

GL Hearn commentary to Check, Challenge and Appeal responses

Almost everyone would agree that the present business rates appeals process does not work well. There are about 300,000 appeals still outstanding and they take too long to get resolved. The backlog is only likely to increase next year when new assessments are published for the 2017 revaluation.

The Government has been seeking to make changes to the appeals system and has issued a number of consultations, the most recent of which "[Check, challenge, appeal: Reforming business rates appeals](#)", closed earlier this year. We now have the [government response to the consultation](#) and some preliminary indication of the proposed new system.

The present two-stage process of "proposal" and "appeal" is to be replaced by a three-stage one of "check", "challenge", and "appeal". This will be accompanied by the introduction of civil penalties for ratepayers who provide inaccurate information to the Valuation Office, and fees for making an appeal against a rating assessment.

We consider that the extension of the process, by introducing a new "check" stage, is unlikely to be an improvement. We also wonder why it is necessary to introduce new civil penalties and appeal fees.

But our biggest concerns are that the proposed new system seems designed more to deter ratepayers from investigating their business rates assessments than it does to deliver a fair appeals process.

The new system puts process ahead of outcome by requiring ratepayers to address a lot of non-substantive detail before they are allowed to address the substantive matter of whether or not their assessment is correct. It also adopts a very narrow and defensive approach in requiring ratepayers to provide all the evidence to make a challenge before the Valuation Officer will respond, and even then the response will be only on a "proportionate" basis.

The proposed new process appears to treat ratepayers as a nuisance, rather than as the people who are, after all, paying for the whole system. Proper professional advice will be more important and valuable than ever before when the new system comes into operation on 1 April 2017.

Our belief as a business, the Check, Challenge and Appeal process coming into effect on 1 April 2017 will simply add further complexity, time and cost to the system. Other than dissuading ratepayers from understanding and challenging how their liabilities have been calculated we see no positive outcome from the proposed changes. We will continue to work with industry bodies to influence and initiate any impact.

For further information on the Check Challenge and Appeal process or you would like to find out more about our Business Rates service please contact a member of the team below:

Andrew Hetherton

Head of Business Rates

andrew.hetherton@glhearn.com

M +44 (0)7817 145603

D +44 (0)23 8021 0680

Richard Williamson

Business Rates Director

richard.williamson@glhearn.com

M +44 (0)7799 341434

D +44 (0)12 4230 3149

Simon Griffin

Business Rates Director

simon.griffin@glhearn.com

M +44 (0)7879 110448

D +44 (0)12 4230 3131

Hugh Bower

Business Rates Director

hugh.bower@glhearn.com

M +44 (0)7798 765834

D +44 (0)1242 303160

Bruce Wilson

Business Rates Director

bruce.wilson@glhearn.com

M +44 (0)7802 910764

D +44 (0)23 8021 6184

Tim Harding

Business Rates Director

tim.harding@glhearn.com

M +44 (0)7976 170364

D +44 (0)23 8021 0712

Business Rates is a substantial and complex tax on the owners and occupiers of commercial property and requires proper management.

Our Business Rates team are experts in making appeals on all types of properties and negotiate reductions in Rateable Value to save money for our clients. Our team also provides a comprehensive business rate payment and refund management services, relieving our clients completely of the burden of managing their rates.

We would welcome the opportunity to discuss this and any other Business Rates related matters with you and the support we can provide.