

Minutes of MQA-G Annual General Meeting: 20/11/24

Produced by Andy Cawthera in December 2024 – not board approved.

Abbreviations used :

MR: Matt Rittner RW: Richard Webb AC: Andy Cawthera DS David Scott
CG: Corporate Governance.

The meeting was opened by Richard Webb (RW) who said that as Chair he was handing over the running of the meeting to the company secretary Matt Rittner(MR). RW commented that before anyone complains to the ICO he is still chairing the meeting¹.

Apologies: Anthony Austin, Clive Davidson, Marilyn DiCara.

Proxies: Clive Davidson, Marilyn DiCara, Christine Teller, John Anthony, Helen Flanagan. (Apologies if any names were taken down incorrectly – corrections appreciated).

Financial statements: to the y/e 31/3/24. These are the dormant accounts filed in Companies House, comprising of zeros. **Approved.**

Appointment of Auditors

It was proposed to re-appoint Reed, Accounts and Tax Limited who MR said act on leaseholders' behalf checking our numbers and are our warranty of those².

Approved.

Appointment of Directors

There have been some resignations from the board during the year, with six directors remaining who are standing for re-election. There was no objection to a block vote, and Richard Webb, David Scott, Janet Kitchen, Derek Kitchington, Sean Patterson and Nick Metzidakas were **all re-elected**.

¹ It is strange that RW thinks someone might complain to the ICO (Information Commissioner's Office) about who chairs the meeting. He may be conflating two separate issues:

a) 2006 companies act stipulates that only a member can chair the meeting. MR is not a member. The ICO has no interest in this.

b) at the 2023 business meeting / AGM RW circulated the name of a leaseholder to the meeting saying he had tabled some questions to the AGM. This was not the case. The leaseholder complained to the ICO who is *"of the opinion that Millennium Quay have not complied with their data protection obligations..."*

In reality the meeting was chaired by MR.

² I questioned the auditor's role with Chris Reed (auditor) in Jan 2015 in relation to the wording of a 'note' on the accounts saying, *"obviously as auditor it's your call"*. His reply was enlightening *"Not really – the accounts and note wording is the decision of the board of directors, it is my responsibility to audit and make comment if I do not think it is correct."*

There were four new nominations for the board. Andy Cawthera (AC) requested that we should be told something about the nominees before voting and that if present they introduce themselves to the meeting saying why they wished to join the board.

John Palmer: has been resident for 23 years, was previously invited to join the board, did so for a year, then had to stand down. He is involved in public affairs.

Clive Davidson: as he wasn't present, and his application wasn't available RW introduced him as someone who is recently retired and has worked at a corporate board level. RW said he is what we lack, someone with senior and corporate experience who knows his way around boards and governance and major contracts.

Tasos Hamosfakidis: has previously been on the board for a year but was unable to continue due to a sudden family death. Has worked in finance for 22 years holding a range of positions in banks. His values are honesty, transparency and good energy.

Helen Flanagan: as she wasn't present RW introduced her, he doesn't know her so summarised from her application. A corporate governance professional with more than 20 years' experience in industry. Served as a company secretary. She wants to promote an open and transparent partnership with fellow directors, a positive relationship with stakeholders and support directors in maintaining impartiality and in being transparent. RW continued that the thing he really likes is her hands on experience of practical board management that RW has been learning and reading from the last couple of years.

AC pointed out that when RW was elected these statements were published in advance and we had a record of them and knew something about the people we were voting for. He asked:

- a) could that happen in future and
- b) could these be included in the minutes this year?

RW said this should be possible and agreed it would be a better process.

All four were elected unopposed (7 abstentions for Tasos).

Amendment to the Corporate Governance

RW said that Andy Cawthera (AC) had a question to raise under AoB. The advice that we have had and the board's view, is that interesting though the question might be it doesn't qualify as a company resolution. A company resolution would be required for changing the memorandum and it doesn't it's to do with a mentoring document that the board produced some years ago which he would like to see more closely adhered to.

AC stated he was tabling a resolution not raising a question. He quoted the company's legally binding Articles of Association which state:

"24. The directors may determine such rules or procedures as they deem fit for the efficient running of the company. The company in general meeting shall have power

to amend or repeal such rules or procedures which shall be binding on all members of the company for as long as they remain in force."

AC continued that he submitted the same resolution to last year's AGM but RW had stated that a resolution wasn't appropriate. AC then spoke with RW after last year's meeting who agreed that a resolution was required but that this needed to be submitted in June. This was done with AC asking if it was in order. He heard nothing back from R&R in spite of several reminders but did receive a reply after going through R&R's formal complaints procedure, when he was told that this must be put to the meeting.

AC stated that MQA-G has a corporate governance document of the type outlined in the company's Articles. As it stands it's a voluntary agreement, which the board can ignore if it chooses. AC believes it important that it becomes binding as per the Articles of Association.

In proposing an amendment AC stated he has three aims, the most important is that, as stated in the Articles, by being discussed, by being brought to the meeting, it then becomes binding whether or not the amendment is passed.

AC proposed to amend section 7 of the company's CG with the proposed amendment in red type.

*"7. The AGM should be held in accordance with the Memorandum and Articles of Association of the Company and The Companies Acts as applicable. **The AGM will include questions from members to the board with questions and answers minuted and published on the Company's site. Such questions should not be handled in a separate "business meeting". The Board will consider points raised in the AGM and ratify any formal AGM resolutions at a subsequent Board meeting.**"*

This is what happened for 20 or more years, then four years ago this was changed for some unknown reason. At a time, the board still published its minutes, there is no minute available to indicate this change was approved by the board.

Referring to RW's statement that a resolution is needed to change the Articles of Association and Memorandum of Agreement. AC said that this is correct, but a resolution is not limited to this. A resolution can be used for all sorts of other things, including this, and that is what he is doing.³

Turning to the proposed amendment, AC thinks it important that the AGM includes questions from members and that these are not handled in a separate business meeting. This is usual practice in most other AGMs and used to be the case at MQ.

AGM minutes need to be provided within 14 days of being requested by a leaseholder. By questions being asked, answered, minuted and circulated in a

³ Dr Webb may have been poorly advised. To change a company's Articles of Association requires a "special resolution". AC was not proposing a special resolution or to change the company's Articles. "Yes, a special resolution is usually required to change a company's articles of association (Google: AI overview)

timely manner, we don't have to wait a year, as we have done this year, for a 'note' to come out, that we don't know if or who has approved it. It is all streamlined.

AC concluded by asking leaseholder to vote for the amendment and emphasised that irrespective of whether or not it is passed, by it being brought to this meeting, the corporate governance document is then binding on all members. All directors have to be members.

Discussion

- A leaseholder asked if this is typical. MR replied "no"
- RW stated the CG document isn't bad for defining things such as what counts as a quorum, it's a bit out of date, wrong in places and incomplete. He did not provide any details. He also said it is rarely if ever referred to by anyone else and that he doesn't know if anyone has referred to it on the board ⁴. RW went on to say that "if there is any justice in what we are told, it's that we probably need to update the document and should make an effort to do so over the coming year." He continued that our governance is in pretty good shape and that to apply an out of date and incomplete document written some years ago strikes RW as not a good way to run the board this year.
- AC pointed out that the issue isn't whether or not it is out of date. There is scope to amend it but in future that would have to be through a general meeting as per the company's Articles of Association.
- A leaseholder suggested that as we have someone becoming a director who is an expert on CG – why not ask them to decide if this is a legitimate request. RW stated that "we", [presumably the board], had already taken "special guidance" and that this was that this will only be a resolution type of question if the Board approved it as a resolution type question⁵. The Board discussed this. RW did not say who had provided the "special guidance". He went on to say that we can however, listen to the vote and act on your recommendations.
- AC pointed out that so long as it has been discussed at the general meeting, which clearly it has, then the CG becomes binding irrespective of the outcome of the vote.
- A leaseholder asked what AC was driving at. Is it to make sure those minutes are published within a certain amount of time? AC clarifies that it is this and that the minutes capture questions raised at the AGM, including what is now in a separate business meeting. If passed the amendment would be incorporated into the CG and, irrespective of if the amendment is passed, the whole of the CG is then binding on all members as per the company's Articles of Association.
- A leaseholder asked if there is any objection to the substance. RW said he had two objections: 1) it's not a resolution the board hasn't approved it, 2) there is no support whatsoever, the universal vote from the board is against

⁴ In the November 2023 business meeting RW said the board look at this document once or twice a year.

⁵ Dr Webb and the board have again been poorly advised. Board approval is not required for a shareholder to submit a resolution to an AGM. Resolutions are submitted that boards do not approve, it happens at many AGMs: for example, those of oil companies. As Google AI overview states "No, an AGM resolution does not require board approval to be discussed, but the board can approve the circulation of a written resolution"

publishing the minutes of board meetings and exposing stuff like that. The leaseholder pointed out that he is taking about the business meeting and the AGM. RW responded that publishing board minutes is one of the things in the “checklist”. He said nobody does that and it’s against all the advice we’ve been given. RW continued that the other objection to it is that the CG is out of date and inadequate. He did not say how.

- AC pointed out that he thought RW had said some things that are not totally accurate. He’d said, “nobody does this”. Charter Quay, a development at Kingston, publish their board minutes. Martin Boyd is chairman of the board there, he’s also chairman of the Leaseholder Knowledge Partnership and of the Government’s Leaseholder Advisory Service. MR interjected that that’s because one of the directors of Charter Quay went off with a million quid ⁶. AC responded that having provision for this is a useful safeguard for that not happening in future here.
- AC continued that last year, RW said “*no international body does this. No national body of any standing does it*”. However, The World Bank does it. The Bank of England does it. We’re not being given the whole picture.
- RW said he hadn’t been talking about national bodies and the World Bank etc. but about companies.⁷ He went on to talk about his experience with the Health Protection Agency [superseded in 2013] who Dr Webb claims produced two sets of minutes. One accurate and the other sanitised for publication. He asserted that this is inevitable when minutes are published and is a waste of everyone’s time. AC agreed that it would be a waste of time to publish two sets of minutes one accurate and one phony but pointed out that it is not a necessary consequence of publishing minutes. MR interjected saying “That’s what you used to do” AC, who was on the board when minutes were published, said this was not the case. MQ never did this neither do other developments similar to MQ. MR protested that there are confidential matters that happen a lot. AC pointed out that you simply don’t minute those [or redact them].
- MR stated that of the hundreds of developments R&R manage none of them have a governance document like MQ has and that this is unheard of in our sector. AC pointed out that this is permitted under the company’s articles of association.
- A leaseholder objected to AC’s distraction from the really important issues that had been discussed during the evening and that she resented this. She continued that she thought it a rude implication towards people who are giving a huge amount of their time and expertise dealing with really vital issues.
- David Scott (DS) said that he is a board member and that he didn’t know of these Articles that we are meant to operate [I believe he meant the Corporate Governance] and that they seemed to him to be quite interesting that we have these and not a bad thing if we read them occasionally. He felt it is important to do this as the board meetings are not all sweetness and light and that it is very timely publishing these – he felt we should read and reflect on the articles of association that we have.

⁶ Subsequent checking with Martin Boyd, shows this to be completely inaccurate. See later “commentary” for further details.

⁷ At the time he said: “*And no company, no international body no national body of any consequence, even those that hold part-time public meetings will dream of publishing their true minutes*”.

- RW said we have the Articles and directors will get a reminder of these on 8th Jan as they did last year on their duties and the papers of the company, but the CG is separate from the Articles. He said the CG is an internal document – a checklist of what is quorate etc. and that DS may not have been at the board meeting when it was discussed ⁸.
- DS said we should get our own term on this. RW agreed saying we should do it every year and that it would be a good idea to be more formal on reviewing our governance processes.

Vote

A leaseholder suggested we move to a vote.

- MR agreed – saying the question is whether the resolution that AC has put forward, but then went on to say that he was unsure that the ‘resolution’ is appropriate.
- AC said it didn’t matter if it’s called a resolution. It has been discussed.
- MR said a resolution normally requires 10% of the member to be put to an AGM ⁹.
- AC stated that it’s his understanding that he put a resolution to the AGM. He proposed it back in June and asked Bradley if it was in order. In spite of repeated reminders, he received nothing back to say it was not in order. R&R have stated it must be put to the meeting.
- MR said he isn’t sure it is in order but asked for a show of hands.
- AC said we need to be clear that it is the amendment to the CG that we are voting on
- MR stated that is the resolution but that it’s everything you’re talking about.
- AC said this is not the case
- RW asked if AC is talking about one thing or three?
- AC said that his aim is threefold but the actual amendment is the bit he read out that the AGM will include question from members to the board with questions and answers minuted and published on the company’s web site. So, questions should not be handled in a separate business meeting. That is what we are voting on.

Result

One leaseholder voted for the resolution, Six abstained with the rest voting against. **The vote was not carried.**

AC pointed out that it is irrelevant whether or not it is carried. The fact that it has been discussed means the GC is now binding on all members.

⁸ In his lecture to the 2023 MQA-G “business meeting” RW told leaseholders “*We look at it [the corporate governance document] once or twice a year...*” yet at least one director was unaware of it.

⁹ MR appears to be confusing and conflating two different issues: On the percentage of member needed for a resolution, Google AI Overview states: “*No, the percentage of members required to put a resolution to an AGM varies depending on the type of company and the resolution being put forward*”. And on the 10% figure: “*A request by members representing 10% of the share capital that carries voting rights at general meetings will require the directors to call a general meeting.*”

Commentary

The AGM gives rise to a number of questions and issues including the following:

What is the background to the Corporate Governance document?

This was developed over several years by the board. As a director I was unclear about board procedures. For example:

- some board meetings were cancelled as we were told they wouldn't be quorate
yet others took place with lower numbers
- it wasn't clear what officers there were or how they were appointed
- it was unclear what limits, if any there were to expenditure that could be authorised without board agreement
- board meetings did not include a declaration of interests – the suggestion of which was strongly resisted.

I suggested such issues needed to be clear and clearly laid out. This resulted in the Corporate Governance document. The document was amended a couple of times, in ways which in my opinion weakened it.

Why is it important?

For MQA-G its corporate governance (CG) lays out how the board operates. Having clear and robust CG helps to protect the company and its shareholders from any untoward activity, especially from its officers and from the types of autocratic or demagogic leadership that can easily occur in small organisations.

Criteria / ingredient for good CG

In the not-for-profit sector the main ingredients of good governance and minimising fiduciary risk include:

Governance pillar	Adherence in MQA-G	MQ RAG *
Financial audit	Done annually and circulated to leaseholders. This year the font used was virtually unreadable.	
Internal audit	I am unaware of one ever been undertaken at MQ	
Having a minimum of three officer	MQA-G has one officer: its board Chair. The CG used to specify two, but the board amended this in 2020.	
Periodic but regular tendering of all contracts	This helps reduce cronyism. It used to be in the CG but has never been carried out. The board removed it in 2020. MQS's contracts worth approx. £220k pa from the whole of MQ have never been tendered. Last year a p/t comms person was appointed at £25k pa – apparently a director of MQFL, without a transparent recruitment process.	
High transparency	The CG stipulates that board minutes must be published. This was done and the need for it never questioned until the current chair took over. Only	

	brief AGM minutes are published. Business meeting and board meeting minutes are not published.	
Declaration of interests	Even though required by company law and the company's Articles, this was fiercely resisted. It subsequently emerged that the then chair's partner owned 50% of MQS and received a salary from MQS. The extent of this interest has yet to be fully declared. We are told board meetings now routinely have a declaration of interests.	
Clear and transparent procedure that are adhered to	The company's CG is ignored. At the AGM one director said he was unaware of it and that such a document would be useful.	

*RAG – Red Amber Green rating

Does MQA-G have good corporate governance?

Richard Webb told the AGM that he thought our CG *"isn't bad for defining things such as what counts as a quorum, it's a bit out of date, wrong in places and incomplete"* he didn't specify the criteria used to inform his judgment. Based on the above criteria it is hard to be anything other than concerned about our CG when it is RAG rated red on five out of seven ingredients for good CG.

Why was there discussion about publishing board minutes at the AGM?

This was not a part of the resolution, it is unclear why this was discussed. IMO the chair should have pointed out that this is irrelevant and focussed the discussion on the issue. My guess is that Richard Webb introduced this issue either because he fails to appreciate that the Articles stipulate that by an amendment to the GC being discussed at the general meeting the whole of the CG is then binding on all members irrespective of whether the amendment is passed, or, appreciating this, he sought to 'muddy the waters'.

Do other developments / organisations publish board minutes?

It was pointed out in the discussion that Charter Quay (CQ) publish their board minutes. Martin Boyd chairs their board, he also chairs the board of the Leaseholder Knowledge Partnership and the government's Leasehold Advisory Service. Matt Rittner (MR) told the meeting that this was probably because one of the directors at CQ had run off with £1m. RW also told the meeting that *"nobody does that [publish board minutes] and it's against all the advice we've been given."*

This was checked out with Martin Boyd. With regards to £1m going missing he replied:

I've been the only chair since we took over the site and since our funds have always been kept in trust by our agent who is now part of the Odevo group that also owns R&R it would be very disappointing to me if 1p had gone missing let alone £1 million."

He also checked this with Duncan Rendall who replied:

"...I'm sorry to say that in relation to the misappropriation of funds point he's [Matt Rittner] caused this confusion because he was thinking of an entirely different building from CQ..."

With regards to publishing board minutes Martin Boyd replied:

"I've also asked Duncan [Rendall] why any site would not want to publish minutes. Directors are elected to represent the interests of their fellow leaseholders and should always be transparent."

"The only elements of our minutes we redact are when they relate to a member of staff or leaseholder."

"As far as I know many sites publish minutes to their members. We thought we would go one step further and put them on the website. We had a few board members worry at the beginning, but it's caused no problems at all."

The reply from Duncan Rendall was:

"Publication of minutes is quite common although some boards are naturally wary about including details of litigation around service charge collections or other commercial negotiations that are ongoing."

Obviously, there is a difference between the for-profit and not-for-profits sectors. Commercial confidentiality is more important in one and transparency more important in the other, especially when there is no 'bottom line' for shareholders to hold directors accountable against. In some areas of governance, it is likely to be just as inappropriate for the not-for-profit sector to adopt practices from the for-profit sector as it would be the other way round.

Why is RW and the board against publishing board mins.?

It is hard to understand this and before Richard Webb joined the board the publication of board minutes at MQ was never an issue. As Martyn Boyd points out *"I've also asked...why any site would not want to publish minutes. Directors are elected to represent the interests of their fellow leaseholders and should always be transparent."*

A couple of examples from MQ may help to illustrate the value of published board minutes.

Director letting a flat on Airbnb: a director was letting one of their properties on Airbnb with intolerable consequences for neighbours. This had gone on for several months with the person concerned saying that it wasn't forbidden. Eventually, a neighbour aired the situation on WhatsApp. A leaseholder reading this recalled that the board had looked into this issue with the director who now let property via Airbnb concluding that it was legally forbidden and had drafted a letter from the board to leaseholders outlining the legal position. As board minutes were then published, the minute of the board meeting of 23/11/16, available on the MQ site, confirmed this. The director concerned then sorted the issue out within a few weeks.

Director's undeclared interest: company law and MQA-G's own Articles of Association require that directors declare any interest. The partner of a long-serving director and chair of MQA-G's set up M Q Services (UK) Ltd generally known as MQS and was paid a salary by them. Contrary to the director's subsequent assertions, this wasn't properly declared at the time nor was it declared on other occasions including in June 2014 when the board approved a £10k increase in the MQS. As yet it still hasn't been fully declared. At the November 2023 the current chair incorrectly informed the business meeting that this had been fully declared and that a leaseholder who sought legally required information about this was being vexatious and vindictive. As the relevant board minutes were published

leaseholders can access accurate information themselves rather than having to rely on inaccurate assertions.

One hopes that director's will appreciate that the transparency achieved by the publication of board minutes aids their duty of accountability and good governance.

Was this a resolution or not and does this matter?

During the meeting Dr Webb stated that the issue put to the meeting was a question not a resolution and that the board had received specialist advice to this effect. This is a) irrelevant and b) inaccurate.

- a) Irrelevant: the Articles state that *"the General Meeting shall have power to amend and repeal such rules or procedures which shall be binding on all members..."*. They do not state that this must be via a resolution. The fact that an amendment was tabled, discussed and voted on whether via a resolution or a question makes the CG binding on all members.
- b) Inaccurate: the usual way to bring a matter of this kind to an AGM is via a resolution. A resolution can be and is used for other things such as amending the company's Articles, but it is not restricted to this and can be used for other matters. It is not accurate to call this a question. A question asks something that requires an answer. It is not voted on. If something can swim, walk and fly and goes 'quack' we call it a duck. If someone wants to call it a cow that doesn't make it a cow. Likewise, if someone wants to call a resolution a question this doesn't make it a question.

One trusts the board will carefully scrutinise the content and source of the "specialist advice" Dr Webb referred to.

What is the post AGM status of the CG? Where can it be accessed?

As per S24 of the company's Articles of Association the CG are now binding on all members. It can now only be amended via discussion at a General Meeting.

The Corporate Governance document can be viewed on the MQ site. Go to the Documents section, then scroll about 2/3rds down to "Company Documents".

The Articles of Association were filed at Companies House (CH) on 19/7/01 and can be found on the CH site. Go to MILLENNIUM QUAY (BLOCKS A, B, C, D, E, F, AND G) MANAGEMENT COMPANY LIMITED or Company number 04159028 then "filing history" then page 7. Or See [Link](#)