



REPORT TO: GRAMPIAN VALUATION JOINT BOARD ON 28 OCTOBER 2022

SUBJECT: VALUATION ROLL AND COUNCIL TAX VALUATION LIST

BY: THE DEPUTE ASSESSOR AND ERO (ABERDEEN AND MORAY)

1. REASON FOR REPORT

- 1.1 To provide an operational update on the valuation services provided by the Assessor including performance levels during the period 1 April 2022 to 17 October 2022.

2. RECOMMENDATION

- 2.1 **It is recommended that the Board note the report.**

3. BACKGROUND

- 3.1 The Board's Code of Corporate Governance sets out a framework of performance measurement and evaluation. This framework identifies a number of quantitative service related performance indicators.
- 3.2 The current performance thresholds for the performance indicators that have been agreed between the Scottish Government and the Scottish Assessors Association were reviewed by the Board in June 2021.

4. VALUATION ROLL

Revaluation 2017 Appeals

- 4.1 The current position is that 11,183 revaluation appeals representing 99% of the total of 11,291 appeals have been resolved. Of the remaining 108 appeals, 107 sit with the Lands Tribunal for Scotland for disposal without limit of time and the one remaining appeal involves an outstanding procedural matter in the hands of the Vauation Appeal Committee.

Running Roll Appeals

- 4.2 Around 17,300 appeals remain outstanding, the vast majority of which are material change of circumstances (MCC) appeals arising from the Covid-19 pandemic.

Having already extended the deadline for disposal of these appeals to 31 December 2022, the Scottish Government further extended the deadline to 31 December 2023 to allow time for “Covid MCC” appeals to be invalidated through primary legislation. The resulting Non-Domestic Rates (Coronavirus) (Scotland) Act 2022 received Royal Assent on 28 July 2022 and we are now beginning to see agents withdraw these appeals. Any remaining appeals will be dealt with during 2023.

Revaluation 2023

- 4.3 2022/23 is an extremely demanding year for the valuation service with a requirement to carry out a general revaluation of all 30,000 non-domestic subjects in Grampian.

Past revaluations were carried out with regard to the levels of value prevailing two years prior to the date the new Roll came into force e.g. for the 2017 Revaluation the “tone” date was 1 April 2015.

Non-domestic rates reform resulting from the Barclay Review means that, in order to align more closely with the market, revaluations will now take place three yearly instead of five yearly and with regard to a “tone” date only one year ahead of the date the new roll is due to come into force i.e. for the 2023 Revaluation, effective from 1 April next year, the “tone” date is 1 April 2022.

The consequence of this is a considerably reduced window within which to ingather and analyse evidence and then produce and publish valuations, particularly with a new legal requirement to publish a draft roll at 30 November 2022 and at the same time, for the bulk classes of subject, to provide ratepayers with a list of rented properties that has informed the valuation of their own property.

Running roll updates

- 4.4 **Appendix 1** provides performance for running roll updates to the Valuation Roll during the period from 1 April 2022 to 17 October 2022 and the previous two years. Performance remains below the target threshold and this is reflective of the ongoing level of valuer vacancies together with the demands of the new revaluation process described above, which has been the priority task for both valuation and technical staff since the beginning of this financial year.

5. COUNCIL TAX VALUATION LIST

Updates to the List

- 5.1 **Appendix 2** provides performance information for updates to the Council Tax Valuation List during the period from 1 April 2022 to 17 October 2022 and the previous two years. Housebuilding activity continues at similar levels to the previous year. The percentage of updates achieved within the 3 month performance threshold remains below target for a normal year and reflects the challenging operational environment that exists as a result of emergence from the pandemic, valuation and technical vacancy levels and the requirements of the 2023 Revaluation.

Proposals and Appeals

- 5.2 A backlog of outstanding Council Tax proposals arising from the pandemic continues to be tackled and Valuation Appeal Committees have resumed hearings for any unresolved appeals.
- 5.3 The transfer of the functions of the local Valuation Appeals Committees (VACs) to the Scottish Courts and Tribunals Service (SCTS) that was due to take effect from 1 January 2023 has been postponed until 1 April 2023 thus increasing the window for the hearing by the VACs of any outstanding appeals prior to the transfer taking place.

6. CONCLUSION

- 6.1 **The valuation service continues to face significant challenges as we emerge from the Covid pandemic, particularly having regard to the level of valuer vacancies and the new and tighter Revaluation timescale. Nevertheless, the valuation service has performed well in regard to maintenance of both the Roll and the List.**

Author of Report: Gavin M Oag Depute Assessor and ERO