

## **Revaluation 2017**

### **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 which a Local Authority has an interest in or occupies 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. Normally they are in Local Authority ownership and occupation although in recent years Trusts or ALEOs (Arm's-Length External Organisations) have been set up by the Local Authority to deliver these services.

#### **3.0 Survey and Measurement**

3.1 Building areas should be calculated on a gross external basis (GEA) for each main floor.

3.2 Where a subject is of older construction e.g. stone, and has thicker than normal walls, the area should be adjusted on a floor by floor basis in accordance with SAA Public Buildings Committee Practice Note 4 (Valuation of Contractor's Basis Subjects, Areas Adjustment and External Works' Costs) to adjust the floor area to the modern equivalent.

3.3 Site area should be calculated together with the areas of any car parks, roadways and other paved or landscaped surfaces. Measurements and details of boundary walls, fences and any other items in the nature of external works, civil works or plant and machinery should also be noted.

## **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 rate(s) derived reflect a Scottish Mean location factor, a £3m contract size and a tone date of 1 April 2015.

## **5.0 Valuation**

5.1 Valuations should be carried out in accordance with SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations).

5.2 Recommended unit cost rates excluding professional fees for buildings are noted below

5.3 For external works reference should be made to section 6.2 below.

## **6.0 Estimated Replacement Cost (ERC)**

### **6.1 Unit Cost Rate (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, better heating, lighting and air conditioning and better appointed common areas which will often include cafes 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:

### **6.1.1 Sports Barns/Sports Halls/Sports Centres**

#### **(a) Sports Barns**

This is the most basic sports centre. 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 6.00 to 8.50m external area normally 600m<sup>2</sup> to 800m<sup>2</sup> and there is minimal ancillary accommodation.

Unit cost rate **£1,200/m<sup>2</sup>**.

## 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 as an addition to a school.

Unit cost rate **£1,400/m<sup>2</sup>** but comparison should be made with the rate applied to similar subjects contained within SAA Public Buildings Committee Practice Note 5 (Valuation of Schools).

These centres may also have outdoor facilities (refer to paragraph 11.0)

### 6.1.2 **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 schools and comparison should be made with the rate applied to similar subjects contained within SAA Public Buildings Committee Practice Note 5 (Valuation of Schools)

Unit cost rate **£1900/m<sup>2</sup>**.

Buildings with swimming pools 50m in length with ancillary accommodation including reception and changing areas

Unit cost rate **£2,200/m<sup>2</sup>**

If flumes are present an addition of **£2,000** per linear metre of the flume should be made.

### 6.1.3 **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, cafe and bar accommodation.

Unit cost rate **£2,600/m<sup>2</sup>**.

#### 6.1.4 **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 4,500m<sup>2</sup> in size to in excess of 10,000m<sup>2</sup>.

Unit cost rates **£1400m<sup>2</sup>** to **£1,900/m<sup>2</sup>** depending on quality and the range of facilities provided.

#### 6.2 Unit Cost Rates (External Works)

External Works should be valued in accordance with SAA Public Buildings Committee Practice Note 4 (Valuation of Contractor's Basis Subjects, Areas Adjustment and External Works' Costs).

#### 6.3 Adjustments to ERC

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).

### 7.0 **Adjusted Replacement Cost (ARC)**

7.1 In applying age and obsolescence allowances reference should be made to guidance in SAA Basic Principles Committee Practice Note 2 (Contractors Basis Valuations). In particular it should be noted that allowances in respect of age in excess of 50% should only be given to buildings and plant in exceptional circumstances.

7.2 Further allowances of a functional and technical nature should be considered in accordance with SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations) and SAA Public Buildings Committee Practice Note 4 (Valuation of Contractor's Basis Subjects, Areas Adjustment and External Works' Costs).

#### 7.3 Buildings Without Lifts Provision

Buildings or affected parts of buildings without lifts may be granted an allowance as indicated in the table below.

2 Storeys	-5%
3 Storeys	-10%
4 Storeys	-15%
5 Storeys and above	-20%

If, in the case of buildings of two storeys or above, a particular floor such as an attic is significantly smaller than the main floors or consists of a basement of poorer quality, then such a floor should be excluded from the determination of an appropriate lift allowance to be applied to the whole building in the table above.

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

## **8.0 Plant and Machinery**

8.1 Buildings' unit cost rates above are inclusive of service plant typically found in subjects covered by this Practice Note. Rateable items of plant and machinery not already reflected in these rates should be dealt with in terms of the Valuation for Rating (Plant & Machinery) (Scotland) Regulations 2000 (as amended) and valued with reference to the Rating Cost Guide.

## **9.0 Land**

9.1 Land value should be determined by reference to local evidence and SAA Basic Principles Committee Practice Note 2 (Contractor's Basis Valuations).

## **10.0 Decapitalisation Rate**

10.1 The appropriate statutory decapitalisation rate should be used.

## **11.0 Outdoor Facilities**

11.1 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.

## **12.0 End Allowance**

12.1 Any factors or circumstances 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.