

**QUALIFIED SURVEYORS REPORT**

**TO COMPLY WITH THE CHARITIES ACT.**

**ON**

**THE BOROUGH COUNCIL OF OLDHAM CHARITABLE BUILDING FOR INSTALLATION OF FULL FIBRE NETWORK ON WERNETH LIFELONG LEARNING CENTRE, WERNETH PARK, FREDERICK STREET, OLDHAM OL8 1RB**



Prepared on Behalf of:

**The Borough Council of Oldham Acting As  
Trustees of Charitable Land Civic Centre,  
West Street, Oldham, OL1 1UT**

**Fletcher CRE**

Unit B  
Lostock  
Bolton  
BL6 4SG

T: 01204 221030

## **1 INTRODUCTION**

### **1.1 INSTRUCTIONS**

1.2 In accordance with your letter of instruction dated 15th July 2020, we have externally inspected the subject properties to comply with the Charities Act. on the following bases:

1.3 Confirmation that entering into the wayleaves with Virgin Media does not prejudice the market value of the property if The Borough Council of Oldham were to dispose of the property.

1.4 This report assesses:

- The property
- Tenure and existing leases
- Easements and restrictive covenants
- Conditions of buildings and needs of repair.
- Alterations to the building
- Confirmation Whether the wayleave prejudices the market value of the property if The Borough Council of Oldham were to dispose of the property.
- VAT

### **1.5 INSPECTION**

1.5.1 The property was externally inspected on 7 May 2021 by John Fletcher who is the author of this report. We confirm that this surveyor has the necessary experience in this type of property in this location in order to undertake this report.

### **1.6 STATUS OF VALUER**

1.6.1 In preparing this report, we confirm that Fletcher CRE are acting as external valuers as defined in the Standards. We can also confirm that we consider ourselves to be independent for the purposes of this instruction.

### **1.7 REPORT DATE**

1.7.1 The date of the report is 7<sup>th</sup> May 2021.

## **1.8 CONFLICT OF INTEREST**

1.8.1 We confirm that we have had no prior formal involvement with the property or with the client during the past 24 months. We consider, therefore, that we do not have any conflict of interest in providing the advice that you have requested.

## **1.9 COMPLIANCE WITH THE CHARITIES (QUALIFIED SURVEYORS' REPORTS) REGULATIONS 1992**

1.9.1 In preparing this report, we confirm that Fletcher CRE have had regard to The Charities (Qualified Surveyors' Reports) Regulations 1992, required when providing a Charity with advice regarding their property assets.

1.9.2 These regulations require the surveyor to address a number of issues including the condition of the property in current condition, any restrictions, and easements the property is subject to and whether the property has development potential.

1.9.3 We have attempted to address all requirements of these regulations and have highlighted areas where additional information should be sought prior to the installation of the Wayleave.

1.9.4 There is a requirement for Charity Trustees to obtain a written report on a proposed disposition in this case the grant of the wayleave agreement from a qualified surveyor and the authority must advertise the disposal in accordance with the advice in the report.

1.9.5 In this case there is no requirement to advertise due to there being no effect on the open market value, no structural alterations, and no change of use. In addition, the benefits can also be outlined that the installation of the fast fibre cable will improve local broadband connectivity to users and also the wider community.

1.9.6 The Charities Act also requires confirmation the marketing has achieved best value. The tender was procured through OJEU and was advertised by the Greater Manchester Combined Authority for the Greater Manchester Full Fibre Network Programme including Oldham Council. As result we feel best value has been achieved through the advertising of the tender document through OJEU as it will have been advertised to the relevant and competent service providers who are able to install the full fast fibre broadband. We therefore recommend the terms of the wayleave are the best that the charity could reasonably obtain.

## **1.10 QUALIFICATIONS AND EXPERIENCE OF SURVEYOR**

- 1.10.1 This report and advice has been prepared by John Fletcher MA MRICS, Director, Fletcher CRE, who will act as lead surveyor with this instruction. John is also a RICS Accredited Valuer.
- 1.10.2 John has been a Member of the Royal Institution of Chartered Surveyors for more than 10 years and has considerable experience in providing consultancy and valuation advice and disposing of sites and properties throughout the region.

### **1.11 WAYLEAVE AGREEMENT**

- 1.11.1 This report is to Confirm that entering into the wayleaves with Virgin Media does not prejudice the market value of the property if The Borough Council of Oldham were to dispose of the property in order to comply with the Charities Act.
- 1.11.2 We have received a copy of the draft Wayleave Agreement which will be in place for the property listed in this report. We have also attached a copy of the draft Wayleave Agreement in Annex 1 of this report.
- 1.11.3 The draft Wayleave Agreement is summarised as per the below:
- 1.11.4 The draft Wayleave agreement in respect of Installation of electronic communication apparatus is made between The Borough Council of Oldham (Grantor), Virgin Media Business Ltd (Supplier) and Virgin Media Limited (Operator).
- 1.11.5 We understand this agreement provides for a permitted strip which comprises one metre or thereabouts in width running over and either side of the Route.
- 1.11.6 Plans of the Route can be provided and are edged in red and are contained within this report.
- 1.11.7 There is a clause in the agreement that enables the relocation of the apparatus on either a temporary or permanent basis. Both parties shall use reasonable endeavours to collaborate with a view to providing acceptable solutions. Further information on this is contained with the agreement. There is also termination clause contained within the agreement which provides further information in relation to this agreement.
- 1.11.8 We feel that this Wayleave agreement should not prejudice the market value of the property should The Borough Council of Oldham dispose of the property. This is provided the Agreement is reviewed by a competent solicitor and the installation of the cables are undertaken by a competent professional trades person and no damage is caused to the building during the installation process. Any damage that is caused should be repaired immediately by a competent trade's person.

### **1.12 COVID 19**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a 'Global Pandemic' on the 11th of March 2020, has impacted many aspects of daily life and the global economy – with some real estate markets experiencing significantly lower levels of transactional activity and liquidity.

As at the valuation date, in the case of the subject property there is a shortage of market evidence for comparison purposes, to inform opinions of value. Our valuation of this property is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case.

The material uncertainty clause is to serve as a precaution and does not invalidate the valuation. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that you keep the valuation[s] contained within this report under frequent review.

## **2 THE PROPERTY WHERE THE WAYLEAVE IS INSTALLED?**

### **2.1 LOCATION**

2.1.1 The premises are located in Werneth Hall Park, accessed via Frederick Street, Oldham. Frederick Street connects on to the A62 Manchester Road. Here this provides access to Oldham Town Centre and the M60 Motorway. It also ultimately provides access to Manchester City Centre.

### **2.2 DESCRIPTION**

2.2.1 The subject property is a Grade II Listed building used as an adult education centre. Our inspection was limited to an external inspection only. He we observed the property is a two-story detached property, which appeared to have been extended in parts of the years. It is located at Werneth Hall Park, which is an 18-acre public park and provides a number of outdoor recreational facilities.

### **2.3 ACCOMMODATION**

2.3.1 We have relied upon the floor areas provided to us by the Valuation Office Agency (VOA). We understand that these are on a Gross Internal basis and are as follows:

<b>BUILDING / FLOOR</b>	<b>DESCRIPTION</b>	<b>NIA (M<sup>2</sup>)</b>	<b>NIA (FT<sup>2</sup>)</b>
Werneth Park Community Education Centre	Education Centre	698	7,522
<b>TOTAL</b>		<b>698</b>	<b>7,522</b>

2.3.2 We would recommend the floor areas are verified and the building is measured in accordance with the latest version of the RICS Code of Measuring Practice on a Net Internal area basis. If the floor areas vary from the above, this may have an impact on the valuation alter the figures detailed below.

### **3 TENURE**

3.1.1 We understand that the property is held freehold. We have assumed that there are no encumbrances easements, restrictions, outgoings, or conditions that are likely to have an adverse effect on the value of the property and we have assumed that there is a good marketable title.

3.1.2 would recommend that the tenure is verified by your legal advisors and we would, of course, be prepared to comment further on receipt of a Report on Title. Clearly, you will appreciate that if our assumptions on title are not confirmed then our valuation may be adversely affected.

### **4 EXISTING LEASES**

4.1.1 We are not aware of any occupational tenancies or leases that pertain to the site.

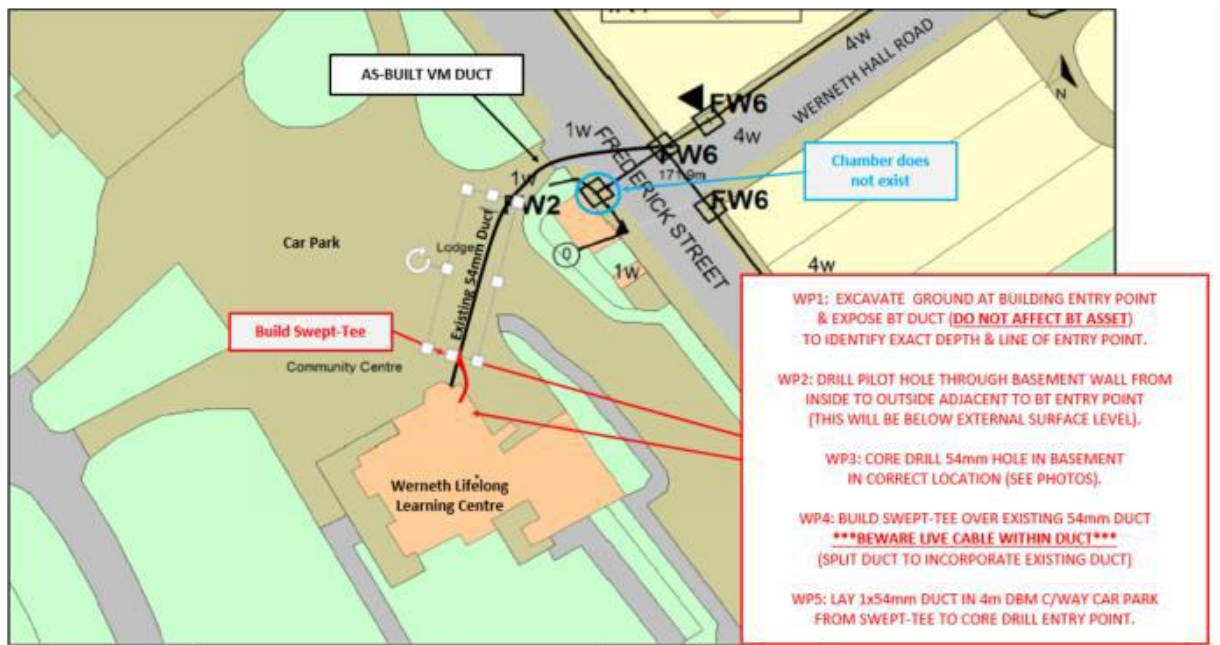
### **5 EASEMENTS AND RESTRICTIVE COVENANTS**

5.1.1 We are not aware of any easements or restrictive covenants on the property.

5.1.2 We would be happy to comment further on this matter on receipt of a Report on Title. Clearly, you will appreciate that if our assumptions on title are not confirmed then our valuation may be adversely affected.

5.1.3 There is a Wayleave to be granted that will enable a fibre network to be installed in the building.

5.1.4 Please see plan of the building below:



## 6 CONDITION OF THE BUILDING AND NEEDS OF REPAIR

6.1.1 We have not carried out a detailed building inspection or condition or structural survey, however, based upon our limited inspection of the premises, overall, we consider that externally the premises appear to be in a reasonable state of repair, commensurate with their age, use and form of construction.



- 6.1.2 However, in our opinion, the main fabric and structure of the premises will have a future life of approximately 20 years, assuming adequate maintenance in accordance with good estate management practices is undertaken during this period.
- 6.1.3 We have not been able to determine whether any deleterious materials have been used in the original construction or in any subsequent refurbishments of this property. Should there be further concerns with regard to the presence of potentially deleterious materials within the building, we would recommend the appointment of a suitable specialist to advise accordingly.

## **7 ALTERATIONS TO THE BUILDING**

- 7.1.1 We understand the installation of the Fibre Cables will require some minor works to the building.
- 7.1.2 We have in this regard assumed these works will be minor, will not be to the detriment of the building and can be repaired and reinstated if the fibre cables are removed or relocated elsewhere in the building.

## **8 CONFIRMATION WHETHER THE WAYLEAVE WILL HAVE A DETRIMENT TO THE MARKET VALUE OF THE SUBJECT PROPERTY SHOULD OLDHAM MBC DECIDE TO DISPOSE OF THE PROPERTY.**

- 8.1.1 Based on the information provided the wayleaves run underneath the car park along part of the exterior of the building and then along the internal wall. The fibre cables will be installed on the basis of the agreement detailed in section one of the report and in the locations details in the plans provided by Virgin Media under their reference 1285811-2373093.
- 8.1.2 From the images provided these do not appear to be to the detriment of the building and its day-to-day use. It would appear these also could be relocated to other parts of the building which the Wayleave agreement should allow for.
- 8.1.3 We would recommend the Wayleave agreement is reviewed by a competent solicitor to ensure this will not cause any complications in relation to the title and the wayleave can be relocated elsewhere on the subject property should the occupier require it to be relocated.
- 8.1.4 We would also recommend the works are carried out by a competent and professional trades person.
- 8.1.5 In conclusion, if the property were to be disposed of in the future and based on the information received and subject to the above comments. The wayleave agreement does not appear to reduce the value of the property should Oldham MBC decided to dispose of the property in the future.



- 8.1.6 The charity are not disposing of the building therefore we do not feel a value needs to be provided on the building. There is no premium to be paid by entering into the wayleave agreement and as the building will benefit from the installation of the fibre optic cabling we would recommend no premium should be paid.
- 8.1.7 We can also confirm the disposition as proposed would be in the best interests of the charity to proceed.

## **9 VAT**

- 9.1.1 We understand there is no VAT on the property.

## **10 CONFIDENTIALITY**

- 10.1.1 This Valuation Report is provided for the use only of the party to whom it is addressed, and no responsibility is accepted to any third party for the whole or any part of its content. The basis of valuation may not be appropriate for other purposes and should not be so used without prior consultation with us.
- 10.1.2 Neither the whole nor any part of this Valuation Report nor any reference thereto may be included in any published document, circular or statement, nor published in any way without our written approval of the form and context in which it may appear.

*John Fletcher*

**John Fletcher MA MRICS  
RICS Registered Valuer  
Director  
Fletcher CRE**

Tel: 01204 525252 (Option 1)  
Mob: 07855773792  
Email: john.j.fletcher@fletchercre.co.uk