

Annual
Report

2015

Annual Report of the Tax on Real Property Appeals Panel

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1. Introduction

I am pleased to present the Tax on Real Property Appeals Panel's fourth Annual Report.

2015 has represented a year of change for the Panel in terms of its membership and composition. This has included my appointment as Chairman following the resignation of the Panel's original Chair in late 2014, the appointment of Panel member Mr. John Weir to the post of Deputy Chairman and the retirement of Sir de Vic Carey.

In terms of caseload, 2015 has been a quiet year, with the Panel continuing to see a decline in the number of Appeals being submitted. However, this has provided the Panel with the opportunity to concentrate on other work streams, which have included working with the Treasury and Resources Department to progress its review of the Tax on Real Property (Guernsey and Alderney) Ordinance, undertaking training, and reviewing and improving its procedural practices and the associated guidance it provides to the public.

Overall it has been a steady year for the Panel and in this report I have sought to provide an overview of the work which has been undertaken and to look ahead to the challenges facing the Panel in 2016.

Caroline Latham
Chairman
March 2016

2. Background

The Tax on Real Property Appeals Panel was established in June 2008, under the Taxation of Real Property (Guernsey and Alderney) Ordinance, 2007 (“the Ordinance”).

The Panel is an independent appeal body and its members are appointed by the States of Deliberation, on the recommendation of the Treasury and Resources Department.

Further details regarding the composition of the Panel, including eligibility, powers, and the provisions regarding the appointment of a Tribunal Panel, can be found in the Ordinance, a full copy of which is available on the Panel’s webpages at www.gov.gg.

3. Panel Membership

The Panel’s membership as at the beginning of 2015 is set out below¹:

Mrs Caroline Latham FRICS (Deputy Chairman)
Sir de Vic Carey
Mr Harry Gold LL.B. (LOND)
Mr Martin Johnson
Mr Boyd Kelly
Mr Eric Legg
Mrs Shelagh Mason
Mr John Weir
Advocate Julia White

Following the resignation of the Panel’s Chairman in late 2014, the position remained vacant at the beginning of the year. Accordingly, the Treasury and Resources Department invited expressions of interest from the Panel’s remaining membership in relation to the vacant post, and subsequently for that of Deputy Chairman.

This process resulted in the Department recommending to the States of Deliberation the appointment of Mrs. Latham as Chairman and Mr. Weir as Deputy Chairman². These appointments were subsequently approved by the States at their meeting in May³.

In addition to these changes to the Panel’s composition, 2015 also saw the retirement of Sir de Vic Carey. Sir de Vic joined the Panel in 2013 and has provided a valued contribution to its development during his time as a member. Panel members would like to note their

¹ The Panel’s former Chairman, Mr. Le Maitre, and original member Advocate Dunster tendered their resignations in November and December, 2014, respectively. These resignations were formally noted by the States of Deliberation at their May, 2015, meeting.

² The Taxation of Real Property (Guernsey and Alderney) Ordinance, 2007 (as amended) provides under Part II, Section 22(3) that “*The States shall designate one member of the Panel as Chairman of the Panel and another as deputy Chairman thereof*”.

³ Billet d’Etat IX, 2015 (27th May, 2015).

appreciation and gratitude to Sir de Vic for the work he has undertaken in relation to the Panel in the years since his appointment.

4. Administrative Arrangements

During 2015 there were no changes to the Panel’s administrative arrangements. Mrs. Natalie Allison continued to act as the Panel’s Clerk, supported by the Deputy Clerks based in Alderney, Mrs. Kerry Hatcher-Gaudion and Mrs. Liz Maurice.

5. Operating Costs

The Panel’s expenditure for 2015 is set out in Table 1.

Table 1 – Panel’s Budget and Expenditure 2015

	Budget (£)	Actual Costs* (£)	Actual Costs 2014 (£)
Training Courses	0	525	0
Expenses & Subsistence ⁴	2,200	2,108	2,581
Advertising	0	0	0
Mobile Phone Costs	300	0	0
Travel & Meeting Expenses	500	661	881
Total	3,000	3,294	3,462

*Figures have been rounded to the nearest £1.

The Treasury and Resources Department is aware that the Panel’s expenditure will fluctuate both above and below the agreed budget from year to year due to the unpredictability of its caseload and the consequential difficulties it faces in forecasting its budgetary requirements. As such, the Department has given an undertaking that resources will be made available from elsewhere within its budget to meet any overspend arising from increased caseload or other one-off expenditure required to support the development of the Panel, such as training and recruitment.

⁴ Panel members receive an allowance of £68.00 per half day (increased to £69.00 with effect from 1 May 2015) when preparing and sitting to determine an appeal, drafting Judgements and attending meetings. Where the Panel member is not resident in Guernsey, travel costs, including travel to the nearest airport and flights to Guernsey, overnight accommodation, if required, and out-of-pocket expenses are also paid. The Panel currently includes two members who are resident in Alderney.

6 Appeals and Casework

6.1 Appeals Process

The process for making an Appeal is set out in Part IV of the Ordinance. The process is summarised below in Table 2.

Table 2 – Outline of Appeals Process

Stage	Action	Period
1	Treasury and Resources Department issues property notice advising the liability for payment of Tax on Real Property. The tax due is determined by the plan area of the properties and the category of the property for TRP purposes.	
2	Property owner either accepts the notice or asks the Treasury and Resources Department to review the decision	Property owners have 28 days beginning on the date of the notice to register their request for the Treasury and Resources Department to review its decision
3	The Treasury and Resources Department is required to review the original decision and either confirm, vary or rescind the decision.	The Treasury and Resources Department has 3 months in which to review the decision. Should it fail to do so within the 3 month period, then it shall be deemed to have reviewed and confirmed its decision.
4	Property owners who are aggrieved by the confirmed decision (termed the 'relevant decision') may, subject to the conditions of the Tax on Real Property (Guernsey and Alderney) Ordinance, 2007, formally appeal against the decision.	Notice of appeal must be served on the Clerk to the TRP Appeals Panel before the end of a period of 28 days beginning on the date of the notice confirming the relevant decision.

6.2 Casework

During 2015, the Panel received 2 new appeals. The Panel's caseload also included 5 appeals which remained outstanding from previous years.

The status of these cases as at 31 December 2015 is summarised in Table 3.

Table 3 – Schedule of Appeals

Date Received	Reference Number	Primary Reason for Appeal	Status
06.06.2011	0042	Incorrect categorisation	Withdrawn
06.06.2011	0043	Incorrect categorisation	Withdrawn
11.02.2014	0058	Incorrect categorisation	Withdrawn
11.02.2014	0059	Incorrect categorisation	Withdrawn
11.02.2014	0060	Incorrect categorisation	Withdrawn
23.03.2015	0061	Incorrect categorisation	Withdrawn
20.05.2015	0062	Incorrect categorisation	Tribunal Hearing held 7 October 2015. Appeal Allowed.

7. Other Work

As part of the Treasury and Resources Department's Policy Letter to the States in May, 2015, concerning the changes to the composition of the Panel, the Department made a commitment that *"The Taxation of Real Property system is now in its eighth year and the Department would like to note that it intends to undertake a review of the associated legislation, principally around the associated appeals processes, in consultation with the Panel during 2015"*. Following subsequent correspondence with the Department regarding this matter, the Panel established a sub-group comprising three members, Mrs. Latham, Mr. Legg and Mr. Gold, for the purposes of carrying out detailed consideration regarding the review on its behalf. This was followed by meetings of the sub-group and the full Panel and resulted in a submission being made to the Department in November which set out those aspects of the Ordinance which the Panel felt could benefit from review. The Panel understands that the Department now intends to take some time to review and consider this submission before further progressing the review.

Other work undertaken during 2015 has included a review of the guidance notes provided to appellants and regular updates to the information provided on the Panel's webpages.

Tribunal Training was also undertaken by the Panel's Chairman and Clerk during October.

8. Developments for 2016

The Panel hopes to continue working with the Treasury and Resources Department (and its successor) during 2016 to assist with the further progression of the Ordinance review. Additionally, following the recent relaunch of the States of Guernsey's website, the Panel intends to review and overhaul its presence on the site.