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## A Challenge to Valuers



FRANK OTHICK

MY LAST notes referred to the wisdom in having a knowledge of the practical benefits to rating officers of a site-value rate, administratively of course. This time I would like to suggest some equally beneficial factors in the system.

I acknowledge that we are still a long way away from using this method of raising local revenue, but no changes in tax laws are likely until a full examination is made of any proposals. The more we can ferret out the snags the sooner we can either consign this system to the flames or faithfully weigh up the evidence that is favourable as well. For too long too many of us stifled a yawn when the enthusiasts held forth on the well thumbed prospectus. We remembered the earlier occasions when there seemed to be a breakthrough, with positive action by way of a parliamentary bill or an inquiry, and yet again the inertia of politically suspicious leaders or unpromising social and economic circumstances ensured that the dust that had been disturbed was again swept under the carpet.

What is now known, and what was not known when the last inquiry into site-value rating took place — the Simes Report of 1952 — is the relative ease with which site valuations can be made and kept up to date. I do not propose to comment on benefits of valuations of sites in relation to plan-

ning, regional policies, local finance and government grants. I intend to note the practical valuation procedures and needs, and to ask if the advantages outweigh those presently applying.

The surveying profession has rightly raised questions because a successful application of site-value rating clearly rests on a good valuation basis. Equally, the profession acknowledges the worth of Hector Wilks, who has now carried out two valuation exercises in Whitstable, a town of 25,000 people, and is now able to demonstrate in very practical terms how to set about site valuations, examine the valuer's raw materials, frankly admit where he made short cuts, and finish up with a valuation list on which all kinds of tests can be made. We are at last in the realms of reality, and no longer uselessly arguing about theories.

The cost of preparing and maintaining a site valuation list is a matter of concern to valuers in government service if they can see

that with more effective development of valuers in short supply they can produce a more attractive end product. Is there any evidence of this? Mr. Wilks frankly explains his staffing arrangements in those sections of the latest report on site-value rating\* dealing with the valuation. He goes further, by projecting into fields of estimation for much larger areas. He lists the staffing needs, in professional and clerical terms, for an area of Kent comprising half a million people. It is clear from this that fewer, better paid valuers could produce, maintain, and update, valuation lists at half the cost.

Job satisfaction? Well this will depend on one's outlook. If it is to gather together a miscellany of indifferently prepared valuations and hope the resulting list is not too searchingly challenged, so be it. Perhaps a product of outside factors, influences and pressures. But still a matter of near despair for the professional who really cares but who can do very little about it. Strip away the enormous burden of reassessing for structural changes and it can be seen that there is scope for redeployment of trained staff. Eliminate the complexities of rateable plant and machinery, of zonings of special properties, of profits basis valuations, sporting rights, occupation problems, exemptions, mineral and mining problems and the limitless

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\* *Site Value Rating*, Report by the Land Institute, 93 High Street, Epsom. £1.75 post free.

field of dispute on hypothetical tenancies, and the valuer can start to see straight. He can also expect to work with a quite distinct raw material — land values — and to use his capabilities in recognising and reflecting in his valuations all the factors that influence those values, how these can and do change, how areas become enriched, while others deteriorate. The sheer pleasure in dealing with living values rather than gamely trying to fight a battle about physical factors and hypotheses, guesswork and gimmickry! Some of us have spent a lifetime playing our parts in this atmosphere of second best. And we have paid the penalty, in lost government grants, for trying to achieve good valuation lists. The Inland Revenue inherited a strangely varied pattern of local valuation policies, and most of us yearned for a fresh start and a firmer central policy. Much has been done. Perhaps a kind of higher mathematical progression is assured. But I still assert that a valuer who can hope to value is likely to produce a better article than one who is computing.

There is a section in this Land Institute's report which goes to the heart of true valuation. It deals with the definition of value for site ratings. It is here that one can see quite vividly the action and interaction of land value influences. There is an even more penetrating section on planning influences with a final sentence, simple in terms but far reaching in its implications; "The line between hard facts and high hopes is faintly drawn, but it is the valuer's duty to value on the facts as he sees them, *not* to prognosticate as a town planner".

There are considerable obstacles to be overcome but these only concern the valuer in the sense that his way must be cleared of obstacles if site-value rating is to be used. There will be land tenure problems, a need for comprehensive land registration and improvements in planning achievements. But then we are not discussing a new system to be introduced at short notice. Fortunately we can potter along for a few years with

what we have, fortunately, that is, in that it will give time for a searching appraisal of something perhaps far better and, even more significantly, which will produce land values evidence of great value for purposes far beyond local taxation. Truly a splendid prospect for valuers, to whom I address my plea that they take a good look at the future which could open up if this land value basis of rating could be given the scrutiny it deserves. And the scrutiny of valuers is essential. Most of us will have to try very hard to be objective. What we are

used to gives a sort of reassurance — the test of time and all that. How *can* we abandon a centuries' old occupation rate? Well, we are not, at any rate not before a competitor proves its prospectus on the way.

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