

QUALIFIED SURVEYOR'S REPORT

FOR

USE BY SHEFFIELD CITY COUNCIL AS CHARITABLE TRUSTEES

ON

STOCKSBRIDGE LEISURE CENTRE, MOORLAND DRIVE, SHEFFIELD.

AS AT

10th June 2014

Kier Asset Partnership Services Ltd

4th Floor Cathedral Court 1 Vicar Lane Sheffield S1 1HD

T + 44 (0)114 205 3444

F + 44 (0)114 273 6472

THE CHARITY (QUALIFIED SURVEYOR'S REPORTS) REGULATIONS 1992 STOCKSBRIDGE LEISURE CENTRE, MOORLAND DRIVE, SHEFFIELD PROPOSED LETTING TO 4SLC (FOR STOCKSBRIDGE LEISURE CENTRE)

1. **PURPOSE OF REPORT**

- 1.1 This report has been prepared by Greg Barraclough a Member of the Royal Institution of Chartered Surveyors and a Registered Valuer; having experience in the valuation of commercial property in the Sheffield area for over 4 years.
- 1.2 The purpose of this report is to advise the Charity on the proposed letting of Stocksbridge Leisure Centre, to 4SLC (who are registered at Companies House under company number 08413664) on a formal commercial lease for a term of approximately 25 years.
- 1.3 The report is prepared under the Charities (Qualified Surveyor's Report) Regulations 1992.

2. **LIMITATIONS**

- Our inspection has been restricted to one considered sufficient for the purpose of our instruction. We have not carried out any invasive investigations nor have we made any detailed enquiries of any Statutory Authority.
- 2.2 A full site survey has not been undertaken and for the purposes of this report it is assumed that there are no deleterious materials within the site or other constraints that would affect the proposed letting.

3. **LOCATION**

3.1 Stocksbridge Leisure Centre (the Centre) is situated in the township of Stocksbridge, approximately 10 miles North West of the City Centre as shown on the attached plan.

4. **DESCRIPTION**

4.1 The Centre is a purpose built sports centre constructed in 1973 of brick construction. It includes a main hall, bowls hall, 5-a-side football, 4 squash courts, fitness room and changing rooms. There are separate swimming pools built earlier in 1970 with 1 main pool, 1 children's pool with changing rooms and plant rooms.

The Centre sits within Oxley Park which comprises of approximately 34.5 acres. The area of the Centre including the car park and surrounding grounds is approximately 2.74 acres

5. **HISTORY**

5.1 The Charity cannot afford to operate the Centre without financial support. Following a decision to withdraw Council funding, it is understood that the City Council as trustees of the Oxley Park Charity subsequently approved a decision to close the Centre and then demolish the buildings.

In the shadow of this decision, an opportunity occurred for another organisation to take on the responsibility of the site and a local group "4SLC" (For Stocksbridge Leisure Centre) with the support of Stocksbridge Town Council have approached the City Council with a view to taking over the management of the Centre.

5.2 I am advised by my client that 4SLC are the only organisation that has formally registered an interest in taking over the management of the Centre.

6. TOWN & COUNTRY PLANNING

6.1 The Centre and its immediate surrounding area are designated as Housing/Playing Field/Park on the emerging Development Plan.

7. **LEGAL INTEREST**

7.1 Oxley Park was conveyed to Stocksbridge Urban District Council by Thomas Oxley and Samuel Fox & Company as part of an agreement dated 10th June 1921. The agreement states that the land is held upon trust "forever for perpetual use by the inhabitants of Stocksbridge as a Park or Recreation Ground".

8. **PROPOSED LEASE**

- 8.1 The proposal is to grant a 25 year lease from a date to be agreed in accordance with the charitable objectives. The tenants will be obligated to undertake all repairs and to keep the Centre in "no worse condition" than it is currently. This will be evidenced by way of a full Schedule of Condition which will be undertaken prior to the grant of the proposed Lease.
- 8.2 The rent will be a peppercorn for the first 10 year period after which, it shall revert to a market rent and be reviewed every 5th year.
- 8.3 The lease will restrict the use of the Centre for community leisure purposes and the prices set to use the facilities shall be comparable to those charged at similar sites that are funded by the local authority across the City. The Lease will also include a restriction on any transfer to prevent a private company taking over the Centre to make a commercial profit.

9. **V.A.T.**

9.1 The Charity is not separately registered for V.A.T. and as such there are no benefits in opting to tax this transaction.

10. **CONCLUSION**

- 10.1 It is understood that prior to 4SLC expressing an interest in the site, the Council had approved proposals to close and demolish the Centre. It is further understood that should the proposed lease not be entered into, the Centre will close and its demolition will again be considered as previously approved.
- 10.2 The demolition of the Centre could lead to the site being returned to park land or alternatively the best option may be for it to be redeveloped, though this would mean that the use would not be in accordance with the current requirements of the Charity and further approvals would be required.
- 10.3 The proposal will significantly reduce the liabilities of the Charity, with regards to the repair and maintenance of the Centre and ensure that the Centre remains open as venue for recreation activities to the Public.
- 10.4 Given the financial liability of the Centre was not sustainable without additional funding, it is a fair and reasonable assumption that the proposed rental of one peppercorn is considered to be the market rent.
- 10.5 Given the widespread communication of the proposals for the Centre and the fact that, despite that, only 4SLC have expressed an interest in taking a lease of the Centre, I would advise that the marketing of the leasehold interest in the Centre would not be in the best interests of the Charity. It would only incur additional expenditure and there is no realistic prospect of an alternative offer being received
- 10.6 Assuming the Charity wishes to secure a use for the site which is in accordance with the original vesting of the land, I would be prepared to recommend that the proposed lease to 4SLC is in their best interests.

11. **DECLARATION**

I have relied upon the information provided to me which I have assumed to be complete and correct as regards tenure, planning and all other relevant matters as summarised in this report.

I confirm that there are no conflicts of interest that affect my ability or impartiality in the preparation of this report.

Signed:

Greg Barraclough BSc (Hons) MRICS

Registered Valuer

Date: 10th June 2014

This page is intentionally left blank