if they are required. We would remind all leaseholders that should you not wish to take advantage of the Bin collection services and would prefer to use your own compliant waste disposal bags and bins you are more than welcome to do so. Simply advise the site manager of this and they will stop removing any waste outside of your apartment and which will become your own responsibility to comply with lease and policy requirements. As bags & bins will now be provided by OQML to support waste management there would be no reduction in Service Charges to any leaseholder not wishing to use this service.

**Q4: Why has the RICS Code under TECH 03/11 not been followed for berths at OQ and the respective lease provisions adhered to with regard to the issue of service charge certificates?**

**Response:**

**Our Accountants, A J Wheeler confirm the following:**

- 1. Yes the completion of the accounts are in accordance with TECH 03/11.*
- 2. The accountants report on page 2 refers to all the service charge schedules both Apartments and Berths. The requirement of service charges and TECH 03/11 is long established but there may be changes shortly following the consultation process issued by Ministry of Housing Community & Local Government in July 2025.*

With regard to Service Charge Certificates specifically, OQML has for several years been operating under professional advice that the annual service charge accounts constituted sufficient compliance with lease obligations. However, we acknowledge that the balance of opinion and best practice would recognise TECH 03/11 (section 7.5)



and to comply strictly with the terms of the lease, a formal service charge certificate should be issued in addition to the annual accounts.

To that end, the Board has instructed PS&B to resume the issuance of service charge certificates, starting with the 2025 Accounts once signed and issued by the Board, and these will be provided annually going forward. This reflects our commitment to best practice and lease compliance.

**Q5. Furthermore, the Berths Reserve needs to be [as per all berth leases] audited.**

**Response:**

In itself this is not a question but will be responded to in Question 6.

**Q6. Has this [berths reserve audit] been done, as I can see no reference in the accounts?**

**Response:**

The berth accounts are **banked and accounted for separately** and are not included within the residential service charges, as confirmed by the recent FTT determination. While there is no statutory requirement for a full audit, the Board will continue to monitor the berth reserve fund's presentation and reporting to ensure clarity and transparency for berth holders.

There is currently **no audit requirement for the berths reserve fund**, and one has not been commissioned. However, the berth accounts are maintained as a **standalone entity**, with their own income and expenditure tracking and bank account.

Leaseholders with a berth interest are welcome to request a breakdown of the fund position through PS&B. **Note:** Our Accountants have advised that if an audit were to be requested by leaseholders then a firm of registered auditors would need to be appointed. This may however fall foul of the "**just and reasonable**" test as the costs to do so will be significant relative to the Berths Income and Expenditure.

**Q7. Please confirm that the respective berth service charge and reserve funds are kept in separate bank accounts.**

**Response:**

Confirmed. As answered above, the berth service charges and reserve fund are **held in a separate designated client account** and are **not commingled with residential service charge funds**. This has been consistent practice.



**Q8. Why is the income from car bay service charges not shown on the income/expenditure table on page 3 of the accounts?**

**Response:**

The car bay service charges are **incorporated within the overall Service Charges demanded and received from Leaseholders in accordance with the lease requirements**. These do not require Car bays or Garages to be separated out. The Annual Service charge budget does not require a breakdown or expenditure to be made on Car bays or Garages, nor does it require that the proportion collected from these parts of a demise be spent in the same proportion on them. As a consequence there is no intention to separate out income from car bay service charges (or garages for that matter) in the income and expenditure table in future accounts.

**Q9. The relevance is supported by the Car bay leases page 5, paragraph W. [ii]... Certificate is necessary to recover shortfalls. Why is income not itemised for bays?**

**Response:**

We acknowledge the lease requirement and confirm that going forward, service charge certificates will be issued. We are finalising the format of these currently but will try to follow the invoicing format separating out Apartment, Car bay and Garage (Demise) Service Charge amounts as well as for those who have separate berth charges. We would repeat however that **OQML under its head lease is only obliged to charge and recover shortfalls to an overall Service Charge budget** and not to its component parts. We will not be itemising car bays or garage income separately in the Accounts.

**Q10. Please explain how you arrive at the total of £129,686.32 for FTT costs (page 3 of Accounts)?**

**Response:**

We have reproduced below the total legal and professional costs pertaining to the 2024/5 period in the Accounts (both OQML and Service Charge). These have been itemised as FTT, Legal other and Professional Other. You will note that by far the majority of professional and legal fees were incurred in defence of the FTT challenges but others have also been incurred in defence of data subject access requests in addition to normal professional services. Totalling up each column the overall FTT charge to the 2025 sets of accounts is £162,107.90. We have then divided this by the 80% cost allowed by the Tribunal Judgement to the Service Charge Accounts and 20% to the OQML Company Accounts, an amount of £32,421.58 which has been transferred into the Service Charge Accounts as can be readily seen. In the spirit of transparency the full table appear below. The detail for each invoice can of course be interrogated by





**Q12. Pages 2 and 5 of the accounts are not signed. Why not? It suggests that neither the Accountants nor Managing Agents have the confidence to sign the accounts off in draft form.**

**Response:**

The accounts circulated prior to the AGM to shareholders are **drafts**, subject to review and final approval by the Board. Further changes on both sets of accounts have been necessary in dialogue with our Accountants and Managing Agents since the drafts were issued. This year has been an elongated process as we waited for FTT judgements, clarification on past year debtor and creditor positions, clarified accounting treatment of assets owned by OQML and used in the provision of Oyster Quay Services (i.e. Site vehicles, leisure equipment) and iterations of accounts required as a result. As a result the delays have been unfortunate but have also been compounded by the demise of one of the Board Directors who had primary responsibility for its Financial responsibilities. We are sure that ALL Shareholders, without exception, will understand therefore this unusual delay. Notwithstanding that the Board, PS&B and our current Accountant, AJ Wheeler are now confident to be able to sign the accounts as printed for your review this evening. Final signed versions will be issued and will be included in the formal year-end reports.

**Q13. Please tell me how shareholders can approve accounts apart from ‘blind trust’ in the Managing Agent and the Board?**

**Response:**

Shareholders are not expected to rely on blind trust. The accounts are prepared by qualified professionals in accordance with TECH 03/11 and the lease. Leaseholders are always welcome to **raise questions, request supporting information, or challenge elements** they believe are incorrect through the proper channels. The service charge accounts do not require lessee approval. As you are well accustomed if a lessee feels they are inaccurate they ultimately have legal channels through which to challenge Service Charge Accounts. Company accounts on the other hand are approved by Directors and then issued to shareholders. Shareholders adopt the accounts by way of a vote. If a shareholder disagrees with the accounts when a majority has adopted then there are remedies in accordance with the companies act.

**Q14 & 15. Leaseholder approval is used by solicitors in litigation to support the accuracy of accounts. This must be made clear at the AGM.**

**Response:**

Noted. This is set out in our response to Q13.



**Q16. Page 7 Item 8 Cladding Reserve Account: What individual costs make up the total of £52,810.80 reclassified from the £400,000 grant?**

**Response:**

The items reclassified are set out below. As with other invoices and information contained in the accounts all leaseholders are welcome to interrogate the invoices and detail if so desired. PS&B are in the process of setting up a repository to be made available to Shareholders and Leaseholders for the next two months (suitably redacted to protect personal data) and any interested parties should contact PS&B for access timing and details breakdown is available from PS&B upon request and will be detailed in the final version of the accounts.

Ridge	261414	Invoice for initial works on the Project at Oyster Quay, Port Way, Port Solent, PO6 4TF. Fees in line with fee proposal dated 25th August 2023 (Submission No. S21-3539) and Works (Order No. P14144).	07.02.24	£1,038.00	P14144
Ridge	262333	Invoice for initial works on the Project at Oyster Quay, Port Way, Port Solent, PO6 4TF. Fees in line with fee proposal dated 25th August 2023 (Submission No. S21-3539) and Works (Order No. P14144).	29.02.24	£3,438.00	P14144
Ridge	251979	First Invoice Invoice for initial works on the Project at Oyster Quay, Port Way, Port Solent, PO6 4TF. Fees in line with fee proposal dated 25th August 2023 (Submission No. S21-3539) and Works (Order No. P14144).	31.10.23	£3,600.00	P14144
Ridge	254797	Professional services in accordance with our appointment. Invoice for initial works on the Project at Oyster Quay, Port Way, Port Solent, PO6 4TF. Fees in line with fee proposal dated 25th August 2023 (Submission No. S21-3539) and Works (Order No. P14144).	30.11.23	£8,180.40	P14144
Ridge	257096	Professional services in accordance with our appointment. Invoice for initial works on the Project at Oyster Quay, Port Way, Port Solent, PO6 4TF. Fees in line with fee proposal dated 25th August 2023 (Submission No. S21-3539) and Works (Order No. P14144).	20.12.23	£3,675.60	P14144
Ark Sustainability	INV-0276	Stage 1 & 2 - External Façade Investigations & Reviews	30.03.21	£9,186.00	P4815
	INV-0307	Stage 3 & 4 - External Façade Investigations & Reviews	27.04.21	£9,186.00	P4815
	INV-0337	Stage 5 - External Façade Investigations & Reviews	07.06.21	£9,186.00	P4815
	INV-6283	Fire Risk Assessment - Type 3	12.09.21	£3,682.80	P7128
Ridge	264138	Invoice for initial works on the Project at Oyster Quay, Port Way, Port Solent, PO6 4TF. Fees in line with fee proposal dated 25th August 2023 (Submission No. S21-3539) and Works (Order No. P14144).	31.03.24	£1,638.00	P14144
				<b>£52,810.80</b>	

Questions on the night concerning accounts:

**Ian Wellcoat – Apt 80**

Q. Are you still going to keep reserves topped up.

Response: TF confirmed that the reserves will be topped up.

**Gary Peed – Apt 151**

Q. What is the bottom line figure?

Response: [*sorry I cannot recall what was answered here*]

Q. Gary Peed asked if they had paid service charges during FTT.

Response: TF explained whilst a payment had been made, Board are charging interest but that there are some issues surrounding this and which will be dealt with in due course.

No were no other comments from those present.



## **AOB**

Mr Mace – 59

Q. Ground Rent – does the Board have any further suggestions about enfranchisement.

Response: This will be discussed in the leaseholder meeting following the AGM.

## **AGM Meeting (closed at approx. 8.15pm)**

### **LEASEHOLDER'S MEETING (commenced at approx. 8.30pm)**

CQ welcomed everyone.

CQ acknowledged the sad passing of a director during the last year and noted his input on the FTT.

It was also noted that Ruth Smith of PS&B would be leaving the company and subject to a meeting with PS&B, a new PM, Lauren Marshall will be taking over management.

CQ gave a brief summary of the questions received from 155, however the full answers are in the AGM Minutes above. The full set of written responses to all submitted questions will be circulated to all leaseholders following the AGM.

### **Financial Update**

TF gave his apologies that the accounts were not ready before the AGM but there were some issues that were not right in last years accounts and some work was required to correct those issues. TF stated that he now is 99.9% happy that the accounts are correct. TF went through in detail the issues that the Board and PS&B have been dealing with. TF explained that help was given by Mr. J Herbert to get the accounts ready.

### **Peter Harrison – Apartment 146**

Q. Do the accounts reflect FTT, and what is the consequence of the result of the FTT on OQML. Peter stated was unclear on the consequence of this and how this would affect OQML as they have limited funds.

### **Response:**

TF explained that things like bin bags and website will be covered from OQML funds but there maybe an expenditure line in the service charge that covers those charges. TF explained that OMQL may have to consult with leaseholders about those services and whether they want to have those services in future.



### **Peter Harrison – Apartment 146**

Q Does the Board have a clear understanding of this charade and whether or not the FTT judgement and fine tuning is going to give them another avenue or will it neuter any attempt to stop any future FTT by a leaseholder.

#### **Response:**

TF stated that OQML would do their best to not have any further cases. JC commented that any leaseholder can bring case against OQML. He went on to explain about some of the issues from the FTT have been accepted but essentially the performance of managing agents was noted to be poor previously and recovery from those agents has been sought.

### **Mike Wallbridge – Apartment 138**

Q. Has the award has been shared with leaseholders?

#### **Response:**

It was confirmed it had not been shared. The FTT did not award any other leaseholders in the decision. Rule 13 application for costs has been made and was successful.

### **Martin Birch – Apartment 166**

Q. Does the Directors liability insurance not cover this?

TF commented that it is not meeting any of the costs as no there is no cover against litigation. A further question about insuring against litigation was mentioned and whether the insurance was in place before prior to 155 previous litigation. RS explained that the policy in place excludes assistance with costs for any 155 claims against OQML.

### **John Herbert – Apartment 42**

Q. Income of £250,000 is just money in and out. Ground Rent in particular should be money you are collecting, and grounds rent received and that the accounts do not reflect this correctly. JH asked the Board to look at this issue of miscalculation of ground rent.

#### **Response:**

The Board agreed that they would investigate this issue.

### **Cladding Update**



JC advised that the cladding project was moving forward and that the government were making decisions about Gateway 2 which means that the project may accelerate as we progress through those decisions.

Voting on the proposed colours was as below:

14 FOR AND 11 AGAINST but some comments were made about the colours in particular the mint green not being suitable. All ballot papers and comments will be passed to the Board for their consideration.

### **Appointment of Accountants**

TF commented that the accountants this year have not been professional and would like to see a change of accountants, TF advised he would be terminating the contract with AJ Wheeler and will be sourcing new accountants for QO's future accounts. This motion was accepted by those present.

### **Andy Toker - Apartment 35**

Q. Could some of the costs incurred be re-couped back from the accountants.

#### **Response:**

TF stated that the costs are small and due to several issues with change of agents over the course of several years has resulted in the issues being experienced. Everyone present was happy with this explanation.

Questions following the Chairmans report.

Name – Paul Barker - Apt 159

Q. 10 year plan, are you planning to hold further meetings?

Response: Going forward a working group will be set up to follow through with the plan, it will be finalised in due course.

Name – Peter Selly – Apt 20

Q. Voting for 10 year plan, would votes for residents living on site be considered rather than non-resident owners?

Response – JC says there is a legal situation with that and that all owners have a right to vote.

Name – John Herbert – Apt

Question – Could all the doors of all 9 blocks be modified to open automatically?

Response: The Board would investigate this.

Name – Brian Sandy - Apt



Q. There are many cars parked in visitor spaces that have not moved for a long period of time, can these be moved?

Response: Board will look into those, BS to take photos of vehicles and send to the PM or Estate Manager for further investigation.

Name – Jenny Tansley – Apt 102

Question – Would it possible to have a graphic image of the cladding?

Response: Board are looking into that.

Name – Mr Mace - Apt 59

Question – Will be benefit on insurance when the cladding is completed?

Response: Yes, the premium will likely reduce once the cladding has been completed.

Name – Peter Harrison - Apt 46

Question – What is happening with the front entrance gates?

Response: Due to the FFT this was delayed but it will be progressed.

Name - David Jump - Apt 43

Question – Gates – are talking about existing gates or other gates as front entrance gates would cause traffic build up.

Response: This would be discussed at a later date and a traffic survey would be carried out as part of the project.

Name: Martin Birch - Apt 166

Q. What was the main reason for installing entrance gates.

Response: To Increase value of estate and security.

Name: Mrs Harrison - Apt 46

Q. Currently the estate gates don't close

Response: These will be reviewed by the estate team.

Name: Mr A Tucker - Apt 14 & 18

Q. Doors – Because one leaseholder did not give permission for their front door to be upgraded, does this put all at risk?

Response: Yes, it would put the site at risk, but inspections will be carried out and they will be advised to repair their door.

Name: Teresa Pask – Apt 167

Thanked the board as the current board has been great in supporting the site.



## **AOB**

### **Collective Enfranchisement**

Director Paula Riches was introduced as the director who would be leading the Collective Enfranchisement and the below is a copy of the information provided on the evening. PR briefly explained the process of what is involved in collective enfranchisement and there currently there are two people that have knowledge and she explained that a working party should be created and that the governments new legislation should be investigated before any decisions are made. PR explained that 50% agreement needs to be reached. PR asked for volunteers for the working party. JC reiterated that that legislation is changing and is yet to be determined how this would affect Oyster Quay.

The Board is proposing a significant and exciting opportunity to secure the long-term future and value of our properties. With 112 years remaining on our leases, the time is right to explore a collective enfranchisement, which is the legal process of us, the leaseholders, collectively purchasing the freehold of our estate.

This discussion seeks your approval to formally begin this process. At this stage, your vote to approve is an agreement for the Board to:

- **Appoint legal and valuation professionals.**
- **Conduct a detailed feasibility study and formal valuation.**
- **Enter into preliminary negotiations with Portsmouth City Council.**

This step does not commit any individual leaseholder to pay any money or to participate in the final purchase. It is about gathering the necessary information and proceeding with the initial, formal steps to make a fully informed decision. We will seek a formal commitment and a financial contribution from each participating leaseholder at a later, more appropriate stage of the process.

### **Key Benefits of Buying the Freehold**

This is an investment in our community that offers substantial and lasting benefits:

1. **Increased Property Value & Marketability:** A freehold-owned property is generally more attractive to buyers and lenders. This can increase the value of your



apartment and make it easier to sell in the future, as the short-lease issue is removed permanently.

2. **Extended Lease Terms to 999 Years:** The most significant advantage is that, once we own the freehold, we can grant ourselves new leases of **999 years**. This means no more concerns about lease decay, no need for costly individual lease extensions, and no "marriage value" payments as the lease term drops below 80 years.
3. **Full Control of Our Estate:** We will gain ultimate control over the management, maintenance, and future development of our estate, including the apartments, leisure/spa centre, garages, and parking. This allows us to make decisions that are in the best interest of the leaseholders, rather than relying on an external freeholder.
4. **Removal of Ground Rent:** Acquiring the freehold will extinguish the ground rent payments, providing a direct and ongoing financial saving for all participants.
5. **Simplified Management:** The RMC will become the freeholder, streamlining the relationship between the leaseholders and the property owner. This will lead to more efficient decision-making and potentially lower overall costs.

### **Potential Costs and Considerations**

We must also be transparent about the potential costs and challenges involved:

- **Freehold Purchase Price:** Our initial estimate for the freehold value is approximately **£1 million**.
- **Professional Fees:** We anticipate professional fees (for solicitors, surveyors, and other administrative costs) to be around **£150,000**. These fees would be shared among the participating leaseholders.
- **Initial Financial Commitment:** While this resolution does not commit you financially, a financial commitment from participants will be required at a later stage to cover the costs of the purchase and fees.
- **Process Complexity:** Collective enfranchisement is a complex legal process that requires time and collaboration from a sufficient number of leaseholders. It will require a minimum of 50% of flats to participate, but hope to achieve at least 75% in favour.

The Board is committed to a transparent process and will keep all leaseholders fully informed at every stage. We will hold a further open meeting to discuss this in detail and answer any questions you may have.

There was a general consensus that Collective Enfranchisement should be considered.



Leaseholder Meeting ended @ 20.49pm

## 2025 OQML CHAIRMAN'S REPORT

MANY THANKS FOR ATTENDING AND IN PARTICULAR A SPECIAL WELCOME TO ANY NEW SHAREHOLDERS.

THERE HAVE BEEN SOME CHANGES TO THE BOARD OF DIRECTORS SINCE THE LAST AGM.

SADLY IN SEPTEMBER, DIRECTOR CHRIS BROADBENT PASSED AWAY AFTER A RELATIVELY SHORT ILLNESS. HE HAD SERVED ON THE BOARD FOR JUST OVER TWO YEARS. FOR SOME MONTHS PRIOR TO JOINING THE BOARD HE OFFERED HIS SERVICES AS AN INDEPENDENT INTERMEDIARY BETWEEN THE BOARD AND THE FIRST TIER TRIBUNAL APPLICANTS IN THE HOPE THAT THE COSTLY LEGAL ACTION COULD BE AVOIDED. THAT DREW A BLANK BUT THE EXPERIENCE MADE HIM APPLY TO BECOME A DIRECTOR. HE BECAME DEDICATED TO DEFENDING OQML AND USING HIS BACKGROUND AS THE C.E.O. OF A STOCKBROKING COMPANY AND A MEMBER OF THE COMPLIANCE COMMITTEE OF THE LONDON STOCK EXCHANGE HE SPENT OVERLONG HOURS DELVING DEEPLY INTO THE CLAIMS AGAINST THE OQML ACCOUNTS. HE IS GREATLY MISSED.

IN JUNE AND JULY THIS YEAR RESIDENT LEASEHOLDERS KEVIN CORKINDALE, PAULA RICHES AND TONY COX WERE CO-OPTED ONTO THE BOARD. IF YOU HAVE READ THEIR CVS YOU WILL HAVE SEEN THAT THESE THREE GREATLY EXPAND THE KNOWLEDGE BASE OF THE BOARD.

IN LATE SEPTEMBER MARGARET REES WAS CO-OPTED AS A DIRECTOR. SHE HAD PREVIOUSLY BEEN A DIRECTOR FROM SEPTEMBER 2020 UNTIL JUNE 2023 WHEN SHE RESIGNED TO TAKE UP AN OFFER SHE COULDN'T REFUSE TO RETURN TO THE MIDDLE EAST TO WORK. SHE HAS NOW RETURNED HOME AND SHE WAS KEEN TO RETURN TO THE BOARD. THE AGM PAPERWORK HAD ALREADY BEEN RAISED BY THE TIME THIS APPOINTMENT HAD BEEN FINALISED SO THE AGM WILL GET TO VOTE TO RATIFY THIS APPOINTMENT NEXT YEAR.

I THANK THE EXISTING DIRECTORS FOR THEIR INVALUABLE INPUT DURING THE YEAR. WITH SO MUCH GOING ON IT DOES TAKE MORE TIME THAN HAS BEEN AVERAGE IN THE PAST TO DEAL WITH THE VARIOUS SITUATIONS.

THANKS ALSO TO RUTH SMITH, OUR PROPERTY MANAGER FROM PS & B, FOR HER SUPPORT. HER WORKLOAD TOO HAS BEEN HEAVIER DUE TO THE SAME SITUATIONS.



## CLADDING UPDATE

SINCE THE LAST AGM WE HAVE LOST TRI-FIRE AS THE FIRE ENGINEER DUE TO THE SENIOR PARTNER BEING STRUCK OFF. WE HAVE APPOINTED A NEW FIRE ENGINEER, MAF, WHO HAVE CARRIED OUT THEIR OWN EWFR ( EXTERNAL WALL RISK ASSESSMENT ) AND HAVE BASICALLY AGREED WITH TRI-FIRE'S REPORT WITH ADDITIONAL MINOR WORKS REQUIRED TO THE BAYS AT BLOCKS A, D, E AND J. THIS HAS INEVITABLY DELAYED THE WORK.

THE REGULATIONS WERE AMENDED TO INCREASE DESIGNATING BUILDINGS AS HIGH RISE. PREVIOUSLY BUILDINGS BELOW 18 METRES WERE DEEMED TO BE MID-RISE. THIS WAS AMENDED TO BE 18 METRES OR 7 STORIES. AS WE HAVE PENTHOUSES THAT ARE 7 STORIES WE HAVE BEEN REDESIGNATED AS HIGH RISE. THIS MEANT US MODIFYING OUR FIRE SAFETY PROCEDURES AND WITH RESPECT TO THE CLADDING, THE REMEDIATION DESIGN HAS TO BE SUBMITTED TO THE BUILDING SAFETY REGULATOR, A GOVERNMENT BODY, FOR APPROVAL RATHER THAN PORTSMOUTH CITY COUNCIL. THIS HAS MEANT THE PROGRAMME SLIPPING BECAUSE THE BSR IS TAKING UP TO 40 WEEKS TO APPROVE SCHEMES RATHER THAN PCC'S 12 WEEKS.

ON A BRIGHTER NOTE WE HAVE HAD OUR APPLICATION FOR FUNDING APPROVED BY HOMES ENGLAND WHO HAVE GIVEN US £400,000 TO COMPLETE THE PRE-CONTRACT WORK.

RIDGE & PARTNERS, OUR PROJECT MANAGERS, HAVE BEEN OUT TO TENDER ON A DESIGN AND BUILD BASIS AND HAVE MADE THEIR RECOMMENDATION TO APPOINT D&B FACADES AS OUR CONTRACTORS WHICH WE HAVE ACCEPTED ON THE BASIS THAT WE GET HOMES ENGLAND APPROVAL.

D&B FACADES INTEND TO USE HOISTS RATHER THAN TRADITIONAL SCAFFOLDING, SO THIS SHOULD MEAN SOMEWHAT LESS DISRUPTION TO RESIDENTS PARKING.

RIDGE & PARTNERS HAVE PREPARED A DRAFT CONTRACT FOR US TO REVIEW THAT WE EXPECT TO RECEIVE THIS WEEK.

A SWATCH HAS BEEN PREPARED WITH COLOUR SAMPLES FOR REPLACEMENT TILES. THERE IS A BEIGE COLOUR CALLED COPPER GLIMMER FOR THE MAIN BODY OF THE CLADDING AND ANOTHER CALLED MINT GREEN WHICH IS THE COLOUR OF THE STAIRWELL PAINTWORK. IT'S SUGGESTED THAT THIS WILL BE IN PLACE OF THE CURRENT DARK BROWN TILES AND WILL HARMONISE RATHER WELL WITH THE STAIRWELLS GREEN. PLEASE CHECK THESE OUT BY THE ENTRANCE.



UNLESS THERE ARE ANY MORE SIGNIFICANT SETBACKS IT SEEMS WE CAN EXPECT COMPLETION OF THE WORKS IN THE FOURTH QUARTER OF 2026.

#### FIRE SAFETY WORK

IT'S BEEN A BUSY YEAR FOR THE ESTATE STAFF IN ENSURING THAT WE ARE COMPLIANT WITH THE UPGRADED FIRE SAFETY REGULATIONS. THEY HAVE UPGRADED ALL BUT ONE OF THE APARTMENT FRONT DOORS TO THE REQUIRED LEVEL. LIKEWISE THE STAIRWELL FIRE DOORS AND RISER DOORS HAVE BEEN UPGRADED.

THE CONTENTS OF THE SECURITY INFORMATION BOXES HAVE UPDATED ESTATE AND APARTMENT PLANS IN LINE WITH THE NEW REGULATIONS. THESE ARE FOR THE USE OF THE EMERGENCY SERVICES SHOULD THERE BE AN INCIDENT.

THE LEISURE CENTRE GYMNASIUM HAS BEEN FITTED WITH A FIRE DOOR IN LINE WITH THE CURRENT REGULATIONS.

AN ITEM STILL OUTSTANDING IS THE ERECTING OF WAYFINDING SIGNAGE IN THE COMMUNAL LOBBIES ON ALL FLOORS. THESE ARE FOR THE BENEFIT OF THE FIRE AND RESCUE SERVICES

ASSESSMENTS BY LOCAL FIRE AND RESCUE AND FIRE RISK ASSESSORS HAVE BEEN POSITIVE REGARDING OUR COMPLIANCE WITH THE LATEST REGULATIONS.

#### TEN YEAR PLAN

AS YOU WILL HAVE READ IN THE AGM PAPERS THE BOARD AND JOHN COLLINS IN PARTICULAR HAVE RAISED A TEN-YEAR PLAN OF MAINTENACE AND IMPROVEMENTS AT OYSTER QUAY. THE PLAN IS TO USE SOME OF THE RESERVES WE WERE HOLDING AGAINST THE CLADDING REMEDIATION AS HOMES ENGLAND HAS AGREED TO OUR APPLICATION FOR FUNDS TO COVER MOST OF THE WORK.

#### COLLECTIVE ENFRANCHISEMENT

NOW WE HAVE A PLAN IN PLACE FOR THE CLADDING REMEDIATION WE ARE STARTING TO INVESTIGATE THE POSSIBILITY OF COLLECTIVE ENFRANCHISEMENT TO OBTAIN THE FREEHOLD OF OYSTER QUAY FROM PORTSMOUTH CITY COUNCIL. WE ARE PLEASED TO REPORT THAT ONE OF OUR NEW DIRECTORS, PAULA RICHES, IS A FORMER LORD MAYOR OF PORTSMOUTH SO KNOWS HOW THE COUNCIL WORKS AND HAS PERSONEL EXPERIENCE OF BEING INVOLVED IN COLLECTIVE ENFRANCHISEMENT AT A PREVIOUS PROPERTY. WHEN WE HAVE COLLATED ALL THE



INFORMATION WE WILL PRESENT IT TO THE SHAREHOLDERS. PAULA WILL EXPLAIN MORE NEXT.

#### OYSTER QUAY WEBSITE

KEVIN CORKINGDALE IS CURRENTLY LEADING THE EFFORT TO SET UP A NEW OYSTER QUAY WEBSITE. IT'S HOPEFUL THIS WILL GO LIVE IN DECEMBER WITH THE INITIAL ITEMS LOADED FOLLOWED BY A RANGE OF INFORMATION THAT WILL BE ABLE TO BE ACCESSED ONLY BY LEASEHOLDERS AND GENERAL INFORMATION ABOUT THE ESTATE THAT CAN BE ACCESSED BY OUTSIDERS..

#### LEGAL ACTIONS

MR & MRS McGUINNES, WHO ARE THE LEASEHOLDERS OF APARTMENT 155, RAISED A FOURTH LEGAL ACTION AGAINST OQML IN JULY 2023. THE ALLEGATION WAS THAT THE OQML SERVICE CHARGE WAS UNREASONABLE FOR THREE PREVIOUS YEARS, THAT CURRENT YEAR AND ONE FUTURE YEAR.

THIS TOTALLED AROUND THREE AND A HALF MILLION POUNDS. THEY STATED THEY WERE TAKING THIS ACTION FOR ALL OF US. THE JUDGE DISAGREED AS NO ONE ELSE HAD JOINED IN WITH THIS ACTION. THEREFORE IF ALL OF THEIR CLAIMS WERE UPHELD THEY WOULD GET ONE ONE HUNDRED AND SIXTY-SEVENTH OF THE CLAIM THUS AROUND £22,000.

THIS EVENTUALLY GOT TO A PUBLIC HEARING AT HAVANT JUSTICE CENTRE AT THE BEGINNING OF DECEMBER 2024.

WE RECEIVED THE DECISION FROM THE JUDGE ON 18 JUNE THIS YEAR AND ARE PLEASED TO REPORT THAT OVER 90% OF THEIR CLAIMS WERE REJECTED.

THEY WERE THEREFORE AWARDED A YET TO BE CONFIRMED FIGURE OF BETWEEN £1,500 AND £2,000.

ITEMS THAT WERE UPHELD AS NOT TO BE CHARGED TO THE SERVICE CHARGE WERE COSTS ASSOCIATED WITH UPGRADING THE APARTMENT FRONT DOORS, THE WAKING WATCH, COSTS ASSOCIATED WITH THE RUBBISH COLLECTION AND DUE TO THE POOR PERFORMANCE OF OUR TWO PREVIOUS PROPERTY MANAGEMENT COMPANIES AFTER THEY HAD BEEN TAKEN OVER AND TO OUR CURRENT PROPERTY MANAGEMENT COMPANY HAVING SOME LESSER ISSUES WE ARE INSTRUCTED TO REQUEST A REFUND OF A PERCENTAGE OF THEIR CHARGES.



THE TRIBUNAL STATED THAT 80% OF OUR LEGAL COSTS SHOULD BE CHARGED TO THE SERVICE CHARGE AND 20% TO THE OQML COMPANY ACCOUNT. THAT IS JUST UNDER £130,000 ADDED TO THIS YEAR'S SERVICE CHARGE BILL I.E. AROUND £780 PER APARTMENT AND JUST OVER £32,400 TO BE PAID BY THE OQML COMPANY ACCOUNT.

DUE TO THE WAY WE MANAGED THE SERVICE CHARGE FINANCES ANTICIPATING LEGAL ACTION AND / OR CLADDING COSTS THERE IS NO NEED TO REQUEST FURTHER SERVICE CHARGE PAYMENTS THIS YEAR.

WE HAVE SINCE APPLIED TO THE TRIBUNAL FOR COSTS FROM THE APPLICANTS AND THE DECISION WAS RELEASED LAST WEEK.

IT RAN TO 21 PAGES BUT THE SUMMARY AT THE START OF THE DOCUMENT WAS AS FOLLOWS:-

1. THE TRIBUNAL DETERMINES THAT:

i) THE CONDUCT OF THE PROCEEDINGS BY THE APPLICANTS WAS UNREASONABLE.

ii) THE TRIBUNAL SHOULD AND DOES EXERCISE ITS DISCRETION TO ORDER THE APPLICANTS TO PAY COSTS OF THE RESPONDENT.

iii) THE RESPONDENT'S COSTS PAYABLE BY THE APPLICANTS ARE ASSESSED IN THE SUM OF £40,000 INCLUSIVE OF VAT.

2. THE APPLICANTS SHALL PAY THE RESPONDENTS COSTS OF £40,000 BY 11TH NOVEMBER 2025.

#### SOCIAL EVENTS

IT'S BEEN ANOTHER GREAT YEAR FOR THE OYSTER QUAY SOCIAL EVENTS. THE SUMMER HOGROAST PARTY WAS, AS ALWAYS, A BIG SUCCESS.

THE MACMILLAN CANCER SUPPORT COFFEE MORNING RAISED £2379.90 FROM THE GENEROUS RESIDENTS OF OYSTER QUAY PLUS FAMILY AND FRIENDS. A BIG THANK YOU TO THE OYSTER QUAY MACMILLAN ORGANISATION GROUP AND TO EVERYONE THAT SUPPORTED THE EVENT.

THE OYSTER QUAY RESIDENTS SOCIAL EVENINGS AT THE HARVESTER ON THE BOARDWALK HAVE GENERALLY BEEN WELL ATTENDED BUT THERE IS ALWAYS ROOM FOR A FEW MORE. LOOK OUT FOR A POSTER ADVERTISING THE NEXT ONE.

THANKS TO BRIAN AND JUNE SANDY FOR PROMOTING THE ELVIS TRIBUTE ACT THAT RAISED IN EXCESS OF A THOUSAND POUNDS FOR THE PARKINSONS DISEASE



CHARITY AND ALSO JAZZ BY CANDLELIGHT BOTH IN THE MARQUEE THAT WERE VERY WELL SUPPORTED.

LONG MAY THESE TYPE OF EVENTS CONTINUE. TO MANY RESIDENTS BEING PART OF THE COMMUNITY IS REALLY WHAT LIVING AT OYSTER QUAY IS ALL ABOUT.

THANKS AGAIN FOR YOUR ATTENDANCE THIS EVENING.