



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board

Meeting on: 23rd February 2024

Subject: Non-Domestic Rates Reform Update

Author: Assessor & Electoral Registration Officer

1. Background

It was agreed that the Board should be updated at each meeting on developments and expenditure arising from the Barclay Review.

The Non-Domestic Rates (Scotland) Act 2020 and associated Regulations are the main legislative means for introducing the Non-Domestic Rates reforms recommended by the Barclay Review

There are six main Barclay recommendations which are reflected in the Act, these are listed below: -

- i. The change of the revaluation cycle from 5 yearly to 3 yearly (starting 2023)
- ii. New property markers to be shown against properties in the Valuation Roll (April 2021)
- iii. Changes to valuation of properties within a Park (April 2023)
- iv. From the 2023 Revaluation going forward access will be given to a list of comparative subjects used to value a particular entry in the Valuation Roll
- v. The existing Appeals system to be changed to a two-stage appeal system (April 2023)
- vi. Information Gathering powers to be strengthened with Assessors issuing Civil Penalties to those who do not respond (April 2021)

The Scottish Assessor's Association (SAA) has had regular contact with the Scottish Government and has replied to consultations and appeared at committees as appropriate to ensure a consistent approach. Assessors will continue working jointly to ensure delivery of all these new duties and will also support ongoing development of the SAA Portal which provides information to ratepayers and their agents.

Assessors were asked to submit plans showing what actions and preparations Assessors were planning to carry out to ensure all the Barclay recommendations were fully implemented and delivered within the legislative timelines. These plans have been submitted and approved by the Scottish Government and they cover the period up to 2025 by which time all the recommendations of the Barclay review will be in place.

2. Staffing

As previously reported, recruitment of qualified valuation staff has been difficult in recent times and several recent rounds of advertising have not proven successful. Since the last report a Trainee Valuer and a Property Assistant have left and I am happy to report we have been successful in recruiting a new Divisional Assessor and a Trainee Valuer. Recruitment processes are currently ongoing for a Property Assistant, Graduate Trainee Valuer and two Valuer/Senior Valuers.

3. 2023 Non-Domestic Revaluation

The Non-Domestic Revaluation came into force on 1st April 2023, with a Tone Date of 1st April 2022. The Tone Date is the date to which all valuations are tied, to ensure all non-domestic properties are valued at the same point in time. In line with the statutory requirements the 2023 Revaluation Roll was delivered to the Local Authorities on 15th March 2023 and Revaluation Notices were issued to all Proprietor, Tenants and Occupiers on the 29th March.

On the 1st of April there was a substantial update to the Assessors portal (www.saa.gov.uk) to publish the Revaluation Roll. Across East Renfrewshire, Inverclyde and Renfrewshire just under 90% of the published values have a valuation showing the makeup of the value available to view online and many properties also have a rented property list showing rental comparisons that have been used to arrive at the valuation. The Assessors portal also published over 100 Practice Notes. Each Practice Note details how a property type should be valued and covers properties as diverse as Shops, Prisons, Bingo Halls and Golf Courses. Members of our team authored a number of these Practice Notes and contributed to many others.

The Assessors portal was also upgraded to allow aggrieved Proprietor, Tenants or Occupiers to submit a proposal against the new Revaluation entry. The original deadline for submitting a proposal was 31st July 2023 and on the 20th July, the Scottish Government enacted the Valuation (Proposals Procedure) (Scotland) Amendment Regulations 2023 which amended the deadline for Revaluation proposals to 31st August 2023.

There were a total of 964 Revaluation Proposals lodged, across 923 properties in the Valuation Roll. Work is well under way to evaluate the proposals and discuss them with the proposers or their representatives ahead of the statutory deadline of September 2025, where agreement cannot be reached the proposer has the right to a further appeal to the First Tier Tribunal.

4. Changes to the Appeals System

The transfer of the Local Appeal Committees into the Scottish Courts and Tribunals Service (SCTS) took place on 1st April 2023.

The Local Taxation Chamber of the First Tier Tribunal for Scotland has in recent months begun to hear cases with hearings currently scheduled up to mid-May.

5. Self-Catering Properties

The legislation relating to self-catering properties changed with effect from 1st April 2022. To be classed as a non-domestic property the owner of a self-catering property will now be required to provide evidence of 70 days actual letting as well as 140 days intention to let. The letting must be on a commercial basis with a view to making a profit. These Regulations have led to a number of properties which do not meet the new requirement being removed from the Valuation Roll and entered into the Council Tax List.

On the 12th of January 2024 the Scottish Government laid before Parliament the The Council Tax (Dwellings and Part Residential Subjects) (Scotland) Amendment Regulations 2024 which come into force from 1st April 2024. These Regulations provide clarification and further amend the letting requirement to replace 'days' with 'nights'.

The SAA are currently working on providing a facility where self-catering operators can provide the required evidence electronically via the SAA portal, it is expected that this facility will be available from April 2024.

6. Information Gathering powers

The new powers allow the Assessor to issue Assessor Information Notices (AINs), which if not responded to can lead to the Assessor issuing a Civil Penalty on the non- responder(s).

With assistance from Renfrewshire Council's Sundry Debt Team, processes are now agreed to assist in the collection of any Civil Penalties raised through these powers for all three of the Board's councils.

When civil penalties are issued the revenue raised is due to be paid into the Scottish Governments Consolidated Fund (net of any costs). These processes will be kept under review and Scottish Government will be updated regularly on any monies raised which are due to them via the Consolidated Fund.

7. Revaluation 2026

Planning for Revaluation 2026, the first one to be undertaken on a 3 yearly cycle, has begun. Tasks being undertaken at the moment include creation of a project plan and reviewing our questionnaires/ information requests.

8. IT Valuation System

Development of this system continues with the aim of going live at a suitable time for service delivery.

9. Recommendations

- i. The Board notes this report.

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12th February 2024

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