

Response ID ANON-CS83-YP48-P

Submitted to Consultation on reforming the non-domestic rates system: proposals, the draft valuation roll, content of valuation notices, etc.
Submitted on 2021-12-15 15:33:37

The draft Valuation (Proposals Procedure) (Scotland) Regulations 2022

1 Do you have any comments on the draft Valuation (Proposals Procedure) (Scotland) Regulations 2022? We are particularly interested to hear your views on the exchange of information between parties and the different timescales involved.

Please provide your comments in the text box below:

It is difficult at this stage to see how the new process is achieving the aims of the Barclay review to support enhanced information between assessors and ratepayers, or indeed even making the Rating appeals system more transparent and efficient. Indeed, by making the Regulations onerous and complicated, we fear that there will be significant submissions by ratepayers or their agents towards the end of July and we cannot see how this will therefore have achieved the government's objectives for reducing the number of rating appeals and improving information flow.

There is a significant requirement for information to support a proposal made by a ratepayer, but then there could be considerable delay before the ratepayer is aware of the progress of the proposal. Our members have also noted that attachments cannot currently be sent via the SAA portal, a technical point which must be addressed before the new system comes into force. If the key objective of these regulations was to improve the timely nature of information flows between assessors and ratepayers, then we do not think this objective is achieved by these regulations.

The consultation notes that the 2020 Act established a new two-stage process for submitting rating appeals. The new system will reduce the time for response to a valuation to four months from the point of revaluation. Essentially, this will make the deadline for the submission of a proposal the end of July rather than the end of September as it is under the current system for challenging rating assessments.

There is also a very limited period for the ratepayer to reply to an Assessor's written statement made in response to a ratepayer proposal. This is just 14 days and should in our view be a longer period. After this once a decision is issued by the Assessor on a proposal, the ratepayer will have again just 14 days to decide whether to Appeal this decision.

We refer to the long periods of time for Assessors to set a PDD later in the consultation but in summary, we believe the proposals are not balanced in terms of timescales or information flows and are unfair to ratepayers. We urge the government to discuss the details of all of these Regulations again with the key professional and industry bodies.

The draft Valuation Timetable (Scotland) Amendment Order 2022

2 Do you have any comments on the draft Valuation Timetable (Scotland) Amendment Order 2022?

Please provide your comments in the text box below:

We are concerned that the timetable is very dependent on the draft valuation date being achieved. This is also an extremely busy time of year for many retailers and hospitality businesses. The four-month period to submit a proposal is reduced from the six-month period currently applied after a revaluation and this again makes the draft valuation even more critical from the ratepayer perspective.

The draft Valuation Timetable (Scotland) Amendment (No.2) Order 2022

3 Do you have any comments on the draft Valuation Timetable (Scotland) Amendment (No.2) Order 2022?

Please provide your comments in the text box below:

We believe the timetable is significantly tilted in favour of the Assessor. While a ratepayer has four months to decide to embark on an extended proposal-appeal process, the assessor has potentially 27 months - we do not see how this is fair.

Our members have also highlighted the time restrictions on errors or MCCs. Both are also limited to four months following a revaluation. The MCC process is supposed to respond to unexpected events, although its lack of use in the pandemic situation was significantly unfair to many ratepayers. Errors are already relatively rare as a form of appeal, and strictly defined. These regulations instead appear to have been drawn up with little regard to the opportunity for inadvertent administrative errors in billing administration or assessments, or for the need for businesses to be supported in the event of sudden and unpredictable events such as the current pandemic.

The draft Valuation Roll and Valuation Notice (Scotland) Order 2023

4 Do you have any comments on the draft Valuation Roll and Valuation Notice (Scotland) Order 2023?

Please provide your comments in the text box below:

There is a consistent thread of practical concerns highlighted within these sets of Regulations. The government is taking no account of how everyday events will disrupt even the best of administrative systems. The regulations have instead sought to restrict the ratepayer's opportunities to assess their liabilities, or be redressed for incorrect or inappropriate rating liabilities. This lack of flexibility in the proposed legislation is intended to reduce the number of appeals, but it has come at the price of fairness for ratepayers.

The draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022

5a) Do you have any comments on the draft Non-Domestic Rates (Valuation Notices) (Scotland) Regulations 2022?

Please provide your comments in the text box below:

The key to satisfying ratepayers that they have been assessed fairly and correctly is to share the basis of their draft valuation. However we are not convinced that the proposed content of valuation notices will achieve this outcome. By providing a list of property addresses without rental analysis, that have yet provided the comparable basis for a valuation, the Assessor is not actually being required to fully explain their valuation assessment. Once again, we feel that the balance of fairness is not achieved in these parts of the Regulations.

5b) What are your views on whether or not it is appropriate to use The Town and Country Planning (Use Classes) (Scotland) Order 1997 to describe the property types covered by the requirement to set out the location of similar properties whose rental evidence has been considered?

Please provide your comments in the text box below:

We do not think the Planning Use Classes will always be relevant to a rateable valuation and could potentially offer little insight to a ratepayer as to how their property has been assessed. Our understanding is that the intention is to refer to Planning Use Classes in the context of bulk property descriptions.

Indeed, in some situations the use of Planning Use Classes may possibly be misleading for particular property circumstances. The Assessor is required to apply their assessment of actual use to property valuations. We would not therefore see referral to Planning Uses as always necessary or desirable. Accordingly, we would prefer to leave this open to Assessors to utilise their existing property descriptions, or to judge whether to refer to a Planning Use class. The only stipulation we would seek if an assessor decided to refer to a Planning Use Class is that the specific properties referred to for the valuation are also identified.

5c) What are your views on whether additional requirements should be set out for the information to be included in valuation notices for all or some lands and heritages?

Please provide your comments in the text box below:

The information to be provided in a valuation notice should be appropriate to the land/heritage in question. Our members have raised concerns that the evidence used for comparisons is not always up to date, with particular concern expressed in relation to the Contractors' Basis of Valuation.

We do not believe either that a balance is being struck between the Assessors' obligations to supply information on their basis of their own assessments compared to the greater requirements made upon ratepayers to supply commensurate information.

About you

What is your name?

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Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:

Scottish Property Federation

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

Publish response with name

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?

Yes

I confirm that I have read the privacy policy and consent to the data I provide being used as set out in the policy.

I consent

Evaluation

Please help us improve our consultations by answering the questions below. (Responses to the evaluation will not be published.)

Matrix 1 - How satisfied were you with this consultation?:

Slightly dissatisfied

Please enter comments here.:

The use of these forms of response not helpful if seeking to engage a large number of members and customers.

Matrix 1 - How would you rate your satisfaction with using this platform (Citizen Space) to respond to this consultation?:

Slightly dissatisfied

Please enter comments here.:

Reasons provided above