

**MINUTE OF THE SCOTTISH RATING
SURVEYORS' FORUM (SRSF)**

Held at Victoria Quay,

Edinburgh EH6 6QQ

On 17 May 2019 at 14.00

Present

Gary Bennett (SAA Secretary), Anouk Berthier (Scottish Government), Colette Brough, (Whitelaw Baikie Figes), Michael Harkin (BNP Paribas), Alastair Kirkwood (SAA Vice President), Stephen McIntosh (Scottish Water), Gordon Martin (Avison Young), Ian Milton **Chair** (SAA President), Mike Rose (CBRE), Ian Storrie (Scottish Government), David Thomson (SAA Past President)

1. Apologies

Gordon Fettes (Knight Frank), Kevin Fraser (IRRV), Moira Gordon (FG Burnett), Lorna Greig (Ryden), Neil Hemings (Scottish Government Water Services Unit), Graham Howarth (Gerald Eve), Roger Littlewood (Tesco), Peter Wilkinson (Savills), Derek Kidd (GL Hearn), Niall Rankin (JLL)

2. Minute of previous meeting of 22 January 2019

2a. Accuracy

The minute of previous meeting was approved without any amendments. The minute will now be published at the SAA Portal.

2b. Matters arising not on agenda

Nothing raised at the meeting.

3. 2005 & 2010 Revaluation and 2010 Running Roll

3a. Appeals Update

I Milton advised that all outstanding 2005 and 2010 revaluation and running roll appeals are currently at the Lands Tribunal.

3b. Lands Tribunal Update and Cases

I Milton advised that there were in the region of 400 outstanding appeals sitting at the Lands Tribunal. The Lands Tribunal have not cited any cases to be heard to date.

The appeals at the Lands Tribunal include circa 300 telecoms appeals and circa 100 non telecoms appeals. Telecoms appeals are slowly being worked through with a view to resolving these following the Lands Tribunal decisions on that subject matter. G Martin confirmed that he will seek to progress GVA's non-telecom appeals and will also highlight to Avison Young's telecom's team the need to progress telecoms appeals. It was recognised that the resolution of R2017 appeals has impacted on the resources available to both agents and assessors.

3c. Lands Valuation Appeal Court Cases

It was noted that the LVAC have now issued a further decision in the case of Assessor for Tayside v Old Faskally Farming Co Ltd & others, and again the judges have remitted the decision back to the Valuation Appeal Committee.

The Supreme Court decision in the case of Telereal Trillium v Hewitt which found in favour of the VOA, was discussed. M Rose noted that the Court required to take account of a prior agreement between the parties which may have influenced the decision.

4. 2017 Revaluation

4a. Appeal Progress

I Milton advised that as at 31 March 2019, of the 73,868 properties which had an appeal in connection with the 2017 Revaluation, some 36,242 have been disposed of with around 9,600 currently cited. He noted that this position is approximately 10% behind the position at the equivalent point of the 2010 revaluation which raises some concern over completion within the statutory deadline of 31 December 2020. He queried whether VACs could be requested to increase the pace of appeal citations. The ratepayer's representatives present considered that they were operating at maximum capacity and noted that the outstanding appeals tended to be more complicated. It was agreed that the position would be closely monitored and SAA representatives undertook to refresh and circulate the current appeal citation programme summary.

4b. Scotvac Website

I Milton noted that there are currently 15 VAC decisions on the Scotvac website and requested that agents contact Secretaries of Committees directly if they are aware of any decisions that are not available at the website. He reminded the meeting that there was other useful information on the website, including links to hearing dates for Valuation Appeal Committees around the country. M Rose intimated that the decisions available on the website are not as comprehensive as they should be and that there was often a delay before decisions were uploaded. G Martin noted that there appear to have been fewer appeal hearings as compared to previous revaluations and so the relatively low number may not be too surprising. He also noted that the function to sort decisions by hearing date is not currently operational.

5. Barclay Review of Non Domestic Rating

5a. SAA Action Plan & Issues Log

I Milton advised that the updated versions of both the SAA action plan and issues log are currently available at the SAA portal. Two actions are outstanding in relation to the action plan. One relates to the provision of estimates for rateable values and I Milton advised that clarity was required by some Assessors in regard to indemnity in respect of that particular service. The other outstanding action relates to the provision of supporting information at revaluations, which is currently under consideration with a view to providing information to improve ratepayers' understanding of their values. The proposal is that such information will be provided at the SAA portal. In respect of the provision of information to assist ratepayers'

understanding of their valuations, I Milton invited suggestions from the meeting with regards to what information could be provided. There were no live issues on the issues log however, G Martin has recently highlighted a potential issue concerning the treatment of land which is undergoing re-development and this will be considered at a future Assessors' meeting.

I Storrie noted that concern had been raised by the Horticultural Trade Association in relation to a perceived inconsistency in the treatment of garden centre subjects across the country. No specific details were provided and I Storrie indicated that he was awaiting further information from the industry.

M Harkin intimated that there may be inconsistent treatment of merged offices. In some instances both entries are deleted from the Valuation Roll and re-inserted as a new combined entry. In other cases an existing entry may be altered so as to include the merged subject. S McIntosh indicated that this can also be an issue for Scottish Water and that identifying the correct UARN was key. D Thomson indicated that mergers are, by their nature, a matter of fact and degree and that the approach may vary depending upon whether a small area was being encompassed within a much larger subject or whether two subjects of equal size were being merged. In addition there are different local requirements as IT systems have been designed to meet existing arrangements with local authorities and CAG custodians. I Storrie requested that examples of this type of anomaly should be passed to him.

5b. Scottish Government Update & Barclay Implementation Advisory Group

I Storrie advised that since the last meeting the Scottish budget had been finalised. During the budget setting process it had been agreed that responsibility for empty property relief should be devolved to local authorities, although the timing & format of the transfer was yet to be agreed. The intention is that local authorities may choose to apply empty property relief or choose not to. The funding of the relief would stay with the local government body.

I Storrie highlighted that the consultation on the NDR Bill was now launched and he encouraged members to consider making responses. The Bill deals with the Barclay Review recommendations and is the Scottish Government's response to the Review. It covers the business growth accelerator, three yearly revaluations, information gathering powers, the appeals system, commercial activity in parks, and sports club relief amongst other matters. He further advised that the Local Government and Communities Committee will be sitting to hear evidence in respect of the Bill. Evidence sessions will begin soon consisting of COSLA, Solace and IRRV, and thereafter the Scottish Assessors' Association will be invited to attend. A Committee recess will follow, with further bodies being invited to attend evidence sessions following the recess.

I Storrie advised that most of the Review recommendations are being dealt with via primary legislation and thereafter there will be more detail contained within secondary legislation. It is anticipated that Stage 1 will be complete by 11 October 2019 with Stage 2 into November and Stage 3 January/February well ahead of the 2022 Revaluation tone date.

I Storrie advised that the Barclay Implementation Advisory Group's Appeals Sub-group continues to meet. Most of the detail in relation to the new appeals system will be dealt with via secondary legislation.

I Storrie advised that the deadline for making an appeal against a revaluation entry in the roll would be brought forward due to the revaluation changing from a 5 yearly process to 3 yearly. Concern was expressed about the adequacy of timelines to deal with appeals. I Storrie advised that he was hoping that there would be a behavioural change in respect of both the return of information process and to lodging appeals. It was confirmed by I Storrie that as it stands there are no plans for any civil penalties imposed by Assessors to be retained by Assessors.

In respect of the Scottish Government website, I Storrie advised that it had been updated in respect of the Barclay Review and that there is a roadmap containing information in respect of the implementation of Barclay recommendations on the site.

He further advised that the Scottish Government are incentivising local authorities to put in place standardised bills this year, however, there were still issues particularly related to IT matters in respect of this initiative. There is also a commitment to the publication of relief recipients and the Scottish Government were in dialogue with local authorities in this respect.

In response to a question from M Rose, I Storrie advised that it was Government policy to retain the small business bonus scheme until the next revaluation. There will however be an evaluation of the scheme which may be undertaken by a third party organisation.

I Storrie advised that there is a consultation on self-catering units underway. He further advised that the Scottish Government are looking for the publication of all reliefs to be made by local authorities, who are being encouraged to review their datasets in order to facilitate this proposal.

I Storrie also advised that the small scale hydro review will commence once again now that the LVAC decision has been issued and that the group will meet on 1 July. It is anticipated that the plant and machinery review will follow the conclusion of the small scale hydro group review.

6. Scottish Water

S McIntosh advised that it is effectively business as usual, that data is being regularly taken from Assessors and used for sewage and water billing and that no major issues are being reported.

In response to a question, S McIntosh confirmed that transitional arrangements are in place in relation to the change in the sewage and water scheme, however, as with most transitional schemes these will be phased out.

7. Scottish Government

7a. Policy Update

Covered under item 5b.

7b. NDR Bill Update

Covered under item 5b.

8. AOCB

In response to a question it was confirmed that the tone date for the 2022 revaluation is 1 April 2020 and for the 2025 revaluation the tone date would be 1 April 2024.

9. Date of Next Meeting

It was agreed that the date of next meeting would be best scheduled for January 2020 following the announcement of the budget that is expected to be in December.