



Orkney & Shetland Valuation Joint Board



2026 REVALUATION – LOCAL PRACTICE NOTES

SHETLAND

These Local Practice Notes give guidance and instruction to valuers for valuing subjects on the “Comparative Method” of valuation where local rental evidence has been used to determine rates applied and adjustments made to the value of properties. In the main this covers shops, offices, industrial subjects and other similar types of properties. The report also covers local ground rates for some minor subjects valued on the Contractors’ Basis. Allowances to halls, museums and interpretive centres are shown where clarity is needed to show local interpretation.

1) RETAIL

LERWICK SHOPS

LOCATION	ZONE A RATE (/m ²)
TOLL CLOCK SHOPPING CENTRE	£ 155.00
COMMERCIAL STREET	£ 145.00
MOUNTHOOLY STREET & REFORM LANE	£ 140.00
ESPLANADE, CHARLOTTE PLACE & HARRISON SQUARE	£ 130.00
HILLHEAD	£ 120.00
NORTSTANE, KANTERSTEAD, NORTH LOCHSIDE & THORFINN STREET	£ 110.00
NORTH ROAD	£ 110.00
COMMERCIAL ROAD	£ 100.00
HARBOUR STREET & FORT ROAD	£ 85.00
SOUTH ROAD, CARLTON PLACE, KING HARALD STREET & OVERSOUND ROAD	£ 75.00

COUNTRY SHOPS

LOCATION	ZONE A RATE (/m ²)
SCALLOWAY & BRAE	£ 80.00
ALL MAINLAND RURAL	£ 45.00
ISLAND	£ 32.50
REMOTE ISLAND	£ 11.50

ZONING: 9 Metre zone depths to be used for all retail properties. Up to a maximum of three zones to be used.

STORAGE AREAS: Storage areas are to be valued the same as retail areas where the finish is the same, but may be modified by **up to 10%** according to quality of finish.

FLOOR DIFFERENTIALS: If the ground floor has 3 zones, then first floor/ basement will be taken at $\frac{1}{4}$ rate.

FLOOR	RATE
	3 ZONES
BASEMENT	0.25
GROUND	1
1 st FLOOR	0.25
2 nd FLOOR	0.15

ATTIC FLOORS are to be measured to 1.52 metres (5ft) height (**NOT TO BE CONFUSED WITH DOMESTIC 1.83 metres (6ft) HEIGHT**).

QUANTUM: -

AREA (M ²)	
$\leq 15 \text{ m}^2$	+ 10%
$\geq 16 \text{ m}^2 \leq 19 \text{ m}^2$	+ 5%
$\geq 20 \text{ m}^2 \leq 119 \text{ m}^2$	0%
$\geq 120 \text{ m}^2 \leq 239 \text{ m}^2$	- 5%
$\geq 240 \text{ m}^2 \leq 319 \text{ m}^2$	- 7.5%
$\geq 320 \text{ m}^2$	- 10%

QUALITY: - Most shops in Shetland are in a good overall condition, however, there are some shops, particularly in rural locations, which fall short of this condition and it is suggested that up to a – 5% allowance may be given in these circumstances.

POOR LAYOUT: - Poor layout such as stepped sales areas may receive up to 2.5%.

SUPERMARKETS – Valued on the comparative basis using rents of similarly located supermarkets throughout Scotland.

2) WORKSHOPS, STORES, AND FACTORIES ETC

Areas will be on a Gross Internal Area (**GIA**) basis.

RATES / M²

LOCATION	RATE 2026
LERWICK	£ 57.50
DALES VOE	£ 47.00
BRESSAY & SCALLOWAY	£ 47.00
LAXFIRTH & VEENSGARTH	£ 36.50
WEISDALE, CUNNINGSBURGH, WHITENESS, BURRA, QUARFF, SELLANESS, BRAE	£ 36.50
NESTING, BIXTER, AITH, WETHERSTA, SANDWICK, TRONDRA, VIDLIN, SKELD	£ 31.50
VOE & GULBERWICK	£ 28.50
WALLS, NORTH MAVINE, DUNROSSNESS, SANDNESS	£ 23.50
UNST, YELL, WHALSAY	£ 21.00
FETLAR, SKERRIES, FAIR ISLE, FOULA	£ 12.50

CONSTRUCTION ALLOWANCES: As a result of the above, construction allowances will need to be recalculated. They are currently as follows: -

TYPE	ALLOWANCE
STONE	- 5%
MARLEY SLAB	- 10%
SINGLE BLOCK (4")	- 10%
C/ASB	- 25%
C/IRON	- 25%
TIMBER/LINED	- 20%
TIMBER/UNLINED	- 25%
NISSEN	- 35%
INS.PROFILE SHEET (No dado wall)	- 2.5%

AGE AND CONDITION ALLOWANCE – As per Scottish Assessors' Association (SAA) recommendations.

FOOD PROCESSING FACTORIES

These are generally required to be constructed to a higher standard and care should be taken to ensure that such areas within the building with a higher standard of finish on production areas etc are taken at a higher rate/m² by pro-rating the affected areas at 1.25 times the normal level for the area (see below).

OTHER DEDUCTIONS/ ADDITIONS

1. **UNINSULATED ROOFS** are given a 5% deduction with the exception of a Nissen building.
2. **One wall open to yard** - 50%
3. **Slatted walls** - at discretion; up to 10%
4. **Tiled floors** - up to 5%
5. **Internal offices** - Offices, and related areas such as corridors, toilets and stores –1.5 times the floor rate. If office area relates to more than 15% of the total area, the offices should be valued on the Office Scheme.
6. **Main areas where finish is superior** such as in modern fish factories 1.25 times.
7. **Superior Heating** + 2.5%
8. **Superior Lighting** + 2.5%
9. **Cold Stores and Chills** + 1.25 times
10. **Garage Showrooms** at 1.5 times the main workshop level.

11. Open Slatted Walls UP TO - 10%

12. Non-Commercial Use – For buildings in non-commercial use, e.g. hobby-type use, boathouses – deduct 50%.

FLOOR DIFFERENTIALS

FLOOR	PERCENT	
	NO LIFT	LIFT
BSMT	75%	85%
GROUND	100%	100%
MEZZ	50%	50%
1 st FLOOR	75%	85%
2 nd FLOOR	50%	60%

EAVES HEIGHT

HEIGHT	PERCENT
2m	-10%
3m	-5%
3.50 – 6.00 m	0%
6.01 – 7.00 m	+ 5%
7.01 – 8.00 m	+10%
8.01 – 9.00 m	+ 15%
9.01 – 10.00 m	+ 20%
10.01 – 11.00 m	+ 25%
11.01 – 12.00 m *	+30%

*over 12m based upon specific evidence; a maximum addition of 30% anticipated.

DISABILITIES

In each case, and where justified an allowance of up to 5% would be considered; In exceptional circumstances it might be appropriate to stretch this to 10% but this is considered highly unlikely. Examples of disability allowances might include, but are not limited to the following:

- | | |
|--|-------------------|
| 1) POOR EAVES HEIGHT | UP TO – 5% |
| 2) POOR ACCESS | “ |
| 3) IRREGULAR SHAPE OR POOR LAYOUT | “ |
| 4) VARIATION IN FLOOR LEVELS | “ |
| 5) LIABLE TO FLOOD | “ |

CAR PARKING

Most car parks in the town are separately entered in the Roll in their own right. Offices, which have their own private car parking, have additions in the valuation to cover for car parking. A car parking space is assumed to be about 12m²

QUANTUM

AREA	ALLOWANCE
<50	+10%
51-60	+5%
61-70	+4%
71-80	+3%
81-90	+2%
91-100	+1%
101-250	0
251-265	-1%
266-280	-2%
281-295	-3%
296-310	-4%
311-325	-5%
326-340	-6%
341-355	-7%
356-370	-8%
371-385	-9%
386-400	-10%
401-450	-11%
451-500	-12%
501-550	-13%
551-600	-14%
601-650	-15%
651-750	-16%
751-850	-17%
851-950	-18%
951-1050	-19 %
1051-1150	-20%
1151-1250	-21%
1251-1350	-22%
1351-1450	-23%
1451-1550	-24%
1551-1650	-25%
1651-1750	-26%
1751-1850	-27%
1851-1950	-28%
1951-2050	-29%
2051-2150	-30%
2151-2250	-31%
2251-2350	-32%
2351-2450	-33%
2451-2550	-34 %
2551-2750	-35%
2751-3000	-36%
3001-3250	-37%
3251-3500	-38%
3501-4000	-39%
4001-4500	-40%
4501-5000	-41%
5001-5500	-42%
5501-6000	-43%
6001-6500	-44%
6501-7000	-45%
7001-7500	-46 %

7501-8000	-47%
8001-8500	-48%
8501-9000	-49%
9001-10000	-50%
>10000	AT DISCRETION *

* A maximum allowance of 50% is anticipated and would only be exceeded in exceptional circumstances where supported by relevant evidence.

GROUND, YARDS & SURFACING

A). Yards

LOCATION	RATE/M ²
	2026
ALL TOWN	£1.80
ALL MAINLAND	£0.77
ALL ISLES	£0.26

B). Surfacing (unfenced)

ALL TOWNS	
TYPE	RATE/M ²
	2026
HARDCORE/ GRAVEL	£1.12
TARMAC/ CONCRETE	£1.35

ALL MAINLAND	
TYPE	RATE/M ²
	2026
HARDCORE/ GRAVEL	£0.57
TARMAC/ CONCRETE	£0.68

ALL ISLES	
	RATE/M ²

TYPE	2026
HARDCORE/ GRAVEL	£0.29
TARMAC/ CONCRETE	£0.34

Fencing (2.4m chainlink perimeter fence): All areas £1.35 per metre

All untreated ground is given a zero surfacing rate.

Allowances may be given for older and /or poorer quality surfacing.

LARGE INDUSTRIAL COMPLEXES

End allowances may be given on complexes on the grounds that a hypothetical tenant would negotiate less for a large sprawled site than the accumulation of the units in valuation. Maximum -5%

3). OFFICES

A). LERWICK

TYPE	RATE/m ²
1. Category A: (Modern purpose-built)	£140
2. Category B: (Older, refurbished/ Improved.)	£130
3. Category C: (Older, Inferior to Category B.)	£120
4. North Ness Offices	£180
5. Toll Clock	£140

Offices located in peripheral areas of the town may be taken at up to a maximum of 10% less than town centre rates.

Unimproved or basic offices may be taken at up to a maximum of 10% less than town centre rates.

Car Parking

Most car parks and car parking spaces are separately entered in the roll. Where they are not, and where parking space(s) exist that are immediately appurtenant to, and for the exclusive use of the office then it is appropriate to make an addition to the value. A car parking space is assumed to be 12 m², and it is anticipated the value will mirror that of the equivalent number of individually assessed spaces.

An individual car parking space has a Net Annual Value/Rateable value (NAV/RV) of £250. More than five contiguous spaces will be subject to a reduction in value.

B). RURAL AREAS

LOCATION	RATE/m ²
Remote Islands	£21
Unst & Yell	£26
Central Mainland	£55
South Mainland	£40
Sellaness	£130

REDUCTION FACTORS

Floor Differentials

FLOOR	% RATE
BASEMENT*	50 – 100
GROUND	100
FIRST	90 – 100
SECOND	65 – 75
THIRD	50 - 65

Where office accommodation covers more than one floor, use the lower floor differential. e.g. ground and first - use 100% for ground and 90% for first.

*Basement accommodation can vary significantly and any allowance will be dependent on use (office or storage for example), natural light, heating, wall finish etc.

Shower and changing rooms are valued at the prevailing office rate; WC/toilet facilities are not valued.

4). CONTRACTORS' PRINCIPLE VALUATIONS

LAND

LOCATION	RATE/Ha
LERWICK	£250,000
SCALLOWAY	£150,000
MAINLAND	£100,000
ISLANDS	£40,000

MINIMUM SITE VALUE - £ 100

HALLS, MUSEUMS, INTERPRETIVE CENTRES

REMOTENESS ALLOWANCES

LOCATION	PERCENTAGE DEDUCTION
NOSS	-75%
REMOTE ISLANDS	-50%
UNST, YELL, FETLAR, WHALSAY	-45%
MAINLAND –EXCLUDING SCALLOWAY & LERWICK	-40%
SCALLOWAY	-30%
LERWICK	-20%

The publication of these local practice notes and the information contained within is for guidance purposes only and may have been departed from for individual subjects. Actual or relevant evidence may take precedence.