



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board

Meeting on: 18th November 2022

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

Retention and recruitment of Valuation staff remains a challenge. Since the last report two Property Assistants were successful at interview and have now become Trainee Technicians. Two new property assistants were recruited and recently started with us.

A recruitment process for Valuer / Senior Valuer during October did not receive any applications by the closing date and has been readvertised.

Discussions are continuing to take place with Renfrewshire Council's HR advisers to identify ways in which we can make posts within the VJB more attractive to help with both retention and recruitment, however it should be noted that this is an issue facing all Valuation Joint Boards and is not just restricted to RVJB.

3. Update on next Non-Domestic Revaluation

The next Non-Domestic Revaluation is due in April 2023, with a Tone Date of 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.

Work has been undertaken to ensure that local systems are in place to assist the Valuation staff in undertaking the analysis of rental information and the revaluation of the approximately 14,000 Non-Domestic subjects within the Valuation Rolls of East Renfrewshire, Inverclyde and Renfrewshire.

The Valuation Timetable Amendment Order 2022 added the requirement to publish a draft Valuation Roll on 30th November in the year preceding a Revaluation, in addition The Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022 place a new duty on the Assessor to issue draft Valuation Notices after 30th November and that these notices must, for certain categories of subject, include information on comparisons used to derive the basic valuation rate.

The team have been making excellent progress towards completing the Draft Valuation Roll. As at 8th November approximately 600 Draft Valuations remain to be completed and we are on target to publish the Draft Valuation Roll on 30th November.

Work has also taken place to identify Lands and Heritages within public parks that were exempt from entry in the Valuation Roll due to S19 Local Government (Financial Provisions) (Scotland) Act 1963 that may no longer be exempt once S5 of the Non-Domestic Rates (Scotland) Act 2020 comes into force on 1st April 2023. These will be shown in the Draft Valuation Roll to be published on 30th November and draft valuation notices will be issued to the Proprietor, Tenants and Occupiers shortly thereafter.

After publication of the Draft Valuation Roll attention turns towards the 2023 Revaluation Roll and catching up on business as usual maintenance of the Council Tax List and Valuation Roll which was paused for a period. While I expect the vast majority of valuations to remain unchanged between the Draft and Revaluation roll, we will need to consider any new information received, where possible, any representations against the draft values and also reflect any changes to properties that take place. The Revaluation Roll will be finalised on 15th March 2023 and will be effective from 1st April with Revaluation Notices being issued to Proprietor, Tenants and Occupiers after 15th March.

We continue to contribute to and benefit from joint working with the other Assessors throughout Scotland via the SAA as we work to establish values for properties where the valuation evidence is national rather than local. Examples of this would be Cinemas, Petrol Filling Stations, Hospitals etc. Joint working is also taking place with Valuation Officers in other jurisdictions for example the Valuation Office Agency on Telecommunication subjects.

4. Changes to the Appeals System

The transfer of the Local Appeal Committees into the Scottish Courts and Tribunals Service was due to take place from 1st January 2023. However, on 13th October we were informed that due to a delay in the Regulations that are necessary to enable the transfer of duties, this will now happen on 1st April 2023.

The Valuation (Proposals Procedure) (Scotland) Regulations 2022, Valuation Timetable (Scotland) Order 2022 and Valuation Roll and Valuation Notice (Scotland) Order 2022 are now scheduled to be laid in mid December 2022. These orders will also provide clarity on the new two stage proposal / appeal process that has similarly been delayed until 1st April 2023.

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. The Assessor wrote to the owners of all self-catering properties within the RVJB area earlier this year to inform them of the change and will be writing to request the required evidence in the coming weeks.

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). The issuing of these AINs have begun, return of these will be closely monitored and where necessary Civil Penalties will be issued.

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 new 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. IT Valuation System

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

8. Recommendations

- i. The Board notes this report.

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8th November 2022

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