

**MINUTE OF THE SCOTTISH  
RATEPAYERS' FORUM  
Held via MS TEAMS  
On 11 February 2022 at 11am**

**Present**

Marshall Bain (Scottish Licensed Trade Association), Gordon Balmer (Petrol Retailers Association), Gary Bennett (SAA President), Anouk Berthier (Scottish Government), Susan Cameron-Nielsen (Scottish Whisky Association) Will Clarke (UKPIA), Ian Cranshaw (Chemical Industries Association), Phillip Duffy (Scottish Government), Kevin Fraser (IRRV), Heather Honeyman (SAA Secretary), Alastair Kirkwood (SAA Past President), David Lonsdale (Scottish Retail Consortium), Luke McGarty (Scottish Grocer's Federation), Stuart Mackinnon (Federation of Small Businesses), David Melhuish (Scottish Property Federation), James Messis (Scottish Government), Stephen Montgomery (Scottish Hospitality Group), Sandra Reid (Scottish Government), Euan Ryan (RICS), Gregor Scotland (CBI), Leon Thompson (BHA), Pete Wildman (SAA Vice President).

**1. Apologies**

James Barnes (Horticultural Association), Colin Campbell (Scottish Chambers of Commerce), Fiona Campbell (Scottish Self Catering Association), Ian Cass (Forum of Private Businesses), Marc Crothall (Scottish Tourism Alliance), Reme Diaz (Scottish Government), Cameron Gold (Petrol Retailers Association), Marcelina Hamilton (Scottish Land & Estates), Robert Kennedy (Scottish Self Catering Association), Stephen McIntosh (Scottish Water), Claire Mack (Scottish Renewables), Robert Robertson (Lothian Valuation Appeal Committee), Angeles Sandoval (Scottish Renewables), Ian Storrie (Scottish Government).

G Bennett welcomed everyone to the meeting and advised that recording the meeting proceedings without the express consent of all attendees is not to be undertaken. He further advised that, since the last meeting, he was now President of the SAA, P Wildman was now Vice President, Heather Honeyman was now Secretary and Alastair Kirkwood was now Past President.

**2. Minute of previous meeting of 17 March 2021**

**2.1 Accuracy**

The minute of previous meeting was approved. The minute will be published at the SAA Portal.

**2.2 Matters arising not on agenda**

There were no matters arising from the minute of the previous meeting.

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

**3.1 Lands Tribunal Update and Cases**

G Bennett noted that there were still circa 200 appeals at the Lands Tribunal, of which around 140 relate to telecom subjects. He further advised that there had been no 2005 or 2010 cases proceeding to a full hearing since the last meeting of the Forum.

### **3.2 Lands Valuation Appeal Court Cases**

A Kirkwood provided a brief update on the position with the small hydro appeals in Tayside. G Bennett noted that no cases arising from either Revaluation had been heard by the LVAC since the last meeting of the Forum.

## **4. 2017 Revaluation Appeals and Non Covid MCC Appeals**

### **4.1. Lands Tribunal for Scotland update**

G Bennett reflected on the number of revaluation appeals that had been disposed of in the course of the 2017 Revaluation and he thanked all parties to the appeal process for their hard work in achieving this. He went on to note that there were approximately 1800 appeals that had been referred to the Lands Tribunal, around 1500 of which related to the sites of ATMs.

In response to a question from D Lonsdale about the SAA's approach to the treatment of such sites in light of the Supreme Court decisions he advised that the matter was under active consideration by a Committee of the Association. Assessors will consider the best approach to communicate the outcome of that process. G Bennett also encouraged the withdrawal of any appeals that ratepayers felt were in line with the Lands Valuation Appeal Court Decision.

G Bennett reported that there had been no substantive cases heard by the Lands Tribunal since the last meeting of the Forum.

### **4.2 Lands Valuation Appeal Court update**

G Bennett advised that there had been no cases heard by the Lands Valuation Appeal Court since the last meeting for the Forum.

## **5. 2017 Covid MCC Appeals**

G Bennett noted that the Non-Domestic Rates (Coronavirus) (Scotland) Bill had been laid in the Scottish Parliament.

## **6. 2023 Revaluation**

G Bennett reported that work is well underway on the revaluation. All Assessors are issuing information requests and the SAA Committees are beginning to prepare the necessary Practice Notes. He asked everyone to promote awareness of this and to ensure their members responded to requests for information as soon as possible to avoid the risk of a Civil Penalty.

Following a request from D Lonsdale, it was agreed that G Bennett would provide a brief note on this for circulation to forum members for inclusion in newsletters etc.  
**Action G Bennett.**

A Berthier noted that the Scottish Government had written out to all Proprietors, Tenants and Occupiers in November 2020 alerting them to the changes, she also advised that the Scottish Government website had useful information on the subject.

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

This item had been covered as part of Item 6 on the Agenda.

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

G Bennett noted that both documents had been circulated as part of the papers for the meeting. No issues were raised with either of the documents.

## **9. Scottish Water**

No report for this meeting.

## **10. Scottish Government**

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

A Berthier provided an update on Scottish Government matters. She advised the following

- Scottish Budget for 2022/23 maintained the position that 95% of properties in Scotland are subject to a lower rate poundage than elsewhere in the United Kingdom.
- The 50% relief for retail hospitality and leisure subjects will remain for the first three months of 2022/23 and that the relief would be capped at £27,500
- Small Business Bonus Scheme will continue for 2022/23
- Business Growth Accelerator relief will be expanded by making increases in rateable value due to the installation of solar panels a qualifying improvement eligible for relief, and thus helping the Scottish Government to support its net zero ambitions.
- Enterprise area relief extended until 31 March 2023
- Transitional relief to continue for all but the largest hospitality subjects in Scotland. It will also continue for offices in Aberdeen and Aberdeenshire.
- With effect from 1 April 2022 eligibility for charitable rates relief for all mainstream independent schools will be removed.
- The rules around which properties qualified as self-catering accommodation will be changing from 1 April 2022. In addition to being available for let for more than 140 days in a financial year, they will also have to have been actually let for 70 days in the financial year to be rated as non-domestic properties.

She went on to note there was an ongoing consultation on the statutory decapitalisation rate for the 2023 Revaluation. The closing date for responses to the consultation is 13 March 2022 and encouraged forum members to respond to the consultation.

She also advised that the role of Valuation Appeal Committees would be transferring to the Scottish Courts and Tribunals Service with effect from 1 January 2023 and at the same time a new two-stage appeals system would be introduced. The consultations on these changes had closed and the Scottish Government were

considering the submissions. A formal response to the consultations would be issued shortly, with associated legislation laid in Parliament from April onwards.

She drew members of the forum's attention to the review of the Small Business Bonus Scheme by the Fraser of Allander Institute, which had been delayed due to the pandemic. Work is now ongoing again and the Scottish Government will consider the report's recommendations once the review is concluded. L McGarty asked if the Fraser of Allander review of Small Business Bonus Scheme would be published soon. A Berthier indicated that spring was a reasonable assumption.

She noted that Empty Rates Relief will be devolved to Local Authorities from 1 April 2023. She also noted that the Non-Domestic Rates (Coronavirus) (Scotland) Bill has been laid in Parliament, the aim of the Bill is to rule out Covid MCC appeals and the Scottish Government are hopeful that the Bill will pass given previous cross-party support for The Valuation and Rating (Coronavirus) (Scotland) Order 2021. She also stated that those ratepayers who lodged COVID-19 appeals may wish to consider whether they want to pursue them or not; if not, these should be withdrawn, thereby reducing the administrative burden.

D Lonsdale asked A Berthier about the position with the Town Centre Action Plan. A Berthier advised that an update is due in the coming months. He also enquired about rates levied on properties owned by a company in a tax haven. A Berthier advised that the Scottish Government is looking at the issue of tax avoidance and that changes to Empty Property Relief to reduce tax avoidance were being made with effect from 1 April 2022. In response to his final question on Large Property Supplements, she noted that it was the Scottish Government's intention to reduce them over the lifetime of this Parliament.

W Clarke enquired about the approach to solar panels, A Berthier undertook to provide him with a link to the policy note.

D Melhuish asked whether Purpose Built Student Accommodation (PBSA) will be subject to Non Domestic Rates. A Berthier responded that work on a general review of PBSA had yet to commence as the appointment of consultants was taking longer than anticipated. D Melhuish also asked about the spread of the NDR burden across the various property sectors. A Berthier noted that circa 50% of properties are not liable for Non-Domestic rates due to the Small Business Bonus Scheme. At the moment she had no figures to provide on the rating base but the Scottish Government is keen to keep the matter under review.

S Mackinnon asked about the impact of Land Reform policy on NDR. A Berthier responded that this will be considered however also noted that following the Barclay Review, the Scottish Government had decided against legislating to include all property in the Valuation Roll. She went on to note that work to include all land in the Land Registry was ongoing.

S Montgomery noted that the closure of hospitality subjects during December had meant a loss of 35% of annual turnover and asked if the Scottish Government were taking account of this together with the increase in paying rates and the forthcoming National Insurance changes. A Berthier advised him that the Scottish Government had demonstrated though its swift response to COVID that it was responsive to business in times of need, and that it continues to monitor the economy.

**11. AOCB**

None.

**12. Date of Next Meeting**

To be advised but the general view was that virtual meetings were effective and should continue. W Clarke noted the delay in the circulation of draft minutes and asked if they could be circulated soon after the meeting.