

CLACKMANNANSHIRE COUNCIL

Report to Scrutiny Committee

Date of Meeting: 8 April 2009

Subject: 2010 Rating Revaluation

Report by: Head of Property Services

1.0 Purpose

- 1.1. The five yearly (Quinquennial) revaluation of Scottish Non Domestic Properties comes into effect on 1st April 2010. This report sets out the procedures which will be employed by the Council in scrutinising, lodging and progressing appeals as appropriate.

2.0 Recommendations

- 2.1. It is recommended that the Scrutiny Committee notes the proposals for dealing with appeals following receipt of the Assessor's Valuation notices with effect from 1st April 2010.

3.0 Considerations

- 3.1. The initial assessment of new 2010 sample provisional rateable values for non domestic properties within the Council's portfolio indicates substantial planned increases by Scottish Assessors particularly for educational establishments.
- 3.2. Appendix I sets out extracts with percentage increases for sample properties including the new Academies at Alloa, Lornshill and Alva. These three properties alone exhibit an average increase of 57%. The figures vary greatly with a 36.% increase for Alloa Town Hall but only 9.6% for Greenfield.
- 3.3. The actual amount falling to be paid by the Council is only partially attributable to valuations. The rate in the pound and the Government block grant being key contributors to the process. Finance department have therefore been consulted and information concerning future budget projections is noted below.

Financial Implications

- 3.4. An early estimate of the possible rates liability for Clackmannanshire Council was obtained from the Assessor last year. This was used as an estimate for the rates budget provision of 2010/11 financial year.

- 3.5. The budget was prepared on the basis of the Council having an overall Rateable Value liability of £5,950,440 with 100% empty relief and 50% empty charge being applied to relevant properties and supplement for larger properties set at £29,000.
- 3.6. The latest estimate received from the Assessor indicates a reduction in liability to £5,834,540 with the supplement being set at £35,000. This indicates a small budgetary saving.
- 3.7. The final rating liability will be established shortly however on the basis of the information provided to date Finance are confident that the budget fully provides for the Council's rates liability for the financial year 2010/11.

Considerations (Continued)

- 3.8. Following the receipt of Valuation Notices in April the Council has a period of six months within which to lodge appeals in respect of those Valuation Roll entries with which it is dissatisfied.
- 3.9. These notices will be screened by Property Asset Management to identify those properties which exhibit disproportionately high values and the best prospects of appeals success.
- 3.10. Because of the anticipated volume of appeals and the specialist nature of the valuation process it is proposed to invite tender bids from private sector firms. The selected firm will be appointed to act on behalf of the Council in an agency capacity.
- 3.11. Following this appointment Property Asset Management will coordinate all subsequent activity and liaise with agents until progressed to a satisfactory conclusion.

4.0 Sustainability Implications

- 4.1. It should be noted that the values agreed with the Assessor in 2010 will persist until 2015.

5.0 Resource Implications

5.1. Financial Details

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes
- 5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. *Staffing*

5.5. Tendering and coordination of the agency appointment and subsequent monitoring will involve three members of property asset management team two on an intermittent basis.

6.0 Exempt Reports

6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities 2008 - 2011 (Please double click on the check box)

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all
- The Council is effective, efficient and recognised for excellence

(2) Council Policies (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?

Yes No

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix I - Sample Extracts from Provisional List of Net Annual Values *
2010

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes (please list the documents below) No

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Approved by

NAME	DESIGNATION	SIGNATURE
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Appendix I

Sample Extracts from Provisional List of Net Annual Values * 2010

Property	2005 NAV	2010 NAV	%age
Alloa Academy	£375,000	£600,000	60% Increase
Alva Academy	£414,000	£660,000	59.4% Increase
Lornshill Academy	£415,000	£615,000	48% Increase
Alloa Town Hall	£39,500	£54,000	36.7% Increase
Coalsnaughton Primary	£15,150	£27,000	78.22% Increase
St Johns Primary	£41,000	£63,000	53.66% Increase
Menstrie House	£46,500	£64,500	38.71 % Increase
Institution Place	£29,000	£38,250	31.90% Increase
Leisure Bowl	£207,000	£272,500	31.64% Increase
Abercromby place	£46,500	£61,000	31.18% Increase
Drysdale Street	£32,500	£38,500	18.46% Increase
Lime Tree House	£197,000	£217,000	10% Increase
Greenfield	£125,000	£137,000	9.6% Increase
Forthbank	£25,000	£25,250	1% Increase
Kelliebank	109,000	100,000	8.2% Decrease

*Note. Net Annual Value Equates to Rateable Value.

