

# Property Valuation Committee

## Focus areas for 2023/2024

- / Quarterly external valuer reports
- / New RICS rules on valuer rotation
- / Review of valuer performance

The Property Valuation Committee is chaired by Richard Jones. The other members of the Committee are Mark Batten, Maria Bentley and Lena Wilson.

**Richard Jones**  
Chair of the Property  
Valuation Committee



## We are encouraged to see values stabilising as the year has progressed.

**Richard Jones**

Chair of the Property Valuation Committee

### Terms of reference

The Committee shall review the quarterly valuation reports produced by the external valuers before their submission to the Board, looking in particular at:

- / Significant adjustments from previous quarters;
- / Individual property valuations;
- / Commentary from management;
- / Significant issues that should be raised with management;
- / Material and unexplained movements in the Company's net asset value;
- / Compliance with applicable standards and guidelines;
- / Reviewing findings or recommendations of the valuers; and
- / The appointment, remuneration and removal of the Company's valuers, making such recommendations to the Board as appropriate.

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### Activity

The Committee met four times during the year ended 31 March 2024. Members of the Property Valuation Committee, together with management, met with the external valuer each quarter to review the valuations and considered the following matters:

- / Property market conditions and trends;
- / Movements compared to previous quarters;
- / Yields on properties within the portfolio;
- / Letting activity and vacant properties;
- / Covenant strength and lease lengths;
- / Estimated rental values; and
- / Comparable market evidence.

The Committee has considered the market trends that have been evident over the course of the year and are confident that these were fully reflected by the external valuer. The Committee was satisfied with the valuation process throughout the year.

### External valuer

CBRE Limited are appointed as the external valuer of the Group and they carry out a valuation of the Group's property assets each quarter, the results of which are incorporated into the Group's half-year and annual financial statements, and the quarterly net asset statements. The valuations are undertaken in accordance with the Royal Institution of Chartered Surveyors Red Book valuation standards.

The Committee reviewed the performance of the valuer and recommended that the appointment be continued for a further 12 months.

The Committee is cognisant of the new RICS rules requiring the periodic rotation of valuers in the UK, which will come into force on 1 May 2024 and require a change to the Company's valuer every ten years. The Committee intends to appoint a new valuer in good time to allow for a period of overlap and a smooth handover, with the appointment process due to be commenced later this year.

**Richard Jones**

Chair of the Property Valuation Committee  
22 May 2024

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# 2.2%

Relative Capital Growth  
outperformance compared to MSCI