



Renfrewshire Valuation Joint Board

Report to: Renfrewshire Valuation Joint Board

Meeting on: 10th June 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 (Likely January 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

At the last meeting I reported that we had recruited three Valuers / Senior Valuers, since that meeting a Senior Surveyor has left for a promoted post at another Valuation Joint Board, a Senior Valuer has resigned and two Property Assistants have intimated their intention to retire at the end of June. We have successfully recruited replacements for the Property Assistants, two valuers have been promoted to Senior Valuer and recruitment to replace the Senior Surveyor post will begin shortly.

Recruitment and retention of staff has proven difficult for all Valuation Joint Boards recently and members will be aware that in response to these difficulties we have a number of trainees and their successful progression through their training and Assessment of Professional Competence will be a key factor in our ability to successfully implement Non-Domestic Rates Reform in the coming years.

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.

On the 6th May the Valuation Timetable Amendment Order 2022 came into force, this order 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 have been laid before the Scottish Parliament. If enacted then these Regulations will 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. Several other Orders and Regulations are due to be published in the near future and via the SAA the Assessor has contributed to the consultation process on them.

Work is currently ongoing 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.

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 is due to take place from 1st January 2023. A Scottish Government consultation on the draft Regulations to allow this to take place closed on 28th November 2021 and the outcome of this is awaited and I will update members on this at future meetings.

In addition to the above there was also a consultation on the draft regulations to introduce a two-stage appeals system, this consultation closed on 15th December 2021 and the outcome of this is awaited and I will update members on this at future meetings.

The Judicial Appointments Board for Scotland is current recruiting thirty-nine Ordinary Members and has recently recruited Legal and Surveyor members to allow the Tribunals to operate from 1st January 2023.

Ms Jacqui Taylor who is currently the Secretary of the Renfrewshire Valuation Appeal Panel has been appointed as the temporary President of the Local Taxation Chamber of the First-tier Tribunal for Scotland.

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 towards the end of 2022.

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 and with the aim of going live at a suitable time during 22/23.

8. Recommendations

- i. The Board notes this report.

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30th May 2022

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