

REVALUATION 2017

VALUATION OF DAY NURSERIES

1.0 Introduction

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

The Comparative Principle shall be used. 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 it may be appropriate to value by reference to those particular property classes. If a valuer wishes to depart from valuation as a Day Nursery under this guidance note they should consult with their Assistant Assessor or Principal Valuer.

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 should be valued in terms of SAA Public Buildings Committee Practice Note 5.

3.0 Survey and Measurement

The property should be measured to Net Internal Area (NIA) and a note taken of quality and finish together with reference to suitability of the premises for use as a day nursery.

4.0 Classification

4.1 Category 1

Modern purpose built Day Nurseries or other modern buildings which have been well adapted for use as a Day Nursery. Adaptation to a high standard with a layout appropriate to use with a suitable mix of large and small spaces.

4.2 Category 2

Primarily conversions of older buildings, but may also include modern buildings in which the layout or suitability is inferior to the expectations of Class 1, either in terms of standard of finish, layout or both.

4.3 Category 3

Poor conversions providing the amenities required but quality and ease of operation significantly compromised.

5.0 Rates to be Applied

The rates set out below are to be applied to net internal area.

5.1 Table of Rates

The rates below are applicable throughout Tayside regardless of location.

Category	All Locations
1	£90
2	£70
3	£30

5.2 Ancillary Rates

The applicable rates for ancillary items shall be determined according to their character. It may be necessary to refer to other schemes of value.

6.0 Quantum

It is not envisaged that quantum will apply in the valuation of Day Nurseries. If a valuer is of the opinion that quantum ought to be applied in a particular circumstance, then this should be done in consultation with the appropriate Assistant Assessor or Principal Valuer.

7.0 End Allowances

The application of end allowances may be appropriate in some extreme cases and will depend on the classification and actual circumstances in each case.

It should be borne in mind that perceived drawbacks will not always impact on the commercial viability of a nursery or its ability to attract and retain customers, and / or command fees for care provided. **The effect of the negative impact**

of any such circumstance must be clear and unambiguous before allowances are made.

An end allowance may be applied for the following:

- lack of outside play area
- limited or no car parking facilities
- layout difficulties

A maximum allowance of 10% may be applied.