

1/ Why were you informing the leaseholders in October that they had no legal right of representation on this company and that it belonged to your company Chainbow? Taylor Wimpey made the same point in August:

“For the avoidance of doubt and in accordance with your leases this is set up as an embedded management company. This means that the obligations for the management company remain with Chainbow as opposed to having resident directors.”

Can you explain why you have decided to change your mind and make Aberdeen Lane Limited a conventional residents’ management company?

We have not changed our mind or contradicted ourselves. We were asked the status of the company and that is what it was at August last year and currently still is. We always planned for the companies to be handed over and indeed are engaged in this process at present consensually with the leaseholders.

2/ At The Mill, Hampstead, residents also obtained control of the embedded management company that belonged to you (THE MILL HAMPSTEAD MANAGEMENT COMPANY LIMITED 08543775). You were the sole director until you resigned on January 30 2015.

They now feel it necessary to obtain expensive legal advice to amend the articles and memoranda of association of the company, so that it can fulfil the function of a residents’ management company with only the leaseholders as shareholders.

Could you please explain why you did not ensure this took place before transferring the company to the leaseholders, or why you did not warn them that this would be necessary?

We have advised both groups of leaseholders that they urgently need to amend their articles of association. Legal opinion we have sought suggests that the only real solution to provide the full protections needed in the RMC will also require the lease to be varied.

It this also your understanding?

We have master articles which are completed for the respective companies to be put in place prior to handing over that substitutes the standard articles used in setting up the company. A copy of these has been sent to the Chairman of Mulberry Mews resident association for their information when they requested them (which was prior to your email being received). The articles should have been changed at The Mill prior to hand over. The Mill was not originally with Chainbow and the former managing agent did embed themselves into the lease which I am sure you will be aware if you have seen a copy of the lease. You will note that Chainbow did **not** embed itself into the lease through the assignment rather we created a standalone company that could be handed over to the leaseholders.

3/ Why did the leases at these, and perhaps other Taylor Wimpey sites where you are the sole director of the embedded management company, not provide for the creation of an RMC?

This allows us to include shared owners as members whereas a normal RMC would be for the housing association to have the membership of the RMC and not provide for the involvement of the shared owners. This would exclude the current resident association Chairman at Mulberry Mews being involved in the RMC.

Why were the embedded management companies at these sites solely controlled by you without them having relevant articles of association?

The standard articles are substituted prior to handover with new ones which provide for owners to be members and shareholders. Chainbow and I are not owners of any property at the sites and would fall foul of the articles if we did not use the standard articles at formation. It therefore makes for a clean situation at handover.

4/ Given the apparent gameplaying and inconsistencies of your conduct at these Taylor Wimpey sites, are you a fit and proper person to be the chairman of the Leasehold Advisory Service?

There has been no game playing or inconsistency, merely the issue of people seeing suspicion where there is none. I have always acted transparently and always will.

5/ In your correspondence to Sir Peter Bottomley and Jim Fitzpatrick you stated of our inquiry into these issues

"It shows a lack of understanding of how development process works on the part of LKP rather than anything else."

And:

"There is nothing wrong with the management structure and to insinuate otherwise is appalling and once published will not disappear."

If there was nothing wrong with the management structure, why are you now changing it in response to public exposure by the leaseholders?

We are not changing "it", we are doing what was always planned to be done.

Why are Taylor Wimpey customers at two London sites deeply regretting your involvement in them?

As far as I'm aware we are working with the resident association to resolve queries and they have not said they regret our involvement to us.

You also added that we were making "wild unfounded allegation and insinuation".

In view of the fact that our inquiry appears to have prompted you to hand over control of Aberdeen Lane Limited, which you said six months ago belonged to you, are you withdrawing these remarks?

No, as I said there is nothing wrong with the arrangements and that is why I stand by saying you are making wild unfounded allegations and insinuation. We met with the resident association prior to your involvement and told them we would hand over the company. Chainbow is not tying the leaseholders in with 5 year management agreements, is not embedding itself in the leases and is acting altruistically in this regard. We are acting entirely properly.