

1. The table and excerpt below show the estimated 2017 revaluation effects, with a year-on-year change from 2016-17 and background information on the city of Aberdeen.

	<b>Aberdeen City</b>	
<b>Provisional rateable value</b>	<b>£m</b>	<b>change</b>
Total	584	+22%
offices	194	+19%
industrial property	143	+38%
shops	102	+10%
hotels	27	+54%
<b>NDR income 2017-18</b>	<b>£m</b>	<b>change</b>
Total	241	+14%

*Note: the councils have the rateable value data from the Assessor, but not our NDR income estimates*

Provisional revaluations show an average 22% rise in rateable value across Aberdeen City; this translates into an average 14% bill increase due to rating effects (lower poundage, expanded Small Business Bonus, raised large business supplement threshold).

The issue is not just the increase in Aberdeen values since 2010 revaluation, but the claim that the valuation 'tone date' (snapshot of 1 April 2015) was a high point in the market, with rents subsequently having dropped due to the oil crisis, and a revaluation insufficiently reflective of the current market.

2. This table shows the number of properties in Aberdeen broken down by how they would be effected by 2017 revaluation. 'Winners' are those whose rateable values went decreased and 'losers' are those whose rateable value increased. This is based on rateable value only.

<b>Properties *</b>	<b>Aberdeen City</b>
Winners	600
Unchanged	900
Losers	7,000
Zero-rated	200
Total on valuation roll	8,600

*\* numbers may not add due to rounding*

**3. The table below estimates the effects of an expansion of the Small Business Bonus Scheme and Large Business Supplement in Aberdeen city post revaluation**

	<b>Aberdeen City</b>	
	<b>2016-17</b>	<b>2017-18</b>
total rateable properties (with non-zero RV)	8,400	8,400
properties getting SBBS 100% relief	1,600	2,000
properties getting other 100% relief	500	500
%age of properties getting 100% relief	25%	30%
properties paying LBS	2,300	2,100

**4. The Excerpt below relates to consideration of transitional relief for Aberdeen and Aberdeenshire**

Any SG transitional relief covering only the Aberdeen/Aberdeenshire area would be deemed as regionally selective and therefore constitute State aid. We understand this would be subject to the 'de minimis limit' of €200,000 per entity over a 3-year period (albeit this could all be applied in year 1) and would thus offer only limited support – noting that any other State aid received by a company would also count towards this limit.

5. The tables below relate to estimates of the effects of the 2017 revaluation on Aberdeen city.

LA	2016 RV (£m)	Provisional 2017 RV (£m)	RV Change (£m)	RV Change (%)
Aberdeen City	479.8	583.8	104.0	22%

Local authority	No of properties*	% with decrease or no change
Aberdeen City	8,603	38%

6. The tables below relate to estimates of the effects of the 2017 revaluation on Aberdeen city. The last table estimates the effects of transitional relief in Aberdeen city.

Local Authority	Gross Bill in 2016 (£m)	Gross Bill in 2017 (£m)	Change in Gross Bill (Cash Terms)	Increase in Bills faced	Hospitality Relief Total	Offices Relief Total	New Change in Gross Bill (£m)	New Increase
Aberdeen City	243	285	17%	41.8	3.7	3.8	14%	34.3

Aberdeen Offices	Number	Gross Bill in 2016	Gross Bill in 2017	Change in Bill (Cash Terms)	Increase in Bills faced	Offices Relief Total	New Change in Gross Bill	New Increase
Aberdeen City	2,207	82,854,804	94,615,689	14%	11,760,885	3,769,811	10%	7,991,074

TR RELIEF ANALYSIS		Hospitality		Offices		Total	
Local Authority	Gross Bill in 2017 (£m)	Number Benefitting	Relief (£m)	Number Benefitting	Relief (£m)	Number Benefitting	Relief (£m)
Aberdeen City	285	497	3.7	847	3.8	1,344	7.5

7. The table below shows consideration for two schemes to cap all increases from the 2017 revaluation in Aberdeen city at 25% or at 50% - Aberdeen City 'across-the-board' cap on bill increases.

<b>RV Increase Cap</b>	<b>Properties Affected</b>	<b>2017-18 cost estimate</b>
25%	3,000	£12m
50%	1,000	£4m

8. The first table below shows consideration, for a different caps depending on rateable value in the city of Aberdeen. The second table shows a funding options for funding the costs.

Sub-option	RV band	Cap	Properties affected	2017-18 cost estimate
			City	City
1	up to £15k	15%	3,500	£6m
	£15k to £100k	25%		
	over £100k	50%		
2	up to £15k	20%	3,500	£10m
	£15k to £100k	25%		
	over £100k	30%		
3	up to £15k	20%	2,000	£4m
	£15k to £100k	40%		
	over £100k	60%		
4	up to £20k	5%	5,000	£11m

Scenario	RV Band	RV Decrease Cap	Properties Affected by RV Decrease Cap			Revenues Raised by RV Decrease Cap		
			Aberdeen	Aberdeenshire	Both Combined	Aberdeen	Aberdeenshire	Both Combined
4	up to £15k	0%	2,000	2,500	4,500	£6m	£4m	£10m
	£15k to £100k	0%						
	over £100k	0%						
5	up to £15k	15%	500	500	1,000	£3m	£2m	£4m
	£15k to £100k	10%						
	over £100k	5%						
6	up to £15k	30%	<500	<500	500	£1m	<£1m	£2m
	£15k to £100k	20%						
	over £100k	10%						



9. The table below shows consideration for a cap in Aberdeen City on bill increases, hotels & pubs

RV Increase Cap	Properties Affected		2017-18 cost estimate	
	Hotels	Pubs	Hotels	Pubs
25%	450	100	£3m	£0.5m
50%	400	50	£2m	£0.25m

**10. The excerpt below shows the consideration for the estimated total cost of a 12.5% cap in Aberdeen city.**

Capping increases at 12.5% cap (real terms) on increases for offices in Aberdeen city and shire to bring them back into parity with other parts of the country where the sector primarily benefits from revaluation and in recognition of economic circumstances in the region. **Total cost estimate £4.8 million**

**11. The excerpt below estimates the numbers of properties that will be in receipt of SBBS post 2017 revaluation in Aberdeen city.**

We estimate in Aberdeen City of the 8,500 properties (with non-zero rateable values), around 2,500 will receive 100% relief through SBBS or other schemes. [NB. due to data limitations, these estimates are based on working assumptions and should be treated with caution].

**12. The table below estimates changes in the city of Aberdeen post 2017 revaluation**

Local Authority	Audited Amount of Reliefs 2015/16	% of total reliefs	Gross Bill Changes at Reval (excl utilities) - Oct values	Transitional Relief for offices in Aberdeen/ Aberdeenshire & hospitality	Local Authority	Total Estimated reliefs 2017/18 (£m)	2017/18 NDRI estimate	New 2017/18 NDRI estimate
Aberdeen City	25,796,891	4%	17%	7.5	Aberdeen City	37	241,210,427	234

**13. The table below shows a summary of TR cash-flows (gross bill) by LA (over 3-year cycle) - The analysis is based on Gross Bills**

<b>Local Authority</b>	<b>Total Gain/Loss from TR (£m)</b>		
	<b>TR Gain</b>	<b>TR Loss</b>	<b>Net TR Gain/Loss</b>
Aberdeen City	40	-6	34

**14. The Tables below show the estimated proportion of subjects with Bill Increases & Decreases in the city of Aberdeen**

