

Revaluation 2017
Public Buildings Committee
Practice Note 11
Valuation of Day Nurseries

1.0 Introduction

- 1.1 This Practice Note deals with the valuation of day nurseries.
- 1.2 The provision of day care for children has evolved from small family run units, which were often part of the provider's home, to professionally run operations in larger dedicated properties.

Day nurseries generally operate as a commercial enterprise offering a full time service for 50 or 52 weeks of the year. Day care and often after-school care will be offered typically during standard business hours from 8am to 6pm. Ordinarily the service will be offered to a range of ages from babies up to age 12.

Over the past decade there has been a large increase in the number of private day care nurseries.

2.0 Basis of Valuation

- 2.1 Subjects covered by this Practice Note are valued on the comparative principle using local rental evidence.
- 2.2 Where a day nursery has the characteristics of an office, retail or industrial building and/or is located within an established location for those types of properties, prevailing rental levels for that type of property may provide the best evidence of Net Annual Value.
- 2.3 Day Nurseries adjacent to or within the grounds of school properties or forming part of the school property and providing the pre-school education for the associated school may be valued in terms of SAA Public Buildings Committee Practice Note 5.

3.0 Survey and Measurement

- 3.1 Building areas should be calculated using appropriate measuring practice.

4.0 Classification

- 4.1 Day nurseries operate from a wide variety of premises ranging from modern purpose built to former houses, converted church halls and former industrial units. It may be appropriate to classify properties based on the property types and characteristics of the properties in each Assessor's area.

5.0 Allowances

- 5.1 Allowances may be granted where local evidence and prevailing levels of value suggest they are appropriate.

6.0 Quantum

- 6.1 Where the size of any day nursery is not within the normal area range for a particular classification, then suitable adjustment may be made in the valuation according to local rental evidence.