

Reform of the Business Rates Appeals System - April 2017 -
Check, Challenge, Appeal

Background

- 2010 Revaluation - 1,113,930 appeals to 31 December 2016
- 240,960 still outstanding
- 72% of appeals led to no change in Rateable Value
- Government wish to prevent this ongoing system

Reform of Appeal System

- The process will be entirely online
- Uses the Government Gateway
- Rate payer will have to validate his interest in each property - individually, eg passport, driving licence, address, etc!
- Thereafter ability to nominate his representative (agent) for each stage of the process
- Software will still only be in beta mode on 1 April 2017
- Not available at all for many property types

Check Stage

- Confirm physical details VOA holds about property
- Correct inaccurate data and provide missing information
- Fines for false information provided “knowingly, recklessly or carelessly”
- 12 months to conclude check
- VO will amend assessment to reflect agreed facts (up as well as down) but will not negotiate the valuation basis

Challenge Stage

- Complete challenge within 4 months of end of check
- Must provide alternative valuation
- Include all rental evidence, argument and case law
- Limited opportunity to introduce evidence subsequently
- Challenge document to look like a Proof of Evidence

Appeal Stage

- 18 months allowed to agree
- VO issues Decision Notice with explanation
- Decision, or absence of one, can be appealed to Valuation Tribunal within 4 months of decision
- Fee up to £300 - refundable if successful
- The Valuation Tribunal will be restricted to considering the evidence tabled during the challenge stage - unless evidence only came into existence subsequently

Summary

- Government's refusing any transparency
- Government concerned with loss of revenue from appeals?
- Very one-sided in favour of Government

"Sweeper Clause"

The "VTE" (Valuation Tribunal for England) should order a change in Rateable Value only where their view is that the valuation is outside the bounds of *reasonable professional judgement*.

Source: Consultation on statutory implementation - 16 August 2016

"On Appeal" the VTE will be required to decide whether they consider the extant valuation to be reasonable.