

Deputy St Pier  
President  
Policy & Resources Committee  
Sir Charles Frossard House  
St Peter Port  
GY1 1FH

10<sup>th</sup> July 2018

Dear Deputy St Pier

### **TAX ON REAL PROPERTY APPEALS PANEL – 2016/2017**

I am pleased to present to you the Tax on Real Property Appeals Panel's report covering the two-year period 2016-2017. Although the Panel is not required to submit an annual report, in the interests of openness and transparency it has done so since 2012. This the fifth report and it summarises the most significant happenings during 2016-2017.

I ask that you place this summary report before the members of the Policy and Resources Committee for their information prior to the Tribunal's Clerk adding it to the States' website on the TRP Panel's web page (<https://www.gov.gg/article/150906/Tax-on-Real-Property-Appeals-Panel> ).

#### **Background**

The Tax on Real Property Appeals Panel is an independent appeal body. Its role is to hear appeals from property owners (whether individuals or companies) regarding the tax on real property (TRP) in Guernsey and Alderney. These appeals tend to relate to the type of category assigned to property e.g. retail, domestic.

The Panel was established in June 2008 under the Taxation of Real Property (Guernsey and Alderney) Ordinance, 2007. Its members are appointed by the States of Deliberation on the recommendation of the Policy & Resources Committee (formerly the Treasury & Resources Department prior to the mid 2016 restructuring of government). Additional administrative support is provided through the Policy & Resources Committee and the States of Guernsey.

#### **Panel Membership**

2016 and 2017 have been periods of considerable change for the Panel in terms of its membership, with a number of appointments by the States of Deliberation made in September 2017 following recommendations by the Policy & Resources Committee.

During that period I was appointed as Chairman, following the death of the Panel's former Chair – Mrs Caroline Latham - in late 2016. Prior to that I was the Deputy Chairman. Miss Julia White was then appointed as Deputy Chairman – she was formerly a Panel Member. In addition three new Panel Members were appointed - Mrs Zannette Bougourd, Mrs Audrey Branch and Mrs Thalia El Chamamah. The new Panel Members numerically replaced Sir de Vic Carey (retired 2015), Mrs Sheelagh Mason (resigned 2016) and Mr Harry Gold (resigned 2016).

The TRP Appeals Panel membership as at the end of 2017 was therefore:

Mr John Weir (Chairman)

Miss Julia White (Deputy Chairman)

Mrs Zannette Bougourd

Mrs Audrey Branch

Mrs Thalia El Chamamah

Mr Martin Johnson

Mr Boyd Kelly

Mr Eric Legg

Members wish to take this opportunity to confirm their thanks to their former colleagues. If it were not for their commitment and civic responsibility, it would have been far more difficult to ensure that effective, supportive TRP appeals processes were in place for the benefit of both Guernsey and Alderney.

It is also of note that for the first time the recruitment process for new TRP Appeals Panel Members was initiated in concert with two other panels and tribunals administered through the Policy & Resources Committee. Whilst this co-ordination initially took some extra resource, this joint approach by the three panels/tribunals generated substantial interest from potential applicants. Due to its success a similar process is likely to be used in future.

### **Appeals Process**

During 2017 Panel Members reviewed the TRP appeals process and the supporting guidance/documentation with the objective of assimilating good practice from other panels and tribunals also administered through the Policy & Resources Committee. It is anticipated that the updated guidance will be published on the TRP Appeals Panel's States of Guernsey web page later in 2018.

### **Casework**

In terms of caseload, the Panel continued to see a low number of cases going to full hearing. In 2016 no cases were registered. In 2017 six cases were registered with one (Appeal No. 063/2017) going to a full hearing in May 2017.

Appeal 063/2017 was based upon two decisions to reassess land parcels from "B4.6: Industrial and Workshops" to "B4.4: Retail" which attracted a significantly higher TRP charge. The appeal that the land parcels should be reclassified as "B4.5: Warehousing"

was upheld. Following that decision, Cadastre reviewed and recategorised each of the five outstanding registered appeals cases which had also been reassessed as “B4.4: Retail”. Consequently the five remaining appeals were formally withdrawn by the appellants.

All the Tribunal’s decisions are all available on the TRP Appeals Panel web page on <https://www.gov.gg/article/150906/Tax-on-Real-Property-Appeals-Panel> .

### **Other Work**

The Panel continued to: contribute to the review of the Tax on Real Property (Guernsey and Alderney) Ordinance being undertaken by the Policy & Resources Committee; undertook training; and improved the procedural practices and the associated guidance it provided to the public. In particular the web presence on the States of Guernsey website has been reviewed and updated. This work will be ongoing.

### **Administrative Arrangements**

During 2016, following the government restructuring, the Clerk - Mrs Natalie Allison - left the Treasury & Resources Department for another post and therefore ceased to be the Panel’s Clerk. Mrs Allison had been the Clerk since 2012. Members wish to formally thank her and acknowledge her hard work and dedication.

Miss Julie Evemy was appointed as her replacement as Clerk in 2016, and in that role she continues to be supported by the two Deputy Clerks based in Alderney - Mrs. Kerry Hatcher-Gaudion and Mrs. Liz Maurice. All three staff are appointed to other roles but work for the Panel on a part-time basis as required.

### **Operating Costs**

The Panel’s operating costs continue to be low with total expenditure for 2016 being £1,500 and for 2017 being £4,200 (both rounded to nearest £100). This compares to £3,300 in 2015 and £3,500 in 2014 (figures rounded to nearest £100). Typically the main expenditure from the Panel’s budget each year relate to flights and attendance allowance for members. The costs of support staff are not included in the Panel’s budget.

Panel Members can claim an attendance allowance of £72.00 (with effect from 1<sup>st</sup> May 2017) per half day for case management meetings, hearings, and attending approved training or meetings. The Panel currently includes two members who are resident in Alderney and appeals can take place in either Guernsey or Alderney. Travel costs can include therefore include flights and overnight accommodation (if required). For clarification, please note that no overnight accommodation was provided either in 2016 or in 2017. The increase in 2017 expenditure over 2016 expenditure primarily relates to the increase in the number of hearings that were registered in early 2016 and the training of the three newly appointed Panel Members.

**Developments for 2018 and beyond**

The Panel anticipates that its workload will continue to be directly impacted in future by the decisions of the States of Guernsey, particularly regarding: the introduction of new TRP property categories and any notable increase in tariffs, as well as any reviews of categorisations by Cadastre that result in land parcels moving to a higher taxed TRP category.

In addition, the Panel understands from Cadastre that from 2019 Alderney wishes to set its own tariffs. Cadastre will still be undertaking all the assessments and it seems likely that the TRP Appeals Panel would still hear Alderney appeals. There is no indication that this would substantially increase the number of appeals since our understanding is that the categories would remain the same.

The Panel will continue to develop its skills and knowledge in order to prepare for any such demands on it that may arise.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Weir', written in a cursive style.

**John Weir**  
**Chairman**