

DVS Property Specialists
for the Public Sector

Alan Richards MRICS
Finance and Resources
Department of the Chief Executive
Southend on Sea Borough Council
Civic Centre
Victoria Avenue
Southend on Sea
Essex
SS2 6ER

Oxford Valuation Office
4400 Nash Court
Oxford Business Park South
Oxford
OX4 2RU

Our Reference : 1682654/[REDACTED]
Your Reference :

Please ask for : [REDACTED]
Tel : [REDACTED]
Mobile : [REDACTED]
E Mail : [REDACTED]@voa.gsi.gov.uk

By Email

Date : 25th January 2019

Dear Alan

Client Name: Southend-on-Sea Borough Council
Property Address: Seaway Leisure Scheme, Southend-on-Sea

Further to your email and the letter provided by Savills dated 24th January 2019 providing clarification to various points raised at committee.

I have previously provided a report dated 21st December 2018 to Southend on Sea BC which comprised a review of the Savills valuation report and s123 letter dated 21st November 2018 relating to the proposed sale of a long leasehold interest to Turnstone to enable the Seaway Leisure Scheme.

I have reviewed the content of the letter dated 24th January 2019, specifically in relation to the treatment of the properties at the former Rossi Factory, 29 Herbert Grove and 1-3 Herbert Grove in context of Valuation 1 of the aforementioned reports.

I agree with the following statements as set out in the Savills letter:

To realise any positive value out of these assets, the Council would first have to repay the grant, leaving it in a negative financial position. For this reason, Valuation 1 assumes that 29 Herbert Grove and the Rossi Factory have no financial value to the Council. The value rests with Homes England and is protected through their restriction on title.

As clearly set out in the Cabinet report, 1-3 Herbert Grove is within the area to be developed, but is not within the area to be leased to Turnstone. We understand it will not form part of any land transaction but instead to be subject to a licence for demolition and landscaping works required to enhance the public realm and we have not attached any value for this property. As with 29 Herbert Grove and the Rossi Factory, the value sits with Homes England.

The issue relating to the overage payments to Homes England was not part of my instruction so I cannot comment further.

Having reviewed the letter and clarifications provided and I see no reason to amend the conclusion of my report which was as follows:

I consider that the conclusion drawn by Savills that the proposed deal represents best value is appropriate and reasonable.

I trust this is sufficient for your purposes, but if you have any queries please do not hesitate in contacting me.

Yours sincerely

A black rectangular redaction box covering the signature of the sender.

RICS Registered Valuer
DVS