

Revaluation 2017

Public Buildings Committee

Practice Note 17 Valuation of Halls, Art Galleries & Museums etc

1.0 Introduction

- 1.1 This Practice Note deals with the valuation of Halls, Art Galleries and Museums.
- 1.2 Subjects covered by this Practice Note may include the following types of properties together with any other subjects of comparable character and use.
- (a) Hall (meeting, civic, concert, exhibition);
 - (b) Community hall;
 - (c) Masonic hall;
 - (d) Community centre (for meetings, recreation, exhibitions);
 - (e) Institute;
 - (f) Meeting room(s);
 - (g) Clubroom(s);
 - (h) Library;
 - (i) Church halls;
 - (j) Art Galleries;
 - (k) Art Centres;
 - (l) Museums.
- 1.3 Subjects not covered by this Practice Note include the following:
- (a) Subjects for which commercial usage is the main reason for provision.
 - (b) Subjects where there is a significant sale of alcohol on the premises as perhaps indicated by the existence of a premises licence.
 - (c) Large modern concert, conference or exhibition complexes or any other building of a similar nature.
 - (d) Cottages, houses and stately homes, which are of unique historic character and are open to the public as Visitor Attractions. These subjects should be valued in accordance with SAA Miscellaneous Properties Committee Practice Note 24 (Valuation of Historic Buildings, Exhibition Rooms, Etc.) or SAA Miscellaneous Properties Committee Practice Note 27 (Valuation of Visitor Attractions).

2.0 Basis of Valuation

2.1 Subjects covered by this Practice Note are valued on the Contractor's Basis.

3.0 Survey and Measurement

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

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)

The following unit cost rates per square metre should be applied to adjusted gross external areas (GEA) in accordance with the different categories described:

6.1.1 Category 1

Unit Cost Rate £2,300

Applicable to the best appointed and most ornate town halls, art galleries and museums. They will be of a prestigious, purpose built character and be invariably large. They will provide a very high standard of accommodation using high quality finishes internally and externally. In the case of art galleries and museums they will be of national or regional rather than local significance and standards of viewing space, lighting conditions, security and climate control will be of a suitably high standard to meet the demands of the collection. The best Victorian town halls, art galleries and museums in large towns would fall into this category.

In the case of modern “state of the art” art galleries, museums and halls, where the building is of the highest quality and is of a particularly excellent standard and of architectural significance, the rate may be enhanced. If actual costs for such buildings are available, these may provide the best evidence.

6.1.2 Category 2

Unit Cost Rate £2,100

These include relatively spacious, well-appointed buildings characterised by very good quality standards of construction and finish. Well fitted cloakroom/toilet accommodation, good kitchen facilities, ante rooms, stage, generous accesses and circulation space and other ancillaries would normally be expected to be present. Such buildings will be constructed to a high standard with stone, facing brick or similar. Walls and ceilings will be plastered and/or timber panelled with floors of timber and hardwood or expensive tiling. Lighting and heating systems will be of a good standard. Older examples may incorporate concert halls, large decorative function rooms and plain town halls. Modern examples may include community or recreation facilities and civic suites with at least one large hall, other lesser halls, committee rooms and offices.

6.1.3 Category 3

Unit Cost Rate £1,600

Buildings in this category may in general terms be similar in design and accommodation to Category 2 but have the more functional/utilitarian finish of Category 4 or have the basic design and accommodation of Category 4 but with the better finish of Category 2. Halls in this category may have a ceiling height high enough to allow multi-purpose usage such as sporting activities, for example, badminton.

Such buildings would be expected to have most facilities and ancillary accommodation. Older examples include the most capacious church halls. Large but plain local community centres with exposed internal brick/block work and exposed roof members are modern examples of this category, as are smaller but well finished local community centres with a main hall of modest size and most ancillaries and the best quality meeting and clubrooms. Modern art centres and museums serving towns of modest size tend to be of such character as to fall into this category.

6.1.4 **Category 4**

Unit Cost Rate £1,200

The level of appointment and good finish of Category 2 buildings or the facilities allowing multi-purpose usage of Category 3 halls will normally be absent in buildings placed in this category. This typically includes standard, modest scale local halls and similar incorporating functional and utilitarian standards of finish, which tend to be characterised by little more than domestic ceiling heights. Accommodation usually includes limited but sufficient kitchen facilities, plain toilet provision and at best limited stage and ante room facilities. Traditional construction of stone, facing brick or brick roughcast walls, plastered internal walls and ceilings, timber or concrete floors and satisfactory heating and lighting systems are characteristic of this category. Older examples may include adapted, nineteenth century houses with most recent examples being of a timber framed structure.

6.1.5 **Category 5**

Unit Cost Rate £700

This category may apply to minor halls, meetings and clubrooms with a similar standard of accommodation, facilities etc. to Category 4 but of rather rudimentary traditional construction with overall quality between Categories 4 and 6. Examples within this category may be mid-nineteenth century artisans' dwellings and industrial cottages with limited adaptation. Also included are buildings of an industrial nature built to a good quality and fully serviced modern standard.

6.1.6 **Category 6**

Unit Cost Rate £450

These are normally of inferior construction and finish with brick walls, possibly roughcast, timber and felt/corrugated asbestos roof or similar roof construction. Buildings may have unlined ceilings, timber or concrete floors, roughly lined or fairfaced walls. Heating is poor, with inferior toilet accommodation and there are limited if any kitchen facilities. These subjects are more in nature of stores or workshops than hall or clubroom accommodation.

6.1.7 **Modular Buildings**

Unit Cost Rate £900

Buildings of prefabricated sectional design, internally insulated and plasterboard lined, with accommodation similar to permanent buildings, sited on permanent hardstanding and serviced.

6.1.8 **Portable Cabins**

Unit Cost Rate £600

Transportable as complete units with basic connections to services, sited on rudimentary base and providing adequate temporary accommodation.

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 or 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 Functional Obsolescence

Disabilities, which restrict general use on some subsidiary floors, or parts thereof, may require allowances to be applied to the parts affected, e.g.:-

Basement/Lower Floors

Poor quality finish/inferior light	-5% to -30%
Poor cellar quality etc.	At discretion

Attic Floors

Poor quality finish	-5% to -35%
Inferior access	-5% to -10%
Poor access	-10% to -20%

Galleries/Balconies

Inferior access and/or sight lines	-10% to -20%
Poor access and/or sight lines	-20% to -35%
Very poor and largely disused	-50%

7.5 Other allowances

Disabilities, which affect the whole property, may require allowances to be applied overall.

No toilets	-10%
No heating	-10%
Principal floor at 1 st to 3 rd floor level	-10% to -30%

7.6 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 End Allowance

11.1 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.

11.2 Redundancy

Circumstances may be encountered where there are too many halls or otherwise too much hall accommodation (including church and school halls) to serve the needs of the local community. If there is information on record to the effect that hall accommodation is severely underused for clear and explicable reasons then the table of allowances below may be applied (with the exception of libraries, art galleries and museums where it is recommended that no allowance is granted). **It should be noted that prior to the granting of any such allowance investigation should be made into the extent of use.**

Allowance

Cities/Large Towns	Centre	Nil to 10%
	Suburban	Nil to 10%
	Depopulated area	Nil to 20%
Other Settlements	Town over 10,000 population	Nil to 15%
	Town 6,000 – 10,000	Nil to 20%
	Town/Village 3,000 – 6,000	Nil to 25%
	Town/Village 1,000 – 3,000	Nil to 30%
	Village under 1,000	Nil to 40%
	Rural	Nil to 50%