

**MINUTE OF THE SCOTTISH  
RATEPAYERS' FORUM  
Held via MS TEAMS  
On 14 JULY 2020 at 11am**

**Present**

Melanie Alan (Scottish Self Catering Association), Marshall Bain (Scottish Licensed Trade Association), John Barnes (Horticultural Association), Alastair Beattie (Scottish Valuation Appeals Committees), Gary Bennett (SAA Vice President), Fiona Campbell (Scottish Self Catering Association), Colin Campbell (Scottish Chambers of Commerce), Cara Dalziel (Scottish Renewables), Kevin Fraser (IRRV), Philip Glenwright (UKPIA), Marcelina Hamilton (Scottish Land & Estates), Alastair Kirkwood (SAA President), David Lonsdale (Scottish Retail Consortium), Willie MacLeod (UK Hospitality), David Melhuish (Scottish Property Federation), Ian Milton (SAA Past President), Robbie Robertson (Lothian Valuation Appeal Committee), Ian Storr (Scottish Government), Pete Wildman (SAA Secretary).

**1. Apologies**

Marc Crothall (Scottish Tourism Alliance), Robert Kennedy (Scottish Self Catering Association), Stephen McIntosh (Scottish Water)

**A Kirkwood advised that recording the meeting proceedings without the express consent of all attendees is not to be undertaken.**

**2. Minute of previous meeting of 6 March 2020**

**2a. Accuracy**

The minute of previous meeting was approved with minor amendments. The minute will now be published at the SAA Portal.

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

A Kirkwood advised that the proposed letter from Kate Forbes MSP to interested parties advising of the main changes as a result of the Non Domestic Rating (Scotland) Bill was not issued due to the lockdown as a result of the current pandemic.

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

**3a. Appeals Update**

A Kirkwood provided an update on 2005 & 2010 valuation rolls outstanding appeals, whereby he advised that, the Hydro appeals which has been remitted back to the Valuation Appeal Committee in Tayside by the Lands Valuation Appeal Court (LVAC) apart, all outstanding appeals were with the Lands Tribunal for Scotland and related to telecoms subjects.

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

A Kirkwood advised that there has been one decision of the Lands Tribunal (LT) for Scotland which related to a decision in Grampian of a local Valuation Appeal Committee (VAC) not to refer an appeal following an application to do so by the appellant. The LT agreed with that decision and remitted the appeal back to the VAC.

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

It was noted that no cases have proceeded to the LVAC since the last meeting of the Scottish Ratepayers' Forum.

## **4. 2017 Revaluation**

### **4a. Appeal Progress & Disposal Deadlines**

A Kirkwood advised that as at 31 March 2020, 62,204 2017 revaluation appeals had been resolved, which equated to 84.2% of the total appeals received for the 2017 revaluation. This compared to 87.2% resolved at the 2010 revaluation. He further advised that 64.2% of the total rateable value under appeal had been resolved, compared to 66.4% at the 2010 revaluation. A Kirkwood advised that there were some 11,600 appeals outstanding for the 2017 revaluation and these would have been no doubt cleared in line with the statutory deadline for disposal of 31 December 2020 had it not been for the lockdown which resulted in premises being closed, Valuation Appeal Committee hearings throughout the country being cancelled, and some rating agent staff being furloughed. A Beattie advised that there was currently a mixed picture around the country in respect of VACs holding hearings via IT support measures, and whilst procedural matters may be dealt with, holding substantive hearings virtually poses real difficulties in terms of conducting business which properly facilitates the role of the committees, expert witnesses and those acting as advocates. R Robertson advised that cases for hearings in Lothian which were due to be held over the lockdown period have been continued to autumn hearings although it remains to be seen whether these will take place or not. W. MacLeod advised that the pandemic will affect the UK hospitality sector, and indeed other sectors, for months to come.

## **5. 2017 MCC Appeals**

### **5a. Appeal Volumes & Disposal Deadlines**

A Kirkwood advised that in the period 17/March 2020 to 31 March 2020, some 49,000 appeals citing the pandemic had been received by Assessors throughout the country. D Melhuish asked about Assessors ability to deal with business during lockdown to which A Kirkwood advised that all offices had some form of connectivity to valuation and other systems, but that for obvious reasons no on site visits were currently being undertaken. A Beattie expressed that it was almost inevitable that disposal deadlines of appeals would have to be extended to facilitate proper process to deal with all outstanding appeals. R Robertson advised that council tax appeals, both valuation list and billing assessment business, will have to be factored into a strategy to deal with the voluminous outstanding business. P Glenwright suggested that the Scottish Government may wish to set up a committee to consider the issue, although advised that he was not aware of a similar approach in England to the same issue. W MacLeod echoed the need for a politically led overview, and advised that discussions are ongoing with landlords over rental arrangements. D Melhuish advised that it was too early to ascertain the impact on rents. I Storie noted concerns and the requests for a strategic oversight to the issues. A Beattie advised that there is a statutory responsibility to ensure that rateable values are set on statutory terms,

rather than, say, the imposition of values, and that Assessors and agents should co-ordinate matters.

## **6. 2022 Revaluation**

A Kirkwood advised of the potential difficulties the current tone date of 1 April 2020 has for the forthcoming revaluation in relation to the uncertainty of rental values due to the ongoing pandemic. D Melhuish advised that feedback from members of the Scottish Property Federation had expressed a view that 1 April 2020 is not a suitable tone date. W MacLeod also expressed the view that 1 April 2020 tone date is not suitable in the current circumstances, and that a future date for the tone date has potential difficulties also for the Licensed Trade sector which is likely to suffer for months to come. R Robertson suggested that consideration should be given to delaying the revaluation itself in light of the unprecedented circumstances. D Lonsdale advised that whilst the tone date may be moved, the members of the Scottish Retail Consortium would have concerns re the revaluation being moved. I Storrie advised that ministers are still considering the issue. J Barnes re-iterated the position that the current tone date is not suitable as it would likely reflect pre Covid rents. P Glenwright suggested that the tone date should indeed be moved, and did not have to fall on a first of April date, further suggesting that the current situation poses a big challenge for Assessors. M Bain asked the position with the cap on rates for the licensed trade going forward, to which I Storrie advised that a more holistic approach is being considered for future.

## **7. Information Gathering and Civil Penalties**

I Storrie advised that the new regulations are currently being consulted on and that Scottish Government solicitors were currently considering. He further advised that, to facilitate more time for all interested parties to consider, the implementation of the regulations in relation to civil penalties is now scheduled for December. A Kirkwood advised that no Assessor had any desire to instigate penalties but that they seek the required information in order to maintain an accurate and complete valuation roll. He further advised that if information was available, then this should be sent to Assessors, negating the need for any Assessor Information Notice (AIN) or Civil Penalty Notice (CPN) to be issued. In response to a question from A Beattie on when Assessors intend to issue AINs, A Kirkwood advised that whilst assessors would take stock, this could begin from the end of the month, but with a delay to the issuing of any Civil Penalty Notices. I Storrie advised that the draft regulations for Civil Penalties could be issued for consultation over the next couple of weeks. He further advised that the letter from Kate Forbes MSP will have to be reviewed in light of the current pandemic before being issued. R Robertson flagged up that council tax business, including the assessment business which committees deal with, have to be programmed into the workload. A Kirkwood advised that Assessors will have mitigating powers in connection with civil penalties under the current legislation, and asked that all attendees feedback to members of their respective organisations the level of potential penalties under the new regime, and to encourage the provision of information to Assessors.

## **8. SAA Action Plan & Issues Log**

A Kirkwood advised that there has been no changes to either document since the last meeting of the Forum.

## **9. Scottish Water**

No report for this meeting.

## **10. Scottish Government**

### **10a. Policy Update**

I Storie advised that whilst extra staff had been drafted into his team, they have been dealing with the grants scheme implemented as a response to the pandemic which has meant that other business has effectively been put on hold, including a review of the Small Business Bonus Scheme, the Plant and Machinery Review, and standardised billing, although some progress had been made with the latter pre lockdown. He further advised that some progress has been made with the IT discovery projects whereby the SAA Portal now has a public geo-spatial data facility for users. I Storie advised that non domestic rating has been central to the grant support initiative linked to the pandemic as it provided an infrastructure to work with. He further acknowledged that there are some anomalous situations which have arisen and that his team have been working flat out to assist businesses where possible. He also advised that some funding had been allocated to the fisheries and agriculture sectors, and the self-employed. I Storie advised the meeting that there were still a significant number of outstanding matters since the closing date for grant applications, which was Friday 10<sup>th</sup> July, and that the cost of the grants scheme will be evaluated. In response to a question regarding further and ongoing support for businesses, I Storie advised that this was still being considered, with further dialogue with the UK Government expected. D Lonsdale advised that members of the Scottish Retail Consortium appreciated the support given, and advised that further lockdowns would also have a significant impact on businesses. I Storie advised that approximately £1 billion in assistance had been issued to date, and that a more targeted approach may be considered going forward. In response to a question on the future of council tax, I Storie advised that the matter is still under consideration although he was not aware of any immediate plans for significant reform. D Lonsdale advised that a Town Centre Action Group had been set up to look at issues going forward. In response to a question re rateable values dropping below the grants threshold of £51,000 on appeal, I Storie advised that the qualification date of 17/3/20 was determinative in all circumstances, administrative errors apart. K Fraser spoke to the real challenges faced by Local Authorities in administering the grants system, advising that some 98% applications had been dealt with to date. In response to a question on what qualifies as an administrative error, K Fraser advised that there was some degree of discretion with Local Authorities, and that such queries form part of the remainder of grant applications still being dealt with. In response to a question on the government's response to the economic recovery report led by Benny Higgins, I Storie advised that a response is still being considered by ministers.

## **11. AOCB**

A Kirkwood confirmed that the geo spatial data facility is now operational at the SAA Portal. In response to a question regarding the proposal to look at student accommodation being used as holiday lets out with term time, I Storie advised that the matter is to be looked at out-with the Non Domestic Rating Bill. I Storie suggested that it was important to acknowledge the work undertaken by local authorities in respect of the grants scheme.

**12. Date of Next Meeting**

It was noted that the next meeting is likely to be January 2021, although an earlier meeting can be facilitated if circumstances dictate.