Revaluation years

While we understand the justification for this, recognition needs to be given to the additional workload this will result in for local authorities. Although there is an automated interface between the Assessor’s and Rating systems for Revaluation, there is still the issue of manual intervention on rejections. Consequential changes in relief thresholds could result in a more frequent requirement for reviews. Possibility TR schemes would still be in operation over a number of revaluations or conversely if there are more frequent revaluations will there be a need for TR schemes? There will be costs attached to more frequent revaluation for the reasons specified above. Will funding be provided to meet these additional costs?

New and Improved mark in roll.

While this is matter for the Assessor, a marker will be beneficial to local authorities when processing new and improved applications. We think it will be useful if there are two markers, one for new properties and one for improved property to avoid dubiety. Will the local authority have the discretion to turn down an application if they feel relief criteria have not been met despite the Assessor placing a marker on the property or are the marker the determining factor?

Entering of parks in valuation roll

In general we do not support the proposal to enter parks in the valuation roll. We do accept that permanent commercial activities within public parks should be valued, for example a shop in a local park should be levied however this would probably attract full sbbs so would simply be an administrative exercise with no net gain.

We feel free and unrestricted use by the public is not viable in that there is a cost of maintenance and general upkeep. For example amateur football clubs using a local park. There would be a requirement for general upkeep of grounds etc which comes at a cost which the local authority would need to recover.

The issue of the Authority deriving net profit could be applicable where the authority allows the areas to be used for commercial concerts or offers franchises to set up at free events/shows during bonfire nights. However over the course of a year such concerts / events can total less than two to three weeks and as such it would appear excessive to enter a park into the valuation roll for a whole year. The Assessor would
have an administrative burden quantifying net profit. Perhaps a de minimus use threshold could be set.

**Local authority discretion over dwellings**

We feel this is a matter for the Assessor and as such are not keen for Local Authority discretion. There needs to be clear division of duties.

**Valuation notices**

This is matter for the Assessor however in relation to (2ZB) we would encourage use of electronic notices where ever applicable.

**Proposals to alter and appeals against valuation roll**

This is, in the main, a matter for the Assessor however we agree in principle with the proposal to increase valuations following appeal where applicable. This would prevent ratepayers submitting spurious appeals.

**Proposals and appeals: consequential modifications**

No comment

**New and improved properties: rates relief**

We see this as a vehicle to amend the current new and improve regulation.

**Charitable relief: Independent schools**

In this time of fiscal austerity we would question whether granting relief to fee paying independent schools is fair and best use of resources. As such we support the proposed legislation.

**Power to reduce or remit rates for certain organisations: guidance**

The Highland Council wishes to make a general comment on the issue of ALEO’s. We are aware that we have not been alone in seeking clarity from the Scottish Government as to the rules relating to / assessment of ALEO’s.

Our initial understanding was that the recommendation from the review was that relief was to be removed; we are now aware that this was not fully accepted by the Scottish Government and although relief can still be awarded to an ALEO, a corresponding sum will be removed from the grant settlement paid to the relevant Authority. This will mean that Authorities will in effect be funding this relief awarded,
relief that in accordance with legislation determined by the Scottish Government that must be awarded.

The impact of such a decision is unlike any other change recommended by the Barclay Review. Given that ALEO’s hold charitable status and as such under the Government’s own legislation must be afforded 80% relief, if the occupation of the property in question meets the qualifying criteria. The Council will have no discretion in awarding such relief and failure to reimburse such costs would result on a strain on already perilous council budgets. Failure to award such reliefs to these organisations would not only contravene Government legislation but could have a detrimental effect on rural and deprived areas that rely on such organisations. Any such decrease in grant funding would obviously result in increased costs to local taxpayers.

Non-use or underuse of lands and heritages: notification

Fully support any regulations which will counter avoidance of rates payable on unoccupied by ratepayers utilising charities for occupation.

Failure to pay instalments

We fully support any regulations which allow us to take swifter recovery action.

Assessor information notices

No comment

Local authority information notices

This regulation would give us the legislative power to request the information required to update the assessment roll. While we already request this information, there being a legislative requirement to comply should aid our information gathering process. Looking at the phrase “as it may reasonable require” who will determine this? The local authority and the ratepayer may have different opinions on what is reasonable. In the past we have requested leases from ratepayers but they have refused to provide them. We feel the provision of a lease is a reasonable request however in some cases the ratepayer clearly doesn’t.

Duty to notify changes of circumstances

We are in agreement with the legislative prescription of as time limit for notifying of changes. However, we would rather that local authorities were given powers to allow us to refuse to amend the roll for late notification with the original liability
remaining payable (apart from in exceptional circumstances). While fines may encourage some ratepayer to respond many already indebted ratepayers will not be prompted by this means. Additionally, there may be software administration costs to implementing a fine’s regime.

**Offences in relation to information notices and notifications under Section 16**

We agree.

**Civil penalties for failure to comply with assessor information notices**

This is matter for the Assessor but recognise that this may be an administrative burden.

**Penalties under section 18: appeals and enforcement**

This is a matter for the Assessor.

**Civil penalty for failure to comply with local authority information notices and failure to notify changes in circumstances**

Before responding specifically, the Highland Council would make the following general comments. They also reflect a general view that there is insufficient information to make an informed response.

We have a question mark over the validity of the penalty without recourse to primary legislation. We recall the issues which arose with the community charge civil penalty and whether this new civil penalty would sufficiently offset the administrative burden, especially when one also includes ultimate collection levels of such penalties.

Could it be included, if imposed, as part of the Rates charge and as such be enforceable under summary warrant along with any unpaid rates charge? We are unclear on that.

Are penalties merely addressing the effect of the non-provision of information to Council’s rather than the cause which is felt to be an attempt by individuals / companies to avoid the payment of rates? Would effort be better spent ensuring rates avoidance schemes are eliminated?

Subject to the comments above and insufficient information thus far, if penalties were taken forward it would be better if the penalty level was proportionate to rateable value. Local Authorities should administer the penalty and deal with any appeals in the same way as any rates appeal process. It should be a mandatory penalty for the non-provision of information after a 21 day period. But, similar to concerns
expressed above concerning the lack of information thus far, would councils, for example, have the discretion to overturn on appeal?

Penalties under Section 20: appeals and enforcement

We question why an appeal under this Section would be made to a valuation appeal committee. All (non valuation) NDR appeals are dealt with “in-house” with the final appeal being heard by a NDR internal committee of the local authority as per the terms of the Section 238 of the Local Government (Scotland) Act 1947.

On reflection, we would ask whether all NDR should be made to the independent valuation appeal committee. The Highland Council has administered several NDR appeals made to the NDR internal committee (as detailed above) and the appellant has questioned the impartiality of the committee when it is comprised of local members (councillors) who represent The Highland Council.

Sections 19 and 21 consequential modifications

No comment

Anti-avoidance regulations

We are fully supportive of these regulations however we will be interested to see how they work in practice. We foresee a lot of grey areas in terms of interpretation which will have to be ultimately decided by the courts. That in itself is not a bad thing as it will establish case law going forward.