

HARINGEY LEASEHOLDERS ASSOCIATION

MINUTES OF THE ANNUAL GENERAL MEETING HELD AT HARINGEY CIVIC CENTRE, WOOD GREEN, N22 ON SATURDAY 26 APRIL 2014

Present: Sue Brown (Chair), Anne Gibson (Treasurer) (AG), Nick Martin-Clark (Secretary) (NMC) and a total of 40 other members of the Association

1 Opening Remarks

The Chair welcomed leaseholders to the AGM. Before presenting her annual report, she explained that under the Code of Conduct anyone who attended should declare any interest, or membership of any other group that had an interest, in any matter under discussion. She asked in particular for anyone who was a member of Haringey Leaseholders Campaign Group (HLCG) to declare this, as HLA was pursuing a legal case against an HLCG member. Phil Hettiarachi moved forward and attempted several times to speak. The Chair said that he was no longer a member of HLA, having been suspended, and therefore could not speak at the meeting except for the item concerning him. For other items he was there only as an observer.

In response to a question about who was a member of the HLCG, NMC said that HLCG had held only one public meeting, in 2011, and therefore had not followed its constitution, thus making it invalid. This meant that membership was subjectively defined. A former member of the HLA committee had been suspended from the HLA by the committee for unconstitutional behaviour, one example of which was not declaring his interest in the HLCG and acting against the interests of the HLA. Whether or not to expel him would be considered later in the meeting. Phil Hettiaracchi said that he was a member of both the HLA and the HLCG. The Chair reiterated that Mr Hettiarachi was suspended from HLA and was not allowed to speak or vote.

NMC continued by saying that under HLA's constitution all leaseholders were members unless they had resigned, had been expelled or had been suspended. He added that in its whole existence HLCG had held only one public meeting in 2011 and had never held an AGM. HLCG's constitution was not operative. One person, Michael Ruggins, declared that he had an interest as an HLCG member.

2 Chair's Report

The Chair said that some 8 years previously HLA had received a large grant for about two years to run an advice centre and an office. Since then, HLA had been striving to open an office and had been on the point of applying for a grant towards the cost when it had been de-recognised. Recently, Homes for Haringey (HfH) had offered HLA office space in HfH's offices in Commerce Road. The office was open on Fridays and leaseholders who wanted to consult HLA there should telephone the number shown on the website and on HLA headed paper. She had recently had a

very fruitful meeting with Astrid Kjellberg-Obst, HfH's Director of Operations, who had been very helpful in smoothing out the relationship between HLA and HfH.

Also in the past year, HLA's new website had been created by Charlie Hodgson (CH), a new Committee member who was very skilled in IT and who would host the website. This would also give HLA the potential to make mail-outs to members. CH explained that he had contacted HLA as he had particular experience as a database manager. He had set up a group-led site which was run on a contact management system with free software. HLA now had a proper database and could manage its mailouts and contacts. The site also had the potential to incorporate fora and, possibly, blogs. There was a minor technical issue in separating multiple fora, but he expected this to be resolved so that the website could go live in the next month.

The Chair said that she was pleased that in the past year the former HLA Secretary, Peter Gilbert, had been co-opted back on to the Committee after he had ceased to be a member of the HfH Board. In particular, she would also like to thank AG, the Treasurer (who was a professional accountant) and NMC, the Secretary, for their work as officers of HLA. She thanked Kate Worley and Lukie Hewat, who had been of great help while they had been serving on the HLA Committee, and she especially would like to thank Rita Batzias, who had been a loyal Committee member for seven years through good times and bad, who had turned up at meetings even when she was not well but who had decided to stand down now that HLA had regained its own office, which is what she had been waiting for. (HLA members present gave Rita a warm round of applause.)

The Chair added that unfortunately HLA had still had to contend with a number of difficulties. There had been no progress on the appeal against de-recognition, as HfH still refused to hear the appeal in full. She felt that the HLA was standing up for all residents as it was holding HfH officers responsible for their actions. She reminded members that at past AGMs the leaseholders present had supported HLA in pursuing the appeal.

The Chair said that HLA's action against its former Treasurer was due to go to court in June. HLA was standing at a crossroads and she hoped that the result would vindicate HLA's position as a serious organisation that enforced its own rules. It was a democratic organisation, as previous GMs had been asked to decide whether or not to support the court action. She added that recent developments would be discussed later in the meeting, when she would be introducing the Association's solicitor to members.

The Chair added that one big problem had been that it had become apparent that a member of the Committee was a plant who had disclosed important evidence to the former Treasurer's lawyers. The Committee had decided to suspend him from membership of HLA and whether to uphold that decision was due to be discussed later in the meeting.

The Chair said that she hoped that leaseholders would come forward to join the Committee.

The Chair advised members that a guest speaker, Nicholas Kissen from LEASE, would be giving a presentation about service charges.

3 Appointment of Certifying Accountants

The Chair advised that, in order to fulfil the requirements of HLA's constitution, the meeting had to appoint an independent person with appropriate financial skills to inspect the accounts of the Association for the following year. At the previous AGM, the members present had appointed Dipakkumar Shah FCA of Nielsens, Chartered Accountants and Reporting Accountants, in that role.

The Chair moved that Nielsens be re-appointed to inspect the accounts of the Association for the following year, and this was carried by 24 votes to 0, with 5 abstentions.

(The Chair welcomed Chris Bell of HfH's Resident Involvement Team, who had just arrived, to the AGM.)

4 Treasurer's Report

AG presented the annual accounts and balance sheet for the year ended 31 March 2014. She said that there had been an increase in subscriptions and it was possible that more Standing Order forms to take effect in the recently-ended year were in the pipeline. HLA had received a full year's grant from HfH for 2013-4. Expenses were down, as the cost of mailouts had been more than offset by a fall in legal expenses. There had been an overall surplus of £753.79.

AG added that the level of creditors was so high because the source of some of the income was not known and queries needed to be resolved on whether a number of new Standing Orders had been for monthly or for annual subscriptions. The money that had been received needed to be regarded as though it might need to be returned.

The Chair said that in order to meet HfH's requirements the accounts had been signed by her, the Treasurer and the inspecting accountant.

The AGM received the annual accounts and balance sheet. No questions were asked.

5 Minutes of 2013 AGM

The minutes of the AGM held on Saturday 20 April 2013, which had previously been circulated and which were made available to leaseholders at the meeting, were presented.

Nobody raised any points of accuracy.

The meeting was asked to approve the minutes and did so by 8 votes to 0, with 21 abstentions. One leaseholder commented that only people who had attended the previous AGM were in a position to approve or dispute the minutes.

6 Election of Officers and Committee Members

(SB handed over the Chair to NMC)

Chair

NMC called for nominations for Chair. Lukie Hewat proposed Peter Gilbert, who declined the nomination.

Sue Brown was proposed, seconded and re-elected by 26 votes to 3, with 1 abstention. Sue Brown then resumed the Chair.

Secretary

Peter Gilbert was proposed. Nick Martin-Clark was asked whether he wished to stand and declined. Peter Gilbert was duly seconded and was elected by 21 votes to 0, with 1 abstention.

Treasurer

Anne Gibson was nominated, but declined the nomination. Nick Martin-Clark was then proposed, seconded and elected by 26 votes to 4, with 1 abstention.

Vice-Chair

No nominations were received for Vice-Chair.

Committee Members

In answer to a question from the floor, the Chair indicated that Committee meetings were normally held every month or two. She called for volunteers. NMC commented that Committee members could make a great difference and that volunteering could be very rewarding. Charlie Hodgson, Lloyd Grandson, Grace Lungu and Stephanie Rice volunteered to serve on the Committee and were proposed and seconded en bloc. They were elected en bloc by 24 votes to 0, with 4 abstentions.

7 Discussion on keeping HLA as party to court case

The Chair opened a discussion on whether HLA should seek a barrister's opinion on taking legal action against HfH. She said that recently a leaflet had been handed out outside River Park House calling for HfH to hear HLA's appeal against de-recognition in full. The HfH Executive Director of Operations, whose predecessor at the time that the complaint against de-recognition had been lodged had refused to

read it in full, had promised her to get an intern to go through the whole matter from the beginning in detail in order to set up a timeline of events. However, now the new Director of Communications, Iris Teichmann, was looking at it, so the appeal was now being read by senior, competent HfH officers. HLA was fighting for justice from HfH over the de-recognition. It had cost the HLA at least £15,000 in expenses to survive and had taken a couple of years to secure re-recognition, to say nothing of the grant income that had been lost. Just before de-recognition, there had been a potential offer of a £10,000 grant to HLA. If the appeal were granted, there would be no reason for HfH not to look at that offer again. Such a grant would transform the situation of HLA and was worth fighting for.

The Chair added that one of the reasons why HfH was refusing to hear the appeal in full might be that it showed that HfH officers had contravened the Resident Involvement Agreement, in fact had driven a coach and horses through it, by giving financial support to the HLCG. She commented that in one sense it did not matter who was representing leaseholders, as long as it was a single group acting for the good of all leaseholders. HfH had in effect set up another group, but had not granted it recognition, and for almost two years there had been no leaseholders group to take up issues arising from the Decent Homes programme or to support leaseholders' individual cases. She had followed the appeal process so that these matters could be heard, but HfH proposed to hear it only in a small part, not in full.

HLA had asked HfH to look at the appeal in full and that we did not want the complaint about HfH officers to be treated as an add-on. There were big issues to be resolved and HLA had kept going because we wanted to see a public body held to account. The Committee believed that we had a good case in law, and wanted the membership to approve in principle that we seek to establish the point that the other side had broken the law, that there had been a misuse of confidential information contained on HLA's database. If this was established, HLA would be able to go back to HfH and say that HfH had been talking to people who acted illegally. That would put HLA in a strong position. The Committee recognised that it would not be easy to take HfH to court, particularly in the light of HfH's unlimited resources, but if we established that there had been a misuse of the database HLA would have a strong case in law against HfH.

The Chair asked the AGM to agree that the Committee seek the opinion of a barrister to establish the strength of the case against HfH.

In answer to Lukie Hewat, the Chair said that the court case against the HLA's former Treasurer would probably be heard in June 2014. NMC added that the costs in this case were limited but significant and that the case would be held in the Commercial Property Court. The work so far had been a huge effort for him and SB and, were they to lose the case, he estimated that the other side might be able to reclaim £50,000 by way of costs. Lukie asked who NMC meant by 'us'. He replied that it was he and SB, who jointly bore liability for the legal costs in the matter. The

rumours that all leaseholders had been dragged into the case and that there would be a cost to all leaseholders if the case were lost was untrue.

AG asked NMC to stick to the agenda.

NMC repeated that he and SB were the only members of HLA who had any financial risk in the matter.

In reply to a male leaseholder, NMC confirmed that the database in question included a list of the leaseholder members of HLA. The leaseholder said that the database was held subject to the provisions of the Data Protection Act, under which, if a purpose changed, the database holder needed to inform the people whose details were on the database and to seek their approval to it.

NMC confirmed that that was the case and asked that a vote be taken.

AG said that what the Chair and NMC had said was all very well, but she asked whether HLA could realistically take legal action against HfH. De-recognition had meant that that HLA lost a grant of £1,000 a year during the period of de-recognition. The reality was that HfH was not in a position to make a larger grant to HLA and that, even if it did so, the cost to HfH would be met by a levy on leaseholders. She added that at a previous AGM NMC had said that the appeal was instead of taking a judicial remedy. The legal costs on the other case were astronomical and it now appeared that HLA was going to spend thousands of pounds on deciding whether to take legal action against HfH.

Lloyd Grandson said that the financial risk of the action against HLA's former Treasurer was being borne solely by the Chair and NMC. AG replied that they were now asking to seek a barrister's opinion on whether there was a case against HfH. A male leaseholder said that he was unsure about pursuing this political thing and asked whether it would mean that there was a levy on leaseholders in general.

NMC said that he and AG had had many discussions and he knew that she disagreed with the proposed action. What was being requested was a vote in principle on whether to authorise the HLA Committee to go ahead with getting a legal opinion if the HLA could afford to do so. The vote would not commit the HLA to take legal action.

AG asked for an assurance from the Committee that before incurring any expenditure they would seek the view of a General Meeting on whether or not to do so and that, for now, the motion be limited to authorisation to find out the cost of getting a legal opinion.

(Another male leaseholder said that he had received a communication from HfH to say that he would be liable to pay £15000 to £20000. NMC asked him to talk to Committee members after the meeting.)

The leaseholders were asked to agree in principle that the Committee seek the advice of a barrister on whether HLA had a good case against HfH, but before doing so to establish the cost of taking such advice and to refer such expenditure back to a General Meeting for prior approval. The GM approved this by 34 votes to 3, with one abstention.

8 Suspension of Committee Member – Next Steps

The Chair said that at the last AGM, Phil Hettiarachi had volunteered to serve on the Committee. Under the Constitution, copies of which had been available to all leaseholders attending the AGM, any member who had a conflict of interest should declare such an interest that might affect or influence their approach to the matter under discussion. Copies of the constitution and Code of Conduct were circulated to all members of the committee after the AGM. Phil had originally been very helpful, but he had subsequently tried to advance the view at Committee meetings that the Committee was acting unconstitutionally although in fact there was no constitutional issue relating to the matters he referred to. Immediately before the Case Management Conference in relation to the legal action against HLA, former Treasurer took place in December 2013, he wrote to the Judge saying that the Committee was trying to withdraw from the case. He had also been handing confidential documents to the other party's solicitors and made a witness statement to the Judge on behalf of the other party.

When the Committee had told him he was not furthering the aims of HLA, Phil declared that he was a member of HLCCG, and had been since before he had volunteered to serve on the HLA Committee. In the light of this and his breach of confidentiality, it was impossible to allow him to continue to be a member of the Committee and the Committee had met on 30 January 2014 to consider whether to suspend him. The Committee had agreed to suspend him in view of his:

- Breach of confidentiality;
- Failure to declare his interest as a member of HLCCG;
- Undermining confidence in the HLA;
- Putting pressure on the HLA Secretary with abusive telephone calls (Phil interjected here to say, "What about Nick telling me to go back to Sri Lanka?" NMC replied that this was a lie. The Chair reminded Phil that he was attending as an observer and could not speak);
- Contacting the former Treasurer's solicitors and misrepresenting facts to them;
- Misrepresenting the facts about the financial situation regarding the costs of the case to other Committee members;

- Lying about his contacts with the former Treasurer.

A leaseholder asked whether that was just the Committee's opinion. The Chair replied that the minutes of the committee meeting of 30 January showed how the matter had been considered. Phil had not been present, although he had been invited, but Lukie Hewat had brought a statement from him to the meeting.

(NMC advised the meeting that the speaker had been unable to stay any longer.)

NMC said that there had been no independent review of the complaints against Phil, who unfortunately had not attended the meeting where it was discussed. It was a great shame that this had happened. There were a lot of documents and emails that formed evidence against Phil, as well as an envelope on which he had noted down some things that Phil had said in a telephone conversation.

The Chair said that Phil had done all that he could to disrupt the case against HLA's former Treasurer and there was ample evidence that the HLA could not trust him. The Committee could suspend a member, but only an AGM could expel a leaseholder from HLA.

A leaseholder asked what evidence the Committee had. NMC said that when they had been to the Case Management Conference it had been disclosed that Phil had written to the Judge in opposition to HLA's case and had produced a witness statement in court to the former Treasurer's solicitors.

NMC suggested that perhaps at this point Phil could give his point of view. However, Phil did not respond and a number of others present pressed for a vote to be taken. The Chair proposed that Phil Hettiarachi be expelled from HLA and this was carried by 14 votes to 5, with 12 abstentions.

9 Mediation

NMC introduced Riz Majid of Neumanns, HLA's solicitors in the case against its former Treasurer.

NMC said that Neumanns had received the agreement of the other side to go to mediation. He and SB were delighted. They had suggested this several years ago and had made a number of formal and informal offers which had not been accepted up to now. He thanked HLA's lawyers and went on to say that he and SB were now optimistic about having talks with the other side. It was human nature for people to dig in their heels, but ultimately the only way in which people could resolve differences was to sit down and talk. He and SB were willing to sit down and talk issues through with the other side.

Michael Ruggins, a leaseholder who was a member of HLCG, asked whether Mr Majid could confirm that the other side had made two offers of settlement, to which his firm had not replied. He asked whether or not Neumanns had received a third

offer. (The Chair asked Mr Ruggins to refrain from swearing.) Mr Majid confirmed that both his firm and the other side had made several offers of settlement and were trying to arrange this. It was normal practice for both sides to make offers and counter-offers during the settlement process.

NMC said that he thought that he and SB were not supposed to discuss these offers in public. In reply to Mr Ruggins, Mr Majid said that the other side had sent three offers, but two were identical and the third was in almost the same wording. Mr Ruggins asked whether, following the most recent letter to Neumanns, it was the HLA's intention to proceed to mediation and not to accept or reject their offer prior to mediation. Mr Majid said that Neumanns and HLA had always been open to mediation. Phil Hettiarachi said that the AGM had a legal obligation to give details of the former Treasurer's offer to those attending. NMC responded that the HLA would take its own legal advice.

NMC explained that the other side was HLA's former Treasurer, who owned the website of HLCG. Mr Ruggins and Phil Hettiarachi were colleagues of hers in HLCG.

Mr Majid said that it was proposed to get the two groups together. NMC said that this would be the best thing. As part of mediation, HLA wanted to make a new offer and try a different approach. One offer that they were considering was whether to drop the HLA's request for an apology for the former Treasurer's misuse of the database, in exchange for her co-operation in getting HLA's appeal against de-recognition heard in full by HfH, eg by putting a request on the HLCG website that due process should be applied and the appeal should be heard in full. Such a process of mediation might give the former Treasurer the opportunity of withdrawing from the case without losing face.

NMC went on to say that HLA's case was very strong and that the costs to be borne by the former Treasurer would probably be heavy. Also, it would be traumatic for her to undergo cross-examination. The approval of the AGM would be needed for conciliation to take place. NMC said that HLA was not asking for concessions to be made, but for conciliation to take place.

AG commented that the original legal action had been brought in respect of the former Treasurer's alleged misuse of the HLA database. The Treasurer and other members of the HLA Committee had resigned. AG said that HLA was going to incur thousands of pounds on legal fees. The Committee had first been told that HLA was suing the former Treasurer. Later, it had been told that she was being asked to apologise. AG asked why HLA was spending so much. The Committee had never been told before that the case against the former Treasurer was linked to the case seeking a full hearing of the appeal against de-recognition. The former case had cost SB and NMC thousands of pounds. There had been no explanation for this new approach. At the Case Management Conference, the Judge had said that SB and

NMC were entered in the case. AG said that it now appeared that the whole reason for the case had been persuading the former Treasurer to press a point to HfH and gain some purchase with them.

NMC replied that AG thought that the link between the two cases was doubtful, but in his view it was not.

CH said that he had come on to the Committee to help with IT. He had found Phil to be disruptive. In the first place, the scare stories that all the Committee members were jointly liable for meeting the cost of the court case were baseless. Leaseholders and Committee members owed SB and NMC a debt of gratitude for taking on the case. Secondly, the view had been expressed that HLA should not be suing another leaseholder. In his view, people who broke the rules should be held to account. The issue was one of data protection. A database administrator who broke Data Protection Act rules would be prosecuted. When data was put on a USB, it could go anywhere and the administrator was even more liable to be careful. He had complained to the Data Protection Commissioner because he was on the HLA database but had been emailed by HLCCG. The HLA data protection rules would be tightened up. They needed to be taken seriously. The HLA was a professional organisation and, as such, was right to hold people to account.

Lloyd Grandson said that he had received emails from HLCCG a few years ago although he had never been on their mailing list.

The AGM agreed by 21 votes to 1, with 1 abstention, to pursue conciliation with the former Treasurer.

The AGM agreed by 22 votes to 1, with 1 abstention, that HLA should remain a party to the complaint against its former Treasurer.

The Secretary conducted a count at this stage. 29 leaseholders and 5 non-leaseholders were still present.

10 Amendment to the Constitution

The Chair explained that one aspect of the Constitution needed to be tidied up. There was a two-tier resignation from the Committee, in that the resignation of a Committee member was not effective until it was accepted by the Chair. The HLA recognised how valuable volunteers were and gave the opportunity to the Chair to persuade them not to put into effect a spur of the moment decision to resign. However, the position in relation to the Chair was not clear. According to the constitution, there was nobody to whom the Chair could submit a resignation who could ask the Chair to reconsider.

The HLA Committee had suggested the following proposed amendment to the constitution:

6 f) Any vacancies on the Committee may be filled by the Committee by co-opting members with full voting rights until the next general meeting. The general meeting will then ratify or reject the co-option. Resignations will become effective once accepted by the Chair. *The resignation of the Chair will become effective once accepted by the Secretary.* The Committee may refuse to co-opt a member who has breached the constitution. Unless they have been expelled members may be co-opted at General Meetings or elected at Annual General Meetings, previous committee refusals notwithstanding.

HfH had suggested an alternative:

6 f) Any vacancies on the Committee may be filled by the Committee by co-opting members with full voting rights until the next general meeting. The general meeting will then ratify or reject the co-option. Resignations will become effective once accepted by the Chair. *The resignation of the Chair will become effective once accepted by a simple majority of committee members attending the first committee meeting where such a resignation is announced.* The Committee may refuse to co-opt a member who has breached the constitution. Unless they have been expelled members may be co-opted at General Meetings or elected at Annual General Meetings, previous committee refusals notwithstanding.

NMC recommended leaseholders to vote in favour of the proposal from the Committee as to await a Committee meeting to consider whether to accept the resignation could mean a big hiatus.

The Chair said that members were not being asked to discuss the two-tier system of resignation at this AGM.

The AGM agreed by 14 votes to 0, with 6 abstentions, to the first amendment proposed by the HLA Committee, adding the words: *"The resignation of the Chair will become effective once accepted by the Secretary"*.

11 Closing Remarks

The Chair apologised to the meeting that she had not realised that the guest speaker was only able to be present for a limited time. She agreed to invite him back, possibly to the next GM in some six months time, when Cllr Alan Strickland, the Cabinet Member for Housing, Astrid Kjellberg-Obst and the new Managing Director of Homes for Haringey might also be invited.

A leaseholder asked whether HLA could ask the speaker whether he would also be willing to circulate his presentation.

Grace Lungu suggested that future GMs and AGMs could have a time allocated to each item.

NMC reminded members that the office was open from 10am . 1pm and 2pm . 4pm on Fridays at HfH's Commerce Road offices. People wishing to attend should ring 0845 020 4252 in advance.

The AGM closed at 1pm.