

**MINUTE OF THE SCOTTISH
RATEPAYERS' FORUM
HELD AT VICTORIA QUAY,
EDINBURGH ON
2nd December 2009**

Present: Martin Chisholm (Scottish Chamber of Commerce); M. Hadisutanto (British Retail Consortium); ; D. Lonsdale, (Confederation of British Industry); K. McCormick (RICS) Stuart Mackinnon (Federation of Small Businesses); K. Fraser (IRRV); J. Yates (Scottish Renewables Association); David Henderson (Scottish Government); Jim Gilmour (Scottish Government); Graham Owenson (Scottish Government); Marianne Cook (Scottish Government); Clark Low, **Chairman** (President SAA); Douglas Gillespie (Past President SAA); David Thomson (Vice President SAA); Joan Hewton (Secretary SAA);

1.0 Welcome & Introductions

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

2.0 Apologies

M. Hardman (FPB); J Hesketh-Laird (SWA); G Hewitt (SWA); P. Kelly (SW); O. Kelly (SFE); L. Robertson (IRRV); I. Shearer (BRC).

3.0 Minutes of the Meeting of 2nd June 2009

The minute was approved subject to inclusion of Gary Clark on the attendees list. 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 2nd June 2009

Small Business Bonus Scheme

M Cook advised members that the take up of the scheme had been strong this year.

Rates Deferral Scheme

M Cook also advised that the response to the deferral scheme had been good. K Fraser commented that the take up in Perth and Kinross was very low with only 280 out of 8,000 taking up the scheme.

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 800 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, 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 remain subject to referrals to the Lands Tribunal include Timeshare, Mobile Telecommunications subjects, some Public Houses, Large Industrial Subjects, and the Water and Gas Utilities.

Some of the Timeshare appeals have recently been heard and a decision is awaited.

There are also around 4,000 running roll appeals outstanding throughout Scotland with the vast majority being cited for hearing over the forthcoming year.

Members did not have any outstanding issues regarding 2005 appeals.

6.0 2010 Revaluation

6.1 General Timetable

The SAA confirmed that they had provided draft rateable values to the Scottish Government by the end of August 2009. Draft rateable values will be made available on the Assessors' Portal as soon as possible. Revaluation notices will be issued to all ratepayers around mid March 2010 and summary valuations will be made available for bulk category subjects on the SAA Portal to tie in with the Notice issue. C Low emphasized that initial figures will be draft figures and could change prior to the date the final values come in to force on 1st April 2010.

M Cook advised that the rate poundage had been announced the previous week and confirmed that reliefs would be announced shortly. The Scottish Government has developed a 2010 'rates calculator' which will be available when the draft rateable values are made available on the SAA website to assist the ratepayer in determining their financial liability.

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. A request was also made for a rates relief application form to be included with the revaluation notice. The SAA explained that the notice is in a prescribed format and to include a finance document with the notice could be confusing to the ratepayer as to which organisation appeals or applications should be addressed. K Fraser advised that bills will include guidance and advice on the various schemes available. He agreed to liaise with the Scottish Government regarding guidance and internet links for further information on finance issues.

Revaluation notices will include guidance on lodging appeals and will make reference to information available on the Scottish Government and SAA websites. M Cook

explained that the Government has made a conscious effort to reduce untargeted mail shots.

6.2 Release of RV Information

Comments were made regarding the general fall in budgets and turnover and the need for clarity as soon as possible to allow businesses to assess their liabilities.

K McCormick enquired as to the expected date when RVs would be made available. D Henderson explained that the Scottish Government is still working on the outcome figures. Assessors have been requested to delay publication of values meantime, but release will be as soon as possible. Ministers would be carefully assessing the budgetary implications for the various relief schemes in light of the Chancellor's Pre Budget Report on 9 December and the Scottish parliament's consideration of the Scottish Government's Budget bill in January. From the information currently available, it had been estimated that matching the English poundage alone will benefit Scottish business by around £200 million in 2010-11.

The forum debated the implications of publishing mid to late December and members were generally of the view that publication during the Christmas period would not be helpful. It was generally agreed that if the information was not available by mid December that it would probably be better to leave until after the festive break and publish in January.

J Yates asked if there would be any consultation regarding transitional relief schemes and D Henderson advised that this was still being considered.

S McKinnon asked if ministers are looking at the issue relating to TV payments for licensed premises being related to RVs. Government officials were unable to provide any information as it was not a Scottish Government responsibility.

6.3 Summary Valuations

The SAA confirmed their intention to make summary valuations available on the SAA web portal for bulk category subjects. The summary valuations will be available around the same date as the revaluation notices are issued by most Assessors which will be around 15th March 2010. The notices will provide information regarding lodging appeals and will give details of the Scottish Government website and SAA website. The Scottish Government website - www.scotland.gov.uk/revaluation will provide guidance on the appeal procedure and will contain the rates calculator function. The SAA website will provide general information on the revaluation and will provide RVs for all properties and summary Valuations for bulk class subjects. There will be a direct link from the values on the SAA site to the rates calculator and appeal guidance.

6.4 Appeals

Assessors will be happy to accept appeals either in paper format or electronically via email or the Portal. D Thomson advised that the website is currently being developed to allow the submission of appeals in bulk. He emphasised that potential users must sign up to use the on-line bulk upload facility but the sign up is at no cost to the ratepayer.

The draft roll is subject to change up to 31st March 2010. The legislation directs that no appeals can be lodged before 1st April. Assessors will be happy to discuss property assessments before the 1st April and can alter draft RVs if they consider there are good grounds to do so.

Ratepayers will be able to view the Practice Notes on the SAA website. These explain the general approach to the valuation of all subject categories and should provide a better understanding of the reasoning behind the RV for their properties.

Formal appeals can be lodged from 1st April 2010 up to 30th September 2010. No appeals can be accepted after this period.

6.4 Rates calculator

M Cook advised that the rates calculator (for the 2005 Roll) was available at

<http://www.scotland.gov.uk/revaluation>

The rates calculator for 2010 values will be available when the full rates package is announced and the RVs are released.

6.5 Business Relief Schemes

S McKinnon asked if there was a plan to update various websites when the reliefs are known as may be out of date. M Cook advised that they will contact the Business Gateway to provide updated information for their website. While every effort will be made to make information available widely it is not possible to guarantee that all external websites will use the information to update their web sites. Local Authorities will also update their sites when the rates package information is known.

It was suggested that it would be beneficial to have a link from the SAA website to the rates relief scheme information and D Thomson agreed to take this to the Portal developers.

7.0 Administration of the Scottish Ratepayers Forum

The regularity of the meeting was discussed and S McKinnon put forward the view that the meetings should be quarterly. Many members agreed that it would be better to meet more regularly. It was agreed that a meeting should be arranged to allow members to discuss the RV outcomes and rates relief packages.

It was highlighted that minutes of the meetings have not been put on the Portal since 2007. The newsletter has also not been regular and the need for a newsletter was discussed. Some members considered that it can be helpful to have information provided in plain English rather than the legal text often used by Assessors. Some items for

consideration were discussed and it was generally accepted that each organisation already provides their own information and the newsletter could be duplicating efforts. C Low agreed that a newsletter would be published, and anyone with articles for publication should forward these to J. Hewton.

It was suggested that publications on the website could include Agendas, Approved minutes and SRF newsletters.

8.0 Water Charges

KMcCormick questioned what would happen to water charges as a result of the 2010 Revaluation. M Cook confirmed that Scottish Water was continuing with preparations to move towards meters rather than rateable value as the basis for water charges and it is hoped that every non-domestic property will be metered by 1st April 2011.

9.0 AOCB

9.1 Renewables

KMcCormick raised the issue of unfairness in the 3 different methods of valuation correctly used to value renewables, these include

- If sold direct to a named Utility operator the generation is valued by reference to Receipts and Expenditure
- If the operator is an unnamed utility operator the generation is valued on £/Kw generated
- Biomass plants for own use are valued on Contractors

D Thomson referred to the Wood Committee recommendations which concluded that P&M used for energy as a business was different from P&M used for a building. The Wood Committee report was produced after years of consultation and debate and should not be overturned without giving it serious consideration.

K McCormick commented that the valuation and rating of Biomass is unfair

9.2 Climate Change Act

J Gilmour confirmed the Climate Change Act included provision for discounts for energy efficiencies.

9.3 Fibre Optic Cabling

S McKinnon mentioned that he understood that rates vary for small and large operators and asked for the reasons why this should be. D Gillespie provided an overview of the items and issues considered for the valuations. He advised that the Renfrew Assessor, Mr MacTaggart would be the designated Assessor for telecoms from 1st April 2010 and that further guidance if required could be available through Renfrew.

The next meeting is scheduled for 2pm on Wednesday 3rd March in James Barr's office, 225 West George Street, Glasgow