Assessor for Fife Council Revaluation 2023 DRAFT Local Practice Note Valuation of Contractor's Huts etc

1.0 Introduction

This Practice Note (PN) applies to the valuation of typical contractor's buildings normally found on construction sites or similar and is only to be used for such buildings in these and similar locations.

2.0 Basis of Valuation

The basis of valuation is the Contractor's Principle based on a consideration of replacement cost evidence and using the appropriate decapitalisation rate.

3.0 Survey and Measurement

All buildings will be measured in terms of Gross External Area (GEA) and their make, model, construction, internal finish, standard of heating and lighting, area of toilet accommodation, and their condition noted.

Fenced compounds and hardstandings will be measured and the area calculated in m2. A full description will be recorded including the type and condition of surfacing and fencing, layout and location of the site.

4.0 Buildings

4.1

Using the decapitalisation rate of 4.6%, typical examples of buildings likely to be encountered are listed in **Table 1** below with recommended rates/m2GEA to Net Annual Value indicated which are inclusive of elements of site and siting value for each building/unit. Rates adopted should be interpolated for different sizes. The rate/m2GEA to be applied is determined in accordance with the GEA of each separate building/unit being considered, and not with reference to the total area of buildings at a subject. Reference should be made to the Rating Cost Guide Scotland when the guidance given in **Table 1** is insufficient. In doing so, appropriate consideration should be given to any required adjustment to reflect different methods of measurement.

The rates/m2GEA given in **Table 1** should be adopted for buildings in good condition. Allowances for buildings in poor condition are at the valuer's discretion up to a maximum of 25%.

5.0 Ground

A specific addition as part of a unum quid valuation should only be made for fenced compounds with definite use for storage of materials, hardstandings for the parking of vehicles, or other beneficial use e.g. the siting of advertising signage. It is expected that most ground to be valued will be in the nature of storage or hardstandings and this will be valued in accordance with the guidance contained in the Local Practice Note Valuation of Factories, Warehouses, Workshops and Stores. Where buildings are sited within such an area of ground, the ground floor area of such buildings only will be excluded from the area of ground separately added for valuation purposes.

6.0 Other Valuation Elements

Valuation elements may be encountered as part of the unum quid valuation that are out with the scope of this PN (e.g. advertising signage). Such valuation elements will be valued as appropriate.

7.0 Quantity Allowance

As stated in 4.1 above, the rates/m2 to NAV for each building are determined in accordance with the GEA of the individual building/unit being considered. However, when the total area of buildings at a subject exceeds 500m2GEA, an allowance for the total area of accommodation provided may be appropriate. Reference should be made to the Rating Cost Guide Scotland when considering any such allowance.

Table 1

Designation	Description	Area SQ M	5	10	15	20	25	30	35	40	wc
Standard 1	Welded steel frame, plastisol external steel cladding, injected										
ST1	polymer core, polyester coated steel internal lining,										
	aluminium windows and sheet vinyl flooring, telescopic legs.	Rate PMS	£92.00	£75.50	£59.00	£49.00	£45.00	£42.00	£40.00	£38.00	£31.00
	Includes lighting, heating and power; no plumbing.										
Standard 2	Plastisol coated steel cladding with non-asbestos vinyl roof,										
ST2	anodized aluminium windows, sheet vinyl flooring and										
	plasterboard internal wall and ceiling finish, telescopic legs.	Rate PMS	£83.00	£68.00	£53.00	£43.50	£40.50	£38.00	£36.00	£35.00	£31.00
	Includes lighting, heating and power; no plumbing.										
Low Cost 1	Insulated timber batten and plywood faced sandwich										
LC1	construction with colour coated steel external wall, aluminium										
	windows, telescopic legs, flat felt roof. Includes lighting,	Rate PMS	£78.00	£64.00	£50.00	£41.50	£38.00	£36.00	£34.00	£32.50	£31.00
	heating and power; no plumbing										
Low Cost 2	Insulated timber batten and plywood faced sandwich										
LC2	construction, aluminium windows, telescopic legs, flat felt										
	roof. Includes lighting, heating and power; no plumbing.	Rate PMS	£67.00	£55.00	£43.00	£35.00	£32.50	£31.00	£29.00	£28.00	£31.00
Timber Hut	Weatherboard /felt construction, electric lighting; no										
тн	plumbing.	Rate PMS	£46.00	£38.00	£29.50	£24.50	£22.50	£21.00	£20.00	£19.00	£31.00

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		All Sizes					
Secure Office Unit	Second hand ex shipping all steel storage containers in						
SOU	reasonable condition, converted for office use with windows,						
	internal faced lining to walls and ceiling, heavy duty painted	Rate PMS	£33.00				£31.00
	floor, strip lighting and socket outlet, externally painted; no						
	plumbing.						
Secure Storage Unit	Second hand ex shipping all steel storage containers in						
SSU	reasonable condition, generally used for secure site storage.	Rate PMS	£11.00				

