



Scottish Assessors Association



Scottish Business Ratepayers Group

**MINUTE OF
SCOTTISH ASSESSORS ASSOCIATION EXECUTIVE &
SCOTTISH BUSINESS RATEPAYERS GROUP MEETING**

Thursday 9 January 2020 at 10:45am, Stirling

WELCOME AND INTRODUCTIONS

Present: Alastair Kirkwood, Gary Bennett, Ian Milton, Pete Wildman on behalf of SAA.

Graeme Howarth of Gerald Eve, Gordon Martin of Avison Young, Andy Boal of Shepherds, Steven Dalton of Montagu Evans on behalf of SBRG.

1. APOLOGIES

No apologies submitted to the meeting.

2. MINUTE OF PREVIOUS MEETING

2a. Accuracy

There was a minor correction to Item 7.0 AOCB and subject to that the minute was approved.

2b. Matters arising not on the Agenda

There were no matters raised.

3. 2010 REVALUATION

3a. Outstanding Issues

All appeals other than those referred to the Lands Tribunal for Scotland or Lands Valuation Appeal Court (LVAC) have now been disposed of.

3b. Lands Tribunal Cases – Progress and Issues

G Martin reported that progress is being made with the Ministry of Defence appeals and the Hunterston power station appeals.

G Howarth reported that progress is also being made with the Oil Refinery and outstanding petrochemical appeals.

It was noted that there were still some 2005 appeals outstanding and everyone agreed that these needed to be resolved as soon as possible. I Milton commented that further delay could attract criticism of the appeals system.

It was agreed that the SAA would update the list of outstanding 2005 and 2010 appeals at Lands Tribunal and would share this with the SBRG to ensure that all appeals that could be disposed of were dealt with as soon as possible, with particular emphasis on the 2005 appeals. **Action SAA**

It was agreed to add the 2005 Revaluation as a separate Agenda item for future meetings. **Action SAA**

3c. VAC/LVAC Cases

A Kirkwood noted that since the last meeting the LVAC had heard cases in respect of small Hydros in Tayside and the Canal Undertaking in Central Scotland. He then gave the meeting an update on the current position with the small Hydro appeals.

4. 2017 REVALUATION

4a. Appeal Programming, etc.

It was agreed that the SAA would update the list of hearing dates across Scotland showing subject type appeal allocation and would provide the updated list to SBRG. G Martin noted that some subjects e.g. Police Stations and Halls had been cited for hearing during 2019 although this had not been intimated on the list of 2019 hearings. He acknowledged that matters had now moved on in this regard. **Action SAA**

A general discussion took place on Practice Notes in advance of appeals being cited. A Kirkwood noted that citations are the responsibility of the Valuation Appeal Panels and that not all Practice Notes needed pre-discussion. He agreed that for the 2022 Revaluation better communication would be necessary so that the citation and pre-discussion process was clearer.

It was agreed by everyone that meetings between the SAA Executive and the SBRG needed to be more frequent to improve the communications process.

4b. Appeal Regulations

G Martin noted that some Practice Note authors appeared unwilling to ask the SAA to approve changes to their Practice Notes. He also commented that there was still some delay in processing appeals. P Wildman advised that where there are delays in appeal processing, the agent should always contact the local Assessor in the first instance as they are best placed to resolve any issues. The SAA Executive agreed to bring this issue to the attention of Assessors at the next Assessors' Committee meeting.

The SBRG also raised the delay in production of a stated case by a VAC in Highland.

G Howarth advised that there was inconsistency in the format that Assessors would accept information as part of appeal negotiations particularly in the case of Licensed

Premises. G Bennett emphasised that he would not accept spreadsheets without a covering note from the ratepayer's accountant.

Both the SAA and SBRG agreed to remind their members of the benefits of early engagement so that appeals could be resolved before grounds were required at 35 days prior to the hearing date.

4c. Appeal Disposal Progress

It was noted that progress is being made with 2017 appeal disposal and that the percentage dealt with at the 2017 Revaluation is beginning to get nearer to the progress made at the 2010 revaluation at the same point in the cycle. G Howarth noted though that the value of the appeals still to be dealt with was quite large.

A Kirkwood stressed the importance of dealing with all appeals within the statutory timetable and that Assessors were proceeding on that basis.

G Howarth raised the disposal of Garden Centre appeals. G Bennett advised that these are to be cited soon in Lothian and Lanarkshire.

G Howarth also highlighted that Universities could be referred to the Lands Tribunal if the SAA did not adopt the same Age and Obsolescence allowances that had been agreed with the VOA. P Wildman noted that discussions were still ongoing with the Practice Note author and that evidence should be supplied to him by the appellants to justify a change in the allowances. **Action SBRG**

It was noted that a decision had just been issued in respect of the Exeter museum case. Both the SBRG and SAA would need time to consider the case and any implications it may have for Scotland.

The position with the disposal of ATM appeals in Tayside was discussed. It was agreed that A Kirkwood would approach the Valuation Appeal Panel Secretary to see if she would be willing to meet with both parties to the appeal. **Action A Kirkwood.**

5. 2022 REVALUATION

A Kirkwood highlighted that the SAA was beginning its review of Practice Notes ahead of the 2022 Revaluation and he invited comments from the members of the SBRG on any Practice Notes so that these could be considered as part of the review. These comments should be provided to him in the first instance and by no later than 31 May 2020. G Martin advised that responses will be dependent on their clients' engagement. **Action SBRG**

I Milton outlined the current position with discussions with the hospitality sector including rating agents on the Licensed Premises and Hotels Practice Notes.

G Howarth asked about the introduction of Civil Penalties. It was noted that the Scottish Government's intention is that these are effective from 1 April 2020. He also expressed concern at the proposed level of the penalties. P Wildman stressed that if

the information is returned on time then no penalty would be levied and that a change in culture to the response to Return of Information Forms was required. G Martin observed that this could take time. SBRG asked for a light touch approach to be undertaken by Assessors in the first instance in respect of the issuing of Civil Penalty Notices, particularly given the lack of publicity to ratepayers from the Scottish Government on the matter.

SBRG reps raised concerns re an amendment to the NDR Bill in respect of local authorities setting the UBR and retaining income generated from non domestic rating. The matter of how monies raised from cumulo entries within a particular valuation roll as a result of the amendment was raised and G. Bennett advised that this particular matter may be mitigated by a separate proposal which was currently being considered by the SAA's Utilities Committee in respect of the disaggregation of such entries, with the return of subjects within the cumulo entries into local valuation rolls with effect from 1 April 2022.

6. SAA PORTAL

G. Howarth requested that agents be involved with the development of the Portal. A. Kirkwood advised that he would raise at the forthcoming Assessor's Committee, and advised further that development works currently being undertaken at the Portal centred on GIS functionality, improving the return of information user journey, the display of further detailed valuations, and the provision of supporting information for valuations in connection with the 2022 revaluation. The position of whether a marker will be shown at the Portal for new subjects in relation to the business growth accelerator will be raised at the forthcoming Assessors' Committee meeting.

7. NON DOMESTIC RATES (SCOTLAND) BILL

All parties agreed that appeal volumes will require to be reduced when three yearly revaluations commence.

It was noted that the NDR Bill is currently making its way through the Parliamentary process, with stage three scheduled for mid February.

8. AOCB

G. Martin and G Howarth felt that there was an inconsistency in approach by the SAA in the valuation of District Heating Systems. A Kirkwood agreed that the SAA would look to see if a Guidance Note would be appropriate for the 2022 Revaluation. In the meantime he undertook to establish a point of contact within the Association for this category of subject. **Action A Kirkwood.**

In respect of the PN for sites under going redevelopment, A. Kirkwood advised that the document should be uploaded to the Portal soon.

9. DATE OF NEXT MEETING

Date of the next meeting provisionally set for 18 May 2020. Venue to be confirmed.