

2017 REVALUATION

VP / C / 5 Approved for Publication March 2017

VALUATION OF LAND

1.0 Introduction

- 1.1 This instruction provides guidance on the valuation of Land used for a commercial or quasi-agricultural purpose and also for subjects containing land that are valued on the Contractor's basis.

2.0 Subjects Excluded

- 2.1 Land used for car parking. Reference should be made to Lothian Valuation Joint Boards Practice Note, Valuation of Non-Domestic Lock-Up Garages and Car parking Spaces.

3.0 Commercial Land

3.1 Basic Rates

The following basic rates reflect unsurfaced land and additions/allowances should be made for surfacing, fencing, buildings and other site facilities with reference to 3.4 below.

LOCATION	LAND RENTAL RATE	
	£/ha	£/m ²
City of Edinburgh	50,000	5.00
Edinburgh Docks	60,000	6.00
Riccarton	50,000	5.00
Gogarbank	43,000	4.30
Newbridge	50,000	5.00
South Queensferry	20,000	2.00

LOCATION	LAND RENTAL RATE	
	£/ha	£/m ²
Midlothian		
Loanhead (Inc. Borthwick, Dryden, Edgefield and Pentland Ind. Estates)	25,000	2.50
Seafield (Bush Estate)	25,000	2.50
All other locations in Midlothian	20,000	2.00

West Lothian		
Camps, East Calder	20,000	2.00
East Mains Ind' Estate, Broxburn	20,000	2.00
Livingston	20,000	2.00
Whitehill Ind' Estate, Bathgate	20,000	2.00
Bathgate (exc Whitehill Ind' Estate)	20,000	2.00

Linlithgow	17,500	1.75
Broxburn (inc Albyn, Greendykes & Thistle Industrial Estates)	15,000	1.50
Mosshall, Blackburn	15,000	1.50
Murraysgate & Burnhouse, Whitburn	15,000	1.50
Loaninghill, Uphall	20,000	2.00
Armadale	12,500	1.25
Addiewell	12,500	1.25
Winchburgh	12,500	1.25

East Lothian		
Musselburgh West (ward 1)	27,500	2.75
Musselburgh (ward 1)	20,000	2.00
Macmerry	19,000	1.90
Tranent	19,000	1.90
Haddington	18,500	1.85
Cockenzie and Port Seton	17,500	1.75
Prestonpans	17,500	1.75
Wallyford	17,500	1.75
Dunbar	15,000	1.50
North Berwick	15,000	1.50

Other locations.....		
Small villages etc (dependent upon location and rental evidence)	7,500 – 12,500	0.75 – 1.25

3.2 If land has been cleared to facilitate redevelopment and redevelopment work is ongoing an entry for the land should continue to be entered on the valuation roll. However in these circumstances the subjects should be described as “Premises Under Reconstruction” and entered on the Valuation Roll at Nil NAV.

3.3 Sites that are encumbered with buildings that are ruinous should be valued using this practice note. Where a site is totally encumbered a rateable value of £100 should be applied. Where a site is only partly encumbered, an appropriate land value should be calculated for the unencumbered element only, subject to a minimum value of £100

3.4 Commercial Land Adjustments

Please refer to Appendix 1.

4.0 Quasi-Commercial Land

4.1 The following rental rates per hectare should be applied to any quasi-commercial, public, recreational or similar purpose where full or an occasional use is to be expected. Such activities can be wide and varied and may include private gardens and parks, sites retained for casual shows (but not the Royal Highland Show), pony grazings, sites for recreational war games, four wheel drive courses, field archery sites, sports grounds etc. Interpolate for intermediate locations as required.

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4.1/

Description	Edinburgh	Landward Areas Close to Principal Towns	Rural
Parks or amenity Land	700	600	600
Private Gardens	200	150	150
Pony Grazings	700	600	600

5.0 Quasi-Agricultural Land

5.1 The following rental rates per hectare should be applied to agricultural land that does not qualify for agricultural exemption, for example, when used for research purposes.

Description	Location	Rental Rate Per ha
Arable land	City of Edinburgh	200
	East Lothian	200
	Midlothian	150
	West Lothian	120
Permanent pasture	All areas	80
Hill land	All areas	20

6.0 Buildings

6.1 Any buildings, which require to be valued along with land, should be valued in accordance with the appropriate Practice Note. Where a small building forms a *unum quid* with a substantial area of land it may not be appropriate to apply inverse quantum to the land value depending on the size and worth of the land in question. In such situations, consult with your Divisional Valuer.

7.0 Contractor's Basis: Capital Values for Land

7.1 Basic Rates

The following range of capital value land rates should only be applied to valuations using the Contractor's basis of valuation. The rates have been derived from an analysis of sale prices within the valuation area and also from established publications produced by the RICS and VOA.

The rates quoted are in respect of the undeveloped site only. All rates are expressed in £/ha.

Subject Category	Edinburgh	East Lothian	Midlothian	West Lothian
Industrials	£600,000	£300,000	£300,000	£300,000
Public buildings	£600,000	£300,000	£300,000	£300,000
Sewage works	£450,000	£200,000	£200,000	£200,000

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7.2 Contractor's Basis Land Adjustments

Please refer to Appendix 2.

8.0 Comparative Approach: Rounding of Values

8.1 All valuations should be rounded in accordance with the following table.

Start Value (£)	End Value (£)	Round Down To Nearest
0	50	1
51	100	5
101	500	10
501	1,000	25
1,001	5,000	50
5,001	100,000	100
100,001	250,000	250
250,001	500,000	500
500,001	1,000,000	1,000
1,000,001	and above	5,000

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LAND ADJUSTMENTS

1.1 Surfacing

Description	Addition
Ash surfacing.	20%
Gravel surfacing.	20%
Tarmacadam Standard	60%
Tarmacadam Heavy Duty	65%
Concrete Standard	60%
Concrete Heavy Duty	65%

1.1.1 Condition

The condition of surfacing may be varied by applying the following allowances where appropriate.

Standard	Adjustment
Good	Nil
Fair	-15.0%
Poor	-30.0%

1.1.2 Allowances to Land Values

Where ground is rough or uneven, subject to flooding etc., or where large areas of unserviced land are held for future expansion, the rates may require to be modified according to the particular circumstances of each case.

Description	Adjustment
Uneven surface	Deduct up to 10.0% of land value and / or surfacing rate.
Land with severe gradients or completely flooded thereby excluding any ordinary use.	Nil value.
Restricted access to site.	Up to 10.0%

1.2 /....

1.2 Boundary Walls & Fences

Construction	Height	Addition (£) per linear metre based on RCG @ 4.60%	RCG reference
Chain link – mild steel mesh on steel posts with cranked arms	1.80m	£1.30	33U2CV
	2.40m	£1.75	33U2D5
Timber post & wire	1.20m	£1.00	33U2BA
	1.40m	£1.10	33U2BF
Un-climbable steel security fencing with steel palisade pales	1.80m	£7.00	33U2YM
	2.40m	£8.30	33U2YN
	2.70m	£9.50	
Stone walling	1.50m	£10.00	30P1DS
	2.50m	£15.00	-
Brick Concrete	1.50m	£5.00	30P0BA
	-	£10.00	-

These additions should be applied whether the fence is mutual or not.

1.3 Quantum

The following table should be applied. Interpolate between points.

Size	% Quantum
Up to 1 Ha	Nil
1.5 Ha	2.5
2.0 Ha	5.0
2.5 Ha	7.5
3.0 Ha	10.0
3.5 Ha	15.0
4.0 Ha	20.0
5.0 Ha	25.0
6.0 Ha	30.0
7.0 Ha	35.0
8.0 Ha	40.0
9.0 Ha	45.0
10.0 Ha	50.0
> 10 Ha	50.0

For any sites larger than 10 Hectares refer to the Chair of the Industrial Working Group.

1.4 Yard Lighting

Specification	Value
Lamp standards to 6.00m complete with fittings	Add £75 NAV per unit.
Wall mounted floodlights	Add £15 NAV per unit.
Floodlights on 12.0m columns with 250 watt lamps	Add £225 NAV per unit.

Costs for lighting systems can vary greatly and the Replacement Cost Guide should be consulted or actual costs used, suitably adjusted to the tone valuation date.

1.5 Security Systems

Security systems comprising CCTV may be found in storage compounds. Such systems are rateable in terms of Class 2 of the Plant and Machinery Regulations provided that their purpose is to protect the lands & heritages. Advice should be taken from your Divisional Valuer where inclusion in value is being considered.

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CONTRACTOR'S BASIS LAND ADJUSTMENTS

1.1 Large Sites

Where the total site area is greater than ten times the solum of the building, the site area may require to be adjusted as follows:

- Identify the area of land which is appropriate for the size and character of the property including all land used for parking, tennis courts, five-a-side football pitches and landscaped, garden, amenity or woodland areas etc.
- If a balance of excess land remains which is used for woodland, as a pond or similar and is considered to have a limited level of value, the area of the excess land should be calculated and deducted from the total site area.
- Such land should be added as a Pertinent and valued using a rate equivalent to 10% of the principal land rate and decapitalised using the appropriate statutory decapitalisation rate applicable to the property. No further allowances should be applied to the valuation of this land unless the circumstances are exceptional. For the avoidance of any doubt, this means that contract size, fees, Ebdon or any other allowances applicable to the principle part of the entry should not be applied to this excess land.