

**Valuation Report for  
The W H Shaw Site  
Diggle  
Oldham  
OL3 5PG**

**Report for:  
Mark Prestwich  
Development Surveyor  
Strategic Regeneration  
Economy Place & Skills  
Directorate  
Oldham Council  
Level 3 Room 310 Civic Centre  
West Street  
Oldham OL1 1UH**

**Prepared by:**

**Senior Surveyor  
RICS Registered Valuer  
DVS**

**Tel: 03000 503436**

**Case Number:**

**Date: 4 February 2014**

## Contents

Executive Summary .....	1
1. Introduction .....	2
2. Valuation Parameters.....	2
3. Property Information.....	7
4. Valuation .....	8
5. General Information .....	10
6. Recommendations .....	11
7. Appendices .....	12
7.1 Plans .....	12

## **Executive Summary**

### **1.1 Description**

The site comprises three parcels of land fronting Huddersfield Road in Diggle. Two of the plots are vacant and one of them currently has an agricultural use. All three plots are classified as Greenfield

### **1.2 Location**

Diggle is a village within the Saddleworth Parish of the Metropolitan Borough of Oldham in Greater Manchester in England. The village is situated on the moorland of the Pennine Hills.

### **1.3 Tenure**

Freehold without any encumbrances.

### **1.4 Valuation Date**

The valuation date is 4 February 2014

### **1.5 Market Value**

The basis of value adopted is Market Value which is defined at VPS 4, para 1.2 as:

*'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'*

## **1. Introduction**

I refer to your instructions dated 28 January 2014 and my terms of engagement dated 30 January 2014.

I have inspected and valued the property and I am pleased to report to you as follows.

## **2. Valuation Parameters**

### **2.1 Identification of Client**

Oldham Metropolitan Borough Council.

### **2.2 Purpose of Valuation**

A valuation is required in order to enter into an agreement for the disposal of the existing Saddleworth Comprehensive School's site and the acquisition of the WH Shaw site based on the terms contained within 2.8 of this report.

### **2.3 Subject of the Valuation**

WH Shaw site, Diggle, Oldham, OL3 5PG

### **2.4 Date of Valuation**

The date of valuation is 4 February 2014.

Please note that values change over time and that a valuation given on a particular date may not be valid on an earlier or later date.

### **2.5 Confirmation of Standards**

The valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation - Professional Standards 2014 UK Edition, commonly known as the Red Book.

Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS).

### **2.6 Agreed Departures from the RICS Professional Standards**

There are no departures beyond those restrictions on the extent of investigations and survey, and the assumptions, stated below.

## 2.7 Basis of Value

The basis of value adopted is Market Value which is defined at VPS 4, para 1.2 as:

*'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'*

## 2.8 Special Assumptions

The following have been taken into account in undertaking the valuation.

### **WH Shaw site:**

1. The Council to acquire the freehold interest in the land shown edged red on the attached plan **which is thought to extend to 16.84 acres or thereabouts.**
2. The sites will be acquired with the benefit of full vacant possession.
3. In addition it is understood that the site is subject to an agricultural agreement. WRT Developments would be responsible for serving Notice to Terminate the tenancy and in the event of any compensation payment being necessary in order to secure possession, this would be borne by WRT Developments.

7. In completing the purchase, WRT Developments would be granted a right to travel over the land shown edged blue on foot or in a vehicle, lay and maintain any existing or future services under the land. The Council would pay a 50% contribution towards the initial surface dressing of the shared length of the

carriageway and will continue to pay a similar contribution towards maintenance costs, in respect to the shared length of the carriageway area only. In the event that WRT wish to develop a footpath or provide drainage, street lighting columns etc. in support of any redevelopment of their retained land, the Council would permit this, but would not be required to pay any contribution to the initial construction costs nor their on-going maintenance. In the event that WRT Developments wish to upgrade the access road to form adopted highway, the Council would allow this but would pay no costs. The Council would take reasonable steps to accommodate any additional land requirements up to a maximum 1-metre strip in order to support the creation of an access road that meets adoptable standards

**Saddleworth Comprehensive School site:**

8. Immediately upon acquiring the WH Shaw site edged red, the Council would sell a long leasehold interest in the land occupied by the school. The lease would be for a 999 year term subject to a peppercorn rent without review. The lease would also limit the use of the site to residential use and an obligation to keep the site and any properties erected thereon in a good condition.
9. With exception of the occupational lease-back to the Council, the site would be transferred with the benefit of full vacant possession.

12. Immediately upon completion, the Council will be granted a lease, excluded from protection provided under section 24-28 of the Landlord and Tenant Act 1954, for a two year term.

14. The Council would continue to keep the property fit for purpose during the term of the lease and would also continue to be responsible for all rates, insurance and other outgoings during the lease.

15. WRT Developments would be expected to submit a planning application for the residential development of the site within 3 months of completion.

17. The inclusion of Saddleworth School subject to the Council obtaining Secretary of State Consent under Section 77 of the School Standards and Frameworks Act 1998 and Schedule 14 to the Education Act 2011. In the event that consent is not forthcoming, the Council would have the ability to make cash payment for the WH Shaw site.

18. In the event that planning permission for residential development of the existing Saddleworth School site is not forthcoming, the Council would have the ability to make cash payment for the WH Shaw site.

19. WRT Developments would be responsible for demolishing the Saddleworth School building at the end of the Council occupation when looking at the building at the Saddleworth School site, it was noted that there is very little in the way of credit items (i.e. stone/slate/steel) for the demolition contractor.

## 2.9 Nature and Source of Information Relied Upon

I have assumed that all information provided by, or on behalf of you, in connection with this instruction is correct without further verification – for example, details of tenure, tenancies, planning consents, etc.

The information provided is a plan of the site and background information.

My advice is dependent upon the accuracy of this information and should it prove to be incorrect or inadequate, the accuracy of my valuation may be affected.

## 2.10 Date of Inspection

As agreed, the property has not been inspected again. An initial inspection was carried out on 1 July 2013 in support of the valuation dated 9 July 2014.

## 2.11 Extent of Investigations, Survey Restrictions and Assumptions

An assumption in this context is a limitation on the extent of the investigations or enquiries undertaken by the valuer. The following agreed assumptions have been applied in respect of your instruction, reflecting restrictions to the extent of our investigations.

- As agreed, the property has not been inspected again. An initial inspection was carried out on 1 July 2013 in support of the valuation dated 9 July 2013.
- No detailed site survey, building survey or inspection of covered, unexposed or inaccessible parts of the property was undertaken. The Valuer has had regard to the apparent state of repair and condition, and assumed that inspection of those parts not inspected would neither reveal defects nor cause material alteration to the valuation, unless aware of indication to the contrary. The building services have not been tested and it is assumed that they are in working order and free from defect. No responsibility can therefore be accepted for identification or notification of property or services' defects that would only be apparent following such a detailed survey, testing or inspection.
- It has been assumed that good title can be shown and that the property is not subject to any unusual or onerous restrictions, encumbrances or outgoings.
- It has been assumed that the property and its value are unaffected by any statutory notice or proposal or by any matters that would be revealed by a local search and replies to the usual enquiries, and that neither the construction of the property nor its condition, use or intended use was, is or will be unlawful or in breach of any covenant.
- Valuations include that plant that is usually considered to be an integral part of the building or structure and essential for its effective use (for example building services installations), but exclude all machinery and business assets that comprise process plant, machinery and equipment unless otherwise stated and required.
- It has been assumed that no deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated. However where an inspection was made and obvious signs of such materials or techniques were observed, this will be drawn to your attention and captured in this report.
- No access audit has been undertaken to ascertain compliance with the Equality Act 2010 and it has been assumed that the premises are compliant unless stated otherwise in this report.
- No environmental assessment of the property (including its site) and neighbouring properties has been provided to or by the VOA, nor is the VOA instructed to arrange consultants to investigate any matters with regard to flooding, contamination or the presence of radon gas or other hazardous substances. No search of contaminated land registers has been made.



- In the case of trading related properties, the Valuer has assumed that all licences, fire certificates and permissions required to operate the business will be transferable to a purchaser.
- No allowances have been made for any rights obligations or liabilities arising from the Defective Premises Act 1972.

### **3. Property Information**

#### **3.1 Situation**

Diggle is a village within the Saddleworth Parish of the Metropolitan Borough of Oldham in Greater Manchester in England. The village is situated on the moorland of the Pennine Hills.

Historically part of the West Riding of Yorkshire, it is located at one end of the recently restored Standage Canal Tunnel, Britain's longest, deepest and highest canal tunnel. It lies on the River Ten in a valley amongst the South Pennines. 4.5 miles (7.2km) east of Oldham and 11 miles (17.7km) east to northeast to Manchester.

Diggle forms a continuous urban area with the neighbouring village of Uppermill and the two have a combined population of 7,500.

#### **3.2 Description**

The site comprises three parcels of Greenfield land fronting Huddersfield Road in Diggle. Two of the plots are vacant and one of them currently has an agricultural use.

#### **3.3 Tenure**

Freehold.

#### **3.4 Easements and Restrictions**

I am unaware of any easements and restrictions that affect the site.

#### **3.5 Site Area**

The Site area is approximately 16.84 acres (6.8 hectares). The area has been provided by the Client. Plans of the site are attached at appendix 7.

#### **3.6 Services**

It is assumed that all mains services and drainage will be available at the property.

### 3.7 Access and Highways

It has been assumed for the purpose of this valuation that the maintenance of the roads and footpaths is ex-adverso the property is the responsibility of the local authority.

### 3.8 Planning

Informal enquiries have been made of the planning authority revealing that the Saddleworth Comprehensive School site is in a residential area and it is likely that the site could be developed for residential purposes. The local authority has indicated that planning and development briefs will be prepared for the site, it is currently envisaged that given their location and surrounding land uses that the site and the existing school buildings will be developed for residential purposes.

The WH Shaw site will be developed as the site for the new school and is currently zoned for Business and Industry and is part of Saddleworth Employment Area. It is Greenfield in nature insofar that it has not previously been developed.

### 3.9 Equality Act 2010

Whilst I have had regard to the provisions of the Equality Act 2010 in making this report, I have not undertaken an access audit nor been provided with such a report. It is recommended that you commission an access audit to be undertaken by an appropriate specialist in order to determine the likely extent and cost of any alterations that might be required to be made to the premises or to your working practices in relation to the premises in order to comply with the Act.

### 3.10 Mineral Stability

The property is not in an underground mining area and a Mining Subsidence Report has not been obtained.

### 3.11 Environmental Factors Observed or Identified

I am not aware of the content of any Environmental Audit or soil survey which may have been carried out on the property and which may draw attention to any contamination or possibility of any such contamination.

In undertaking this valuation I have assumed that no contaminative or potentially contaminative uses have ever been carried out on this site.

## 4. Valuation

### 4.1 Valuation Methodology / Approach and Reasoning

The valuation approach has been one of a comparison within this locality and further afield. Such evidence of course requires adjustment to allow for differences in size,

style, building, condition, locality, transaction dates and all other factors relevant to the valuation date.

Due to the limited number of comparable I have applied a significant amount of valuer judgement to arrive at my valuation.

#### 4.2 Comparable Evidence

I have given particular consideration to sales of land as follows:

1. Former Drill Hall, Rifle Street, Oldham, Lancashire.
2. Royton Conservative Club, Byrom Street, Oldham, Lancashire, OL2 6QZ.
3. Woodfield Centre, Manchester Road, Oldham, OL8 4ET.
4. Middlewood Lock Site, Salford.

#### 4.3 Opinion of Value

[Redacted text]

#### 4.4 Currency

All prices or values are stated in pounds sterling.

#### 4.5 VAT

I understand that VAT does not apply to this transaction and my opinion of value reflects this. In the event that my understanding is found to be inaccurate, my valuation should be referred back for reconsideration.

#### 4.6 Costs of Sale or Acquisition and Taxation

I have assumed that each party to any proposed transaction would bear their own proper legal costs and surveyor's fees.

No allowance has been made for liability for taxation, whether actual or notional, that may arise on disposal.

#### 4.7 Market Commentary

The market for residential sites is presently uncertain. The value of development sites dropped considerably in 2008/2009 due to the fall in house prices and the reduced availability of finance for developers. As a consequence there is presently, limited sales evidence available for development sites being sold in the open market. I have located some comparable evidence of development sites both with and without planning permission in surrounding areas and have had regard to these in my opinion of value.

The market for prime residential sites does appear to have increased in recent months. There still remains very little interest from developers in non-prime sites. Valuations of residential development sites such as this, therefore, are subject to a greater degree of uncertainty and valuer judgement.

There is some industrial workshop floor space in the surrounding areas on the market for sale and to let but agents' report that demand remains sluggish since the credit crunch in 2007/2008 and the period of financial turbulence which has followed it is felt in some quarters that values in this sector have fallen back to some extent over the last 1-2 years except in the case of very modern floor space located in prime locations and industrial plots close to the motorway network. One survey shows that the take-up of industrial floor space in the northwest has fallen by 28% in 2013 compared with 2012.

It should be noted that this valuation is based on the information provided and may be subject to material variation if such information differs or changes from that envisaged within the report.

The opinion of value is subject to the validity clause.

#### 4.8 Potential Methods of Disposal

## 5. **General Information**

### 5.1 Status of Valuer

It is confirmed that the valuation has been carried out by Msc, MRICS, a RICS Registered Valuer, acting in the capacity of an external valuer, who has the appropriate knowledge and skills and understanding necessary to undertake the valuation competently, and is in a position to provide an objective and unbiased valuation.

### 5.2 Conflict of Interest

Checks have been undertaken in accordance with the requirements of the RICS standards and have revealed no conflict of interest. As previously disclosed, DVS has had previous material involvement with the property, which has been drawn to your attention. The details are as follows:

Saddleworth Comprehensive School, Uppermill, OL3 6BU and the WH Shaw Pallet site, Diggle, Oldham, OL3 5PG was provided on 9 July 2013. I confirm that this does not impact on my overriding obligation to act with independence and objectivity.

**5.3 Restrictions on Disclosure and Publication**

The client will neither make available to any third party or reproduce the whole or any part of the report, nor make reference to it, in any publication without our prior written approval of the form and context in which such disclosure may be made.

You may wish to consider whether this report contains Exempt Information within the terms of paragraph 9 of Schedule 12A to the Local Government Act 1972 (section 1 and Part 1 of Schedule 1 to the Local Government (Access to Information Act 1985) as amended by the Local Government (access to Information) (Variation) Order 2006.

**5.4 Limits or Exclusions of Liability**

The report should only be used for the stated purpose and for the sole use of your organisation and your professional advisers. No responsibility whatsoever is accepted to any Third Party who may seek to rely on the content of the report unless previously agreed.

**5.5 Validity**

This report remains valid for 3 (three) months from its date unless market circumstances change or further or better information comes to light, which would cause me to revise my opinion.

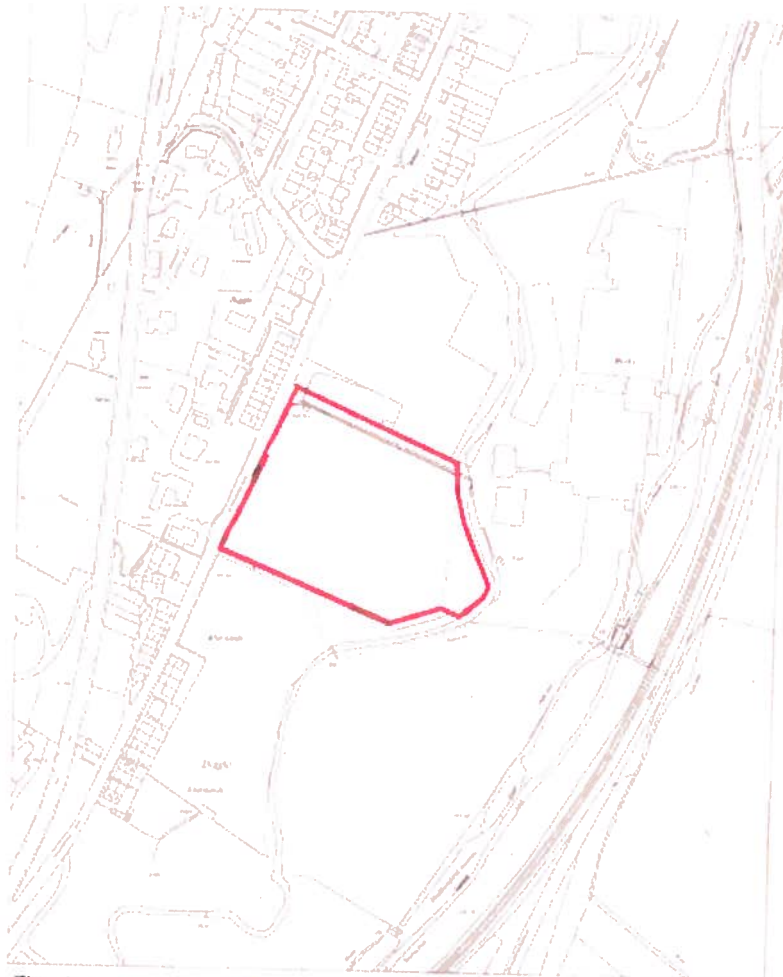
**6. Recommendations**

**6.1 Summary of key issues / value for money**

Please let me know if you require any further advice or information regarding the way forward affecting the subject property.

I trust that the above report is satisfactory for your purposes. However, should you require clarification of any point do not hesitate to contact me further.

Senior Surveyor  
RICS Registered Valuer  
DVS



**Plan title:** Land at Huddersfield Road edged Red

Case type:

Map tile: SE0007SW  
Scale: 1:2750

Coordinates: 400029 407157  
Area: 4.03 acres/1.63 hectares Perimeter

Key



Copyright (c) 2003 Ordnance Survey

Date: 31/1/2014