

**MINUTE OF THE SCOTTISH  
RATEPAYERS' FORUM  
HELD AT VICTORIA QUAY,  
EDINBURGH ON  
2<sup>nd</sup> JUNE 2009**

Present: Gary Clark (Scottish Chambers of Commerce); Paul Kelly (Scottish Water); Stewart MacKinnon (Federation of Small Businesses); Steve Mudie (The Scottish Licensed Traders Association); Jim Gilmour (Scottish Government); Clark Low, **Chairman** (President SAA); Douglas Gillespie (Past President SAA); David Thomson (Vice President SAA); Joan Hewton (Secretary SAA); Graham Owenson (Scottish Government); Kevin Fraser (IRRV), Marianne Cook (Scottish Government)

### **1.0 Welcome & Introductions**

The Chairman extended a warm welcome to all and invited members to introduce themselves.

### **2.0 Apologies**

David Watt (Institute of Directors); Les Robertson (IRRV); Owen Kelly (SFE); Andrew Martin (British Retail Consortium); Fiona Moriarty (British Retail Consortium); Roger Littlewood (Interbank Rating Forum);

As a result of a number of undeliverable email invitations to the meeting members are asked to provide the Secretary ([joan.hewton@lothian-vjb.gov.uk](mailto:joan.hewton@lothian-vjb.gov.uk)) with updated email addresses prior to the next meeting.

### **3.0 Minutes of the Meeting of 18<sup>th</sup> September 2008**

The minute was approved subject to minor amendment. Forum minutes 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 18<sup>th</sup> September 2008**

#### Previous matters arising Scottish Water Charges

P Kelly confirmed that Scottish Water was continuing with preparations to move towards property area rather than rateable value as the basis for surface water charges; other water charges would continue to be based on NAV. There was now a total of 130,000 properties on their register. They were continuing with their programme of installing water meters with approx. 30,000 meters having been installed since the last meeting. The next tranche of 15-30,000 properties was being addressed. Outstanding properties included around 9,000 'difficult' properties where supplies were shared and may need to be separated

S Mudie raised concerns regarding water charges still being based on 31<sup>st</sup> March 2000 NAVs. S MacKinnon raised the issue of unfairness for high value city properties and asked that it be minuted that the Business sector is concerned at the unfairness of the charging system. P Kelly confirmed that any significant change in the charging regime required the approval of the Regulator and Scottish Ministers.

## **5.0 2005 Revaluation**

### **5.1 General Appeal Progress**

C Low advised that all Revaluation 2005 appeals were cleared within the statutory timetable, and that approximately 850 appeals had been referred to the LT for disposal. Whilst some of these referrals have now been rejected by the LT and the cases passed back to Valuation Appeal Committees for disposal by October 2009, a large number still remain with the Tribunal. It is likely that several of these will remain outstanding at April 2010.

Categories of subjects which had been subject to referrals included Timeshare, Mobile Telecommunications subjects, some Public Houses, Large Industrial Subjects, the Water and Gas Utilities and Healthcare subjects.

Many appeals will be heard as one case eg around 200 Timeshare will be heard as one appeal.

## **6.0 2005 Update Issues**

### **6.1 Annual Returns for Rents and Turnovers**

The SAA again encouraged the return of all available information. It was stressed that the development of the valuation schemes and accuracy of valuations at the 2010 Revaluation are dependent on complete returns.

## **7.0 2010 Revaluation**

### **7.1 General Timetable**

The SAA confirmed that their timetable was to provide final values to the Scottish Government by August 2009. Values could be made available on the Assessors' Portal from October/November 2009 but it was considered possibly more appropriate to coincide with the announcement of the rate poundage(s). Revaluation notices would be issued to all ratepayers in early 2010.

M Cook confirmed that the poundage should be announced in November/December 2009. The Scottish Government was working on a 'rates calculator' which would be made available around that time to assist the ratepayer in determining their financial liability. In response to questions on the relief schemes which were likely to be available, she again advised that decisions had not been made. She did however note the

existing Scottish Ministerial commitment not to increase the rate poundage in Scotland above that in England for the lifetime of this Scottish Parliament.

The ratepayers' representatives reiterated the need to have as much information as early as possible to allow them to plan financially although they accepted that it may be better to have all aspects of the rating formula known at the same point. It was agreed that a meeting should be arranged in the near future to discuss the best course of action. (JH)

In relation to the process of Revaluation itself, the SAA confirmed its commitment to harmonisation of values with England and Wales and will make every effort to avoid cross-border anomalies. Approaches to valuation have been discussed with their colleagues in the VOA in England, trade representatives and rating agents.

D Gillespie explained that some subjects require a high level of consistency such as networks whereas other types of subjects which are valued on local evidence did not require a great degree of harmonisation.

## 7.2 Information Gathering

The SAA expressed their thanks to those who have been involved in the supply of rental information introduced as a pilot scheme for the ingathering of bulk rental details. Due to some difficulties and little uptake the scheme has been shelved in the meantime. Assessors will still accept bulk rental information on spreadsheets provided to one assessor who will then distribute the information as appropriate.

## 7.3 Prior Agreement of Schemes

It was confirmed that the SAA had been seeking to reach prior agreement as to approaches to valuation, schemes of value and at individual property level where this was possible. While not every engagement with ratepayers had resulted in agreement some progress had been made. Even in cases where no final agreement had been possible there were usually mutual benefits derived from the process.

S MacKinnon asked if any information could be provided on the general uplift of NAVs. It was explained that it is not possible at this stage to give a general answer as there was variation between locations and the very many subject types within the valuation roll.

## 7.4 Summary Valuations

The SAA confirmed their intention to make summary valuations available on the SAA web portal for bulk category subjects.

## 7.5 License Trade Concerns

S Mudie reiterated his request made to the SAA Licensed Working Group representatives for more subjects to be valued within the Licensed Premises scheme of valuation eg Licensed Clubs. He commented on the extra cost incurred for application for a license under the new Licensing Act particularly small guest houses and some retailers. He considered many such operators would cease to operate with a license.

## **8.0 Rating**

### **8.1 Rates calculator**

M Cook advised that the rates calculator (based on the 2005 Roll) was now available at <http://www.scotland.gov.uk/Topics/Government/local-government/17999/11199/ratescalc>

### **8.2 Business Relief Schemes**

M Cook advised that the Small Business Bonus Scheme had attracted an 80% take up, and asked that attendees inform their members of its availability to encourage further take-up. Some Local Authorities had written to businesses in their area alerting them to the need to apply for the relief. Businesses could still apply and gain relief for the current financial year and in some cases for the previous year.

M Cook provided information regarding the Deferral Scheme where businesses can apply to have 3% of their total rates payments deferred to the following 2 years . All businesses would be sent details of the scheme within 4/6 weeks. The scheme has no restrictions other than that applications must be received before any Final Notice is issued for the premises. Final Notices would be issued in the first week of October at the earliest. The web link to information to the deferral scheme is as follows -

<http://www.scotland.gov.uk/News/Releases/2009/04/06092112>

And a leaflet available at <http://www.scotland.gov.uk/Publications/2009/06/18143509/2>

COSLA welcomed this positive step at this time

## **9.0 BIDS**

M Cook reported that 6 applicants' schemes are under way and a further 9 are under consideration The Bid Scotland web site ([www.bids-scotland.com](http://www.bids-scotland.com)) was a good source of information.

## **10.0 Newsletter**

The ratepayers' representatives again reported that the newsletter was a useful means of disseminating information and the SAA agreed to issue a further edition around the time of announcement of the 2010 NAVs, rate poundage and relief schemes. The exact date for announcement of all elements of the rating package was not yet clear. It was noted that final details of the rate poundage for the 2005 Revaluation was announced on 13<sup>th</sup> December 2004.

It was agreed that the timing of the publication of the draft valuation roll on the SAA web site would be discussed at the next meeting.

## **11.0 AOCB**

### **11.1 2010 Revaluation Leaflets**

Scottish Government officials advised that leaflets will be produced and placed on the Scottish Government and SAA websites. Paper copies would be limited in numbers, but still available on request.**12.0 Dates for Next Meeting**

Details to be advised, but likely to be in Edinburgh in October 2009.