

**MINUTE OF THE SCOTTISH  
RATEPAYERS' FORUM  
Held at Victoria Quay,  
Edinburgh EH6 6QQ  
On 17 May 2019 at 11am**

**Present**

Marshall Bain (Scottish Licensed Trade Association), Alastair Beattie (Scottish Valuation Appeal Committees), Gary Bennett (SAA Secretary), Fiona Campbell (Scottish Self Catering Association), Philip Glenwright (UKPIA), Marcelina Hamilton (Scottish Land & Estates), David Kelly (Scottish Council for Development of Industry), Alastair Kirkwood (SAA Vice President), David Lonsdale (Scottish Retail Consortium), Stuart Mackinnon (Federation of Small Businesses), Willie MacLeod (UK Hospitality), Stephen McIntosh (Scottish Water), David Melhuish (Scottish Property Federation), Ian Milton (SAA President), Ian Storrie (Scottish Government), Shane Taylor (Scottish Chambers of Commerce), David Thomson (SAA Past President).

**1. Apologies**

Marc Crothall (Scottish Tourism Alliance), Kevin Fraser (IRRV), Neil Hemings (Scottish Government Water Services Unit), Gareth Williams (Scottish Council for Development of Industry).

**2. Minute of previous meeting of 22 January 2019**

**2a. Accuracy**

The minute of previous meeting was approved without any amendments. The minute will now be published at the SAA Portal.

**2b. Matters arising not on agenda**

Nothing arose at the meeting.

**3. 2005 & 2010 Revaluation and 2010 Running Roll**

**3a. Appeals Update**

I Milton advised that all outstanding 2005 and 2010 revaluation and running roll appeals are currently at the Lands Tribunal and there are circa 300 telecoms appeals with circa 100 non telecoms appeals sitting with the Tribunal.

**3b. Lands Tribunal Update and Cases**

I Milton advised that whilst there was in the region of 400 outstanding appeals at the Lands Tribunal, the majority of which relate to telecoms where the appeals are being worked through with a view to resolving following the earlier Lands Tribunal decisions on that subject matter. The Lands Tribunal have not cited any other cases to be heard to date.

### **3c. Lands Valuation Appeal Court Cases**

It was noted that the LVAC have now issued a further decision in the case of Assessor for Tayside v Old Faskally Farming Co Ltd & others, and again the judges have remitted the decision back to the Valuation Appeal Committee.

I Milton also made reference to the Supreme Court case decision, Telereal Trillium v Hewitt. The SAA members advised the meeting that whilst the Supreme Court decision is not a relevant decision in terms of Scottish rating legislation, decisions from that court are of course noted by the Scottish Assessors' Association.

## **4. 2017 Revaluation**

### **4a. Appeal Progress**

I Milton advised that as at 31 March 2019, of the 73,868 properties which had an appeal in connection with the 2017 Revaluation, some 36,242 have been disposed of with around 9,600 currently cited. He further advised that by early July it is anticipated that just over 60% of appeals will be resolved in connection with the 2017 revaluation and that by December 2019 circa 80% of the appeals should be resolved.

In response to a question from A Beattie in connection with what progress has been made with leading cases, SAA officials advised that work was progressing well with licensed subjects, healthcare subjects and also the education sector where SAA representatives and industry representatives were in advanced stage discussions. In respect of self-catering subjects, I Milton advised that progress was being made in the resolution of appeals with these subjects and in respect of whisky subjects I Milton advised that cost information still remains outstanding. A Kirkwood advised that in respect of shootings appeals good progress was also being made.

In response to a question about what happens if appeals are not resolved before the next revaluation, SAA members advised that the statutory disposal date for the 2017 Revaluation appeals is the end of December 2020 and that progress indicates that that target will be met. Previous revaluations tend to have some appeals outstanding when the next revaluation is under way, however, these are appeals which have been referred to the Lands Tribunal and generally the vast majority of appeals received at a revaluation are currently disposed of in good time for the next revaluation.

A Beattie raised the matter of a potential risk to the new Tribunal Service in respect of being able to attract members due to age profile and the current restriction for sitting on such bodies set at 70 years old and in that regard asked whether there is a possibility of a delay to the transition to the Tribunal Service to ensure that there are adequate members for the new appeals regime. I Storrie advised that there was no intended delay to the Tribunal service at this current time. A Beattie advised that, generally speaking, there were some difficulties in recruiting new members for Valuation Appeal Committees, however, it was noted that in Lanarkshire there has been some success in the recruitment of new members for the Valuation Appeal Panel for that area. I Storrie advised that it is still the intention that the new Tribunal Service will be in place for the 2022 Non-Domestic Revaluation.

In respect of other 2017 Revaluation matters, I Milton advised the meeting that a recent amendment to the Utilities Order has come in with effect from 1 April 2019 which means that solar generating installations will now follow the same practice as other generating types in that if there is more than one operator in a different

valuation area they would be entered into the South Lanarkshire valuation roll. The Order also introduces updated wording in respect of biomass installations. In response to a question in respect of whether electric vehicle charging points would be rated, I Milton advised that it is likely to be the case that such lands and heritages would be entered in the valuation roll. Following on from that, other members raised the issue of the rateability of bottle deposit return vending machines. SAA officials advised that it would depend on the facts and circumstances but there is the possibility that the sites of such vending machines would be entered in the valuation roll. I Storrie advised that there has been dialogue within the Scottish Government and with stakeholders in respect of this particular scheme and that an implementation group was currently looking at it. M Bain advised that Zero Waste Scotland are involved in such a scheme for licensed premises also. W McLeod expressed the view that the collection of the returned bottles should be free of charge otherwise the scheme may not be implemented by the hospitality sector.

I Milton advised that 2 new practice notes had been made available at the SAA portal since the last SRF meeting; one relating to fixed line telecoms and rural broadband and another in relation to the valuation approach to ground and land entries. I Milton further advised that there are 106 practice notes now published at the portal.

#### **4b. Scotvac Website**

It was noted that there are currently 15 VAC decisions on the Scotvac website and I Milton reminded the meeting that there was other useful information on the website, including links to hearing dates for Valuation Appeal Committees around the country.

### **5. Barclay Review of Non Domestic Rating**

#### **5a. SAA Action Plan & Issues Log**

I Milton advised that the updated versions of both the SAA action plan and issues log are currently at the SAA portal. Two actions are outstanding in relation to the action plan. One relates to the provision of estimates for rateable values and I Milton advised that clarity was required by some Assessors in regard to indemnity in respect of that particular service. The other outstanding action relates to the provision of supporting information at revaluations which is currently under consideration with a view to providing information to improve ratepayer understanding of their values. The proposal is that such information will be provided at the SAA portal. In respect of the provision of information to assist ratepayers' understanding of their valuations, I Milton invited suggestions from the meeting with regards to what information could be provided, however, attendees expressed concern about potential confidentiality issues.

I Storrie advised that the Horticultural Trade Association had expressed concern over perceived inconsistency in the treatment of garden centre subjects across the country. No specific details were provided, however SAA officials gave an undertaking that the matter would be raised at the forthcoming Assessors' Committee meeting. I Storrie advised that he had invited the Horticultural Trade Association to join the Scottish Ratepayers' Forum. D Lonsdale advised that the Horticultural Trade Association was in fact a member of the Scottish Retail Consortium.

## **5b. Barclay Implementation Advisory Group**

I Storrie advised that since the last meeting there have been some developments in respect of empty property relief whereby there is a proposal that this is devolved to local authorities. Therefore, local authorities may apply empty property relief or choose not to. If it is indeed devolved, the funding would stay with the local government body.

D Lonsdale asked I Storrie whether there was any further information on the proposed workplace parking levy and expressed the view that this is seen as double payment of tax as car spaces are included within rateable value assessments. I Storrie advised that there was no update on this.

D Lonsdale also asked if there were any proposals for Council Tax reform. I Storrie advised that he was not aware of any plans for a Council Tax revaluation.

I Storrie highlighted that the consultation on the NDR Bill was now launched and encouraged members to consider making responses. He further advised that the Local Government and Communities Committee will be sitting to hear evidence in respect of the Bill. Evidence sessions will begin soon consisting of COSLA, Solace and IRRV, and thereafter the Scottish Assessors' Association will be invited to attend. This is likely to be followed by a recess, with further bodies being invited to attend evidence sessions following the recess. The Bill deals with the Barclay Review recommendations and is the Scottish Government's response to the Review. I Storrie advised that most of the Review recommendations are being dealt with via primary legislation and thereafter there will be more detail contained within secondary legislation. It is anticipated that Stage 1 will be complete by 11 October 2019 with Stage 2 into November and Stage 3 January/February well ahead of the 2022 Revaluation tone date.

I Storrie advised that the Barclay Implementation Advisory Group's Appeals Sub-group continues to meet. Most of the detail in relation to the new appeals system will be dealt with via secondary legislation. He further advised that the NDR Bill covers business growth accelerator, three yearly revaluations, information gathering powers, the appeals system, parks commercial activity, and sports clubs relief amongst other matters.

In response to a question on plant and machinery, I Storrie advised that there is nothing in the Bill currently and it is anticipated that any changes to P&M regulations can be dealt with via secondary legislation. I Storrie also advised that levying penalties are covered and that the financial memorandum has been issued. Again I Storrie encouraged all attendees to make responses to the call for evidence on the Bill. I Storrie also advised that the Bill strengthened Assessors' information gathering powers. This is to encourage the return of information. SAA officials advised that the return of information and accurate information is key to the revaluation process. I Storrie advised that the deadline for making an appeal against a revaluation rateable value would be brought forward due to the revaluation changing from a 5 yearly process to 3 yearly. Concern was expressed about the adequacy of timelines to deal with appeals. I Storrie advised that he was hoping that there would be a behavioural change in respect of both the return of information process and to lodging appeals. It was confirmed by I Storrie that as it stands there are no plans for any civil penalties imposed by Assessors to be retained by Assessors.

In response to a question in respect of the Bill relating to the duty to inform local authorities of changes which may be considered to be onerous on ratepayers, I Storrie encouraged attendees to make a response to the Bill on any point which was

of concern to members. He further advised that responses should also be made noting areas where members found proposals within the Bill to be positive.

In respect of the Scottish Government website, I Storrie advised that it had been updated in respect of the Barclay Review and that there is a roadmap containing information in respect of the implementation of Barclay recommendations on the site.

He further advised that the Scottish Government are incentivising local authorities to put in place standardised bills this year, however, there were still issues particularly related to IT matters in respect of this particular initiative. There is also a commitment to the publication of relief recipients and the Scottish Government were in dialogue with local authorities in this respect.

I Storrie advised that there will be an evaluation of the small business bonus relief scheme and that there is a consultation on self-catering units underway. He advised that the Scottish Government are looking for the publication of all reliefs to be made by local authorities, who are being encouraged to review their datasets in order to facilitate this proposal.

I Storrie advised that the hydro review will commence once again now that the LVAC decision has been issued and that the group will meet on 1 July. It is anticipated that the plant and machinery review will follow the conclusion of the hydro group review.

## **6. Scottish Water**

S McIntosh advised that it is effectively business as usual, that data is being regularly taken from Assessors and used for sewage and water billing and that no major issues are being reported.

In response to a question, S McIntosh confirmed that transitional arrangements are in place in relation to the change in the sewage and water scheme, however, as with most transitional schemes these will be phased out.

## **7. Scottish Government**

### **7a. Policy Update**

Covered under item 5b.

### **7b. NDR Bill Update**

Covered under item 5b.

## **8. AOCB**

In response to a question it was confirmed that the tone date for the 2022 revaluation is 1 April 2020 and for the 2025 revaluation the tone date would be 1 April 2024.

## **9. Date of Next Meeting**

It was agreed that the date of next meeting would be best scheduled for January 2020 following the announcement of the budget that is expected to be in December.