



Valuation Office  
Agency

**DVS** Property Specialists  
for the Public Sector

## **Valuation Report for Powys and Cardiff LSOAs (Lower Layer Super Output Areas)**

Case Number: 1872778

Date: 12/12/2025

# Executive Summary: Welsh Land Valuation Report (Powys & Cardiff LSOAs)

## Purpose & Scope

This report, commissioned by the Welsh Government, explores conventional land valuation methodologies across selected Lower Layer Super Output Areas (LSOAs) in Powys (rural) and Cardiff (urban). The work forms part of the Welsh Government's exploratory research into land valuation. The report tests both a notional highest and lowest values for a range of land types, based on agreed hypothetical assumptions.

## Credentials & Methodology

The report is prepared by an RICS Registered Valuer at DVS (Valuation Office Agency), with 25 years' professional experience. Valuations are conducted in accordance with RICS Valuation – Global Standards (Red Book) and the International Valuation Standards (IVS), using market value as the basis. No physical site inspections were undertaken; all notional valuations are desk-based and rely on restricted information and agreed assumptions.

## Valuation Parameters

- **Locations:** One rural LSOA (Powys/Merthyr Tydfil) and one urban LSOA (Cardiff).
- **Land Types:** Residential (central/suburban), Office (central/business park), Industrial, Distribution, Retail (central/out-of-town), Agricultural, Amenity, Forestry, Public Sector (school playing fields).
- **Date of Valuation:** 12 December 2025.
- **Assumptions:** All sites are assumed freehold, with vacant possession, good title, regular shape, services to boundary, no contamination, and planning permission in place. Specific assumptions are detailed for each land type.

## Market Context & Overview

### Cardiff (Urban)

- **Residential:** Average house price £274,000 (2025), with strong demand in central and family-friendly suburbs. Robust rental market, especially for students.
- **Commercial:** Office market driven by demand for Grade A, sustainable buildings; prime rents at £30/sq ft, expected to rise. Industrial/logistics sector shows strong demand and above-inflation rental growth. Retail sector is resilient but faces post-pandemic challenges; mixed-use and leisure-led regeneration are key trends.
- **Investment:** Cardiff is seen as stable and attractive, with major regeneration projects underway.

## **Powys (Rural)**

- **Residential:** Average house price £227,000, above Welsh average; market is stable but subdued, with affordability and interest rates influencing demand.
- **Commercial:** Investor demand rising, especially for industrial properties. Office and retail sectors are less buoyant. Large-scale planning applications have declined, indicating developer caution.
- **Agriculture:** Dominated by sheep and cattle farming, with high rates of micro-businesses and self-employment.

## **Valuation Methodologies**

- **Comparable Method:** Relies on market transactions and professional judgement, with adjustments for special purchasers and site-specific factors.
- **Residual Method:** Used for development properties, incorporating sensitivity analysis for build costs and gross development value.
- **Investment Method:** Applied for office and retail developments, considering rental rates, yields, and Economic Social and Governance factors.

## **Key Valuation Findings (Market Value per Hectare, Notional Highest/Lowest Values)**

### **Cardiff**

- Agricultural: £24,700 / £4,940
- Amenity: £185,250 / £9,880
- Forestry: £86,450 / £9,880
- Industrial: £1,852,500 / £728,650
- Distribution: £716,300 / £370,500
- Retail (City): £2,346,500 / £1,111,500
- Retail (Out of City): £2,470,000 / £1,111,500
- Office (City): £2,223,000 / £1,000,000
- Office (Business Park): £1,420,250 / £225,000
- Public Sector: £37,050 (both scenarios)
- Residential (City Centre): £7,410,000 / £2,717,000
- Residential (Suburbs): £2,717,000 / £1,852,800

### **Powys**

- Agricultural: £29,640 / £3,705
- Amenity: £74,100 / £16,055
- Forestry: £37,050 / £12,350
- Industrial: £500,000 / £250,000
- Distribution: £500,000 / £250,000
- Retail (Town Centre): £741,000 / £250,000
- Retail (Out of Town): £2,470,000 / £1,358,000
- Office (City): £335,000 / £250,000
- Office (Business Park): £335,000 / £250,000
- Public Sector: £37,050 (both scenarios)
- Residential (Town Centre): £925,000 / £850,000
- Residential (Suburbs): £568,330 / £470,000

## Challenges & Recommendations

- **Data Limitations:** The lack of granular, high-quality comparable evidence and incomplete land parcel registration pose significant challenges for mass valuation.
- **Policy Direction:** Uniform valuation across Wales is not feasible without substantial policy intervention, detailed planning assumptions, and legislative clarity.
- **Market Variability:** Land values are highly variable, influenced by location, market demand, land quality, and planning potential.
- **Transparency:** Improved public access to sales data and enhanced evidence-gathering powers for the property tax authority are recommended.
- **Implementation:** A multi-year lead-in, comprehensive land registration, detailed planning guidance, and public consultation are essential for any future policy developments.

## Conclusion

The report highlights the complexity and variability of land valuation in Wales, especially for future policy development. It underscores the need for robust data, clear assumptions, and significant policy and legislative groundwork to support any future mass valuation or reform initiatives.