

Revaluation 2023

Miscellaneous Properties Committee

Practice Note 1 Valuation of Salmon Fishing Rights

1.0 Introduction

- 1.1 This Practice Note applies to the valuation of Salmon Fishing Rights where the Assessor has been requested to carry this out by a District Salmon Fishery Board.

2.0 Basis of Valuation

- 2.1 Salmon Fishing Rights should be valued on the basis of the Comparative Principle of valuation using rates per fish or rates per lb, as appropriate, derived from local rental evidence.

3.0 Rental Analysis

- 3.1 Analysis of rental information should be undertaken in accordance with SAA Basic Principles Committee Practice Note 1 (Adjustment of Rents).

4.0 Valuation Considerations

4.1 Rod Fishings

The derived rate per fish should be applied to the average annual catch over the five year period from 2017 to 2021. However, as a cross-check, it may be useful to apply a derived rate per lb to the average annual weight over the same period.

In arriving at the average catch figure, no differential should be made between salmon and grilse. Grilse are small salmon which have only spent one winter at sea. However, for valuation purposes, all “salmon” are assumed to be of equal value. This approach is supported by market practices in arriving at capital values. Sea trout should be taken at one quarter, whilst in calculating the average weight no adjustment is required as it may be assumed that sea trout will average approximately one quarter the weight of a salmon.

Finnock (otherwise known as whitling, herling, school peal, harvesters) are small sea trout in their first year after smolt migration, often found in the estuaries or lower areas of rivers. They are usually one pound or under in weight. Finnock should be excluded from the calculation of the five year average catch. However where the average number of Finnock caught is high relative to the total average sea trout catch, then consideration should be given to making an addition to the value determined by application of the rate per fish. The amount of addition may be determined from any available rental evidence.

Due to generally falling stocks of salmon and sea trout, former voluntary agreements on catch and release policies have been formalised by The Conservation of Salmon (Annual Close Times and Catch and Release) (Scotland) Regulations 2014.

For the purposes of valuation, the total number of fish taken, including those released, should be used in the calculation. Again, this approach is supported by market practice. Whether some or all of the fish caught are returned has no bearing on the valuation.

The resultant valuation should then be considered to determine whether any additions or allowances require to be made in order to arrive at a reasonable valuation of the Fishing Rights.

Any adjustment made to the valuation will depend on the circumstances affecting a particular Fishery. The amount of adjustment may be derived from an analysis of the available rental evidence. The following factors may be worthy of consideration.

4.1.1 Access

Vehicular and pedestrian access benefits and disabilities are likely to be reflected in the catch figures. Consequently no further adjustment should be made in most circumstances.

4.1.2 General Level of Catches

Adjustment may be required if there is any fall or increase in catch over the period of the Return which is not mirrored throughout the river.

4.1.3 Reciprocal Arrangement

The valuer should ensure all catch information relative to a neighbouring or opposite fishing, or such fishing fished under a reciprocal agreement, is included when determining the level of catch.

4.1.4 Single Bank Fishings

It is likely that a stretch of river fished from opposite sides and in separate occupation will have similar catch figures. Comparison of valuation with fishings on the immediately opposite bank should be undertaken before concluding the valuation.

It should be noted that a fishing in the same occupation may be fished from opposite banks which are in two local authority areas. In such circumstances apportionment of the total Net Annual Value will be necessary for inclusion in different valuation rolls.

4.1.5 High/Low Catch

Adjustment may be required where the catch return does not accord with that achieved on similar beats.

4.1.6 Catch Return

The valuer should ensure that the catch being valued represents the total catch: i.e. Landlord's, Tenant's and any returned fish.

4.1.7 Unexercised Fishings

Where the right to fish a particular beat is not exercised, the existence of the right to fish will require a valuation based on local evidence.

4.2 Net Fishings

Falling wild salmon stocks, together with increasing conservation concerns and competition from farmed salmon, have together resulted in a dramatic fall in the number of commercial netting stations remaining in operation. Accordingly, such rental evidence as may be of assistance in arriving at a unit rate for valuation is expected to be minimal.

In the absence of local evidence, a rate of £xxxx/lb may be applied.

4.3 Fishing Huts and Other Structures

At the request of a Clerk to a District Salmon Fishery Board, the Assessor is required to value and enter any Rights of Salmon Fishing in the Valuation Roll for the purposes of Fishery Assessment only (Section 151 of the Local Government etc. (Scotland) Act 1994, Section 40 of the Salmon and Freshwater Fisheries (Consolidation) (Scotland) Act 2003).

Following the cases of Assessor for Tayside Valuation Joint Board v Joseph Johnston & Sons Ltd 2000 and FIM Holdings Ltd v Assessor for Grampian Valuation Joint Board 2004, it is necessary to consider the distinction between essential and non-essential items associated with Fishings. Lands and heritages that are not necessary for the exercise

or enjoyment of the Fishing Rights (as they are exercised) should be considered as separate Valuation Roll entries e.g. Fishing Huts, Car Parks, etc. However, rights or structures which are considered essential to the operation of the Fishings, such as the embankment in a river fishing; the pond in an artificial fishing; access rights; and the right to control water, etc should be deemed included in the valuation of the Fishing Rights.

Further guidance between essential and non-essential items can be found in the Stair Memorial Encyclopaedia of the Laws of Scotland, vol18, paragraphs 327-8.

Fishing Huts should be valued by reference to the beacon values contained within the SAA Miscellaneous Properties Committee Practice Note 29 (Valuation of Fishing Huts).