

Consultation on reforming the non-domestic rates system: proposals, the draft valuation roll, content of valuation notices, etc.

September 2021

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PART 1

Policy Background

1. The non-domestic rates system has its historic origin in the Lands Valuation (Scotland) Act 1854 and was further developed with the Local Government (Scotland) Act 1975 and other Scottish legislation.
2. In relation to Non-Domestic Rates (NDR), independent Scottish assessors are responsible for maintaining the non-domestic valuation roll under section 1 of the Local Government (Scotland) Act 1975, and providing rateable values (RVs) to the relevant local authority under section 3 of that same Act. Local authorities administer and collect NDR and council tax for their area (as well as NDR for any national designated utilities entered on the valuation roll for that area but located elsewhere in Scotland).
3. NDR liability on a property is the tax rate (poundage plus any supplements) multiplied by the property's RV minus any reliefs that the property is eligible for. Appeals on the entry of a property in the valuation roll can be made to the assessor by the owner, proprietor or tenant within prescribed timescales. Appeals are heard by valuation appeal committees (VACs) or can be referred instead to the Lands Tribunal for Scotland in prescribed circumstances. Onward appeals, exercisable only on points of law, are to the Lands Valuation Appeal Court.
4. The functions of VACs are scheduled to transfer to the new Local Taxation Chamber of the First-tier Tribunal for Scotland on 1 January 2023. The draft regulations for the transfer of VACs' functions are the subject of a separate consultation - 'Local taxation - Valuation Appeals Committees etc: transfer of functions' - which can be accessed at: <https://consult.gov.scot/justice/local-taxation-vac-etc-transfer-of-functions>
5. RVs are reviewed periodically at 'revaluations' which historically have occurred every five years and been based on rental values two years prior (the 'tone date'). The independent Barclay Review of Non-Domestic Rates ("the Barclay Review") published in 2017 recommended moving to three yearly revaluations with a one-year tone date which the Scottish Government accepted. Due to the COVID-19 pandemic however and the likely unsuitability of a tone date of 1 April 2020 for the 1 April 2022 revaluation in reflecting post-pandemic rental values, the Scottish Government delayed the revaluation by one year to 1 April 2023 but decided to also bring forward the implementation of a one-year tone date for that revaluation onwards. The next revaluation, in 2023, will therefore have a tone date of 1 April 2022.¹

¹ Section 37(1) of the Local Government (Scotland) Act 1975, as modified by section 2 of the Non-Domestic Rates (Scotland) Act 2020 introduced three yearly revaluations. The Valuation (Postponement of Revaluation) (Coronavirus) (Scotland) Order 2020 amended this such that the next revaluation will be in 2023-24 which also marks the start of three yearly cycles; and also amends the Valuation Timetable (Scotland) Order 1995 to provide for a one-year tone date instead of two from the 2023-24 revaluation onwards.

6. The Barclay Review also noted under Recommendation 19 of its Report: *Reform of the appeals system is needed to modernise the approach, reduce appeal volume and ensure greater transparency and fairness.*
7. The Barclay Implementation Advisory Appeals sub-group (“the Appeals sub-group”) was established in 2018 to inform advice to Scottish Ministers in respect of the implementation detail of a number of the Barclay recommendations. It published its Final Report in October 2019 and the views of the group have been taken into consideration in designing the reforms to the appeals system set out in The draft Valuation (Proposals Procedure) (Scotland) Regulations 2022 included in this consultation.
8. The Non-Domestic Rates (Scotland) Act 2020 (“the 2020 Act”) creates a two-stage appeal system whereby owners, tenants or occupiers must lodge a proposal under section 3ZA of the Local Government (Scotland) Act 1975 with the assessor if they disagree with the valuation of their property. Under the new system, owners, tenants or occupiers will have to lodge a proposal with the assessor and this will be a precursor to lodging an appeal with the Scottish Tribunals.
9. The two-stage appeals system is intended to improve information-sharing between parties early on in the process without requiring the involvement of the Scottish Tribunals, the majority of appeals being already settled amicably between the assessor and the appellant, but only after the VAC Secretary has issued a citation for hearing as the hearing date triggers statutory deadlines for sharing information. In practice, numerous appeals are withdrawn at the last minute or are not attended by the appellant on the day of the hearing.
10. The draft Valuation (Proposals Procedure) (Scotland) Regulations 2022 provide for the procedures to be followed for proposals. Respondents may wish to consider these draft regulations in conjunction with the draft regulations providing for procedural rules in the First-tier Tribunal post-transfer when hearing cases under the transferred functions, which are set out in consultation ‘Local taxation - Valuation Appeals Committees etc: transfer of functions’ – as the proposal and the appeal stages for NDR cases are sequential (i.e. a proposal must be made before an appeal can be made). The Valuation Timetable (Scotland) Order 1995, as amended by orders - the drafts of which also form part of this consultation - will provide for the timescales for making and disposing of proposals and for lodging appeals.
11. The two-stage appeals system is scheduled to come into effect at the same time as the transfer of VAC functions to the Scottish Tribunals. This was originally scheduled to happen on 1 April 2022 to coincide with the previous date of the next revaluation, however due to the delay to revaluation to 1 April 2023 and the need to set up a new Chamber of the First-tier Tribunal for Scotland (the Local Taxation Chamber) in order to absorb the functions of VACs, the transfer date, and the move to a two-stage appeals system will both take place on 1 January 2023.²

² The Non-Domestic Rates (Scotland) Act 2020 (Commencement No. 2, Transitional and Saving Provisions) Regulations 2020 provide for the two-stage appeals system to commence on 1 April 2022 but this will be amended in early 2022 to 1 January 2023.

12. The draft Valuation Timetable (Scotland) Amendment (No. 2) Order 2022 sets the timescales for lodging proposals, making a decision on them, etc. as well as appeals timescales.
13. In order to ensure greater transparency and fairness in the NDR system, the 2020 Act also creates the requirement under section 1B of the Local Government (Scotland) Act 1975 that assessors publish a draft valuation roll before revaluation and the draft Valuation Timetable (Scotland) Amendment Order 2022 sets the date for this. The 2020 Act also creates the requirement that assessors send a draft valuation notice to owners, tenants or occupiers at this point. These notices are covered, in part, by the draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022.
14. The Appeal sub-group called for certain information to be included in valuation notices in order to improve the transparency of non-domestic property rating. This is addressed in the draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022.

Proposed new regulations and orders

15. The draft regulations and orders are attached at Annexes A, B, C, D and E. The views of the Appeals sub-group were sought prior to finalisation of the policy instructions for the draft Valuation (Proposals Procedure) (Scotland) Regulations 2022.

PART 2

Draft Valuation (Proposals Procedure) (Scotland) Regulations 2022

16. The draft Valuation (Proposals Procedure) (Scotland) Regulations 2022 (“The Proposals Regulations 2022”) set out the procedures for proposals made under section 3ZA of the Local Government (Scotland) Act 1975 (“the 1975 Act”). This system will be in place from 1 January 2023.
17. The proposal stage introduced under the newly inserted provisions in the 1975 Act will precede the appeals stage, and will be a required step before being able to lodge an appeal in the circumstances set out in the Act where bringing an appeal is permitted (e.g. it will not be possible to lodge an appeal where the assessor changes the rateable value in accordance with the proposal). The vast majority of appeals currently are settled amicably between the assessor and the appellant. Further, it is the date of the hearing, and therefore the citation of a hearing (which must be at least 105 days before the hearing date) which triggers statutory information-sharing requirements for both parties. This suggests that there may be a better way to trigger information-sharing and the new stage is aimed at encouraging a settlement between the Assessor and the proposer prior to the need for involvement by the First-tier Tribunal in future.

18. The draft regulations set out the requirements as to the form of a proposal, the information to be included with the proposal, as well as the procedures which must be followed thereafter including the information to be exchanged between the two parties (proposer and assessor) before the date on which a proposal is determined. After a proposal is lodged, the assessor issues a “Proposal Determination Date” (PDD). This is the final date by which the assessor intends to issue a decision on a proposal. If the assessor does not issue a decision on or before that date, chooses not to alter the entry; or alters it in a manner different to that requested in the proposal, or subsequently agreed with the proposer, then the proposer will have the right to make an appeal to the Scottish Tribunals within prescribed timescales.
19. The Appeals sub-group had discussed two scenarios in relation to sharing information, however neither of these required that any substantive information be provided at the point of lodging a proposal and the group was not in unanimous support of either. Assessors were concerned that they “may be required to deal with a large number of proposals lodged without clear grounds of proposal being set out” as highlighted in the Appeal sub-group’s report, and ratepayer representatives were concerned that they may be required to set out their detailed grounds of proposal at the point of lodging a proposal, when the Assessor may not have provided any information on how the value was arrived at, and that they would not have the statutory opportunity to respond to the Assessor’s response and comparisons.
20. In an effort to address the first concern, the draft regulations require that the grounds of the proposal for alteration of the entry in the valuation roll in the way that is sought, evidence to support these grounds and a statement as to how the evidence supports the grounds must be lodged at the point of making a proposal. The assessor may deem a proposal incomplete if the required information is not provided – the proposer has the right to request a review of this decision. To address the second concern, it is proposed that the assessor will be required to provide, no later than 70 days before the PDD, a written statement specifying the basis on which the entry in the valuation roll is arrived at. The ratepayer representative will then have a right of response for 14 days. The assessor will after this date and on or before the PDD make a decision on the proposal, and provide written reasons including any additional information that they wish to provide to the proposer. This short timescale to respond to the assessor is designed to encourage the up-front provision of information by the proposer whilst still providing the latter with a right of response to the assessor. The assessor, in their written decision on the proposal, may provide further information to support their decision.
21. While there will only be four months to make a proposal for alteration of an entry instead of the current six to lodge an appeal, this reflects the compression of a five yearly cycle into three, and it must be borne in mind that owners, tenants or occupiers will have access to their revaluation RV from 30 November the year before a revaluation. In the vast majority of cases, draft values and final values at revaluation will remain the same, which will provide owners and occupiers with five months’ notice of their revaluation entry prior to revaluation as this is proposed to be 30 November the year before revaluation.

22. In order to ensure meaningful engagement between parties at the proposal stage and given that appeals will be appeals of an assessor's decision on the proposal, (and *not de novo*), it is proposed that in general no additional information can be provided at appeal stage to the Scottish Tribunals, over and above what has been exchanged between parties at the proposal stage. There are some limited exceptions to this, as set out in the draft rules of procedure for what will be the new Local Taxation Chamber of the First-tier Tribunal for Scotland. These are the subject of the separate consultation, referred to above, in relation to the transfer of functions of VACs.
23. Views are being sought on this proposed new system, particularly on the exchange of information between parties, and the different timescales involved.

Question 1 - Do you have any comments on the draft Valuation (Proposals Procedure) (Scotland) Regulations 2022? We are particularly interested to hear your views on the exchange of information between parties and the different timescales involved.

PART 3

Draft Valuation Timetable (Scotland) Amendment Order 2022

24. The Valuation Timetable (Scotland) Order 1995 ("the 1995 Order") sets:
- the tone date for revaluations (1 April in the financial year before a revaluation year) in other words the date on which evidence to derive an RV is based;
 - the last date for the assessor to send copies of revaluation estimates to local authorities and the Scottish Government (1 November in the year before revaluation);
 - the date at which physical circumstances are to be taken into account for a revaluation (1 January in the year before revaluation);
 - the last date for the assessor to send copies of the valuation roll to local authorities and the Scottish Government (15 March in the year before revaluation);
 - the last date for lodging an appeal or complaint (30 September in a revaluation year or six months after a valuation notice was sent, whichever is later); and
 - the last date for an appeal to be disposed of by a VAC (various timescales according to when the appeal was lodged).
25. Under section 1B of the Local Government (Scotland) Act 1975, the assessor must publish a draft of the valuation roll before making the roll up, and send a draft valuation notice to the owners, tenants and occupiers of the property.
26. The draft Valuation Timetable (Scotland) Amendment Order 2022 requires that the assessor publish the draft roll on 30 November in the year before revaluation. This instrument requires to be in force by 30 November 2022 and in order to provide ample notice for assessors it is proposed that this be laid in Spring 2022.

Question 2 - Do you have any comments on the draft Valuation Timetable (Scotland) Amendment Order 2022?

PART 4

Draft Valuation Timetable (Scotland) Amendment (No. 2) Order 2022

27. The 1995 Order needs to be amended to reflect provisions of the Local Government (Scotland) Act 1975, as inserted by the Non-Domestic Rates (Scotland) Act 2020, which enable the move to a two-stage appeal system of challenge. These are sections 3ZA and 3ZB of the 1975 Act³. The amendments will be made by the Valuation Timetable (Scotland) Amendment (No.2) Order 2022 (“the Valuation Timetable Amendment (No.2) Order”).
28. The draft Valuation Timetable Amendment (No. 2) Order sets out the last dates for lodging a proposal:
- in relation to a valuation notice received, including where there is thought to be an error in the entry as set out in the valuation notice, this is 31 July in the year of revaluation or 4 months after the date on which the notice was sent, whichever is later;
 - if a person becomes the owner, tenant or occupier of a property, this is 4 months after the date on which they become owner or occupier; or
 - if there is a material change of circumstances (MCC), this is 4 months after the date on which the MCC first occurred
29. The draft Valuation Timetable Amendment (No. 2) Order also sets out the deadline for the assessor to make a decision on a proposal, whichever is the later of the following dates:
- 30 June the year before the next revaluation year
 - 30 June the year in which the proposal is made
 - 12 months after the proposal is made.
30. Assessors must then issue the ‘proposal determination date’ (PDD) to the proposer (they must then issue a decision on the proposal on or before the PDD but can postpone the date, in the same way a VAC can postpone a hearing). The PDD can be no later than the last date set out above under the draft Valuation Timetable Amendment (No. 2) Order for the assessor to issue a decision on a proposal. This differs depending on when the proposal was lodged (as is the case with appeals currently). It is the date of the PDD which triggers statutory information-sharing timescales between parties under the draft Valuation (Proposals Procedure) (Scotland) Regulations 2022. This is similar to the way the VAC Secretary currently issues a notice for the hearing date of an appeal (which cannot be later than the

³ Though sections 3ZA and 3ZB are currently scheduled to come into force on 1 April 2022 under The Non-Domestic Rates (Scotland) Act 2020 (Commencement No. 2, Transitional and Saving Provisions) Regulations 2020, these regulations will be amended following the decision to delay until 1 January 2023 the transfer of the functions of the VAC to the Scottish Tribunals. The coming into force of sections 3ZA and 3ZB will coincide with that date.

deadline for disposing of appeals under the 1995 Order, and this triggers information-sharing requirements between the parties.

31. Thirdly, the Valuation Timetable (Amendment) (No. 2) Order sets out that assessors must notify the proposer of the PDD, 70 days at least before said date. This is shorter than the current 105-day citation period for appeals by VACs, but reflects the Appeals sub-group's comment that "the current 105-day period (increased from 70 days in 2017) had not led to significant improvements in the appeals system, and agreed that within a three-year revaluation cycle, a 70-day notification period for the PDD would be sufficient."
32. Fourthly, it sets out the last date for lodging a complaint⁴ – 31 July in the year of revaluation or 4 months after the relevant notice was sent to the owner or occupier of the property, whichever is later.
33. It then provides for the last date for lodging an appeal, which can only be done if a proposal has already been made, and in prescribed circumstances. Once a proposal has been lodged, the proposer may lodge an appeal if the assessor alters the entry other than in accordance with the proposal or a subsequent agreement, or does not alter the entry (either explicitly in their decision, or because they do not respond within the statutory timescales). An appeal cannot be lodged if the assessor alters the entry in the roll in accordance with the proposal or with a subsequent agreement with the proposer. The last date for lodging an appeal is:
 - If a decision has been made by the assessor, this deadline is 14 days after the decision is issued
 - If a PDD was issued but no decision is issued by the assessor and the PDD was not postponed, this is 14 days after the PDD.
 - If no PDD is issued, the last date is 14 days after the beginning of the period of 70 days before the last date for the assessor to issue notice of a decision on the proposal. This is because the assessor is required to issue a PDD notice a minimum of 70 days before the PDD and the PDD cannot be later later than the deadline date described in para 29 of this consultation.
34. Finally, this instrument removes the disposal deadline of appeals by VACs as these will no longer exist from 1 January 2023. Appeals will from this date be heard by the Scottish Tribunals, even if ongoing at that date. As the Local Taxation Chamber will take on this caseload they will actively manage these cases, so a fixed deadline for disposals is not required.
35. This Order requires to come into force on 1 January 2023. The timing of its laying in parliament is contingent on the laying of the regulations transferring VAC functions to the Scottish Tribunals as well as The Valuation (Proposals Procedure) (Scotland) Regulations 2022.

Question 3 - Do you have any comments on the draft Valuation Timetable (Scotland) Amendment (No. 2) Order 2022?

⁴ Section 13 of the Lands Valuation (Scotland) Act 1854, as amended by the 2020 Act, specifies that a person cannot make a complaint on a property if they are the owner, tenant or occupier of the property.

PART 5

Draft Valuation Roll And Valuation Notice (Scotland) Order 2023

36. The draft Valuation Roll and Valuation Notice (Scotland) Order 2023 sets out, for any valuation roll which comes into force on or after 1 April 2023, the information which must be contained in each entry in the valuation roll. This mirrors the information currently required under The Valuation Roll and Valuation Notice (Scotland) Order 1989 (“the 1989 Order”).
37. The Valuation Roll and Valuation Notice (Scotland) Order 2023 also sets out the information which must be included by the assessor in valuation notices which are to be issued to the owner or occupier of a non-domestic property when an entry is made or altered in the valuation roll. There is, though, a departure from the approach of the 1989 Order. Rather than set out, in the schedule, precise wording to be used by the assessor, albeit with the possibility of minor deviations, the schedule of the draft Order simply describes information which the assessor must include in the notice. It is for individual assessors to present the information as they so decide.
38. The 1989 Order will not apply to any valuation roll or valuation notice issued on or after 1 April 2023.

Question 4 - Do you have any comments on the draft Valuation Roll And Valuation Notice (Scotland) Order 2023?

PART 6

Draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022

39. Under section 1B of the Local Government (Scotland) Act 1975, the assessor will be required to publish a draft of the valuation roll before revaluation, and to send a draft valuation notice to the owners and occupiers of non-domestic properties. These drafts are therefore required only prior to revaluation entries, not all entries or changes to entries made in the roll. Under section 3(2) of the Local Government (Scotland) Act 1975, the assessor is required to issue a valuation notice to the owner or occupier when a new entry is made in the roll, to add a property, or when an existing entry in the roll is altered, as well as at revaluation.
40. The draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022 make provision as to information which will have to be provided in valuation notices for certain classes of property. This relates to draft valuation notices issued on or after 30 November 2022 and to final valuation notices issued on or after 1 April 2023. The Regulations will be laid around spring 2022, to give assessors notice of the requirements to be associated with valuation notices.

41. These regulations aim to address the Appeals sub-group comments that:

“The Appeals sub-Group agreed that consideration should be given to putting in place a statutory requirement that the Assessor publish, alongside each valuation notice, the addresses of let properties the rental evidence of which has been used to inform the basic rate at Draft RV stage. It agreed that this could be rolled out progressively, for ‘standard’ shops, offices and warehouses & workshops - valued using the Comparative method in the first instance, with a view of expanding the list to all properties valued using this method at future revaluations.”

42. The draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022 rely on the Town and Country Planning (Use Classes) (Scotland) Order 1997 to define these categories, and require the inclusion in the notice of the location of the properties the rental evidence of which was taken into account in determining the rateable value of the lands and heritages covered by the notice.

Question 5a) - Do you have any comments on the draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022?

Question 5b) - What are your views on whether or not it is appropriate to use The Town and Country Planning (Use Classes) (Scotland) Order 1997 to describe the property types covered by the requirement to set out the location of similar properties whose rental evidence has been considered?

Question 5c) - What are your views on whether additional requirements should be set out for the information to be included in valuation notices for all or some lands and heritages?

PART 7: RESPONDING TO THIS CONSULTATION

We are inviting responses to this consultation by 15 December 2021.

Please respond to this consultation using the Scottish Government's consultation hub, Citizen Space (<http://consult.gov.scot>). Access and respond to this consultation online at:

<https://consult.gov.scot/local-government-and-communities/non-domestic-rates-processes>

You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date of 15 December 2021.

If you are unable to respond online, please complete the Respondent Information Form (see Annex F) to:

LG Finance, Local Taxation Policy and Business Rates Unit
Scottish Government
Area 3G North
Victoria Quay
Edinburgh
EH6 6QQ

Handling your response

If you respond using the consultation hub, you will be directed to the About You page before submitting your response. Please indicate how you wish your response to be handled and, in particular, whether you are happy for your response to be published. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

If you are unable to respond via Citizen Space, please complete and return the Respondent Information Form included in this document at Annex F.

To find out how we handle your personal data, please see our privacy policy: <https://www.gov.scot/privacy/>

Next steps in the process

Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at <http://consult.gov.scot>. If you use the consultation hub to respond, you will receive a copy of your response via email.

Following the closing date, all responses will be analysed and considered along with

any other available evidence to help us. Responses will be published where we have been given permission to do so.

Comments and complaints

If you have any comments about how this consultation exercise has been conducted, please send them to the contact address above or at ndr@gov.scot.

Scottish Government consultation process

Consultation is an essential part of the policy-making process. It gives us the opportunity to consider your opinion and expertise on a proposed area of work.

You can find all of our consultations online: <http://consult.gov.scot>. Each consultation details the issues under consideration, as well as a way for you to give us your views, either online, by email or by post.

Responses will be analysed and used as part of the decision making process, along with a range of other available information and evidence. We will publish a report of this analysis for every consultation. Depending on the nature of the consultation exercise the responses received may:

- indicate the need for policy development or review
- inform the development of a particular policy
- help decisions to be made between alternative policy proposals
- be used to finalise legislation before it is implemented.

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

ANNEX A: Draft regulations – The Valuation (Proposals Procedure) (Scotland) Regulations 2022

SCOTTISH STATUTORY INSTRUMENTS

2022 No.

RATING AND VALUATION

The Valuation (Proposals Procedure) (Scotland) Regulations 2022

<i>Made</i>	- - - - -	[]
<i>Laid before the Scottish Parliament</i>		[]
<i>Coming into force</i>	- -	[]

The Scottish Ministers make the following Regulations in exercise of the powers conferred by section 3ZA(7) of the Local Government (Scotland) Act 1975(5) and all other powers enabling them to do so.

Citation and commencement

1. These Regulations may be cited as the Valuation (Proposals Procedure) (Scotland) Regulations 2022 and come into force on 1 January 2023.

Interpretation

2.—(1) In these Regulations—

“the 1956 Act” means the Valuation and Rating (Scotland) Act 1956(6),

“the 1975 Act” means the Local Government (Scotland) Act 1975,

“the 1995 Order” means the Valuation Timetable (Scotland) Order 1995(7),

“appeal” means an appeal under section 3ZB of the 1975 Act,

“assessor” means an assessor appointed under section 27(2) of the Local Government etc. (Scotland) Act 1994(8) and includes a depute assessor,

“electronic communication” has the meaning given in section 15(1) of the Electronic Communications Act 2000(9),

“proposal” means a proposal made under section 3ZA(1) of the 1975 Act for alteration of an entry in the valuation roll,

(5) 1975 c. 30. Section 3ZA was inserted by section 10 of the Non-Domestic Rates (Scotland) Act 2020 (asp 4).

(6) 1956 c.60.

(7) S.S.I. 1995/164.

(8) 1994 c. 39.

(9) 2000 c. 7. Section 15(1) was amended by paragraph 158 of schedule 17 of the Communications Act 2003 (c. 21).

“proposer” means a proprietor, tenant or occupier of lands and heritages who makes a proposal under section 3ZA(1) of the 1975 Act,

“rateable value” means—

(a) the value within the meaning of section 6(9) of the 1956 Act⁽¹⁰⁾, or

(b) where the lands and heritages fall within the description in section 7B of the 1956 Act⁽¹¹⁾ (rateable value of certain buildings used for rearing horses), the amount which is to be taken as their rateable value in terms of that section and a note to the effect that the rateable value is determined according to section 7B of the 1956 Act,

“revaluation year” means the year of revaluation as defined in section 37 of the 1975 Act,

“valuation roll” means the roll made up under section 1(1) of the 1975 Act,

(2) For the purpose of these Regulations, a proposal is “determined” if a decision is made by the assessor in accordance with section 3ZA(6) of the 1975 Act..

Sending documents by electronic communication

3.—(1) Where the criteria in paragraph (2) are met—

(a) any document sent in relation to a proposal may be sent by electronic communication, and

(b) a notice or document sent electronically fulfils any requirement in these Regulations that a notice or document is to be in writing.

(2) The criteria are—

(a) the recipient consents either—

(i) explicitly by nominating and, in the case of an assessor, publishing an address for the purposes of electronic communications, or

(ii) implicitly by having used electronic communications in relation to a proposal, and

(b) the notice or document sent by electronic communication—

(i) is capable of being accessed by the recipient,

(ii) makes the information it contains available to the recipient to no lesser extent than it would be if sent as a document in printed form, and

(iii) is sufficiently permanent to be used for subsequent reference.

Application

4. These Regulations apply to any proposal made to an assessor under section 3ZA(1) of the 1975 Act.

Proposal requirements

5.—(1) A proposal must—

(a) be made in writing by or with the authority of the proposer, such authority being evidenced when submitting the proposal, in accordance with sub-paragraph (d)(ii),

(b) be made within the timescale set out in the schedule of the 1995 Order⁽¹²⁾,

(c) be made to the assessor who is responsible for valuing the lands and heritages to which the proposal relates,

(d) include—

(i) a copy of the most recent valuation notice setting out the entry in the valuation roll in respect of which the proposal is made, or, where the most recent notice cannot be provided, an indication

⁽¹⁰⁾ Section 6(9) was amended by schedule 3 of the Local Government (Financial Provisions) (Scotland) Act 1963 (c.12) and schedule 6 of the Non-Domestic Rates Etc. (Scotland) Act 1987 (c.47).

⁽¹¹⁾ Section 7B was inserted by paragraph 4 of schedule 6 of the Local Government and Housing Act 1989 (c.42).

⁽¹²⁾ The schedule is relevantly amended by S.S.I. 2022/XX.

of the location of the lands and heritages to which the entry relates, the rateable value of the lands and heritages and the name, address and contact details of the proposer,

- (ii) if the proposal is being submitted by an individual on behalf of the proposer, evidence that the individual has the authority to make the proposal on behalf of the proposer, and the full name, address and contact details of the individual,
- (iii) the detailed grounds on which the proposal is made,
- (iv) any evidence to support the grounds of the proposal,
- (v) a statement as to how the evidence supports the grounds of the proposal,
- (vi) an indication as to how the proposer wishes the assessor to alter the entry in the valuation roll, including, where relevant, the altered rateable value sought, expressed in pounds sterling, and
- (vii) the date from which the proposer considers the proposed alteration should have effect.

(2) For the avoidance of doubt, any proposal must be made in respect of only one entry in the valuation roll.

Incomplete proposals

6—(1) The assessor must refuse to consider a proposal which the assessor considers does not contain all of the information required under regulation 5 (proposal requirements), such a proposal being referred to as an “incomplete proposal.”

(2) If the assessor considers a proposal to be incomplete, the assessor must send to the proposer a notice of refusal specifying—

- (a) the reason(s) why the proposal is considered to be incomplete, and
- (b) the date the notice is sent.

(3) Where a proposal is considered by an assessor to be incomplete, the proposer may—

- (a) no later than the end of the period of 14 days beginning with the date on which the notice under paragraph (2) was sent by the assessor, request that the decision of the assessor that the proposal is incomplete be reviewed,
- (b) no later than the end of the period of 56 days beginning with the date on which the notice under paragraph (2) was sent by the assessor, make a further proposal on the same grounds in respect of the same entry in the valuation roll, in order to attempt to remedy the matter causing the proposal to be considered incomplete.

Acknowledgement of proposal

7—(1) Subject to paragraph (2), the assessor must send to the proposer an acknowledgment, in writing, of receipt of the proposal, no later than the end of the period of 56 days beginning with the date on which the proposal was received.

(2) Paragraph (1) does not apply where a proposal is considered to be incomplete for the purposes of regulation 6 (incomplete proposals).

(3) The assessor must provide the following information with the acknowledgement of receipt—

- (a) the date on which the assessor received the proposal, and
- (b) the date of issue of the acknowledgement.

(4) For the purpose of these Regulations, the date on which the assessor received a proposal is to be taken to be the date stated in the acknowledgement.

Withdrawal of proposal after intimation to the assessor

8—(1) The proposer may withdraw their proposal at any time before it has been decided by the assessor, by giving notice of the withdrawal of the proposal to the assessor in writing.

(2) On receipt of a notice under paragraph (1) the assessor must treat the proposal as withdrawn.

Notice of proposal determination date and request to alter timing

9—(1) Where a proposal has been made to the assessor and has not been withdrawn in accordance with regulation 8 (withdrawal of a proposal after intimation to the assessor), the assessor must send to the proposer a written notice of the proposal determination date, in accordance with the schedule of the 1995 Order.

(2) If the proposer considers that, applying the proposal determination date, the decision on the proposal is not due to be made within a reasonable period, the proposer may request that the decision be made within such other period as the proposer specifies, being a period of not less than 70 days beginning with the date on which the request is made.

(3) The assessor may alter the proposal determination date, as a result of a request made under paragraph (2) above.

(4) Where a proposal determination date is altered under paragraph (3), any reference in these Regulations to information being sent within a specified period of time before the proposal determination date is to be read as relating to the proposal determination date as altered.

(5) If the assessor declines to alter the proposal determination date as a result of a request under paragraph (3) above, the assessor must notify the proposer accordingly, in writing, including reasons for so declining.

(6) Where the assessor alters the proposal determination date as a result of a request under paragraph (3), a revised notice of proposal determination date must be issued.

Information to be provided by assessor and proposer

10—(1) The assessor must, no later than 70 days before the proposal determination date, send to the proposer a written statement setting out the basis for the terms of the entry in the valuation roll in relation to which the proposal is made.

(2) The proposer may, no later than the end of the period of 14 days beginning with the date on which the statement under paragraph (1) is issued, send to the assessor a written statement in response.

Information to be provided to proposer

11—(1) The proposer may, no later than 56 days before the proposal determination date, request that the assessor provide the proposer with a list of all plant and machinery included in the valuation in respect of the entry in the valuation roll, or where there is no such plant and machinery, a statement to that effect.

(2) The assessor is to send the list requested under paragraph (1) to the proposer within the period of 28 days beginning with the date on which the request is made.

Provision of additional evidence by proposer

12—(1) The proposer may, in the circumstances set out in paragraphs (2) and (3), provide the assessor with further information relating to the grounds of the proposal, after the proposal is made but prior to the proposal determination date.

(2) The proposer may provide the assessor with further evidence relating to the grounds of the proposal, if that evidence did not exist at the time the proposal was made.

(3) The proposer and the assessor may agree in writing that the proposer may provide further evidence relating to the grounds of the proposal, if the evidence was not previously provided to the assessor under regulation 5(d)(iv), but was in existence and available to the proposer at the time the proposal was made.

(4) The proposer may send information under paragraph (2) or (3) to the assessor no later than the end of the period of 14 days beginning with the date on which the statement under regulation 10(1) is issued.

Postponement of decision on proposal

13—(1) The assessor may, at any time, postpone the proposal determination date by intimating the postponement to the proposer within a reasonable time of the decision to postpone.

(2) No postponement may take place which causes notice of the decision on the proposal to be sent to the proposer on a date later than the last date set by the schedule of the 1995 Order.

(3) Where a postponement takes place under paragraph (2), any reference in these Regulations to information being sent within a specified period of time before the proposal determination date is to be read as relating to the proposal determination date as altered by the postponement.

Relaxation of timescales

14—(1) Where information is required to be supplied to the assessor under these Regulations, within a specified period of time, the assessor may extend the period for doing so.

(2) For the avoidance of doubt, no alteration may be made to the timescale set out in the schedule of the 1995 Order for making a proposal.

Notice of decision on a proposal

15—(1) An assessor must send notice of the decision in respect of the proposal to the proposer, in writing, on or before the proposal determination date.

(2) The notice sent under paragraph (1) must include reasons for the decision, except where the decision falls under section 3ZA(6)(a) of the 1975 Act.

St Andrew's House,
Edinburgh

2022

[]
Authorised to sign by the Scottish Ministers

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision as to the making of proposals by proprietors, tenants and occupiers of lands and heritages for alteration of entries in the valuation roll. This includes a requirement to set out the basis on which the proposed alteration to the valuation roll is sought, detail of the information to be supplied as part of the proposal, and the procedure in the event that the requirement to supply certain information is considered not to have been met.

Regulations 9, 13 and 14 deal with issues of timing, including where it is considered that the timeframe set for an assessor to make a decision on a proposal is not a reasonable one, and where the assessor is to be requested to extend the time period for the proposer to submit particular information.

ANNEX B: Draft regulations – The Valuation Timetable (Scotland) Amendment Order 2022

SCOTTISH STATUTORY INSTRUMENTS

2022 No.

RATING AND VALUATION

The Valuation Timetable (Scotland) Amendment Order 2022

<i>Made</i> - - - -	2022
<i>Laid before the Scottish Parliament</i>	April 2022
<i>Coming into force</i> - -	April 2022

The Scottish Ministers make the following Order in exercise of the powers conferred by sections 13(1) and 42(1) of the Valuation and Rating (Scotland) Act 1956(**13**) and all other powers enabling them to do so.

Citation and commencement

1. This Order may be cited as the Valuation Timetable (Scotland) Amendment Order 2022 and comes into force on X April 2022.

Amendment of the principal Order

2. In the Valuation Timetable (Scotland) Order 1995(**14**), in the Schedule(**15**)—

(a) after the second entry in column 1, insert as a new row—

“Publication by the assessor of a draft of the valuation roll, in accordance with section 1B of the Local Government (Scotland) Act 1975(**16**)”,

(b) after the second entry in column 2, insert as a new row—

“30 November in the year preceding a year of revaluation.”.

⁽¹³⁾ 1956 c.60. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46). Section 13(1) was modified in its effect by section 22(d) of the Local Government (Financial Provisions) (Scotland) Act 1963 (c.12) and amended by paragraph 20(a) of schedule 6 of the Local Government (Scotland) Act 1975 (c.30),

⁽¹⁴⁾ S.I. 1995/164.

⁽¹⁵⁾ There are amendments to the Schedule which are not relevant to this Order.

⁽¹⁶⁾ 1975 c.30. Section 1B was inserted into the Local Government (Scotland) Act 1975 by section 8 of the Non-Domestic Rates (Scotland) Act 2020 (asp 8).

Name

A member of the Scottish Government

St Andrew's House,
Edinburgh
Date

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Valuation Timetable (Scotland) Order 1995, in line with the introduction of a requirement for assessors to publish a draft valuation roll for each valuation area, prior to a valuation roll being made up under section 1(1) of the Local Government (Scotland) Act 1975 (c.30). It sets out the date in the year preceding a revaluation year on which assessors must publish the draft roll.

ANNEX C: Draft regulations – The Valuation Timetable (Scotland) Amendment (No.2) Order 2022

SCOTTISH STATUTORY INSTRUMENTS

2022 No.

RATING AND VALUATION

The Valuation Timetable (Scotland) Amendment (No. 2) Order 2022

<i>Made</i> - - - -	2022
<i>Laid before the Scottish Parliament</i>	2022
<i>Coming into force</i> - -	2023

The Scottish Ministers make the following Order in exercise of the powers conferred by sections 13(1) and 42(1) of the Valuation and Rating (Scotland) Act 1956⁽¹⁷⁾ and all other powers enabling them to do so.

Citation and commencement

1. This Order may be cited as the Valuation Timetable (Scotland) Amendment (No. 2) Order 2022 and comes into force on 1 January 2023.

Amendment of the principal Order

2. In the Valuation Timetable (Scotland) Order 1995⁽¹⁸⁾, in the schedule⁽¹⁹⁾—

(a) in column 1 of the fifth entry, for the words from “the last date” to the end, substitute, “ the last date for making a proposal under section 3ZA(1) of the Local Government (Scotland) Act 1975⁽²⁰⁾ where the circumstances in section 3ZA(2)(a) apply”;

(b) in column 2 of the fifth entry—

(i) for “30th September” in paragraph (i), substitute “31 July”,

(ii) for “6” in paragraph (ii), substitute “4”,

(c) after the fifth entry, insert the following:

“Last date for making a proposal under section 3ZA(1) of the Local Government (Scotland) Act 1975 on the basis of the following provisions—

The last day of the period of four months beginning with the date on which the person

⁽¹⁷⁾ 1956 c.60. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46). Section 13(1) was modified in its effect by section 22(d) of the Local Government (Financial Provisions) (Scotland) Act 1963 (c.12) and amended by paragraph 20(a) of schedule 6 of the Local Government (Scotland) Act 1975 (c.30),

⁽¹⁸⁾ S.I. 1995/164.

⁽¹⁹⁾ There are amendments to the Schedule which are not relevant to this Order.

⁽²⁰⁾ Section 3ZA was inserted into the Local Government (Scotland) Act 1975 by section 10(4) of the Non-Domestic Rates (Scotland) Act 2020 (asp 8).

<p>(a) section 3ZA(2)(b) of the Local Government (Scotland) Act 1975</p> <p>(b) section 3ZA(2)(c) of the Local Government (Scotland) Act 1975</p> <p>(c) Section 3ZA(2)(d) of the Local Government (Scotland) Act 1975</p>	<p>making the proposal became the proprietor, tenant or occupier of the lands and heritages to which the proposal relates,</p> <p>the last day of the period of four months beginning with the date on which the alleged material change of circumstances first occurred,</p> <p>whichever is the latest of the following dates—</p> <p>(i) 31 July in the year of revaluation,</p> <p>(ii) the last day of the period of four months beginning with the date on which the relevant notice under section 3(2) of the Local Government (Scotland) Act 1975 is issued⁽²¹⁾.</p>
<p>Last date for the assessor to issue notice of a decision on a proposal made under section 3ZA(1) of the Local Government (Scotland) Act 1975</p>	<p>Whichever is the latest of the following dates—</p> <p>(i) 30 June in the year before the revaluation year which follows the valuation to which the proposal relates,</p> <p>(ii) 30 June in the year after the year in which the proposal is made,</p> <p>(iii) the last day of the period of 12 months beginning with the date on which the proposal is made to the assessor.</p>
<p>Last date for the assessor to issue notice of the date on or before which the assessor intends in practice to issue a decision on a proposal made under section 3ZA(1) of the Local Government (Scotland) Act 1975 (“proposal determination date”)</p>	<p>70 days before the proposal determination date.</p>
<p>Last date for lodging an appeal under section 3ZB(1) of the Local Government (Scotland) Act 1975 in relation to a proposal made under section 3ZA(1) of that Act—</p> <p>(a) where a decision has been made in respect of the proposal</p>	<p>The last day of the period of 14 days beginning with the date on which the notice of decision in respect of the proposal is issued,</p>

⁽²¹⁾ Section 3(2) was amended by schedule 4 of the Local Government and Rating Act 1994 (c.29).

<p>(b) where a proposal determination date has been issued in relation to the proposal but no notice of decision is issued on or before the proposal determination date</p> <p>(c) where a proposal has been accepted as complete, but no notice of proposal determination date has been issued</p>	<p>the last day of the period of 14 days beginning with the proposal determination date,</p> <p>14 days after the beginning of the period of 70 days before the last date for the assessor to issue notice of a decision on the proposal. “</p>
<p>Last date for lodging a complaint—</p> <p>(a) under section 13 of the Lands Valuation (Scotland) Act 1854⁽²²⁾</p> <p>(b) under section 6 of the of the Valuation of Lands (Scotland) Amendment Act 1879⁽²³⁾</p>	<p>Whichever is the latest of the following dates—</p> <p>(i) 31 July in the year of revaluation,</p> <p>or</p> <p>(ii) the last day of the period of four months beginning with the date on which the relevant notice under section 3(2) of the Local Government (Scotland) Act 1975 is issued⁽²⁴⁾.”</p>

(d) delete the sixth entry in its entirety.

Name
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Edinburgh
Date

EXPLANATORY NOTE

(This note is not part of the Order)

⁽²²⁾ 1854 c.91. Section 13 was amended by S.R. &O. 1930/1026.

⁽²³⁾ 1879 c.42.

⁽²⁴⁾ Section 3(2) was amended by schedule 4 of the Local Government and Rating Act 1994 (c.29).

This Order makes amendments to the Valuation Timetable (Scotland) Order 1995. It sets out the last dates for the making of proposals for alteration of entries in the valuation roll, as well as for the making of decisions on such proposals. It also adjusts the last dates for lodging of appeals and complaints, and removes reference to final dates for disposal of appeals and complaints by a valuation appeal committee.

ANNEX D: Draft regulations – The Valuation Roll and Valuation Notice (Scotland) Order 2023

SCOTTISH STATUTORY INSTRUMENTS

2023 No.

RATING AND VALUATION

The Valuation Roll and Valuation Notice (Scotland) Order 2023

<i>Made</i> - - - -	2023
<i>Laid before the Scottish Parliament</i>	2023
<i>Coming into force</i> - -	2023

The Scottish Ministers make the following Order in exercise of the powers conferred by sections 1(1), 3(2), 35(2) and (3) and 37(1) of the Local Government (Scotland) Act 1975(25) and all other powers enabling them to do so.

Citation, commencement and interpretation

1—(1) This Order may be cited as the Valuation Roll and Valuation Notice (Scotland) Order 2023 and comes into force on X February 2023.

(2) In this Order—

“the 1956 Act” means the Valuation and Rating (Scotland) Act 1956(26),

“the 1975 Act” means the Local Government (Scotland) Act 1975(27),

“the 1992 Act” means the Local Government Finance Act 1992(28),

“appeal” means an appeal under section 3ZB of the 1975 Act(29),

“the First-tier Tribunal” means the First-tier Tribunal for Scotland Local Taxation Chamber,

“material change of circumstances” has the meaning given in section 37(1) of the 1975 Act,

“proposal” means a proposal for alteration of an entry in the valuation roll, made under section 3ZA(1) of the 1975 Act(30),

“proposal determination date” has the meaning given in the schedule of the Valuation Timetable (Scotland) Order 1995(31),

“year of revaluation” has the meaning given in section 37 of the 1975 Act(32),

(25) 1975 c.30. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46).

(26) 1956 c.60.

(27) 1975 c.60.

(28) 1992 c.14.

(29) Section 3ZB was inserted by section 10(4) of the Non Domestic Rates (Scotland) Act 2020 (asp 4).

(30) Section 3ZA was inserted by section 10(4) of the Non Domestic Rates (Scotland) Act 2020.

(31) S.I. 1995/164. The schedule was relevantly amended by S.S.I. 2020/XX.

(32) The definition was amended by S.I. 1982/1122, S.S.I. 2020/418 and section 2(b) of the Non-Domestic Rates (Scotland) Act 2020.

Form of valuation roll

- 2—(1) Any valuation roll which comes into force on or after 1 April 2023—
- (a) is to be in tabular form, and
 - (b) is to include the information set out in paragraph (2).
- (2) The following information to be included, in relation to any lands and heritages shown in the valuation roll—
- (a) the description and situation of the lands and heritages,
 - (b) the name or names of the proprietor, tenant and occupier of the lands and heritages, as appropriate, together with their designations as such,
 - (c) the net annual value of the lands and heritages, determined under section 6(8) of the 1956 Act,
 - (d) the rateable value of the lands and heritages—
 - (i) within the meaning of section 6(9) of the 1956 Act,⁽³³⁾ or
 - (ii) where the lands and heritages fall within the description in section 7B of the 1956 Act⁽³⁴⁾ (rateable value of certain buildings used for rearing horses), the amount which is to be taken as their rateable value in terms of that section and a note to the effect that the rateable value is determined according to section 7B of the 1956 Act,
 - (e) the date of the taking effect of any alteration in the valuation roll in relation to the lands and heritages which is made under section 2 of the 1975 Act (alterations to the valuation roll which is in force),
 - (f) any apportionment note relating to the lands and heritages which is required to be entered in the valuation roll by schedule 5 of the 1992 Act,
 - (g) the date of the taking effect of any alteration to the entry in the valuation roll relating to the lands and heritages which is required to be shown in the valuation roll by paragraph 10 of schedule 5 of the 1992 Act (alterations consisting of an addition, deletion or amendment of an apportionment note),
 - (h) where the lands and heritages fall within the description in section 1 of the Valuation for Rating (Scotland) Act 1970⁽³⁵⁾ (buildings used for livestock production), the distinguishing mark or other indication to that effect which is required to be shown in the valuation roll by section 1(7) of that Act,
 - (i) where the lands and heritages consist of a salmon fishery which is required to be entered on the valuation roll by section 11(2) or (3) of the Salmon Act 1986⁽³⁶⁾ (cases where the assessor is required, on certain requests being made to them, to value the fishery and enter it on the valuation roll), a note to that effect.

Form of valuation notice

- 3—(1) The notice which an assessor is required to issue by section 3(2) of the 1975 Act (“the valuation notice”), in relation to lands and heritages in a valuation roll in force on or after 1 April 2023)—
- (a) is to be in tabular form, and
 - (b) is to include the information which is required by article 2 to be shown in the valuation roll in relation to the lands and heritages.
- (2) The valuation notice must also include the information described in the schedule of this Order, unless the valuation notice relates to an alteration made to the valuation roll—

⁽³³⁾ Section 6(9) was amended by schedule 3 of the Local Government (Financial Provisions) (Scotland) Act 1963 (c.12) and schedule 6 of the Non-Domestic Rates Etc. (Scotland) Act 1987 (c.47).

⁽³⁴⁾ Section 7B was inserted by paragraph 4 of schedule 6 of the Local Government and Housing Act 1989 (c.42).

⁽³⁵⁾ 1970 c.4.

⁽³⁶⁾ 1986 c.62.

- (a) because an agreement under section 2(3) of the 1975 Act⁽³⁷⁾ is reached with the assessor on a challenge to an entry in the valuation roll, provided the valuation notice is issued to the person who reached the agreement, or
- (b) under section 2(1A) of the 1975 Act⁽³⁸⁾ as a result of a proposal or appeal made by a proprietor, tenant or occupier.

Amendment of the Valuation Roll and Valuation Notice (Scotland) Order 1989

4. In the Valuation Roll and Valuation Notice (Scotland) Order 1989⁽³⁹⁾, after article 1, insert—

“(1A) This Order does not apply to any valuation roll, or to any valuation notice issued in relation to an entry in a valuation roll, which comes into force on or after 1 April 2023.”

Name

A member of the Scottish Government

St Andrew’s House,
Edinburgh
Date

⁽³⁷⁾ Section 2(3) was amended by paragraph 15 of schedule 2 of the Rating and Valuation (Amendment)(Scotland) Act 1984 (c.31).

⁽³⁸⁾ Section 2(1A) was inserted by section 10(2)(a) of the Non-Domestic Rates (Scotland) Act 2020 (asp 4).

⁽³⁹⁾ S.I. 1989/2385.

Lodging a proposal and appeal

- 1.—(1) A proposal may be made in writing to the assessor in the event that any of the following applies—
- (a) the values shown in a valuation notice are considered to be too high, in comparison to other similar properties, or there is a wish to alter anything else set out in a valuation notice, but see also paragraph (5),
 - (b) a material change of circumstances is considered to have arisen since the relevant entry in the valuation roll, as set out in the valuation notice, was made,
 - (c) the relevant entry in the valuation roll is thought to contain an error relating to measurement, survey or classification, or a clerical or arithmetical error,
 - (d) a person becomes the proprietor, tenant or occupier of a property already included in the valuation roll, and wishes an alteration to be made to the relevant entry in the valuation roll.
- (2) A proposal should set out how the proprietor, tenant or occupier of the property wishes the entry in the valuation roll in relation to the relevant property to be altered.
- (3) Where an agreement cannot be reached with the assessor on alteration of the entry, an appeal may be made to the First-tier Tribunal for Scotland, in the circumstances set out in sub-paragraph (4), and within the timescale set out in paragraph 5 or, as the case may be, paragraph 6.
- (4) An appeal may be made—
- (a) against a decision of the assessor—
 - (i) not to alter the entry, or
 - (ii) to alter the entry otherwise than in accordance with the proposal, or with an agreement reached between the proprietor, tenant or occupier and the assessor, in writing, after the proposal was made, or
 - (b) where the period for bringing an appeal has begun, and the assessor has not yet made a decision in respect of the proposal.
- (5) An appeal made under the circumstances set out in paragraph (4)(b) is dealt with as though it were an appeal against a decision of the assessor not to alter the relevant entry in the valuation roll.
- (6) No proposal may be made, in response to a valuation notice, where the entry in the valuation roll as set out in the notice reflects an agreement reached between the assessor and the proprietor, tenant or occupier under section 1(3A) of the 1975 Act, before the valuation roll came into force.
- (7) Further restrictions on the making of proposals, relating to the situation where a new valuation notice is issued as a result of a change to an entry in the valuation roll, are set out in paragraph 8.

Appeal hearing

- 2.—(1) An appeal hearing will take place before the First-tier Tribunal, unless—
- (a) the appeal is withdrawn before the date set for the hearing, or
 - (b) a successful request is made under regulation 3 to have the appeal referred to the Upper Tribunal for Scotland.
- (2) Once an appeal is brought, the appeal may be withdrawn only with the approval of the First-tier Tribunal.

Referral to the Upper Tribunal for Scotland

- 3.—(1) The appellant, or as the case may be, the assessor, may make a request to the First-tier Tribunal that the appeal be referred to be dealt with by the Upper Tribunal for Scotland, provided the conditions in paragraph (2) are met.
- (2) The conditions are—
- (a) the request is submitted no later than 21 days before the date on which the hearing is scheduled to take place before the First-tier Tribunal,

- (b) the person making the request is of the view that the issues raised by the appeal are of such complexity or importance as to justify referral to the Upper Tribunal for Scotland.

Time limits for making a proposal

- 4.**—(1) A proposal must be made within the following timescales—
- (a) where the proposal is made as a result of the issue of a valuation notice, no later than four months from the date on which the relevant notice was issued, or, if later, 31 July in the year following a revaluation year,
 - (b) where the proposal is made as a result of a person becoming the proprietor, tenant or occupier of a property, no later than four months from the date on which the person making the proposal became the proprietor, tenant or occupier,
 - (c) where the proposal is made as a result of an alleged material change of circumstances, no later than four months from the date on which the alleged change of circumstances first occurred,
 - (d) where the proposal is made under as a result of an alleged error in the relevant entry in the valuation roll, no later than four months from the date on which the most recent valuation notice relating to the entry was issued or, if later, 31 July in the year following the revaluation year.
- (2) Where periods of four months are referred to in this paragraph, the date on which the circumstances described occur is to be taken to be the first day of the four month period.

Time limits for bringing an appeal

- 5.**—(1) An appeal—
- (a) must be submitted in writing to the First-tier Tribunal, and
 - (b) must be received by the First-tier Tribunal on or before the last date set out in sub-paragraph (2), unless the circumstances in paragraph 6 apply.
- (2) The last date for submitting an appeal, in each of the circumstances described in paragraph 4(a) to (d), is 14 days from the date of issue of the decision in respect of the proposal or, where no decision is issued on or before the proposal determination date, from the proposal determination date.
- (3) Where periods of 14 days are referred to in this paragraph, the date of issue of the decision, or, where relevant, the proposal determination date is to be taken to be the first day of the 14 day period.

Time limit for bringing an appeal where no proposal determination date has been set

- 6.**(1) Where the assessor accepts a proposal as being complete, but fails to set a proposal determination date, the last date for lodging an appeal is 14 days after the beginning of the period of 70 days before the end date on or before which the assessor must issue a decision on the proposal.
- (2) The end date on or before which the assessor must issue a decision on the proposal is whichever is the latest of:
- (a) 30 June in the year before the revaluation year which follows the valuation to which the proposal relates,
 - (b) 30 June in the year after the year in which the proposal is made,
 - (c) the last day of the period of 12 months beginning with the date on which the proposal is made.

Power of the assessor to change a valuation roll before the roll comes into force

- 7.** The assessor may change a valuation roll before it comes into force—
- (a) to reflect representations made by a person who receives a draft valuation notice under section 1B of the 1975 Act,
 - (b) to reflect an agreement reached, in writing, between the assessor and the proprietor, tenant or occupier of a property as to the content of the entry in the valuation roll,

- (c) to correct any error of measurement, survey or classification or any clerical or arithmetical error,
- (d) to take account of a material change of circumstances arising since the roll was drawn up, affecting the value of a property,
- (e) for any other reason the assessor considers appropriate.

Powers of the assessor to change a valuation roll after the roll comes into force and issue of new valuation notice

- 8**—(1) The assessor may change a valuation roll, after the valuation roll comes into force, by—
- (a) correcting any error of measurement, survey or classification or any clerical or arithmetical error,
 - (b) taking account of a material change of circumstances affecting the value of a property,
 - (c) giving effect to—
 - (i) a decision made as a result of a proposal under section 3ZA(1) of the 1975 Act for alteration of an entry in a valuation roll,
 - (ii) an agreement reached with the assessor under section 2(3) of the 1975 Act, before an appeal is dealt with,
 - (iii) the determination of an appeal by a court or tribunal.
- (2) Where an entry is changed in line with paragraph (1), a new valuation notice will be issued.
- (3) (a) A proposal may be made in response to a new valuation notice, except in the circumstances set out in sub-paragraph (4).
- (b) Following a proposal in response to a new valuation notice, a right of appeal may be exercised where one of the situations outlined in paragraph 1(4) above applies.
- (4) No proposal may be made, and, therefore, no appeal may be brought where a new valuation notice is issued because any of the following applies—
- (a) an agreement is reached with the assessor under section 2(3) of the 1975 Act, after an appeal is brought but before it is dealt with,
 - (b)the assessor decides to alter an entry in a valuation roll in accordance with—
 - (i) a proposal as originally made, or
 - (ii) an agreement in writing reached between the assessor, and the person making the proposal, after the proposal was made,
 - (c) an entry in the valuation roll is altered to give effect to the outcome of an appeal.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order makes provision on the form of valuation rolls and valuation notices.

Article 2 prescribes the form of a valuation roll which comes into force on or after 1 April 2023.

Article 3, together with the schedule, sets out the information that is to be included in valuation notices issued on or after 1 April 2023.

Article 4 modifies the application of the Valuation Roll and Valuation Notice (Scotland) Order 1989 (S.I. 1989/2385) which currently prescribes the forms of valuation rolls and valuation notices. The 1989 Order will not apply to valuation rolls which come into force on or after 1 April 2023, nor to valuation notices issued in relation to entries in such rolls.

Annex E: Draft regulations – The Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022

Draft regulations laid before the Scottish Parliament under section 23(1) of the Non-Domestic Rates (Scotland) Act 2020 for approval by resolution of the Scottish Parliament.

DRAFT SCOTTISH STATUTORY INSTRUMENTS

2022 No.

RATING AND VALUATION

The Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022

Made - - - - 2021

Coming into force - - 2021

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 1B(2)(c)(i) and 3(2ZA)(a) of the Local Government (Scotland) Act 1975(40), section 22(1) and (3) of the Non-Domestic Rates (Scotland) Act 2020(41) (“the 2020 Act”) and all other powers enabling them to do so.

In accordance with section 23(2) of the 2020 Act, the Scottish Ministers have consulted persons whom they consider to represent the interests of assessors and local authorities, as well as other persons the Scottish Ministers consider appropriate.

In accordance with section 23(1) of the 2020 Act, a draft of these Regulations has been laid before and approved by resolution of the Scottish Parliament.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022 and come into force on X June 2022.

(2) In these Regulations—

“the 1975 Act” means the Local Government (Scotland) Act 1975,

“draft valuation notice” means a notice issued under section 1B(1)(b) of the 1975 Act,

“final valuation notice” means a notice issued under section 3(2) of the 1975 Act(42),

⁽⁴⁰⁾ 1975 c.30. Section 1B was inserted by section 8 of the Non-Domestic Rates (Scotland) Act 2020 (asp 4) (“the 2020 Act”). Subsection (2ZA) was inserted into section 3 by section 9(a) of the 2020 Act.

⁽⁴¹⁾ 2020 asp 4. The powers to make these Regulations are exercised together by virtue of section 33(2) of the Interpretation and Legislative Reform (Scotland) Act 2010 (asp 10). These Regulations are subject to the affirmative procedure by virtue of section 33(3) of that Act.

⁽⁴²⁾ Section 3(2) was amended by schedule 4 of the Local Government and Rating Act 1997 (c.29).

“rateable value” has the meaning given in section 8(9) of the Valuation and Rating (Scotland) Act 1956⁽⁴³⁾,

“relevant lands and heritages” means lands and heritages falling within the following classes of use set out in the schedule of the Town and Country Planning (Use Classes)(Scotland) Order 1997⁽⁴⁴⁾—

Class 1 (shops),

Class 4 (business),

Class 6 (storage or distribution).

“rental evidence” includes size of similar properties with which a comparison is drawn.

Information on rateable value to be included in valuation notices

2—(1) This regulation applies to—

(a) draft valuation notices, issued on or after 30 November 2022, and

(b) final valuation notices, issued on or after 1 April 2023,

in relation to lands and heritages falling within paragraph (2).

(2) The lands and heritages falling within this paragraph are relevant lands and heritages whose rateable value is determined by comparison with other lands and heritages which—

fall within the same class of use, and

are of a similar size, character and location.

(3) A notice to which this regulation applies must include the location of properties the rental evidence of which was taken into account in determining the rateable value of the lands and heritages covered by the notice.

Issue of final valuation notice by uploading to account

3.—(1) Where the condition in paragraph (2) is met, an assessor may issue a final valuation notice by uploading the notice to an electronic account held by the recipient of the notice.

(2) The condition referred to in paragraph (1) is that the assessor and the recipient of the notice have, before the notice is issued, agreed in writing that the notice may be uploaded to the electronic account, from which the recipient may download the notice.

Name

A member of the Scottish Government

St Andrew’s House,

Edinburgh

Date

⁽⁴³⁾ 1956 c.60. Section 8(9) was amended by schedule 6 of the Abolition of Domestic Rates Etc. (Scotland) Act 1987 (c.47) and section 76(2)(a) of the Land Reform (Scotland) Act 2016 (asp 18).

⁽⁴⁴⁾ S.I. 1997/3061.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision in relation to valuation notices informing tenants, proprietors and occupiers of lands and heritages of the values upon which liability to pay non-domestic rates are to be based.

Regulation 2 imposes a requirement that, where a valuation notice is issued in relation to a property used as factory, warehouse, business or shop premises, the notice must, in certain circumstances, include an indication of the location of other properties, the rental evidence of which has been taken into account. The circumstances are where the rateable value set out in the notice has been determined by drawing a comparison with the rental evidence associated with similar properties which are used for the same purpose.

Regulation 3 provides that final valuation notices may be issued by uploading the notice to an electronic account held by the recipient of the notice. This may be done only with the written agreement of both the recipient, and the assessor of the relevant valuation authority.

Non-domestic rates: procedures in proposals and valuation notices, etc

RESPONDENT INFORMATION FORM

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:
<https://www.gov.scot/privacy/>

Are you responding as an individual or an organisation?

- Individual
- Organisation

Full name or organisation's name

Phone number

Address

Postcode

Email

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name
- Publish response only (without name)
- Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again

in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Yes

No



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