

Laura Crawford

From: J H Allister
Sent: 27 August 2024 17:40
To: Shane Mathers; Planning; Denise Dickson
Subject: LA01/2016/1328/F

4 Byrestown Road
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27 August 2024

Planning Department
Causeway Coast & Glens Borough Council

Dear Mr Mathers,

Re: LA01/2016/1328/F

Further to the planning report and latest Addendum, I wish to make some comments. This is without prejudice to submissions already made and any oral comments I may make at the planning committee.

Impact on local business

The Planning department admits, "*the proposal may have an adverse impact on the business of the specified town centre premises*", which is backed up by local opposition from resident businesses like The Anchor Inn, a mainstay of Portstewart. These businesses are the ones who must benefit most from the tourist season so their staff can stay in jobs over the winter.

Cost

What will it cost? No-one knows!

We are told there is a business plan from 2016. It's never been made public. Why?

We were once told it would then cost £15 million, reliant on external funding, including public money from Invest NI.

Clearly what would have cost £15 million in 2016/2017 would not cost the same in today's market. As a comparison, the cost of developing the former Londonderry Hotel, in a shorter timeframe (2018-2023) was 67% higher than expected. Similarly, the Marcus hotel in Portrush will cost £11 million for 83 beds, Dunluce Lodge, operating at a more similar spec, cost £16.5 for 35 beds.

We are now told:

1. they don't know what it will cost, but that will definitely be more;
2. there are less financing options available as they will not be seeking Invest NI funding,
3. admission that interest rates are significantly higher than during the original application, i.e. 5% vs 0.25% - meaning the cost of borrowing has skyrocketed, and
4. external funding is not agreed – it is dependant on a successful application

But, no-one knows: (i) what it'll cost, (ii) if the applicant will even get external funding (and how this would be financed); (iii) if the applicant has the funds to even complete the process; and (iv) the role of the various third parties, including Don Hotels Ltd in the process!

Instead, Council's Planning departments tells us:

"the up to date submission from ASM Accountants states that a project of this nature can be commercially viable. **Given the position of ASM Accountants** [emphasis added], it is considered that detailed confirmation from respective funders is not required."

Role of ASM Accountants

With respect, the position of ASM Accountants should not be relied upon - in the circumstances of this case they lack demonstrable independence. They have been appointed by the applicant and/or developer – and without seeing the business plan, and/or the scope under which they were engaged, Councillors have no way to independently scrutinise any of their pronouncements, even as generic and outdated as they are.

But while the Planning department has raised the position of ASM, they fail to mention its own links to Don Hotels Ltd – it was ASM which set up this business, with one of ASM's directors being Don Hotel's initial director at incorporation before resigning to be replaced by its current owner!

So, I contend the the Planning department has failed in its role of assessing viability – it has not been proven, neither in an unpublished eight-year old business plan to which no-one knows the content or scope, and therefore cannot rely, nor an updated letter which says nothing of substance, and therefore to which no details can be relied.

I have continually asked for the publication of this business plan. At no time has it been made public. Why? Does Council know or care? It seems the Planning department does not.

Financial viability of C&V and Don Hotels

I see exception is taken to objections that have been based on the financial health of the parties involved. But it is exactly because the financial viability of the project and the parties has not been scrutinised that it left to others to review this.

Since the last submission, both C&V and Don Hotels have provided renewed financial statements to UK Companies House. Again, both remain unaudited.

Don Hotels again has made further losses, with other parties having to pay expenses of over £28,000 in the financial year on their behalf. Yet this is the company, insolvent, loss-making and without staff, which Council is prepared to entrust with the development of this site.

C&V, meanwhile, maintain a small asset position of £280,000, which from their accounts we learn is almost wholly made up of £270,000 that is in fact due to C&V before the end of October 2024! So, by October, the company could be insolvent – yet again this Council avoids asking any awkward questions of the financial health of the applicant – who has never been audited - to ensure it could actually see this development through.

Will C&V even be able to attract funding given their own lack of funds? In fact, the company has registered two mortgages over company assets since April 2024. The beneficiary in these instances? Themselves, and their own pension scheme! Nothing shouts "financial struggles" more than a company's shareholders running around to put legal mechanisms in place to ensure they, personally, will benefit from company assets rather than company creditors and lenders if the company goes insolvent. Company records show C&V currently has eight charges out over their assets – so what's

left to secure against the external lending that ASM tell us C&V need to develop the land? Again, Council doesn't know, because Council doesn't ask!

Yours sincerely,

Jim Allister

Sent from my iPad

