

Revaluation 2023

Basic Principles Committee

Practice Note 4 Valuation of Land

1.0 Introduction

This Practice Note applies to the valuation of land which is not exempt from the Valuation Roll in accordance with statute.

Where an entry should be made on the Valuation Roll the land must be valued recognising its actual use irrespective of any future or potential value. The subjects covered by this Practice Note include land used for a non-domestic purpose, land awaiting development, brownfield land and undeveloped land including a greenfield site.

Properties valued using this Practice Note should be described as Land, Ground, Site or similar.

2.0 Subjects valued using other Practice Notes

Subjects with a structure (for example, a building) or where the site is used for purposes which are covered by other Practice Notes, for example storage yards, car parking, for a sporting use or are in a public park, should be valued in accordance with the relevant guidance.

3.0 Basis of Valuation

Land is valued by application of the Comparative Principle using valuation rates derived from local rental evidence. Where local evidence is not available appropriate land values arrived at using the Contractor's Basis of Valuation may be adopted (refer to Basic Principles Committee Practice Note 2, Contractor's Basis Valuations).

Care should be exercised to ensure that land has the same characteristics of subjects which were included in valuation analysis.

4.0 Analysis

Appropriate analysis should be undertaken in accordance with the relevant SAA Basic Principles Committee Practice Note.

5.0 Measurement

The total area of the land should be calculated in square metres.

6.0 Valuation

The valuation should be undertaken by the application of a rate(s) per square metre which will reflect location and may take account of site specific circumstances.

7.0 Adjustments to Value

Additions and deductions are based on local evidence and should only be applied where the evidence indicates a material effect on the value. The following are a few examples where adjustments to value may be made if they are not reflected in the valuation rate per square metre:

- Surfacing;
- Restricted access;
- Impacted by severe gradients;
- Subject to excessive flooding;
- Encumbered by development works;
- Encumbered by a heritage in a ruinous state;
- Quantum;
- Contamination.

Where the site is encumbered, consideration should be given to Basic Principles Committee Practice Note 3 (Survey and valuation of Properties Under Repair, Refurbishment or Reconstruction).

8.0 Plant and Machinery

Rateable items of plant and machinery not covered by valuation rates will be valued by application of the Contractor's Basis of valuation with reference to guidance and replacement costs contained in the 2023 Rating Cost Guide Scotland. Examples include lighting, fencing, CCTV cameras and monitors, and sustainable drainage systems.

Care should be exercised to ensure that the value attributable to plant items is not out of proportion to the realistic total value of the lands and heritages.