



# Andover Town Council

To **consider**, and if appropriate, to **approve** the independent land valuer report costs for the Picket Piece project.

Item No. **12**

**Produced for:** Full Council

**By:** Town Clerk

**Date of Report:** 22 May 2024

## Background:

To apply to the Community Ownership Fund, an independent valuation of the price of the land is required to ensure value for money and protection from fraud.

This report needs to be carried out by a qualified professional. (RICS registered.) We have been advised that a Red Book compliant report is necessary.

The costs below are from two independent and land valuation companies, and councillors are asked to approve one of the quotes.

Councillors are reminded that the land purchase will not go ahead unless at least 80% of the land purchase cost can be provided in grants.

The extra 20%, is being actively investigated by the Town Clerk and officers at TVBC to see if funding can be provided by the Borough.

IF those two funding streams are successful the only cost to the council will be the land valuation and the minimal costs already incurred.

IF those two fundings streams are not successful, then it is unlikely the Council could proceed.

The land purchase has incurred minimal costs to date.

The object is to buy an asset for the town's current and future residents.

Benefits of purchasing and using green space

- Social impacts of good quality green spaces = increased social interaction. Improving community cohesion and reducing loneliness in elderly people.
- Health of exercise = reducing the risk of developing many long term conditions such as heart disease
- Economic impact = easy to access and free to use outdoor green space.
- Environmental = enhancing the existing hedgerows and trees including the existing hazel dormouse population.

## Supplier 1

As I understand it, the Council are seeking to purchase the subject site to ensure it stays as open space rather than be developed out in line with the extant planning consent.

## Supplier 2

Many thanks for your request which has been forwarded to me.

The Council require a Red Book Valuation of the site to establish a reasonable value (effectively to ensure they are not overpaying).

On this basis our fee will be £4,000 plus VAT for the valuation. This will include an inspection of the site and is inclusive of all disbursements.

Were any discussions required with the vendors, this would be charged separately at £325 plus VAT per hour – to be agreed prior to any additional work commencing.

Finally, regarding timings – unfortunately I am on leave next week, so I will seek to get a draft with you early WC 10th June.

If you have any queries, please do not hesitate to contact me.

I am a RICS Registered Valuer with experience in valuation and planning exercises such as this. I would therefore be happy to assist with this instruction. I have attached my CV for your reference.

Given you are a public body, I would expect any purchase would need to be supported by a RICS Redbook compliant report. I am therefore basing my quote on a site inspection, reviewing the consent granted, undertaking a residual valuation to establish the Market Value and then providing purchasing advice which would be supported with a compliant valuation report.

For undertaking such an instruction, based on my hourly rate of £200 per hour plus VAT and disbursements, I would envisage a fee of £5,000 plus VAT and disbursements. Any work thereafter, would be agreed or based on my hourly rate of £200 per hour plus VAT and disbursements. Should you want assistance with the purchasing process with could be charged on an hourly rate or a % of the agreed purchase price.

Subject to instructions and obtaining sufficient information, I could inspect the site w/c 3<sup>rd</sup> June and issue the report 15 workings days thereafter.

I look forward to hearing from you in due course.

**Considerations:**

Councillors should consider which budget line this cost should come from.

Please bear in mind the costs are not recoverable, regardless of whether or not the Council are successful with the grant application.

**Potential budget sources are:**

- a. General Reserve.
- b. Property Earmarked Reserve.