

DPVA Aster Meeting via Zoom 2pm on 2nd November 2021			
Attendees: -			
Aster		DPVA	
Mark Curtis	Assistant Director (Technical Services)	Judith Pameley	DPVA Chairman & COG member
Chris Chapman	Contracts Manager (Special Projects)	Lisa Penington	DPVA Secretary & DCP member
Emma Towler	Strategic Lead Service Charges and Home Ownership	Norma Humphreys	DPVA Treasurer
Hannah Enderby	Home Ownership Manager	Angela Powney	DPVA committee & Co-optee CCN
Imogen Nicoll	Senior Home Ownership Officer	Edward Williams	DPVA committee
Lisa Childs	Home Ownership Housing Officer	Paul Morgan	DPVA committee
Helen Daykin	S20 Officer	Peter Bennis	DPVA committee

Purpose of Meeting: -

To discuss and address Drews Park leaseholders concerns in relation to current major works projects.

Unfortunately, there is currently a lack of confidence amongst leaseholders concerning the delivery of the major works projects scheduled for 2021/22. The DPVA is keen to work collaboratively with Aster to find ways forward that will address leaseholders' concerns.

1. COST

- 1.1. Many of the concerns relate to the overall costs for the projects and how these will eventually be recharged to leaseholders. We feel that Aster needs to understand and recognise that they are spending leaseholder money and provide transparency on costs.
- 1.2. Multiple letters on multiple projects have created confusion and means many leaseholders don't understand the full cost implications. E.g., A recent letter (8th Oct 2021) states that Phase1 redecoration costs will be met from sinking fund but does not mention that further costs for Phase 2 can't be funded from sinking fund.
- 1.3. Affordability to leaseholders has not been considered as combined project costs are likely to exceed the available sinking fund. The DPVA request to phase the stonework, to spread costs over multiple years, appears to have been ignored by Aster.
- 1.4. Leaseholders have not been provided with a sinking fund statement showing the current balance held on behalf of each property and do not have information on the total value of the sinking fund and the total planned expenditure.
- 1.5. It is not clear how Aster will handle any shortfall in the sinking fund and whether recharges will be spread across later financial years to minimize any financial hardship to leaseholders (some of whom have lost income over the COVID lock down period)?
- 1.6. The latest estimate for redecoration (Phase1) is double the budget figure (included in 21/22 service charge).
- 1.7. Some leaseholders have requested that Aster do repairs to doors and windows and need to be provided with estimates before the work begins.
- 1.8. In April this year, funds were withdrawn from the sinking fund account for redecoration before any redecoration services had been delivered.

1.9. Actions

- 1.9.1. Provide leaseholders with full information on the total combined project costs and their projected impact on sinking fund, service charges and any additional recharges to leaseholders and provide sinking fund statements annually at year end.
- 1.9.2. Explain the increased costs for redecoration and that the new costs offer value for money.
- 1.9.3. Confirm that the actual estimates were in line with the costs included in the stonework business case.
- 1.9.4. Confirm that repair estimates will be provided when they will be provided and confirm there will be an approval process for leaseholders.
- 1.9.5. Confirm in what circumstances costs would be recharged in advance to the sinking fund?

2. SCOPE & DELIVERABLES

2.1. Whilst initial specification documents are provided on the Aster website as part of the consultation process it is generally unclear to leaseholders what services have finally been agreed with the contractor.

2.2. Actions

- 2.2.1. **Redecoration:** - Confirm what areas of the site are covered by Phase 1.
- 2.2.2. **Stonework:** - Confirm if any tasks have been added or excluded.
- 2.2.3. **Grounds Maintenance:** - Provide a summary of the services leaseholders can expect to be delivered by Glendale under the new grounds' maintenance.
- 2.2.4. **Consultation:** - Ensure that Drews Park leaseholders are involved and consulted at the start of the project so that our requirements can be included in the initial scope.

3. CUSTOMER COMMUNICATION

- 3.1. From a customer point of view this a key cause of concern. The large number of Section 20 letters, some not even applicable to Drews Park leaseholders (e.g., automatic doors), have caused irritation and some confusion.
- 3.2. The Section 20 process (as currently implemented) does not support meaningful consultation. Aster tells leaseholders what they intend to do and appears to ignore any feedback.
- 3.3. Leaseholder observations from Stage 1 Stonework were not published until Stage 2 (over 8 months later) and observations from Stage 1 Redecoration have not been published at all.
- 3.4. Responses to observations raised by leaseholders have on occasions, been slow, lacking detail or missing

3.5. Actions

- 3.5.1. Review Section 20 process/project communication plan to ensure that customer observations and feedback are published (i.e., on the website) as each consultation Stage closes.
- 3.5.2. Ensure that all 41 leaseholders have been made aware that the redecoration project requires support from residents e.g., to ensure windows and doors are open for repainting work.

4. PLANNING

- 4.1. Progressing two major projects (stonework and redecoration) with overlapping timescales has added complexity and risk to both projects. Planning does not appear to have considered the impact on customers, costs, or relative priority of each project. The redecoration project has always been the priority to leaseholders.

- 4.2. The timeline for redecoration project had already slipped by 2- 3 months even at the Stage 1 consultation but when concerns were raised these were brushed aside. Aster were aware by the end of May that there were further issues with the Redecoration project timelines, but an alternate plan was not issued to leaseholders until mid-August (which turned out not to be deliverable and caused further delays). During this period leaseholders had limited visibility of project status despite requesting updates from Aster and requests to prioritise redecoration and phase the stonework appeared not to be considered.
- 4.3. Customers input over project timing has been ignored and now Aster plan to carry out Phase1 redecoration in November/December without consideration for the inconvenience or welfare of customers (who will be expected to have windows and doors open) during colder / wetter weather. It is not reasonable to expect customers to leave doors and windows open in November / December for health and heating bill reasons.
- 4.4. Aster's feedback at Stage 1 redecoration acknowledged that 'good practice would say to complete before the nights close' but now plans to phase1 when the working day has shortened
- 4.5. Current Phase1 plans are highly dependent on suitable weather in November/December and the risk of the weather being unsuitable is high. It is unclear what contingency plans are in place to handle delays (which could impact the stonework project) or quality issues.
- 4.6. From a leaseholder viewpoint, repairing and redecorating 41 properties to the expected quality before Christmas doesn't look achievable.

4.7. Actions

- 4.7.1.Enable customers to opt out of their property being included in Phase 1
- 4.7.2.Recognize that leaseholders are key stakeholders on all Drews Park specific projects and should be represented on the project board at all stages.
- 4.7.3.Ensure that project status updates are available in a timely way (i.e., summary could be published on the Aster website)

5. QUALITY

- 5.1. Previous redecoration projects at Drews Park have had quality issues which have been expensive, caused dissatisfaction amongst leaseholders.
- 5.2. It is important that the correct quality is delivered but the scheduling of the Phase1 redecoration puts quality at a high risk.
- 5.3. Customers wishing to repair their own windows and doors were instructed to do so (but not to paint) by mid- April to meet Aster project timelines. These repairs may have already been compromised by the delay in repainting.
- 5.4. Customers that opted for Aster to carry out repairs (based on the Savill report) may need more significant repairs than would have been necessary if the redecoration work had been done as planned in 21/22.

5.5. Actions

- 5.5.1.Provide details on the project quality and risk management processes that are in place to address the above concerns.

Despite the issues raised here, we do appreciate that we also have much to benefit from having Aster as our Landlord and we hope, that with mutual respect and cooperation, we will be able to go forward together in a strong partnership.



MINUTES

of the 'virtual' meeting of the DPVA Committee and Aster on Tuesday 2nd November 2021 at 2pm.

Present for DPVA: Judith Pameley, Peter Bennis, Lisa Penington, Norma Humphreys, Edward Williams, Angela Powney.

Apologies: Paul Morgan

Present for Aster: Lisa Childs, Imogen Nicoll, Hannah Enderby, Penny Teather, Chris Chapman, Mark Curtis, Emma Towler, Helen Daykin, Hannah Trussler.

HE introduced the Aster Team and **JP** introduced the DPVA Team. **JP** agreed that the meeting could be recorded and **HE** agreed to send DPVA a copy to aid with preparing minutes.

Cost Concerns

JP referred to the paper that had been sent to participants in advance. She outlined the concerns regarding leaseholders' monies and the need for transparency in dealing with funds that do not belong to Aster and the need for clarity in information given to leaseholders.

It was agreed by Aster that leaseholders should regularly be informed about the full costs of proposed works and the balance contained in the Sinking Fund. A sinking fund statement per unit had been done several years ago and Aster agreed this would now be done annually and conveyed to owners. **HT** informed the group that a letter addressing this and outlining a summary analysis of works planned, cost breakdowns and timings would be sent out by the end of November. The new Major Works officer (Groupwide), Lucy Steele, would start in post on 1st December and would be a useful resource in early discussions on projects and financial obligations. **HE** would arrange a meeting to introduce Lucy to **JP**

JP requested feedback on why the expected cost of Phase1 painting had increased significantly (35 houses @ £63,564 in the first Section 20 notification dated 16th August). After Novus was not able to deliver and alternative supplier (Hankinson) was selected (41 houses @ £113,328) in October. **CC** had no immediate recollection of an earlier Section 20 notice but promised to investigate and come back with details. Feedback on the August Section 20 will be sent out later in the month will clarify this point.

DPVA members were genuinely concerned about the effect on residents if painting took place in cold winter months and it was agreed that they should contact Aster directly to discuss any concerns if it were likely to have a detrimental effect on health. Aster is keen to progress Phase1; individual leaseholders who were concerned about being part of Phase 1 should contact them directly to discuss their concerns. Absent owners would be expected to inform their tenants of the proposed works but if Aster had authority to contact tenants or agents directly, they would do so.

JP enquired why there was such a disparity between the estimated figures for the stonework as outlined in the 30-year plan (£80k) and the final figures (£330k). **JP** asked what costs were envisaged when the business case was prepared and whether Aster had been prepared to think again when the tenders were received. **MC** said the 30-year plan had only contained rough pre-survey estimates. **CC** added that regulations specified that once you had tendered a specific brief that could not be changed, and a further complete tendering process would have to take place. The tenders received had been for the complete stonework as detailed in the survey.

Leaseholders felt that their observations regarding affordability were not considered and that suggestions of phasing the works were ignored. Aster did not agree with this view and considered that phasing the works would cost more in the end. **IN** commented that Aster had considered all options available and had been as flexible as possible by splitting the stonework and redecorating across two budget years.

JP raised a further concern about a lack of costing information being given to leaseholders who had opted for Aster to complete their pre-redecoration repairs. **CC** said that he already had the estimates, and these would be sent to **HD** within the next 2 weeks to be shared with relevant leaseholders.

LP mentioned that it appeared that no contributions had been added to the sinking fund account this budget year. There had been a long-standing agreement that half the monies would be paid in during June and the final half in December. **ET** would check when payments had been made into the sinking fund and revert.

LP raised a concern that the sum of nearly £60,000 had been removed from the account in May. **ET** said Aster are entitled to take advance payments from the sinking fund in the year money was due to be spent. **LP** believed it was contrary to the 1987 Landlord and Tenant Act to remove money until it was due to a contractor. **ET** advised that sinking fund contributions were treated in the same way as other components of the Service Charge: estimated cost, actual cost, reconciliation and that Aster acts within the terms of the lease. **ET** agreed to meet with the DPVA to discuss any concerns regarding the sinking funds once Aster had issued the costing summary information to leaseholders. Any sinking fund issues should be discussed with the Service Charge or Home Ownership Teams.

Scope of Work Concerns

LP noted that only 40 properties were listed for Phase1 redecoration and that 1 was social housing. **IN** said she would recheck the list and confirmed that the cost for the social housing property would be paid by Aster. *(Following the meeting IM confirmed that there are 41 properties, weather permitting.)*

DPVA asked about the painting specification. **CC** to check with Hankinson and respond accordingly.

CC confirmed that no work had been added or removed from the stonework contract. **JP** raised a concern about there being little information for the leaseholders of what work had been included in the final agreed specifications. Once a company had been contracted, residents would find it useful to have a clear summary of what would be delivered.

HE said that the Grounds contract would take effect from 1st December; until then the interim grass cutting would take place on a Saturday. **JP** would be invited to attend a meeting with the new providers (Glendale) to make sure all our requirements were covered. From December a dedicated team for Drews Park would be on site and Aster would share very clear details about their brief.

JP requested that leaseholders are involved any Section 20 proposals at an early stage to ensure they have the opportunity to provide input to the scope although Aster is bound by the Section 20 legislation. **HE** confirmed that early discussions would be picked up by Lucy Steele across the Aster Group but that Section 20 will be dealt with by **HD**.

Customer Communication Concerns

There was discussion about the number of Section 20 notices received. **HD** said that some tenders covered things that might be needed by tenants at some point, but Aster would try to target them better in the future. **EW** suggested that leaseholders might be confused by the need for Section 20 notices, and it was established that the two main reasons for them were when major works costing more than £250 per tenant were proposed, and if more than £100 per annum was to be spent on a long-term agreement. If Aster did not action Section 20, they would be liable for any costs over those amounts. It was noted that there is an explanation on the Aster website and DPVA could explain to their members in the newsletter.

JP raised a concern that the Section 20 process did not provide customers with meaningful consultation. **HT** confirmed that they are bound by the legislation and Section 20 process was limited to allow customers to provide feedback on suppliers or if the work was needed rather than on the details. **HD** agreed that leaseholders needed to be made more aware of what feedback was application and it was agreed that leaseholders would be pointed to the Aster website for information.

JP requested that clear information be sent to the 41 leaseholders/residents whose properties were part of the Phase 1 redecoration outlining what was required of them in terms of access etc. **IN** assured her that the contractors (Hankinson) will write to the leaseholders with clear information.

Planning Concerns

JP stated there were significant concerns over the timing of the Phase 1 redecoration and the impact this could have on the welfare of residents as well as the quality of the work.

IN confirmed that Aster would write to each of the 41 leaseholders and request that they contact Aster if they were uncomfortable with the plan. **HE** assured the DPVA that, whilst Aster will encourage leaseholders to go ahead with the work as planned, they will listen to and address any concerns. **HE** confirmed that ultimately it was the individual leaseholder's decision on whether their property would be included in Phase 1.

JP requested that leaseholders were fully represented and kept updated on all stages of major work projects. **HE** confirmed that Lucy Steele would take care of this and would be available from 1st Dec.

Quality Concerns

JP stated that quality remained a key concern for leaseholders and requested details on how this would be addressed.

CC confirmed that the Aster Clerk of Works will be onsite twice a week and the Aster Surveyor will be onsite twice a month to oversee the project. The Dulux representative will inspect and report directly to Aster. Aster pledged to redo work at no cost to owners if there were problems due to the time of year work was taking place.

CC assured that both the contractor (Hankinson) and the paint supplier (Dulux) have confirmed that the painting work can be done in Nov/Dec subject to suitable weather. No gloss painting would be done before 10am or after 2pm or below temperatures of 5c to allow sufficient time for paint to dry.

In response to questions about signing off the redecoration work and quality control, **CC** reassured residents that the work would be signed off by the Clerk of the Works, Bob East, on a property-by-property basis. Any leaseholder concerns about the quality of work should be raised directly with the Site Foreman (Hankinson) and could be escalated to **IN** or **CC**, as necessary.

JP questioned what input individual leaseholders would have in sign-off of their property. **CC** said that the Clerk of Works was the final arbitrator, but he would review leaseholder input and provide feedback.

AOB

CC confirmed that Phase2 redecoration would not go to tender but would be carried out by the current contractor (Hankinson). The total cost for Drews Park redecoration is estimated at £286k plus 20% for VAT and 15% management fee. **LP** reiterated that there was concern about the excess monies that will be owed by leaseholders when two large contracts take place next year. While there could be £382,000 in the fund by December the costs may be over £700k. **LP** stated that queries by leaseholders to Observations had resulted in assurances that 'the sinking fund is healthy enough to cover the cost of the work'. It was agreed that leaseholders needed to be provided with full information on costs as soon as possible.

HE confirmed that Aster have various options to allow phased payment which would be addressed on a case-by-case basis with individual leaseholders. However, this would not be available to owners who rent out their properties.

EW requested confirmation that no other major works were planned within the next 3-5 years. **IN** stated that a TV aerial replacement project was in the early stages, and **HE** confirmed that the 30-year maintenance plan may also require sinking funds.

IN confirmed that Aster's Customer Voice team will be completing a consultation with all leaseholders around communications as a whole, the involvement of DPVA, and recommendations of how customers prefer to be communicated with. **LC** reiterated to **JP** that leaseholders are encouraged to approach Aster directly with any concerns or queries they may have.

The Meeting adjourned at 3.55pm.