



REPORT TO: Grampian Valuation Joint Board on 24 August 2018

SUBJECT: Scottish Government consultation on non-domestic rates reform
June 2018

BY: The Treasurer

1. Reason for Report

1.1 To make the Board aware of the consultation.

2. Recommendation

2.1 **Determine whether to respond to the consultation**

2.2 **Consider the draft response provided in Appendix 3**

3. Background

3.1 The Scottish Government launched a consultation on non-domestic rates reform on 25 June 2018. The response deadline is 17 September 2017.

4. Current Position

4.1 The consultation document and supporting Partial Business and Regulatory Impact Assessment (Appendices 1 and 2) set out the government's plans for NDR reform.

4.2 From a valuation authority viewpoint the key aspects of this reform are the move to revalue all non-domestic properties every three years rather than every five years. Apart from the necessity to revalue the 27,000 non-domestic properties in Grampian more frequently, the Assessor's workload, and therefore calls on the Board's resources, will also be significantly influenced by the form and nature of any appeals system and the anticipated new powers for Assessors to obtain information.

4.3 The broad anticipated timeline for introduction of the NDR reforms is to have the new appeals system in place for the next revaluation that comes into force on 1 April 2022. The following revaluation will come into force on 1 April 2025. This means that Assessor will require to have the necessary infrastructure including personnel and IT systems in place and fully operational for 1 April 2022. The NDR reforms will therefore impact on the organisation in terms of resources in 2019/20 onwards.

- 4.4 Appendix 3 provides a draft consultation response for consideration. It reflects the issues as they relate to the Board rather than the Assessor or the constituent authorities that make up the Board that in turn may make their respective contributions independent of the Valuation Joint Board.

5. Conclusion

- 5.1 It is recommended that the Board determine whether to make a formal response to the consultation.
- 5.2 If the Board determine to make a formal response to the consultation, the Board may consider submitting the response provided in Appendix 3 to this report.

Author of Report: