



## Revaluation 2010

### Public Buildings Committee

#### Practice Note 6

#### Valuation of Lighthouses and Lighthouse Stations

### 1.0 Introduction

This Practice Note applies primarily to the valuation of Lighthouses and their pertinents that belong to the Northern Lighthouse Board. Such subjects, while being exempt from paying rates in accordance with section 731, Merchant Shipping Act 1894, nevertheless require to be entered in the Valuation Roll (Assessor for Renfrewshire -v- Clyde Lighthouse Trustees, 1962) and, in certain cases, are subject to water rates and/or waste water charges.

### 2.0 Basis of Valuation

- 2.1 The Contractor's Basis is the appropriate method of valuation for this category of subject.
- 2.2 While based on previous reports on the same topic, this practice note has been updated following discussions with representatives of the Northern Lighthouse Board.

### 3.0 Background to Valuation

- 3.1 In the past the majority of lighthouses were manned. Now, however, all lighthouses are unmanned. Fair Isle South, the last manned lighthouse in Scotland, was made automatic on 31 March 1998.
- 3.2 **Major lights** are all, apart from three, towers of the traditional interlocked stone type and are virtually all over 100 years old, the earliest still in use being over 200 years old. They are sited in strategically important locations requiring navigational light. There are generally ancillary buildings consisting of workshops, stores, plant houses etc, apart from at a few sea rock lighthouse towers. The former living accommodation in tower lighthouses is now used for maintenance purposes. In many cases, due to automation, ancillary buildings are now unused and empty. The only non traditional major lights are at Firths Voe, which is a cast iron tower, Haskeir, which is a GRP (Glass Reinforced Plastic) tower and North Rona, which is also a GRP tower
- 3.3 **Minor lights** are generally of local navigational importance. They are of modest height and are in the nature of automatic beacons. They are site specific and vary greatly in nature and appearance. The foundations, main structure and power generating plant are rateable. They are generally

powered by mains electricity or solar power. A variety of constructions have been used over the years. The earliest ones are stone towers, cast iron towers, or brick structures. Later ones are concrete columns and GRP towers. Since 1985 "standard towers" have been used wherever possible. These comprise aluminium lattice sections, which can be bolted together to form a tower of the required height.

## 4.0 Cost Rate

### 4.1 Major Lights

In the complete absence of new traditional towers or ancillary buildings for many years, costs around the "as at" date are not available. The Board has indicated that in the period 2003 to 2008, costs of minor works, repairs or refurbishment and any service plant are in line with the BCIS costs.

#### 4.1.1 **Lighthouse Towers**

Traditional construction, 100 to 200 years old and in good structural condition. Including service plant.

|                    |                          |
|--------------------|--------------------------|
| Notional ERC       | £ 9,600 per metre height |
| Obsolescence @ 65% | <u>£ 6,240</u> " " "     |
| ARC                | £ 3,360 " " "            |

#### 4.1.2 **Ancillary Buildings**

Brick, stone or concrete workshops, stores and plant buildings. Including service plant.

|              |                                   |
|--------------|-----------------------------------|
| ERC          | £625 per m <sup>2</sup> overwalls |
| Obsolescence | Up to 50%                         |

#### 4.1.3 **Adjustments**

No adjustments are necessary for contract size, professional fees or external works. The rate applied takes these into account.

### 4.2 Minor Lights

A variety of structures have been used over the years. The cost is mainly determined by location and, consequently, varies greatly. Since 1985 a standardised modular unit method of construction has been used wherever possible - a standard tower. Where circumstances preclude this construction, a GRP tower or concrete column is used.

#### 4.2.1 **Standard Towers**

These consist of 2.2m wide x 2.2m deep x 2.1m high aluminium lattice sections, clad with GRP panels. They can be one, two or three sections high. A 1.2m high handrail section is placed on the top.

### Structure Cost (Including handrail section.)

|                      |         |
|----------------------|---------|
| Single Section Tower | £17,750 |
| Two Section Tower    | £28,750 |
| Three Section Tower  | £39,750 |

### Power Supply Cost

|              |         |
|--------------|---------|
| Average Cost | £20,750 |
|--------------|---------|

### Erection Cost

This varies greatly according to the situation.

|                    |         |
|--------------------|---------|
| Accessible Sites   | £27,500 |
| Inaccessible Sites | £55,000 |

### Adjustments

No adjustments are necessary for contract size, professional fees or external works. The unit costs take these into account.

### Obsolescence

The appropriate obsolescence allowance should be given. Due to the exposed nature of these structures the buildings allowances should be used.

#### **4.2.2 Other Structures**

There has been no standardisation of other structure types as each is built specifically for its situation. The last minor light GRP tower was erected in 2002 at Sgeir Bhuide at a total cost of £180,000. The last concrete column was erected at Rumble Rock in 2001 at a total cost of £300,000.

When available, updated actual costs adjusted for obsolescence should be used. When no costs are available, reference should be made to the Rating Cost Guide.

#### **5.0 Decapitalisation Rate**

The appropriate decapitalisation percentage should be used.