

Revaluation 2017

Miscellaneous Committee

Practice Note 9 Valuation of Sports Grounds

1.0 Introduction

1.1 This Practice Note applies to the valuation of general sports and recreation grounds. While grass and synthetic surfaces are included in this Practice Note, it is not intended to cover specialised surfaces such as bowling greens, cricket squares or tennis courts. Where a sports ground has a secure arena and extensive seating or terracing, the valuation should be arrived at in accordance with the recommendations of the SAA Miscellaneous Committee Practice Note 19 (Valuation of Non-League Football Grounds, etc.).

2.0 Basis of Valuation

2.1 The ground, clubhouse, car parking and ancillary buildings should be valued on the basis of the Comparative Principle of valuation. Where appropriate, site improvements to enable the property to be used for its particular sport should be valued using the Contractor's Basis of valuation.

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

3.0 Calculation of Areas

3.1 Site Area

The entire site area should be measured.

3.2 Clubhouse, Ancillary Buildings etc.

Buildings should be measured on a Gross External basis in line with the RICS Code of Measuring Practice 6th Edition.

R 2017 MC PN 9 Page 1 of 6

4.0 Valuation Considerations

4.1 Site Value

The analysis demonstrates a distinct difference between sports grounds which are used by sports clubs and community organisations running on a 'Not for Profit' basis, and grounds which are occupied by commercial operators (paintball, 5-a-side football, laser combat etc).

There is clear evidence to show that the type of ground occupied by traditional community sports clubs is being rented for a significantly lower figure. This may be due to the limited use that can be made of the ground, both from the point of view of restrictions due to the size of the club, and restriction on planning use.

If no local rental evidence is available, the following rates should be adopted:

Ground Type	Rate per hectare to NAV
Restricted Community Sports Use (up to 6ha)	£900
Use for Commercial operation (up to 2ha)	£5000

These rates reflect the provision of basic drainage and a level grass playing surface of average quality.

4.2 Site Improvements and Ancillaries

Where actual costs are available, additions for site improvements and ancillaries should be made by the application of the Contractor's Basis of valuation in accordance with the recommendations of the SAA Basic Principles Committee, Practice Note 2 (Contractor's Basis Valuations).

If actual costs are unavailable the costs detailed in the appendix to this Practice Note should be adopted in arriving at the estimated replacement cost of improvements and ancillary items. The items in the appendix have been extracted from the Rating Cost Guide, and are typical items of external works encountered at this type of subject. Recommended unit cost rates reflect the Scottish "mean" level for a notional contract size of £3,000,000. These rates require to be adjusted to reflect contract size and any addition for professional fees when arriving at Estimated Replacement Cost. (E.R.C.). In applying such adjustments, reference should be made to guidance in SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations).

4.3 Age and obsolescence

The Estimated Replacement Cost of site improvements and ancillary items should be adjusted with reference to guidance in SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations). A notional date should be adopted where appropriate.

R 2017 MC PN 9 Page 2 of 6

4.4 Decapitalisation Rate

The appropriate statutory decapitalisation rate should be applied to the Adjusted Replacement Cost of site improvements and ancillaries valued on the Contractor's Basis. The site rate in 4.1 is to NAV and should not be decapitalised.

4.5 Ancillary Items

The valuation of grandstands, terracing, groundsman's huts, stores and other ancillary items should be derived from local evidence where available, having regard to location and, where appropriate, extent of use.

4.6 Car Parking

Car parking should be added at an appropriate rate in accordance with local rental evidence. It is recommended that any addition for car parking should generally not exceed 10% of the value of the subjects. To ensure there is no double counting, the area of the car park should be removed from the site area valued at 4.1.

4.0 End Adjustments

4.1 The analysis of sports grounds is based on evidence of both community sports grounds, and of commercial operations. The rates provided in 4.1 take account of a variety of types of use in a variety of locations. There should therefore be no need to adjust the valuation any further. Where local evidence suggests that the value derived from the Practice Note is too high or too low, then a suitably derived local rate may be used as an alternative to those quoted in 4.1.

R 2017 MC PN 9 Page 3 of 6

Revaluation 2017

Appendix to Miscellaneous Committee Practice Note 9 Valuation of Sports Grounds

2017 Revaluation - Unit Cost Rates

1. Grading

Excavate topsoil, store & re-spread on site, cultivate, apply weed-killer, sow grass seed, harrow, lightly roll and carry out initial cut.

33U00B	Park Quality	£5.40/m ²
33U00G	Sports field Quality	£5.72/m ²

2. Drainage of Grass Sports Areas

33U00P Grass Area Land Drainage £1.25/m²

3. Playing Surfaces (includes excavation and hardcore)

Δ	S	h
$\overline{}$		

33U010 Surfacing including foundations £36/m²

Shale

Surface including drainage and foundation

33U020 Small areas less than 6,000 m² £40/m² 33U015 Areas greater than 6,000m² £33/m²

Tarmacadam

Porous tarmacadam including drainage and foundation

33U030 Small areas less than $6,000 \text{ m}^2$ £40/m² 33U025 Areas greater than $6,000 \text{ m}^2$ £33/m²

Turf

33U055 Artificial all-weather pitch including drainage

and stone foundations £51/m²

5-a-side Football Pitch

36.00 x 18.50 m, including perimeter wall and mesh fence including drainage

33U085 Asphalt/macadam surface £41,100 per pitch 33U08A Synthetic surface £54,400 per pitch

R 2017 MC PN 9 Page 4 of 6

4. Playing surfaces (includes excavation, drainage, lighting, fencing etc.)

STM020	3G Multi Sport surfaces	£83.60/m ²
STL020	Water based Hockey Pitches	£100.70/m ²
STK020	Astroturf (Sand filled NOT DRESSED)	£61.75/m ²

5. Athletics track

63P00A	Sports grounds Athletic track 6 lane synthetic 400m	£413,300 each
63P00C	Sports grounds Athletic track 8 lane synthetic 400m	£562,700 each
63P00L	Sports grounds Athletic track 2 lane with 4 lane home	£181,400 each

6. Floodlighting

Sports Grounds General

<u> </u>		
63P10A	4 columns 16m height x 6 lamps	£ 33,400 each
63P10C	4 columns 18m height x 8 lamps	£ 37,200 each
63P10E	6 columns 16m height x 4 lamps	£ 48,450 each
63P10G	6 columns 16m height x 6 lamps	£ 52,400 each
63P10J	6 columns 20m height x 20 lamps	£ 65,550 each
63P10L	8 columns 16m height x 6 lamps	£ 68,400 each
63P10P	12 columns 22m height x 12 lamps	£176,700 each
63P10R	4 columns 30m height x 40 lamps	£272,100 each

7. Fencing

Chain Link

Galvanised mild steel mesh; galvanised mild steel or concrete posts at 3.0 m centres			
33U2CA	900mm high	£18/m run	
33U2CK	1.2 m high	£18/m run	
33U2CP	1.5 m high	£19/m run	
33U2CV	1.8 m high	£24/m run	
33U2D5	2.4 m high	£32/m run	

Plastic Coated mild steel mesh; concrete posts at 3.0 m centres

33U2GA	900mm high	£17/m run
33U2GK	1.2 m high	£17/m run
33U2GP	1.5 m high	£20/m run
33U2GV	1.8 m high	£22/m run

R 2017 MC PN 9 Page 5 of 6

8. Footpaths

Bituman macadam paving

33U1PT Tarmac surface 20mm wearing course 45mm base £30/m²

Gravel (excludes drainage)

33U1PK	50 mm thick 150mm hardcore base	£19/m ²
33U1PM	50 mm thick prepared earth base	£6/m ²

9. Ancillary Buildings / Structures

61A05F	Sports Pavilion with small changing rooms	£1,387/m2
63P00K	Sports grounds Grandstand Small based (496m2)	£1,440/m2

R 2017 MC PN 9 Page 6 of 6