

Our Ref: 07C300506

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Date: 6 September 2023

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Wiltshire Council  
Shared Services Finance  
PO Box 4385  
Trowbridge  
BA14 4DS**For the attention of: Mike Dawson**

Dear Sirs

**Property Address:**

Marlborough Community Centre, St Margarets Mead, Marlborough, SN8 4BA

**Instructions**

We refer to your letter of instruction dated 8 August 2023 requesting that we provide you with report and valuation advice of the above-mentioned site in connection with your possible sale of the freehold interest.

A copy of our Terms of Appointment are attached at Appendix 1.

We are instructed to provide the following advice which we have carried out in accordance with the RICS Valuation – Global Standards effective from 31 January 2022:

- Existing Use Value

As agreed, our report has been prepared in an abbreviated letter format.

**Date and Extent of Inspection**

The property has not been inspected. As instructed, the property is being valued on a desktop basis. We specifically assume the property is as described in our report and that any difference is likely to have a direct material impact on value.

**Third Party Liability**

This Report and Valuation is for the sole use of the party to whom it is addressed and no responsibility is accepted to any party who is not an addressee of the report for the whole or any part of its contents, without our express consent.

**Conflicts of Interest**

In assessing any potential conflicts, we have adhered to the RICS Professional Statement – Conflicts of Interest, (1st Edition, March 2017) and the RICS Rules of Conduct.

We confirm that Avison Young has had no prior involvement with the subject property and are not aware of any external factors that would impede on our impartiality when providing our opinions of value.



We are providing our advice as External Valuers in accordance with the provisions of the RICS Valuation – Global Standards 31 January 2022 (the Red Book). Avison Young (UK) Ltd is a regulated firm.

**Limitation of Liability and Professional Indemnity Insurance**

Our total liability in connection with this instruction and this Valuation Report is £5 million, as set out in the terms of appointment we provided to you. We confirm that we hold professional indemnity insurance to cover our liabilities arising in connection with this instruction and this Valuation Report.

**Date of Valuation**

The date of valuation is the date of this report.

## Location

The property is located in Marlborough, a town of approximately 9,000 people in Wiltshire. Melksham is approximately 12.5 miles south of Swindon and 29 miles north of Salisbury. The property is located to the east of the town centre in close proximity to the Bowls Club.

## Description

The property comprises a two-storey community centre of brick elevations. We understand that the property was constructed in the 1970s as a purpose-built youth centre with accommodation over the ground floor and the first floor. The building is of conventional mid-late 20<sup>th</sup> century construction formed with masonry cavity external walls fitted with replacement uPVC double glazed windows.

## Repair

We have not inspected the property. Therefore, we have assumed that the property is in good repair.

## Site Area

We calculate that the site has an approximate area of 0.36 acres (0.14 hectares) using the Promap electronic mapping system.



We understand the site boundary to be as shown on the plan above. We have assumed that this represents the correct boundary to the site and that there are no ongoing boundary disputes. We would recommend that our understanding is confirmed by your solicitors.

### **Tenure**

We have not been provided with a Report on Title. However, we understand that you own the unencumbered freehold interest. We have assumed that the title does not contain any onerous or restrictive rights, covenants or easements which could adversely impact on the use or value of the site. We recommend that our understanding of the title should be confirmed with your legal advisers.

### **Services**

We have assumed that mains gas, electricity, water and drainage are available and connected to the site. We have not undertaken any tests to ascertain the condition or capacity of these services and have assumed for the purposes of this valuation that all service connections are in good order and of sufficient capacity for the proposed development without works of upgrading.

### **Statutory Enquiries**

#### **Planning policy**

The property forms part of the Wiltshire Core strategy which was adopted in January 2015 covering up to 2026. Within this plan, the property is allocated as a West Wiltshire Leisure and Recreation (WWLR) high quality and/or high value site (Blue Pool). The property is also allocated as a landscape protection policy (Policy 15) in the Joint Melksham Neighbourhood Plan 2020 – 2026.

#### **Planning Applications**

- 20/06669/FUL - Installation of floodlighting at existing skatepark – Withdrawn – December 2020
- 18/09074/ADV - 1 x wall mounted flagpole to be attached to the Community and Youth Centre and the reinstatement of 1 x flagpole at the entrance to the Recreation Ground. Only the Town Council/Civic Flags to be flown from both - Approved with conditions – December 2018

### **Highways**

We have assumed that St Margarets Mead is an adopted highway and maintainable at public expense. This should be confirmed by your solicitors.

### **Flooding**

We have made enquiries using the gov.uk website from which we note that the site has a “very low” risk of flooding from surface water, which is defined as a chance of flooding of less than 1 in 1,000 (0.1%). The site has a “very low” risk of flooding from rivers and the sea which is defined as a chance of flooding of less than 1 in 1,000 (0.1%).

### **Business Rates**

From our search on the VOA website we have been able to find the following rating assessments for the property. The property is assessed in the 2023 Rating List as follows:

Address	Description	Rateable Value
Youth Centre, St Margarets Mead, Marlborough, SN8 4AZ	Community Centre and Premises	£7,900

### Ground Conditions and Environmental Issues

In accordance with the RICS Practice Standards Guidance Note, 'Contamination, the Environment and Sustainability', 3rd Edition - dated April 2010, we acknowledge that some sites may be affected by environmental issues that are an inherent feature of either the site itself, or the surrounding area, and could have an impact on the value of the property interest.

We have not carried out any investigation into past uses, either of the subject site or any adjacent land, to establish whether there is any potential for contamination from such uses or sites, and for the purposes of this report and valuation have assumed that none exists.

We have assumed for the purposes of this report and valuation that any concrete present is not Reinforced autoclaved aerated concrete (RAAC). We have not arranged for any investigations to be carried out to determine whether or not they are RAACs. We would recommend that investigations be undertaken to establish their nature.

We have assumed for the purposes of this valuation and report that no deleterious materials were used in the construction of the property.

In practice, purchasers in the property market do require knowledge about contamination and other environmental factors. A prudent purchaser of this property would be likely to require appropriate investigations to be made to assess any risk before completing a transaction. Should it be established that contamination does exist, or the property is affected by other environmental factors, this might reduce the value now reported.

### Valuation Commentary

We have been instructed to provide valuation advice to help inform a disposal of the freehold interest to Melksham Town Council and that disposal to them at a nominal consideration and on terms that restrict to community use are not in breach of s123.

We set out below our valuations in accordance with your instructions. Our valuations are reported exclusive of VAT.

We consider each of these interests in further detail below.

### Market Value

We are aware that the council are in negotiations to sell the property to the current tenant (Marlborough Town Council). We are aware that the freehold is subject to the following restrictive covenant: *"Not to use the said building when the same has been erected for any purpose other than as a Youth Centre or similar public purpose which shall be approved in writing by the Vendor"*. Therefore, the value would be limited to this use only.

Given the restrictive covenant, we consider that the property is subject to a range of values which will be established through negotiation, reflecting the restrictive covenant we consider the

lower end of this range is nil value as the Town Council / Youth Club could walk away from the accommodation leaving and it is unlikely another occupier would be found to satisfy the required use.

However, we consider there is an upper end to this range that reflects the fact the Town Council / Youth Club would be required to find alternative accommodation if they were to vacate, and this is likely to be some form of commercial premises with unrestricted use.

In this case, given the specific use of the property, there is no letting or sale evidence available. We believe that the most comparable property is lower-quality office space. From rental evidence in the area, we consider that if the Town Council were to provide alternative accommodation for this service, this would most likely be a former office building. As there is no sales evidence for this type of property, we have considered the value based upon capitalising typical rents for this type of accommodation. We have assumed a rent of £5.50 psf based on the current area of the existing youth club this equates to £17,500 per annum. We have capitalised this rent at an all risks yield of 9% and deducting purchasers' costs at the prevailing rate. Adopting the approach, we assess the upper end of the value range to be in the order of £150,000.

Our estimation of the market rent is based on the comparable lettings below:

<p><b>The Courtyard, Dean Hill Park, Salisbury</b> This property is currently available to rent at £6.83 psf. The property measures 2,159 sq ft.</p>	
<p><b>South Station House, Kingsway, Salisbury</b> This property is currently available to rent at £7.06 psf. The property measures 1,417 sq ft.</p>	
<p><b>Unit 6-7 Chapel Barnyard, Warminster</b> This property was let in May 2023 for £7.74 psf. The property measures 1,029 sq ft.</p>	
<p><b>Suite 2 Broadway, Devizes</b> The property was let in Feb 2022 for £6.00 psf. The property measures 1,500 sq ft.</p>	
<p><b>31 North, Pewsey</b> The property was let in Jan 2022 for £6.70 psf. The property measures 1,843 sq ft.</p>	

**19-24 White Hays North, Westbury**

The property was let in Nov 2020 for £6.00 psf. The property measures 1,200 sq ft.



**Suite 1 Broadway, Devizes**

This property was let in Mar 2020 for £6.00 psf. The property measures 2,002 sq ft.



**Conclusion**

We consider that due to the unique circumstances of the restrictive covenant the value will be established through negotiation. However, we assess that the value will sit within the range of nil to £150,000 and therefore the agreed price in this range would meet the requirements of s123.

**General Comments**

We confirm that we meet the requirements as to competence and the definitions of an External Valuer within the RICS Valuation - effective from 31 January 2022.

This report has been prepared by [REDACTED] MRICS, an RICS Registered Valuer under the supervision of a Director within the Valuation Consultancy department of our Bristol office.

We trust this report is satisfactory for your present purposes, although if we can be of any further assistance then please do not hesitate to contact us.

Yours faithfully

[REDACTED]

[REDACTED] MRICS

Senior Surveyor

[REDACTED]

[REDACTED]@avisonyoung.com

For and on behalf of Avison Young (UK) Ltd

Enc:

**Appendix 1: Terms of Appointment**

**Appendix 2: Valuation**

**Appendix 3: Definitions and Reservations for Valuation**