

No.	Recommendation	Narrative	Impact as a Rating Authority	Impact as a Ratepayer	Impact on Local Economy
1	A Business Growth Accelerator	A 12 month delay should be introduced before rates are increased when an existing property is expanded or improved and also before rates apply to a new build property.	<p>There is no likely immediate negative impact for ACC.</p> <p>This suggests delayed notification of increases to rateable values coming to us from the Assessor. It is envisaged that either the Assessor will have to “delay” the increase on the Valuation Roll or that a new relief type is introduced. For new builds, it is the same; either the Assessor delays entry to the Valuation Roll or there is a new relief type.</p> <p>The only adverse effect this may have is on Business Rates Incentivisation Scheme (BRIS); this “incentivises” local Authorities for business rates growth. If new or improved properties are delayed for billing purposes, this reduces the non-domestic rates income and consequently, BRIS.</p>	This could benefit ACC as it potentially reduces the rates burden on our estate for improved properties or new build properties.	In the short term the impact is likely to be slight. It may encourage property upgrading but the market is still very slow with little appetite for speculation. External considerations like Brexit do not encourage businesses to upgrade properties.
2	Three yearly revaluations from 2022	There should be three yearly revaluations from 2022 with valuations based on market conditions on a date one year prior (the ‘Tone date’).	There is no likely impact on ACC as this is a valuation matter involving the Grampian Assessor	This is likely to have minimal impact on ACC.	Businesses in the local economy will likely approve of this as it was widely requested in submissions to Barclay review.
3	The large business supplement should be reduced.	The large business supplement should be reduced for properties	There is no likely impact on ACC. The large business supplement varies year-on-year and is prescribed by statute. It is	This will benefit ACC as a large proportion of its estate has RV’s over £51,000 and	This could reduce tensions between small and large businesses

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		with rateable values currently over £51,000.	encompassed within the annual legislative updates	therefore the supplement is payable	where large businesses may feel they are subsidising small business/property especially if they are competitors
4	Relief for day nurseries	A new relief for day nurseries should be introduced to support childcare provision.	There is no likely impact on ACC. This will be a new relief type and determined by the appropriate legislation.	This may benefit ACC but only if the relief extends into the public sector (as opposed to what has been said about relief for private day nurseries).	This could benefit the economy. However, there are questions about whether the reduction in costs will be passed on to users of nursery provision in terms of lower costs.
5	Expanding Fresh Start relief.	Town Centres should be supported by expanding Fresh Start relief.	There is no likely impact on ACC. This is an existing relief type. Any extension to the current relief scheme may bring long-term empty subjects back into use which would increase NDRI in the long term.	There is potentially no impact on ACC as the ACC estate/property use may not meet the criteria.	This could have a positive effect but it is unlikely to be large in the short term at least. Much of the economy, especially retail is slow due to both the downturn in the oil and gas sector and Brexit concerns.
6	Plant and Machinery valuations	A separate review of Plant and Machinery valuations with particular focus on renewable energy	There is no likely impact on ACC. This is a valuation matter involving the Grampian Assessor.	This may have an impact on ACC in terms of any work carried out on its estate but any impact is likely to benefit ACC as the intent is to allow	This could provide a stimulus for improvement to properties.

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		sector valuations and statutory improvements to property including sprinkler systems.		such improvements to be carried out within a new valuation framework. However, it is likely that statutory improvements to sprinkler systems will affect domestic properties as a priority e.g. high rise tower blocks.	
7	Small Business Bonus Scheme (SBBS)	The effectiveness of the Small Business Bonus Scheme should be evaluated.	There is no likely impact on ACC. SBBS is currently legislated and any changes to this will be dealt with as an administrative and collection process.	There is no likely impact on ACC. There is no SBBS granted for any of ACC properties as they are cumulatively in excess of the prescribed rateable value threshold.	There is a significant number of small empty properties that currently enjoy full relief under SBBS. The need to pay rates will either open up the market or see demolition.
8	'road map' changes to the rating system	The Scottish Government should provide a 'road map' to explain changes to the rating system and should consult whenever possible on those changes, prior to implementation.	There is no likely impact on ACC. This is targeted more on the business community.	There is no likely impact on ACC. However, ACC could (or should) become involved in any consultation process.	The local business community would likely approve of this.

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9	Better information on rates	There should be better information on rates made available to ratepayers – co-ordinated by Scottish Government.	This will likely have minimal impact on ACC in terms of how we communicate with ratepayers and in-line with any nationally coordinated process.	There is no likely impact on ACC.	Making information available to the public will reduce rates avoidance and incorrect returns such as single occupancy returns.
10	List of recipients of rates relief	A full list of recipients of rates relief should be published to improve transparency.	There is a likely medium impact on ACC in terms of collating and publishing this information over and above what ACC administrative processes already do.	There is no likely impact on ACC.	There is no likely impact on the local economy.
11	“rateable value finder”	A “rateable value finder” product should be used – to identify properties that are not currently on the valuation roll, so as to share the burden of rates more fairly.	There is a small likely impact on ACC in terms of administering the scheme. Previous research has shown that the vast majority of non-domestic properties are entered to the Valuation Roll.	There is no likely impact on ACC.	There is minimal likely impact on the local economy.
12	Assessors should provide more transparency and consistency of approach.	Assessors should provide more transparency and consistency of approach. If this is not achieved voluntarily, a new Scotland wide Statutory Body should be created which would be accountable	There is no likely impact on ACC. This is a valuation matter involving the Grampian Assessor and/or the SAA.	There is no likely impact on ACC.	There is no likely impact on the local economy.

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		to Ministers.			
13	Civil penalty for non-provision of information to Assessors	The current criminal penalty for non-provision of information to Assessors should become a civil penalty and Assessors should be able to collect information from a wider range of bodies.	There is no likely impact on ACC. This is a valuation matter involving the Grampian Assessor and/or the SAA.	There is no likely impact on ACC.	There is no likely impact on the local economy.
14	Standardised rates bills	Standardised rates bills should be introduced across Scotland.	<p>There is a likely medium impact on ACC. A standardised bill will require consultation and agreement across 32 local authorities (LAs) together with ratepayer engagement.</p> <p>Software changes will also be needed.</p> <p>It is debatable how productive this recommendation is as it may “dilute” each local authority identity and be a precursor to a Pan-Scotland billing system.</p>	There is no likely impact on ACC.	There is no likely impact on the local economy.
15	Online billing	Ratepayers should be incentivised to sign up for online billing where available except in exceptional circumstances.	<p>There is a likely minimal impact on ACC System functionality already exists for e-billing; however, no customer-capture of details has been carried out.</p> <p>On-line billing fits with the current transformation model and can be</p>	There is no likely impact on ACC.	There is no likely impact on the local economy.

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			implemented as part of that exercise.		
16	Civil penalty for non-provision of information to councils	A new civil penalty for non-provision of information to councils by ratepayers should be created.	<p>There is a likely medium impact on ACC. This would require legislative support and changes to billing software.</p> <p>There would also be implications for recovery of not only the civil penalty but any associated rates (as one will impact on the ability (or willingness) to pay the other).</p> <p>This would also add to the administrative process as requests for information would have to be properly logged and follow-up action time-driven.</p>	There is no likely impact on ACC.	There is no likely impact on the local economy.
17	Refund overpayments	Councils should refund overpayments to ratepayers more quickly.	<p>Minimal to medium impact on ACC.</p> <p>Refunds of overpaid rates are already an administrative function. However, the expectation that refunds will be processed more quickly (e.g. within 28 days) will detract from other processes i.e. the actual focus of billing and collection.</p> <p>This also has resource implications.</p> <p>From a Treasury Management perspective, this is probably a positive suggestion as payments made as refunds will be reconciled more quickly.</p>	There is no likely impact on ACC.	There is no likely impact on the local economy.

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18	Initiate debt recovery at an earlier stage.	Councils should be able to initiate debt recovery at an earlier stage.	<p>There is a likely medium to high impact on ACC. This will mean NDR is in-line with council tax recovery and the implications are that the Council will issue Reminders and Final Notices earlier in the rating year as well as earlier Summary Warrant action.</p> <p>This has a positive implication for increased in-year cash collection (and earlier) but also an increase in enquiries/disputes until the recovery timetable has had time to become known.</p> <p>There are potential software changes to be made.</p>	There is no likely impact on ACC. Normal recovery processes do not apply to ACC accounts.	There is no likely impact on the local economy.
19	Reform of the appeals system	Reform of the appeals system is needed to modernise the approach, reduce appeal volume and ensure greater transparency and fairness.	There is a no likely impact on ACC. This is a valuation matter involving the Grampian Assessor and/or the SAA.	There is no likely impact on ACC. Appeals may be heard and disposed of/agreed more quickly in relation to block appeals for our estate.	There is no likely impact on the local economy.
20	A General Anti-Avoidance Rule	A General Anti-Avoidance Rule should be created to reduce avoidance and make it harder for loopholes to be exploited in future.	<p>There is a likely minimal impact on ACC. This will require changes to primary and secondary legislation and it may be some time before this recommendation is fulfilled.</p> <p>Any changes implemented will need to be understood by staff to ensure we utilise</p>	There is no likely impact on ACC.	There is no likely impact on the local economy.

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			the General Anti-Avoidance Rule effectively.		
21	The current 42 days reset period for empty property should be increased to 6 months	To counter a known avoidance tactic, the current 42 days reset period for empty property should be increased to 6 months in any financial year.	<p>There is a likely minimal impact on ACC. This recommendation is welcomed and will reduce the level of “speculative” empty property relief.</p> <p>Any changes will be accommodated within the current system functionality.</p>	<p>There is minimal impact on ACC. We do not use “avoidance” of empty property rates.</p> <p>However, we may need to consider how we deal with empty property assets to minimise the rates burden.</p>	There is minimal likely impact on the local economy.
22	Avoidance tactic for second homes	<p>To counter a known avoidance tactic for second homes, owners or occupiers of self-catering properties must prove an intention let for 140 days in the year and evidence of actual letting for 70 days.</p>	<p>There is a likely minimal impact on ACC. There is not a high level of second homes in Aberdeen which are deliberately let as self-catering.</p> <p>If this recommendation goes ahead, it is likely that the number of such properties reduces as they are removed from the valuation roll and/or the level of SBBS increases as many will have small rateable values.</p>	There is no likely impact on ACC.	There is minimal likely impact on the local economy.
23	Checking rates relief awarded	The Scottish Government should be responsible for checking rates relief awarded, to ensure compliance with legislation.	<p>There is a likely minimal impact on ACC. It is unknown how the SG will implement and enforce this recommendation.</p> <p>LAs currently provide a “relief snapshot” each year to the SG; it is presumed they will then have to cross-check the data.</p>	There is no likely impact on ACC.	There is no likely impact on the local economy.

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			<p>If this involves interaction with LAs then the impact will have to be raised to “Medium” as this could be a resource intensive process.</p>		
24	Charity relief should be reformed	Charity relief should be reformed/restricted for a small number of recipients.	<p>There is a likely minimal to medium impact on ACC.</p> <p>If the legislation is specific, this will clarify eligibility for charitable relief. However, this may require additional checks and verification and the process for applying may have to be more stringent.</p> <p>If less charitable relief is granted and by consequence, less discretionary relief, this will have a benefit to ACC as it reduces the amount we have to contribute (25% of the 20%).</p> <p>A revised relief policy will be required; this was in-hand for early 2018 anyway.</p>	<p>There is no direct likely impact on ACC. However, it will severely impact on ALEO’s.</p> <ul style="list-style-type: none"> - Sport Aberdeen * - APA ** - BAC/BASS - AECC <p>Any subsidy or cross-organisation funding by ACC to ALEO’s will have to be reviewed.</p>	<p>This may have a major impact on charity shops many of which occupy high profile locations in the high street leading to empty shops and undesirable streetscape especially when retail is nervous about future trading prospects</p>
25	Relief only for active occupation	To focus relief on economically active properties, only properties in active occupation should be entitled.	<p>There is a minimal likely impact on ACC. This will require legislation to be clear and unambiguous to allow ACC to implement the appropriate mechanism for awarding relief.</p> <p>It is assumed that this relates to <u>all</u> reliefs with the exception of empty relief and New Start Relief.</p> <p>If “active occupation” is a pre-requisite to</p>	<p>There is no likely impact on ACC.</p>	<p>If and when implemented it may introduce more properties to the market place affecting prices at the lower end.</p> <p>This together with greater avoidance procedures should improve</p>

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			relief, this will mean further property visits are needed to confirm the position.		transparency and encourage properties back into use thereby increasing NDRI (Non-Domestic Rates Income).
26	Encourage bringing empty property back into economic use	To encourage bringing empty property back into economic use, relief should be reformed to restrict relief for listed buildings to a maximum of 2 years and the rates liability for property that has been empty for significant periods should be increased.	<p>There is a minimal likely impact on ACC. This will be accommodated in changes to existing empty property relief and system functionality.</p> <p>Changes were already made from 01/04/2013 to empty property relief to reduce non-exempt properties from 50% to 10% relief, further changes were made from 2016 to reduce the full relief periods.</p>	<p>There is a minimal likely impact on ACC.</p> <p>However, any long term empty properties on our estate will need to be disposed of, used or tenanted to negate increases to empty property rates.</p>	There is a minimal likely impact on the local economy.
27	Sports club relief should be reviewed	Sports club relief should be reviewed to ensure it supports affordable community-based facilities, rather than members clubs with significant assets which do not require relief.	<p>There is a minimal likely impact on ACC. A review of our discretionary relief policy is already planned for early 2018. This recommendation would either supplant or enhance our own position.</p> <p>Our existing policy currently reduces the level of relief on a sliding scale from 100% to 25% depending on the financial standing of the club.</p>	There is no likely impact on ACC.	There is no likely impact on the local economy.
28	All property should	All property should be	There is a minimal likely impact on ACC.	There is a potential medium	There is no likely impact

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	be entered on the valuation roll	entered on the valuation roll (except public infrastructure such as roads, bridges, sewers or domestic use) and current exemptions should be replaced by a 100% relief to improve transparency.	<p>This is primarily a valuation matter for the Assessor; additional properties will have to be created on the Valuation Roll (VR) and those with current “valuation exempt” status will also have to be included.</p> <p>An additional “relief” would be legislative and system functionality would need to be amended.</p> <p>It appears that the reasoning behind this recommendation is to end “exemption” for agricultural lands and heritages, but the subsequent VR entries will then be replaced with a Rating Exemption or Relief</p>	likely impact on ACC. Other than parks and local authority land used for recreation, it is difficult to determine what other subjects could be entered to the VR.	on the local economy.
29	Commercial processing on agricultural land	Large scale commercial processing on agricultural land should pay the same level of rates as similar activity elsewhere so as to ensure fairness.	There is a no likely impact on ACC. There is very little (if any) commercial processing on agricultural land in Aberdeen.	There is no likely impact on ACC.	There is no likely impact on the local economy.
30	Current exempt parks and Local Authority (council) land vested in recreation	Commercial activity on current exempt parks and Local Authority (council) land vested in recreation should pay the same level of rates as similar activity elsewhere so as to	There is a minimal likely impact on ACC. These will be new entries to the VR and merely added to our Assessment Roll.	<p>There is a high likely impact on ACC.</p> <p>Current “valuation exempt” subjects like parks and recreation areas are to be entered to the VR. It is difficult to determine how these</p>	There is no likely impact on the local economy.

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		ensure fairness.		subjects can be valued. For instance at Duthie Park, the restaurant is entered to the VR (and charged) but the David Welch winter gardens are not. At Hazlehead, the restaurant is entered to the VR (and charged) but Pets Corner and the Maze are not.	

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