

Revaluation 2026

Public Buildings Committee

Practice Note 11 Valuation of Day Nurseries

1.0 Introduction

- 1.1 This Practice Note deals with the valuation of Day Nurseries.
- 1.2 The provision of day care for children has evolved from small family run units, which were often part of the provider's home, to professionally run operations in larger dedicated properties. Consequently, a wide range of rental evidence has become available for analysis.

Day nurseries operate as a business, generally offering a full-time service for 50 or 52 weeks of the year. Day care will be offered typically during business hours from 8am to 6pm. Ordinarily the service will be offered to a range of ages from babies to age 5.

2.0 Basis of Valuation

- 2.1 Subjects covered by this Practice Note are valued on the comparative principle using local rental evidence.
- 2.2 Where a day nursery has the characteristics of an office, retail or industrial building or is located within an established location for those types of properties, prevailing rental levels for that type of property may provide the best evidence of Annual Value.
- 2.3 Local authority Nursery Schools adjacent to or within the grounds of school properties, or forming part of the school property, which form a single entry in the valuation roll and providing the pre-school education for the associated school, should be valued in terms of SAA Valuation of Schools Practice Note.

3.0 Survey and Measurement

- 3.1 Building areas should be calculated using local measuring practice.

4.0 Classification

- 4.1 Day nurseries operate from a wide variety of premises ranging from modern purpose built to former houses, converted church halls and former industrial units. It may be appropriate to classify properties based on the property types and characteristics of the properties in each Assessor's area.

5.0 Allowances

- 5.1 Allowances may be granted for the following features where local evidence and prevailing levels of value suggest they are appropriate.

5.2 Multi floor properties

Where nurseries have accommodation over a number of floors it may be appropriate to apply an allowance.

5.3 Primary Entrance not on Ground Floor

It is a significant disadvantage for nurseries to operate from premises where the primary floor of entry is not at ground floor level. Where the primary entrance is at basement or first floor level an end allowance may be applied.

5.4 Layout

Where the layout of the property creates a severe disadvantage, for example where the nursery operates from a number of separate buildings, then an end allowance may be granted.

5.5 Outdoor Space

It is assumed that some degree of outdoor space will be available. In circumstances where there is a complete lack of any garden space with the nursery then an allowance may be granted.

6.0 Quantum

- 6.1 Where the size of any day nursery is not within the normal area range for a particular classification, then suitable adjustment may be made in the valuation.