

QUESTIONS & ANSWERS - JUBILEE PARK

COMMUNITY COUNCIL MEETING 6TH SEPTEMBER 2017

We understand that it is the responsibility of the management company to focus on maintenance, including: grass cutting, inspection, replacing lights, bins, pumps, and most importantly, inspecting the flood defences. Could we please see copies of:

- The schedule of works with costings
- The tender documents submitted to the council
- Any financial plan that was used in the tender process

There was no tender process, Walters offered the Community Council an opportunity to take ownership of the land & take on the Maintenance Company

Is there a guarantee for the flood defence wall?

Yes, also latent defects will also apply

What are Walters responsible for installing and what is their responsibility for the purchase and installation of items not yet available such as playgrounds and bins?

Walters are obliged to install all the equipment & landscaping as outlined in the planning consent

What are the specification / installation standards that Walters are working towards, and what do you as a management company consider 'complete' before taking over the maintenance of the site?

The specification has been agreed as part of the planning consent & handover is on a sectional basis following inspection as the works are completed

A Contracts Manager for Walters has informed some residents that they have a maintenance contract for the next few years – is this the case?

No

When was the official hand-over of Walters' work to RCC and the subsequent official completion date of the works to maintain?

Handover is on a sectional completion basis

In the RCC letter dated May 2017, it states the responsibility for maintenance was handed over on 3/4/17. How was it possible for anything to be handed over if it was not yet completed to agreed specification?

The land transfer (excluding the Drill Hall \ Bowls Hall) was on this date

If the charges are being backdated, why are there still clear issues not being dealt with? I.e. litter, debris, obscene graffiti.

The maintenance is applicable to areas that have been handed over, please explain where are the areas of concern are?

Residents raised the question of responsibility for payment of installation and whether the monies earmarked for maintenance would be misdirected to the purchase and installation of equipment. Is any of our maintenance charge being used to purchase equipment and if so what / why?

The developer is responsible for installation of equipment as required by the planning consent conditions

Is any of our maintenance charge being used in the landscaping and planting of the linear park, and if so what / why?

No

How will the management company deal with damage /depreciation of assets from heavy plant still operating on the site? E.g. vehicles using the entrance to the bridge.

By reclaiming costs if the damage can be proven

Professionalism of invoice: There is concern over the professionalism /perceived validity of the invoice. Many residents simply wouldn't make payment to any company who hand-delivered a typed word document demanding a payment, particularly when the email is just a Gmail address and many have taken to social media to query if it is a scam or a legitimate invoice. What will the management company do to address this?

Invoices are currently generated from existing RCC assets, the funds could be used to improve the appearance if thought an appropriate expenditure, hand delivery is more economic & pragmatic than postage. Residents were written to at least twice before the invoice was raised so it shouldn't have been a surprise.

Some householders have also received an invoice even though they have paid already at completion. How can you assure us of the accuracy of the management company's record keeping? Particularly when administering large amounts of money.

Residents paid their initial fee to their solicitors which was subsequently held by some developers. This was inconsistent between developers & the information / funds passed onto the Community Council has often been inconsistent & late. This should not happen with subsequent invoices issued by the Community Council, not involving third parties

We understand there are plans to produce annual accounts. Can this instead be provided in advance via a cash flow forecast, information provided at tender process, or at the very least on a quarterly retrospective basis?

No, the expenditure will vary in the first few years depending on the number of completions & plant / equipment purchases. In subsequent years when the variables decrease a budget forecast will be produced

Payment dates: The question of backdating of payment dates has been raised by some residents – particularly in light of no visible maintenance work having been completed and the lack of promised equipment at present. Would it not be more appropriate for a proportion of this year's fee to be payable rather than the full amount, considering the lack of facilities?

The payment covers amongst other things depreciation of assets & there are obvious start up costs to cover, these are not visible (eg insurances, legal costs, administration, equipment, etc)

Some residents have had inconsistent communication and unanswered emails /calls from the management company regarding this invoice – what will the company's service level agreement to us be? Also how do we go about reporting issues that need attention?

Not aware of unanswered e mails or inconsistencies, please provide examples. Reporting is via the website, e mail addresses provided or telephone.

It should be noted that we are not suggesting any misappropriation of funds, however there is concern that only two members of people on board of a limited company (therefore limited personal liability) should be managing an account with circa £300k income per annum. Can we have residents' representation on the management company board?

The income from all properties when complete is approx £185,000 not £300,000 & the company set up was inherited from Walters. It is not unusual to have only two Directors, however the Directors take strategic direction from Members of the Community Council. Residents representatives would have a vested & pecuniary interest, but & will be represented at the Annual Meeting where there is opportunity to comment on the management of the non adopted areas.

What guarantees do we have that the company will not be sold on as an income-generating asset class?

There is no guarantee, however Members of the Community Council have at present agreed to keep the contract 'in house'.

Can the management company instead be operated as a charitable company, therefore with trustees, and potentially using the £300k+ p.a. in safe investment funds whilst not being utilised to ensure the maximum protection and growth?

The Community Council will oversee safe custody of funds & take investment advice once funds accrue (income is not £300,000+) Members of Rogerstone Community Council are registered as Trustees of the Community Council & oversee the careful use of the funds.