

LON/00AW/LSC/2016/0115  
Made on behalf of the: Applicant  
Witness: D R Nicholson  
Statement of Witness: First  
Exhibits: Exhibit DRN1  
Date:

IN THE FIRST-TIER TRIBUNAL

CASE NO  
LON/00AW/LSC/2016/0115

PROPERTY CHAMBER, RESIDENTIAL PROPERTY

BETWEEN:

POINTWEST GR LIMITED

Applicant

and

THE LESSEES LISTED IN THE SCHEDULE  
TO THE APPLICATION

Respondents

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**WITNESS STATEMENT OF  
DEREK RONALD NICHOLSON**

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I, Derek Ronald Nicholson, of D.R.Nicholson Limited, whose office is at 39 Pine Grove, Maidstone, Kent ME14 2AG will say as follows:

1. I am authorised to make this statement on behalf of the Applicant in relation to these proceedings which relate to the reasonableness of service charges at the Point West Complex, Cromwell Road, London SW7 4XR ("Point West").
2. Matters referred to in my witness statement which are within my own knowledge are true. Matters that are not within my own knowledge are true to the best of my information and belief.
3. Attached to this witness statement marked "DRN1" is a bundle of true copy documents. Numbers appearing in square brackets within this witness statement refer to pages within "DRN1".

**Qualifications and Expertise**

4. I am a Chartered Architect registered in 1979. I am an experienced consultant and have worked on a wide variety of building types with an extensive record of success at developing and implementing complex project plans.
5. In July 2016 I set up an independent consultancy firm, D.R.Nicholson Limited. Prior to that I was a Senior Director in two consultancies for over 20 years; Prime Building Consultants Limited ("Prime") and Prime Construction Consultants Limited, a firm of Corporate Approved Inspectors set up to rival the Local Authority Building Regulation Service. Previously I ran a family owned building company between 1982 and 1992 which together with the above has given me extensive practical, technical and professional experience.

6. In 2012 I was appointed by the then administrators, Chantry Vellacott to act as a consultant on an ad hoc basis in respect of the management of Point West. I understand that my appointment was agreed at the first administrator's meeting which was attended by Ian Hunter QC and I am informed that he supported my appointment. I was later engaged (through Prime) by Smith and Williamson (who replaced Chantry Vellacott as administrators) as the full time General Manager of the building to replace Mr Tibbles after he left in or around July 2013.
7. As General Manager I dealt with the day to day running of the building, reporting to Smith and Williamson. I was not, as has been alleged, working for the current landlord PWGRL, its management company PWMSL nor for Mr David Gomes da Costa.
8. I was familiar with Point West having previously acted on a dispute on behalf of Rothschild Trust (Bermuda) Ltd in its dispute with the former landlord, Point West London Limited ("PWLL") As a result of my experience as detailed above, I have been able to understand the various difficulties which the age, location, complexity and restrictions of Point West present when undertaking any works, which I will explain in more detail below.

#### **Background**

9. These proceedings concern the reasonableness of service charges for the years 2016 to 2025, and in particular the proposed works as set out in the 10 Year Major Works Plan which I prepared (the "Plan"). A copy of the Plan was attached to the budget letter sent to the tenants of Point West on 17 December 2015.
10. Point West is an exceptionally large city block of residential and commercial premises with an overall total area of just under 900,000 square feet encompassing 399 residential units, 320 car parking spaces and approximately 20,000 square metres of commercial space. The site which is triangular in shape, also comprises approximately 1/3 kilometre private road way banding the complex on all sides around which there are above ground Transport for London tube lines.
11. Point West is situated close to the Gloucester Road, on the site of the old West London air terminal. The core residential block containing the apartments is spread over 18 floors with the benefit of seven lifts, two of which are primarily used for servicing the complex.
12. Unfortunately, the previous landlord, PWLL did not seem to have undertaken necessary capital expenditure works. As a consequence, the current landlord has had to undertake a thorough review to establish the significant deficiencies in the maintenance of the Point West building. When I first took on the role of General Manager, I knew that there was a lot wrong with Point West. However, I did not appreciate the true extent of the deficiencies until I started looking further into the condition of the building.

13. The state of the building is in part due to the deterioration of an old building as it reaches the end of its natural life. It is widely accepted that most buildings have approximately a 60 year life span. Point West is over 60 years old. However, the situation has been exacerbated by a lack of maintenance by the previous landlord PWLL. I understand that for the years 1 April 2003 to 31 December 2014, the total capital expenditure spent was roughly £1.5 million, of this £400,000 related to works to the access road and £117,000 related to timber decking works. Capital expenditure of £1,500,000 over an 11 year period is grossly insufficient to maintain a building of the size and complexity of Point West. [12]
14. An additional consequence of the failure on the part of PWLL to undertake any large items of capital expenditure is that the service charge demands have been artificially depressed in the years prior to the Applicant becoming the head leasehold owner of Point West. As a result, there appears to be an unrealistic expectation of what the total service charge should be for a building of Point West's size, age, complexity and location.
15. I understand from the 2017 budget letter sent to the tenants on 15 December 2016 [1 – 13] that any shortfalls in the service charge account shown for the years prior to PWGRL becoming landlord were paid from the Reserve Fund. I recall an occasion when the previous accountant, Ash Tayub, told me in 2013, that there was no need to be accurate with the service charges because if there was a shortfall it could be taken out of the reserve fund.

#### **Ten Year Major Works Plan**

16. The Plan consists of estimates for various major works required over a ten year period. The works have been separated to deal with mechanical and electrical works ("M and E") and the main building works. For each item an estimate has been provided at the present day value when the report was finalised (December 2015). The estimates have been provided by Prime based on reports prepared by:
- (i) Independent contractors and consultants who were appointed by PWGRL to provide recommendations and costings for necessary works at Point West.
  - (ii) And also based on the estimates are also based upon an earlier 10 Year Works Plan by Boyce, Evans and Carpenter, and WA&A from PWLL which were never implemented. RICS indices were applied to find the present day values of the works.
17. It has been made clear within the Plan that the figures provided at this stage should be treated with caution. The costings are intended to provide an approximate guide for budget purposes and it will be necessary to undertake a more detailed inspection of each of the relevant parts of the complex ahead of the tender process for any element of the Plan.

18. The Plan alongside further inspections will enable detailed specifications of works or work package proposals to be prepared for each element so that competitive tenders from selected contractors can be obtained in accordance with the statutory regulations.
19. The landlord has and intends to continue to comply with the statutory consultation regulations and I would stress that my own professional integrity would insist that I abide with all statutory requirements in respect of the works within the Plan and all other aspects connected to Point West. For example, the first set of section 20 notices in respect of the Plan was served on the tenants in May 2016. In accordance with the regulations, detailed information in respect of the proposed works was made available to the tenants at the Management Office. To date, no requests have been made to view the information nor have any observations been made on the works.

### **Tribunal Proceedings**

20. Due to the artificial depression of the service charge prior to PWGRL becoming the landlord of Point West (as detailed at paragraph 14) and in the interests of transparency, PWGRL took the view that before undertaking any works it should seek a determination from the tribunal that the intended works as set out in the Plan were necessary and that the approximate figures provided were reasonable.
21. An application was made to the tribunal on 10 March 2016 for a determination of liability to pay and reasonableness of service charges in connection with capital expenditure for the years from 2016 to 2025.
22. I understand that as part of the directions, the tenants were given the opportunity to consider the Plan and confirm to PWGRL which items were challenged. Of the proposed works as set out in the Plan, only the following items were challenged by the tenants, with no proposed sums provided by the tenants:
  - 22.1 Item 24: Glazing and Repairs and Replacements (W, S, Tower, E, N and Light well) at a cost of £600,000;
  - 22.2 Item 27: External Elevation Repairs (W, S, Tower, E, N and Light well) at a cost of £750,000;
  - 22.3 Administrative fees for which no cost estimate has been provided at this stage;  
and
  - 22.4 Professional fees for which no cost estimate has been provided at this stage.
23. **Item 24: Glazing and Repairs and Replacements**
  - 23.1 The tenants' challenge (as set out in the "Tenant's Challenge" column of the Scott Schedule, at tab 2 pages 24 to 42 of the hearing bundle, in respect of item 24 appears to relate to the issue of an inherent defect, or suggests that any liability to

repair the curtain walling has been discharged there arguments seem to be in respect of flat 1601, although it is not entirely clear what the tenant's objections are.

- 23.2 To provide some further information as to what works are included, I refer to page 34 of the Plan. A window repair specialist, SG Associates, produced an independent report on the condition of all glazing to the complex [14 – 45]. Due to the height of the building, the restrictions in place due to the overground tube lines which run through Point West and the limited access from the roof of Point West as well as the type and scale of works involved, there is a very limited number of specialist companies who are able to undertake the proposed works.
- 23.3 This report has been available at the management office for consideration by the tenants since it was prepared in 2015 and clearly shows the works to be carried out. There have been no requests to view the report.
- 23.4 The SG Associates report relates to the whole of the curtain walling and windows. It does not differentiate between those parts which are the tenant's responsibility (i.e. areas which are exclusive to individual flats rather than common areas). The leaseholders will be invited to make individual contributions, should they wish to have the work carried out at the same time, which will represent a calculated contribution to the overall costs based on the size of the windows for their flat. It is envisaged that this will be far cheaper for the tenant compared to securing their own contractor and securing the necessary permissions to erect scaffolding and access. Further, these works will be carried out alongside the external elevation repairs (detailed below) meaning that there will only be the need to erect scaffolding on one occasion for each elevation.
- 23.5 This report does not concern the complete replacement of the curtain walling at flat 1601. The report provides recommendations and budget costings for the overhaul of glazing in the Point West building (residential areas only) in order to extend its life. The proposed works therefore represent maintenance and repair works to the glazing where required. Patch repair works may also be required at 1601 to prevent water ingress, in the same way as any other part of the building, however the cost of these would not be significant in respect of the overall estimate for the works.
- 23.6 The curtain walling at 1601 needs to be replaced, it was and is not fit for purpose. PWGRL has always maintained that the replacement of the curtain walling to flat 1601 will not be put through the service charge. In fact, PWGRL has recently secured an agreement with Zurich Insurance for them to meet the costs of the

replacement of the curtain walling to flat 1601 under the building warranty. I understand that this was something which could have been claimed by the previous landlord, PWLL, but which it failed to follow up.

**24. Item 27: External Elevation Repairs**

24.1 The Tenant's Challenge again seems to relate to the works being connected to curtain walling structure and inherent defects. I am not sure whether this is still in issue as there is no response in the further submissions.

24.2 For the avoidance of doubt, the explanation of the works and how the estimates have been calculated is set out at pages 28 to 31 of the Plan.

24.3 These works do not relate in any way to the windows or curtain walling. As set out in the budget costings for each year, these works relate to an external repair / redecoration to the elevations to include:

24.3.1 Allowance for repairs to brick slips;

24.3.2 Cleaning and repointing to copings at main roof level and to parapets enclosing roof terrace areas at 10<sup>th</sup> and 12<sup>th</sup> storey level;

24.3.3 Cleaning and repointing to projecting balconies and false balconies;

24.3.4 Cleaning to all balconies and terrace areas including temporary removal of perimeter pebbles and solar reflective painting to up-stands;

24.3.5 Allowance for replacement of defective mastic to window / door frames where required;

24.3.6 Allowance for asphalt repairs / replacements at roof levels;

24.3.7 Painting to external railings where the maintenance team have been unable to gain access previously. (Allowance for repairs to high level artificial stone block cladding. -delete all in this bracket)

**25. Administrative Fees and Professional**

25.1 In relation to the administrative and professional fees, the Plan does not provide any estimates as it would be unrealistic to set out clearly all fees over a 10 year period. Elements of the Plan include specialist areas of work which will need to be project managed; the more specialist the area of work the higher the percentage fee is likely to be.

25.2 As I have mentioned above, my experience working at Point West has allowed be to accrue a depth of knowledge as to the workings of the building as well as its limitations and restrictions. Due to these complexities, those companies who are able to undertake some aspects of the Plan will be limited.

25.3 It has always been PWGRL's position that it will comply with its statutory requirements in respect of the tender of works and the section 20 notices procedure. It appears that this is not sufficient for the tenants and as a result, PWGRL felt it was necessary to make this point clear by way of this witness statement.

25.4 I have authority to confirm on behalf of PWGRL that PWGRL will comply with all statutory requirements in respect of the works detailed in the Plan. I would once again stress that my professional integrity would not allow me to act in any other way than in accordance with my statutory and professional requirements.

**26. Instruction of Derek Nicholson**

26.1 I am aware that a number of issues regarding my appointment in connection with Point West has been previously raised at the tribunal, and appears to be raised again in respect of these works.

26.2 The tribunal found in their previous decision that neither the amount of time spent nor the rates charged were too high. My fees for the years challenged by those tenants in their application to the tribunal were found to be reasonable and payable. The tenants did not seek to appeal this decision.

26.3 I do not believe there is any conflict of interest which would affect my ability to act on the professional work or contract administration of the works detailed in the Plan.

26.4 In fact, as I have detailed above, my knowledge of Point West and its difficulties puts me at an advantage, as I will be able to share this knowledge with those consultants and companies undertaking the works and ensure that the works undertaken are adequate and appropriate in light of those difficulties.

**27. Report of John Shemming**

27.1 I have been provided a statement dated 8 December 2016 prepared by John Shemming and make the following specific observations:

27.1.1 In respect of paragraph 6, the wrong date is given for the letter, it should be 17 December 2015 not 17 December 2013.

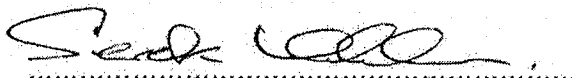
27.1.2 In respect of paragraph 8, there has been no regard given to the extent of the works required. For example, the fact that all air conditioning units and mechanical and electrical installations on the raised plant

platforms on the roof will need to be stripped out then replaced in phases, this will lead to double handling and also require the services of a mechanical and electrical engineer and well as a structural engineer. The market was tested and competitive tenders were obtained for the replacement roof works in the spring of 2014 by the consultants, Roof Asset Management Limited, and formed part of the section 20 package. All tenants have been provided with the opportunity to consider this information but, to date, none have done so.

- 27.2 As a general comment I would say that I am not surprised by the contents of this statement, as stated at paragraph 12, he was not asked to comment on the actual works, or the budget costs set out by management, nor has he surveyed the property
- 27.3 It goes without saying that any estimate of fees for a "type" of building cannot be relied upon to be accurate or appropriate. The Point West complex has a number of important considerations which make undertaking any works difficult. Without surveying the building and appreciating the additional challenges which need to be overcome in order to undertake works any fee estimates are unreliable.

**Statement of Truth**

I believe that the contents of this statement are true.



Derek Ronald Nicholson

20 January 2017



Made on behalf of the: Applicant  
Witness: D R Nicholson  
Statement of Witness: First  
Exhibits: Exhibit DRN1  
Date:

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**CASE NO  
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**PROPERTY CHAMBER**

**RESIDENTIAL PROPERTY**

**BETWEEN:**

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and

**THE LESSEES LISTED IN THE SCHEDULE  
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**EXHIBIT DRN1**

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POINTWEST MANAGEMENT  
 SERVICES LIMITED  
 THE MANAGEMENT OFFICE  
 POINT WEST 1<sup>ST</sup> FLOOR  
 116 CROMWELL ROAD  
 LONDON SW7 4XR

Octral No: 20161214\062

Circ List:

Original: Tenants (via Post and Email)  
 bpc1: OCTRAL  
 bpc2: Point West Residents  
 Website - Communications

15 December 2016

The Tenants  
 Point West Apartments  
 116 Cromwell Road  
 London  
 SW7

Dear Tenants

**2017 Budget / First Quarter 2017 Service Charges**

- a) Operational
- b) Capital Expenditure – see 10 Year Plan section of the Point West Residents Website

Please find enclosed the following for your attention:

- i. Service Charge Demands for the Quarter Commencing 1st January 2017
- ii. Service Charge Budget 2017
- iii. Comparison of Service Charges per Square Foot - Central London and SW7 (Update 2016)
- iv. Analysis of Reserve Fund and Operating Expenditure - Point West

We would like to advise that Service Charge Demands for the First Quarter of 2017 are now issued on the basis of the attached Budget 2017.

**I. Performance Highlights in respect of 2015 and 2016 – a look back:**

	(010)	(020)	(030)	(040)	(050)	(060)
	Operating Budget	2016 Projected	2016 Budget	2015 Actual	2016 Proj v Budget	2016 Proj v 2015 Act
1.a.	Operating Expenses (Excl. Reserves)	2,246,877	2,247,629	1,879,931	0.0%	19.5%
b.	Less: FTT Associated Costs	273,196	-	-	n/a	n/a
c.	Net Operating Expenses	1,973,681	2,247,629	1,879,931	-12.2%	5.0%
2.a.	Staff Costs	706,949	772,584	701,096	-8.5%	0.8%
b.	Number of Staff	28	30	27		
3.	Insurance Premiums	291,232	315,634	278,767	-7.7%	4.5%
4.	Utility Costs	236,126	225,000	241,209	4.9%	-2.1%

PointWest Management Services Limited  
 Registered Office: Euro House, 1394 High Road, London N20 9YZ  
 Registered in England and Wales No: 8891619 VAT reg. no: 182 6194 91



## II. Budget - 2017

Please note that for consistency and a more meaningful comparison when reviewing the 2017 Budget, we have shown as comparatives the Actual Figures for the Financial Years 2014 and 2015 as well as the Projected Figures for 2016.

For those Tenants who are unfamiliar with the basis of the Service Charge Budgets, the Service Charge expenditure is separated into the following categories:

1. Estate Residential,
2. Estate Commercial,
3. Residential,
4. Sky,
5. Commercial and
6. Car Park.

Service Charges for the Tenants of the Residential Apartments are based upon Estate and Residential budgeted expenditure only. Tenants of the Sky Apartments incur an additional cost and hence pay for the Sky specific charges, which are shown separately in the Sky Budget. Car Parking Service Charges only apply to those Tenants who have Car Parking Leases.

In both preparing the 2017 Budget, as well as in the day-to-day management of the Complex, the Management Team has remained extremely conscious of Tenants' concerns about keeping costs under control, whilst targeting improvements to the levels of Service and Security. Nevertheless, the Budget has been prepared with due regard to the RICS guidelines and industry standards that state that when budgeting it is better to estimate prudently and avoid giving low forecasts for future costs.

This emphasis on cost control can hopefully be seen from the Table in section I which shows that, excluding costs arising from the ongoing FTT action brought by 7 Tenants, 2016 Operating Expenditure (i.e. expenditure before Reserve Contributions) is projected to be approximately £270,000 (c12%) below Budgeted Expenditure for the year 2016.

Nevertheless, in setting the 2017 Budget, the Landlord and Managing Agent believe that, before Reserve Contributions, the Operating Budget should be set at the same level as that for 2016. This is partly due to upward cost pressures, for example, Electricity Prices have increased (for the period August 2015 to August 2016) by around 6.7% over previous levels. We are aiming to mitigate some of this increase by the energy saving measures being put in place across the Point West Residential Complex, to reduce, amongst other energy costs, that of lighting and air handling costs. Additionally, it has also been felt prudent to include a provision for £100,000 for further FTT related costs. However, we remain hopeful that common sense will prevail and that these costs will not materialise given the FTT Determinations (see the Letters sections of the Point West Residents Website). In addition to the upward movement in energy prices, 2017 Payroll costs are affected somewhat by the Government Introduction of a Mandatory Workplace Pension Scheme and Insurance costs are expected to be higher due to the increase, again, in Insurance Premium Tax.

During 2016 the level of maintenance costs incurred has benefited from the wide ranging review of the External Contractors previously employed to service the Complex. The resultant changes made in 2014 and 2015 were made with a view to improving both the quality of work and value for money achieved for Tenants. We have also been able to keep General Building



## **(II. Budget 2017 – Cont'd)**

Maintenance costs below Budget as a result of the reduction in the number of External Contractors overall by increasing the quality and number of Facilities and Maintenance personnel. As a consequence of carrying out more work in-house, there has also been a benefit to the Service Charge by reducing the costs of the ongoing decoration of the Common Parts. Common Parts redecoration falls under Capital Expenditure. Consequently, when attempting to arrive at a realistic Budget for 2017, projected costs for the year ended 31st December 2016 have been taken into consideration.

The major single line item is still, of course, salaries for which the 2017 Budget has risen by £60,000 (+8%) when compared to the 2016 Budget. The contributing factors to this increase include a budgeted rise in Salary Scales in order to remain competitive in retaining and attracting quality Staff, and at the same time increasing Staff Training. The projected 2016 actual figures are expected to be less than originally budgeted (by approx. 8%), largely as a result of not having a Chief of Security in place for the bulk of 2016. You may already be aware this position was filled in Quarter 4 2016, and therefore has been fully included in the 2017 Budget.

You will know that since the previous Landlord entered Administration the Management Fee has been levied based on a percentage of operating Expenses incurred. Whilst not necessarily usual, this was found to be acceptable by the FTT in 2016, given that the Complex was considered to be in a distressed state. Given that the current Landlord and Managing Agent believe this period of uncertainty is now behind us, they feel it would not be correct to continue this basis of charging, so for 2017 the Management Fee will be a fixed charge, which for 2017, has been set at £200,000 plus VAT. This will be reviewed during Q4 2017.

The overall consequence of all the above is that Budgeted Operating Expenditure for 2017 will be almost identical to the Projected Expenditure for 2016 (based upon known costs incurred through to 31 October 2016). However, as originally outlined in our Letter to you dated 17 December 2015 (see both the Budget and Letters sections of the Residents Website), as well as in subsequent communications in June 2016 and August 2016 (copies of which have been posted on the Residents Website, again in the Letters section), due to the exceptionally heavy volume of Capital Expenditure (CAPEX) that is required at Point West, the Total Service Charge demand for 2017, including a Reserve Contribution of £2.55m, has, when based upon the 2016 Budgeted Service Charge, led to an increase in the Total Service Charge Demanded of approximately 65%.

In common with prior years we have attached to this Letter as Attachment II a two page document entitled "Comparison of Service Charges per Square Foot" an update to the comparison of Service Charges in Central London and SW7 that was carried out at the end of 2015 and attached to our Budget letter dated 17 December 2015. The second Attachment, that is also of two pages, Attachment III, will be an addition to our annual Service Charge Analysis for this and future years showing analyses of historical trends both in Reserve Fund and Operating Expenditures.

## **III. 10 Year Maintenance Plan - CAPEX**

We again take this opportunity to remind Tenants that under the terms of your individual Leases with the Landlord, Reserve Funds (being a pool of funds collected over a period of time) are normally utilised to pay for large items of Capital Expenditure (CAPEX). The aim of this



### (III. 10 Year Maintenance Plan – CAPEX – Cont'd)

approach is to try to spread the financial burden of large items of CAPEX over a number of years, rather than having to demand the whole amount from Tenants at the time the expense is actually incurred.

In order that Tenants can have some visibility as to the level of Reserve demands in future years, a 10 Year Plan is prepared (which is normally reviewed and updated every 2 or 3 years) to set out likely upcoming CAPEX together with reviewing existing costings in the light of the current Market conditions. A copy of the 10 Year Plan was, to remind you, attached to our Budget letter of 17 December 2015, which can be found in the Letters section of the Residents Website.

Furthermore we would add that, also according to the terms of your Lease, the Landlord covenants to maintain the fabric of the building and the common parts for the benefit of all Leaseholders. This is a duty that the Landlord takes extremely seriously especially in the light of what work has, and has not, been done whilst the Complex was under the stewardship of its predecessors.

As mentioned in previous communications, it unfortunately appears that this process had not been consistently followed by the previous Landlord. As a consequence, the thorough review process undertaken by the current Landlord and Managing Agent, in conjunction with Consulting Surveyors, uncovered what appeared to be significant deficiencies in the maintenance of the Complex. As a result, the 10 Year Maintenance Plan that was included in our letter to you dated 17 December 2015 and formally published in June 2016 (see the 10 Year Plans section of the Residents Website), shows Total Costs of £8.4m plus Professional and Administration Fees of 12%(estimated). This gives an "all-in" cost estimate of around £9.4m at Present Day Values (PDV).

A significant effect of this apparent failure by the previous Landlord to plan and carry out necessary Capital Works when scheduled or due, is that Service Charge demands have been artificially depressed in prior years. A sadly unfortunate consequence of such neglect appears to be, in some quarters, an unrealistic expectation of what the Total Service Charges should be for a building of Point West's size, age and complexity, especially located, as it is, in one of the most expensive areas of London.

Hence, it would appear that Tenants Reserves have not been prudently managed and based upon accurately projected levels of Capital Expenditure. The regrettable consequence of this is that Tenants are now having to experience a "bubble" in the level of Reserve Demands such as is scheduled for 2017 (£2.55m) and 2018 (c£3.0m). Whether this previous failure to act was due to false economies, or matters simply being overlooked due to the previous Landlord not understanding the Complex's needs, we can neither say nor meaningfully judge. What we can say is that there largely appears to have been very poor record keeping in prior years.

In respect of the scheduled CAPEX Expenditure for the Calendar Years 2017 and 2018, the Managing Agent will, on behalf of the Landlord, begin in early 2017 researching what external sources of Lending may be available beyond the end of Q1 2017. The aim being to try and reduce the calls on Tenants Reserves. This research will aim to determine whether any of the CAPEX planned for 2017 and 2018 can be spread through borrowings, as provided for in the terms of the Tenants Leases, over a period from mid/late 2017 though until 2021. As at the time



### (III. 10 Year Maintenance Plan – CAPEX – Cont'd)

of writing the Managing Agent has received no indications or guidance as to the likely sources or potential costs of such borrowing.

However, the Landlord and Managing Agent remain resolutely committed to try to ensure that such a situation should not arise in the future and that all works required are carried out, wherever possible, as scheduled. This, along with a periodic review of the 10 Year Plan at 2 or 3 Yearly intervals should mean that future works can be planned so as to try wherever possible to avoid unscheduled demands for Reserve Fund Contributions.

## IV. FTT Determinations

During 2016 we have, as you may be aware, been somewhat distracted from day-to-day and CAPEX matters in order to spend a considerable amount of time and effort dealing with FTT hearings. The first arose from our pursuing a Tenant for failing to pay their Service Charges (commencing in the years prior to our taking office). The second arising from the, in our very considered opinion, profoundly mistaken belief that somehow the current Landlord and Managing Agent had facilitated the payment fees associated with the prior Landlord's Administration and Liquidation. This has resulted in diverting our focus from being dedicated to improving the conditions of the Complex for Tenants and Residents alike, as well as causing considerable extra costs to the Tenants as identified in Sections I. and II. above.

In both FTT cases referred to, the resulting Determinations (in January 2016 and August 2016) were that the Expenditures Charged to Tenants were fair, reasonably arrived at and payable. In addition, we invited Bruce Maunder Taylor, a respected independent consultant who specialises in property management, as an Expert Witness to the FTT to review (in June 2016) the work practices of the Managing Agent and his findings were overwhelmingly positive.

We would strongly urge all Tenants, in your own interests, to take the time to read both Bruce's Report and the FTT Determination dated 15 August 2016 copies of which have been placed in the Letters section of the Point West Residents website. In addition, however, we feel it helpful to highlight the following from the FTT Determinations in January and August 2016, to aid your understanding:

#### a) FTT Determination dated 20 January 2016:

In its concluding remarks the FTT wrote:

*"16. From the documentation on the file, it is apparent that Point West is a significant building on Cromwell Road. The Charges Register for the building under title number BGL26695 has 730 entries. There is extensive car parking at the development and flats up to at least the eighteenth floor. This is a building that will have significant services. The annual service charges being claimed from the Respondents range from XXXXX in 2010 to XXXXX in 2015. Whilst the Tribunal has no specific details of the service charge accounts, it would appear that very generally the annual service charge are within a range that would be expected for this type of development. Accordingly and to the lack of any dispute on the part of the Respondents the Tribunal determines that the service charges being claimed and totalling XXXXX are reasonable and payable. (sic)"*

#### b) FTT Determinations dated 15 August 2016:

The Applicants either conceded or agreed six (6) matters and the FTT gave their determinations on ten (10) specific matters. Nine (9) of the ten (10) were found in





**(IV.b) FTT Determinations dated 15 August 2016 – Cont'd)**

favour of the Landlord and phrases like *"found to be reasonable and payable"*, *"are within a reasonable range"* and *"the costs are therefore recoverable through the service charge"*. We would specifically direct you to Sections 36, 41, 50, 77 and 82 of the Determinations that deals with these matters

**V. Landlord Policies**

**a) Service Charge Demands – Debtors**

Thanks to the co-operation of the vast majority of Tenants the amount of delinquent Service Charge payments has been considerably reduced, with the amount outstanding having being reduced by 95% since PWMSL assumed responsibility for the Complex in July 2014.

The Landlord and Managing Agent would like to take this opportunity to remind Tenants that the Point West Complex can only be properly run on a day to day basis if the Managing Agent has sufficient funds to pay Staff and Contractors when due. Therefore, in fairness to all Tenants, the Managing Agent, on behalf of the Landlord and all Tenants who are current, will continue to robustly pursue debt collection directly and where absolutely necessary with the aid of Solicitors. Those Tenants who have paid in full cannot be expected to finance those who have not paid what is due, when it's due.

**b) Point West Leaseholders Association (PWLA):**

The Landlord and Managing Agent are both aware and have recognised the moves by Tenants to set up a properly constituted and funded Tenants/Leaseholders Association. However, at this time there unfortunately appears to be a lack of clarity as to legal authority of those who purport to represent the Tenants and whether the organisation is properly constituted.

We have been informed, via email, that this will be clarified in the not too distant future, with elections for Officers planned for 16 January 2017 (which is approximately 16 months after the formation of the PWLA). We greatly look forward to working with the PWLA's duly elected representatives for the benefit of all at Point West in the future.

**c) Residents Meeting – Tuesday 6<sup>th</sup> December 2016 (Town Hall Meeting)**

As you may be aware the Managing Agent held an open meeting with Tenants at David Lloyd Leisure on the 6<sup>th</sup> December 2016. Unfortunately, the numbers of attendees had to be restricted due to the size of the venue as the Managing Agent was unsure as to the level of interest in attending. Nevertheless, the meeting was recorded both in video and audio with copies available, should you wish, by emailing Neil Grice in the Management Office.

However, we hope that those who did attend found the meeting useful and we are happy to repeat our desire, as expressed in the meeting, to hold a further meeting in February/March 2017. We aim to finalise and communicate the exact date by early January so that interested parties can register in good time and we can then arrange an appropriately sized agenda and venue.

In addition, as announced at the meeting, it is intended to publish during Q1 2017 a calendar offering "surgery" dates when Tenants can arrange to meet with senior Management Office Staff.



Please do not hesitate to contact the Management Team should you require further information – ideally in the first instance via email to:

admin@point-west.co.uk marked for the attention of Neil Grice,

If the matter concerns Accounting, then please copy your email to:

1. accounts@point-west.co.uk and
2. info@point-west.co.uk

With best regards,

**Mark Mahoney**  
**Director**  
**PointWest Management Services Limited**

**encl :**

**Attachments**

1. Service Charge Demands for the Quarter Commencing 1<sup>st</sup> January 2017
2. Attachment I - Service Charge Budget for 2017 (2 pages)
3. Attachment II - Comparison of Service Charges per Square Foot - Central London and SW7 (2 pages)
4. Attachment III - Analysis of Reserve Fund and Operating Expenditure - Point West (2 pages)



Service Charge Budget 2017

	010	020	030	040	050	060	070
		Agrees to Published Accounts					
1	<b>Point West</b>	2013	2014	2015	2016	2016	2017
2		Jan '13- Dec '13	Jan '14- Dec '14	Jan '15- Dec '15	Jan '16- Dec '16		Jan '17- Dec '17
3		Actual - Restated	Actual	Actual	BUDGET	Projected 1	BUDGET
4	<b>Point West Estate</b>	Y/E 31 Dec 2013	Y/E 31 Dec 2014	Y/E 31 Dec 2015	Y/E 31 Dec 2016	Y/E 31 Dec 2016	Y/E 31 Dec 2017
5	<b>STAFF COSTS</b>	£	£	£	£	£	£
6	Staff salary costs	661,808	641,908	585,730	644,936	593,837	701,997
7	Staff uniforms	1,281	886	1,701	5,075	1,703	5,512
8	Staff training	4,343	2,443	744	5,625	1,544	3,949
9	Staff Costs - Beverages, etc.	1,002	1,808	2,915	11,000	3,267	3,352
10	<b>Total</b>	<b>668,434</b>	<b>647,045</b>	<b>591,090</b>	<b>666,636</b>	<b>600,351</b>	<b>714,810</b>
11	<b>STAFF OFFICE COSTS</b>						
12	Non - Domestic Rates	9,421	14,910	4,764	15,135	-408	12,285
13	Telephones & Mobile Phones	7,334	8,586	6,954	6,650	5,593	5,854
14	<b>Total</b>	<b>16,755</b>	<b>23,496</b>	<b>11,718</b>	<b>21,785</b>	<b>5,185</b>	<b>18,139</b>
15	<b>MECHANICAL, ELECTRICAL &amp; HEALTH AND SAFETY</b>						
16	Lift Contract for Residential Lifts & Repairs	39,291	21,467	19,604	17,580	45,397	45,460
17	Emergency Lighting*	15,513	8,074	1,202	1,500	1,200	1,200
18	Lightening Protection*	2,894	1,942	0	500	1,000	1,000
19	Standby Generators*	2,709	2,622	1,169	2,500	1,410	1,400
20	Trace pipework and entrance Hall Heating*	3,330	1,960	0	0	750	750
21	Pump Contract	3,787	3,840	8,770	4,720	7,850	7,850
22	General Electrical Contracts (includes Ventilation systems & Trace pipew	0	0	0	52,272	52,272	52,272
23	Wet Fire Services (Sprinkler System Servicing, Fire Hoses, Wet Rises)	1,884	4,854	655	4,600	2,430	2,430
24	Ventilation and extract systems*	4,820	4,612	0	0	0	0
25	Fire Damper Check and Service (Fire Alarm System)	1,884	1,748	576	1,000	576	576
26	Water Treatment Contract & Special Works	12,502	1,866	5,378	3,840	3,922	3,922
27	Fire Protection Equipment, & Fire Alarm Maintenance	19,523	19,303	19,668	16,450	17,160	17,200
28	Car Park Barrier Maintenance	432	1,452	2,236	1,500	2,660	2,775
29	CCTV and access control services	2,852	12,835	11,059	6,640	10,397	9,143
30	Automatic Doors	6,381	373	1,586	1,080	1,714	1,400
31	Health & Safety	3,185	8,386	7,110	10,100	3,150	3,000
32	Satellite Servicing & Maintenance	10,399	8,562	2,217	5,500	1,104	1,500
33	<b>Total</b>	<b>131,386</b>	<b>103,896</b>	<b>81,230</b>	<b>129,782</b>	<b>152,992</b>	<b>151,878</b>
34	<b>UTILITIES &amp; RATES</b>						
35	Electricity	165,363	156,832	148,281	140,000	148,175	158,548
36	Water Rates	85,438	79,574	92,928	85,000	87,951	85,000
37	<b>Total</b>	<b>250,801</b>	<b>236,406</b>	<b>241,209</b>	<b>225,000</b>	<b>236,126</b>	<b>243,548</b>
38	<b>GENERAL MAINTENANCE</b>						
39	General Building Repairs (Operational)	68,938	86,717	77,777	115,000	75,720	73,712
40	Planters / Inter - floral Displays / Christmas Trees	1,128	2,181	4,687	5,000	2,372	2,850
41	Pest Control	3,058	2,950	4,540	5,100	3,750	4,115
42	Drains Maintenance, Tractor Maintenance & Repairs	689	996	1,005	12,400	2,195	7,300
43	<b>Total</b>	<b>73,813</b>	<b>92,844</b>	<b>88,009</b>	<b>137,500</b>	<b>84,037</b>	<b>87,977</b>
44	<b>GENERAL SERVICES</b>						
45	Common Parts Cleaning by Contractors	10,148	731	468	7,100	0	0
46	Common Parts Window Cleaning	8,236	3,806	0	0	504	600
47	Refuse & Hygiene Services	4,643	8,133	2,427	5,100	2,751	2,806
48	Cleaning Materials	2,282	3,704	3,657	2,500	3,101	4,972
49	Rubbish Chute Maintenance	1,080	0	10,805	5,000	1,823	2,004
50	Lamp replacement and maintenance	3,366	7,882	10,701	6,000	4,520	4,115
51	Website Maintenance, Newsletters and Communications	2,021	5,934	14,324	16,000	12,795	13,740
52	<b>Total</b>	<b>31,776</b>	<b>30,190</b>	<b>42,382</b>	<b>41,700</b>	<b>25,494</b>	<b>28,237</b>
53	<b>INSURANCE (including IPT)</b>						
54	Insurance inclusive of claims handling	318,416	278,751	278,767	315,634	291,232	299,969
55	<b>PROFESSIONAL FEES</b>						
56	Surveyor Fees	100,294	86,147	84,851	112,500	30,706	30,706
57	Legal and Other Professional Fees	0	0	40,673	55,000	44,452	45,000
58	Legal and Other Professional Fees - FTT Hearings & CAPEX	0	0	0	0	273,196	100,000
59	Bank Charges	320	113	73	0	73	73
60	Audit	6,570	21,554	12,498	13,600	28,225	24,883
61	Management Costs	243,708	223,395	176,435	220,185	223,163	222,480
62	Management Office Rental Costs	178,993	102,092	96,082	102,091	95,432	94,586
63	<b>Total</b>	<b>529,885</b>	<b>433,301</b>	<b>410,613</b>	<b>503,376</b>	<b>695,247</b>	<b>517,727</b>
64	<b>EXPENDITURE</b>	<b>Total</b>	<b>2,021,266</b>	<b>1,845,929</b>	<b>1,745,018</b>	<b>2,041,413</b>	<b>2,062,285</b>
65	Sundry Income - Incl Bank Interest		-396	-1,163	-15,750	0	-3,422
66	<b>NET EXPENDITURE</b>		<b>7,020,870</b>	<b>1,844,766</b>	<b>1,729,268</b>	<b>2,041,413</b>	<b>2,059,685</b>
67							
68	<b>RESERVE FUND CONTRIBUTION</b>		250,004	300,000	345,000	615,000	615,000
69							
70	<b>ESTATE TOTAL (INCLUDING RESERVE FUND CONTRIBUTION)</b>		<b>£2,270,874</b>	<b>£2,144,766</b>	<b>£2,074,268</b>	<b>£2,656,413</b>	<b>£2,702,242</b>
71							<b>£4,359,685</b>

PointWest Management Services Limited - Client Account  
Service Charge Budget 2017

Attachment I

	010	020	030	040	050	060	070
	Agrees to Published Accounts						
72	<b>Point West</b>	2013	2014	2015	2016	2016	2017
73		Jan '13- Dec '13	Jan '14- Dec '14	Jan '15- Dec '15	Jan '16- Dec '16		Jan '17- Dec '17
74		Actual - Restated	Actual	Actual	BUDGET	Projected 1	BUDGET
75	<b>Point West Sky</b>	Y/E 31 Dec 2013	Y/E 31 Dec 2014	Y/E 31 Dec 2015	Y/E Dec 2016	Y/E 31 Dec 2016	Y/E 31 Dec 2017
76	<b>STAFF COSTS</b>	£	£	£	£	£	
77	Sky allocated staff salary cost	95,380	107,061	115,366	127,648	113,112	133,714
78	Staff uniforms	819	629	1,208	2,175	1,209	3,913
79	Staff training	1,862	1,733	528	1,875	1,096	2,801
80	Sundries & Petty Cash	0	1,858	3,380	2,500	3,357	3,445
81	<b>Total</b>	<b>98,061</b>	<b>111,281</b>	<b>120,482</b>	<b>134,198</b>	<b>118,773</b>	<b>143,872</b>
82	Telephones	4,798	4,335	3,511	4,200	2,824	2,956
83	<b>HOUSE KEEPING (CLEANING)</b>						
84	Carpet Cleaning	498	473	0	0	0	0
85	Contract Window Cleaning	13,824	0	2,268	9,360	3,444	4,600
86	<b>Total</b>	<b>14,322</b>	<b>473</b>	<b>2,268</b>	<b>9,360</b>	<b>3,444</b>	<b>4,600</b>
87	<b>MECHANICAL, ELECTRICAL &amp; HEALTH AND SAFETY (PLANNED MAINTENANCE)</b>						
88	Reception, Air Conditioning and CCTV	0	0	709	12,532	4,308	4,730
89	<b>FLORAL AND LANDSCAPING</b>						
90	Planters & Floral Displays	0	872	353	1,000	500	500
91	<b>PROFESSIONAL FEES</b>						
92	Audit	1,230	3,857	2,236	2,400	5,051	4,453
93	Sky Management Costs	18,867	17,592	13,894	17,365	17,574	17,520
94	Management Office Rental Costs	13,449	7,661	7,210	7,661	7,161	7,098
95	Surveyor & Other Contractors Fees	0	0	0	12,500	0	0
96	Other Contractors Professional Fees	0	0	0	5,000	0	0
97	<b>SKY EXPENDITURE Total</b>	<b>150,727</b>	<b>146,071</b>	<b>150,663</b>	<b>206,216</b>	<b>159,635</b>	<b>185,729</b>
98							
99	SKY RESERVE FUND CONTRIBUTION	0	0	20,000	50,000	50,000	250,000
100							
101	<b>SKY TOTAL (INCLUDING RESERVE FUND CONTRIBUTION)</b>	<b>£150,727</b>	<b>£146,071</b>	<b>£170,663</b>	<b>£256,216</b>	<b>£209,635</b>	<b>£435,729</b>
102	<b>TOTAL EXPENDITURE ESTATE AND SKY (row 66 + row 97)</b>	<b>£2,171,597</b>	<b>£1,990,837</b>	<b>£1,879,931</b>	<b>£2,247,629</b>	<b>£2,246,877</b>	<b>£2,245,413</b>
103	<b>TOTAL RESERVE FUND CONTRIBUTION ESTATE AND SKY (row 68 + row 99)</b>	<b>£250,004</b>	<b>£300,000</b>	<b>£365,000</b>	<b>£665,000</b>	<b>£665,000</b>	<b>£2,550,000</b>
104	<b>POINT WEST TOTAL INCLUDING RESERVE FUND CONTRIBUTION</b>	<b>£2,421,601</b>	<b>£2,290,837</b>	<b>£2,244,931</b>	<b>£2,912,629</b>	<b>£2,911,877</b>	<b>£4,795,413</b>
	Note						
	1. Based upon known costs incurred through to 31 October 2016						

# Comparison of Service Charges per Square Foot Central London and SW7 (Update 2016)

Service Charges per Square Foot (Inclusive of Reserve Fund Contributions)  
2013-2016

Service Charge Expenditure (Inclusive of Reserve Fund Contributions) Per Sq. Foot		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
		Apr/06 - 31 Mar/07	01 Apr/07 - 31 Mar/08	01 Apr/08 - 31 Mar/09	01 Apr/09 - 31 Mar/10	01 Apr/10 - 31 Mar/11	01 Apr/11 - 31 Mar/12	01 Apr/12 - 31 Mar/13	01 Apr/13 - 31 Mar/14	01 Apr/14 - 31 Mar/15	01 Apr/15 - 31 Mar/16	01 Apr/16 - 31 Mar/17	01 Apr/17 - 31 Mar/18	01 Apr/18 - 31 Mar/19	01 Apr/19 - 31 Mar/20	01 Apr/20 - 31 Mar/21	01 Apr/21 - 31 Mar/22	01 Apr/22 - 31 Mar/23	01 Apr/23 - 31 Mar/24
<b>(A) POINT WEST</b>																			
<b>1 Point West Flat</b>																			
59.3 sq. m (632.3 sq. foot)																			
Reserve Fund Contributions per Annum		278	298	298	298	298	298	298	298	298	298	298	298	298	298	298	298	298	298
Reserve Fund Contributions per Sq. Foot		4.7	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Service Charge per Annum		1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113
S.C. per Sq. Foot		18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8
S.C. Movement		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
S.C. per Sq. Foot - Reserves as CPI & RPI as at 31st Dec 2015		18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8
<b>2 Point West SKY Flat</b>																			
1,743.404 Sq. Foot																			
Reserve Fund Contributions per Annum		2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107	2,107
Reserve Fund Contributions per Sq. Foot		1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
Service Charge per Annum		11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133	11,133
S.C. per Sq. Foot		6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
S.C. Movement		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
S.C. per Sq. Foot - Reserves as CPI & RPI as at 31st Dec 2015		6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
<b>Average S C Per Sq. Ft</b>		<b>£6.80</b>																	
<b>(B) Comparisons with Other SW7 Properties</b>																			
<b>1 2 bed Apt, Onslow Gardens SW7 - 7 Blocks of Flats (Per Portion)</b>																			
748.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>2 Liberty House, Roland Gate, SW7 - Old Building - post war, Block of 57 Flats</b>																			
1,170.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>3 Malvern Court, Onslow Square, SW7</b>																			
1,139.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>4 Melton Court, Onslow Gardens, SW7</b>																			
1,708.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>Average S C Per Sq. Ft</b>		<b>£6.84</b>																	
<b>(C) Comparisons with Other London Properties</b>																			
<b>1 Wolfe House 375 Kensington High St (New Build)</b>																			
1,091.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>2 Wolfe House, 375 Kensington High St (New Build)</b>																			
4,311.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>3 Chatsworth Court, Pembroke Road W8</b>																			
1,282.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>4 515 St John's Building, 79 Marham Street, SW1P 24 Hrs concierge Service</b>																			
1,287.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>5 111 Newbury House, 47 Newbury Court, SW1</b>																			
600.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>6 Melbury Court, Kensington High St W8 (1920s Building)</b>																			
2,680.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>7 Oak Lodge, Cheney Square, W8 (New Build)</b>																			
1,075.00																			
Service Charge per Annum																			
S.C. per Sq. Foot																			
<b>Average S C Per Sq. Ft</b>		<b>£6.17</b>																	

(See letter dated 15 December 2016, page 3 of 7, penultimate Paragraph)

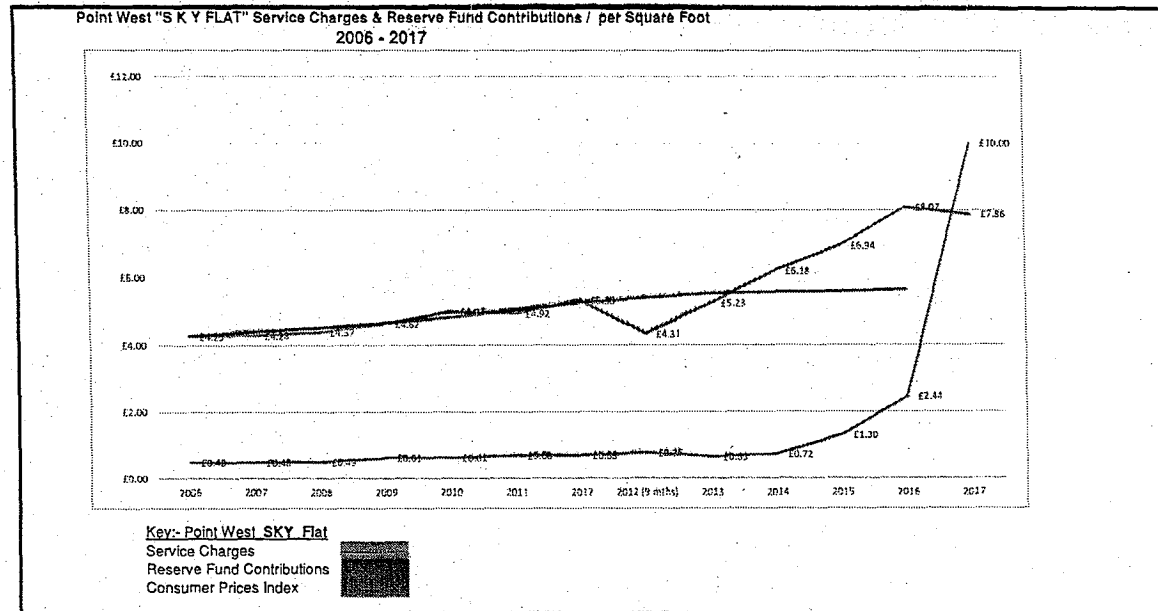
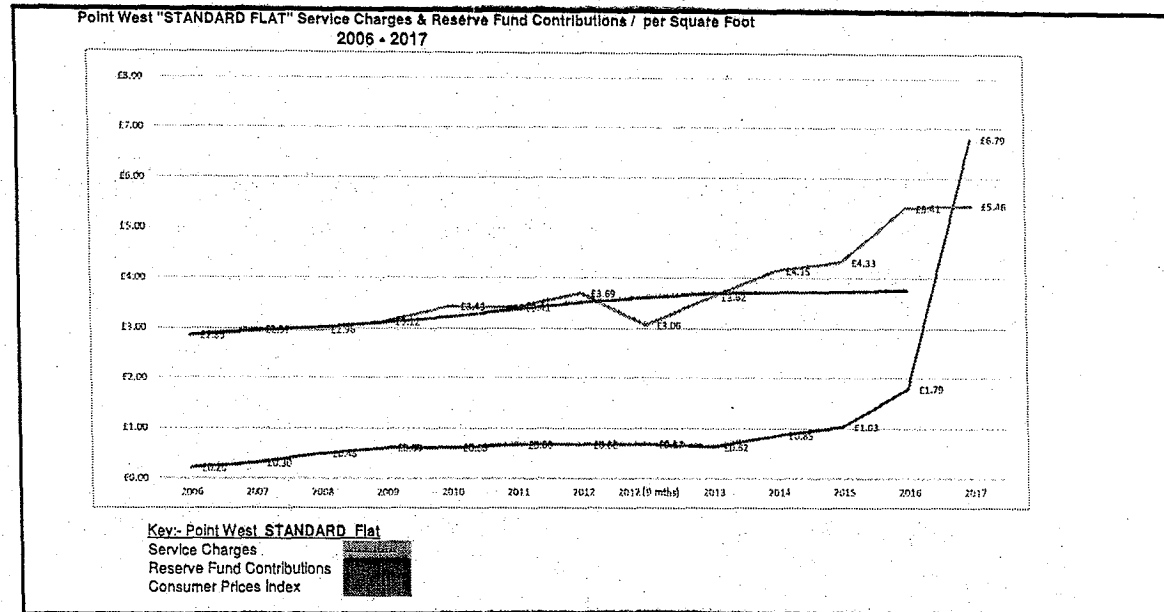
CPI Consumer Prices Index (COICOP)		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CPI (overall Index)		99.30	101.10	104.20	106.70	109.80	113.50	118.10	122.20	125.00	128.20	128.5	129.5
March		31-Dec										31-Dec	31-Oct
CPI Movement		1.80	3.10	2.50	3.10	3.70	4.60	4.10	2.80	2.50	0.70	0.30	1.00

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# Comparison of Service Charges per Square Foot - Central London and SW7 (Update 2016)



(See letter dated 15 December 2016, page 3 of 7, penultimate Paragraph)

# Analysis of Reserve Fund and Operating Expenditure - Point West

POINT WEST RESERVE FUNDS SUMMARY 2006 - 2017 (Thirteen (13) Years)												
	Approved Published Accounts											2007 - 2015 Eleven (11) Years GRAND TOTAL
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
	Year Ended 31/03/2006 Total	Year Ended 31/03/2007 Total	Year Ended 31/03/2008 Total	Year Ended 31/03/2009 Total	Year Ended 31/03/2010 Total	Year Ended 31/03/2011 Total	Year Ended 31/03/2012 Total	April - Dec 2012 Total (9 months) 2012	Year Ended 31/12/2013 Total	Year Ended 31/12/2014 Total	Year Ended 31/12/2015 Total	
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
<b>TOTAL RESERVE FUNDS</b>												
1 Balance brought forward	£264,531	£332,729	£125,847	£60,184	£119,952	£127,625	£490,686	£739,870	£920,497	£386,027	£306,380	£254,531
2 Prior year adjustments	-	-	-	-	-	-	-	-	-	17,572	0	17,572
3 Prior year adjustments	-	-	-	-	-	-	-	-	18,175	18,175	0	0
4 Credits/ Credit for Legal & Professional Fees/ Credit for Water charges	-28,743	18,092	4,630	3,810	32	298,979	-13,943	25	-	-	75,850	351,132
5 Contribution Transfer for the year	100,000	125,000	200,000	250,000	250,000	250,000	289,315	225,000	250,004	300,000	365,000	2,624,319
6 Service Charges (Deficits) / Surpluses for the year	18,056	45,733	-72,930	-83,840	-152,503	60,691	106,527	17,334	776,386	282,010	26,267	1,128,333
7 Capital Expenditure	-23,115	-356,007	-195,383	-110,182	-89,896	-201,105	-136,015	-61,832	25,263	61,882	139,949	-1,579,053
8 Expenditure 2016 per CAPEX Plan (Brought Forward)												
9 RESERVE FUND - Balance Carried Forward	£332,729	£123,547	£50,184	£119,952	£127,625	£490,686	£739,870	£920,497	£386,027	£306,380	£581,014	£581,014

PROJECTED	BUDGET
Year 12	Year 13
Year Ended 31/12/2016 (PROJECTED)	Year Ended 31/12/2017 (BUDGET)
2016	2017
£581,014	£1,201,830
C	0
C	0
	726,809
£1,201,830	£474,111

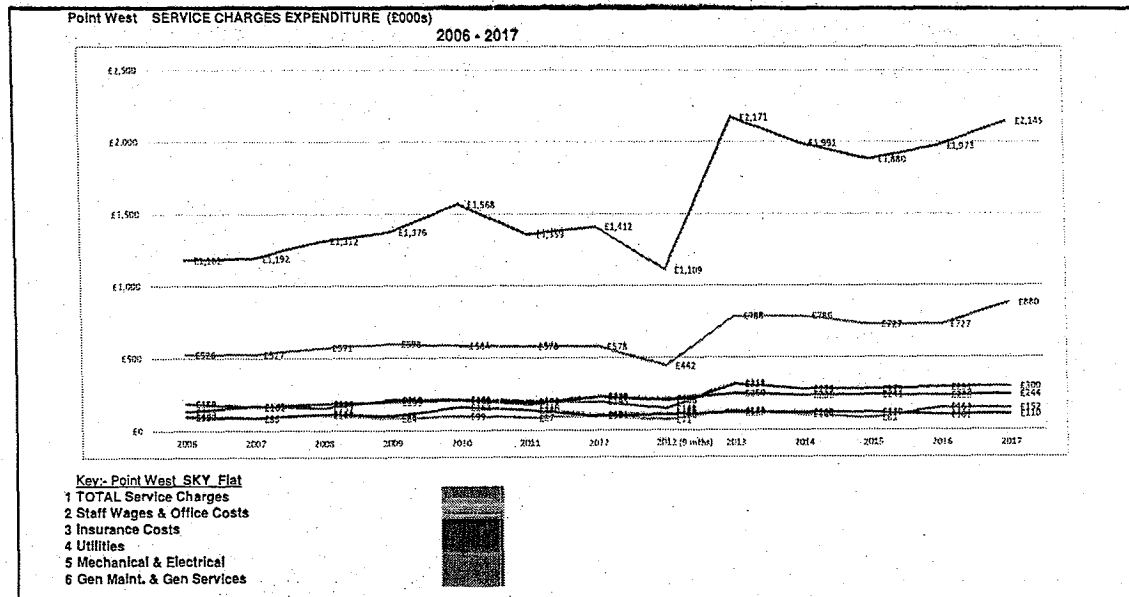
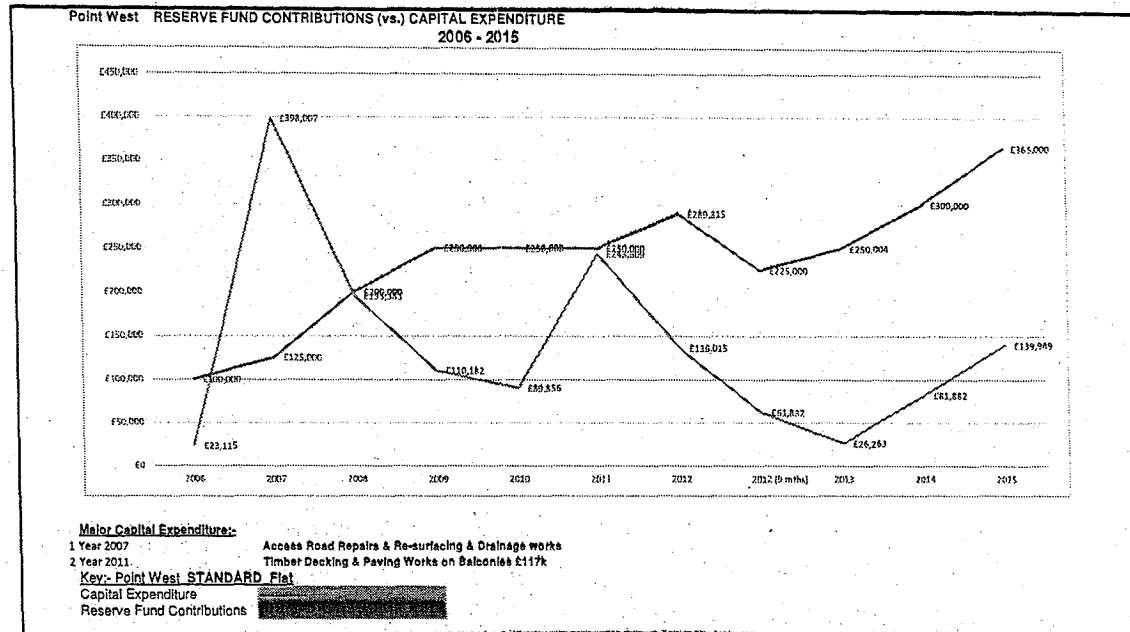
12

POINT WEST SERVICE CHARGES EXPENDITURE (Estate & Sky Combined Total) 2006 - 2017 (Thirteen (13) Years)														
	Approved Published Accounts											PROJECTED	BUDGET	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	
	Year Ended 31/03/2006 Total	Year Ended 31/03/2007 Total	Year Ended 31/03/2008 Total	Year Ended 31/03/2009 Total	Year Ended 31/03/2010 Total	Year Ended 31/03/2011 Total	Year Ended 31/03/2012 Total	April - Dec 2012 Total (9 months) 2012	Year Ended 31/12/2013 Total	Year Ended 31/12/2014 Total	Year Ended 31/12/2015 Total	Year Ended 31/12/2016 (PROJECTED)	Year Ended 31/12/2017 (BUDGET)	
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
<b>SERVICE CHARGES EXPENDITURE (Estate &amp; Sky Combined Total)</b>														
1 Staff Wages & Office/Potters Lodge/Mailing Room Costs	£526	£527	£571	£598	£584	£578	£578	£442	£788	£786	£727	£727	£880	
2 Mechanical & Electrical	100	88	107	84	99	87	101	71	131	104	81	153	152	
3 Utilities (Electricity & Water)	135	169	157	210	211	178	229	206	250	236	241	236	244	
4 General Maintenance & General Services	95	85	115	98	162	140	97	106	120	118	119	102	110	
5 Insurance	189	162	186	195	209	198	195	148	318	279	279	291	300	
Professional Fees, Surveying Fees, Audit Fees, Website & Communications, Less Interest Income & Less Admin Fees														
6 Income	34	31	31	40	145	22	54	15	110	116	139	122	119	
7 Management Office Rent	-	-	-	-	-	-	-	-	192	110	103	103	102	
8 Management fees	103	130	145	151	158	158	158	121	262	241	180	240	240	
10 TOTAL SERVICE CHARGES	£1,112	£1,162	£1,312	£1,374	£1,380	£1,181	£1,132	£1,109	£2,171	£1,551	£1,000	£1,073	£2,145	
11 FIT - Legal & Professional Fees Costs								9 months				273	100	
												Totals	£2,246	£2,245

(See letter dated 15 December 2016, page 3 of 7, penultimate Paragraph)

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# Analysis of Reserve Fund and Operating Expenditure - Point West



(See letter dated 15 December 2016, page 3 of 7, penultimate Paragraph)



SGA Cladding Consultant: Durley Mill Barn, Mill Lane, Netherhill, Botley, Hants, SO32 2BP.

Tel: 01489 860371; Mob: 07768 444678; e mail: [excalibur482@mac.com](mailto:excalibur482@mac.com);  
[www.claddingexpert.com](http://www.claddingexpert.com)

## **POINT WEST LONDON**

### **Planned Maintenance Report for Windows and Curtain Walling**

#### **Introduction**

This report has been prepared for Point West Management Services following two separate inspections of a sample of curtain walling windows and doors on site which were carried out on September 14<sup>th</sup> and September 22<sup>nd</sup> 2015.

The second inspection was undertaken in conjunction with Structura UK Limited.

It was evident from the inspections that many of the windows and doors were in a reasonably good condition for their age and some historic maintenance had clearly been implemented.

What was also evident was the fact that the inspection of individual windows would, in some cases, take just as long as any maintenance required and that it would make perfect sense to combine the two activities.

I have therefore instructed Structura to prepare a schedule of activities and rates for this inspection and remediation process.

#### **Methodology**

The way that this would work is that a small stock of components would be purchased before the work commenced and held as an attic stock and used as necessary. Structura would inspect the windows and carry out any adjustments and maintenance that was required including the adjustment and lubrication of fittings, gasket sealing and/or replacement as required along with the range of other activities which would be required to ensure that the windows and doors were in good repair.

The attic stock utilisation would be monitored and topped up as required.

Structura would maintain records, both written and photographic, of the windows and doors as they were surveyed and they would detail the maintenance work carried out.

Where windows could not be opened owing to obstructions then these would be recorded and a decision taken separately for any subsequent action required.

In the event that any window or door could not be serviced at the same time as it is inspected then this would be recorded to allow a second visit to be scheduled once any necessary previously non-available components were obtained.

As far as the areas of curtain walling are concerned these need a slightly different approach because there are clear signs of water ingress in these areas. I have agreed a likely schedule

of activities for Structura to cost but this may need adjustment as the curtain walling system is investigated.

The biggest unknown in all of this is the ease of access that can be achieved to individual apartments and the site management team will have a major role to play in the logistics associated with this part of the maintenance programme.

The magnitude of any difficulties in maintain a smooth access flow to individual apartments simply cannot be predicted which makes obtaining a firm lump sum figure impossible.

I have therefore asked Structura to use their best endeavours to prepare a range of likely costs from a minimum level, assuming free and regular access, to a top level figure taking a realistic assessment of what a worse case scenario would look like.

This should, I hope, suffice for planning and budgetary purposes.

The Structura costed proposal is appended to this narrative.

It is likely that some questions may arise once this has been considered and these should be addressed to me in the first instance.

Steve Green

SGA

October 22<sup>nd</sup> 2015





# STRUCTURA

## CURTAINWALL ENGINEERING

Structura UK Limited, Unit 1, Oakcroft Road,  
Chessington, Surrey KT9 1RH, United Kingdom

T 020 8397 4361 F 020 8391 5905  
E mail@structura.co.uk W www.structura-uk.com

Our Ref: SK/33192/20645

22 October 2015

Point West Management Services Ltd  
116 Cromwell Road  
London  
SW7 4XR

For the Attention of Mr David Gomes da Costa

Dear Sirs

**Point West Cromwell Road, London**  
**Windows & Doors Servicing & Repairs**

Further to your valued enquiry we have pleasure in submitting our quotation.

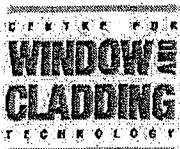
Structura have built their reputation for an uncompromising pursuit of technical excellence. Within the overall solution to the Employers Requirements or Specification for the works, we shall provide the highest industry standards of material selection, fabrication and workmanship.

We trust we have endeavoured to interpret your requirements correctly, however should you have any queries or concerns or need further clarification, please do not hesitate to contact us.

We would confirm our keen interest in working with you on this project and look forward to hearing from you favourably in the near future.

Yours faithfully  
For Structura (UK) Limited

Simon Keam  
Sales & Estimating Manager



Specialists in:  
Fabrication • Installation and Remedial Maintenance of Curtainwall Facades • Window  
Atria Glazing • Ground Floor Treatments • Entrances and Doors  
Member of: CHSG and CWCT Registered in England No. 2499497



Certificate No: 10256  
ISO 14001  
CHSGAS 18001  
ISO 9001

**QUOTATION**

**FOR**

**WINDOWS & DOORS SERVICING & REPAIRS**

**AT**

**POINT WEST, CROMWELL ROAD, LONDON**

**FOR**

**SGA**

Date: 22 October 2015  
Our Project No: 20645

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# 1 WINDOWS & DOORS QUOTATION SUM ANALYSIS

1. PRE-SITE WORKS		
1.1	Preparation of Works Schedules <ul style="list-style-type: none"> <li>Utilising existing floor plans /elevations prepare work schedules as necessary and agree access sequencing with facilities management.</li> </ul>	£ 2,520.00
1.2	Detailed Component Identification Survey Visit <ul style="list-style-type: none"> <li>Procure anticipated replacement components and check compatibility for use with existing windows &amp; doors</li> </ul>	£ 1,725.00
2. WINDOW & DOOR SERVICING		
2.1	To carry the following general servicing works to opening windows and doors to agreed schedule:- <ul style="list-style-type: none"> <li>Undertake visual check of window / door in closed position.</li> <li>Open window / door and check opening operation.</li> <li>Check window / door for any missing or damaged ironmongery, note any such found on works schedule.</li> <li>Clean any dirt /debris from aperture rebates.</li> <li>Ensure drainage routes are clear.</li> <li>Ensure ironmongery fixings are tight.</li> <li>Ensure weather -seal gaskets are correctly positioned within gasket channels.</li> <li>Check inner and outer glazing gaskets for shrinkage and apply black silicone sealant to corners where shrinkage is found.</li> <li>Replace any missing ironmongery fixings.</li> <li>Replace any missing locking keeps and note quantity / location.</li> <li>Replace any missing / damaged handles and note quantity / location.</li> <li>Replace any missing or damaged weather-seal gaskets and note quantity / location.</li> <li>Lubricate ironmongery as per manufacturer's recommendations.</li> <li>Adjust window / door as necessary to ensure smooth locking operation, correct orientation within aperture and correct pressure on perimeter gaskets.</li> <li>Wipe down on completion.</li> <li>Note repairs necessary that will require an additional visit / materials.</li> <li>Note any other defects / issues found i.e. silicone sealants, failed / broken glass sealed units etc.</li> <li>Note locations where servicing could not be carried out due to internal finishes / fittings i.e. secondary glazing, pelmets, soft furnishings etc.</li> </ul>	
2.2	Servicing Labour - With free access we anticipate that the above works will take the following labour time to undertake:- <ul style="list-style-type: none"> <li>Tilt / Turn Windows – 45 minutes to 1 hour each for 1 man</li> <li>Sliding Doors - 1 hour to 2.5 hours each for 2 men</li> <li>Swing Doors - 1 hour to 2.5 hours each for 2 men</li> <li>Velux Windows - 45 minutes to 1 hour each for 1 man</li> </ul>	

2.3	<b>Servicing Price</b> Day Labour Rate – 2no Operatives for 1no 8 Hour Working Day inclusive of basic servicing materials / tools £ 656.00 PER DAY				Anticipated Value £89,298.00 to £ 176,464.00
	Indicative Price based on the following approximate quantities and times above				
	<b>Type</b>	<b>Qty</b>	<b>Lower Time</b>	<b>Upper Time</b>	
	Tilt / Turn Windows	1200	£ 36,900.00	£ 49,200.00	
	Sliding Doors	550	£ 45,100.00	£ 112,750.00	
	Swing Doors	50	£ 4,100.00	£ 10,250.00	
	Velux Windows	104	£ 3,198.00	£ 4,264.00	
	<b>Totals</b>		<b>£ 89,298.00</b>	<b>£ 176,464.00</b>	
	The above upper and lower time prices should be treated as anticipated and this will be monitored against actual works labour carried out.				
	<u>These works are only offered on a day work rate basis and not a fixed price.</u>				
2.4	Replacement Ironmongery During Serving Rates				
	We will procure the following minimum quantity at the commencement of the works and replenish as necessary during the works.				
	<b>Type</b>	<b>Qty</b>	<b>Rate</b>	<b>Total</b>	
	Tilt / Turn Handle	25no	£ 28.50	£ 712.50	
	Tilt / Turn Locking Keep	50no	£ 7.90	£ 395.00	
	Door Handle	25no	£ 28.50	£ 712.50	
	Door Locking Keep	50no	£ 7.90	£ 395.00	
	Weather-seal Gasket	200m	£ 1.50	£ 300.00	
	Centre-seal Gasket	100m	£ 3.80	£ 380.00	
	<b>Total Initial Stock Price</b>			<b>£ 2,895.00</b>	<b>£ 2,895.00</b>
	Note any Velux components required will be priced on application inclusive of any additional labour required.				
<b>3. WINDOW &amp; SLIDING DOOR REPAIRS</b>					
Where windows /sliding doors are unserviceable the following repair rates will apply.					
Note—apart from keeps and handles the currently available ironmongery cannot be used in conjunction with the old original thus all repairs necessitate full kit replacement.					
3.1	Replacement tilt / turn ironmongery EACH			£ 498.00	
3.2	Replacement sliding door ironmongery EACH			£ 1,360.00	
3.3	Replacement swing door ironmongery			POA	
3.4	Replacement of failed (interstitial condensation) or broken glass sealed units			POA	
3.5	Perimeter sealant Replacement - Minimum day cost including materials £ 450.00			£ 20.00 /lm	
	<b>Anticipated Total</b>				<b>£ 96,438.00</b> To <b>£183,604.00</b>

## 2 CURTAIN WALL QUOTATION SUM ANALYSIS

1. PRE-SITE WORKS		
1.1	<p>Conditions Surveys / Preparation of Works Schedules</p> <ul style="list-style-type: none"> <li>Undertake conditions surveys prepare work schedules as necessary.</li> <li>Check existing access system is adequate for use if not propose and issue additional costs for an alternative.</li> </ul>	£ 2,775.00
1.2	<p>Trial Area</p> <ul style="list-style-type: none"> <li>Undertake repairs to TYPE A sample area of curtain wall</li> <li>Water testing on completion.</li> <li>Note any additional works required.</li> <li>On completion confirm or revise budget price below</li> </ul>	£ 4,390.00
2. CURTAIN WALL WORKS		
2.1	<p>Carry out the following works to the existing curtain wall screens:-</p> <ul style="list-style-type: none"> <li>All works undertaken externally using either existing ladder access systems or temporary access equipment - TBA</li> <li>Cut out sealants as necessary.</li> <li>Carefully remove existing external cover caps and set aside for re-use.</li> <li>Carefully remove existing pressure plates and set aside for re-use.</li> <li>Carefully remove head, cill, jamb and eave pressings and set aside for re-use.</li> <li>Check condition of perimeter membranes repairing / replacing as necessary.</li> <li>Clean glazing rebates as possible with glass in situ.</li> <li>Reseal mullion to transom abutment as possible with glass in situ.</li> <li>Reinstate pressings.</li> <li>Clean and prepare glass / pressings surfaces.</li> <li>Apply new foil backed butyl tape across all glass to glass and glass to pressing joints.</li> <li>Install new glazing gaskets to existing pressure plates and reinstate using new stainless steel fixings.</li> <li>Ensure drainage paths are clear.</li> <li>Seal mullion to transom pressure plate abutment joints.</li> <li>Apply new perimeter silicone sealants.</li> <li>Reinstate previously set aside face caps.</li> <li>Wipe down on completion for handover.</li> </ul> <p>Please see attached drawings for locations and types</p> <ul style="list-style-type: none"> <li>Type A – Qty 16no - £ 3,750.00 Each</li> <li>Type B – Qty 8no - £ 2,295.00 Each</li> <li>Type C – Qty 1no - £ 9,750.00 Each</li> <li>Type D – Qty 1no - £ 9,750.00 Each</li> <li>Type E – Qty 2no - £ 3,060.00 Each</li> <li>Type F – Qty 1no - £ 4,590.00 Each</li> <li>Water Testing – 6no days - £ 750.00 per day (further days pro-rata).</li> </ul>	<p><b>BUDGET PRICE</b> £ 113,070.00</p>
<b>Total</b>		<b>£ 120,235.00</b>



### **3 INTRODUCTION**

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Structura UK Limited have built their reputation in the U K on an uncompromising pursuit of technical excellence. Within the overall solution to the specification requirements Structura UK Limited will provide the highest industry standards of design, material selection, fabrication and workmanship.

We are generally in compliance with the specification or requirements; however we would welcome a meeting to discuss all aspects in more detail prior to us entering into a contract.

### **4 PRE-SITE WORKS**

---

#### **4.1 SERVICING SCHEDULE PREPARATION**

The elevation and plan drawings will be used as the reference point for the repair & refurbishment works. Each window/panel will have a unique number to enable it to be identified on a repair & refurbishment checklist.

Once works are completed on a stage basis the schedules will be issued to the client and all further repairs with associated costs agreed.

#### **4.2 CONDITIONS SURVEY – CURTAIN WALL AREA**

Prior to commencement of the repair & refurbishment works a conditions survey will be carried out in conjunction with the facilities management to determine the condition of the following:

- Internal Finishes adjacent to curtain wall
- Internal Finishes to curtain wall
- External and Internal Floor Finishes
- Roof Finishes
- External Brickwork / cladding
- General Decoration

#### **4.3 SAMPLES AND TRIAL AREA (CURTAINWALL)**

Samples of all replacement components will be submitted for approval prior to procurement.

A trial area of works will be carried out to a TYPE A screen. Upon completion of the works the screen will be water tested to prove the effectiveness of the works.

This will enable us to confirm a scope of works required with Steve Green Associates, provide a firm price for the works and provide prices for all temporary access equipment required.

## 5 NOTES

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- 5.1 Our prices are based on continuous free access to undertake the works during normal working hours. No allowance has been made for any out of normal hour working.
- 5.2 Basic servicing materials included for the windows and doors are cleaning rags, lubricants, sealants, basic fixings, dust sheet floor protection, steps / hop ups.
- 5.3 Servicing / repair works will be undertaken to a sequential apartment to apartment, floor by floor schedule agreed with the building management.
- 5.4 Building management to be responsible for all arrangements to access to each apartment and all other associated occupant liaison.
- 5.5 Window / door serving is based on working from inside of building / balconies. No allowance has been made for any external / special access equipment. Any such found to be required will extra to our quoted price.
- 5.6 All furniture, personal items to be removed & reinstated by others.
- 5.7 Servicing works will be undertaken on the basis windows can be opened fully i.e. not hindered by secondary glazing, fixed curtains, blinds soft furnishings etc. We will move to one side or remove items if they can easily do so without any risk of damage.
- 5.8 The existing ironmongery is no longer available however keeps, handles and operation mechanism kits from current systems can be used. Apart from handles and keeps the new components are not interchangeable with the old and thus if any operation mechanism is broken or missing then the entire mechanism kit to the window or door must be changed to the new type. Any salvageable ironmongery will be kept for use as spares where possible.
- 5.9 New handles will not match existing. Where replacements are required any other opening vents in the room will also have their handles changed to match. Removed 'good' existing handles will then be used for matching replacements elsewhere.
- 5.10 No allowance has been made for removal / replacement of opaque film to Velux windows.
- 5.11 No works are anticipated to windows / doors that have been fixed shut.
- 5.12 No allowance has been made for any cleaning or restoration cleaning to the existing window finishes.
- 5.13 If existing ladder system is not available or suitable to carry out the curtain wall works then the cost to provide temporary access equipment will be extra to our prices.
- 5.14 The existing ladder access systems must have current certification for use.
- 5.15 No allowance has been made for any external protection beneath works areas. This will be assessed on a location by location basis and additional costs will be submitted for any such required



- 5.16** We have assumed that welfare facilities, toilet facilities and secure storage facilities for our tools and materials will be available free of charge on site.
- 5.17** Glass Breakages -whilst every care and attention will be taken by Structura when carrying out the remedial works, we cannot guarantee that breakages will not occur due to the various stresses and damage that the glass may have been subjected to, during and following the original installation.
- Therefore, any broken units or glass will be replaced at an additional cost to our quoted price. Any glass or DG units that are broken due to our own proven negligence will obviously be replaced free of charge.
- 5.18** Glass sealed unit failure – we are unable to accept responsibility for any glass sealed unit failure either during the works or after completion. We must advise you that the rate of glass sealed unit failure may increase in the future once the existing glass sealed units have been disturbed by any required works. Any further glass sealed units found to have failed either during survey or during our works on site, or in the future life time of the building will be replaced at an additional cost.
- 5.19** Our rates are based on all of the information available at the time of preparing this submission. Should further works be discovered as being required during the course of our works as a result of incorrect scope of works, or information or as a result of further opening up then these will be deemed as an extra to our contract sum.
- 5.20** We shall be unable to take on board any responsibility or liability for a) the original design b) any materials we are asked to reuse c) the structural integrity of the existing structure affected by the repair works. We have not allowed to check the structural integrity or providing calculations for the existing structure or to make sure they are capable of taking any additional loads imposed onto them by our work. With regards to design responsibility, we will only be liable in respect of our workmanship and new materials which we supply, insofar as such design is by ourselves.
- 5.21** Weather Conditions – We must point out that it is not possible to undertake certain works during rainfall and/or windy conditions and/or in temperatures of 5°C or lower - for example – application of sealants, applying EPDM membranes and butyl or similar tapes, working from access ladders , etc. We cannot therefore accept any responsibility or liability for delays due to such inclement weather conditions. We will of course do all we reasonably can to mitigate any delay due to such circumstances – for example by working in other more sheltered areas where available.

## 6 INCLUSIONS AND EXCLUSIONS

	Included	Excluded	By Others
<b>Contract Conditions</b>			
Collateral or Design Warranty (subject to agreement of the wording)		X	
Performance Bond (subject to agreement of the wording)		X	
Local authority approvals, pavement licenses, landlord, tenant's permission including adjacent neighbours affected by our works.			X
Operating and Maintenance Manual ( 3 copies )	X		
<b>Staff</b>			
Project Management Team	X		
Provision of Site Supervisor (Working)	X		
Health & Safety Auditors	X		
Works to be executed during normal working hours. Mon-Fri 8.00 to 17.00 hrs	X		
Out of hours working. Evenings, Nights & Weekends		X	
<b>WORKS SCHEDULES</b>			
Provision of works schedules / marked up existing drawings	X		
Provision of standard materials specifications	X		
<b>Surveys</b>			
Asbestos survey		X	
Dimensional survey	X		
Condition surveys	X		
Access equipment for surveys		X	
<b>Calculations, testing, samples</b>			
Structural calculations of our element of the works only		X	
Independent testing of PPC or Anodised finishes		X	
Off-site Performance Testing		X	
On Site CWCT Water Testing – Curtain Wall Works only	X		
Samples / Trial Area	X		
Acoustic & Condensation Prediction Calculations		X	
'U' and 'G' value calculations		X	
Thermal Safety Checks		X	
<b>Health &amp; Safety</b>			
Method Statements, Hazard & Risk Assessments	X		
COSHH Assessments	X		
Health & Safety Plan			X
Asbestos Management Plan			X
Regular Site Safety Audits	X		
<b>Other Protection other than Low tack tape</b>			
Hoarding and barriers		X	X
Protection of Internal Finishes (dustsheets / similar)	X		
<b>Transportation &amp; Storage</b>			
Off-Site storage		X	
Transportation and delivery to site	X		
Material off-loading & distribution	X		

<b>Access Plant &amp; Equipment</b>				
	Provision of cherry picker/hydraulic platforms		X	X
	Provision of cradles access/mast climbers		X	X
	Provision of fixed or temporary scaffolding		X	X
	Provision of hoist		X	X
	Hoisting of our materials and plant to and from the work faces		X	X
	Craneage of our materials and plant to and from the work faces		X	X
	Provision of mobile towers		X	X
	Provision of podium steps		X	X
	Provision of forklift for material offloading and distribution		X	X
<b>Builders Work/Making Good</b>				
	Preparation of the structural openings to accept our element of the works		X	
	Repairs or alterations to the structural building fabric to accept our works		X	
	Making good of existing internal and external finishes		X	
	Supporting steelwork, secondary steelwork or structure		X	
	Repairs or replacement of an water damaged structural or decorative finishes		X	
	Removal or alterations of any existing works or services		X	
	Reinstatement or alterations of works by other trades		X	
<b>Rubbish Removal/Cleaning</b>				
	Provision of recycling bins	X		
	Rubbish removal from site	X		
	Single wipe down for phased handover	X		
<b>Attendances</b>				
	Site security			X
	Power 110V or 240V within 30 metres of point of work free of charge			X
	Dry and secure area for material and small tool storage			X
	Health, welfare and safety facilities to current H&S / CDM regulations			X
	Secure site storage area or compound			X
	Safety lighting			X
	Clean water supply within 30 metres of workface			X

## 7 PROGRAMME

Programme to be finalised prior to appointment

## **8 SPECIFICATIONS**

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### **8.1 MECHANICAL FIXINGS**

Any stainless steel bolts or screws will comply with current BS/BS EN standards. Grade A2 in most instances and Grade A4 in severely corrosive environments.

Pop rivets will be aluminium, or stainless steel depending on the use and location.

### **8.2 GASKETS**

Shall be black EPDM to comply with current BS/BS EN standards in linear form with sealed butt joints.

We have not included for welded type frames.

### **8.3 MEMBRANE/VAPOUR BARRIERS**

EPDM rubber sheet or similar manufactured to comply with current BS/BS EN standards.

### **8.4 SEALANTS**

Sealants at junctions of our work and the building structure will be a gun-applied one part low modulus silicone to comply with current BS/BS EN standards. Sealants will be supplied and applied according to manufacturer's instructions to comply with current BS/BS EN Standards.

### **8.5 FINISHES**

Replacement window and door handles will be in standard black PPC finish

All other door and window fittings will be silver anodised or self-finish.

## **9 PROJECT SPECIFIC RESOURCES**

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### **9.1 PROJECT MANAGEMENT AND ADMINISTRATION**

We pride ourselves on the professionalism of our project management, which is crucial to the successful execution of a project. For this very reason we pay particular attention to the method of undertaking the works.

#### **9.1.1 QUALITY CONTROL**

Structura operate quality control/quality assurance systems in accordance with BS EN ISO 9001:2008.

#### **9.1.2 CONTRACT MANAGEMENT**

Contracts are directed by a dedicated Contracts Manager assisted by a team of CAD operatives, engineering and administration staff. Weekly internal contract meetings are held to review and assess progress.

#### **9.1.3 ON SITE SUPERVISION**

On site supervision is carried out by directly employed, trained and competent site managers or supervisors.

#### **9.1.4 SITE INSTALLATION ENGINEERS**

Installation tasks and duties are carried out generally by our own directly employed, trained and competent operatives.

#### **9.1.5 SAFETY MANAGEMENT**

Health & Safety Audits and inspections are carried out by our independent safety consultants Safety Services (UK) Ltd. Structura UK is a member of the SAFE-Contractor health & safety accreditation scheme and the Construction Health & Safety Group. We are fully BS OHAS 180001 – 2007 accredited.

#### **9.1.6 ENVIRONMENTAL**

Structura confirms the company's commitment to continuous improvement in managing environmental issues, including the proper management and monitoring of waste, the reduction of pollution and emissions, compliance with environmental legislation and environmental codes of practice, training for staff, and the monitoring of environmental performance. We are fully accredited to BS 140001 – 2007 standard.

### **9.2 ONSITE WATER TESTING (HOSE TESTING OR SPARGE BAR TESTING)**

Site water tests in accordance with the CWCT specification to be carried out by Structura UK Limited operatives.

### **9.3 O & M MANUALS**

Within 60 days from the completion of our work package we shall issue three copies of a comprehensive Operating and Maintenance Manual in our standard format consisting of:

1. A full description of the system and its performance requirements.
2. Operating and Maintenance instructions.
3. Cleaning recommendations.
4. Component guarantees and manufacturer details.
5. Method statement for component replacement or repair.

## **10 LIFE EXPECTANCY AND GUARANTEES**

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It is a condition precedent to guarantee liability that regular maintenance is undertaken in accordance with our recommendations contained within the Operation & Maintenance Manual provided. A detailed account and log with dates of when the maintenance works including cleaning were undertaken are to be kept by the client, building owners, landlord, lease holder or Managing agents and are to be made readily available for our inspection, failure to do so will invalidate any claims.

We are unable to accept any liability for any component failure due to misuse, vandalism, accidental damage or negligence; or if used in a corrosive or marine environment without our prior written consent.

We would define life expectancy as "the period of time a component is expected to perform in accordance with the performance specification". Providing they are not used in a corrosive environment and are properly maintained.

A component that does not work to its expectation will not necessarily result in a failure of the complete works but may reduce the overall level of performance.

Only the new materials or components we are to supply will carry the applicable manufacturer's warranty.

Please refer to Appendix A at the rear of this submission for further details of the anticipated life expectancy of various new components supplied by Structura UK Ltd.

## **11 TERMS AND CONDITIONS OF QUOTATION**

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Our quotation is conditional upon our standard Terms & Conditions forming part of our offer and any subcontract that we enter into, unless specifically withdrawn by us in writing.

Our prices are based on these criteria and may be subject to change should this not be the case.

### **11.1 BASIS OF QUOTATION**

Our quotation has generally been prepared in accordance with the following details and documentation supplied.

1. Site meeting dated 22<sup>nd</sup> September 2015 with Stephen Green of SGA, Raymond Osmond of Points West Management Services and Simon Keam / Michael Woodcock of Structura UK Ltd

### **11.2 PRICES**

Our prices are NETT exclusive of Value Added Tax and remains subject to re-measurement, not lump sum, if we find any anomalies within the enquiry documentation.

### **11.3 VALIDITY**

Our prices will be held firm for labour, materials and plant until the end of April 2016 providing we receive acceptance of this offer within 30 days from the date of this quotation.

### **11.4 ACCESS/CONTINUITY OF WORKING**

Our quotation is based on free and interrupted access to areas of work without restriction or condition on use of power tools or plant, in accordance with a mutually agreed programme.

Aborted visits, out of sequences working or the lack of continuity due to unsatisfactory site preparation or organisation will be subject to extra costs.

### **11.5 WORKING HOURS**

All work on site will be carried out during normal working hours inclusive of delivery and distribution of all materials and plant.

Any out of hours working required for any reason whatsoever will be at additional cost.

### **11.6 PAYMENT**

Payment of our account is required no later than 14 days from the submission of our invoice or application as applicable.

Applications for payment shall be made in line with the site valuation dates or at each month end as applicable

### **11.7 DELAY**

In view of the considerable start-up costs we shall request payments on the basis of expenditure for drawings, project overheads, purchasing/hiring plant and equipment, off-site fabrication etc. from the start of the commencement of the sub-contract.

Should the original site start date be prolonged then we reserve the right to make an application / invoice for payment for materials manufactured and/or held in store specifically for this project.

## 12 REGISTER OF INSURANCE

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This register is intended only to provide a summary of our insurance cover. General policy conditions and full details will be provided on acceptance of our quotation. The insurance cover provided has been extended to include full cover for damage caused by Acts of Terrorism in respect of contract work. We hereby confirm that all the insurance policies shown are current and that all required premiums are paid in full to date.

### Combined Liabilities

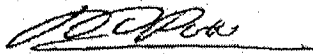
<b>Insurance Company:</b>	Aviva
<b>Policy No:</b>	25016341 CTC
<b>Period of Insurance:</b>	1 <sup>st</sup> June 2015 to 31 <sup>st</sup> May 2016
<b>Employers' Liability:</b>	£10,000,000 any one occurrence.
<b>Public Liability:</b>	£20,000,000 any one occurrence.
<b>Products Liability:</b>	£20,000,000 any one occurrence and in the aggregate.
<b>Excess:</b>	£250 Third Party Property Damage each and every claim.

It is noted that in respect of the Public and Products liability Aviva carry £1M and then AIG £9M with Ace carrying the final £10M

### Contract Works

<b>Insurance Company:</b>	Aviva
<b>Policy No:</b>	25016341 CTC
<b>Period of Insurance:</b>	1 <sup>st</sup> June 2015 to 31 <sup>st</sup> May 2016
<b>Maximum Contract Value:</b>	£3,300,000
<b>Hired in Plant:</b>	£975,000 (limit any one item)
<b>Excess:</b>	£350 each and every claim.
<b>Professional Indemnity:</b>	
<b>Insurance Company:</b>	Spa Underwriting
<b>Policy No:</b>	P1378074
<b>Period of Insurance:</b>	1 <sup>st</sup> June 2015 to 31 <sup>st</sup> May 2016
<b>Limit of Indemnity:</b>	£2,000,000 any one claim.
<b>Excess:</b>	£10,000 each and every claim.

Signed:



Manish Patel

Company Secretary



## 13 HEALTH AND SAFETY STATEMENT

Confidential Document

Structura UK Limited



### Health & Safety Policy Statement

We are committed to the prevention of injury and ill health and providing a safe working environment for our employees and others who may be affected by our activities. Compliance with legislation including the Health and Safety at Work Act 1974 is the minimum acceptable standard and we are committed to achieving the highest levels of health and safety performance through continual improvement.

Health and safety is an integral part of our business and has equal status to other aspects of business performance. Appropriate financial and physical resources will therefore be provided to implement this policy.

We recognise that successful health and safety management can only be achieved with the support and commitment of our employees. All employees will be actively encouraged to take ownership of health and safety and empowered to assist in decision making. All employees and contractors will be made aware of their Health and Safety obligations and compliance with this policy is a condition of employment.

We will ensure that this policy is documented, implemented and maintained, and communicated and understood at all levels throughout the organisation.

Responsibilities for health and safety are defined in our Health and Safety Management System which conforms to the requirements of OHSAS 18001. The day to day management of health and safety is a responsibility of managers at all levels but overall responsibility rests with the Managing Director.

To assist with the implementation of our health and safety management system, professional external advice will also be obtained where necessary.

To facilitate continuous improvements in health and safety standards we will identify specific health and safety objectives. A programme for the objectives will be outlined with timescales and responsibilities. Progress towards the objectives will be closely monitored.

Periodic auditing of our Health and Safety Management System will be undertaken to ensure its continued suitability and effectiveness and we will review this policy at least annually and revise it as often as is appropriate.

This policy will be made available upon request to all interested parties.

Signed

Date - January 2015

Issue: January 2015

Compliant H&S Policy Statement

Form: SUKIMS01

## 14 ENVIRONMENTAL STATEMENT

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Confidential Document

Structura UK Limited



### Environmental Policy Statement

The management and all who work at Structura UK Limited are committed to the care of the environment and the prevention of pollution.

The organisation is further committed to ensuring that all its activities are carried out in conformance with the relevant environmental legislation (and the Code of Practice issued by the trade Association).

The organisation seeks to minimise waste arising, promote recycling, reduce energy consumption, reduce harmful emissions and, where possible, to work with suppliers who themselves have sound environmental policies.

An essential feature of the environmental management system is a commitment to continual improvement of environmental performance. This is achieved by setting annual environmental improvement objectives and targets which are regularly monitored and renewed. The objectives and targets are publicised throughout the organisation and all staff are committed to their achievement.

In order to ensure the achievement of the above commitments, the organisation has implemented an environmental management system which satisfies the requirements of ISO 14001.

This Policy and the obligations and responsibilities required by the environmental management system will be communicated to all employees and contractors working on behalf of the organisation.

This Policy is available to the public on request and will be reviewed periodically to ensure its continuing suitability.

Signed

A handwritten signature in black ink, appearing to read "M. J. Jones", is written over a horizontal line.

Date - January 2015

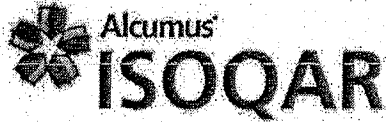
Issue: January 2015

Compliant Environmental Policy Statement

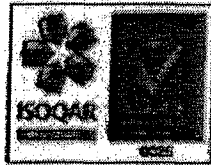
Form: SUKIMS01

## 15 QUALITY CONTROL SYSTEM

### CERTIFICATE OF REGISTRATION



This is to certify that the Management System of:  
**Structura UK Limited**  
**Unit 1, Oakcroft Road, Chessington, KT9 1RH**  
and as detailed on the Annex to this certificate  
has been approved by ISOQAR.



**10256**

**BS OHSAS 18001:2007**

**Scope of Activities:**

**Design, Manufacture and installation of Curtain Walling, Entrances and Shop Fronts, Windows, Doors, Smoke Vents and Cladding in Metal and associated Metal Work, including accessories.**

Certificate Number:	<b>10256-HAS - 001</b>
Initial Registration Date:	<b>12 July 2012</b>
Re-issue Date:	<b>1 June 2015</b>
Expiry Date:	<b>12 July 2018</b>

Signed by:  
Steve Stubley, Technical Director  
(on behalf of ISOQAR)

A handwritten signature in black ink, appearing to read "Steve Stubley".

This certificate will remain current subject to the company maintaining its system to the required standard. This will be monitored regularly by ISOQAR. Further clarification regarding the scope of this certificate and the applicability of the relevant standards' requirements may be obtained by consulting ISOQAR. This certificate is one of several issued to registration number 10256.

ISOQAR Limited, Alcumus Certification, Cobra Court, 1 Blackmore Road, Stretford, Manchester, M32 0QY.  
T: 0161 865 3699 F: 0161 865 3685 E: [isoqarenquiries@alcumusgroup.com](mailto:isoqarenquiries@alcumusgroup.com) [www.alcumusgroup.com/isoqar](http://www.alcumusgroup.com/isoqar)  
This certificate is the property of ISOQAR and must be returned on request.

## CERTIFICATE OF REGISTRATION

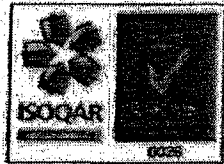


This is to certify that the Management System of:

**Structura UK Limited**

**Unit 1, Oakcroft Road, Chessington, KT9 1RH**

**And as detailed on the Annex to this certificate  
has been approved by ISOQAR**



**10256**

**ISO 14001: 2004**

**Scope of Activities:**

**Design, Manufacture and installation of Curtain Walling, Entrances and Shop Fronts, Windows, Doors, Smoke Vents and Cladding in Metal and associated Metal Work, including accessories.**

Certificate Number:	<b>10256-EMS - 001</b>
Initial Registration Date:	<b>12 July 2012</b>
Re-issue Date:	<b>1 June 2015</b>
Expiry Date:	<b>12 July 2018</b>

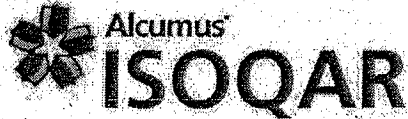
Signed by:  
Steve Stubley, Technical Director  
(on behalf of ISOQAR)

A handwritten signature in black ink, appearing to read "Steve Stubley".

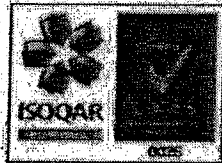
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T: 0161 865 3699 F: 0161 865 3685 E: [isoqarenquiries@alcumusgroup.com](mailto:isoqarenquiries@alcumusgroup.com) [www.alcumusgroup.com/isoqar](http://www.alcumusgroup.com/isoqar)  
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## CERTIFICATE OF REGISTRATION



This is to certify that the Management System of:  
**Structura UK Limited**  
**Unit 1, Oakcroft Road, Chessington, KT9 1RH**  
and as detailed on the Annex to this certificate  
has been approved by ISOQAR



**10256**

**ISO 9001: 2008**

**Scope of Activities:**

**Design, Manufacture and installation of Curtain Walling, Entrances and Shop Fronts, Windows, Doors, Smoke Vents and Cladding in Metal and associated Metal Work, including accessories.**

Certificate Number:	<b>10256-QMS - 001</b>
Initial Registration Date:	<b>12 July 2012</b>
Re-issue Date:	<b>1 June 2015</b>
Expiry Date:	<b>12 July 2018</b>

Signed by:  
Steve Stuble, Technical Director  
(on behalf of ISOQAR)

A handwritten signature in black ink, appearing to read 'Steve Stuble'.

This certificate will remain current subject to the company maintaining its system to the required standard. This will be monitored regularly by ISOQAR. Further clarification regarding the scope of this certificate and the applicability of the relevant standards' requirements may be obtained by consulting ISOQAR. This certificate is one of several issued to registration number 10256.

**ISOQAR Limited, Alcumus Certification, Cobra Court, 1 Blackmore Road, Stretford, Manchester, M32 0QY.**  
T: 0161 865 3699 F: 0161 865 3685 E: [isoqarenquiries@alcumusgroup.com](mailto:isoqarenquiries@alcumusgroup.com) [www.alcumusgroup.com/isoqar](http://www.alcumusgroup.com/isoqar)

This certificate is the property of ISOQAR and must be returned on request.

## 16 STANDARD TERMS AND CONDITIONS

**DEFINITIONS:** - In these conditions;  
"The Company" means Structura UK Limited or any subsidiary thereof.

"The Customer" means the party to whom the Goods or the Services are to be supplied hereunder.

"The Contract" means the Contract for the sale of the Goods or the Services in which these conditions are incorporated.

"The Goods" means the Goods which are the subject of the Contract.

"The Services" means the Services which are the subject of the Contract.

"Working Day" means Monday to Friday inclusive excluding public holidays.

"Normal Working Hours" means between the hours of 08:00 and 17:00 on a normal Working Day.

### QUOTATIONS

- (a) Quotations shall only be valid for a maximum period of 30 days from the date of the quotation unless otherwise agreed in writing.
- (b) The quotation may be withdrawn or cancelled or amended by the Company at any time prior to acceptance within the validity period by written or oral notice.

### ACCEPTANCE OF ORDER

- (a) The Company's quotation is an invitation to treat and not a contractual offer. No order placed by the Customer shall be binding upon the Company unless and until accepted in writing or by delivery of the whole or part of the Goods and/or the Services ordered.
- (b) The Company reserves the right to correct any typing or clerical and other bona fide error whatsoever appearing herein or on the quotation or in any written acceptance of any order placed by the Customer.

### DELIVERY

- (a) Dates quoted by the Company for delivery of the Goods and/or for commencement of the Services are the Company's best estimate but all such dates are to be treated as estimates only and shall not have any contractual obligation and are subject to the Company not being delayed by instructions or lack of instructions from the Customer or by any other cause whatsoever which will include late delivery by the Company's Suppliers.
- (b) The Company reserves the right to make partial deliveries of Goods and/or of the Services. If delivery is made by instalments, any delay in transport or delivery or any particular instalment or delivery of faulty Goods and/or Services in any one instalment shall not entitle the Customer to repudiate the whole contract nor relieve the Customer of his obligation to accept and pay for the remaining instalments.
- (c) Risk of loss or damage in transit will be borne by the party paying freight charges.

### PRICE, INSTRUCTIONS AND VARIATIONS

- (a) The price of the Goods and/or the Services shall be the price stated in the quotation or such other price expressly agreed in writing. If no such price for the Goods and/or the Services is fixed the price shall be that calculated using the Company's standard procedure for pricing current at the date when the Contract is made.
- (b) The Company reserves the right by giving notice to the Customer at any time before delivery to increase the price of the Goods and/or the Services to reflect any increase in the cost to the Company which is due to any factor beyond the control of the Company (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials, surcharge or other costs of manufacture), any change in delivery dates, quantities or specification for the Goods and/or the Services which is requested by the Customer, or any delay caused by any instruction of the Customer or failure by the Customer to give the Company adequate information or instructions.

Where the Company has manufactured the Goods in preparation for a delivery date agreed to by the parties, if the Customer requires a deferred delivery date to which the Company agrees, and either the Company is required to store the Goods at its premises, or to deliver the Goods to site at the risk of the Customer as hereinafter provided, the Customer shall be involved for the Goods at the original delivery date and shall be invoiced for any balance when the Contract has been completed. The customer shall be responsible for any storage costs incurred by the Company as a result of the Customer's requirement for a deferred delivery date.

All variations issued to the Company by the Customer must be in writing and with the price agreed prior to the Company commencing with the works and/or material procurement. The Company for its part will substantiate, upon request, the price quoted using the previously agreed/applied rates, or the Company's current pricing procedure. If the Customer fails to adhere to this procedure the Company will accept no responsibility whatsoever for any delays to the agreed programme or for any loss or costs incurred by the Customer howsoever incurred.

### TERMS OF PAYMENT

- (a) Subject to Clause 6 (f) below the Customer shall make payment in full for the Goods and/or the Services within 30 days from the date of the delivery of the Goods and/or the carrying out of the Services. No retention shall be applicable to any payments. Time of payment shall be of the essence for all contracts between the Company and the Customer to which these Conditions apply.

Neither disputes arising under the Contract nor factors outside the control of the Customer or the Company shall entitle the Customer to delay payment in full or in part.

No payments to the Company may be withheld or may any counterclaims of the Customer be set off against any payment due.

- (d) In the event of default in payment by the Customer, the Company shall be entitled without prejudice to any other of its rights or remedies to suspend all further deliveries without notice and to charge interest on the amount overdue at the rate of 5% over the base rate of the Bank of England from time to time.

Failure by the Customer to make payment in respect of any one or more instalments of Goods delivered and/or the Services carried out hereunder shall entitle the Company to treat the whole of the Contract, at its discretion, as repudiated by the Customer.

Payment terms as referenced in 6 (a) above are subject to the Company obtaining a satisfactory credit rating for the Customer and documented verification of previous good trading practices. The Company at its sole discretion will approve or decline a credit facility, and upon such facility being provided the Company always reserves the right to withdraw such facility at any time whatsoever, the Company may also elect to implement other payment terms, such as but not exclusive to; payment for the cost of Goods and/or Services carried out or completed to date, cash on delivery, upfront payment.

### SPECIFICATION

- (a) The Company reserves the right to improve or amend the specification of any Goods at any time.
- (b) Any performance figures given by the Company are based upon experience and are as such as the Company expects to obtain on test. The performance figures shall not form part of or be incorporated by reference into the Conditions hereunder, unless the Company specifically guarantees them in writing. Only written warranties and representations may be relied upon by the Customer.
- (c) No on or off site testing has been included for within the Company's quotation. If this is required, extra costs and programme time will apply which the Customer will pay for.
- The Company will wipe down and de-tape the Goods after they install them. The Company has not allowed for a final clean at or after the completion of its installation work or section(s) thereof, nor for protection of the works thereafter.

**CUSTOMER MANUFACTURING DESCRIPTIONS**

The Customer shall be solely responsible for ensuring that all details given to the Company either by the Customer or by the Customer's advisors or consultants relating to the Contract including measurements, colours, materials, products and locations and all drawings, advice and recommendations are accurate correct and suitable. The Customer shall not be entitled to cancel any order made to its own specification and the Company shall not be obligated to accept any such Goods for return, repair or replacement unless any such Goods are covered by the Company's warranty and in such case, clause 16 will apply.

**SITE PREPARATION**

- (a) The Customer shall give the Company at least 10 working days notice in writing that the site is ready for work or the Services to be commenced in accordance with the agreed programme and subject always to the other scheduled commitments of the Company.
- (b) If either: (i) the Company shall be called to the site and the site shall not be ready for the Services to be commenced, or (ii) if, while the Company is on site, the Services are delayed by any cause outside the control of the Company, then in either case, the Customer shall reimburse the Company at a reasonable rate in respect of the labour and the transportation costs thereby incurred by the Company and any other reasonable costs incurred.

**RISK**

- (a) The Company has made no provision for the protection of the Goods and/or the Services from delivery of the Goods and/or carrying out the Services.
- (b) Unless otherwise agreed between the parties the risk in the Goods shall pass to the Customer when the Goods are delivered (to site) and the Customer shall effect and maintain adequate insurance in full value against all damage to or loss of such Goods. The Customer shall, if required, produce to the Company evidence of such insurance cover.
- The Customer shall at all times ensure that adequate security is provided so as to prevent any loss or damage to any of the Companies property or hired in equipment, and undertakes to reimburse the Company for any loss or damage incurred resultant from a failure by the Customer for providing such security.

**PASSING OF THE PROPERTY**

- (a) Notwithstanding delivery and passing of risk, title to the Goods shall not pass to the Customer but shall be retained by the Company until the agreed price for the Goods and/or Services has been paid in full and until such time the customer shall hold the Goods as the company's fiduciary agent and bailee.
- (b) Without prejudice to any other of the Company's rights, until such time as title in Goods has passed to the Customer:-
- (i) The Company shall have absolute authority to retake, sell or otherwise deal with or dispose of all, any or part of the Goods in which the title remains vested in the Company.
- (ii) For the purpose specified in the foregoing sub-paragraph, the Company or any of its agents or authorised representatives shall be entitled at any time and without notice to enter upon any premises in which the Goods or any part thereof are located, or are reasonably believed so to be, and repossess the Goods.
- (iii) The Company shall be entitled to seek a Court injunction to prevent the customer from selling, transferring or otherwise disposing of the Goods.
- (iv) The Customer shall store or otherwise denote the Goods in respect of which the title remains with the Company in such a way that the same are clearly identifiable as the property of the Company.

**SUPPLY ONLY CONTRACT**

Where the Contract provides for the supply only of the Goods if the Customer requests any assistance with off-loading or installation or commissioning of the Goods, the Customer shall be responsible for the Company's costs.

**STRUCTURE AND CONSENTS**

The Customer shall ensure that any structure to which the Goods are to be annexed and/or upon which the Services shall be carried out shall be correctly designed and soundly constructed, and suitable for the Goods to be so annexed and for the Services to be carried out. The positions of any concealed services are to be brought to the attention of the Company. The Customer shall indemnify the Company against any costs, expenses, damages or losses suffered by the Company, as a result of third party claims against the Company, which is caused as a result of any inherent defect in the structure to which the Goods are to be annexed or upon which the Services are carried out.

It shall be the responsibility of the Customer to ensure that all necessary planning permissions, Building Regulation approval, local authority approvals and any other consents have been obtained for the installation of the Goods and/or carrying out of the Services.

**CHANGES IN PRODUCTS AND POLICIES**

- (a) The Company may at any time add, change or cease making available any Goods without notice to the Customer, and the Customer shall have no claim against the Company for failure to furnish Goods of the type previously sold.
- (b) The Company may at any time change the warranty set out in clause 16 without incurring any liability to the Customer.

**VALUE ADDED TAX**

Prior to providing any Goods or commencing any Services the Customer shall notify the Company in writing of any zero-rated Contracts strictly in accordance with the rules agreed by H M Customs & Excise. Otherwise all prices quoted are subject to VAT at the prevailing rate.

**WARRANTY**

The Warranty set out in this clause applies to materials that have been manufactured by the Company. The Company undertakes to repair or replace at the Company's option, free of charge, any such materials, or part thereof, used under normal conditions for which the material was designed, which is found, to the Company's reasonable satisfaction, to be faulty in either materials or workmanship within twelve calendar months from the date of delivery of the Goods and/or the Services being carried out. Misuse or damage due to defective installation by Customer is excluded. Where Goods only are supplied, the Goods shall be returned to the Company's premises at the Customer's expense unless the Company agrees otherwise in writing. The Company's responsibility under this clause shall cease if:

The Customer has not paid in full all invoices for the Goods and/or the Services supplied by the Company within the time stipulated by these conditions.

- (i) The Company's representatives are denied full and free right of access to the Goods and/or the Services for the purposes of repair or replacement or remedial work during normal working hours.
- (ii) The Customer permits persons other than the Company's employees or agents or those approved or authorised by the Company to effect any replacement of parts, maintenance, adjustments or repairs to the Goods.
- (iv) The Customer has not properly maintained the Goods.
- (v) The Customer uses any spare parts or replacement for the Goods that are not manufactured by or on behalf of the Company, nor supplied by the Company.

In the case of any part of the Goods not manufactured by the Company, then the Customer shall be entitled to only such benefits as the Company may receive under any guarantee or Warranty given to the Company in respect thereof.

When reasonably required by the Company, for the purposes of the Goods and/or the Services, the Customer shall provide tower scaffold, craneage, etc., where necessary at no cost to the Company.

If the Company's representative is required to attend the Customer's premises to effect remedial work under warranty and it is found that the fault is not with the Goods and/or Services, or that the fault is deemed not to be covered by the Warranty, or that no problem exists, then the Company reserves the right to charge (and be paid a reasonable fee) for such call outs.

Notice in writing of the defects complained of together with full details shall be given to the Company within three working days of the date of discovery. The Company reserves the right to vary notification procedure which shall be as devised by the Company in writing from time to time.

Alternatively to clause 16(a), the Company shall be entitled at its absolute discretion to refund the price of the defective Goods and/or Services in the event that such price shall already have been paid by the Customer to the Company, or, if such price has not been paid, to relieve the Customer of all obligations to pay the same by the issue of a credit note in favour of the Customer in the amount of such price.

#### BREACH BY CUSTOMER

If the Customer shall commit any material breach of its obligations hereunder or shall commit an act of bankruptcy or (being a corporation) shall go into liquidation other than for the purpose of reconstruction or amalgamation or shall suffer the appointment of a receiver of any of his or its property or make any deed or arrangement with or composition for the benefit of any of his or its creditors, or if in the opinion of the Company, the customer's credit becomes impaired, the Company shall have the following rights and remedies in addition to any other rights and remedies provided by applicable law:

- (a) The Company shall have the right forthwith to terminate the Contract or any part of it.
- (b) All sums shall become immediately due and payable, notwithstanding any credit terms previously in effect.

The Company may refuse any order placed by the Customer.

The Company may cancel any accepted orders or delay shipment of any order.

If credit previously has been extended by the Company to the Customer and the Company elects to make further sales to the Customer, the Company may require payments on a C.O.D. or cash-in-advance basis.

In the event collection of sums due from the Customer to the Company is referred to lawyers or debt recovery agents for which the Company is insured or if proceedings are brought to collect such sums or to enforce the right of the Company, the Customer agrees to pay all costs, commissions, administration charges and reasonable fees, including such costs and fees incurred in any appeal or proceedings and in executing on any judgment and shall indemnify the Company in this respect.

#### LIABILITY

The customer agrees that it has read the Conditions of Sale, that they have been explicitly negotiated and that they have become a part of the basis of its bargain with the Company.

Except in respect of death or personal injury caused by the negligence of the Company the Company's aggregate liability, if any, to Customer whether for negligence, breach of contract, misrepresentation, unless fraudulent, or otherwise shall, in no circumstance, exceed £1,000,000 (one million pounds sterling).

Except as expressly provided for in these Conditions;

All conditions and representations expressed or implied by statute, common law or otherwise in relation to the Goods and or Services are hereby excluded to the fullest extent permitted by law save for liability for death or personal injury caused by negligence of the Company.

The Company shall have no liability for any direct/indirect or consequential losses or expenses suffered by the Customer, howsoever caused, and excluding without limitation loss of anticipated profits, goodwill, reputation, business receipts or contracts, or losses or expenses resulting from third party claims.

#### INDEMNITY BY CUSTOMER

The Customer shall indemnify the Company in respect of any costs, claims, actions and losses claimed by any third party which are attributable either to the equipment, installations or premises of the Customer or to any act or omission of the Customer.

#### FORCE MAJEURE

The Company shall not be under any liability to the Customer or to any other party for any delay, loss or damage caused wholly or in part by any act, matter or thing beyond its control including failure by the Customer to carry out its obligations under this Contract.

#### PATENTS AND COPYRIGHT

Orders to Customers drawings or specifications are executed only on the understanding that the Customer will indemnify the Company against all losses and claims of whatsoever nature incurred by or made against the Company in respect of infringement of patents, copyright or other intellectual property rights of any other person. Copyright in the Company's drawings and specifications shall not pass to the Customer in respect of the Goods and/or the Services.

#### PREVAILING TERMS AND CONDITIONS AND DISPUTES

These terms and conditions remain absolute, any instructions issued by the Customer will be deemed to incorporate all these terms. No terms issued in any instructions or any other documentation issued by the Customer, and no variation or departure from these conditions and no other term or condition whatsoever which is not contained herein shall have any force or effect in so far as the Company has expressly agreed thereto in writing.

In the event that a dispute arises between the parties to this contract, either party may give notice referring the dispute to adjudication, which shall proceed in accordance with the provisions contained in the Scheme for Construction Contracts (England and Wales) Regulations 1998 amended as follows: - In default of agreement between the parties, the adjudicator shall be nominated by the Royal Institute of Chartered Surveyors

The decision of the mediator will be final and binding.

#### DAMAGE LIMITATION

The Company does not accept the liquidated and ascertained damages clause contained in any Contract Terms & Conditions. The Customer places an order with the Company accepting that there is in existence a damages limitation clause limiting the damages contra-charge to a total maximum of 5% of the Company's order value.

#### SEVERABILITY

If any of these Terms & Conditions is held to be invalid, illegal or unenforceable in any respect, whether in whole or in part, such invalidity, illegality or unenforceability shall not prejudice the effectiveness of the rest of the Terms & Conditions or the remainder of any part of a Condition so affected.

#### WAIVER

No waiver by the Company of any breach of the Contract by the Customer shall be considered as a waiver of any subsequent breach of the same or any other provision.

#### GOVERNING LAW

Any Contract to which these Conditions apply shall be governed by, and construed in accordance with the law of England and Wales and the Customer submits to the non-exclusive jurisdiction of the English Courts. Specific Terms & Conditions are detailed overleaf and form part of these Standard Terms and Conditions.



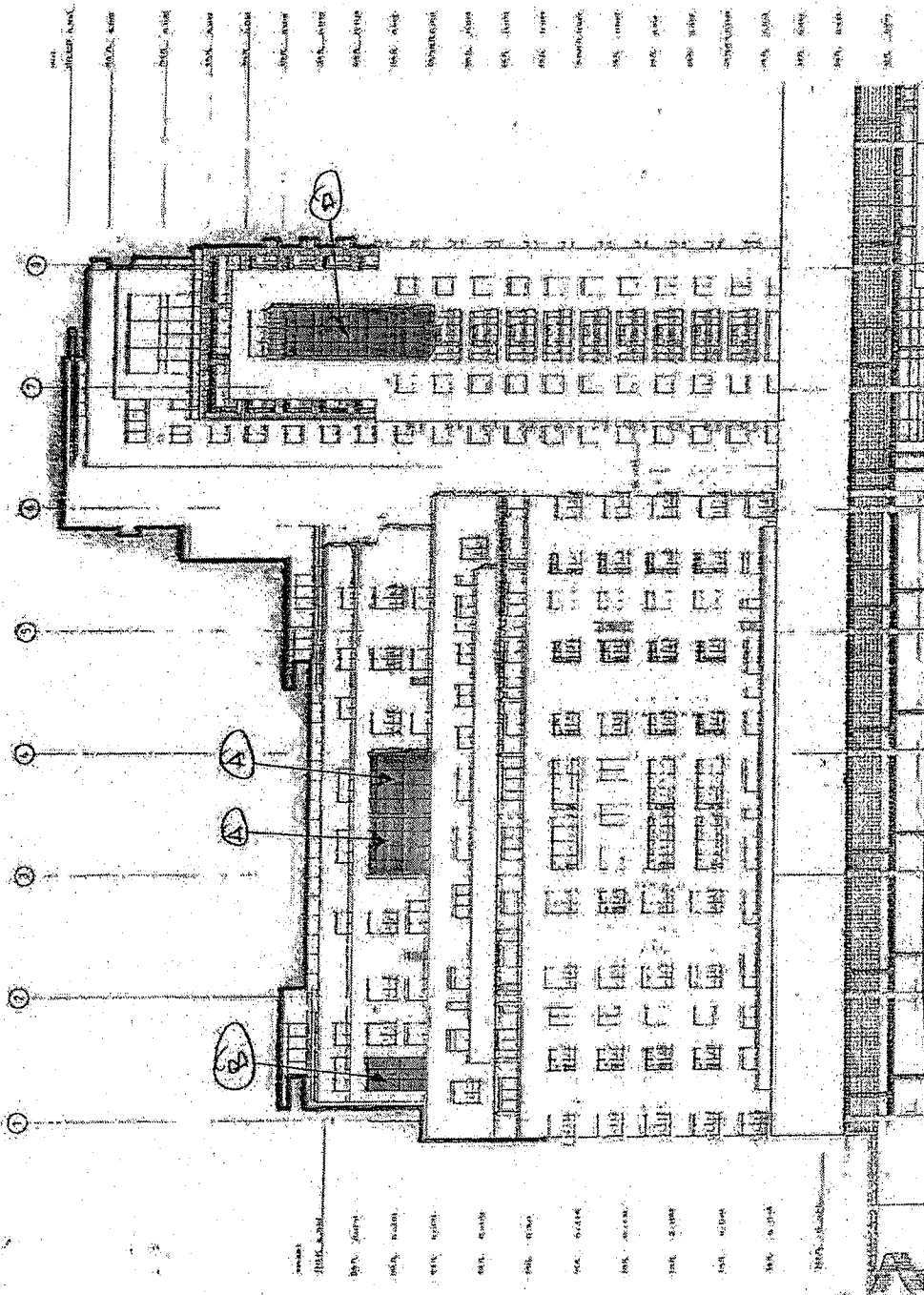
**17 APPENDIX A – LIFE EXPECTANCIES & GUARANTEES**

	ITEM	SUPPLIERS GUARANTEE	ESTIMATED SERVICE LIFE OF COMPONENTS (ESLC) *	TYPE OF INSPECTION	BS8210 4.2.3	MAINTENANCE LEVEL BS7530 (2003) TAB. 1	SAFETY CONSEQUENCES
1	Aluminium (Subject to item 4 & 5)	-10 years	-60 years	2	General	2	4
2	Glass (Subject to item 2a,2b,2c & 3a & b)	-10 years	-30 years	2	General	2	2
2a	Double Glazed Unit	-10 years from Manufacture	-30 years	2	General	2	8.(6)
2b	Laminated Glass Unit	-10 years from Manufacture	-30 years	2	General	2	8.(6)
2c	Heat strengthened & Toughened Glass Unit	-10 years from manufacture (Nickel Sulphide Breakage excl)	-30 years (Nickel Sulphide Breakage excl)	2	General	2	8.(6)
3a	Coating on Glass	-10 years	-30 years If within the internal cavity of the double glazed unit	1	Routine	2	8.(6)
3b	Fritting on Glass	-10 years	-30 years If within the internal cavity of the double glazed unit	1	Routine	2	8.(6)
4a	Paint Coatings: PVDF	-10 years by Material Supplier -10 years by Applicator	-30 years	2	General	2	4
4b	Paint Coatings: PPC	-25 years by Powder supplier -25 years by Powder	-30 years	2	General	1	4
5	Anodising	-25 years	-30 years	2	General	2	4
6	Silicone, Gaskets, Sealant & Membranes	-10 years	-30 years - (Internal) -20 years - (External)	3	Detailed	2	8.(4)
7	Insulating Materials & Slab Fire Stopping	-10 years	-30 years	1	Routine	3	8
8	Doors, Blinds, Motors & Mechanisms	-1 year from Commissioning	- To Be Agreed	3	Detailed	2	8.(7)
9	Ironmongery, Pivots, etc	-5 years from Commissioning	-10 years	3	Detailed	2	8.(7)
10	Other materials such as Brackets, Fixings etc	-10 years	-the life of the building with periodic treatment (as per maintenance manual)	2	General	3	4.(2)
11	Stone, Terracotta	-as per supplier commitment	-To Be Agreed	3	Detailed	2	4.(2)
12	Steel Elements	-10 years	-60 years	2	General	2	4

\*ISO 15686-1 (2000): ESLC = RSLC x Factor A x Factor B x Factor C x Factor D x Factor E x Factor F x Factor G

Where Factor A=Quality of Components, Factor B+Design Level, Factor C=Work Execution Level, Factor D=Indoor Environment, Factor E=Outdoor Environment, Factor F=In Use Conditions Factor, =Maintenance Level

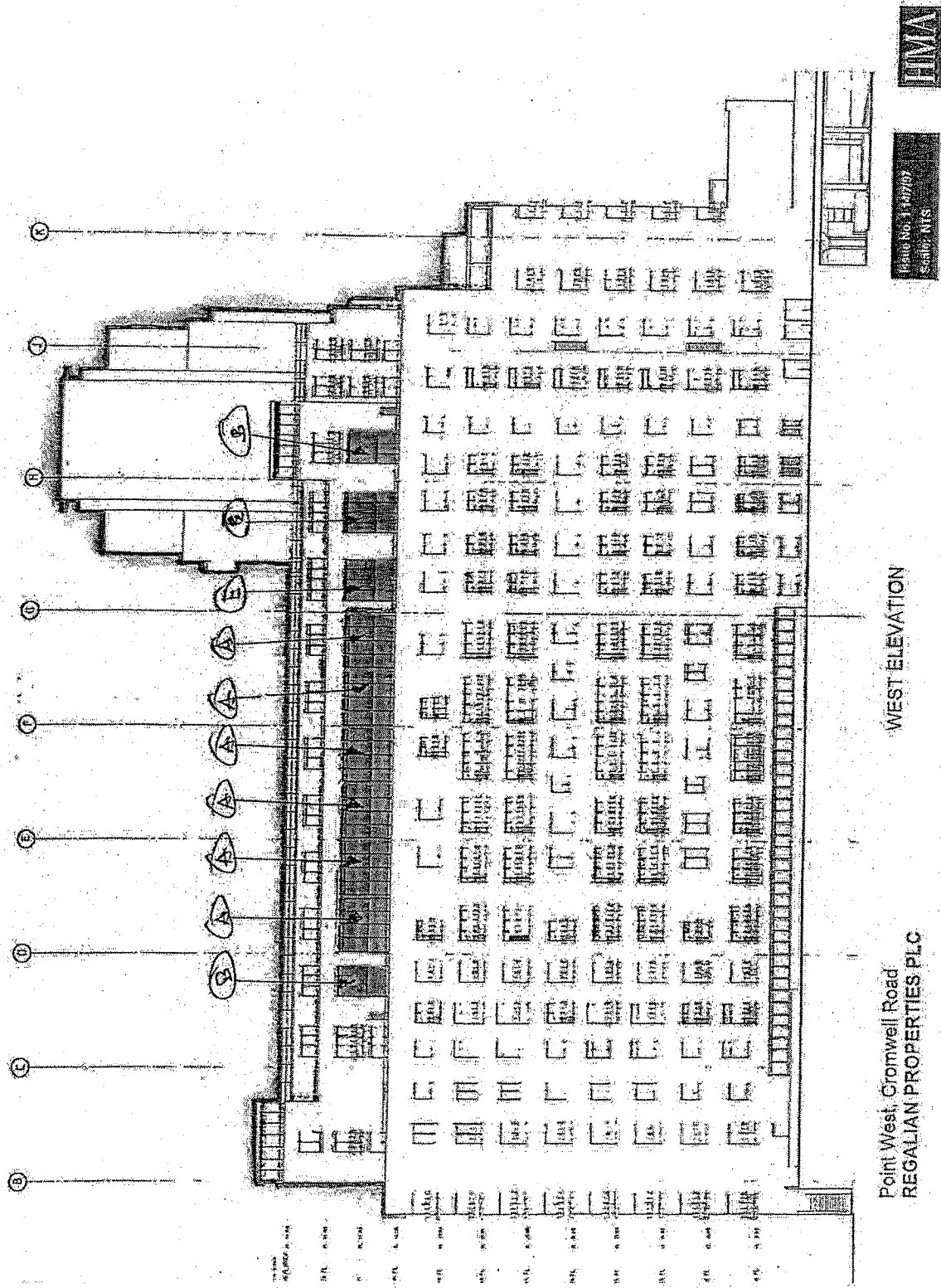


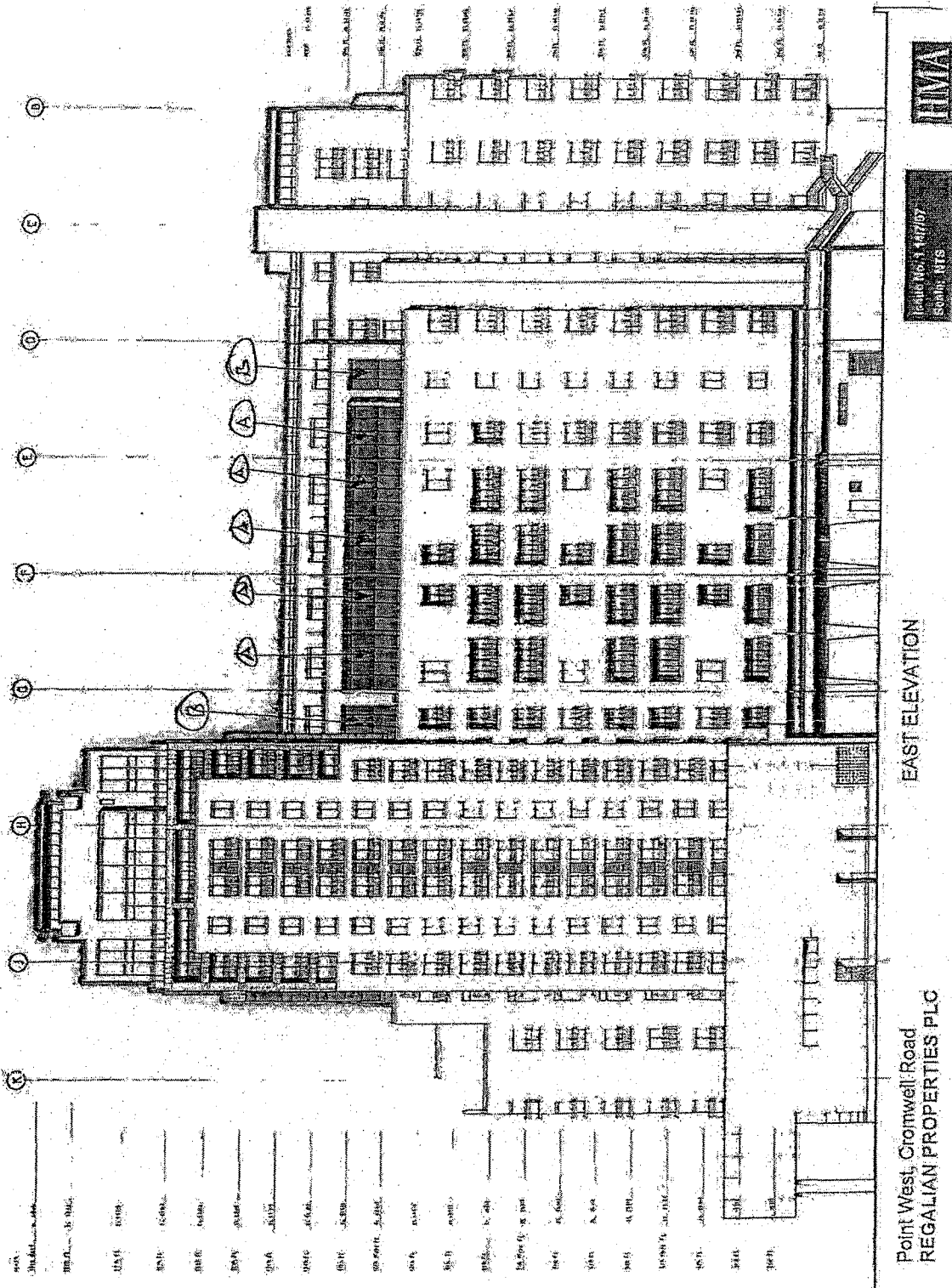


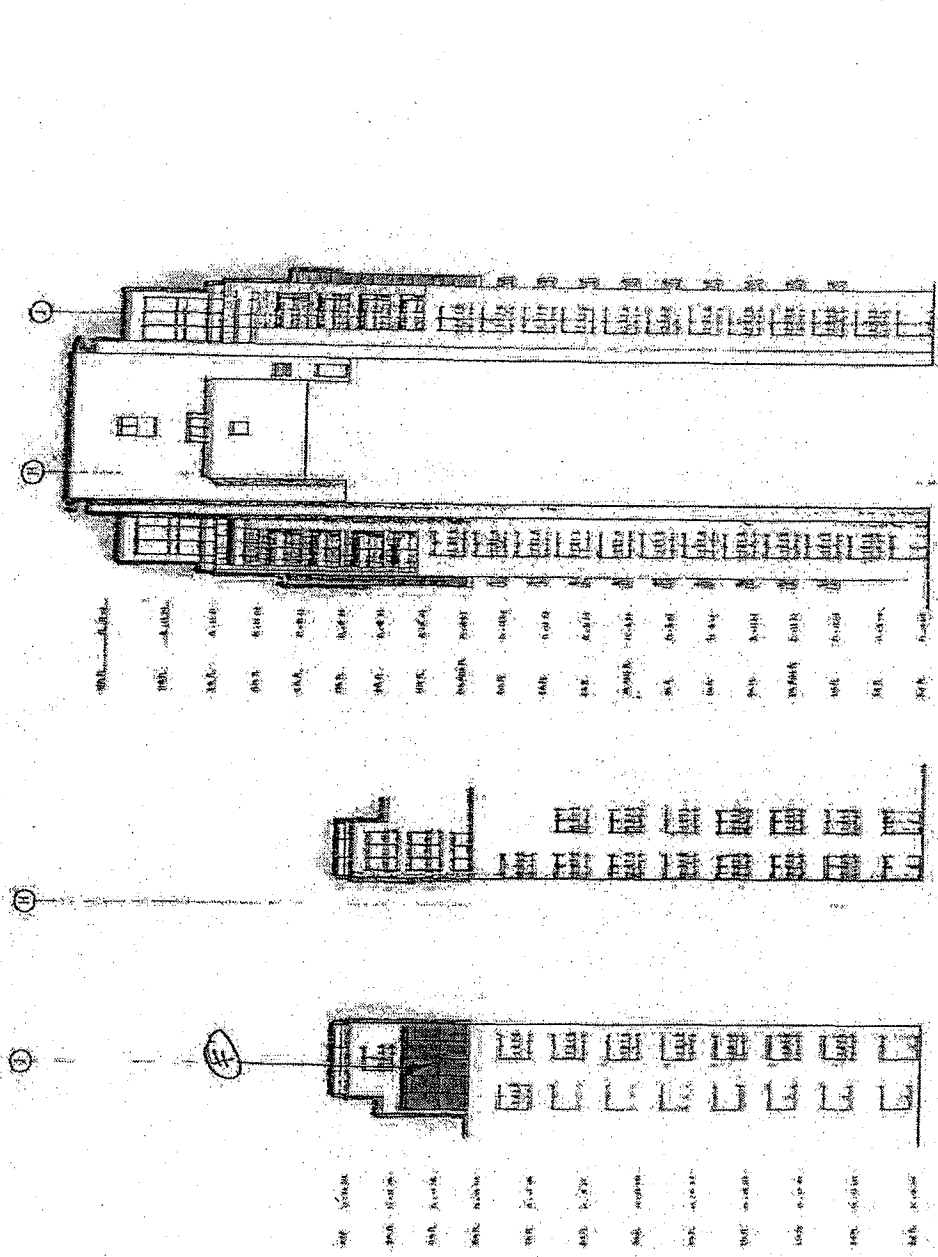
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SOUTH ELEVATION

Point West, Cromwell Road  
REGALIAN PROPERTIES PLC







EAST ELEVATION OBSERVED BY OWNER

EAST ELEVATION OBSERVED BY OWNER

EAST WEST OBSERVED ELEVATION

Point West, Cromwell Road  
 REGALIAN PROPERTIES PLC



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Made on behalf of the:  
Witness:  
Statement of Witness:  
Exhibits:  
Date:

Applicant  
D R Nicholson  
First  
Exhibit DRN1

CASE NO LON/00AW/LSC/2016/0115

IN THE FIRST-TIER TRIBUNAL

PROPERTY CHAMBER

RESIDENTIAL PROPERTY

**BETWEEN:**

POINTWEST GR LIMITED

**Claimant**

And

THE LESSEES LISTED IN  
THE SCHEDULE TO THE  
APPLICATION

**Defendant**

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**WITNESS STATEMENT OF  
DEREK RONALD NICHOLSON**

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