

NON DOMESTIC REVALUATION 2003

CLASS 941

PEAT BOGS AND TURBARY RIGHTS

INDEX

SUBJECT	PARAGRAPH
DESCRIPTION	1.0
DISTRICT RESPONSIBILITIES	2.0
4TH REVAL BASIS OF VALUATION	3.0
5TH REVAL BASIS OF VALUATION	4.0
VALUATION APPROACH	5.0
FORMS OF RETURN	6.0
CONTACTS	7.0

1.0 DESCRIPTION

- 1.1 This scheme covers properties comprised in class 941 (Misc Land Use), sub-class Peat Bog (Peat). It includes types lowland raised bog (RB) and upland blanket bog (BB). Throughout Northern Ireland there are relatively few peat bogs and most of these are occupied by three major operators, Westland, Bulrush and McNulty.
- 1.2 Lowland raised bogs are relatively flat, usually contain the better quality horticultural grade peat often to a depth of tens of metres. After drainage, which may continue for several years, they can be harvested by scraping off the top layer of the peat and piling this up to dry. Alternatively this top layer can be scarified and vacuumed off using special machinery. There may be a light, narrow gauge railway to transport the bulk material to a central collection point.
- 1.3 Upland blanket bogs are frequently found on exposed upland areas and usually contain lower quality (fuel grade) peat to a depth not usually exceeding a few metres. They follow the contours of the ground and drainage may be difficult. Harvesting is usually carried out by cutting out blocks of peat and stacking these in a latticed fashion to dry. The blocks may be turned or restacked from time to time while drying before being transported for processing. In some smaller operations a machine dragged behind a tractor extrudes tubes of peat, which break into short lengths. These are usually sold locally as fuel.
- 1.4 For details concerning the valuation of turbary rights, see paragraph 5.2.

2.0 DISTRICT RESPONSIBILITIES

- 2.1 District Offices will be responsible for the inspection/valuation of Peat Bogs within their respective areas.
- 2.2 Research has been carried out by the Ballymena Office.

3.0 4TH REVAL BASIS OF VALUATION

- 3.1 Peat bogs for 4th reval were valued on the basis of a royalty rate applied to the amount of peat actually extracted.
- 3.2 Schedule 12 of the Rates (NI) Order 1977 defines an industrial hereditament as a hereditament occupied as a mine, or a quarry, or as a factory.
 - i. **Mine:** An excavation or system of excavations made for the purpose or in connection with getting wholly or substantially by means of the employment of persons below ground of minerals or

products of minerals - **Section 156 of the Mines (NI) Act 1969**.
Peat bogs are surface operations.

ii. **Quarry:** A place (not being a mine) in which persons work in getting stone, slate, sand, clay or other minerals - **Section 29 of the Quarries (NI) Act 1927**. Minerals include all mineral bearing and other substances (not being the soil at the surface of the ground and its vegetation or peat or water) - **Mineral Development Act 1969**. Minerals include stone, slate, clay, gravel, sand and other natural deposits except peat - **Article 2 of the Rates (NI) Order 1977**.

iii. **Factory:** "... a. The making of any article or any part of an article; or
b. the altering, repairing, ornamenting, finishing ... Of any article; or
c. the adapting for sale of any article..."
Section 175 of the Factories Act (NI) 1865.

3.3 A peat bog is not a mine, a quarry or a factory. The bog, together with ancillary buildings should be valued as OTHER.

4.0 5TH REVAL BASIS OF VALUATION

4.1 As per 4th Reval experience, this is a limited class of property in terms of individual hereditament numbers, with very limited rental evidence available.

Basis of valuation therefore remains as that shown for 4th Reval, but levels have been revised.

4.2 **Class: 231. Subclass: Type TR.**

This class refers to the valuation of turbary rights. There are currently only 6 such entries in the Valuation List. NAV's of these hereditaments are also very small.

Valuation of these rights will be as per the 4th Reval scheme.

The necessary valuation work will be carried out by the local district offices.

5.0 VALUATION APPROACH

5.1 The valuation of these hereditaments is relatively straightforward and should be approached as follows:

- 5.2 Obtain details of the yearly output of the hereditament in cubic metres for the last 3 years. Typically a lowland raised bog produces 1,000 cubic metres per hectare in the average harvesting year. Limited information suggests that upland blanket bogs produce about 250 cubic metres per hectare but could produce more. Where actual figures are not available the above figures can be used.
- 5.3 Multiply the average actual (or typical) yearly output in cubic metres by the royalty rate which is £0.35 per cubic metre.
- 5.4 Add for buildings and plant. Buildings are usually non-specialised and can be valued by reference to pricings for similar buildings elsewhere in the vicinity. Plant etc., can be valued from the Plant and Machinery Cost Guide.

6.0 FORMS OF RETURN

A Form of Return is attached at Appendix 1. The form should be amended to show the correct District Office address and issued to relevant hereditaments.

7.0 CONTACTS

- 7.1 For advice on any aspect of the above contact B McGarry at Derry (028-71319233) (internal 62233), brendan.mcgarry@dfpni.gov.uk.

APPENDIX 1

FOR OFFICIAL USE ONLY

Date of Issue _____

Class _____

NON DOMESTIC REVALUATION 2003

**THE RATES (NORTHERN IRELAND) ORDER 1977
NOTICE REQUIRING A RETURN TO BE MADE FOR
PEAT EXTRACTION HEREDITAMENTS**

LOCATION:

To enable me to carry out my duties under the Rates (Northern Ireland) Order 1977, I require a return of particulars.

This written statement of particulars must be made within 28 days in accordance with this Notice which is made under Article 59 of the 1977 Order. I enclose a stamped addressed return envelope for your convenience. Thank you for your co-operation.

Issued by the District Valuer
Valuation & Lands Agency
2/14 George Street
BALLYMENA
BT43 5AP

Signed _____
District Valuer

SCHEDULE

Please supply the following information:

1. a. Name of Business _____
b. Name of Occupier _____
c. Full Postal Address _____
_____ Post Code _____
d. Daytime telephone number _____

2. The total area occupied _____ hectares

3. Is the property leased _____ Yes/No

If yes please supply the following

a. Length of lease (ie years) _____

b. Current annual rental payable _____

c. Rent review period (eg every 3 yrs) _____

d. Date of last review _____

4. Do you make a 'Royalty' payment based on the volume or weight of material extracted
_____ Yes/No

If yes please supply the following

a. Amount of payment per *ton/tonne/cu metre _____ £ _____
(*Delete as appropriate)

b. Date when the amount of the payment was fixed _____

c. When is the payment next due for review _____

5. Please indicate the area actually worked _____ hectares

Please supply details of the annual output for the last 3 years:

2000/2001 * tonnes/tons/cu metres _____

1999/2000 * tonnes/tons/cu metres _____

1998/1999 * tonnes/tons/cu metres _____

(*Delete as appropriate)

6. The average number of weeks worked per year _____*
(*Average of last 3 years)

7. ADDITIONAL INFORMATION

Should you wish to add any additional information please do so below.

DECLARATION

I confirm that to the best of my knowledge the information given above is correct.

Signature _____

Position in the Company/Business (eg Partner) _____

Date _____