

Name and Role Redacted

1st December 08

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Further to our recent meeting I am pleased to detail below the current position and my thoughts on how any future agreement may be structured.

As you are aware we have been in negotiations with the Land Owner for some time regarding the above land and have now exchanged heads of terms.

The land in question totals some 64 ha as edged red on both the attach location and site plan. In addition we have now agreed a schedule of works with Natural England for the reversion of this arable land to grazing marsh. The works as proposed currently are shown on the attached drawing number E125 (rev3). The current agreement allows for this work to be undertaken by the existing landowner once completion has occurred.

The proposal we discussed was that SEEDA could act as a conduit to pull together several parties to provide RSPB with grant funding to be the named party in the acquisition.

The total cost of the land and works will be £1.25m with the cost of the works estimated at £250k. Therefore, the land will stand in at say £1.00m i.e. £16,666 per ha (£6,745 per acre).

The total cost of the acquisition will need to include the associated fess and the survey work necessary to establish the suitability of the land for reversion and the work involved in agreeing the reversion works. As such, we expect the total cost to be a maximum of £1.5m i.e. £25,000 per ha (£10,117 per acre).

Funding would be provided in part from the Environment Agency for 39 ha as part of its Habitat Creation Programme. The remaining 25 ha would initially be funded by SEEDA and we would then seek to recoup this from private sector partners.

In terms of the mechanics of the deal we are aiming to finalise terms and exchange contracts with the Land Owner as soon as possible. We aim to exchange and complete the purchase by the end of January with RSPB taking ownership of the land from that point. The Land Owner is to remain in occupation until the final crop has been removed at which point there will be a requirement that within 12 months of completion he will be obliged to complete the works and draw down the works price on an agreed schedule.

As the landowner, RSPB would be responsible for overseeing the works and of course for the subsequent long term stewardship with an obligation to manage the whole site in accordance with the agreed NE management plan.

The main issue we need to consider is, as discussed, the contribution parties would seek from RSPB towards the cost of the acquisition to reflect its long-term value as grazing marsh after the reversion. This will include the management obligations that will be put upon it with an assumption that there will be no stewardship payments available for the land until after the initial 10 year management period. I understand from our meeting that any contribution would not be possible until financial year 09/10 but this is something we can discuss.

I would appreciate your views on this, in particular on the issue of land values and the cost of future management. It is essential that we have some dialogue in this respect as soon as possible if we are to meet our various deadlines to secure this land, not least from the landowner who has expressed concern at the delay in agreeing a contract.

It would also be useful to understand what approvals you may require and the timetable for obtaining these

I look forward to hearing from you shortly.

With kind regards

Yours sincerely



Cc: Name Redacted - SEEDA
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