

**MINUTE OF THE SCOTTISH  
RATEPAYERS' FORUM  
HELD IN GLASGOW ON  
7<sup>TH</sup> MARCH 2006**

Present: Alison Beers (Forum of Private Businesses); Jim Hughes (SLTA); Roger Littlewood (Interbank Forum); Ken McCormack, (James Barr representing CBI/RICS); William Sommerville, **Chairman**, (President SAA); A McConochie (Past-President SAA); Mike Lithgow (Secretary SAA); Jim McEwan (SAA);

## **1.0 Welcome & Introductions**

The Chairman extended a warm welcome to all members.

## **2.0 Apologies**

- 2.1 Gary Clark (Scottish Chambers of Commerce); Fiona Moriarty (British Retail Consortium); Allan Traynor (IRRV Scotland, Revenues Forum); Neil Stuart (Federation of Small Businesses)

## **3.0 Minutes of the Meeting of 9<sup>th</sup> August 2005**

- 3.1 This minute was approved without amendment. W Sommerville reminded members that approved minutes of the Forum are posted on the Assessors' Portal which can be accessed using: <http://www.saa.gov.uk>

## **4.0 Matters arising from the Minute of the Meeting of 9<sup>th</sup> August 2005**

- 4.1 (*5.0 Scottish Water Presentation*)

A McConochie asked if a copy of Scottish Water's presentation had been circulated. M Lithgow advised that he had not yet received a copy of the presentation from Mark Dickson. M Lithgow would contact M Dickson.

## **5.0 SAA Portal – General Update**

- 5.1 *Portal*

W Sommerville updated members on recent developments in relation to the Assessors Portal. Detailed technical information on Assessors systems was being gathered which would be used to carry out a feasibility study on the provision of valuation histories. Assessors had been advised that including proprietor, tenant and occupiers histories would significantly complicate and add to the cost of the project. Given that at the last

meeting of the Forum it had been established that P/T/O histories were not an essential requirement, Assessors had decided that these should not be included in the feasibility study.

W Sommerville advised that portal usage statistics were running at over 100k hits per month, a level which had been steadily increasing. It appeared that Ratepayers' agents were making increasing use of the Portal to facilitate the gathering and provision of comparative information to Assessors.

R Littlewood advised that a company APB Limited, which operated south of the border in the provision of a rating software system (known as 'Analyse') to private practitioners, had expressed an interest in integrating Assessors Portal information into their system. APBs contact details would be passed to L Walker. A McConochie commented that this was a case where if the information were to be provided, the Re-use of Public Sector Information Regulations may apply.

### *5.2 Online Appeals System*

W Sommerville reported that an online valuation appeals system was being developed on the Assessors Portal which would be rolled out in due course.

A Beers questioned whether there were safeguards against abuse of an online appeals system by rating 'cowboys'. W Sommerville responded that while rating 'cowboys' could not be stopped from making appeals, guidance was available in the form of the Royal Institution of Chartered Surveyors Code of Practice. The RICS could also give advice on the selection of a reputable rating surveying firm. Whilst recognised as an issue in Scotland it was felt that the problem of cowboy operators was a greater problem south of the border.

### *5.3 Citation Lists*

K McCormack welcomed the recent practice adopted by some Assessors and Valuation Appeal Panels of posting citation lists together with valuer contact details on their websites. He asked whether all Assessors/Valuation Appeal Panels would in future be adopting similar practices. D Gillespie advised that the Highland Valuation Appeal Panel had decided that only the list of properties with their addresses would be displayed on the Panel's website. No details of agents acting or valuer contacts would be shown. The Highland Valuation Appeal Panel regarded publication on the web of agents' details as commercially sensitive and that publication of valuer contact details could breach data protection rules.

## **Agenda items 6 and 7 were taken together**

### **Revaluation – General Issues/Appeals Progress/Timetable for Disposal**

**6/7.1** The 2005 Revaluation appeals citation process had commenced in all areas. A programme had been devised which as far as possible was designed to avoid similar types of properties being cited on the same day in different Assessors areas. This

appeared to be working well. The citation programme had started with bulk categories of properties including shops, offices and industrials. Glasgow had cited licensed premises for May. For other categories of subjects the strategy for disposal was that the Assessor's area in which the Practice Note author was employed would cite first.

It was noted that only limited progress had been made in agreeing levels of value for the bulk categories prior to the first citations for 2005 Revaluation Appeals being issued.

#### *6/7.2 Smoking Ban*

J Hughes raised the issue of material change of circumstances appeals being lodged following the Scotland wide smoking ban which is due to come into effect on 26<sup>th</sup> March. J McEwan suggested that ratepayers who think their premises have been adversely affected by the ban should wait until there evidence becomes available that would suggest that a change of circumstances affecting value has actually occurred. A McConochie agreed to draft an article for publication in the Licensed Trade magazine which would offer guidance on appeals in relation to the smoking ban.

#### *6/7.3 Glass Ban*

J Hughes also drew attention to the proposed ban on the use of glass by customers in all licensed premises in Glasgow which is currently under consideration by Glasgow City Council. The use of bakelite 'glasses' was likely to increase on costs in all premises affected since the bakelite does not withstand the washing process to the same extent as glass. The proposed ban is wide ranging and will cover glass (including bottles) in all licensed premises. By way of example, wine bottles in restaurants would no longer be allowed on diners' tables.

J Hughes was seeking early progress on revaluation appeals on licensed premises. Part of the reason for this is that the rentals publicans require to pay to Sky TV are based on rateable values as at the start of the financial year and Sky's policy is not to grant rebates.

#### *6/7.4 Actual v Market Rents*

In certain localities where there is a stagnant or falling market the market rental has been determined to be below the actual rental agreed at rent review based on an upward only rent review clause. R Littlewood advised that the practice adopted by HBOS surveyors was to agree a market rent even although the rent passing is higher by virtue of upward only lease terms. The question arose as to whether the level of value used to derive the rateable value should be based on the market rental or the actual rental level passing. A McConochie advised the Grampian Valuation Appeal Panel has considered the issue and had taken such evidence into account.

## **8.0 BIDS**

- 8.1 W Sommerville reported that a number of pilot BID schemes will be run with funding allocated from the Scottish Executive. Assessors are involved since the entries in the valuation rolls are taken account of in the voting process.

A Beers advised that business was concerned that BIDS could result in higher rents and hence higher rateable values at the next revaluation. There was a concern that BIDS are designed to carry out schemes that properly should be carried out by Councils.

## **9.0 Finance issues**

### *9.1 Benchmarking*

K McCormack reported that one Council had sent a separate letter to each ratepayer asking if they wished to pay by direct debit. He questioned the cost effectiveness of this exercise on the basis that the request could have been issued with the bills. It was agreed that the issue would be raised with A Traynor for consideration by a benchmarking working group of which he is a member.

### *9.2 Transitional Relief.*

It was noted that revised legislation applicable to the 2006/2007 financial year had now been passed.

## **10.0 Freedom of Information**

- 10.1 W Sommerville advised that the Scottish Assessors' Association monitored cases decided by the Scottish Information Commissioner. Although Assessors recognized and had embraced the new culture of openness and transparency, they would continue to adopt a cautious approach in responding to FOI requests for information where issues of confidentiality presented. Requests, for example for the turnover relating to public houses, would continue to be refused on the basis that they are given in confidence.

Comment was made to the effect that responses to requests to Assessors from agents for valuation information were not consistent across Scotland which does cause frustration to clients. The traditional approach of mutual of exchange of information following citation of appeals would continue to be adopted in some Assessors offices.

### *10.2 Summary Valuations*

W Sommerville commented that Assessors are committed to looking at provision of summary valuations in relation to the 2010 revaluation. R Littlewood advised that south of the border initial security concerns on the part of the Interbank Forum associated with the provision of summary valuations had been overcome and he hoped that Scotland could make progress this in the run-up to 2010.

## **11.0 AOCB**

*11.1 There was none.*

## **12.0 Date of Next Meetings**

- 12.1 The date originally advised for the August meeting would be changed to a date in September. The precise date would be notified in due course.*
- 12.2 Due to a significant impending increase in the cost of hiring the current venue it was proposed that future meeting will be held in an alternative venue in Glasgow. Details would be notified in due course.*