



Revaluation 2010

Public Buildings Committee

Practice Note 3

Valuation of Local Authority Sports and Leisure Centres

1.0 Introduction

1.1 This practice note deals with the valuation of both single and multiple use subjects owned by Local Authorities and includes:

- (i) sports barns/sports halls/sports centres
- (ii) swimming pools/leisure centres
- (iii) leisure pools
- (iv) multi-use centres

2.0 Basis of Valuation

2.1 Subjects covered by this practice note are valued on the Contractor's Basis. They are in Local Authority ownership and occupation although in some cases, in order to comply with public sector borrowing requirements, they operate as trusts funded by the Local Authority.

There may be exceptional cases, e.g. where a leisure complex includes licensed facilities which are more than merely ancillary and where a Local Authority is unlikely to be the hypothetical tenant. In such cases an individual approach may be appropriate.

3.0 Survey and Measurement

3.1 Building areas should be calculated on a gross external basis for each main floor. Attic floor accommodation should be calculated on a gross internal basis excluding any area under 1.5 metres in height.

3.2 The total site area and areas and details of car parks, roadways, landscaping etc should also be determined together with details of boundary walls, fences etc.

4.0 Building and External Works Costs

4.1 The available cost evidence was analysed in terms of SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations). The unit cost rates derived reflect a Scottish Mean location factor, a £3 million contract size and a date of 1 April 2008.

5.0 Valuation

- 5.1 Buildings should be valued in accordance with SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations).
- 5.2 Recommended unit cost rates based on the aforementioned cost analysis are noted below. The recommended rates exclude professional fees and external works.
- 5.3 External works should be valued in accordance with SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations, Adjustment of Areas, External Works' Costs, Allowances and Land).
- 5.4 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).
- 5.5 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).
- 5.6 Land value should be determined by reference to local evidence or where necessary SAA Public Buildings Committee Practice Note 4 (Contractor's Basis Valuations Adjustment of Areas, External Works' Costs, Allowances and Land).
- 5.7 The Estimated Replacement Cost and the Adjusted Replacement Cost are derived as indicated in Sections 6 and 7 below.

6.0 Estimated Replacement Cost

6.1 Unit Cost Rates (Buildings)

Typical subjects are of steel portal frame construction with insulated profiled-sheeted wall and roof finishes, concrete floors and internal block work partitioning. Specialist floor finishes are appropriate to the particular use/uses made of the subjects.

Larger multi-use premises can be of a more prestigious nature and are more likely to have facing brick/block external finishes with tiled or wood panelled internal finishes, better heating, lighting and air conditioning and better appointed common areas which will often include cafés and bars.

Costs were analysed on the basis of total building areas and, accordingly, the recommended rates should be applied to the gross external area of buildings with all main and ancillary areas taken at 100%.

The analysed unit cost rates for the different categories of subjects are as follows.

6.2

Sports Barns/Sports Halls/Sports Centres

(a) Sports Barns

This is the most basic sports centre and was generally provided in village/estate locations as a service to the community with the majority built in the early 1990s. Subjects in this category are generally of steel portal frame construction with insulated profiled-sheeted walls and roof. The games hall normally has painted blockwork walls and a specialist finished concrete or timber floor. Eaves height is in the range 6.00m to 8.50m, external area normally 600m² to 800m² and there is minimal ancillary accommodation.

Buildings in this category should be costed at **£900/m²**.

(b) Sports Halls/Sports Centres

This category is similar to the above but in addition to the games hall has more in the way of ancillary accommodation. There may also be a gymnasium, fitness room, aerobics studio, etc. Many of the newer examples have been constructed at schools as part of a major project or additions to a school.

Buildings in this category should be costed at **£1,100/m²** but comparison should be made with the rate applied to similar subjects contained within SAA Public Buildings Committee Practice Note 5 (Valuation of Local Authority and Private Schools).

These centres may also have outdoor facilities (refer to paragraph 10.0).

6.3 **Swimming Pools/Leisure Centres**

Buildings in this category generally have a pool 25m in length with ancillary accommodation including reception and changing areas. Leisure Centres tend to be larger than typical swimming pools and have more ancillary accommodation which often includes a fitness suite, aerobics studio and even toddler/children's pool.

Typical pools are of steel or reinforced concrete framed construction with brick/blockwork cavity infill or curtain walling and insulated profiled-sheeted roof. Walls and floors in the pool and changing areas are tiled and there is a good standard of heating, lighting and ventilation.

A number of the newly built swimming pools have been constructed at schools as part of a major project or additions to a school and comparison should be made with the rate applied to similar subjects contained within SAA Public Buildings Committee Practice Note 5 (Valuation of Local Authority and Private Schools).

Buildings in this category should be costed at **£1,600/m²**

If flumes are present an addition of **£1,900** per linear metre of the flume should be made.

6.4 **Leisure Pools**

Leisure pools tend to be very individual in nature, more specialist in design and have a variety of shapes and sizes, splash pools, flumes, wave machines etc, and some will include specialist “adjustable depth” pool floors. These subjects also often have health suites, café and bar accommodation.

Buildings in this category should be costed at **£2,000/m²**

6.5 **Multi-Use Centres**

This type of centre tends to vary in size, range of facilities, quality of facilities and quality of finishes. Subjects are all individual depending on the mix of uses and ancillary facilities, and some have bars, leisure pools and/or ice facilities. They are normally over 4,500m² in size to in excess of 10,000 m².

Buildings in this category should be costed at **£1,300/m²** to **£1,600/m²** depending on quality and the range of facilities provided.

6.6 **Adjustment of Gross Areas**

Where a subject has thicker than normal walls the areas should be adjusted on a floor by floor basis in accordance with Public Buildings Practice Note No. 4 (Contractor’s Basis Valuations Adjustment of Areas, External Works’ Costs, Allowances and Land) to adjust the floor area to the modern equivalent

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

These should be valued in accordance with SAA Public Buildings Committee Practice Note 4 (Contractor’s Basis Valuations Adjustment of Areas, External Works’ Costs, Allowances and Land).

7.0 **Adjusted Replacement Cost**

7.1 **Age and Obsolescence**

Age and 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).

7.2 **Buildings without Lifts**

The affected parts of buildings without lifts should be granted an additional allowance to reflect functional obsolescence as indicated below.

2 storeys	- 5%
3 storeys	- 10%

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

8.0 Land

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

9.0 Decapitalisation Rates

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

10.0 Outdoor Facilities

- 10.1 Subjects covered by this practice note may also have outdoor facilities such as 5-a-side pitches, tennis courts etc and these should be valued by reference to the appropriate SAA Practice Note.