

Revaluation 2026

Miscellaneous Properties Committee

Practice Note 14 **Valuation of Marinas**

1.0 Introduction

This Practice Note applies to the valuation of Marinas.

A Marina can be described as a natural or artificial harbour for privately owned pleasure boats, both motor and sail. In Scotland they are found at coastal locations, on tidal rivers, estuaries, and on lochs. Large sums of money are involved in establishing and developing Marinas, especially in coastal locations, and there is no doubt that operating a Marina is a high risk business.

This practice note should be applied to the valuation of Marinas where the core business is derived from the letting of berths on an annual or seasonal basis. Where the Marina appears to be ancillary to a larger activity, such as boat building, consideration should be given as to whether “Marina” is the correct description, and the use of this scheme should be limited to the valuation of that part relating to Marina berths and ancillary services (if any) provided.

2.0 Basis of Valuation

It is recommended that a modified Receipts and Expenditure basis is adopted.

2.1 Valuation

The Net Annual Value (NAV) will be arrived at by **calculating Basic NAV** from berthing income and adding **Additional Income NAV** from ancillary activities such as storage, fuel sales, parking etc.

2.2 Basic NAV

2.2.1 The Basic NAV is to be determined by applying a percentage to the **Maximum Berthing Income** achievable from yearly and/or Seasonal Berthing Fees as at 1st April 2025.

The actual percentage to be applied to the maximum berthing income will vary depending upon the level of sustainable occupancy at 1st April 2025 and the location of the Marina (See Table 2.2.4).

2.2.2 Calculation of Maximum Berthing Income

Reference should be made to the Operator's records to identify the maximum achievable berthing income from the facilities assuming full occupancy. Alternatively, an estimate of the maximum berthing income can be calculated by applying the actual 2025 berthing rates (net of VAT) to the **Maximum Lettable Length** of Marina berths. A check against the Assessor Information Notice and/or on the marina website should provide the number of berths and annual cost, per linear metre **which can vary depending on overall length e.g up to 9m, 9m to 12 m and over 12m,** nearest to tone date 1st April 2025.

Calculation of the **Maximum Lettable Length** of Marina berths should be in accordance with the attached Code of Measuring Practice (Appendix 1). Alternatively, the maximum number of boats which can be moored should be estimated and applied to the appropriate berthing rate.

N.B. No account should be taken of moorings which are exempt from valuation by virtue of S8AA of the Valuation and Rating (Scotland) Act 1956.

N.B. berths which are exclusively or permanently reserved for visitors, fuel, brokerage or repairs should not be included in the calculation of berthing income as these items will be considered as additional income under Section 2.3 below.

It is not thought that rafting of permanent berths (i.e. as opposed to visitors or brokerage berths) occurs in Scotland. However, should this situation arise careful consideration should be given to the effect on income and operational costs as both will impact upon rateable value.

2.2.3 Calculation of Actual/Sustainable Occupancy

This will be the level of occupancy which the hypothetical tenant could have anticipated as at 1st April 2025 for the forthcoming year, having regard to the occupancy levels and trends achieved in previous years and expressed as a percentage of full occupancy.

2.2.4 Table of Scales to be Adopted

Sustainable Occupancy at 01/04/25 as a percentage of Full Occupancy	Percentages to be applied to Maximum Berthing Income			
	West Coast of Scotland Marinas	River Forth and its Estuary Marinas	Remainder of Scottish Coastal Marina Locations	Inland Marinas
Greater than 90%	12.0	11.0	10.0	15.5
90%	10.3	9.3	8.3	13.5
80%	8.75	7.75	6.75	11.6
70%	7.4	6.4	5.4	9.6
60%	6.15	5.15	4.25	7.85
50% min	4.75	3.85	3.0	6.25

The coastal scales will apply to all Marinas which are significantly affected by tidal movement (normally expected to be in excess of ½ metre). All other Marinas should be valued on the 'inland scale'. The lower percentage adopted for coastal locations reflect, inter alia, increased maintenance costs which could normally be expected from significant tidal erosion.

Where occupancy falls between the above figures the percentage adopted should be derived from interpolation on a straight line basis.

2.3 Additional Income N.A.V.

Additional income to berthing income should be calculated by deducting the actual berthing income from the total gross receipts from all other sources of the Marina, as estimated at 1st April 2025. This income should be valued by adopting an appropriate proportion of the percentage which has been applied to the Maximum Berthing Income from Table 2.2.4. The variable proportions shown below reflect the relative profit margins of the different income sources.

N.B. Income from visiting boats in the nature of a daily or weekly berthing fee is, for the purposes of this report, to be included as additional income and not included as berthing income.

Additional Income Sources		Factor to be Applied to Percentage Adopted From Table 2.2.4
1.	Out of water boat storage/car parking/visitor berthing income	1.0
2.	Brokerage	0.9
3.	In house restaurant/public house	0.8
4.	Boat repair/workshops	0.7
5.	Craneage/boat movement	0.5
6.	Fuel sales/in house chandlery/laundry	0.25

For clarification of the above the following is an example:-

Marina on West Coast of Scotland which sustains an 80% occupancy rate at 1st April 2025. Additional income from boat storage, craneage and fuel sales.

(From Table 2.2.4)

Percentage to be applied to Max. Berthing Income = 8.75%

(From Table 2.3)

Percentage to be applied to boat storage income = $8.75 \times 1.0 = 8.75\%$

Percentage to be applied to craneage income = $8.75 \times 0.5 = 4.38\%$

Percentage to be applied fuel sales income = $8.75 \times 0.25 = 2.19\%$

Actual or estimated gross income (excluding VAT) should always be adopted. Where such facilities are let, e.g. restaurant, and are the subject of a separate entry in the Valuation Roll, the rental income will **not** of course be included as additional income.

Brokerage and Chandlery sales should only be included in the non berthing income to the extent that they are derived from the normal operations at the Marina. Any additional sales of chandlery, e.g. by internet or by mail order, where the goods are not held at the Marina should be excluded. Similarly brokerage of new and used boats moored at other marinas should be excluded.

Valuers need to be certain that in valuing the brokerage income they do not include the full sale price of boats. Where the ratepayer provides turnover figures for the sale of boats, this amount should be reduced to a brokerage equivalent by taking 10% of this income before dealing with it in accordance with this scheme.

If trading Accounts have not been returned a realistic estimate of additional income will have to be made from knowledge of comparable Marinas.

2.3.1 Income from Concessions

Income, by way of concessions, received for the use of buildings and land will be added direct to Net Annual Value. The amount will be subject to adjustment to reflect the site operator's liability for repairs, insurance and services. The amount to be added will normally be 50% of the concession.

2.4 End Allowances

- 2.4.1 Since berthing tariffs should reflect the quality, general facilities, location and access of each Marina, the NAV arrived at above need only be adjusted for extraordinary features.

End Adjustments may be required for:-

- (a) Excessive dredging.
- (b) Provision/maintenance of Lock (although this may save on dredging costs).
- (c) Excessive sea defences.
- (d) Excessive maintenance costs or other disabilities which increase running costs.

The sum of this expenditure would normally be within 5% of the Maximum Berthing Income. Expenditure above this level should be reflected by a deduction pro-rata to the amount in excess of 5%. (Note should be taken of the costs over a number of years rather than isolated expenditure, in order that one-off extraordinary costs are eliminated).

2.4.2 Valuer's Discretion

This practice note is intended to provide guidance in arriving at the NAV of Marinas. As in all valuation for rating, the Valuer must arrive at what he considers to be a reasonable valuation having regard to the provisions of the Lands Valuation Acts. Accordingly, if rigid application of this scheme of valuation results in what is considered to be an unreasonable valuation, having regard to all the facts and circumstances as they relate to any given Marina, Valuer's discretion must be exercised as judged appropriate.

REVALUATION 2026
Valuation of Marinas
SAA Code of Measuring Practice

1.0 Purpose of Code

The Code is to provide a uniform approach to the referencing of Marinas in connection with both the scheme of valuation and to calculate the “maximum lettable length” of Marina berths in accordance with paragraph 2.2.2 of the report. If using maximum lettable length, in the calculation of berthing income, it will be necessary to exclude from the calculation those berths exclusively reserved for visitors, fuel, brokerage or repairs.

2.0 Definitions

2.1 Maximum Lettable Length

Shall be:-

- (a) In the case of Finger Pontoon berths, the length of both sides of the Finger Pontoon measured from the walkway to the extremity of the Finger Pontoon plus overage or reflecting any reduced length where mooring restrictions occur.
- (b) In the case of Alongside Berths, the total length of the walkway properly useable for the mooring of boats less 15%.
- (c) In the case of walkways/pontoons to post or buoy moorings, the length between the walkway/pontoon and post/buoy less 10%.

2.2 Overage

Shall mean any additional length extending beyond the length of the Finger Pontoon (up to a maximum of 10% of the length of the Finger Pontoon) which is properly useable when mooring a boat to the Finger Pontoon. Care will be required at some sheltered or inland marinas where overage actually exceeds 10% and is reflected in the berthing receipts achieved.

2.3 Reduced Length

Means any reduced length where a mooring is restricted by access, mooring post etc.

2.4 Alongside

Means a berth alongside a walkway or Pontoon.

2.5 Finger Pontoon

Means a floating or fixed Pontoon attached at an angle to a walkway.

2.6 Walkway

Means an access way or pontoon serving Finger Pontoons which may also be used for Alongside moorings and may be a floating structure, quay wall or a bank.