

Dear Predrag Suzic

I am one of the residents of the Square, and have read the report of Mr. Orr-Ewing. I hope that the following comments are helpful. Please will you be kind enough to acknowledge that you have received this email.

You suggest that the landowner is proposing to charge individual house-owners for use of the square - not so. It is their 'expert's' attempt to arrive at a valuation. I very much hope that the Council will be obtaining their own report, and from somebody more authoritative than O-E.

Para. 3.2 of his report - The gardens would be attractive if they were properly maintained.

Para. 3.1 - The principal issue surely is what rent the gardens might reasonably be expected to be let for on the open market. Obviously, therefore, demand is an important determinant of the price.

O-E seeks to value the gardens on the basis that it is a private square. But it is laid out as a public garden and used for public recreation. Would planning permission be required for change of use to private gardens? Are there any statutory restrictions on the closure of public gardens?

If the gardens are to be valued in the way O-E suggests, where is the evidence of demand for the right to their private use? Occupiers of properties in the Square are generally if not unanimously opposed to turning them into private gardens.

Para. 3.8 - O-E's 1st suggested approach to valuation of these gardens is based on what the Welcome Trust has charged leaseholders in Cranley Gardens as a capital sum for the amendment of their lease to include a right to use them, calculated at 2% of the freehold value of the leasehold property. Why 2%? It is difficult to see how this could be any guide to the rental value of M Square gardens. Furthermore, perhaps not surprisingly, there seems little demand for the Welcome Trust arrangement - 'half a dozen applications' 'over the last couple of years'.

Para 3.6 - O-E's other alleged comparable is Thurloe Square - £1000 pa for each person who wishes to use those gardens irrespective of where they live. He gives no information as to the take-up of this offer, or how this sum has been arrived at. O-E then assumes that each lease-holder/freeholder in M Square would be willing to pay £1000 pa - on what basis does he make this assumption?

In short O-E's report provides no guidance as to the rental value of M Square gardens. A better approach may be a reasonable yield as a % of market value. The best guide of market value would seem to be what the Freeholder paid for the gardens - we need to know that. It seems absurd to base the valuation of the Gardens on what tenants/freeholders would pay for their private use, when it is not a private square and tenants/freeholders have no wish for it to be one.

The nearest private square is Lloyd's. How much do the users pay and how is that calculated.

Best wishes,

Nicholas Riddell