



REPORT TO: Grampian Valuation Joint Board on 3 November 2023

SUBJECT: Valuation Roll & Council Tax Valuation List

BY: Depute Assessor & ERO (Aberdeen & Moray)

1. Reason for Report

- 1.1 To provide an operational update on the valuation services provided by the Assessor including the performance levels achieved during the period 1 April 2023 to 25 October 2023.

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 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. The next review is due to take place during 2024/25.

4. Valuation Roll

4.1 Appeals

4.1.1 Revaluation 2017 appeals

The number of unresolved appeals continues to fall and there are now only 37 revaluation appeals outstanding with the Upper Tribunal for Scotland.

4.1.2 Revaluation 2017 Running Roll appeals

Although there are still some 3,800 live appeals in our system, the First-tier Tribunal Local Taxation Chamber has yet to advise us as to the full extent of the withdrawal of Covid-19 material change appeals. Once those are removed from the system only a few hundred appeals will remain for disposal by the statutory deadline of 31 December 2024. The First-tier Tribunal has commenced citation of these appeals on a Scotland wide basis, with video hearings due to take place over the next few months.

4.1.3 Revaluation 2023 appeals

A new two stage appeal process has been introduced to coincide with the revaluation. The new procedures reflect the outcome of consultations that followed from the recommendations of the Barclay Review of Non-Domestic Rates. Under the old provisions it was enough to simply submit a written notice intimating a wish to appeal a valuation. This resulted in a large number of speculative appeals many of which were subsequently withdrawn.

At the first stage, the new rules require a ratepayer or their representative to make a formal upfront proposal submission including specific reasons (grounds) for making the proposal together with accompanying evidence and a statement which explains how such evidence supports the grounds of appeal. If the proposal remains unresolved after consideration by the Assessor, the appellant has a right of appeal to the Local Taxation Chamber.

This procedural change, together with the state of the property market at the 1 April 2022 tone date for the 2023 Revaluation, which resulted in a significant number of values falling, has seen revaluation appeal numbers fall from 11,291 in 2017 to 2,456 in 2023. Whilst these numbers significantly indicate a saving in administration work, the work to be carried out by valuers to resolve these appeals is unlikely to be reduced to anywhere near the same extent due to the removal of the entirely speculative appeal from the process.

These proposals require to be resolved within a new tighter timescale that is in line with the new three yearly valuation process that will see the next Revaluation come into force on 1 April 2026 with, as things stand, a 1 April 2025 valuation date. The deadline for disposal of the appeals is 30 September 2025 although Assessors are in the process of drawing up a schedule for disposal that should see the majority of proposals determined during the 2024 calendar year.

4.2 Running roll updates

Appendix 1 provides performance for running roll updates to the Valuation Roll during the period from 1 April 2023 to 25 October 2023 and the previous two full years. Whilst the number of amendments carried out in under three months is only just below target it remains to be seen whether that level of performance can be achieved for the year as a whole given current levels of staffing in the valuation service.

5. **Council Tax Valuation List**

5.1 Updates to the List

Appendix 2 provides performance information for updates to the Council Tax Valuation List. The percentage of updates achieved within the 3 month performance threshold is below target and reflects the impact of carrying out a somewhat onerous exercise brought about by changes in the rules governing the assessment of Self Catering Units. The stricter rules, requiring the consideration of detailed evidence to support the entry of these subjects in the Valuation Roll rather than the Council Tax Valuation List are likely to result in significant numbers of subjects being transferred to the Roll to the List. That stated, the percentage of new entries made under 3 months is up on that achieved in 2022/3.

5.2 Proposals and Appeals

There are currently 91 live Council Tax proposals and appeals, which are in the process of being resolved either through discussion at the initial proposal stage or by way of formal appeal hearings, for which the First-tier Tribunal for Scotland has recently commenced a citation programme.

6. **Conclusion**

The valuation service continues to face significant challenges, particularly having regard to the level of valuer vacancies and the tighter Revaluation timescale. Nevertheless, the valuation service has performed well in regard to maintenance of both the Roll and the List and the disposal of outstanding appeals in both systems.

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