



Property Valuation Guidelines

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- Heritage Listed
- Gross Floor area (m2)
- Basic Predominant Structure
- Structure Details
- Exterior Walls
- Roofing
- Occupancy
- Number of PV (photo voltaic) panels
- Primary Fire Detection
- Sprinklered
- If sprinklered what %
- Date of Valuation
- Valuer
- Building Value
- Contents Value
- Infrastructure/ Site Improvements
- Leasehold Improvements
- Other Contents Value
- Controlled Environment (CE) Contents Value

2. Building Valuations

The building valuation should allow for the replacement by similar property in a condition equal to, but not better or more extensive than its condition when new.

The valuation schedule should include a separate building value for each building.

When determining the replacement cost of heritage structures the potential additional cost in reinstating these structures needs to be taken into consideration. Remember a partial loss when required to reinstate in accordance with the heritage provisions could cost in excess of a knock down/rebuild. Heritage buildings and/or features should be declared for the value to rebuild to heritage condition.

The building valuation should include the following allowances to ensure that the total replacement cost of the building is declared:

Demolition and Removal of Debris

The removal, storage and/or disposal of debris (or of anything which caused the damage) and the carrying out of decontamination, demolition and dismantling consequent upon damage to the property protected.

Escalation Costs

Additional costs incurred to rebuild during planning/tender/construction and fit-out time, including inflation during the protection period.

Extra Cost of Reinstatement

Additional costs incurred in conforming to regulations and by-laws which, may have been adopted since the original building construction. Including demolition or dismantling of the property damaged, necessarily incurred by the member to comply with the requirements of any Act of Parliament or Regulation made there under or any By-Law, Ordinance or Regulation of any Municipal or other Statutory Authority.

Professional Fees

Costs incurred for engaging professionals to assist with the reconstruction including architects, surveyors, consulting engineers, legal and other fees and clerks of works' salaries for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in reinstatement consequent upon damage to the property protected.

3. Infrastructure

A separate value for infrastructure needs to be included in the total asset value. Infrastructure includes all improvements on the site beyond the bare block of land such items as fencing, roads, footpaths, bridges, service tunnels and landscaping etc.

4. Contents Valuation

Assets will need to be declared for their replacement value. This is the current cost to acquire an identical or near identical replacement asset including all ancillary costs such as freight, duties, installation, commissioning, design and other professional fees to a standard substantially the same as, but no better or more extensive than its condition when new.

The valuation schedule should include a separate contents value for each building. Other contents including artwork, library collections, staff personal property etc can be declared as a total amount per category.

All contents items will need to be included in the asset schedule including but not limited to:

- Plant
- Machinery
- Equipment
- Furniture
- Leased equipment
- Items the subject of rental or loan agreements
- Stock and Material-in-Trade
- Museum and Other Collections
- Works of art
- Valuable Papers and Documents
- Archives
- Consumables
- Crops and pastures for research and commercial purposes
- Animals for research and commercial purposes
- Controlled Environment contents
- Staff personal property used for teaching and research purposes
- Library Collections

A more accurate valuation will be able to be provided by a professional valuer if they undertake a walkthrough valuation process. It is recognised that in some circumstances this can be a cost prohibitive exercise.

Property inventories and asset registers can be used as a tool for contents valuations however it needs to be recognised that the value recorded in these registers are very often the purchase price of the item. Therefore, when using the asset register information allowances may need to be made for any additional costs which may be incurred to replace the items. An allowance may also need to be made for items not incorporated in the asset register eg items under \$5,000.

When determining the replacement value of items purchased overseas fluctuations in overseas exchange rates may need to be considered and appropriate allowances for increases or decreases in the replacement cost applied.

Special attention should be given to the contents of research laboratories etc due to the unique and often high valued items located in these types of facilities.

Consumer Price Index can be obtained via the Australian Bureau of Statistics at www.abs.gov.au

5. Library Collection Valuation

The library collection excludes rare books and archives these would need to be valued on an individual basis for which separate valuations should be provided.

The library collection valuation should include monographs, serials and other media forms.

When determining a valuation for the library collection the organisation should:

- ensure that an accurate count of the items in the collection has been undertaken.
- ensure that an adequate purchase price is being used to cover the repurchasing of the items.
- ensure that a processing/cataloguing cost associated with putting the item back on the shelves has been included in the valuation.
- determine the obsolescence factor so that the valuation figure is not inflated by the inclusion of items that would not need to be replaced.

Below is a Library Collection Valuation Guide to assist with the calculation of the replacement cost of the library collection.

6. Controlled Environment Valuation

Controlled Environment (CE) losses, often in the form of freezer spoilage, is an all too common occurrence which can not only compromise the continuity of important research and associated grant funding but may also adversely impact the University's good reputation.

Unimutual has prepared a guideline for the valuation of Controlled Environment contents, designed to assist you to establish a value for the contents contained within your Controlled Environments. It also provides insight into the actions which may need to be taken to manage the risks to CE contents and research efforts generally.

LIBRARY COLLECTION VALUATION GUIDE

It is important that the total replacement cost of the University's library collection is provided to ensure that the University is adequately protected in the event of loss or damage.

To ensure that the University maintains an accurate total replacement cost for the library collection please provide the following information:

If possible, to increase the accuracy of the total replacement value the information should be provided for each of the main disciplines eg Medicine, Science, Humanities etc

1. BOOKS (VOLUMES)		
1A	Total number of books currently held	
1B	Total number of books purchased over the last five years	
1C	Total number of books disposed of over the last five years	
1D	Total amount expended on the purchase of books over the last five years	
1E	If all books were destroyed what estimated number of books would be replaced in electronic format instead of hard copy	
1F	Average processing cost per book	
1G	Average cost of replacing a book in electronic format	
2. PRINT SERIAL TITLES/VOLUMES		
The figures provided can be based on either print serial titles or print serial volumes		
2A	Total number of print serial titles/volumes held	
2B	Total number of print serial titles/volumes purchased over the last five years	
2C	Total number of print serials titles/volumes disposed of over the last five years	
2D	Total amount expended on the purchase of print serial titles/volumes over the last five years	
2E	If all print serial titles/volumes were destroyed what estimated number of print serials titles/volumes would be replaced in electronic format instead of hard copy	
2F	Average processing cost per print serial titles/volumes	
2G	Average cost of replacing a print serial title/volume in electronic format	
3. OTHER ITEMS		
3A	Estimated replacement value of other items in the collection eg microform, electronic media etc	
4. OBOLESCENCE		
4A	If the member seeks to partially declare based on a position that not all books/serials etc will be replaced, we must understand what will be replaced and what won't be replaced prior to damage. Please provide listing separately with your renewal submission.	
Note: "Processing Cost" includes all costs incurred to place the item back on the self eg purchasing, cataloguing etc		

Calculation to determine the replacement value of the library collection

Step 1	Determine average replacement value of a volume by dividing total expenditure on volumes over the last five years 1D by the total number of volumes purchased over the last five years 1B and add the processing cost 1F to this amount	
Step 2	Multiply the amount calculated in Step 1 by the total number of volumes held 1A less the number of volumes that would be replaced in electronic format 1E	
Step 3	Multiply the average cost for replacing a book in electronic format 1G by the number of volumes estimated to be replaced in electronic format 1E	
Step 4	Add the amount calculated in Step 2 and Step 3 to arrive at a replacement cost for volumes	
Step 5	Determine average replacement value of a print serial title/volume by dividing total expenditure on print serial titles/volumes over the last five years 2D by the total number of print serial titles/volumes purchased over the last five years 2B and add the processing cost 2F to this amount.	
Step 6	Multiply the amount calculated in Step 5 by the total number of print serial titles/volumes held 2A less the number of print serial titles/volumes that would be replaced in electronic format 2E .	
Step 7	Multiply the average cost for replacing a print serial title/volume in electronic format 2G by the number of print serial titles/volumes estimated to be replaced in electronic format 2E .	
Step 8	Add the amount calculated in Step 6 and Step 7 to arrive at a replacement cost for print serial titles/volumes.	
Step 9	Add Step 4 and Step 8 and then add the estimated replacement value of other items in the collection 3A .	
Step - 10	Reduce the amount of Step 9 by the percentage given in 4A	

CONTROLLED ENVIRONMENTS – Guide for Valuing Contents

Research is a key part of the DNA of many Australian universities with research and innovation being an important driver of reputation. Research objectives rank highly in the strategic plans of most universities with research excellence contributing to the national and global ranking of the institution. Unfortunately, research losses are not uncommon, and the practicalities of research protection are not always a feature of operational plans.

To assist Members, we have prepared a comprehensive guideline for valuing the contents of controlled environments and research projects generally. It is designed to assist researchers, technical officers, laboratory managers and risk and insurance officers to consistently value research projects and samples for the purpose of adequately insuring and physically protecting them.

It is divided into five parts:

- Principles of valuing research samples and projects.
- Methods for valuing research projects and samples.
- Types of Controlled Environments.
- Common research risks and causes of Controlled Environment losses.
- Best practice protection for research projects and samples stored in Controlled Environments.

The intent of the guideline is to provide Members with practical tools to establish the insurable value of research samples, projects and animals. This will facilitate more accurate declarations of sums insured, help articulate the importance of the research and contribute to the development of business cases to improve physical protection.

The term “value” can be considered in three ways:

1. Intrinsic value – a “good” that has an unquantifiable monetary value.
2. Financial value – the cost to create something or the price someone is prepared to pay.
3. Insurable value – the cost to replace an item.

The intent of this guideline is to provide Members with practical tools to establish the insurable value of research samples, projects and animals. This will facilitate more accurate declarations of sums insured, help articulate the importance of the research and contribute to the development of business cases to improve physical protection.

The Guideline along with a Contents Costing Calculator can be downloaded from the Unimutual website [here](#). Or alternatively please contact us at service@unimutual.com.au or phone (02) 9247 7333 and we will forward a copy.