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Date: 31st October 2016
Our Ref: 16064
Your Ref: APP/16/00921

Mrs. R. McMurray,
Principal Planner
Development Management
Havant Borough Council
Public Service Plaza
Civic Centre Road
Havant
Hants
PO9 2AX

Dear Mrs McMurray,

Re: Planning Application APP/16/00921

Dolphin Quay, Queen Street, Emsworth – Offer to Purchase Site by Link.org

I have been asked to write to you, by my clients Wilson House Limited, in response to the publication on the Council's website of details of the offer to purchase the above site by charity Link.org. My clients wish to explain the reasons why this offer was rejected by the sites owner, and his advisors, after their detailed consideration. It should be explained at this point that all of the correspondence relating to this offer was reported to the sites owner, and it was his decision to reject the offer.

Summary

In summary, my clients had significant doubts as to whether the offer was genuine. The offer was received via a local architect acting on behalf of a "London based charity." The charity had not been formally registered as a charity until some 3 months after the offer was received. The charity would not demonstrate "proof of funds" and would not provide details of their solicitors. Additionally, the charity would not provide any information that indicated that they were "serious" about either reusing or redeveloping the site for charitable purposes or indeed for mixed commercial / charitable purposes. Furthermore, the charity would not provide information regarding other charitable schemes that they had been involved in either locally or elsewhere.

As the charity would only provide very limited information my clients researched the background to Link.org, as well as it's Trustees. The charity was registered on 29th July 2015. Their activities described on the Charity Commission website are "To benefit the prospects of younger members of society by providing life-skills and training; developing their mental, physical and moral capabilities, competencies and skills and understanding in subjects of educational value. Preference may be given to applications within C12 miles of Emsworth, Hampshire." The Trustees of the charity are listed as being Mrs Wendy Hilary Pritchard, Mr David Pritchard and Mr John Pritchard. The Charity Commission website states that "There are no other charities to display for" any of the Trustee's.

My clients are also aware that Link.org's Trustee, Mr John Pritchard objected to my clients earlier application to redevelop this site (LPA Ref: APP/14/00510). In his representation dated 10th July 2014, a

copy of which is enclosed with this letter, Mr Pritchard states “I do not accept that the site cannot be let for a reasonable rate for commercial use. As a business investor (*my emphasis*) I have not seen it advertised (and would be interested if it was available)...”

Given the above, my clients together with the sites owner, had little confidence that the offer to purchase the site, by the stated charity, was genuine. The offer to purchase the site by Link.org was, therefore, rejected.

Background

Our clients have spent a significant amount of time and effort in trying to secure a grant of planning permission for the redevelopment of Dolphin Quay over the past few years.

They first became interested in the site when it was being marketed by agents Borland and Borland. Borland and Borland had been marketing the site for sale, in its entirety, since early 2011. As part of their marketing campaign Borland and Borland contacted a number of commercial developers suggesting that it could be comprehensively redeveloped. However, little interest was shown in the commercial use of the site when refurbishment / rebuild costs were taken into account. Flooding, as well as the poor condition of the antiques centre building, were considered to be the main constraints to the sites redevelopment.

Following the failure of my clients initial planning application to redevelop the site in 2014 (LPA Ref: APP/14/00510) new commercial agents, Holloway Iliffe & Mitchell, were appointed to market the site. The new marketing campaign commenced in February 2015.

The Offer to Purchase Dolphin Quay by Link.org

An offer to purchase the site by charity Link.org was made on 13th April 2015. This offer was eventually rejected on 28th September 2016.

A review of the offer to purchase the site by Link.org is described in detail by Tom Holloway, of Holloway Iliffe & Mitchell, in his document of the “Record of Offer to Purchase”.

Given that my clients had expended significant resources in trying to obtain planning permission they considered that they, together with the sites owner, were entitled to know something about the party making an offer to buy Dolphin Quay. In an email to Mr Martin Helyer, dated 19th August 2016, Tom Holloway asked 9 questions. These questions can be summarised as follows: -

- (i) The age of the interested charity;
- (ii) Whether the charity had a track record of delivering community projects in the Havant and Emsworth area;
- (iii) What evidence they could provide which clearly demonstrated that they were serious about developing the site for the provision of youth facilities within the Emsworth and Havant area.
- (iv) Whether they had any ‘development documents’ that were available for inspection.
- (v) Whether they had approached the Local Planning Authority explaining their plans for the site.
- (vi) If yes to (v) what had the response been?
- (vii) What would become of the site if the charity’s attempts to develop it as briefly explained failed.

In an email dated 2nd September 2016 the agent of Link.org stated “I have since spoken to the trustees and with respect their position is being misinterpreted. The charity has already out of courtesy offered additional details. The nature of the purchaser is irrelevant; they have substantial funds for this

development and have made an offer over market valuation. If you know of any factors that affect the market valuation, please could you let us know.”

Having received this response, and bearing in mind that the initial offer letter, stating that a London based charity wished to purchase the site was dated 13th April 2015 (which was approximately 3 months before Link.org was registered as a Charity on 29th July 2015) both my clients, and the sites owner, had little confidence that the offer to buy Dolphin Quay for the stated purposes, was genuine.

The applicants consider, unless it can be demonstrated otherwise, that Link.org has not delivered any charitable projects so far in the Emsworth and Havant area. It also seems, unless it can be demonstrated otherwise, that they have no firm proposals, or development documents, to redevelop the Dolphin Quay site for charitable purposes. Additionally, it would appear that Link.org have yet to approach the Local Planning Authority with any proposals relating to the redevelopment of the site. Link.org cannot know, therefore, whether their proposals would have any chance of being granted planning permission given the sites sensitive location within a Conservation Area, AONB and Flood Zone 3. Finally, Link.org have not clarified what their proposals for the site would be should they fail in their attempts to deliver a charitable use for the site.

When considering the offer by Link.org our clients, together with the sites owner, asked themselves the following questions: -

1. How do we know if this offer is genuine?
2. How do we know if this offer is not just a way of undermining the current planning application?
3. If we sold the site to Link.org how can we, or the LPA, guarantee that the site would be redeveloped for charitable purposes?
4. If the site was not developed for a community charity use what would happen to it?

Given that my clients have expended significant resources over the past 3 years in trying to obtain planning permission to redevelop this site they considered that they, and the sites owners, were entitled to know something about the prospective purchaser's intentions. In this instance it is considered that they were within their rights to carry out a form of “due diligence”. To date they have been provided with few answers to their enquiries.

Correspondence and Representations

When reviewing the correspondence between Holloway Iliffe & Mitchell and Link.org's agent the LPA will note the following: -

- In the letter dated **13th April 2015** the agent states that he has been instructed by a “London based charity to make an offer for the site for their marine related use of the site”.
- In the letter dated **25th August 2015** the agent states that “The charity is serious about this offer...”
- In the letter of **7th July 2016** the agent states “the offer is made by a registered charity...” (For privacy reasons our client does not want their identities revealed locally....)”

When asked about the proposed use the agent states “This is our concern (not yours as agent for the sellers). However, the intended use is for charitable purposes. The Trustees would seek to use the premises for commercial purposes and for the benefit of local children and young people (through education, training and employment).”

- In the letter dated 7th July 2016 the terms “commercial” and “employment” are mentioned. But these are still bound up in the “charity” use.

- It is apparent, from his letter of objection to this planning application, that Mr John Pritchard is one of Link.Org's Trustees. He states at point 2) of his representation dated **3rd October 2016** that "My brief was that I was considering buying the site with a view to protecting it as a mixed-use commercial, employment/business, site for the general Emsworth community, and that this might (*my emphasis*) be done by using it for charitable 'youth' purposes via Link.org."
- It will also be noted, that in Mr Pritchard's concluding paragraph he states "In summary, we made an offer in April 2015 on a mixed-use/commercial basis and have been struggling to get the Agents to engage with us since then (despite having offered more we are told the property is worth and having cash funding in place)."

In the letter dated 13th April 2015 the agent stated "We have been instructed by a London based charity to make an offer for the site for their marine related use of the site." This does not, in the opinion of my clients, or the sites owner, infer the future use of the site "on a mixed use/commercial basis."

It appears, to my clients and the sites owner, that the prospective purchasers of the site have "changed tack". Whereas in their initial correspondence Link.org's agent stated that "The charity is serious about this offer..." it now appears that the future redevelopment of the Dolphin Quay site "might (*my emphasis*) be done by using it for charitable 'youth' purposes via Link.org."

The sites owner, and applicants, consider that this change of tack demonstrates that the offer to buy the Dolphin Quay site was, in their view speculative.

Conclusions

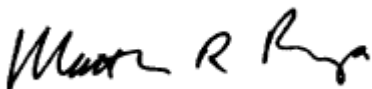
My clients are of the opinion that the site has been robustly marketed since February 2015 by commercial agents Holloway Illiffe & Mitchell. They consider that the marketing exercise demonstrates that, other than the offer from Link.org, there is very little, if any, interest in either the re-use of the site and buildings for their existing lawful uses or a redevelopment of the site for mixed use commercial purposes. The reason for this lack of interest is likely to be related to the financial viability of such a development given the poor condition of some of the buildings and the propensity of the site to flood.

Having considered the minimal and inconsistent information provided by Link.org in support of their offer the sites owner, and his advisors, are of the view that the rejection of this offer was fully justified.

This letter should be read in conjunction with the document provided by Tom Holloway of Holloway, Illiffe and Mitchell.

I trust that you will take the above comments into account when considering this planning application.

Yours sincerely,



Matthew R. Pickup

BSc(Hons), DMS., MRTPI