

Fife Assessor Service

Revaluation 2026

Practice Note – Valuation of Day Nurseries

1.0 Introduction

This practice note applies to the valuation of nurseries, crèches and similar subjects that are not covered under the SAA Schools practice note. Day nurseries will be standalone and not associated with a local authority school. The facilities generally operate as a commercial enterprise offering a full time service for 50 or 52 weeks of the year. Day care and often afterschool care will be offered typically during standard business hours from 8am to 6pm. Ordinarily the service will be offered to a range of ages from babies up to age 12.

2.0 Basis of Valuation

Day nurseries are valued by application of the comparative principle using rates per square metre derived from local rental evidence for nurseries. In accordance with Practice Note 11 – Valuation of Day Nurseries, where a day nursery has characteristics of an office retail or industrial building and 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 Net Annual Value.

3.0 Rental Analysis

Rental analysis is undertaken in accordance with the SAA Basic Principles Committee Practice Note 1 – Adjustment of Rents. Local rental and cost evidence is used to determine rates applied and adjustments to value.

4.0 Measurement

The basis of measurement should reflect the definition of Gross Internal Area as outlined in the RICS code of measuring practice.

5.0 Valuation

The valuation of nurseries should be undertaken by the application of a rate per square metre applied to the Gross Internal Area. See **Appendix 1** for guidance on the appropriate rate per metre square for a particular subject having regard to its location and classification. Interpolation may be required where a subject is of mixed or intermediate classification.

In cases where there are upper floors with restricted access then a Reduction Factor of up to 0.25 may be applied.

6.0 End Allowances

In certain circumstances, consideration of an end allowance may be appropriate for nurseries lacking facilities or insufficient facilities. Such can include restrictions relating to drop-off areas and nearby parking, a lack of or restricted outside space, or poor site layout. However, reference should be made to local rental evidence which has informed the valuation approach and the valuation of similar subjects to determine whether any such allowance is merited and if so to what extent.

Appendix 1

Rates for Day Nurseries, Fife

	CLASS	A	B	C
LOCATION				
1		£80	£80	£50
2		£65	£65	£50

Definition of Location:

Location 1 – Dunfermline, Kirkcaldy, St Andrews

Location 2 – All other parts of Fife

Definition of Classification:

Class A – purpose built modern nurseries or high-quality conversions.

Class B – older buildings or less modern conversions

Class C – Modular buildings only.