

THE PRYORS LTD

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REPORT OF THE BOARD: ANNUAL GENERAL MEETING 2025

Introduction

1. The Board of The Pryors Ltd, its sub-committees, and the numerous professionals who help maintain and run The Pryors have had a busy 2024/25. Significant work has been undertaken in relation to ensuring compliance with the complex health and safety landscape. Extensive work has also been undertaken in relation to the Hard Landscaping Project ('HLP'). As ever, maintaining financial stability has been a key priority.
2. The Board relies heavily on the professionals engaged by it and expresses its thanks in particular to the managing agent (D&G Block Management), surveyors (Andy Cossey of CB Swift and Antony Patrick Associates), as well as our gardener (José), auditors and solicitors. Specific projects have also required assistance from other professionals, and we are grateful for their assistance too.
3. Special thanks go to our caretakers, Lee Mullan and Nuno Neves, and to Georgia Solaja from D&G, who together oversee the day-to-day running of The Pryors.
4. Apart from our external professionals and caretakers, The Pryors always depends on residents volunteering for the various roles which exist. Once again, the Garden Group has kept the communal gardens in excellent condition this year, the New Lease Group has now virtually concluded steering the process of making new 999-year leases available to all. The Conservation Group continues to assist by considering any communal refurbishment and redecoration issues with particular attention being paid to our conservation policy. The work of all the volunteers at The Pryors is essential and greatly appreciated by the Board. Going forward, the Board welcomes further engagement and involvement from the membership. If you are interested in a particular area of life at The Pryors or have special knowledge or skills which you think would benefit the running of The Pryors and would like to get involved, please do volunteer by speaking either to Georgia at D&G, or direct to a Board member.

Governance and management

5. Each year we repeat this important background information about the way The Pryors works. All members are invited to familiarise themselves with it.
6. The Board of Directors is elected from and by the lessees. The election and functioning of the Board is primarily governed by The Pryors Memorandum and Articles of Association. A copy of this document is available on the recently revamped Pryors website: <https://www.the-pryors.co.uk/>
7. Three directors are elected from Blocks A and B, each elected by the residents of the block in which they live. Who can be a director is set out in the Articles. Essentially, a lessee, their spouse or an adult living with a lessee is entitled to seek election. If a flat is owned by an alternative legal entity

such as a trust, the trust can identify an individual to act on its behalf, including standing as a director.

8. The sole role of directors at The Pryors, and their principle legal obligation, is to exercise the powers of the company (The Pryors Ltd, which is the freeholder of The Pryors) for the purpose of achieving the company's objectives, as set out in the Memorandum of Association, for the benefit of the company's shareholders (the membership as a whole). Directors have no additional, wide ranging role or authority. It is not part of their ordinary role to manage the day-to-day running of The Pryors. That is a matter for the caretakers and managing agent. Inevitably, at times, directors do assume responsibilities consistent with their legal obligations to ensure significant issues which arise at The Pryors are handled appropriately.
9. Being a director is an entirely voluntary role. Members of the Board receive no remuneration, no benefits and advantages to serving on the Board. It is hoped that as a community we all recognise that membership of the Board is demanding. Board members spend many hours of their own time ensuring that The Pryors functions smoothly, on budget, and for the benefit of the majority of the community. The work involves getting to grips with complicated issues of varied subject matter, often in urgent situations.

Functioning of the board

10. The Board meets formally at regular (three month) intervals. Meetings are ordinarily in person and all Board members are expected to attend. Georgia Solaja (D&G Block Management) also attends.
11. At each Board meeting the directors are required to declare any conflicts of interest and then remove themselves from relevant discussions and decision-making (at the meeting and thereafter). That process has been adhered to consistently by the Board and is an important part of ensuring that the Board operates independently from any interests of its members. A report of each formal Board meeting is then circulated to the lessees.
12. Aside from formal meetings, the Board is in frequent (often daily) communication (as between its members and with the managing agent) when issues arise which require consideration and/or a decision to be made outside of regular meetings. As part of that process, and according to the issue at hand, advice and guidance are frequently taken from the Board's professional advisors.
13. Inevitably, the Board sometimes makes decisions which may not be the outcome for which any individual wished. Even where unwelcome, the Board's decisions are made in good faith and after careful consideration. It approaches all decisions impartially, always having to weigh individual and community considerations along with advice from relevant professionals.

Board membership

14. Current members of the Board are: Jennifer Blumhof (Block A), Ivan Clark (Block A), Aaron Watkins (Block A), Pauline Almeida (Block B), Julian Cole (Block B), and Matt Getz (Block B). The Board previously elected Aaron Watkins to the position of Chair. Ivan Clark is the Treasurer.
15. At the forthcoming 2025 AGM, Aaron Watkins (Block A) is due to step down 'by rotation' but is standing for re-election. Julian Cole (Block B) is similarly due to step down 'by rotation' and is

standing for re-election. Additionally, because she expects to spend longer periods away from The Pryors, we are sorry that Pauline Almeida from Block B has decided to resign as a director. We are extremely grateful for her contribution. To fill the vacancy which arises, Martin Jacques (Block B) seeks election to become a director.

Communication and consultation

16. Day-to-day communication between residents is facilitated by The Pryors WhatsApp group.
17. Communication with the Board should primarily be through D&G Block Management. D&G will then engage the Board as necessary.
18. In relation to consultation with the membership, the Board welcomes input from residents. The Board recognises that lessees and residents possess considerable, valuable knowledge in a range of areas which it wants to tap into. This naturally occurs informally and on an ongoing basis. More formal consultation exercises have been conducted in respect of significant projects, such as the New Lease Project.
19. Consultation has most recently taken place in relation to the HLP. As members will recall, this has involved informal discussions (for example at last year's AGM and an online discussion). Most importantly, however, there is a formal consultation exercise underway in compliance with section 20 of the Landlord and Tenant Act 1985. This is a legally prescribed process which the freeholder is required to follow, and which involves inviting observations from members at specified stages and a requirement for the landlord to have regard to those observations.

Financial statements and Finances

20. Although the Pryors has not been immune from the effect of the unusually high levels of price inflation, we were able to close the year ended 31 December 2024 with a service surplus of a little over £12,200.
21. The Pryors service charge budget was £355,000 in 2024 increasing to £400,000 in 2025. The draft budget we are currently working on for 2026 maintains the 2025 level.
22. A significant annual cost is for building insurance and cover for other risks. Water ingress incidents have in the past resulted in increasingly higher fee proposals from insurers at the time of renewal. This year we contracted a new insurance broker who has restructured our insurance costs for a lower brokerage fee. We continue to seek efficiencies wherever appropriate.

Insurance

Unoccupied property

23. We have previously been requested by our insurance broker to issue the following warning in relation to unoccupied property. As stated in the last couple of years, this requirement remains in place until further notice:

Inspection of empty property is a requirement of the current buildings insurance policy:

The insurance states that any property (flat) that is left unattended for a period of greater than 45 successive days must be inspected on the owner's behalf at least once per week, and the time/date of the visits be recorded. As evidence of inspection, log of inspection dates must be sent to the Managing Agent by email on a monthly basis, to be provided latest by 10th of the following month. It is a condition of the cover that mains services, including the water supply are disconnected. However, where the flat is protected by an Intruder Alarm, CCTV or Fire Detection System or sprinkler installation, You must provide sufficient power, heat or water supplies for their effective operation.

In the event that loss or damage is discovered, you should immediately inform the managing agent in writing, providing as much information as possible about the damage.

The managing agent will, if appropriate, provide information about any potential claim to Ramon, our insurance broker, who will instigate the claims reporting process as appropriate.

If you fail to comply with the terms of the insurance and a claim be refused due to non-compliance, you will have to personally bear the costs of repair to your flat and potentially to other flats affected, and The Pryors Limited reserves the right to take action against the property owner in order to recover loss.

Fire, health and safety

24. With the assistance of our managing agent, we continue to respond to the new fire and building safety regulations which have come into effect. Generally, D&G continue to assess and advise The Pryors on what steps and systems are required and to implement them as necessary, with assistance from external professionals and assessors to ensure we achieve full compliance promptly (and within any required periods).
25. The Building Safety Group subcommittee (Roger Walters, Julian Cole, Irving Blumhof) has worked particularly hard in relation to the preparation of a 'Building Safety Case' as required for certain blocks under the Building Safety Act 2022. This project has involved examining a range of building safety related issues in the context of the new legislation and regulations and liaising extensively with the managing agent and our surveyor. Particular thanks go to the members of this group for the demanding and often technically detailed work involved.
26. Separately, as members will recall, there was an exercise to upgrade individual flat front doors to achieve necessary fire safety standards. Doors remain subject to regular inspection to ensure ongoing compliance. We regret, however, that the external company instructed by our managing agent to conduct this task has not performed its task consistently: doors passed one year have failed inspection the following year despite no changes to either the applicable regulations or the doors. As well as affecting confidence in the assessments made, it is inefficient and costly. Instead, our

surveyor has reassessed the adequacy of flat front doors and our caretaker Lee Mullan has now completed external training enabling him to perform the task of inspecting doors regularly, as required. It may be that certain flats will be required to undertake remedial work. Those flats will be advised accordingly in due course.

27. Members will also recall that the fire alarm systems in both blocks were replaced as part of recent Major Works. Following a number of 'false' alarms, The Pryors sought and received confirmation from the alarm provider that the systems installed are functioning properly and are appropriate alarms for our buildings. We are aware that there have been further 'false' alarms over the last year. Unfortunately (but perhaps for obvious reasons) it is neither advised nor possible to downgrade the sensitivity of alarm detectors to reduce instances of 'false' alarms because of an unacceptable impact on the overall effectiveness of the alarms protecting us in the event of a real fire. Nevertheless, the Board and managing agent are dissatisfied with the explanations given by the alarm provider for the frequency and causes of the 'false' alarms (often attributed to 'dust'). Other blocks do not have the same number of alarm events and presumably have to contend with 'dust' (!). The Board has instructed the managing agent to renew this issue with the alarm provider and to seek an effective resolution as a priority.
28. In any event, the Board takes this opportunity to reiterate the need for all residents, unless notified to the contrary in advance, to treat all instances of the fire alarm sounding as a genuine fire alarm event and to respond accordingly. To that end, all residents should familiarise themselves with the current fire alarm evacuation policy in place. If there is any doubt about what that is, please speak to the managing agent. The Board also reiterates that when responding to any fire alarm, residents must not interfere with the fire alarm panels under any circumstances.

Security

29. Security is obviously a question of risk identification and management, combined with consideration of the proportionality of any potential security measures. The caretakers, managing agent and Board consider security at The Pryors on a continuous basis. External advice is also sought when judged necessary or helpful. The issue has also been considered within the scope of the HLP, for example when considering lighting and CCTV coverage. Day-to-day, all members can contribute to maintaining our collective security by taking obvious steps such as ensuring communal entrances are not left open and unattended, not disseminating the Block A basement door security code, not admitting unknown visitors to the building, and being aware of tailgating through communal doors etc.

Subletting

30. As the membership will know, our community is made up of a significant proportion of 'renters' to whom lessees have sub-let their property. Lessees are reminded that under the terms of their lease it is necessary to obtain a licence to sublet from The Pryors (organised through the managing agent) *before* tenants are able to move into a lessee's flat. There has been an increasing issue of lessees signing contracts with tenants and, in some cases, allowing tenants to turn up to The Pryors to move in, without having sought or obtained the necessary licence. This is a breach of the terms of the lessee's lease.

31. Obtaining a licence is not a lengthy process and The Pryors and the managing agent will not delay unreasonably. It is imperative going forward that lessees who wish to sublet follow the correct process so that the Landlord and all members of The Pryors community have the necessary legal protections. Detailed information about the process has been sent to all leaseholders. If anybody is unable to find it, please ask D&G for a copy.

Block A and B Lifts

32. The lifts in both blocks are important architectural features. They are also important day-to-day functional items, relied upon by residents, in particular those on the upper floors and those who have difficulty using the stairs. The lifts were the focus of maintenance and attention during the Internal Refurbishment Project and continue to receive frequent, ongoing care by a professional company familiar with our lifts. The costs of maintenance in 2024 were comfortably below budget and are being carefully monitored.
33. The Board previously considered how best to ensure the servicing and maintenance of the lifts, from the most radical option of complete replacement to the less radical option of regular maintenance. Having examined the options, including the issue of maintenance with an independent consultant, the Board does not think that replacement or significant alteration of the lifts is desirable or necessary at this point. Steps to mitigate the impact of breakdowns have been actively explored, for example whether it is possible to stockpile key replacement parts to prevent delays and prolonged periods where the lifts are not usable due to the need for parts to be manufactured or shipped from abroad. The Board and managing agent remain very conscious of the need to prioritise the reliability of the lifts for all members.

Hard Landscaping Project

34. As noted above, the HLP is the next Major Works project planned at The Pryors. It is a complex project with many different components (including resurfacing of the carpark, the issue of any provision for EV charging, lighting changes, perimeter and pathway repair and upgrading). The project is being progressed by a subcommittee which has received advice from various external experts throughout.
35. By now, all members will have had the opportunity to familiarise themselves with the scope of the project and the plans worked up over many months. Members have also had the opportunity to make observations on the project both informally and formally. The Board recognises that there is a diversity of views about what should be done, when and at what cost. In particular, views have been expressed by some that carpark EV charging should be installed as part of the HLP. Others advocate 'future proofing' for EV charging by laying ducting but not installing charging at this time. Others say that the entire resurfacing of the carpark should be postponed for a period of time to enable the EV position to become clearer in due course and, in the meantime, to make *ad hoc* repairs to the car park surface. Others advocate the renovation of the car park now, and taking no action in relation to EV provision at this time. Others have expressed no particular preference.
36. At the time of producing this report, a second round of observations regarding the HLP has been received within the framework of the section 20 consultation process. As required, the Board will

have regard to these observations when determining how and when the HLP should proceed. For practical reasons, including the process of obtaining any necessary planning permissions, the Board wishes to make it clear that it is most unlikely any HLP works will begin before Spring 2026.

Block B Roof

37. The condition of Block B's roof is a topic which the Board considers at intervals. Following works conducted during the 2019 Major Works, the approach adopted to managing and maintaining the roof has been the commissioning of *ad hoc* repairs where/when necessary, rather than embarking upon wholesale replacement at this time. At present, the professionals advising The Pryors have not advised the Board that a change in approach is merited. Clearly, when the next round of external Major Works is due to take place on Block B, the condition of the roof and its management will be considered within that process.
38. Having considered relevant available information, the Board voted in May 2024 to maintain the approach currently in place, subject to any change in circumstances necessitating reconsideration of the issue. In the absence of such a change, that decision was renewed by the Board during its September 2025 meeting.

Work on individual flats and licences to alter

39. The aim of the Board is to enable lessees to improve their properties, but to balance that with (i) considerations which affect the wider Pryors community and (ii) The Pryors' heritage approach. The licence to alter ('LTA') approval process was recently updated in response to issues which have arisen in projects over the last number of years. New procedures and requirements have been introduced and members may wish to familiarise themselves with these. These changes also take account of the helpful discussion of this topic at the AGM in September 2023. Members will recall that in addition to revisions to the process, greater clarity has been brought to the issue of 'wet over dry' refurbishment layout changes (i.e. where lessees seek to move 'wet' areas over 'dry' living areas of flats below). The membership voted at an EGM in favour of implementing a policy to refuse any such future changes to the layout of flats.
40. The purpose behind these updated procedures and requirements is threefold: first to ensure that the Landlord has adequate information and powers to safeguard the building as a whole when refurbishments are planned and carried out, second to strengthen measures to ensure disruption to the community caused by refurbishment projects is carefully considered, managed and hopefully minimised throughout works, and thirdly, to make the process for lessees seeking to refurbish their flats clearer and more efficient.
41. If any members wish to review the current LTA process, information can be obtained from the managing agent.

New Lease Group/999 Year lease

42. The New Lease Group has undertaken a complex, detailed task of coordinating the rollout of new leases for all lessees who wish to take advantage of this opportunity. This task has progressed at different speeds for different lessees but we are now at the end of the process and have achieved very close to full 'take up'. Those lessees who had not completed new leases were advised that, within a specified period, it may be that the practical arrangements in place and costs agreed for the necessary legal work to obtain a new lease would no longer be available. Clearly the Board cannot maintain the New Lease Group indefinitely nor hold solicitors to fees agreed some years ago.
43. The Board again expresses its thanks to the members of this group who have worked very hard on this extremely important project.

Website

44. The Pryors' website was fully updated a couple of years ago. The process was led by Joan Noble, to whom we are grateful. The result is a much-improved website which looks attractive and contains informative and useful information and documents for lessees to access and use. There is a 'members' section which is password protected. The password can be obtained from the managing agent.

Conclusion

45. Similarly to last year, although a quieter year because no Major Works have been underway, this has been the latest in a sequence of busy years for the Board in terms of planning future works and thinking about the numerous fire, health and safety issues which arise in these blocks in the current regulatory context. All of this work has been achieved alongside the ordinary work involved in running The Pryors. The Board is extremely grateful to all who have assisted over the last year and we hope that the combined efforts of everyone involved are continuing to make The Pryors a place of which we can all be proud.

The Pryors Board (2024-2025): Aaron Watkins (Chair), Ivan Clark (Treasurer), Jennifer Blumhof, Julian Cole, Pauline Almeida, Matt Getz.