

PARISH RATES REVIEW

**Lodged au Greffe on 24th August 1993
by the Connétable of St. John**



STATES OF JERSEY

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion -

- (1) to approve the recommendations of the Working Party on the Review of the Parish Rate (Administration) (Jersey) Law 1946, as amended, set out in Annex A of Appendix 2 of the report, dated 10th August 1993;
- (2) to agree, in principle, that a new Law be drafted to replace the Parish Rate (Administration) (Jersey) Law 1946, as amended, and to request the Legislation Committee to prepare the necessary legislation;
- (3) to request the Policy and Resources Committee to include the drafting of the new Rates Law in the States Legislation Programme for 1993/94;

CONNÉTABLE OF ST. JOHN

REPORT

Background

1. On 23rd August 1983 the States set up a Committee of Inquiry into Parish Rates, with its terms of reference set as follows -

“to inquire whether the mode of levying rate in the parishes of the Island, the assessment of rental values, the making and collection of the rate and the general administration of the parish rate system, as provided for in the Parish Rate (Administration) (Jersey) Law, 1946, as amended, are appropriate to present-day conditions and to make recommendations thereon.”

The Committee of Inquiry presented its report (P.47/84) to the States on 1st May 1984, in which it made 21 recommendations to the Connétables. Following the debate of the report, held as a Committee of the Whole House on 23rd October 1984, the Supervisory Committee of Connétables, during the succeeding period, has implemented all but two of those recommendations and has continued consideration of the outstanding matters, namely -

“(5) Consideration should be given to amending the Law to provide for appeals against assessments to be heard by a panel of independent persons on the lines of the arrangements which apply to income tax appeals.

(12) The Supervisory Committee, in consultation with the Assessment Committees, should examine the problem of uniformity of assessments in respect of agricultural land, farm houses and farm buildings and take whatever action may be necessary to ensure that there is a greater uniformity of assessing in respect of land, farm houses and buildings throughout the Island.”

2. On 6th August 1991 Deputy R.E.R. Rumboll lodged “au Greffe” a report and proposition (P.124/91) which asked the States to appoint a Committee of Inquiry to review the method of levying rates in the parishes of the Island, the computation of rateable values of property and the general administration of the parish rate system as provided for in the Parish Rate (Administration) (Jersey) Law 1946 and to make

recommendations for any improvements or changes as may be deemed necessary to meet present-day conditions.

3. On behalf of the Connétables I successfully opposed a debate on the proposition on 20th August 1991, as at that time the Connétables had set up a Sub-Committee, to look at the possible problems affecting rate assessment. I also said that I would be in a position to make a statement by the end of the year and did so on 17th December 1991. (See Appendix 1)
4. The States, on 17th December 1991, adopted the draft Parish Rate (Jersey) Law 1991, having accepted an amendment of Deputy D.L. Crespel, the purpose of which was to authorise the making and levying of rates in the parishes for the years 1992 and 1993. This two year agreement, as opposed to the usual triennial agreement, demonstrated the wish of the States that the perceived shortcomings of the Parish Rate (Administration) (Jersey) Law 1946 should be attended to as a matter of urgency.

Working Party

5. The Supervisory Committee set up a Working Party to consider revisions to the present rating system. The Working Party comprised -

The Connétable of St. John, Mr. J.P. Le Sueur - Chairman
 The Connétable of St. Helier, Mr. F.P.W. Clarke (who remained a member following his retirement as Connétable)

The Connétable of St. Mary, Mr. E. Le G. Godel
 Deputy for St. Lawrence, Mr. H.G. Coutanche
 St. Helier Assessor (and former Deputy of St. Helier), Mr. W.G. Mahoney
 St. Clement Assessor and Secretary of the Jersey Association of Rate Assessors, Mr. R.H. Pallot
 Honorary Secretary, Mr. M.R.P. Mallet, seconded from the administration of the Parish of St. Saviour

The Working Party met on 21 occasions between 29th January 1992 and 9th August 1993.

I am extremely grateful to all the members of the Working Party for their dedication to the task and I attach their Report as Appendix 2.

6. There are 28 recommendations, which have been approved by the Supervisory Committee with minor amendments, and are set out in Annex A of the Report of the Working Party.

The main recommendations are -

Fixed rateable value

The definition of land in the Parish Rate (Administration) (Jersey) Law 1946, as amended, is any land capable of actual occupation, and except for the definition of agricultural land, includes any houses, buildings and structures thereon and thereunder and land covered by water.

The present Law provides that the rental value of land to be used for the purposes of computing rateable values shall be the rent at which it might reasonably be expected to let from year to year if the tenant undertook to pay the usual tenants rates and if the landlord undertook to bear the costs of repairs and insurance and any other expenses necessary to maintain the land in a state to command that rent. It is on this basis that the rental value for owner occupied properties should be assessed.

Where land is let at a rent, that rent is used as the rental value for assessing the foncier rate unless for any reason such rent represents more or less than the full consideration for the enjoyment of the land. The actual rent paid is also used as the rental value for assessing the occupier's rate except that in this respect, the Assessment Committee can exercise discretion and shall not be bound to assess the rental value of the land for rating purposes at the amount of the actual rent paid.

Through the application of the foregoing, a basic anomaly was exposed in 1983 when the rate per quarter (the rate is pence per quarter based on £1 = 1 quarter) was substantially reduced in all parishes following a revision of valuation practice and proportionate increase in aggregate rateable values. This was because over a period the Assessment Committees had not assessed owner-occupied accommodation on the basis of a reasonable

market rental value and it transpired that since rented properties were assessed on the basis of the actual rents, significant and unjustifiable differences had arisen between the two sectors.

The Supervisory Committee took note of the recommendation of the Committee of Inquiry (P.47/84) and since that time it has made great strides in promoting amongst the Island's Assessment Committees basic uniformity in the principles and practices of rating and has had a guiding hand in ensuring that such a differential has not re-emerged.

The consequence of proper application of the Law, particularly in the last decade, has resulted in owner-occupied properties being annually re-assessed in an effort to maintain parity with the rental sector. This totally legitimate re-evaluation has, however, given rise to a common complaint that a person continuously re-assessed is unable to gauge what his financial liability will be, given at that stage in the proceedings the unknown quantity of the rate per quarter. This complaint is accentuated if a person's increased quarters are applied to an increased rate set later and outside of the appeals procedure by Act of the Parish Assembly.

The Working Party has, therefore, set much store in strongly recommending that rental values, once appropriately assessed throughout a parish, be frozen, ordinarily once and for all. This fixed denominator, i.e. the FIXED RATEABLE VALUE (FRV) would in the normal course be applied to the rate. Clearly, much public discontent would evaporate if these two areas of fluctuation (i.e. increasing rental values and subsequently the rate) were limited to the level of the rate per quarter only. Such a course would also concentrate the minds of ratepayers to the undisguised and real level of inflation and act as a useful financial barometer.

In essence, the FRV figure would remain static from year to year unless there were any improvements, any alterations or any additions to the property. The appropriate re-assessment facility should be built in to the new procedure to deal with anomalies that could occur

and, if equity is to be achieved, rectified. The frozen FRV would be published annually in a form of valuation list similar to the Draft Rate list which appears at present.

With each property permanently assessed, fluctuations in rate liability would be concentrated solely on the unit cost per quarter (i.e. the rate) decided as at present according to the budgetary requirements of the respective parish.

Exemptions from foncier and occupier's rate

It is evident from recommendations 8 and 9 (set out in Appendix 2) that the Working Party has offered the widely held view that property vested in the ownership of the Crown and the public should no longer be exempted from liability to rate.

The Working Party recommends the payment of foncier rate in respect of -

land owned by Her Majesty (if constitutionally possible);

land owned by a Department of Her Majesty's Government and used exclusively in Her Majesty's Service (if constitutionally possible);

land owned by the public and used exclusively for public business;

land under the administration of the Education Committee;

common land.

The Working Party further recommends the payment of occupier's rate on -

land occupied by Her Majesty or by a department of Her Majesty's Government and used exclusively in Her Majesty's Service (if constitutionally possible);

land occupied by any public authority and used exclusively for public purposes.

This subject is obviously worthy of a debate on its own but it is felt that ratepayers, particularly in St. Helier, are disadvantaged in that they indirectly subsidise the Island in maintaining services in the town and in varying degrees, all public buildings and land.

It is a fact that public property administered by the States has increased to the extent that more and more buildings of significant value, previously privately owned or tenanted, are being removed from the rateable stock of properties. Examples of such properties are the Post Offices in Broad Street and Mont Millais, and the former Barclays Bank building in Halkett Place. This loss factor is becoming increasingly burdensome and continual redistribution of apportionment of rate is being brought about to offset governmental needs.

Quite apart from the moral aspect, Government has admitted responsibility in the past for its drain on community resources, such precedents being a grant in 1991 of £50,000 by the Public Services Committee to the Parish of St. Helier in acknowledgement of parochial street lighting; and a notional 'bounty' contributed regularly by the General Post Office of old.

It is therefore proposed that, in future, property such as the Royal Court and States' Buildings and other accommodation used for public administration, schools, hospitals, the prison, harbours, marinas and the airport would be liable to the payment of foncier and occupier's rates.

The Supervisory Committee is presently consulting H.M. Receiver General about the possibility of deleting from the exemptions from foncier and occupier's rates land owned and occupied by Her Majesty, and is also consulting H.M. Attorney General on the position with regard both to foncier and occupier's rates on land owned and occupied by any Department of Her Majesty's Government and used exclusively in Her Majesty's Service.

The Supervisory Committee concurs with the recommendations of the Working Party that exemptions from foncier rate appropriately should be retained in respect of -

- (a) churches, district churches, chapels, meeting houses and other premises exclusively appropriated to public worship, and cemeteries;
- (b) presbyterial houses and lands (but qualify exemption only if used exclusively to house officiating minister);
- (c) dwelling houses, with the buildings and land appertaining thereto, owned by religious bodies and occupied exclusively by officiating ministers or caretakers of churches or chapels.

Also, exemptions from occupier's rate are recommended to remain in respect of churches, district churches, chapels, meeting houses and other premises exclusively appropriated to public religious worship, and cemeteries.

Objections/appeals

It is accepted that public perception and confidence in the rate appeal procedure must be improved. It has been said that, in the public mind, an appeal against an Assessment Committee's decision to the Supervisory Committee is not regarded as an appeal to an independent tribunal.

It is a matter of record that annual appeals to the Supervisory Committee number but a fraction (1992 - 0.025 of one per cent) and after close scrutiny of those, only a few could be termed bona fide cases with genuine cause. However, amongst the very few representations made to the Working Party, the appeals process (constituted by a panel of up to eleven Connétables) was referred to as somewhat overbearing and intimidating for 'the man in the street'.

After much debate and independent advice on the subject the Working Party recommended and the Supervisory Committee approved -

- (1) a pre-requirement that an applicant must first meet with his Parish Assessment Committee. Although in common practice Assessors make themselves available at given periods to offer advice and explanation and occasionally to re-assess after receiving reasoned argument, the existing Law does not make such a useful facility a formal process;
- (2) that, failing agreement, both parties would submit, in writing, the basis of the argument along guidelines that would be published. It is a fact that appeals are received which in the normal course should not be entertained and, therefore, a basic reason of objection must be tabled for the assessors to answer;
- (3) that, arbitration would be by Tribunal, appointed by the States (similar to the Rent Control Tribunal) joined by a minority of Connétables.

It is suggested that a panel of five members should suffice, including two Connétables, the latter to be nominated by the Supervisory Committee.

Recommendations

7. I am proposing, on behalf of the Supervisory Committee, that an entirely new Law should be enacted. The present Law has served the Island well since 1946, with subsequent amendments and subordinate legislation. In order to bring the Law completely up to-date I believe that it would be appropriate to draft a new Law and, when that comes into force, to repeal the present legislation.

I am therefore asking the States to approve, in principle, that a new Law be drafted on the basis of the recommendations of the Working Party set out in Annex A of Appendix 2 of this report. I am also requesting the Legislation Committee to prepare the necessary draft legislation.

If the States agree to this recommendation, I will then ask the Policy and Resources Committee to include the drafting in the Law Drafting Priorities for 1993/94. Because of the time this could take, I shall also ask the States to approve the preparation of a further Law (in succession to the Parish Rate (Jersey) Law 1992) to authorise the making and levying of rates in the parishes for the year 1994.

10th August 1993.

APPENDIX 1

**STATEMENT MADE ON 17th DECEMBER 1991 BY THE
CONNÉTABLE OF ST. JOHN ON BEHALF OF THE
CONNÉTABLES AND ASSESSORS OF THE ISLAND**

The House will remember that Deputy R.E.R. Rumboll of St. Helier lodged a proposition on 6th August 1991 asking that another Committee of Inquiry be set up to look into the method of assessment in the Parish Rate (Administration) (Jersey) Law 1946. When the Deputy proposed a date to debate his proposition P.124/91 I, on behalf of the Connétables of this Island, opposed this, as at that time the Connétables had set up a sub-committee to look into any possible shortcomings in the Law. I am pleased to report to this House that the sub-committee of the Connétables of St. John, St. Mary and Grouville invited Deputy Henry Coutanche, Mr. Bill Mahoney and Mr. Robert Pallot to join them and look at the possible problems affecting rate assessments.

I said at that time that I would be in a position to make a statement by the end of the year. I now so do.

The 1946 Rate Law in itself was a good piece of legislation which suited the public and the parish administration of the Island - rentals were static with a good supply of rental property available and it was so until our population began to increase in the 60's and 70's to such an extent that rentals started rising fast because of the demand and the consequent shortage. The imbalance between rental and owner/occupied property came to a head when a Committee of Inquiry was set up in 1984 which report was placed before the House by Senator R.R. Jeune, the chairman, under P.47 of that year.

The Committee of Inquiry made 21 recommendations to the Connétables and these in the main have been implemented except for 5 and 12.

Recommendation 5 suggested that consideration should be given to amending the Law to provide for appeals against assessment to be heard by a panel of independent persons on the lines of the arrangements which apply to income tax appeals. The Connétables feel

that the present system of appeal is fair and sufficiently independent of the assessors to ensure a reasoned and correct judgment. First and foremost, the responsibility for assessing correct and equitable rate rests with the parish assessment committees although Connétables can and indeed do challenge inequitable rating in their own parish.

Recommendation 12 asked that the problem of making uniform assessments within each parish and more importantly from parish to parish should be examined in depth.

With the continued escalation of rent due to the accepted shortage of accommodation, assessed rental values have increased percentage wise way above the required parochial need causing concern and some discontent because of the misunderstanding of the Law. Notwithstanding this comment it should be noted that in the 1991 assessments, two parishes, St. Helier and St. Brelade, each had only one-quarter of one per cent of their assessments challenged and even then many of those challenges were vexatious.

The question of uniformity has been under serious consideration for some time and I am pleased to say improvement has taken place. The difficulty of producing uniformity throughout the Island should be acknowledged by the fact that there are 12 parish boundaries, 15 assessment committees with 67 elected assessors.

The Connétables and the Association of Parish Rate Assessors recommend that some changes be made because if rental values continue to escalate the position of rate assessment can only worsen, with continued aggravation to the public who, although they can easily relate 'cost of living' increases in parish requirements, are unable to accept assessments which have increased very considerably in the last two to three years merely to keep pace with States and private sector rentals.

After much study and discussion it is now felt that a standard assessment system or a fixed rateable value should be introduced to replace the present assessed rental value. Whilst this is accepted by the Connétables, until all existing areas of imbalance throughout the Island are brought into line, this cannot be done overnight. The Connétables and the assessors are confident that a fair and proper assessment can be

achieved although this will take a certain time, but in any event not longer than the introduction of corrective legislation.

It is envisaged that the scheme would work as follows -

1. First and foremost, all assessment committees would have need to conform.
2. The assessed rental values when seen to be fairly assessed throughout the Island would be frozen following the necessary changes in the Law and that figure would then represent the fixed rate system or permanent base unit of 'quarters'. This figure would remain as such unless there were major alterations or additions to the property. This would remain the responsibility of each parish assessment committee whose workload would be drastically reduced enabling the Committee to look at new property built or that which has been altered in their respective parishes.

The same principle would be applied to commercial property thus eliminating any problems relating to fluctuations in rentals, in good times or recession.

3. With each house permanently assessed the variation in assessment would be to the 'pence a quarter' which would reflect the amount of finance required to run each parish on an annual basis.
4. The Committee of Connétables does not believe that a further committee of inquiry is necessary, the Island having already had two similar committees in the recent past.
5. Changes to the Law will be discussed with the Legislation Committee and the changes brought to this House for approval as soon as possible.

APPENDIX 2**REPORT AND RECOMMENDATIONS OF THE
WORKING PARTY ON THE REVIEW OF THE
PARISH RATE (ADMINISTRATION) (JERSEY)
LAW 1946 AS AMENDED**

The Working Party in arriving at its recommendations, as detailed in Annex A, concurred with much of the contents of previous studies and makes no apology for reiterating and quoting conclusions previously arrived at.

In weighing up the available evidence into a case for revising the present rating system it should be recognised that -

- (i) the present system generally works well and it is accepted without complaint by the majority of those affected;
- (ii) any practical system of rating will produce anomalies, and any new approach designed to iron out the present differences, apparent or real, can be expected to introduce new anomalies that may be equally open to criticism. Indeed, it can be argued that the existing anomalies, which have developed gradually through time, are likely to be subject to less criticism than those which result from the implementation of a new system. It is normally easier to adapt an existing system than to introduce an entirely new, unfamiliar, system; a process of evolution is usually more acceptable than a process of revolution;
- (iii) the need for a radical approach should depend first on it being clearly shown that the present system is incapable of being adapted to resolve its perceived shortcomings.

The legal requirement

The present Rating Law provides that the rental values of land to be used for the purposes of computing rateable values shall be the rent at which it might reasonably be expected to let from year to year if the tenant undertook to pay the usual tenant's rates and if the landlord

undertook to bear the costs of repairs and insurance and any other expenses necessary to maintain the land in a state to command that rent. It is on this basis that the rental values for owner-occupied properties should be assessed.

Where land is let at a rent, that rent is used as the rental value for assessing the foncier rate unless for any reason such rent represents more or less than the full consideration for the enjoyment of the land. The actual rent paid is also used as the rental value for assessing the occupier's rate except that in this respect, the assessment committees can exercise discretion and shall not be bound to assess the rental value of the land for rating purposes at the amount of the actual rent paid.

Through the application of the foregoing, a basic anomaly was exposed in 1983 when the rate per quarter was substantially reduced in all parishes following a revision of valuation practice and proportionate increase in aggregate rateable values. This had come about by the fact that over the course of time assessment committees had not assessed owner-occupied accommodation on the basis of a reasonable market rental value and it transpired that since let properties were assessed on the basis of the actual rents, significant and unjustifiable differences arose between the two sectors.

Since that time, the Supervisory Committee has made great strides in promoting amongst the Island's assessment committees basic uniformity in the principles and practices of rating and has had a guiding hand in ensuring that such a differential as aforesaid has not re-emerged.

The consequence of proper application of the Law, particularly in the last decade, has resulted in owner-occupied properties being annually re-assessed, in an effort to maintain some parity with the let sector. This totally legitimate re-valuation has however given rise to a common complaint that a person continuously re-assessed is unable to gauge what his financial liability will be given at that stage in the proceedings - the unknown quantity of the rate per quarter. This complaint manifests should his increased quarters be applied to an increased rate set later and outside of the appeals procedure by Act of Parish Assembly.

The Working Party has therefore set much store in strongly recommending that rental values, once appropriately assessed throughout a parish, be frozen, ordinarily once and for all. This fixed denominator, i.e. the **FIXED RATEABLE VALUE (FRV)** would in the normal course be applied to the rate. Clearly, much public discontent would evaporate if these two areas of fluctuation (i.e. increasing rental values and subsequently the rate) were limited to the level of the rate per quarter only. Such a course would also concentrate the minds of ratepayers to the undisguised and real level of inflation and act as a useful financial barometer.

Parties liable to rate

Early in its deliberations, the Working Party considered whether liability to Rate should continue to be borne by **OWNERS** and **OCCUPIERS**; or alternatively -

should there be only one rate (i.e. single element rating);

and if only one rate, should it be levied on the owner or occupier?

The **FONCIER** (owner's) **RATE** has a long ancestry. It ultimately derives from the ancient tithes levied on land and its cultivators. This being then virtually the only source of taxable wealth. It remains related to immovable property and in some degree to the principle of 'capacity to pay'.

From about the mid 19th century, a **mobilier** rate was also levied by the parish on movable property. It was not levied on the basis of a declaration - as was the **fancier** rate - but rested on the opinion of the assessment committee as to the movable wealth of the ratepayer. In 1928 when income tax was introduced in Jersey, the **mobilier** rate was abolished and the **OCCUPIER'S RATE** was brought in.

The rates system in Jersey is unusual in that a property gives rise to a rate levied on the owner and another levied on the occupier. An owner/occupier bears both.

The Working Party has studied other systems, for example how it works in Guernsey and the United Kingdom. Indeed, the fate of the (U.K.) poll tax is certainly a warning, but one cannot fault the principle of those who benefit from parochial expenditure should, if at all possible, contribute to it. Both the ownership and occupancy of property benefit from parish services in some degree.

A very significant percentage of the Island's total rate assessments come from the ownership of property. It would not be reasonable to put all of this on to the shoulders of occupiers or, for that matter, vice versa and make the proprietor solely responsible.

There is also the constitutional aspect. To introduce single element rating would disenfranchise a number of people quite unfairly. All electors in a parish have the right to vote in the Parish (budget) Assembly and it is fair and just that occupiers as well as owners, should dictate the cost of parish services which they all enjoy and contribute to. There can be surely no finer example of 'taxation by representation'.

Another problem that could arise, if in future the owners of property alone are assessed to rate, is in respect of rent levels. While the switch of a rate burden from occupiers to owners might seem to be simply a change in the distribution of the taxation rather than an increase in its level, experience in other countries would suggest that such changes tend to be inflationary, that is, advantage is taken of the change to increase charges (e.g. rents) by more than is required to compensate for the tax change itself.

The history of taxation is that change often gives rise to more problems than it solves and therefore, because of the over-riding advantages and familiarity aspect of the present system, it is considered fundamental that the levying of two rates as at present should continue.

At meetings with Mr. Colin Powell, Chief Adviser to the States, the Working Party has had echoed the perils that can be brought about by change. Reference was made to the United Kingdom predicament and the inevitability that it was impossible to change any system without it affecting somebody, i.e. there would be losers and gainers. Mr. Powell did however, consider the time was right to advocate change due to the current low rate of inflation. The Working Party has commissioned

tests on variation of FRV applications and is satisfied that its recommendation will result in an evenly spread and consistent rate apportionment. The ratepayers contribution will however, increase very marginally to take into account the loss factor of fixing 'actual rents'.

The Working Party met on two occasions a delegation from the Ratepayers' Association of Jersey and received verbal synopses on its proposals for a new method of rating which the Association had recently published. The Working Party applauds the Association in its efforts in providing an alternative rating formula but remains totally unconvinced that the measures envisaged are either workable or indeed necessary. Criticism arose at the element of professionalism that would in the event evolve and the unfairness bound to surface by such stringent reforms. The Association admits that it is unable to ascertain the resultant effect of applying its rule, and the Working Party's scepticism is shared by the Office of the Chief Adviser to the States. A schedule of the Association's preferred proposals which the Working Party considers draconian and a bureaucratic nightmare is shown as **Annex B.**

WORKING PARTY ON RATES**RECOMMENDATIONS ON THE REVIEW OF THE "PARISH
RATE (ADMINISTRATION) (JERSEY) LAW 1946"
(AS AMENDED)****Assessing property to rate (Second Schedule - Article 12(2))**

1. It is unanimously recommended to alter the fundamental basis of assessing property to rate by dispensing with the existing assessment formula.
2. In its place and stead be formulated a 'FIXED RATEABLE VALUE' (FRV) ordinarily derived by freezing a specific year's assessed rateable value. For foncier purposes actual rent would be totally disregarded and the landlord's liability calculated in the aforementioned manner.
3. That FRV figure would remain static from year to year unless there were any improvements, any alterations, any additions, or any change of status to the property. Notwithstanding, an appropriate re-assessment facility should be built in the new procedure for re-evaluation purposes. The frozen FRV would be published annually in a form of a valuation list much like the draft rate list appears at present.
4. With each property permanently assessed, fluctuations in rate liability would be concentrated solely on the unit cost per quarter (i.e. the rate) decided as at present according to the budgetary requirements of the respective parish.

Parish welfare responsibility - (Article 2 (2))

5. Because no other associated legislation can be identified it is important that the text of the Law recognises the parish responsibility for native welfare borne by rate revenue.

Reference to the definition of welfare in the existing Law is very ambiguous.

(It is noted that the States have recently accepted some moral and tangible responsibility for the plight of the unemployed).

Rate rebate - (Article 4 (3))

6. In 1991, (Amendment No. 5) repealed Article 3(3) and removed the entitlement for persons liable to foncier rate to recover from the parish a proportion of foncier rate had the property remained unoccupied for any part of the year.

Similarly, it is recommended that Article 4(3) be repealed which grants occupiers such an entitlement and advantage, and further, eliminates what has been used as a device to avoid liability. It is to be borne in mind that property which is uninhabitable or unworkable is assessed commensurately at the outset of the rateable year.

Furnished properties (Article 4 (1))

7. Liability for occupier's rate in respect of furnished accommodation to remain the total responsibility of the landlord, in view of the high instance of occupancy movement (particularly in St. Helier).

Exemptions from foncier rate (Article 5)

8. (a) **Retain churches, district churches, chapels, meeting houses and other premises exclusively appropriated to public worship, and cemeteries;**
- (b) **Retain presbyterial houses and lands, but qualify exemption only if used exclusively to house officiating minister;**
- (c) **Retain dwelling houses, with the buildings and land appertaining thereto, owned by the religious bodies and**

occupied exclusively by officiating ministers or caretakers of churches or chapels;

- (d) **Delete, if constitutionally possible, land owned by Her Majesty;**
- (e) **Delete, if constitutionally possible, land owned by any Department of Her Majesty's Government and used exclusively in Her Majesty's Service;**
- (f) **Delete land owned by any public authority and used exclusively for public business;**
- (g) **Delete land under the administration of the Public Instruction Committee;**
- (h) **To reconsider (in association with latter-day 'Dons') land owned by the Don Baudains;**
- (i) **Delete common land.**

Exemptions from occupier's rate (Article 6)

- 9. (a) **Retain churches, district churches, chapels, meeting houses and other premises exclusively appropriated to public worship, and cemeteries;**
- (b) **Delete, if constitutionally possible, land occupied by a Department of Her Majesty's Government and used exclusively in Her Majesty's Service;**
- (c) **Delete land occupied by any public authority and used exclusively for public (but excluding land in the occupation of any employee of any such authority).**

Assessment committees (Article 7)

- 10. **There should remain assessment committees for every parish, thereby retaining 12 autonomous rating authorities. Excepting**

St. Helier, every assessment committee should continue to comprise five members.

11. Invite the St. Helier authorities to discuss the suggestion that the existing St. Helier complement of four separate committees, each consisting of three persons, is over-cumbersome.
12. It is considered one overall committee for the parish of St. Helier of no more than the existing quota of 12 assessors would bring about a closer uniformity of valuation throughout the parish than the four divisions at present.

Supervisory Committee (Article 8 (2))

13. For the avoidance of doubt, the expression 'uniformity in the principles and practice of rating' be re-drafted to mean standard and autonomous parochial practice as opposed to the inference of Island-wide arithmetical uniformity.

Penalty (Article 10 (5))

14. Remove threat of disenfranchisement as penalty for not submitting property schedule.

Transfer of ownership (Article 11)

15. To include a vehicle for notification of share transfer transactions which are not declared in the form of 'mutations' by the Public Registry.

Form of assessment (Article 12)

16. Instead of 'prepare a list' - 'have a list prepared'.

Posting of draft rate list (Article 13)

17. Instead of seven consecutive days, Saturdays and Sundays excepted, one working week (i.e. Monday to Friday inclusive) including an "out of office hours" facility.

Objections/appeals (Article 15)

18. It is accepted that public perception of the rate appeals procedure must be greatly improved. It has been said that, in the public mind, an appeal against an Assessment Committee's decision to the Supervisory Committee is not regarded as an appeal to an independent/unrelated tribunal.

After much deliberation the consensus is -

- (1) for a pre-requirement, written in, that the appellant must meet his parish assessment committee;
- (2) that, failing agreement, both parties should submit in writing the basis of their argument; guidelines should be published.
- (3) for arbitration by tribunal, appointed by the States (much like Rent Tribunal), joined by minority of Connétables nominated by the Supervisory Committee of Connétables - panel of five including two Connétables suggested.

Levy of rate (Article 19)

19. Delete (a source of misinterpretation) that the rate shall be levied within two months and make clearer that the levy is payable immediately the Parish Assembly has fixed the rate.

Hardship (Article 19)

20. Make clear the power to reduce or remit rate is applicable only to individuals and not corporate bodies or businesses.

Representation of bodies (Article 22)

21. The naming, not necessarily annually, of a mandatory should be prescribed more clearly to avert attempts to circumvent the Franchise Law. A procedure for replacing a mandatory should also be catered for.

Membership of Parish Assembly (Article 23)

22. Membership should be automatic for any ratepayer and not qualified by a set number of quarters.

Publication of notices (Article 25)

23. It is recognised there are no longer two newspapers circulating in the Island nor publications in French.

Power of Supervisory Committee to make Orders (Article 24)

24. The new Law must continue to give clear mandate to the Supervisory Committee (as the parent body) to amend Articles by Order or the States to amend Articles by Regulation.

Agricultural land (Second Schedule - Article 3(2))

25. It is no longer appropriate, or equitable, that agricultural land should continue to receive preferential allowances and discounts.

MiscellaneousText

26. Retain French connotations in the text of the Law, e.g. Connétable, foncier, etc.

Rights of access

27. Assessors given means of reasonable opportunity to enter upon property for viewing and re-assessing purposes.

Re-assessments

28. Evolve a procedure whereby assessment committees be officially notified by the Island Development Committee of 'completion notices' issued on development permits to enable rateable values to be re-assessed.

**SYNOPSIS OF THE PREFERRED PROPOSALS OF
THE RATE-PAYERS' ASSOCIATION OF JERSEY**

- 1.4.1 Rating units per number of square metres
- 1.4.2 Square metre bands applicable to property types
- 1.5.1 Professional advisers to assess the relativity of units against property types
- 1.5.2 Forecast of rate liability
- 1.5.3 Rates burden ratio between commercial - agriculture - domestic
- 1.6.1 Self-assessment
- 1.6.2 Retrospective re-assessment
- 1.6.3 Property assessed in various rating categories
- 1.6.4 Scale fee for advisers to do self-assessing when owner not able to
- 1.7 Buildings to be measured - usable floor area basis
- 1.8.4 Receipts issued for forms submitted
- 1.8.4 Copy of computer record sent back to owner
- 1.8.8 Reply paid postage facility
- 1.9.2 Mandataires notified to parish seven days prior
- 1.10.1 Single element rating - foncier only
- 1.10.2 Abolish occupier's rate
- 1.10.3 Owner making his own arrangement for rate refund from his lessées
- 1.11 Discounts on early payment of rate
- 1.11 One year given to pay rates before legal proceedings
- 1.12 Public access to parish forms
- 1.12 Copies, details and choice of printouts available to public
- 1.13 Abolish Supervisory Committee appeals body
- 1.13 New appeals body with professional advice
- 1.13 Island-wide uniformity
- 1.13 Three months given to lodge an appeal - another three months if it goes to Royal Court
- 1.13 Award costs on appeals process
- 1.13.7 States decide proportion that parish bears to cover annual cost of new appeal
- 1.14.1 Assessment Committee's function becomes obsolete

- 1.17 **Self re-measurement by any ratepayer or sectors of ratepayers**
- 1.18 **States Crown and parish liable to rate**
- 1.19 **Rate abatement - delay in payment catered for**
- 1.19 **Rate liable if habitable AND furnished AND occupied otherwise proportional abatement.
Negative points value.**

- 1.20 **Waterworks Company granted full access to all parish rating information as a basis on which to levy water rates.**

DOCUMENTS STUDIED BY THE WORKING PARTY

1. **Statement to the House on 17th December 1991, by the Connétable of St. John on behalf of the Connétables and assessors of the Island.**
2. **Parish Rate (Administration) (Jersey) Law 1946, as amended.**
3. **Rate-payers' Association of Jersey - Discussion Paper dated 24th August 1992.**
4. **Draft Parish Rate (Administration) (Amendment No. 5) (Jersey) Law - unpromulgated. Deputy D.A. Carter (175 P.3). Reply of the Finance and Economics Committee (175 P.24).**
5. **1978 report of the Working Party on the Law relating to Parish Rates (P.M. de Veulle).**
6. **1981 review of the present system of parish rating.**
7. **1982 report of Supervisory Committee on the Parish Rating System.**
8. **1982 Parish Rating of Residential Properties (Economic Adviser's Office).**
9. **Report of the Census for 1989.**
10. **Island Development Committee schedule of commercial activity permitted residentially (planning advice notes).**
11. **The Cadastre (Guernsey) Law.**
12. **Island Planning (Use Classes) (Jersey) Regulations 1965.**
13. **The Land Tax Act 1967 (Bermuda).**
14. **United Kingdom Council Tax (1.4.93).**

15. **United Kingdom Community Charge (Poll Tax) (pre-1993).**
16. **Parish Rates - Committee of Inquiry P.135 lodged by Senator R.R. Jeune, O.B.E.**
17. **Finance and Economics Committee Act dated 3rd August 1992 - States Buildings: Exemption from Parish Rates.**
18. **States Committee of Inquiry into Parish Rates dated 23rd August 1983.**
19. **Paying for Public Services - Economic Adviser's Office - July 1992.**

**LIST OF PERSONS OR GROUPS WHICH APPEARED
BEFORE OR WERE CONSULTED BY
THE WORKING PARTY**

Supervisory Committee of Connétables

Mr. G.C. Powell, M.A., Chief Adviser to the States

Mr. G.H.C. Coppock, M.A., Greffier of the States

Jersey Association of Rate Assessors

Rate-payers' Association of Jersey

Deputy R.E.R. Rumboll

Deputy F.H. Walker

Deputy D.L. Crespel

Senator D.A. Carter

Mr. D.M. Le Cornu

Mr. R. de Carteret

Mr. M. Husbands

Mr. M.W. Roberts, Rating Officer, Parish of St. Helier

Chairmen of the Parish Assessments Committees

**LIST OF PERSONS WHOSE WRITTEN ADVICES WERE
SOLICITED BY THE WORKING PARTY**

Sir Peter Crill, C.B.E., Bailiff

Mr. G.H.C. Coppock, M.A., Greffier of the States

Mr. G.C. Powell, M.A., Chief Adviser to the States

Mr. J.E. Christensen, Economic Adviser's Office

Mr. P. Bastion, Chief Officer, Department of Agriculture and Fisheries

Mr. M.W. Roberts, Rating Officer, Parish of St. Helier

**LIST OF PERSONS OR BODIES WHO RESPONDED TO A
PUBLIC INVITATION AND MADE WRITTEN
REPRESENTATIONS TO THE WORKING PARTY
ON RATES**

Rate-payers' Association of Jersey

Mr. M.J. Husbands

Mr. F.R. Seymour

Rev. Father Vincent Igoa of St. Thomas' R.C. Church

Mr. M.H.P. Le Gros

Captain H.T. Craft

Mr. D.J. Power

Mr. R. Hacquoil

Mr. P.M. Banks

Mr. F. Le Quesne

Lord Sandhurst

St. Brelade's Rate Assessment Committee

St. Peter's Rate Assessment Committee

St. Martin's Rate Assessment Committee

Deputy M.C. Buesnel