



Northern Ireland  
Assembly

Committee for Finance and Personnel

# OFFICIAL REPORT (Hansard)

Decapitalisation Rates and Other Relevant Issues:  
Department of Finance and Personnel

10 September 2014

# NORTHERN IRELAND ASSEMBLY

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**Members present for all or part of the proceedings:**

Mr Daithí McKay (Chairperson)  
Ms Michaela Boyle  
Mr Leslie Cree  
Mr Paul Girvan  
Mr John McCallister  
Mr Ian McCrea  
Mr Adrian McQuillan  
Mr Peter Weir

**Witnesses:**

Mr Andrew McAvoy                      Department of Finance and Personnel  
Mr Brian McClure                      Department of Finance and Personnel

**The Chairperson:** We move on to the next issue.

**Mr Brian McClure (Department of Finance and Personnel):** This is a revaluation issue, and we discussed it with Mr Girvan. I do not know whether there are any other points that you want to raise.

Like the review of public administration consultation, the level of engagement was very high. By that, I mean the quality of responses. We had a very useful process. As a consequence, the Department radically changed the approach that it had intended to take, and that proves the value of consultation.

It is a little bit of a techie subject area, but it does fundamentally affect the distribution of rates at a revaluation, so it was important that we went through the process. We are reasonably satisfied with the outcome, based on the initial results that we are aware of from the revaluation. It looks as though it is going to serve its purpose well.

**The Chairperson:** What about the cost implications?

**Mr McClure:** It is a redistribution, so it does not actually add to cost. However, it moderates the increases for certain ratepayers, most of whom are in the public sector, but they are not exclusively public sector. As I mentioned earlier, the airports and certain industrial properties are valued on that basis.

**The Chairperson:** Do members have any further points to make? Are you content?

*Members indicated assent.*

**The Chairperson:** OK, gentlemen. I have one final question. We received correspondence from a woman about the valuation of her property being almost twice the value that she paid for it in October 2013. Without wishing to discuss the individual case, which seems to be subject to tribunal, when does the Department plan to undertake the next domestic revaluation?

**Mr McClure:** Gosh. We have no plans in the current mandate to initiate that process. It is not on our radar. It is something that will have to be done in the medium to long term, because values change. The interesting thing about the last revaluation was that it had a valuation date of January 2005. We are back to those levels now. Following that revaluation, there was a boom and a bust, and we are kind of back to those general levels. The issue is the differential between areas and whether that is creating an unfair burden in some areas compared with other areas, and compared with some sectors — apartments versus detached houses, and so on. We are not getting any correspondence on that. Interestingly enough, the property market report that Land and Property Services produce was set up with the purpose in mind of tracking the behaviour of the market to see whether it got out of line with the current valuation list. Therefore, we already have the analysis tool to allow us to look at when we might need a domestic revaluation. We have a lot on our plate at the moment, and domestic revaluation is not on our radar. However, it is something that we will have to address in a year or two.

I do not know whether the Committee has any view on the need for a domestic revaluation, or whether you as individual MLAs in your constituency offices get many complaints about this.

**The Chairperson:** From my perspective, they would be few and far between.

If you were to undertake that process, how would the resources available and the cost compare with the non-domestic one that we were talking about earlier?

**Mr McClure:** The actual undertaking of the revaluation is a colossal task. Alan Brontë is the man to answer that question.

**The Chairperson:** When was the last —

**Mr McClure:** The last one was effective from April 2007.

**The Chairperson:** When was the one before that?

**Mr McClure:** The one before that was in 1976.

**The Chairperson:** Is that how long there should be between them?

**Mr McClure:** No. *[Laughter.]* The last council tax one was in 1992 or thereabouts. I am not saying that as a benchmark of quality. You need to do these things certainly at least every 10 years.

**Mr McCallister:** So soon.

**The Chairperson:** It is in the pipeline. Andrew and Brian, thank you both very much.