

Non-Domestic Rating (Lists) Bill 2017-19

Second Reading, House of Lords

30 September 2019



KEY MESSAGES

- The Non-Domestic Rating (Lists) Bill 2017-19 seeks to change the frequency of business rates revaluations undertaken by the Valuation Office Agency (VOA). Revaluations currently take place every five years. The Bill will increase this to every three years, starting in April 2021. The VOA must receive additional funding to implement these changes.
- We welcome the proposal for businesses to provide more regular information to the VOA, as part of a move to more frequent valuations. This must be accompanied by measures to significantly reduce the backlog of appeals.
- It is unclear what the Government is doing to make business provide more regular information to the VOA on who is responsible for business rates and property characteristics. The Government committed to consulting on this measure in Spring 2018 but this has not taken place.
- According to the latest Valuation Tribunal statistics there are almost 60,000 unsolved 2010 appeals. Councils have had to divert over £2.5 billion from services to deal with appeals risk.¹
- We would like to see reforms to ensure that appeals can be received no later than six months after a new ratings list comes into force. This system applies in Scotland. The check and challenge system for appeals means that only a small number of 2017 appeals have yet been received. It is important that the Government makes clear its proposals for when the closing date for 2017 list appeals will be.
- The Bill also proposes reducing the publication deadlines for new business rates lists from six to three months before the list comes into force. This could impact billing authorities' ability to prepare and implement the new rates, and the timing of any transitional relief schemes. It is disappointing that the LGA and councils were not consulted on this proposal before the Bill was published.
- For further information, please refer to the LGA's written evidence to the Treasury Select Committee inquiry into the impact of business rates on business.²

¹ <https://www.valuationtribunal.gov.uk/wp-content/uploads/2016/02/VTS-Stats-Release-110401.pdf>

² <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/treasury-committee/impact-of-business-rates-on-business/written/98837.html>