

The Mutual Heights Body Corporate

Fourth annual report from the Chairman of the Trustees

July 2009

This report concerns the management of the building and the activities of your trustees for the period August 2008 to July 2009.

Four meetings of the Trustees were held in that period, the first immediately after the AGM (on 23 October 2008), at which I was appointed chairperson.

Composition of the Trustees

In the period of this report, your trustees have included:

Andrew Bytheway (Chairman)
David Falck
Alan Hill
Simon Hudson
Susan Lieberman
Paul Rippon (Previous Chairman)
Dion Williamson

Alan Hill has increasingly had to spend time out of the country, and stood down during the period in question. All are available for re-election. We can appoint as many trustees as we wish, but over the past period the relatively small group of trustees has, I think, worked effectively and there is no pressing need to increase the numbers significantly. On the other hand, as I explain below, we are looking to form two task forces to assist with the damp penetration problems. More of that in a moment.

First, it is necessary to acknowledge the sterling service of Paul Rippon, my predecessor, who has guided us with considerable success through the first three or four years of occupation. We have been very fortunate that his legal background has given us the confidence to deal with a number of issues that have, perhaps, been inevitable in such a potentially difficult situation as we have had. As a simple-minded engineer, I shudder to think of the subtlety and complications of the law, and I am extremely pleased that Paul continues to assist us as a trustee. As we will see, we are not done yet with all of the legal issues that confound us.

Financial matters

The financial reports are available elsewhere in the meeting papers, and it is not necessary to dwell on the details here. Suffice it to note that we have had to apply a larger than average increase to the levies, at a time when costs are soaring and the whole world is wondering what financial disaster will hit us next. We thank the Mutual Heights community for its understanding, and hopefully you are, like your trustees, happy to know that we have our "business" on a sound financial footing. It is not just a question of increased costs, we still have huge uncertainty about the extent of the valuation settlement with the municipality (when all objections and appeals are done), and only then will we begin to see a regular pattern of income and expenditure. Please be assured that provision has been made, and there should be no need to make any special appeal for extra contributions to the municipal rates.

What has become very clear, however, is the need to provide plans for short-term and long-term maintenance of the building.

The building

As we frequently remark to our friends and associates, we are privileged to own and occupy a quite extraordinary building. It is truly unique (although originally inspired by between-the-wars art deco architecture in the USA), and its history really needs to be more carefully recorded than it has been.

For me, one of the features of the last year has been email correspondence with the grandson of one of the stone masons who led the work on the famous frieze around the ground floor of the building, and the animal figures high on the front of the structure and elsewhere. You may have noticed that the credit (as "sculptor") is given to Ivan Mitford-Barberton, but there has been a battle to gain recognition for the team of five Italian masons who "actually" did the work; partly, following the outbreak of war in 1939, from prison and under an armed guard! I hope that Giovanni's full account of his recollections, and his extensive research, will be available on our web site soon.

Having indulged in a little reminiscing, we must turn to the practicalities.

Snagging and damp penetration

We noted in Paul's report last year that the developers, Old Mutual Properties, have formally indicated that they consider they have done everything necessary to render the building suitable for occupation. Coming to final agreement about building completion is often a tortuous process, as many of you might already know.

In our case the concerns about completion remain, especially in the matter of damp penetration. We agreed at the October AGM last year that dealing with this would be a priority this year, and some progress has been made (albeit not as quickly as we had hoped). The problems have been surveyed, and expert advice has been received. The meeting might like to reflect briefly on whether there are any *other* matters of "snagging" that are still outstanding, but your trustees are content that all other issues have been dealt with to our reasonable satisfaction. Hence, we must focus on the damp problems.

In essence, we have to deal with separate problems with the *walls*, and the *windows*.

Walls

The problem with the walls is with the "caulking", or "pointing", that sits between the granite cladding blocks on the exterior. The granite is impervious to water, but the joints between the blocks are not – some have become cracked and in some places the caulking is coming out. In the conversion, some areas were re-caulked by contractors hired by the developer, other areas were not. The legal issue is therefore whether the work was done everywhere where it was needed, and whether it was done properly. If not, and if we have the evidence to substantiate this, then we have a potential case against the developers. The expert advice is that we need quite detailed evidence if we are to get anywhere, and so we are presently in the process of finding any available evidence, and preparing to take legal advice.

As to the practicality of remedial work to the walls, we will soon have the expert advice we need about materials and techniques, and we can then get on with the job. But, please be advised that it has been estimated we have *more than 31 kilometres* of jointing around the granite, and this is not a job that we will complete within one year. We need to decide how much we want to spend each year, and where the money will come from.

Windows

In the case of the windows, the problem concerns the ingress of damp around the window frames (which butt up against steel stanchions, which are adjacent to the brick and granite walls), and within the frames at the junction of the glass and beading. The beading should be relatively easy to deal with, and the inconvenience to residents should be minimal. However, there needs to be a damp proof membrane (or barrier) at the junction of the steel stanchions and the wall structure, and we are yet to discover what was originally done and how we can retrieve the situation. We need to undertake some investigation, and owners and residents need to understand at the start that this aspect of the work might be much more intrusive. We will endeavour to keep you informed as this progresses.

Improvements

Happily, not all the news about the state of the building is difficult, we hope that the meeting will agree that the new glass doors in the main entrance are magnificent in their design and execution, and that the extended opening hours are helpful – especially when we have guests and visitors in the evening. The only slight down-side here has been the need to acquire additional card keys, but we hope that all residents understand that this has been a significant contribution to security and to convenience of access, without any adverse impact on aesthetics. Similarly, we trust that as the teething problems with the garage door are dealt with, users will find it more reliable and take comfort knowing that lost “buttons” will not compromise security (*provided you tell the management office that your button is lost!*)

Maintenance

As with all buildings, we are faced with an ongoing maintenance task. Despite any remedial work on the walls and windows, we must understand that there will always be issues with maintenance of the building, especially as a result of the weather, the burden of usage of the common areas, and the need to replace and restore expendable and fragile parts of the building. You may be assured that providing adequately for maintenance in the budget is, and will remain a priority.

That sign!

We continue to seek ways to bring the benefits of our “advertising space” at the top of the eastern side of the building. We have been advised not to attempt to remove or obscure the existing “Old Mutual” sign, and we were delighted to receive optimistic expert advice about the possibility of winning a new “client” for the space. The opinion was that we are not constrained by the by-laws about advertising on *residential* buildings, because the portion of the building in question (behind the wall) is not residential. Let’s see how it works out, and if anyone reading this report has an idea about who could be persuaded to advertise there, please let us know. In the meantime, agents have been appointed and we await developments.

Community

I am anxious that your trustees, and the building management, do what we can to build a proper “community” within the building, and amongst non-resident owners. That is not to intrude upon people’s privacy, but to make sure that information flows hither and thither, and that we are all reasonably supportive of each other and that we cause no offence. Happily, we have been free of major “incidents”, but we must all watch for signs of problems and deal with them constructively.

Communications

First, your trustees want to be in good contact with the community, and during the period since the last AGM four newsletters have gone out. We hope that this is helpful, and that you will respond in like kind, by telling us what we need to know. Maintenance comes to mind, and we appeal to all who are in the building to report maintenance requirements as they become apparent.

For example, trustees were shocked to discover the state of the access to the lower apartments on the “Wellington” side, where we found dirt, shabby paint work, and extensive evidence of bird droppings! There is no patrol that sets out daily to check these things out, but when we hear of them we are happy to act quickly, as we have endeavoured to do in this case.

I also endeavour to keep the web site up-to-date, where you will find background information (like, how to let visitors into the building using your cell phone, and, which of the TV sockets provides what signal ... ?) and a record of our business. If there is anything else that you would like to see on the web site, just let me know (see below).

Safety, Security & Services

My personal opinion, which I believe is generally shared by the other trustees, is that services generally work extremely well in Mutual Heights. Yes, there are occasional problems, but we are fortunate to have a very pro-active (and sometimes fearless!) management, supported by some of the best service providers that are available. Safety and security comes to mind, and whilst we can all swap horror stories about unwelcome experiences we have had elsewhere, I am not aware of any “major incidents”. In that we can count ourselves very fortunate.

One recurring problem, however, is with the visibility and the attitude of security staff. No-one wants to see our security staff "hanging around the street" chatting with who we assume must be their friends, nor do we expect them to be seen sleeping on the job. Please be assured that we have been watching this, and that there has been a change of "management" from the security service provider, so as to improve things.

My wife and I have a personal strategy here. We *always* acknowledge the security staff as cheerfully as we can, and we bid them well and chat when we meet them face to face. I think that recognition of their presence, and a willingness to accord them the dignity of a regular greeting and a kind word from time to time, will make a great difference. If we agree to make the Mutual Heights "assignment" one of the most desirable that is available to the security staff, and make them feel part of the community even in a small way, it will make a great difference. Think about it, let us know.

On the wider front, do let us know if you have any concern or comment about services. Did you know that we have more than 40 service providers? We do not negotiate "service level agreements" with them, rather the management office has always dealt with them on an as-needed basis and where problems have occurred, they have been addressed. But, as I have said in the newsletters, you are the final judges of whether service delivery is up to scratch and so you must keep the office informed of your concerns and feelings. Perhaps you have been impressed, and you want to send a bouquet rather than a brickbat?

Socialising

Finally, in the matter of our community, for those of you who did NOT come to the Christmas Party this year (possibly because it was in January!), please be advised that it was a great success. A post-Christmas date, live music, and excellent refreshments added up to an excellent evening for all who were there. We are determined to build on this success, and thanks to all concerned for a most excellent evening.

Action stations!

In the coming year we have, more than anything else, to deal with the damp penetration. It has been suggested that we establish two "task forces" to deal with this – one working on the **legal front** with Paul Rippon, and one working on the **practical front** dealing with the waterproofing experts and overseeing their work. We have one or two names on the list already, but at the meeting I will be appealing for additional volunteers. If you are able to help, and particularly if you have any appropriate legal or building competencies, **do please let us know!** Thank you.

Final words

This is turning into a longer report than I intended. I hope it has touched on the main features of the year, and that you find it useful. Some thanks to others are in order.

First, please let me thank my fellow trustees on your behalf; they have been untiringly diligent and constructive throughout the period of reporting and with their help we have made good progress. Second, let it be noted that Charles Keefer and his staff have continued to provide a most reliable and effective management service which, in my experience, is second to none. Let us know what you think if you wish.

With warm regards,
on behalf of the Trustees,



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