



REPORT TO: Grampian Valuation Joint Board on 16 November 2018

SUBJECT: Valuation Roll and Council Tax Valuation List

BY: The Assessor & ERO

1. Reason for Report

1.1 To advise the Board of current activities and performance levels achieved during the period 1 April to 31 October 2018.

2. Recommendation

2.1 **It is recommended that the Board note the current position.**

3. Background

3.1 The Board's Code of Corporate Governance requires annual reporting of operational performance by reference to measures set locally and nationally.

3.2 The performance thresholds have been set for the performance indicators that have been agreed between the Scottish Government and the Scottish Assessors Association. The Board reviewed the valuation roll and council tax valuation list performance thresholds in September 2018.

4. Current Position

4.1 Valuation Roll

4.1.1 **Appendix 1** provides performance information for the first 7 months of 2018/19 and the previous two whole years. The principal issue is to seek to ensure that the valuation roll is updated to reflect changes to properties as soon as is possible. At present, 70.3% of updates to the roll are made within the initial three-month period and this compares to the performance threshold of 70%.

- 4.1.2 During the last 7 months demands for the resources of the valuation service have been extremely high, with appeal resolution activity attracting a particularly high priority.
- 4.1.3 Valuation appeals are programmed for disposal by the independent Valuation Appeal Panel. They are required to dispose of the appeals made against 10,096 valuation roll entries following the revaluation by 31 December 2020. Current progress suggests that 40% of the appeal caseload will be resolved by December 2018, 80% by December 2019 and the remaining 20% scheduled for disposal by December 2020. This is however a demanding schedule for the service to respond to, given the appeals in Grampian amount to 39% of all properties and 81% of total rateable value against national averages of 32% and 73% respectively.
- 4.1.4 The Valuation Appeal Panel has also cited a significant volume of non-revaluation running roll appeals that were lodged largely as a response to the recent economic slowdown in NE Scotland. The decision of the Lands Valuation Appeal Court in the case of Grampian Assessor v Anderson, Anderson and Brown & others, 2018¹ supported the Assessor's approach to the question of the impact of changes in the local economy on the valuation roll. The volume of appeals has however had an impact on the service despite the fact that these are now being withdrawn.

4.2 Council Tax Valuation List

- 4.2.1 **Appendix 2** provides the position for the first 7 months of 2018/19 and the previous two whole years. The current rate of completions suggests that there is new vigour in the domestic market and despite a higher volume of completions, the service is managing to meet this performance threshold.

4.3 Developments

- 4.3.1 The Scottish Government's plans to implement a broad range of changes to the rating system are at a reasonably advanced stage following the consultation that the Board and Assessors both contributed to. A new non-domestic rates bill is anticipated this winter with legislation coming into force from 1 April 2020, the tone date for the 2022 revaluation.

¹ <https://www.scotcourts.gov.uk/docs/default-source/cos-general-docs/pdf-docs-for-opinions/2018csih15.pdf?sfvrsn=0>

4.3.2 The proposed reforms will have a significant impact on the valuation service and the organisation as a whole. Early estimates suggest that the costs involved in delivering a revaluation every three years and turning around any appeals that arise from such a revaluation within that same timeframe would be significant and in this regard discussions at a national level are underway with both COSLA and the Scottish Government with a view to securing the necessary funding.

5. Conclusion

5.1 The service is working extremely hard to deliver on appeal resolution and routine maintenance of the valuation roll and valuation list. The figures demonstrate that it is succeeding on both fronts and are a testament to the valuers and survey staff involved.

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