

LAND REFORM (SCOTLAND) ACT 2016

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 5 – Right to Buy Land to Further Sustainable Development

Procedure following consent

Section 65 – Assessment of value of land etc.

- 317. *Section 65* sets out the procedure for valuation of the land or tenant's interest in respect of which a Part 5 community body, or third party purchaser where relevant, is exercising its right to buy.
- 318. Subsection (1) requires that the Scottish Ministers, where they have consented to right to buy application made under Section 54, must appoint a valuer to assess the value of that land or tenant's interest within 7 days of that consent.
- 319. Subsection (2) provides that the validity of anything done under this section will not be affected by any failure by the Scottish Ministers' to comply with the time limit specified in subsection (1).
- 320. Subsection (3) sets out the role of the valuer.
- 321. Subsection (4) specifies that the value of the land or tenant's interest to be ascertained is the market value at the date Ministers consented to the application made under Section 54 to exercise the right to buy.
- 322. Subsection (5) defines market value as the sum of the open market value if the sale were between a willing seller and willing buyer, plus any depreciation in the value of other land and interests belonging to the seller or tenant as a result of the transfer of land or assignation of tenant's interest, plus any disturbance to the seller or tenant resulting from the transfer or assignation.
- 323. Subsection (6) specifies that in arriving at the open market value for the purposes of subsection (5)(a), account may be taken of the known existence of a potential purchaser with a special interest in the property (other than the Part 5 community body or third party purchaser where relevant). It also specifies that no account shall be taken of the fact that no time was allowed for marketing the property or of the depreciation of other land or interests or disturbance.
- 324. Subsection (7) states that the Scottish Ministers will pay for the valuation under this section.
- 325. Subsection (8) requires the valuer to ask both the owner, or tenant, and the Part 5 community body, or third party purchaser where relevant, for their views in writing on the value of the land or tenant's interest and to take these representations into account in arriving at the valuation.

*These notes relate to the Land Reform (Scotland) Act 2016
(asp 18) which received Royal Assent on 22 April 2016*

- 326. Subsection (9) requires that where the valuer receives views from the owner, or tenant, then the Part 5 community body, or third party purchaser where relevant, must be invited to send their views to the valuer. Similarly, that where the valuer receives views from the Part 5 community body, or third party purchaser where relevant, then the owner, or tenant, must be invited to send their views to the valuer.
- 327. Subsection (10) requires the valuer to consider any views sent under subsection (9)
- 328. Subsection (11) specifies that where the Part 5 community body, or third party purchaser where relevant, and the owner have agreed the valuation, they must notify the valuer in writing of that valuation.
- 329. Subsection (12) specifies that where the Part 5 community body, or third party purchaser where relevant, and the tenant have agreed the valuation, they must notify the valuer in writing of that valuation.
- 330. Subsections (13) and (14) provide the parties the appointed valuer must notify of the valuation. This must be done within eight weeks of the valuer being appointed or within a longer period set by Ministers, as requested by the valuer.
- 331. Subsection (15) sets out that the validity of anything done under Part 5 is not affected by a failure by the valuer to comply with the time limit.