

NON DOMESTIC REVALUATION 2003

CLASS 921

GARDEN CENTRES, NURSERIES

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1.0 DESCRIPTION

- 1.1 Garden Centres Class 921/GDNCN
Nurseries Class 921/NURSY

1.2 Hereditaments under class **921/NURSY** are considered to be land and buildings where a large proportion of the business is devoted to growing from seed/seedling or growing on of plants/shrubs/trees. The business may have built up an expertise and reputation for specialising in particular plants. These businesses can be entirely wholesale to garden centres or landscapers, but may include significant retail business where members of the public resort. See Appendix 1 Definition of Agricultural Land and Agricultural Buildings.

1.4 Hereditaments under class **921/GDNCN** are those, which are mainly retail selling a range of garden products. A large proportion of plants on sale will have been grown off the premises, although there may be some areas used for growing or hardening off plants in readiness for sale. In recent years garden centres have become weekend shopping destinations with the larger of such properties now having permanent covered retail buildings and display areas. Businesses may have diversified into ancillary goods, tools, garden furniture, pond equipment etc. and many now provide coffee shops and play areas.

2.0 DISTRICT RESPONSIBILITY

2.1 The 5th Reval Scheme will be prepared by the Omagh Office. All valuations will be carried out by Districts, who should ensure that current list entries conform with the descriptions of the two sub-classes described above.

3.0 4TH REVALUATION BASIS OF VALUATION

3.1 It was considered appropriate to adopt a rental (comparative) approach for 4th Revaluation. Districts were directed to value hereditaments with reference to valuation evidence relating to similar property in the vicinity in alternative use.

3.2 In effect, valuations broadly adopted similar pricings expressed as £/m² for land and buildings to that of comparable hereditaments in alternative use, taking account of location and quality.

4.0 5TH REVALUATION BASIS OF VALUATION

4.1 Garden Centres should continue to be valued using the comparative method. It has been considered appropriate for 5th Reval to devise

categories of garden centres, and to suggest pricing levels on main areas.

5.0 VALUATION APPROACH

5.1 Inspection Procedures

5.2 Surveys should adopt a net internal area method of measurement of buildings.

5.3 Extent of Subject to be valued

5.3.1 Glasshouses and land used for raising plants, shrubs and trees and to which the public are denied access.

- i) Where the land area devoted solely to growing exceeds $\frac{1}{4}$ acre, the area is considered to be "agricultural land" as per the Schedule 1 definition (see Appendix 1) and should not be valued.
- ii) Land under $\frac{1}{4}$ acre used for growing does not fall within the definition of agricultural land and is rateable.
- iii) Glasshouses/buildings whether or not occupied together with agricultural land, which are used for propagation and to which the public is denied access are considered agricultural buildings as per Schedule 1 (see Appendix 1), and should not be valued.

5.3.2 Buildings, glasshouses and display areas used for retail purposes are not contained within the definitions of agricultural lands and buildings and should all be valued.

5.3.3 Carparking associated with retail business should be valued, exclude areas used solely for essential access.

5.4 Classification and Basic Rates

Cat. A Subjects used as garden centres which are similar to retail warehouses should be valued by comparison. Valuers will need to consider whether yard areas around the unit used for display of plants is merely the normal circulation/yard space with such properties.

Cat. B Superior purpose built garden centres

Subjects are purpose built, modern of high quality, and have excellent finishes. Retail buildings are of permanent construction or are glass or polycarbonate* clad. Usually conveniently located close to towns or on major routes.

Cat. C Subjects are modern, of good quality and have a good standard of finish. Many have evolved into regional garden centres.

Buildings are mixed but the main retail area will be purpose built of good quality. Horticultural standard glasshouses are found. Properties anticipated to be classed here are the high quality garden centre in a rural remote location, and the lesser quality-converted property situated in a prominent location.

Main building rate is £30 to £40/m² having regard to quality and location.

Cat. D Subjects have evolved to become good quality local garden centres.

Permanent buildings are predominantly converted, of mixed quality. The main retail area will be of reasonable standard. Horticultural standard glasshouses are found. It is anticipated this category would also encompass properties which fit the category E description but which are in a prominent location, which would command a greater rental income.

Main building rate is £20 to £30/m² having regard to quality and location.

Cat. E Subjects where permanent retail buildings are incidental; glasshouses used for horticultural purposes predominate. Buildings are of light construction.

Main building rate is £10 to £20/m² having regard to quality and location.

5.5 Valuation of Buildings

5.5.1 The above rates should apply to all retail or retail standard buildings. Quality, age and condition should be dealt with having regard to the range of rates given for each class.

Main rates should apply to sales buildings, coffee shops and offices.

5.5.2 High quality glasshouses (heated/sprinkler systems) used for retail purposes should be valued at 60 to 75% of the main rate.

5.5.3 Poorer quality buildings used only for storage, and basic glasshouses should be valued at 40% to 50% of the main rate.

5.5.4 Canopies and Polytunnels should be valued at 15 to 25% of the main rate.

5.6 Valuation of display areas, storage land and carparks

5.6.1 Open retail display areas should be valued at 5-10% of the main rate, having regard to quality of finish.

5.6.2 Surfaced/unsurfaced yards and carparking should be valued at 2½% to 5% of the main rate.

6.0 FORMS OF RETURN

6.1 Most properties in this class are owner occupied. There will be no issue of Forms of Return for Class 921.

7.0 CONTACTS

7.1 Any queries should be directed to Angela McGrath VLA Omagh Ext. 34764 or (028) 8225 4764 (direct dial).

APPENDIX 1

ARTICLE 3. SCHEDULE 1 RATES (NI) ORDER 1977

“Definitions of “Agricultural Land”, and “Agricultural Buildings”.

1. In this Order, “agricultural land”-
 - (a) means any land used as arable, meadow or pasture ground only (including pastoral land), used for a plantation or a wood or for the growth of saleable underwood, or land exceeding one quarter of an acre used for the purposes of poultry farming, market gardens, nursery grounds, orchards or allotments, but does not include land occupied together with a house as a park, for purposes of sport or recreation or land used as a racecourse; and
 - (b) includes land occupied with, and used solely in connection with the use of, such a building as is mentioned in paragraph 2 (1) (b).
2. In this Order, “agricultural buildings”-
 - (a) means buildings occupied together with agricultural land and used solely in connection with agricultural operations thereon, *or buildings being or forming part of a market garden** and used for the purposes thereof...”

**”...being or forming part of a market garden...”* Market gardens are within the definition of “agricultural land” and the meaning of the expression “market garden” was considered in the Court of Appeal in *Hood Barrs v. Howard* (Valuation Officer). Glasshouses or greenhouses, cucumber or tomato frames and so forth (if used for growing flowers, fruit or vegetables for sale) may be buildings “being or forming part of a market garden” and will be exempt if used as indicated in the definition. There is no need for market garden buildings to be occupied together with agricultural land; it is sufficient for them to be the market garden. It is not easy to account for the use of the expression “forming part of a market garden” instead of “occupied together with” a market garden. The use of the former expression suggests that for market garden buildings to be exempt it is not necessary for them to be in the same occupation as the market garden land, so long as they form part of the same market garden. *Ref: Ryde on Rating pp 289 Chapter 13 Agricultural Buildings.*