



## **PUBLIC BUILDINGS COMMITTEE**

### **Practice Note 17**

### **REVALUATION 2005**

### **Valuation of Halls etc**

#### **1.0 INTRODUCTION**

1.1 This practice note includes recommendations for the valuation of the following types of properties together with any other subjects of comparable character and use (where there is no bar or table licence or where commercial usage is not the reason for provision).

- (a) Hall (meeting, civic, concert, exhibition);
- (b) Community hall;
- (c) Masonic hall;
- (d) Community centre (for meetings, recreation, exhibitions);
- (e) Institute;
- (f) Meeting room;
- (g) Clubroom;
- (h) Library;
- (i) Reading room;
- (j) Church hall.

This practice note should not be used for the valuation of large concert, conference or exhibition halls, or any other building of this nature.

#### **2.0 BASIS OF VALUATION**

2.1 This practice note covers a range of subjects with widely varying physical characteristics and a similarly extensive range of geographical locations.

Valuations should be derived from a contractor's basis approach, with the appropriate unit cost rate being applied to the gross external area of buildings.

2.2 The valuation of these subjects comprises the following three elements:

1. Building Cost
2. External Works Cost
3. Land Value

The building and external works costs were analysed to a £2,000,000 notional contract size and exclude professional fees. Reference should be made to Basic Principles Practice Note 2 (Contractor's Basis Valuations) and Public Buildings Practice Note 4 (Contractor's Basis Valuations External Works Costs, Allowances and Land Value).

### 2.3 **Elements of Valuation**

#### 2.3.1 **Building Cost**

This should be derived from the appropriate unit cost rate applicable to the category of the building.

#### 2.3.2 **External Works Cost**

This should be determined by reference to Public Buildings Committee Practice Note 4.

#### 2.3.3 **Land Value**

Land Value should be based on local evidence with the rate being applied to the total site area. In the absence of any local evidence, a rate of £10 to £50 per square metre may be used (outwith city centres).

## 3.0 **CATEGORIES**

Halls generally fall into the following main categories and sub-divisions. In cases where subjects fall between categories or sub-divisions thereof, the unit cost rate should be arrived at by interpolation. Descriptive names, such as community centres, have not been used as these descriptions may relate to different categories of hall dependent on the types of buildings to which they refer.

### 3.1 **Category 1**

Spacious well-appointed halls etc constructed to prestige standards of stone, facing brick or similar; plastered and/or timber panelled walls and ceilings; timber floors and polished hardwood or expensive tiling; very good lighting and heating systems; spacious cloakroom/toilet accommodation with superior fittings; good kitchen facilities, ante rooms, stage and other ancillaries; generous accesses, circulation and other ancillary space; finish throughout being of a high standard. Modern examples may include community, recreation, exhibition centres and civic suites with at least one large hall, other lesser halls, committee rooms and offices. Most modern libraries fall into this category. Older examples may include concert halls, large function rooms with much decorative stone and plasterwork. Costs vary but the rate quoted below is for the norm in this category. The rate may be increased where the subject is very much better but care must be exercised, as additional expenditure may be considered unremunerative.

### 3.2 **Category 1/2**

Similar to Category 1 in style, purpose and accommodation but built to a functional rather than prestigious standard with plain fittings and/or finishes with economies in the most recent examples in wall and ceiling linings. Modern examples include large but plain local community centres with exposed internal block/brick work, exposed roof members etc. Older examples include large but plain “town halls” or the most capacious church halls. Smaller scale but well finished local community centres, e.g. with a main hall of modest size and most ancillaries, also fall into this category as do the best meeting rooms and clubrooms.

### 3.3 **Category 2**

Standard modest scale local halls, etc. of traditional construction. Stone, facing brick or brick roughcast walls, plastered walls and ceilings internally, ordinary timber or concrete floors; satisfactory heating and lighting systems; good plain toilet accommodation; generally limited but sufficient kitchen facilities; at best limited stage and anteroom facilities; good but plain standard of finish. Modern examples tend to be narrow with little more than domestic ceiling heights. Meeting rooms and clubrooms may have only domestic ceiling heights but with partitions breaking up the accommodation into compartments. Older meeting etc. rooms may take the form of adapted soundly constructed late nineteenth century houses. The most recent examples may incorporate a framed structure.

### 3.4 **Category 3**

Superior timber or other industrialised non-traditional buildings such as Medway, Terrapin, Banbury, with a similar standard of accommodation, facilities etc to Category 2. This category may also be applied to minor halls, meeting rooms and clubrooms of rather rudimentary traditional construction, eg mid-nineteenth century artisans' dwellings and industrial cottages with limited adaptation, which are of an overall quality between Categories 2 and 4.

### 3.5 **Category 4**

Inferior construction with brick walls, possibly roughcast, timber and felt/corrugated asbestos roof or similar roof construction; may have unlined ceilings, timber or concrete floors, roughly lined or fairfaced walls; poor heating, inferior toilet accommodation, limited if any kitchen facilities and a modest standard of finish all round. Older examples may include ex-WD billets, HORSAs and similar brick huts. These subjects are more in the nature of stores or workshops in appearance than hall or clubroom accommodation.

### 3.6 **Category 5**

Inferior industrialised buildings in the nature of contractors' huts or offices; inferior (generally second-hand re-erected) huts; old Nissen huts and prefabricated houses; poorest billets and simple houses unfit for human habitation, probably unlined internally with no heating and very limited toilet accommodation. **This category is rarely found.**

#### **4.0 BUILDING COST**

The following unit cost rates per square metre should be used to arrive at the estimated replacement cost of buildings.

Category 1	<b>£1100</b>
Category 1/2	<b>£750</b>
Category 2	<b>£575</b>
Category 3	<b>£400</b>
Category 4	<b>£250</b>
Category 5	<b>£150</b>

#### **5.0 REDUCTION FACTORS FOR SUBSIDIARY FLOORS**

5.1 In the case of multi-storey buildings, the following general allowances should be made to the building cost. Reduction factors for subsidiary floors should not be applied.

3 storeys	-5%
4 storeys	-10%
5 storeys +	-15%

Each principal building should be considered separately and the lift provision ignored.

5.2 Lift provision is not included in the unit cost rates and the cost of this item should be added where appropriate.

#### **6.0 DEDUCTIONS FROM ESTIMATED REPLACEMENT COST**

##### **6.1 Age and Obsolescence**

Age and obsolescence allowances should be applied in accordance with the table in Basic Principles Practice Note 2 and Public Buildings Practice Note 4.

## 6.2 Functional Obsolescence

Disabilities which restrict general use on some subsidiary floors, or parts thereof, may require allowances to be applied to the parts affected, e.g.:-

Lower Ground/Basement	- Poor quality finish and/or inferior light	-5% to -30%
	- Poor cellar quality, etc.	at discretion
Attic Floors	- Medium camp ceiling (to 1.5 m)	-25%
	- Heavy camp ceiling (1 m or less)	-50%
	- Poor finish/camp ceiling (to 1.5 m)	to -60%
	- Poor finish/camp ceiling (1 m or less)	to -75%
Galleries/Balconies	- Mediocre access and/or sight lines	-10% to -20%
	- Poor access and/or sight lines	-20% to -35%
	- Very poor and largely disused	-50%

Disabilities which affect the whole property may require allowances to be applied overall.

No toilets	-10%
No heating	-10%
Principal floor at first to third floor level	-10% to -30%

**The above allowances should not be aggregated but applied in sequence to arrive at adjusted replacement cost.**

## 7.0 DECAPITALISATION RATE

The appropriate statutory decapitalisation rate should be applied.

## 8.0 END ALLOWANCE

To deal with redundancy, the table of allowances below covers the generality of halls etc (with the exception of libraries/reading rooms where no allowance should be granted) having regard to expected circumstances in any given situation. Circumstances may be encountered where, to an abnormal degree, there is too much hall accommodation (including church and school halls) to serve the needs of a local community. If hall accommodation is severely underused and actual or notional revenue is low for clear and explicable reasons, the relevant maximum allowance may be increased by up to – 20% depending on the circumstances.

## 8.1 Allowance

<u>Location</u>	<u>Deduction</u>
Cities/large towns	
- centre	nil to -10%
- suburban	nil to -10%
- old/depopulated districts	nil to -20%
Town over 10,000 population	nil to -15%
Towns 6,000 – 10,000	nil to -20%
Towns 3,000 – 6,000	nil to -25%
Towns/villages 1,000 – 3,000	nil to -30%
Villages under 1,000	nil to -40%
Rural (including hamlets)	nil to -50%

Investigation should be made into the use of subjects before any allowance is given.