

**REPORT TO: TAYSIDE VALUATION JOINT BOARD – 13 JUNE 2016**

**REPORT ON: REVALUATION PROGRESS**

**REPORT BY: ASSESSOR**

**REPORT NO: TVJB 8-2016**

## **1 PURPOSE OF REPORT**

1.1 The purpose of this report is to update the Board on the progress made by the Assessor in preparation for the 2017 Revaluation of Non Domestic subjects.

## **2 RECOMMENDATIONS**

2.1 The Joint Board is asked to note the contents of the Report.

## **3 FINANCIAL IMPLICATIONS**

3.1 A limited amount of overtime may be required to meet the targets set by the Scottish Government of making draft Rateable Values available for all subjects by 30 September 2016. Provision for overtime in the 2016/17 Revenue Budget exists to the extent of £5,000 and it is anticipated that any additional costs will be met from the projected under-spend on staffing costs in the Board's 2016/17 Revenue Budget. The Treasurer has confirmed that further provision may be made available, if necessary, from accumulated reserves. The Assessor will endeavour to minimise the amount of overtime to be worked and the Board will be updated on the financial implications by way of the Revenue Monitoring reports presented to the Board during the year.

## **4 POLICY IMPLICATIONS**

4.1 This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti Poverty, Equality Impact Assessment and Risk Management. There are no major issues.

## **5 BACKGROUND**

5.1 The Assessor has a statutory duty to carry out a Revaluation of all non-domestic property in the Valuation Area every five years. However, in the context of the general economic recession which took place in the 2008, the proposed Revaluation scheduled for 1 April 2015 was postponed and will now come into effect on 1 April 2017. The Assessor's task is to revalue each property at a figure which represents the rent at which that property might reasonably be expected to let at the specified date (1 April 2015).

5.2 The work involved in Revaluation requires to be started well in advance of 1 April 2017 when the new values take effect. For this Revaluation the Scottish Assessors' Association have agreed to try to provide values for all subjects to the Scottish Government as soon as possible, and certainly no later than 30 September 2016, in order to assist the Government with their own planning for financial year 2017/2018.

5.3 Notwithstanding this, however, levels of value will require to be monitored right up to the issue of Valuation Notices in March 2017 to ensure that any relevant information received throughout 2016 has not altered the Assessor's original opinion of the appropriate level of value to apply.

- 5.4 The work of Revaluation requires the ingathering, recording, processing, assimilation and appraisal of a very substantial volume of evidence including rents, costs and returns of particulars in order that defensible schemes of value can be established.
- 5.5 Information must be provided and exchanged with other Assessors, with working groups of the Scottish Assessors' Association, the Valuation Office Agency for England and Wales, and with the rating authorities in Northern Ireland and the Republic of Ireland to ensure harmonisation of valuation levels, practices and procedures in Scotland and throughout the United Kingdom.
- 5.6 In Tayside the Assessor is obliged to revalue some 19,000 subjects having a current Rateable Value of approximately £414 million. All valuations will require to be thoroughly checked prior to the timeous delivery of the new Valuation Roll to the Directors of Finance for Angus, Dundee and Perth & Kinross Councils. Valuation Notices indicating the new values also require to be issued to all proprietors, tenants and occupiers of Non Domestic subjects throughout Tayside.
- 5.7 Additionally, the Assessor will provide summary valuations of all bulk category subjects such as shops, offices and industrial premises on the Assessors National Website (Portal). These will be made available to ratepayers and will provide more transparency and openness in the rating system.
- 5.8 A Revaluation therefore represents a major resource implication. The 2017 Revaluation is the eleventh such Revaluation in Scotland and past experience has clearly demonstrated that maximum application is required on the part of all valuation staff to facilitate completion of the task. Information technology is of critical importance in securing the efficient revaluation of all subjects and the Board's IT section continue to be heavily involved in creating, updating and reconfiguring the required valuation systems.

## **6 CURRENT POSITION**

- 6.1 At the current stage of the Revaluation some 10,538 first pass valuations have been prepared (primarily for bulk classes of subjects such as shops, offices and industrial subjects) representing approximately 55% of the total. Work to complete the remaining first pass valuations is ongoing and following this exercise all valuations will require to be checked and verified.

## **7 CONSULTATION**

- 7.1 The Clerk and Treasurer to the Board have been consulted on this report.

## **8 BACKGROUND PAPERS**

- 8.1 None

**Alastair Kirkwood**  
**Assessor**

**June 2016**