

**MINUTE OF THE SCOTTISH
RATEPAYERS' FORUM
HELD IN GLASGOW ON
9TH AUGUST 2005**

Present: Alistair Don (SLTA); Ian Duncan (Scottish Executive); Roger Littlewood (Inter bank Forum); David Lonsdale (Scottish Chambers of Commerce); Ken McCormack, (James Barr representing CBI/RICS); Andy Mowlah (Forum of Private Business); Niall Stewart (Federation of Small Businesses); William Sommerville, **Chairman**, (President SAA); Douglas J Gillespie (Vice-President SAA); Sandy McConochie (Past-President SAA); Mike Lithgow (Secretary SAA); Jim McEwan (SAA)

Preliminary to the meeting it was noted that since the last meeting of the Forum, Billy Sommerville had succeeded Sandy McConochie as President of the SAA. It was agreed as a matter of future practice that the current President of the SAA would chair meetings of the Forum.

1.0 Welcome & Introductions

2.0 Apologies

2.1 Allan Traynor (Fife Council).

In noting his apologies, A Traynor had indicated that whilst he was willing to attend meetings of the Forum, he had noted from the minutes that most of the business in recent meetings had been taken up with valuation matters in relation to which he felt he had little to contribute. Where specific billing issues are placed on the agenda he would be willing to attend and address them.

3.0 Minutes of the Meeting of 10th May 2005

3.1 These were approved subject to one minor amendment.

4.0 Matters arising from the Minute of the Meeting of 10th May 2005

4.1 (Item 4, Revision of Penalties). I Duncan reported that this was an ongoing issue. The intention was still to take account of the application of the scheme in England and Wales which was currently the subject of a review, publication of which was awaited.

In response to the question, had the revised arrangements worked in England and Wales, R Littlewood commented that had the new arrangements not been in place there could well have been a drop in the information received by the VOA but that overall it had not been successful as had been anticipated.

W Sommerville made reference to comments made by David Tretton at a recent Joint Harmonisation meeting where he had acknowledged that there had been “teething problems” with the new arrangements.

- 4.2 (Item 4, Annual Returns of Public House Questionnaires). A Don reported that his members had agreed in principle to Assessors issuing turnover questionnaires annually and that the best time for the issue of the questionnaires on balance was March. W Sommerville had recommended to Assessors that this course should be followed across Scotland.

Given the impending implementation of the nationwide no-smoking ban next March and the potential for material change of circumstance appeals, there was some debate as to whether March was in fact the best time for the issue of turnover questionnaires. It was pointed out that the general issue of annual returns was not related to the no-smoking issue and it was agreed that the preference for issuing the annual returns in March should stand. Any licensees contemplating a material change of circumstance appeal as a result of the no-smoking ban would require to bring forward detailed evidence to substantiate their case.

In response to a query from A McConochie, A Don advised that his Association covered all of Scotland, with the exception of Aberdeen and some parts of the Grampian area which was covered by a separate Association known as the Excise Licence Holders Association.

- 4.3 (Item 4, Invitations to CIA and SWA). M Lithgow advised that he had sent copies of the agenda and previous minutes to representatives of both the Chemical Industries Association and the Scotch Whisky Association.
- 4.4 (Item 4, Billing Issues) R Littlewood undertook to circulate (when it is published) a copy of a report sponsored by the IRRV which had been submitted to the ODPM and which reveals that some 80% of rates demands issued contain technical errors. These relate mainly to cases where backdated rates demands are included on the same bill. A McConochie suggested that problem did not exist in Scotland (at least to the same degree), possibly because the Collection Regulations in Scotland differed from those south of the border.

5/6.0 Revaluation – General Comments following the Issue of Valuation Notices Indications of level of appeal

- 5/6.1 These two agenda items were taken together.

5/6.2 The indications at this stage were that the appeal level was significantly lower than for the same period following the 2000 Revaluation. It was also anticipated that the final level of appeals following the last date for appeal would be significantly lower than for the 2000 Revaluation. A number of factors had contributed to this situation including: generally low levels of increase (outwith city centres) combined with the rates relief schemes including Small Business Relief and Rural Relief which had resulted in insignificant changes to rates payable; it was also suggested that possibly the increased transparency surrounding the process resulting from the SAA Portal development may have been a factor.

5/6.3 A persistent area of concern has been the alleged inconsistencies in the charging of water rates. Despite these concerns having been raised with Scottish Water by various parties, anecdotally there have been many instances of ratepayers having been issued with incorrect water charges. It was agreed that an invitation should be extended to Scottish Water to send a representative to attend at the next meeting of the Forum so that these concerns can be expressed directly.

5/6.4 Amongst larger ratepayers a major concern is the difference in the rate poundage north and south of the border.

7.0 Progress on Discussions with Rating Agents

7.1 The general view expressed by Assessors present was that the process had not progressed as far at this juncture as had originally been anticipated although there was recognition that the original level of expectation had perhaps been over optimistic.

A number of factors had combined to constrain progress including agents not yet being instructed and the workload over the summer months associated with lodging appeals with Assessors. K McCormack expressed willingness to continue with the process and was hopeful that the period from October to December could be used to make significant progress.

7.2 J McEwan reported that two meetings (9th June and 3rd August) had taken place involving parties representing the retail sector. Although no substantial progress had been made a table of subjects with private surveyor contact details had been produced. J McEwan had recommended that Assessors' staff initiate contact with the ratepayers' representatives. The subjects concerned related mainly to the principal locations in the cities.

7.3 J McEwan reported that some progress had been made with discussions in relation to supermarkets and retail warehouses with some agreements having been reached on the former. Meetings had been arranged to discuss Department Stores, Retail Warehouses, Hotels and Public Houses.

7.4 A McConochie advised that in Grampian some progress had been made in relation to offices and university properties but that no significant progress had been made on retail subjects.

7.5 K McCormack advised that he had been involved in additional meetings with Assessors' staff.

7.6 E-mail Appeals

The numbers of e-mail appeals thus far received by Assessors had been very limited. K McCormack advised however that James Barr and certain other agents intended to submit appeals by e-mail.

In noting that the terms of the legislation currently state that appeals should be lodged 'in writing', I Duncan advised he had referred this issue to Scottish Executive solicitors with a view at some point in the future reviewing the legislation so that it expressly allows for appeals to be lodged electronically. Assessors have agreed that they will accept e-mail appeals but that the risk is with the party lodging the appeal if it does not arrive with the Assessor.

W Sommerville stressed the need to submit appeals in good time before the last date for lodging (30th September 2005) to allow time for acknowledgements to be issued and final checking to be carried out.

8.0 Timetable for Disposal of Appeals

8.1 It was agreed that detailed discussions would take place in relation to the timetable for disposal of appeals which would take account of the overall appeal level, the availability of agents and the wishes of ratepayers to have their cases dealt with as soon as possible. It was noted that historically the disposal pattern has involved dealing with retail properties first followed by offices and then industrials.

9.0 SAA Portal – General Update

9.1 General

By way of a general update, W Sommerville advised that work on the next phase of the development was underway, that the minutes of the Scottish Ratepayers Forum were now being posted on the Portal and that feedback from users continued to be very positive.

R Littlewood asked when the results of the evaluation of the recent improvements to search facilities would become known. A McConochie advised that this still had to come before that Assessors Committee.

9.2 2004 Valuations

Feedback was sought on when was the best time to remove the 2004 valuations which, since they were frozen as at March 2004 and not being kept up-to-date, would become increasingly less useful as time goes on. September had been suggested as a possible date for removal but a later date was not seen as a problem.

K McCormack in questioning why the 2004 valuations had to be removed at all, suggested that they were very useful to ratepayers and agents. I Duncan commented that he too found being able to view past and current values very useful when dealing with correspondence.

Assessors, whilst concerned about retaining out of date and inaccurate information on the Portal, agreed to give the matter further consideration. If the 2004 values were to be removed as currently proposed, up-to-date and accurate information (for example on 2004 appeal settlements) would be continue to be available by contacting Assessors directly.

9.3 History Trail

K McCormack questioned whether there was any intention to display the history of changes to values in relation to properties. It was explained that for reasons of cost and complexity the decision had been taken at an early stage that the Portal would contain only a 'snapshot' of current values with no history being maintained. This was met with general disappointment with R Littlewood expressing the view that the high level of expectation created by developments thus far would be deflated if this were not to be made available.

Assessors agreed to take this back to their Portal Group and investigate further.

10.0 Freedom of Information

10.1 Generally the level of FOI requests made to Assessors had been low.

10.2 The Scottish Assessors' Association were about to seek detailed legal opinion on the extent to which Assessors should be responding to requests for information under FOI.

11.0 AOCB

11.1 Niall Stewart raised a question about the interaction of Assessors policies on rounding of values and the thresholds associated with various rates relief schemes. In some cases, particularly where values are rounded up, the result could be to place the property in a less favourable band in terms of the relief scheme. Assessors responded that the general policy on rounding was to round downwards, but that in any case no regard whatsoever was had to the effect of rounding and the relationship to any rating considerations generally or relief schemes in particular.

12.0 Date of Next Meetings

12.1 The next meetings are scheduled for 29th November 2005 and 7th March 2006.