

PRACTICE PREMISES REVALUATION EXERCISE – 1 APRIL 2018

1. This Memorandum advises contractors of an exercise to update valuations of practice premises for the purpose of reimbursement of practice rental costs under Determination XV of the Statement of Dental Remuneration (SDR).

2. The conditions of entitlement are set down in paragraph 2 of Determination XV, and include that the practice must be fully or partially NHS committed. The costs to be reimbursed are either:

- The current market rent or actual lease rent for the premises in the case of contractors who are leaseholders, whichever is lower, or
- The current market rent of premises in the case of contractors who are owner occupiers;

less any abatement.

3. The rentals are normally subject to a triennial review and valuations under the scheme are now required as at 1 April 2018. The current market rent is determined by the valuer appointed by the Scottish Government, and will comprise:

- A desktop exercise of all qualifying practices;
- An inspection element of around 20 per cent of practices; comprising:
 - A random sample element;
 - Where there has been substantial or significant change to the premises after the 2015 exercise;
 - Where there are inconsistencies between the information provided by participating practices and the information held by the relevant NHS Board.

In the previous rental valuation exercise (completed in 2015) all practice premises were individually inspected. We have therefore deemed it appropriate to have a desktop exercise for this review.

4. In the first instance eligible practices will be sent a *Rent Revaluation Practice Questionnaire*, for completion and return to their NHS Board by 22 September 2017. This form must be signed by the designated contractor. Contractors in a leasehold arrangement must also provide a copy of the current lease with the completed questionnaire.

5. Further information will be provided in due course on the inspection programme. In the meantime any enquires should be taken up with your NHS Board.