

# Site-Value Rating —Pilot Valuation

A RESEARCH PROJECT AT WHITSTABLE, KENT, CONDUCTED  
BY THE RATING AND VALUATION ASSOCIATION

## THE ASSOCIATION

Founded in 1882. Professional membership 2,800, drawn from valuers in central and local government, rating officers, rating surveyors in private practice, and clerks of valuation courts. There is a separate publications and technical services membership of 1,400.

In addition to publishing technical books and papers, the Association organises national and regional conferences, provides a legal advice service, holds professional examinations, undertakes research projects and collects and publishes information on all aspects of rating, valuation and allied matters. Its main object is to inform its members and other people and agencies.

## THE PILOT SURVEY

### Area

Whitstable, Kent, with a population of about 20,000 and mixed development—domestic, commercial, industrial, as well as scope for further development. This will make it possible to judge the effects of a site value method of assessment for local taxation purposes and the likely redistribution amongst different groups of ratepayer if rates fall only on sites and not on the buildings or other development on those sites.

### Method

Site valuation will involve a survey of all sites in the area, a careful analysis of site values, judgment of the most advantageous form of development of each site, and the preparation and notation of land value maps by which ratepayers will be able to see the value of each land unit and the differences of value in streets and neighbourhoods.

### Organisation

The Association is responsible for the whole project.

It has retained the services of a London firm of rating surveyors, Messrs. Mark Wilks & Co., which will be left completely free to prepare a plan of campaign, to value quite objectively, and to submit a report as soon as possible, without fear or favour.

There will be a resident valuer in charge, a site value survey office, and a field staff comprising professional members of the Association willing to devote a reason-

able term of service on a quite voluntary basis, together with any necessary paid helpers called in for field work or clerical work.

### The Cost

Will be borne by the Association, subject to any financial help obtainable from non-members who consider the venture one worthy of support. It is estimated that the Whitstable project will cost about £10,000. It is hoped that the major part will be donated by individuals who support the Association's view that too little is known about the practical results of substituting the rating of site values for the present method of rating annual rental values of both sites and buildings. Theories are often advanced and are keenly debated, but apart from a very minor parish survey in Bedfordshire many years ago, nobody has attempted a survey of sufficient size to enable sound judgments to be formed. This pilot survey will add appreciably to the knowledge so vital to any assessment of the advantages and disadvantages of different local taxation systems for the British Isles.

### Local Support

The Chairman and members of the Whitstable Council and the chief officers of the Council have assured the Association of their goodwill and help.

The local Press have willingly assisted in explaining the private nature and the purpose of the pilot survey — a valuable form of help to ensure that the work being done is in no way connected in the public's mind with the Inland Revenue Valuation Office. The Chief Valuer, the area Superintending Valuer and the district Valuation Officer have been invited to suggest ways in which all possible misunderstandings can be avoided.

Occupiers of properties have been asked to co-operate, and have an assurance that what is being done by the survey will not have any effect whatever on their existing rate liability.

### Conclusions

The Association intends to publish the results of the survey as widely as possible. If the Government of the day should have any interest in the conclusions reached, well and good, but the survey is a completely objective fact finding venture intended as a contribution to contemporary thought on local taxation questions.

If the results of this pilot survey encourage support,

financial and professional, from a much wider field, the Association would certainly wish to undertake more substantial exercises. If, however, this first venture gives sufficient guidance to enable a much bigger agency to undertake a national survey for site value rating, that could be an inquiry so comprehensive as to be welcomed by everyone searching for solutions to current taxation problems.

### COMMITTEE OF INQUIRY

The Minister of Health and the Secretary of State for Scotland appointed a committee under the chairmanship of Mr. Erskine Simes, Q.C., on 28th November 1947 to:—

“consider and report on the practicability and desirability of meeting part of local expenditure by an additional rate on site values, having regard to the provisions of the Town and Country Planning Acts and other factors.”

The committee reported to the Minister of Housing and Local Government and the Secretary of State for Scotland in 1952. Six members who signed a majority report concluded:—

“We consider that the impact of the Town and Country Planning Act, 1947, has altered the position by enforcing the claims of the community to the fruits of development of land as far as they can be foreseen. We do not deny the possibility of the rating of site values, but we have been impressed with the administrative difficulties, the prospect of litigation which would inevitably arise, the undesirability of diverting much-needed manpower for the purpose, and the relatively small revenue likely to be obtained, and can find no significant advantages in its introduction.”

(Subsequently the principle of development charges was abandoned.)

Three members who signed a minority report concluded:—

“(1) The rating of site values is both practicable and desirable. The arguments in favour of it stand unimpaired.

“(2) The only event since 1939 having a material bearing upon the matter is the Town and Country Planning Act, 1947. This involves some changes in the method of application but does not affect the principle.”

Quite apart from the arguments for or against the system, the majority report contained the following statement:—

“Any assessment of the product of a site value rate or of the redistribution in rate liability which might occur can be made only in the light of a comprehensive test valuation, and we emphasise our conviction that it would be essential to carry out such a test before any decision to introduce a site value rate were made.”

This is the purpose of the Association's exercise.

### PILOT SURVEY

## On The Spot Report

WHITSTABLE, (Pop. 20,000) is a town where the old and the new blend uneasily together. Modern, colourful and spacious multiple stores stand out against a background of small, old-fashioned shops—and houses—in the high street. Small, narrow streets open out to an arterial road, alongside which modern factories are fast springing up.

A literal “blot on the landscape” is a shambles of wrecked and rotting structures covering several acres in the heart of the town—a perfect example of gross under-development.

In the height of the season holiday-makers rich and poor come to take the air of Whitstable, which doctors say is second to none for performing the miracle of rejuvenation. No doubt the air (and the sea) will indirectly figure in the pilot valuation of the town.

The offices which serve as headquarters for this historic research project face the police station across a very narrow street. With limited funds available there has had to be much improvisation in equipping the offices. ‘Do it yourself’ renovations prepared the rooms for second-hand essential furniture and for hired office equipment, such as typewriters, calculating machines, internal telephones, etc.

A happy, though willingly underpaid staff of retired professional men, recruited locally, function efficiently in their appointed departments, while an outdoor staff of volunteers, who have arrived from several parts of the country, go enthusiastically about their field work after a morning's briefing by their chief.

The local council (by formal resolution), and local estate agents, are giving their full co-operation in this project, supplying and supplementing necessary information.

Every site in town is being visited. Measurements of frontage, depth and area are ascertained, and notes are taken of any unusual configurations likely to affect the valuation. Work-sheets are handed in each day, and details are entered on to a master sheet.

A map of Whitstable in sections adorns the walls of the offices, and a master map pinpoints the day-to-day progress of the field workers as they cover the town.

Volunteer workers, who have all their living expenses paid, work normal office hours—and sometimes, in their enthusiasm, even more.

The day I visited Whitstable it rained the whole time, but enthusiasm was not in the least dampened. Comparing the surveying of land alone with that of land plus buildings, etc., one surveyor commented “This is a ‘piece of cake’.”

It is hoped to complete the field work by the end of August, after which the job of valuation will begin.

V.H.B