

**From:** Alan Richards  
**Sent:** 24 October 2017 15:40  
**To:** [REDACTED]@savills.com>; [REDACTED]@savills.com>  
**Cc:** Tim Deacon [REDACTED]@turnstoneestates.com>  
**Subject:** Seaway Scheme

Hi [REDACTED],

I hope you are well.

Things are looking really positive on the Seaway scheme now and with the anchor tenant (Empire) soon to be signed, TSL are heading towards a planning application at the end of the year and are starting to look to secure funding.

As some time has passed and the scheme has changed quite a bit, we will need you to essentially re-do the work you did before for us to appraise the scheme generally and specifically for the purposes of s 123 Local Government Act 1972.

If you will have the capacity in the coming 3-6 weeks or so to do this please would you run a fresh conflict check for SBC and the Turnstone group of companies and confirm what your fee will be to do this? As before, Turnstone will need to meet the costs associated and my preference would be for you to invoice them directly although your duty of care will be clearly to the Council.

There are 2 changes proposed as set out in the attached letter. One change to make the 3<sup>rd</sup> rent review and all reviews after that purely linked to the 11% gearing and not upward only or subject to the minimum rent so we will need this proposed amendment to be specifically looked at as part of the work.

The scheme is simplified with the residential removed and a hotel (which is pre-let) occupying part of the residential land. The removal of the residential land will also mean that virtually the whole site will come in under the lease rather than part being sold to provide capital for the commercial element. This will be the other variation. There is also more parking in the scheme.

Essentially what I will need is a re-run of the appraisal, an update of your previous report and s.123 certification picking up the above (assuming of course you are content it delivers best consideration) and confirmation that the report and certification can be sent to the HCA for them to re-appraise the HCA condition.

I have uploaded the relevant documents to the links below and look forward to hearing from you when you have had a chance to consider.

Agreement for Lease and Sale:

<https://fileshare.southend.gov.uk/wl/?id=DjTv09KUDunnWj4XdvGz4wuUs4WgjkZ>

Original Cabinet Authority:

<https://fileshare.southend.gov.uk/wl/?id=wq7ldluwvbPMIpgHJqb3o9vwMWxpBpr>

Final HoT: <https://fileshare.southend.gov.uk/wl/?id=rsQkN3KJhocNbqUwZQ9nr2kZv1USJxS>

The attached letter also includes an update on the various conditions

Tim Deacon will provide up to date appraisal and scheme drawings directly once instructions are confirmed.

Kind regards

Alan

**Alan Richards MRICS**

Group Manager, Corporate Property & Asset Management – **Southend-on-Sea Borough Council**

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