

Revaluation 2010

Public Buildings Committee

Practice Note 27 Custodial Centres

1.0 Introduction

- 1.1 This Practice Note should be used as the basis for the valuation of all civilian prison establishments in Scotland occupied or operated by, or on behalf of, the Scottish Prison Service (SPS). This Practice Note does not cover the valuation of other properties occupied by SPS.

It 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 of valuation.
- 2.2 The recommended cost rates contained within this Practice Note have been derived from the analysis of available cost evidence within the UK. The cost rates shown have been adjusted to Scottish Mean level at the tone date.
- 2.3 The valuation should be carried out in accordance with SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations).
- 2.4 External works should be valued in accordance with this Practice Note and SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations, Adjustment of Areas, External Works' Costs, Allowances and Land).
- 2.5 Adjustments in respect of contract size and additions for professional fees should be made in accordance with the recommendations contained in SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations).
- 2.6 Age, obsolescence and other allowances should be made in accordance with SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations, Adjustment of Areas, External Works' Costs, Allowances and Land).
- 2.7 Land Value should be determined by reference to local evidence and SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations, Adjustment of Areas, External Works' Costs, Allowances and Land).

2.8 The Estimated Replacement Cost and the Adjusted Replacement Cost are derived as indicated in Sections 4 and 5 below.

3.0 Basis of Measurement

3.1 Building areas should be measured on the basis of gross external area (GEA) as defined in the RICS Code of Measuring Practice (6th edition).

4.0 Estimated Replacement Cost

4.1 The following unit cost rates, expressed in £ per m² will be used to arrive at the Estimated Replacement Cost (ERC) for the key categories of buildings of permanent and temporary construction. There will be instances where the table below is not appropriate, and in such circumstances actual costs or updated historic costs for the building in question should be considered.

Building Type	Cost (£) per m ² GEA before contract size allowance, fees and excluding external works
Permanent Construction	
Cell Blocks (including medical cells)	1,680
Cell Blocks (RTU type)	1,325
Segregation Units	1,785
Gate/Entry Buildings	1,935
Secure Units	2,190
Reception	1,530
Medical/Hospital Buildings (excluding cells)	1,580
Kitchens	1,630
Dining Hall	1,325
Offices/Administration/Visits	1,325
Educational	1,325
Gymnasias/Sports Halls	1,325
Industries/Workshops/Stores (up to 500m ² GEA)	840
Industries/Workshops/Stores (500 - 999 m ² GEA)	765
Industries/Workshops/Stores (1,000-1,999m ² GEA)	710
Industries/Workshops/Stores (2,000-10,000m ²)	585
Industries/Workshops/Stores (over 10,000m ² GEA)	380
Offices (outside the wire) (up to 500m ² GEA)	865
Offices (outside the wire) (500 – 4,999m ² GEA)	840
Offices (outside the wire) (5,000 – 10,000m ² GEA)	710
Stores (outside the wire) unlined/unheated, 4m eaves (up to 500m ² GEA)	385
Stores (outside the wire) unlined/unheated, 4m eaves (500m ² to 999m ² GEA)	305
Stores (outside the wire) unlined/unheated, 4m eaves (1000m ² to 4999m ² GEA)	255
Stores (outside the wire) unlined/unheated, 4m eaves (5000m ² to 10000m ² GEA)	230
Stores (outside the wire) unlined/unheated, 4m eaves (over 10000m ² GEA)	200
Workshop/Stores (outside the wire) lined/heated, 6m eaves (up to 500m ² GEA)	585

Workshop/Stores (outside the wire) lined/heated, 6m eaves (500m ² to 999m ² GEA)	485
Workshop/Stores (outside the wire) lined/heated, 6m eaves (1000m ² to 4999m ² GEA)	430
Workshop/Stores (outside the wire) lined/heated, 6m eaves (5000m ² to 10000m ² GEA)	380
Workshop/Stores (outside the wire) lined/heated, 6m eaves (over 10000m ² GEA)	330
Squash Courts	635
Temporary Construction	
Portacabins (if connected to services)	520
Modular Buildings (if connected to services)	650
Portable WCs and shower blocks (if connected to services)	765
Timber frame, timber clad buildings (used as classrooms, stores and offices)	520
GRP huts and shelters (Gladson type guard huts, small plant buildings)	1530
Bicycle and motor cycle shelters (usually metal frame, metal or GRP clad)	180
Metal frame open sided structures (Dutch barn type)	255
Nissan Huts, brick end walls / Romany Huts	305
Timber Huts	330
Stables, kennels and similar buildings	285
Metal frame, fabric covered	255
Podded accommodation Blocks	765

- 4.2 With the exception of Secure Units, an addition of up to 20% may be made to the above rates to reflect individual specifications which are in excess of the "norm" for that particular facility or for that building's normal use.
- 4.3 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.
- 4.4 For Open Prisons, an appropriate building cost rate for valuation using this practice note should be selected from the table of building cost rates set out in Public Buildings Committee Practice Note 25, Valuation of Ministry of Defence Establishments.
- 4.5 Link Blocks and Subways, which are solely used as passages between adjoining blocks and where 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.

5.0 External Works

- 5.1 In the absence of detailed information to allow a full costing of external works to be carried out, external works should be valued by making the following additions to the ERC of all buildings.
- 5.2 Additions on this basis will comprise three elements, firstly costing all playing fields etc (Table A), where sufficient detail exists to allow these to be costed separately. Secondly, costing the remaining site works (Table B) excluding perimeter security, and thirdly, costing perimeter security (Table C).
- 5.3 In the case of Table B, it is assumed the benchmark figure would be adopted in most cases, but this could be subject to variation within the range to reflect the specific nature of the site being valued.
- 5.4 These levels may be subject to upward variation for lands and heritages that require additional site works due to the function of the establishment or downward variation for sites with basic infrastructure.
- 5.5 The percentage additions in Table B do not include playing fields, all weather pitches, tennis courts etc, but where there is insufficient information available to allow these to be valued separately, an appropriate percentage addition from Table B should be selected to reflect their existence.
- 5.6 In the absence of actual or updated historic costs for perimeter security walls and fences, the percentage additions for perimeter security shown in Table C may be applied.
- 5.7 Age & obsolescence allowances for all of the above elements should be applied in accordance with SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations, Adjustment of Areas, External Works' Costs, Allowances and Land).

Table A – Playing fields etc.

Playing Fields etc	Unit Cost Addition
Playing Fields	£60,000
All Weather Pitches (full size)	£450,000
Tennis Courts	£11,600

Table B – Site Works

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

Table C – Perimeter Security

Type of Wall / Fence	% of Buildings ERC
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.

6.0 Rateable Plant & Machinery

Any items of rateable plant & machinery, as defined in The Valuation for Rating (Plant & Machinery) (Scotland) Regulations 2000, should be valued and added to the ERC.

7.0 Professional Fees & Charges

- 7.1 Professional fees and charges will be added to the total cost as adjusted above in accordance with the following scale:-

	All excluding Open prisons	Open prisons
Total Cost (£)	Fee as a Percentage	Fee as a Percentage
£0 - £500,000	15%	13%
£500,001 - £2,000,000	13%	11%
£2,000,001 and above	11%	9%

- 7.2 For all except Open Prisons, for sums between £500,000 and £2,000,000 the minimum fee will be £75,000 and for sums in excess of £2,000,000 the minimum fee will be £260,000.

- 7.3 For Open Prisons, for sums between £500,000 and £2,000,000 the minimum fee will be £65,000 and for sums in excess of £2,000,000 the minimum fee will be £220,000.

8.0 Adjusted Replacement Cost

8.1 Age Related Obsolescence

Age related physical obsolescence allowances should be applied to the estimated replacement cost derived above in accordance with the table in SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations, Adjustment of Areas, External Works' Costs, Allowances and Land).

8.2 Functional and Technical Obsolescence

Further functional or technical obsolescence may require reflection based on site specific circumstances and valuer judgement.

8.3 Multi Storey Properties

In the case of multi-storey properties, the following general 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%
	Buildings with 8 or more floors	7.5% on overall basis up to 7 th floor, then 12.5% on 8 th floor and above
No lift (see below) *	An additional allowance of	5%

*Where a multi storey building of 5 floors and above has no lift an additional allowance of 5% should be applied to all floors.

Where the allowance is made on an overall basis, the percentage deduction will be made in respect of all floors of the building. In these circumstances, the allowance should be applied to an area not exceeding the footprint of the floor(s) above 4th floor level.

Where the building is constructed on a sloping site with multiple levels it will not qualify for the above allowances unless there is more than one main floor above the highest main floor with ground level access.

8.4 Redundancy

Any buildings which are either physically redundant or are surplus to operational requirements, and which have been fully vacated with no intention to reoccupy, will attract a nil value.

9.0 Domestic/Non-domestic

- 9.1 When considering whether accommodation within a custodial centre is to be treated as domestic or non-domestic, 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). In summary, prisons would attract a domestic apportionment, whilst detention centres and secure units would not.
- 9.2 Prison Farms should not be excluded from the valuation of the prison (See Armour, Valuation for Rating, 7.44 at page 198).

10.0 Land

- 10.1 Land value should be determined by reference to local evidence and SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations, Adjustment of Areas, External Works' Costs, Allowances and Land).

11.0 Decapitalisation Rate

- 11.1 All subjects referred to in this Practice Note valued under the Contractor's Basis should attract the appropriate statutory decapitalisation rate.

12.0 End Allowances

- 12.1 Any advantages or disadvantages 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.