

# Statistics Publication Notice

Economy (Local Government Finance)

An Official Statistics Publication for Scotland

## NON-DOMESTIC RATES REVALUATION APPEALS STATISTICS SCOTLAND, 2017-18 QUARTER 3

28 February 2018

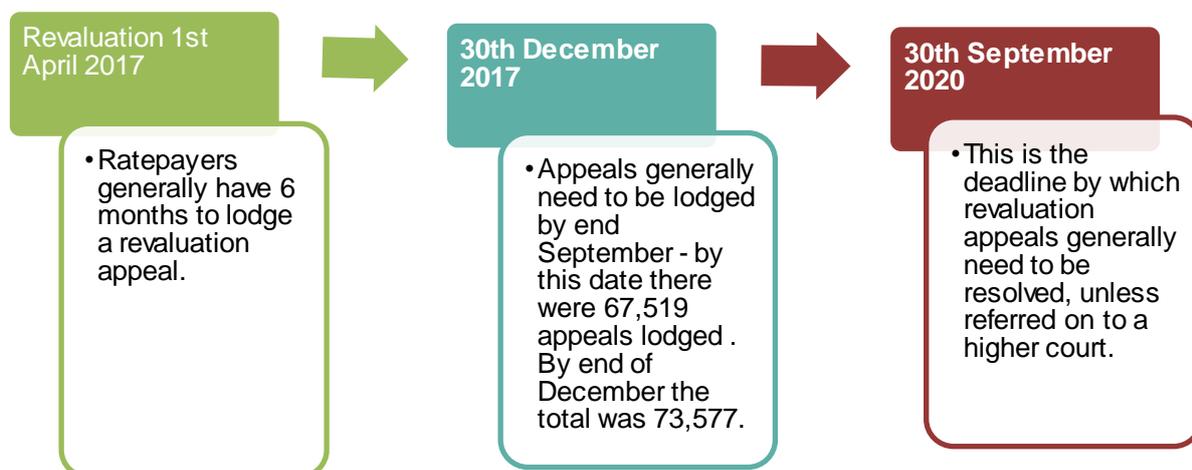
### Context

Non-Domestic Rates in Scotland are directly proportional to the rateable values of individual non-domestic properties. Periodically there is a statutory revaluation process which revises these rateable values, and the revaluation appeals process allows ratepayers to appeal against the new rateable values.

This routine publication provides quarterly statistics on the progress and results of **revaluation appeals** following the 2017 Revaluation (effective April 1 2017) and the 2010 Revaluation (effective data April 1 2010). Running Roll (material change of circumstances) appeals are not included in these statistics.

Further information on Non-Domestic Rates can be found in the background notes.

Figure 1 - Revaluation appeal timetable for 2017 revaluation appeals



The deadline for lodging appeals was 30<sup>th</sup> September 2017 (although note that if the valuation notice was issued after 1 April 2017, then the deadline is instead six months from that issue date).

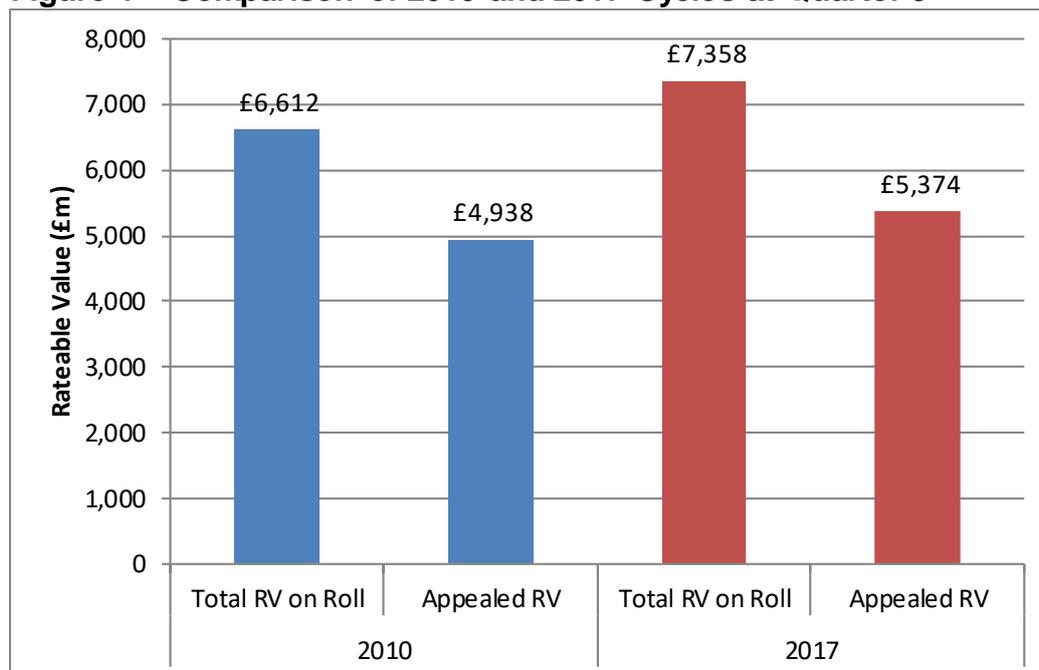
This publication reports on the number of properties and rateable value which have appealed by the end of December 2017. There are very few revaluation appeals resolved in the first 3 quarters of a revaluation cycle. More information on resolution of appeals will be reported in future publications.

Progress on appeals lodged in the previous **2010 revaluation cycle** is still monitored and are reported here.

### **Key Points (as at December 31):**

- Progress on resolution of appeals for **2010 revaluation cycle** continues to be recorded. As at 31st December, revaluation appeals had been resolved for over 99% of properties for which an appeal had been received (66,785 of 67,026).
- The original rateable value (RV) of the properties for which revaluation appeals have been resolved is £4,847m, 98% of RV for properties who lodged a revaluation appeal.
- As a result of revaluation appeals, the rateable value of properties whose appeal has been resolved has reduced by £262m, approximately £122m billed at 2017-18 poundage. Larger, more complex cases tend to be the appeals which are resolved latest. There is still £99m of outstanding RV under appeal.
- To 31st December, £5,374m of RV has been appealed against the **2017 revaluation**, relating to 73,577 properties. This represents 32% of all properties on the Valuation Roll as at 1<sup>st</sup> April 2017 and 73% of total RV.
- Comparing data from the 2010 and 2017 revaluations shows the total number of properties and RV under appeal in 2017 at Quarter 3 is higher than that seen at the same stage in the 2010 cycle. However, proportionally, 75% of all RV was under appeal in Quarter 3 in 2010 compared to 73% of RV in 2017. The proportion of properties under appeal at Q3 is similar at 31% in 2010 and 32% in 2017.
- A small number of appeals have been resolved so far in 2017; 528 appeals with original rateable value of £231m have been resolved with a resulting decrease in rateable value of £31m

**Figure 1 – Comparison of 2010 and 2017 Cycles at Quarter 3**



Roll totals as at 1 April

Appeal figures as at 31 December in the year of the revaluation

**Table 1 - Comparison of 2010 and 2017 Cycles at end of Quarter 3**

|             |                  |         |  |         |
|-------------|------------------|---------|--|---------|
| <b>2010</b> | Total RV on Roll | £6,612m | Total Number properties on Roll              | 213,311 |
|             | Appealed RV      | £4,938m | Number of properties for which appeal lodged | 66,872  |
|             | Percent          | 75%     | Percent                                      | 31%     |
| <b>2017</b> | Total RV on Roll | £7,358m | Total Number properties on Roll              | 233,386 |
|             | Appealed RV      | £5,374m | Number of properties for which appeal lodged | 73,577  |
|             | Percent          | 73%     | Percent                                      | 32%     |

Roll totals as at 1<sup>st</sup> April

Appeal figures as at 31 December in the year of the revaluation

Figure 1 and Table 1 show that while the number of properties and rateable value under appeal at the end of the third quarter in the 2017 cycle has increased compared with the same point in the 2010 cycle, rateable value and number of properties on the Valuation Roll has also increased in that time.

The proportion of properties that have appealed at this stage in both revaluations are similar (31% for 2010 cycle and 32% for 2017 cycle). The proportion of total rateable value which has been appealed to date in the 2017 cycle is also similar, at 73%, compared to 75% of RV appealed at this stage in the 2010 cycle.

**Table 2: 2010 Revaluation appeals resolved by 31 December 2017**

|                      | Appealed | Resolved | Percentage resolved |
|----------------------|----------|----------|---------------------|
| Number of properties | 67,026   | 66,785   | 99.6%               |
| Rateable Value       | £4,946m  | £4,847m  | 98.0%               |

There have been 66,785 properties whose appeals have been resolved for the 2010 revaluation cycle, over 99.5% of the total number of properties who appealed. These appeals account for 98% of the total appealed RV, as usually the larger more complex appeals take longer to resolve.

**Table 3: 2017 Revaluation appeals resolved by 31 December 2017**

|                      | Appealed | Resolved | Percentage resolved |
|----------------------|----------|----------|---------------------|
| Number of properties | 73,577   | 528      | 0.7%                |
| Rateable Value       | £5,374m  | £231m    | 4.3%                |

Table 3 shows there have been 528 appeals accounting for £231m resolved in the first 3 quarters of the 2017 cycle, of the 73,577 lodged.

**Figure 2 - 2010 Revaluation Appeals as at 31st December 2017**

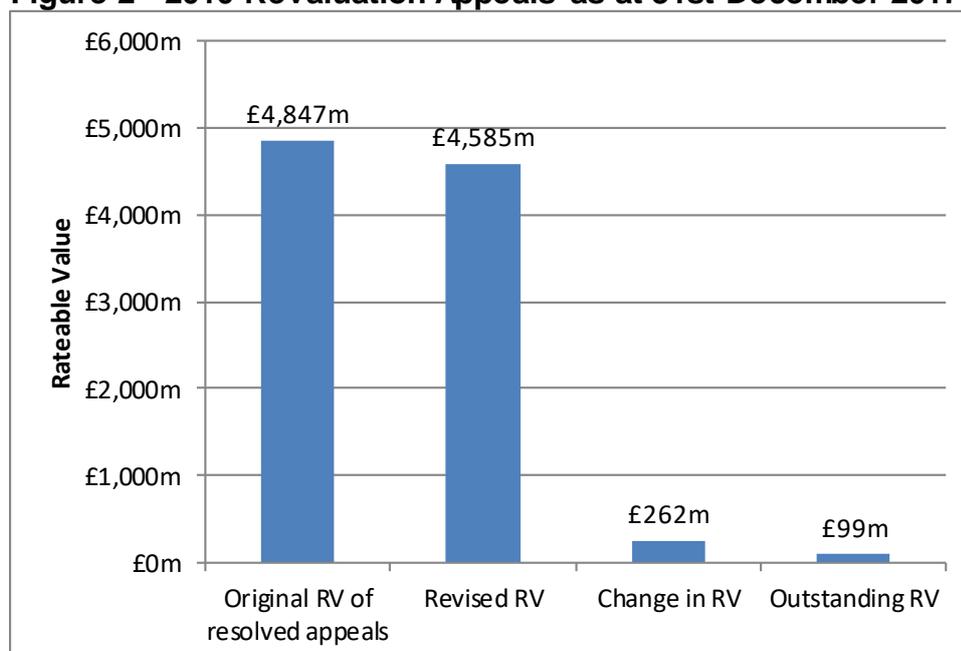


Figure 2 shows the ongoing progress made in the 2010 cycle. To 31<sup>st</sup> December, £4,847m of RV had been resolved, resulting in revised RV of £4,585m, a reduction in RV of £262m, equating to £122m in 2017/18 bills.

## BACKGROUND NOTES

### Data Sources

The data in this publication are derived from the RVAPP (Rateable Value Appeals) statistical return which the Scottish Assessors provide to the Scottish Government on a quarterly basis. The continued co-operation of the Scottish Assessors in completing these returns is gratefully acknowledged.

### Definitions

**Non-domestic rates** are a property based tax. They are based on the **rateable value** of a non-domestic property, multiplied by a **poundage** set nationally by Scottish Ministers (46.6p in 2017-18), less any relief to which a ratepayer may be eligible.

For example, if a non-domestic property has a rateable value of £20,000, and the poundage is 46.6p (2017-18 level), the annual bill would be:

Non-domestic rates bill = £20,000 x 0.466 = £9,320 (before reliefs)

2017 represents the first year of properties having new rateable values following a non-domestic rates revaluation, carried out by independent Assessors across Scotland. New rateable values are effective from 1<sup>st</sup> April 2017 and ratepayers generally have 6 months to lodge a revaluation appeal against their new rateable value.

### Further Information

More information on Non-Domestic Rates, including appeals procedures and reliefs, can be found in the Scottish Government's 'Brief Guide to Non-Domestic Rates' at: <http://www.scotland.gov.uk/Topics/Government/local-government/17999/11199/brief-guide>

Statistics on Non-Domestic Rates Relief can be found at: <http://www.scotland.gov.uk/Topics/Statistics/Browse/Local-Government-Finance/NDR-Rates-Relief>

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The data collected for this statistical bulletin is available on request.

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