

Revaluation 2010

Miscellaneous Committee

Practice Note 15 Valuation of Bowling Greens

1.0 Introduction

- 1.1 This Practice Note applies to the valuation of Bowling Greens. The cost information included here may also be used when valuing a bowling green as part of another subject.
- 1.2 A typical bowling club consists of one green (normally having six rinks) and a clubhouse.
- 1.3 The standard dimensions of the playing area of a single green should be between 36.58m and 40.23m square. It should be surrounded by a ditch and a bank. The ditch should be between 0.20m and 0.38m wide and between 0.05m and 0.20m deep. The bank should not be less than 0.23m above the level of the green and at an angle of not less than 35deg. from the perpendicular.

2.0 Basis of Valuation

- 2.1 The clubhouse together with any ancillary buildings and the site and car parking elements should be valued on the Comparative Principle of valuation.
- 2.2 The greens element should be valued using the Contractor's Basis of valuation. Reference should be made to Basic Principles Practice Note 2 (Contractor's Basis Valuations).

3.0 Valuation Considerations

3.1 Site Value

Site values should be determined by reference to local rental evidence for sports grounds or recreational land. The valuer should consider local rental evidence and circumstances when choosing an appropriate rate per hectare.

In the absence of local evidence, rates of £500 to £750 (dependant on location) to Net Annual Value (NAV) per hectare should be applied to the total area of the sports ground. An adjustment may be considered appropriate for excess land that is undeveloped or in the nature of amenity ground only.

The foregoing rates, having been derived from rental evidence, reflect the

physical characteristics of the ground and the extent of the use of the subjects. No further allowance would therefore be appropriate for these elements.

3.2 Greens

A replacement cost of £70,000 per green should be adopted for standard recreational club greens. This cost has been adjusted for location, contract size and fees and no further allowance for age and obsolescence is deemed merited.

3.3 Adjustments to the Estimated Replacement Costs

3.3.1 Decapitalisation

The appropriate statutory decapitalisation rate should be applied to the Adjusted Replacement Cost of the items valued on the Contractor's Basis.

3.3.2 End Allowance to elements valued on the Contractor's Basis

It is recognised that the application of the Contractor's Basis to the cost of providing the bowling green element may result in a value which is too high in relation to the elements valued on the comparative principle, and having regard to the particular nature of the subjects which are incapable of any alternative beneficial use.

It is recommended, therefore, that an allowance of up to 50% should normally be applied to these elements valued on the Contractor's Basis at the "stand back and look" stage of the valuation.

3.4 Adjustments to the value of Greens

3.4.1 Restricted Circulation Space

Where a site is so small that there is very little, or no surrounding space, an allowance of up to 10% should be granted. This is the recommended maximum allowance - intermediate allowances should be at the discretion of the valuer.

3.4.2 Lack of Irrigation

In the unlikely event of a green having no water laid on, an allowance of 10% should be granted.

3.4.3 Substandard Greens

Greens that are less than standard specification should have their value adjusted accordingly.

A standard green should be between 36.58m and 40.23m square (usually 38.4m square). It should be surrounded by a ditch and a bank. The ditch should be between 0.20m and 0.38m wide and between 0.05m and 0.20m deep. The bank should be not less than 0.23m above the level of the green and at an angle of not less than 35deg from the perpendicular.

Any allowance granted should not normally exceed 25%

3.4.4 Other Deficiencies

Such deficiencies may relate to the environment, such as congested access or uneven drying of greens and are a question of degree, The deduction for any one deficiency should not exceed 10% and in any event, the total deduction under this head should not exceed 30%.

4.0 Clubhouse

4.1 Where there is a clubhouse or pavilion present, this should be valued in accordance with Miscellaneous Properties Committee Practice Note 5 (Sports Clubhouses and Pavilions).

5.0 Car Park or Parking Areas

5.1 The above rates are exclusive of car parking. If appropriate, an addition should be made for parking in accordance with local rental evidence, normally to a maximum of 10% of the value of the subject.

6.0 End Adjustments

- 6.1 It is accepted that for this category of subject, by virtue of poor location, historic over provision, or otherwise, there may be circumstances in which the membership or extent of use of the club is so low that it would affect the rental offer made by the club.
- 6.2 The membership of bowling clubs varies widely.
- 6.3 As a general guide, however, the average membership of bowling clubs in Scotland with a single green is around 100 members.
- 6.4 A club with 2 greens will have, on average around 200 members.
- 6.5 Low membership is an indication of under utilisation and/or over provision. It is recommended that such under utilisation and/or over provision should be reflected by way of an appropriate end allowance of up to 50%. The maximum allowance of 50% should only be considered, however, in the most extreme cases where the membership is less than 25% of the averages quoted above. Social members are not to be included in the above.
- 6.6 The allowance should be applied to the total value of the subjects, including the clubhouse, provided that the clubhouse is in keeping with, and appropriate to the sporting facilities. It should be borne in mind, however, that, as the chosen site value might already reflect location and the typical occupier, further adjustment to that element of the valuation may not be appropriate.
- 6.7 The allowance should not apply to the clubhouse in circumstances where the principal use of the clubhouse is other than as an adjunct to the bowling greens – e.g. where a clubhouse has a substantial alternative use not connected with bowling. While social membership should be disregarded when considering any utilisation allowance, if the proportion of social members is very high and this is coupled with high bar turnover then consideration should be given to valuing the clubhouse as a licensed club.
- 6.8 This report is intended to provide guidance in arriving at the N.A.V of typical bowling greens. Valuers should arrive at what is considered to be a reasonable valuation for the subject under consideration having regard to the provisions of the Lands Valuation Acts.