



24^h April, 2025

Dear Deputy,

I am writing in reference to your committee enquiry into Parish matters and particularly on the present rating system.

In order that you appreciate how I can give advice on Rates a few details about me. I am a Chartered Surveyor and a member of the Institute of Revenue, Rating and Valuation (formerly The Rating and Valuation Association.) I first started dealing with rates in about 1961 when I acted for both owners and occupiers on many different types of property including, houses, flats, offices, shops, mufti-storey car parks, motorway service stations and even a league football ground to name but a few.

In 1971 I became a member of the SW London Valuation Tribunal and shortly thereafter a chairman. We dealt with appeals against rating assessments on all properties until domestic ceased to be rated and changed to Community Charge. We also dealt with Listing Appeals once Council Tax came in. I resigned in 2006 due to the cost of attending and cases being cancelled at the last minute.

In 2006 I became a member of the Assessment Committee in St Helier and remained on that until 2017 when I had to leave having moved to St Saviour. From 2006 to 2017 I was chairman of the Island Committee. A number of past and present States members consider me to be the Island expert on rates.

I begin by saying that the present system is well past its useful life and it is time for complete updating and if not changed will collapse. To have about 63 people, amateurs, dealing with a property tax on an island of barely more than 100,000 population is nonsense and made more stupid as I believe none has any knowledge of property valuation. Few Parish

officers know much about it and several ask (MD) what to do. It is believed that there is only a maximum of 4 who actually know the system other than for the collection of the actual money.

I was advised that the 2003 Law was brought in due to general perceived unfairness with similar properties sometimes having very different assessments and to there being a large number of appeals each year. At that time assessments were based on the actual rent passing or an assessed rent. I was also told that if you knew the Constable the foncier could be lower than it might have been. This meant that 2 identical properties could have very different assessments. The 2003 Law abolished the rental as the assessment and changed to "Attributes" which were the average rentals in 2001 to 2003. The majority of the public have no idea as to what a quarter is and the word Attributes confuses them. It is £1 and Attributes are such things as rooms, garages, views etc generally specified in the Law.

Another problem of which I am aware is that the grids for domestic properties vary from Parish to Parish and in the case of the flats at Le Coie some are in St Helier and some in St Saviour. The 2 assessment committees decided initially to use their own grids for their flats. This was nonsense and in my capacity at that time as Chairman of the Island Committee I tried to explain to the chairmen how stupid it would look if flats with exactly the same accommodation had different assessments. It took several months of pressure to get agreement. Otherwise the rates system would have looked totally stupid. The Supervisory Committee backed me in my endeavours. The current law states that the Parish Assessment Committee must sit in its Parish but in this case that was not entirely possible.

The 2005 law made a number of changes, the major one being the introduction of an Islandwide rate to cover social security previously a Parish matter. The Islandwide rate is payable to Central Government but collected by the Parishes with their rate. Although the 2003 and 2005 laws said that similar properties anywhere in the Island should have similar assessments this has never been the case and even in St Helier there is a difference between Vigntaignes due to the fact, I am told, that the individual committees were not prepared to agree.

When the law changed to that of 2005 it became apparent that no one had considered public houses, hotels, guest houses or lodging houses. in 2003. One of the 2 chains of the public houses had insisted on there being just one assessment for the whole property which was possible

prior to the 2005 law. When dividing the business from the flats the figures showed that the pre 2003 assessments were much too low. On the division, the total of the assessments were greatly increased. In the case of hotels, guest houses and lodging houses all of which were assessed on formulae, the figures were left at pre 2003 levels. For hotels and guest houses the formulae were based on when the businesses were open which meant that the number of quarters per bed space varied greatly between hotels of similar quality. I and assessors from 2 other Parishes reassessed them all with some going up, some down and some staying the same. Lodging houses were the same. Similar lodging houses had vastly different assessments as they were based on what had been charged. Again we re-assessed with some doubling and some being reduced. The Hospitality Association and the Lodging Houses Association told their members to appeal, however none did. We were able to show that we had been fair in the case of both hotels and lodging houses. There were no appeals.

Assessors generally prefer a grid but for non-domestic hereditaments this is impossible as each type of building needs to be assessed in a different way. For instance shops in prime positions are zoned with the first 30ft of depth at a specific figure, the next 30ft are half this with the next halved again. The use, ie, retail, storage etc is also normally at different figures.

Currently car parking spaces are differently assessed for domestic and non-domestic. This is nonsense as one space is similar to another and in Spectrum, Gloucester Street, St Helier, some are used by the occupants for the flats and some are let to people needing a space. When let the let ones should be assessed at 2,000 quarters each whereas the domestic ones are at 600 quarters! About 4 years ago there were 9 spaces available for 27 flats in St Helier and these sold for £45,000 each and this equates to an annual rental of £3,600. The use was restricted by Planning to domestic.

Rates in Jersey are controlled by the Supervisory Committee, the Constables when dealing with rates. In the past it was not unusual for the chairman of a Parish Assessment Committee to become Constable as did my predecessor as Island chairman, Silva Yates of St Martin and the late Peter Hanning of St Saviour. I was asked if that were my intention and I said no, I just wanted to help by dealing with rates due to my experience of well over 50 years. Unfortunately as far as I am aware none of the current Constables has ever been a rates assessor and they

rely upon their secretary for advice. She also has no idea of how to rate a property but does know the law intimately.

I am a stickler for ensuring that there is no perceived clash of interests and with the Constables secretary also being secretary to the Rates Appeal Board to a layman there is a conflict. I also believe that as assessors are supposed to be independent they should not be members of the Parish accounts committee and personally refused when asked.

Each Parish, other than St Helier, has 5 assessors “elected” at a Parish Assembly for a term of 3 years. St Helier is supposed to have between 7 and 12 as in 2003 there were 4 committees of 3 each dealing with different vigntaines. Currently I believe there are less than 7 and that has been the position for some time. Each committee elects a chairman annually. There is an Island Committee of the chairmen of the Parish committees. This committee is now serviced by an employee of the Constables whereas in the past it provided its own secretarial services at no cost. Now no one wants to do any work! St Helier has about 70% of the non-domestic quarters and over 40% of the domestic and during Covid when we were not permitted to meet I dealt with the whole Parish sending emails to 2 other assessors when making changes to comply with the law. Effectively one person dealt with a third of the Island.

I have been of the view for a long time that many assessors throughout the Island are unable to understand property valuation which in any fair world would stop them being able to stand for election for that post it being a property tax. The problems at Grouville are an example.

I asked an FoI question about the cost of collecting Personal Tax and GST but was told that it was not available!! The Government accounts can't be compiled without this so perhaps the Committee can find it out. I asked as I wanted to show that the cost of collecting Rates is well below the costs incurred in the 2 groups of taxation I mentioned.

The Appeals procedure is also faulty in as much as the first formal stage is for an aggrieved ratepayer to put his case to 3 assessors with a 4th putting the arguments on behalf of the Assessment Committee. It is only after this that the Rates Appeal Board can become involved.

To show the difference between assessments and rents the grid in St Helier shows assessments of about 5,800 for a 1 bedroom flat when the current rent averages around £16,800. A 2 bedroom flat would have an

assessment in the region of 7,300 when the average rent is about £22,800.

A complete professional revaluation is needed for the following reasons:

- 1 The current assessments are based on average rents for the period 2001 to 2003 and the current figures are unrealistic.
- 2 Since the assessments were fixed there has been a significant change in the relationship between different categories - retail is paying too much and offices too little as an example. The relative rents for many properties have changed and as an example Hill Street was the prime position for offices in 2003 whereas now it is the Esplanade area.
3. To have over 60 people dealing with rates with a population of about 100,000 is nonsense.
4. Since I was technically barred from being an assessor in St Helier due to moving house to St Saviour there is no assessor qualified in property valuation. If there is a vacancy in an assessment committee anyone can stand and then do as much or little as they wish. A number of people become assessors to add to their CV so that they can claim this when standing for the States! Not a good reason.
- 5 Unfortunately there is now only a maximum of 3 or 4 Parishes where the "Rates Officer" has much understanding of rates other than the accounting action of collection.
6. Currently by having the rates split between foncier and occupier a considerable number don't even cover the collection costs. Currently in the cases of owner occupiers, owners with vacant property, leaseholders with leases of over 9 years, furnished, share transfer and lodging houses, both foncier and occupiers rates are due from one person. An assessment of 1,000 quarters pays roughly £20 for each of the owners and occupiers: this is a loss when considering the cost of collection even if foncier and occupiers are merged and paid together. Many assessments such as those for fishermen's huts, garage spaces and similar have low assessments which cost more to collect than they produce.

7 General taxation is dealt with by properly trained people as a paid job. Rates is a property tax so should also be dealt with professionally and not haphazardly as at present.

8 Although all similar properties throughout the Island should have similar assessments this is not the case and never has been. Each Parish has a different way of assessing and categorising the hereditaments which is not unexpected.

9. Due to the fact that residential rents have increased a great deal more than the vast majority of commercial rents it would be necessary for Parishes to be able to have a Parish Domestic and Commercial rate as is now with the Islandwide rate. All Parishes should have this power but it may only be needed by St Helier, St Saviour and St Peter.

Changes to assessments make no difference to the total amount collected as Parishes may, by law, only collect sufficient to run the Parish plus any sum for perhaps a capital project, all of which has to be approved by a Parish Assembly.

To summarise the above:

1. The present rates system is broken and could collapse in the next 10 years
2. The assessments bear no relation to current rental values
3. Changes to individual classes of property cannot be changed
4. 63 unqualified assessors for a population of 100,000 is nonsense
5. Currently there is no assessor with any professional knowledge of rental valuation
6. There should be a revaluation conducted professionally and repeated at 10 year intervals
7. There should be an Island Committee of 9 assessors with 3 from St Helier and the other 6 representing the other Parishes
8. The Constables should have the Island Committee reporting to it and in the event of disputes the Constables decide the actions to be taken

9. There should be one assessment per ratable hereditament ie not foncier and occupier's

10. Each Parish should be able to have both a domestic and non-domestic rate

11 .Appeals should be directly to an Appeal Committee

12. Any secretary or advisor to the assessors should be completely separate from the Appeals Committee

13. Annually each Parish should be advised of each of its values for domestic and non-domestic to enable the recommended rates to be calculated

14. The Parishes should only be responsible for the determination of the rate and then collecting it

I would expect the current assessors by a large majority to disagree as will the Constables who will be advised to do so by their secretary.

I would be happy to attend the Committee to expand or answer any questions.

Yours sincerely,

Edward Trevor MBE FRICS IRRV(hon)