

## **Revaluation 2026**

### **Public Buildings Committee**

#### **Practice Note 27 Valuation of Custodial Centres**

#### **1.0 Introduction**

- 1.1 This Practice Note deals with the valuation of all civilian prison establishments in Scotland and should also be used as the basis of valuation of Detention Centres and Secure Units.

#### **2.0 Basis of Valuation**

- 2.1 All properties constructed or adapted for use as custodial centres should be valued using the Contractor's Basis.

#### **3.0 Survey and Measurement**

- 3.1 Building Areas should be calculated on a Gross External Area (GEA) basis for each main floor.
- 3.2 Where a subject is of older construction e.g. stone, and has thicker than normal walls, the area should be adjusted on a floor-by-floor basis in accordance with SAA Valuation of Contractor's Basis Subjects, Areas Adjustment and External Works' Costs Practice Note to adjust the floor area to the modern equivalent.
- 3.3 Site area should be calculated together with the areas of any car parks, roadways and other paved or landscaped surfaces. Measurements and details of boundary walls, fences and any other items in the nature of external works, civil works or plant and machinery should also be noted.
- 3.4 When considering whether components of the valuation should be treated as domestic or non-domestic, careful consideration must be given to whether any part requires apportionment. Full reference should be made to Section 72(2) of the Local Government Finance Act 1992 and The Council Tax (Dwellings) (Scotland) Regulations 1997 (S.I. 1997 No.673) when considering.

- 3.5 The Regulations vary the definition of “dwelling” to include as a “dwelling” those parts of a prison and young offenders’ institution set out in the Regulation. An entry should be made in the Council Tax Valuation List for those parts.
- 3.6 The NAV and RV of the remainder should be entered in the Valuation Roll accordingly. There is no requirement to apportion the NAV/RV between residential and non-residential parts.
- 3.7 Prison Farms should not be excluded from the valuation of the prison.

#### **4.0 Building and External Works Costs**

- 4.1 The available cost evidence was analysed in terms of SAA Contractor’s Basis Valuations Practice Note.

#### **5.0 Valuation**

- 5.1 Valuations should be carried out with reference to SAA Contractor’s Basis Valuations Practice Note.

##### **5.2 Buildings Outside the Wire**

In certain limited circumstances it may be deemed appropriate to value buildings by reference to the Comparative Basis. If adopting this method, the valuer should ensure the rate applied is appropriate to the unit of valuation.

#### **6.0 Estimated Replacement Cost (ERC)**

##### **6.1 Unit Cost Rate (Buildings)**

The unit cost rates, expressed in £/m<sup>2</sup> at Appendix 1 will be used to arrive at the Estimated Replacement Cost (ERC) for the key categories of buildings of permanent and temporary construction. There may be instances where Appendix 1 is not appropriate, and in such circumstances actual costs or updated historic costs for the building in question should be considered.

- 6.2 With the exception of Secure Units, an addition of up to 20% may be made to the rates in Appendix 1 to reflect individual specifications which are of better quality than the “norm” for that particular facility or for that building’s normal use unless local evidence suggests this should be higher.
- 6.3 Within the category of buildings “industries/workshops/stores” inside the wire, the appropriate size band for costing will be determined by calculating the aggregate floor area of such buildings. The exception will be any such building that, by nature of its use in the custodial centre, must be occupied separately from others of the same type.

- 6.4 Link Blocks and Subways, which are solely used as passages between adjoining blocks and not an integral part of the design and construction of those blocks, should be left out of the costing exercise. The exception to this will be for secure corridors linking accommodation "within the wire", which will be valued at up to 50% of the appropriate cell block rate for the establishment.

6.5 **Unit Cost Rates (External Works)**

External Works should be valued in accordance with SAA Valuation of Contractor's Basis Subjects, Areas Adjustment and External Works Costs Practice Note.

6.6 **Playing Fields etc.**

Playing fields, football pitches and other recreational/sporting facilities out with those noted in this table should be valued by reference to SAA Valuation of Contractor's Basis Subjects, Areas Adjustment and External Works Costs Practice Note.

6.7 **Site Works**

In the absence of actual or updated historic costs for site works, the percentage additions for site works shown in following table should be applied.

% of Buildings ERC	Benchmark	Category of Prison
10 – 17.5%	15%	All excluding Open prisons
5 – 15%	10%	Open prisons only

6.8 **Security Fence/Wall**

In the absence of actual or updated historic costs for perimeter security walls and fences, the percentage additions for perimeter security shown in following table should be applied.

Type of Wall / Fence	% of Buildings
External Wall & Fence	12.5%
External Wall	10%
Double Fence	5%
Single Fence	2.5%
No Security Wall or Fence	0%

N.B. When additional buildings are added to a Custodial Centre without the need for additional Perimeter Security the original valuation of Perimeter Security should not be altered.

## 6.9 Adjustments to ERC

Adjustments in respect of contract size should be made in accordance with the recommendations contained in SAA Contractor's Basis Valuations Practice Note. Adjustments in respect of professional fees should be made in accordance with the following table.

Total Cost (£)	Fee as a Percentage			
	All Except Open Prisons	Subject to Minimum Fee	Open Prisons	Subject to Minimum Fee
£0 - £750,000	14.0%		12.0%	
£750,000 - £1,500,000	13.0%	£105,000	11.0%	£90,000
£1,500,000 - £4,000,000	11.5%	£195,000	9.5%	£165,000
£4,000,000 - £7,500,000	10.5%	£460,000	8.5%	£380,000
£7,500,000 - £15,000,000	9.5%	£787,500	7.5%	£637,500
Over £15,000,000	9.0%	£1,425,000	7.0%	£1,125,000

## 7.0 Adjusted Replacement Cost (ARC)

- 7.1 In applying age related obsolescence allowances reference should be made to guidance in SAA Contractor's Basis Valuations Practice Note. Allowances for all building types with the exception of Industries/Workshops/Stores should be applied in accordance with Column E. Allowances for Industries/Workshops/Stores should be applied on the basis of Column A.

Further allowances of a functional and technical nature should be considered in accordance with SAA Contractor's Basis Valuations Practice Note and SAA Valuation of Contractor's Basis Subjects, Areas Adjustment and External Works' Costs Practice Note.

## 7.2 Multi Storey Properties

In the case of multi-storey properties, the following allowances should be made to the whole of the individual building. Reduction factors for subsidiary floors will not apply.

Multi floor allowance	Buildings with 4 main floors or less	0%	
	Buildings with 5-7 main floors	7.5% overall	
	Buildings with 8 or more floors	Up to & including 7 <sup>th</sup> floor	7.5% overall
		8 <sup>th</sup> floor & above	12.5% on each floor

- 7.3 The above allowances should not be aggregated but applied in sequence to provide the Adjusted Replacement Cost of a particular item.

## **8.0 Plant and Machinery**

- 8.1 Buildings' unit cost rates above are inclusive of service plant typically found in subjects covered by this Practice Note. Rateable items of plant and machinery not already reflected in these rates should be dealt with in terms of the Valuation for Rating (Plant & Machinery) (Scotland) Regulations 2000 (as amended) and valued with reference to the Rating Cost Guide Scotland.

## **9.0 Land**

- 9.1 Land value should be determined by reference to local evidence and SAA Contractor's Basis Valuations Practice Note.

## **10.0 Decapitalisation Rate**

- 10.1 The appropriate statutory decapitalisation rate should be used.

## **11.0 End Allowance**

- 11.1 Any factors or circumstances which might affect the value of the occupation of the lands and heritages as a whole should be reflected at this stage. An adjustment under this head should not duplicate adjustments made elsewhere.

Table A – Permanent Construction

<b>Permanent Construction – Inside the Wire / Closed Conditions</b>		
<b>Building Use</b>	<b>GEA (m<sup>2</sup>)</b>	<b>Unit Cost Rate/m<sup>2</sup></b>
Cell Blocks	All	£2,706
Segregation Units	All	£4,666
Gate/Entry Building	All	£4,200
Reception	All	£2,801
Medical/Hospital Buildings (excluding cells)	All	£3,095
Kitchen	All	£2,986
Dining Hall	All	£2,427
Office/Administration/Visits	All	£2,334
Educational	All	£2,334
Gymnasia/Sports Halls	All	£2,087
Squash Courts	All	£2,119
Industries/Workshops/Stores	Up to 249	£2,007
	250 - 499	£1,960
	500 - 999	£1,867
	1,000 – 4,999	£1,353
	5,000 – 10,000	£1,073
	Over 10,000	£933
<b>Permanent Construction – Open Conditions</b>		
<b>Building Use</b>	<b>GEA (m<sup>2</sup>)</b>	<b>Unit Cost Rate/m<sup>2</sup></b>
Cell Blocks	All	£1,731
Segregation Units	All	£1,750
Gate/Entry Building	Up to 249	£1,078
	250 - 499	£1,055
	500 - 999	£1,031
	1,000 – 4,999	£1,003
	5,000 – 10,000	£966
	Over 10,000	£933
Reception	Up to 249	£1,078
	250 - 499	£1,055
	500 - 999	£1,031
	1,000 – 4,999	£1,003
	5,000 – 10,000	£966
	Over 10,000	£933
Medical/Hospital Buildings (excluding cells)	Up to 999	£1,996
	1,000 and over	£3,051
Kitchen	All	£2,301
Office/Administration/Visits	Up to 249	£1,078
	250 - 499	£1,055
	500 - 999	£1,031
	1,000 – 4,999	£1,003
	5,000 – 10,000	£966
	Over 10,000	£933

Educational	Up to 249	£1,078
	250 - 499	£1,055
	500 - 999	£1,031
	1,000 – 4,999	£1,003
	5,000 – 10,000	£966
	Over 10,000	£933
Gymnasias/Sports Halls	All	£1,377
Industries/Workshops	Up to 249	£1,274
	250 - 499	£971
	500 - 999	£807
	1,000 – 4,999	£733
	5,000 – 10,000	£756
	Over 10,000	£663
Stores	Up to 249	£943
	250 - 499	£747
	500 - 999	£625
	1,000 – 4,999	£593
	5,000 – 10,000	£616
	Over 10,000	£569

Table B Permanent Construction – Outside the Wire

In the case of subjects outside the wire, consideration should be given to the unit of valuation. If deemed appropriate to proceed on the comparative basis, prevailing rental levels for that type of property may provide the best evidence of Net Annual Value.

Rates in the following table are to be applied if the subjects are to be correctly valued by the contractors' basis of valuation or if there is a lack of the evidence referred to above.

Building Use	GEA (m2)	Unit Cost Rate/m <sup>2</sup>
Offices	Up to 249	£1,078
	250 - 499	£1,055
	500 - 999	£1,031
	1,000 – 4,999	£1,003
	5,000 – 10,000	£966
	Over 10,000	£933

Stores/Vehicle Stores (unlined & unheated) Eaves 4m	Up to 249	£835
	250 - 499	£636
	500 - 999	£555
	1,000 – 4,999	£537
	5,000 – 10,000	£551
	Over 10,000	£523

Workshops/Stores (lined & heated) Eaves 6m	Up to 249	£1,274
	250 - 499	£971
	500 - 999	£807
	1,000 – 4,999	£733
	5,000 – 10,000	£756
	Over 10,000	£663

Table C Temporary Construction

Building Use	GEA (m <sup>2</sup> )	Unit Cost Rate/m <sup>2</sup>
Portacabins (serviced)	Up to 249	£933
	250 - 499	£887
	500 - 999	£863
	1,000 – 4,999	£840
	5,000 – 10,000	£817
	Over 10,000	£793
Modular Buildings (serviced)	Up to 249	£1,087
	250 – 499	£1,050
	Over 500	£1,013
Portable WCs/Shower Blocks	Up to 499	£1,414
	500 – 10,000	£1,279
	Over 10,000	£1,111
Sectional Timber Frame Buildings	All	£747
GRP Huts/Shelters (Gladson type) & Small Plant Buildings (circa 2.15m <sup>2</sup> x 1.50m <sup>2</sup> )	Up to 499	£2,516
Bicycle/Motorcycle Shelters (usually metal frame or GRP)	All	£ 336
Metal Frame Open Sided Structure (Dutch barn type)	Up to 249	£471
	250 - 499	£360
	500 - 999	£333
	1,000 and above	£294
Nissan / Romney	All	£378
Timber Buildings	All	£476
Stables/Kennels & similar	Up to 249	£476
	250 - 499	£359
	500 - 999	£308
	1,000 – 4,999	£252
	5,000 – 10,000	£233
	Over 10,000	£224
Metal Frame, Fabric Covered	Up to 249	£476
	250 - 499	£420
	500 - 999	£373
Podded Accommodation Blocks	All	£1,559