

Consultation on the non-domestic rating valuation appeals system

RESPONSE FORM / RESPONDENT INFORMATION FORM

Please note both pages of this form **must** be returned with your response to ensure that we handle your response appropriately.

Please print clearly in bold using black ink.

1. Name/Organisation

Organisation Name

T	H	E		H	I	G	H	L	A	N	D		C	O	U	N	C	I	L

Title Ms Mrs Miss Mr Dr Please mark as appropriate

Surname

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Forename

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2. Postal Address

G	L	E	N	U	R	Q	U	H	A	R	T		R	O	A	D		
I	N	V	E	R	N	E	S	S										

Postcode	Phone	Email
IV3 5NX	01463 702411	Sheila.mckandie@highland.gov.uk

3. Please indicate which category best describes your organisation (Tick one only).

Business Owner / Ratepayer	
Business Representative Organisation / Trade Body	
Local government	√
Other public sector (e.g. NHS Board, Executive Agency or NDPB)	
Third sector / equality organisations	
Professional / Representative body for professionals	
Academic	
Individual	
Other – please state...	

4. Permissions. I am responding as an...

Individual / **Group/Organisation**

Please tick as appropriate

(a) Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please tick as appropriate Yes No

(b) Where confidentiality is not requested, we will make your responses available to the public on the following basis

Please tick ONE of the following boxes

Yes, make my response, name and address all available

or

Yes, make my response available, but not my name and address

or

Yes, make my response and name available, but not my address

(c) The name and address of your organisation *will be* made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your *response* to be made available?

Please tick as appropriate Yes No

(d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Please tick as appropriate Yes No

**Please ensure you email this form along with your response to
BusinessRatesGeneralEnquiries@scotland.gsi.gov.uk
by 6 March 2015.**

Thank you.

NON-DOMESTIC RATING VALUATION APPEALS SYSTEM CONSULTATION RESPONSE BY THE HIGHLAND COUNCIL

The Highland Council welcomes the opportunity to contribute to the Scottish Government's consultation regarding the Non Domestic Rating Valuation Appeals System in Scotland.

This response is provided in the context of the Council's statutory role to administer and collect non domestic rates and as a result this response only addresses those points that impact this duty.

While Councils' roles do not extend to the valuation appeals process, Councils' abilities to collect rates due, pending appeal outcomes, can be hampered during the appeals timetable.

Power of collection

From a collection perspective, the Highland Council would welcome an appeals system that is founded on:

- Explicit and reasonable deadlines by which all revaluation appeals and appeals involving material changes of circumstances must be received by the Assessor.
- A specific requirement for appellants to specify their grounds for appeal. Any such appeals that do not contain proper grounds for appeal, or a failure by the appellant to provide requested information to the Assessor, should be automatically dismissed.
- Explicit and reasonable deadlines for all appeals to be decided.

Improving the Assessor's powers to obtain information will:

- provide for more accurate rateable values upon which Councils base the Non Domestic Rates charge; and
- should result in fewer appeals.

Councils welcome the provision in the regulations that require Non Domestic Rates to be paid pending appeal decisions. In these circumstances, Councils continue to pursue overdue rates, including making use of the summary warrant procedure and enforcement. However, the regulations need to be updated in a manner that prevents ratepayers from challenging the summary warrant surcharge element after the appeal has been settled in order to reduce the administrative overhead for Councils and their appointed Sheriff Officers.

Electronic provision and exchange of information

Amending the relevant regulations to enable citations and information to be shared electronically would streamline the appeals process and therefore have a positive impact on Councils' abilities to collect Non Domestic Rates.

Greater transparency of information

Rateable values and other relevant information can be accessed from anywhere and at any time via the Scottish Assessors Association's portal. Positive feedback regarding the SAA portal is regularly received by the Council from ratepayers and their agents. Increased use of the portal as the single access point to a broader range of information on valuation matters would provide for further improvements.

Although rateable values can also be viewed at the Council's Headquarters, minimal use is made of this facility. It would however be prudent to retain this facility for those that are unable to access the portal.

Any variations to time limits for lodging or hearing appeals or for exchanges of information

From a collection perspective, it would be useful to reduce the time limits for lodging or hearing appeals following a revaluation. This would probably require the Assessor to publish proposed rateable values at an earlier date.

Scope of appeal, eg whether the current cope gives appropriate rights and transparency to ratepayers

Provisions within the Local Government (Scotland) Act 1975 mean that there are variances in the effective dates that are applied to changes and deletions to the Valuation Roll. As a result there can be a reduction in the rating income and therefore on the rating pool. It would be useful to address this position as part of the current review.

Improved (provision of) information to ratepayers about the valuation process, etc

When corresponding with ratepayers from a collection perspective, there are no concerns raised by ratepayers or their agents regarding the current approach to providing information and notices although enhanced provision of information may be achieved via the SAA portal.

Whether charging of a modest fee could result in any improvements to the system

To avoid or to delay payment of Non Domestic Rates, some ratepayers may submit speculative appeals. If the policy intention is to deter and reduce the number of speculative appeals, then a charge based on rateable value, may be an effective option. However, if the policy intention is to recover the cost of the appeals system, an alternative model may be more effective.

Where the balance of risk for appeals should sit/increases and decreases in valuation

This is a matter for the Scottish Government to decide. However, should the appeals process be amended in a way that enables appeal resolution that result in rateable value increases and decreases then the balance of risk will be more effectively shared between the Scottish Government and ratepayers. This approach may also alleviate the volume of speculative appeals.

Measures to reduce the volume of speculative appeals and speed up the resolution process

The suggestions offered above will assist in this area.

Limiting the number of appeals per property

From a collection basis, there is a range of valid reasons why a number of appeals may be made per property. It is critical that the valuation roll accurately reflects rateable values and on that basis it is paramount that there are no limits on the number of appeals per property.

Introduction of new penalties for those who fail to provide evidence or are deemed to abuse the system

For some ratepayers, the appeals system can be used as useful mechanism to delay or to avoid payment of rates. New penalties would help to address those that seek to make use of the appeals system for this purpose. The billing and recovery of such penalties will need careful consideration to ensure that these penalties can be fully recovered in an efficient manner.

Improvement to availability of rental evidence

A duty on solicitors and others for the automatic notification of new lease agreements and amendments would be a positive change to the current model. This would streamline the appeals process and better enable the Assessor to arrive at rateable values that accurately reflect the rental market.

END

