

MINUTES

MEETING WITH BALLYMORE

Date: Wed 13th November

Attendees:

Jerome Bond (legal team)
Lauryn Amara (facilities team)
Simon Pratt (Managing Director)
James Watson (Area Property Manager)
Dan Cross (General Manager LCI)
Neil Blanchard (Social)
Nick Thompson (Service Charge)
Aswin Raningarand
Hannah Tay

The Grocer

The meeting was held to discuss three things.

1. Status of financial accounts for last couple of years
2. Merger of Good Luck Hope
3. VAT on staff costs – some other Ballymore developments will not be paying this
4. Cooker hoods were also discussed.

1. Accounts for 2017 /18

James Watson explained that the in house accounts team have had additional people put in the team and changed auditors to improve efficiency. Maria (head of accounts) said that 17/18 are both on course to be delivered by the end of the year.

As of next year, accounts will be issued in a more timely manner.

James Watson offered to drill down with the accounts team to get a better timeline. He will supply it to Dan Cross to pass on to us. Sokari emphasised the need for certainty given how often the deadline had slipped in the past.

We explained that we have been waiting for some time to be able to have a review of apportionment, and fairness of costs by Graham Pack, as has been done at New Providence Wharf and Pan Peninsula.

James will supply the name of the new auditor.
Allocation

2. Merger of Good Luck Hope

Jerome said that the process has been followed. We were trying to enter into a deed of mutual easement so they could operate as one management. (Freeholders are still different)

Mel pointed out that the first meeting (with Roger Black) was not a consultation because it was limited to an informal meeting with just a few residents. We made this clear verbally and in writing.

When the second letter went out the deed was not available to residents, so it was impossible for residents to comment.

When the third letter went out, it was couched in such impenetrable language that residents did not understand it.

‘Dispensation’

Lauryn explained why the wording ‘dispensation’ was included.

Ballymore were following a Section 20 process – Typically this means presenting alternative options (eg: there are different window tints which would you like)

In this case there weren’t any alternative options because it’s about joining with a specific development therefore dispensation was a necessity. Both sides recognised that the word ‘dispensation’ may have given a wrong impression.

It was not an attempt by Ballymore to avoid due process, but simply that there were no options to consider.

Separate to this, Neil said we would like to see some estimate of service costs.

Neil explained that not seeing any estimates now means people are concerned and suspicious about what the financials will be going forwards.

Lauryn and Simon accepted that lack of communication about this and the problems it has caused.

Void Costs

Lauryn confirmed has received commitment from Good Luck Hope developers that the void costs are not going to be borne by LCI residents during construction phase and will be paid by the developer. Lauryn showed the spreadsheet to the meeting.

Neil and Nick asked for headline numbers of the– forecast up to the point where GLH is operational. Lauryn offered to release the budget (on signing of an NDA). This will be limited to members of the RA as it contains confidential information about salaries etc.

Lauryn said that Ballymore can demonstrate a reduction in cost with the merger, although currently this is just estimated. Simon reiterated that there will be more facilities and lower costs. Lauryn offered to go through the figures after we have had a chance to look at them.

Hearing of tribunal

Jerome advised that the decision was granted on the day to allow the deed, and this will be followed up in a week or so with the reasons why. This will be supplied to everyone who was involved in the consultation.

When the decision is communicated there is 28 days to comment.

Hannah said it would be crucial to get the numbers within the 28 day period.

A separate meeting is to be arranged with Lauryn after the tribunal reasons are delivered.

3. VAT on employee salaries

Nov 2018 VAT is supplied on employee salaries. Currently only way to avoid this is for onsite staff to be employed by freeholders. On LCI it is owned by multiple freeholders. They are not prepared to

Ballymore Ecoworld & Company and Clearstorm are the two freeholders for LCI. Pan P and Royal Wharf are only owned by Oxley (Ballymore freeholder only)

Simon said that he has personally raised it at key meetings and pushed it hard to find a way round this, but the Joint Venture Freeholders are not prepared to take on managing and employing the staff.

Neil offered to draft a proposal, which Simon said he would take to the relevant people for discussion.

4. Cooker hoods

Mel explained the issue with the cooker hoods. Lauryn will pick this up and come back to us via Dan Cross.

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