



Department for
Communities and
Local Government

Check, challenge, appeal

Reforming business rates appeals



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Consultation procedure

Scope of the consultation

Topic of this consultation:	Reforming the business rates appeals system.
Geographical scope:	The consultation relates to England only
Impact Assessment:	The proposed policy changes are not within the scope of the Reducing Regulation Committee and so do not need an Impact Assessment for this purpose.

Basic information

To:	The consultation is aimed at businesses, local authorities and other interested parties.
Duration:	8 weeks. This consultation began on 30 October 2015 and responses must be received by 5pm 04 January 2016.
Enquiries:	For enquiries, please e-mail: ndr@communities.gsi.gov.uk This consultation paper is available on the Department for Communities and Local Government website at www.gov.uk/dclg
How to respond:	To respond to this consultation, please e-mail: ndr@communities.gsi.gov.uk . When responding, please ensure you have the words "Check, challenge, appeal" in the email subject line. Alternatively you can write to: Danielle Angelopoulou Department of Communities and Local Government 2 nd floor, SE Quarter Fry Building 2 Marsham Street LONDON SW1P 4DF When responding, please state whether you are responding as an individual or representing the views of an organisation or a local authority. If responding on behalf of an organisation, please give a summary of the people and organisations it represents and, where relevant, who else you have consulted in reaching your conclusions.

Background

Getting to this stage:	The Government consulted in December 2013 on 'Checking and Challenging your Rateable Value: The Government's proposals to improve transparency in the business rates valuation and formal challenge system'. The new approach detailed out in this paper was set out in the Interim Findings of Business Rates Administration Review discussion paper at Autumn Statement 2014, which can be found at: https://www.gov.uk/government/publications/administration-of-business-rates-in-england-interim-findings
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If you want the information that you provide to be treated as confidential, please be aware that, under the Freedom of Information Act 2000, there is a statutory code of practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, in itself, be regarded as binding on the department.

DCLG will process your personal data in accordance with the Data Protection Act 1998 and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. Individual responses will not be acknowledged unless specifically requested.

Help with queries

Questions about the policy issues raised in the document can be sent to the address given in the “Basic Information” section above.

A copy of the consultation criteria from the Code of Practice on Consultation is at <http://www.cabinetoffice.gov.uk/resource-library/consultation-principles-guidance>. Are you satisfied that this consultation has followed these criteria? If not or you have any other observations about how we can improve the process please email: consultationcoordinator@communities.gsi.gov.uk

or write to:

DCLG Consultation Co-ordinator
Fry Building
2 Marsham Street
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Introduction

1. There is widespread agreement that the business rates¹ appeals system is in need of reform. Businesses need to have a better understanding of how their properties have been valued. They need to be confident that valuations are correct and that they are paying the right amount of business rates. Where this is not the case, it needs to be put right more quickly – businesses need refunds which are due to them as soon as possible. The system needs to be clear and easy to navigate so that businesses of all sizes can easily use it. Scarce public resources need to be used more efficiently in focusing on legitimate cases.
2. While progress has been made in resolving outstanding appeals, there is still more to do. Currently too many rating appeals are made with little supporting evidence. When that evidence is provided, it regularly comes late in the process, often leading to long delays for ratepayers. Many appeals are made as a matter of routine, and the majority of appeals do not result in either an appeal hearing or a change to the rating list.
3. The Government has built on earlier consultations to develop a system that allows factual and valuation issues to be dealt with in a timely and efficient way. The new system consists of three stages: check, challenge, appeal.
4. The **check** stage will ensure that relevant facts are validated by the ratepayer and agreed as far as possible. If necessary the rating list will be corrected to reflect the facts. Where facts cannot be agreed, the differences will be clearly established.
5. The **challenge** stage allows a ratepayer to challenge the rating list entry. They will set out their reason for the challenge, and put forward an alternative rating list entry (which will include an alternative valuation if that is the reason for the challenge), backed by supporting evidence. If necessary, there will then be an opportunity for further discussion between the parties. The Valuation Office Agency will issue a decision on whether the rating list will be altered and the level of any revised valuation.
6. The **appeal** stage allows a ratepayer to appeal to the independent Valuation Tribunal for England. The Tribunal will consider whether the Valuation Office Agency has made the correct decision in respect of the challenge, based on the evidence put forward and exchanged at the challenge stage. If the Tribunal disagrees with the Valuation Office Agency's decision, it may conclude that the ratepayer's proposed rating list entry is correct, or alternatively it may substitute its own.

¹ References to 'business rates' in this document should be taken as references to non-domestic rates under Part 3 of the Local Government Finance Act 1988.

7. The guiding principles for reform are that ratepayers should set out their issues fully and clearly at the start of each stage, so that the Valuation Office Agency can respond quickly and ratepayers can make an informed decision about whether they need to proceed to the next stage. There should be a structured and transparent approach with clear expectations on all sides about timescales, requirements and action. The system will strongly promote early engagement by all parties at all stages so that cases can be resolved as soon as possible. Routine or speculative challenges which are not supported by a robust case will be identified and dealt with swiftly, and this will have benefits for ratepayers who raise genuine issues – they will see their case considered, and any necessary amendments made to the rating list, more quickly.
8. Subject to Parliamentary approval, primary legislation amending existing enabling powers will be enacted in the current session's Enterprise Bill,² and regulations will then be brought forward setting out the details of the various stages, based on the ideas in this consultation paper. The intention is that the reformed system will apply when the new rating list comes into effect in April 2017.
9. Business rates are a devolved matter and these proposals apply to England only.

Background

10. The Government consulted in December 2013 on changes to the system for challenging a business rates valuation.³ Many respondents to that consultation recommended that Government should consider reform of the appeals system within the wider context of the review of business rates administration. The Interim Findings of this review, published in December 2014,⁴ set out proposals for a three-stage system consisting of 'check, challenge, appeal', and responses to the Interim Findings paper indicated general support.⁵ This consultation paper further develops those proposals.

Government proposals

The system overall

11. The aim of the system overall is to provide a streamlined and efficient system in which the key issues are identified by the ratepayer early, and are resolved as

² http://www.publications.parliament.uk/pa/bills/lbill/2015-2016/0063/lbill_2015-20160063_en_6.htm#pt6-l1g23

³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/263015/Checking_and_Challenging_your_Rateable_Value.pdf

⁴ <https://www.gov.uk/government/publications/administration-of-business-rates-in-england-interim-findings>

⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/442341/Summary_of_responses_to_interim_findings.pdf

quickly as possible as the case proceeds. This will save resources for all parties, and ensure that cases are processed as rapidly as possible. The Valuation Office Agency will provide clearer and simpler information about the valuation process on its website. We are also proposing to incorporate best practice from other tax regimes.

12. There are three stages to the new system: check, challenge, appeal.⁶ These stages must be gone through in that order, and our expectation is that the vast majority of cases will be resolved at the earlier stages without the need for an appeal. Where appeals are necessary, the new system will ensure that the case put before the Valuation Tribunal for England always contains clear and relevant information. This will ensure that the Tribunal can focus on the issues that have not been agreed and can base their decision as far as possible on the evidence considered by both parties at the challenge stage.

Question 1: We would welcome views on the overall approach set out in this consultation paper.

Eligibility

13. There will be no restrictions on the ability of the ratepayer to update the Valuation Office Agency about relevant changes to their property or the locality, and it is important that they do so. This will ensure that rating list entries are based on the current and correct facts.
14. We propose that the grounds on which a challenge may be made will be in line with the grounds on which a proposal may currently be made.⁷ Only one 'check, challenge, appeal' may be made per ratepayer per list, on each of the grounds, unless there has been a physical change to the property or locality.⁸ This parallels the current situation. It is therefore essential for ratepayers and their professional representatives to consider their decision to proceed very carefully.
15. We do not propose to change the rights of interested persons such as owners to enter 'check, challenge, appeal', but given the change to a new process, we will be considering further the stage at which 'relevant authorities' (i.e. billing authorities where they are not participating as ratepayers or owners) should participate.

Question 2: What are your views on when 'relevant authorities' should be involved in the process?

⁶ The changes to the primary legislation being brought forward in the Enterprise Bill retain the term 'proposal', and allows for steps which must be taken before a person may make a proposal. The form of proposal which will be set out in regulations will be referred to as 'challenge', and the steps which must be taken beforehand will be referred to as 'check'.

⁷ As set out in regulation 4 of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 (SI 2009, No. 2268), as amended.

⁸ The relevant changes are those set out in paragraph 2(7) of Schedule 6 to the Local Government Finance Act 1988, as amended.

Trigger points

16. The enabling legislation will allow the introduction of trigger points. In the rare cases in which there is no decision at check or challenge stage, these provide an extra right for ratepayers to move through the system. More details are set out in paragraphs 24-26 and 30 below.

Accuracy of information and penalties

17. As with other tax systems, it is the responsibility of the ratepayer, and any professional representatives they engage, to ensure that the information which is provided to the Valuation Office Agency is complete and accurate. The Valuation Office Agency will provide guidance to support ratepayers with the provision of information. It is essential that ratepayers are fully aware of what information is being put forward on their behalf by any professional representatives they engage, and we are considering how this could be facilitated by the Valuation Office Agency, for example by copying correspondence to the ratepayer or requiring the ratepayer to actively endorse the material put forward at challenge stage.

18. In line with other tax systems, we propose to introduce civil penalties for the provision of false information by ratepayers or professional representatives during check or challenge, whether it was provided knowingly, recklessly or carelessly. Penalties could be flat rate or could be linked to rateable value, and we propose a maximum level of £500. They will be applied by the Valuation Office Agency and there will be a right of appeal to the Valuation Tribunal for England. This civil penalty would be proportionate to the existing civil and criminal sanctions which apply when false information is provided to the Valuation Office Agency, and which can result in imprisonment or a higher-level fine.

Question 3: We will consult further on the detail of these penalties, but in the meantime, would welcome general views on implementation and the likely disincentive effect of this measure.

Check

19. The check stage enables the ratepayer to confirm the accuracy of the facts on which the rating list entry is based and provide any missing factual information. It will ensure that ratepayer and Valuation Office Agency decisions are based, as far as possible, on an agreed set of facts about the property, and that any disagreements are clearly identified.

Information available before check stage begins

20. Once the ratepayer and any professional representative acting for them have confirmed they have a relevant interest in the property, they will be able to view more detail about the valuation of the property. The detail provided will include

information about the property and the current occupier's rent, but will not include rents paid for other properties or rents paid by previous occupiers.

Entering check stage

21. Check stage formally begins when a ratepayer confirms existing facts or provides relevant new facts to the Valuation Office Agency. As this is the first stage in the process, and the number of 'check, challenge, appeals' a ratepayer may make is limited (see paragraph 14), ratepayers should only submit a check if they believe that the rating list entry is not accurate.

22. We propose that check stage may be entered at any time during the life of the list. However, given the changes from the previous system, we are considering further the arrangements which should apply at the end of the list.

Question 4: We will bring forward end-of-list proposals in due course, but in the meantime would welcome general views.

Temporary material changes of circumstance

23. Material changes of circumstance differ from other cases because the nature of the change may be temporary. Given the changes to the process, we will be considering what arrangements would be appropriate – e.g. whether the date the check is submitted should set the 'material day' for these appeals.

Question 5: What arrangements should apply to temporary material change of circumstances cases under the new system?

Trigger point for check stage

24. In most cases, check stage will be a quick process, in which the ratepayer confirms or provides new facts relating to the property, allowing the Valuation Office Agency to update the rating list quickly if appropriate. However, in some cases it may be more complex, and further liaison with the ratepayer or a site visit may be necessary.

25. Check is the stage at which factual matters about the premises should be established, and cases will stay in check stage until the facts are agreed, or until disputed facts are clearly identified. However, if matters are not resolved, ratepayers should have the right to move on to the next stage. We therefore propose a trigger point after the case has been in check for 12 months. This will allow the ratepayer to move to challenge stage. The check stage can be extended by agreement between the parties.

26. The vast majority of checks will be concluded far more quickly, and a service level agreement will be put in place with the Valuation Office Agency to ensure that happens. As the new system beds in, we aim to reduce the 12-month figure.

Question 6: What are your views on the trigger point for check stage?

Completion of check stage

27. Check stage is completed when one of the following occurs:

- a) the Valuation Office Agency notifies the ratepayer that the facts that have been agreed and that any necessary revisions have been made to the rating list
- b) the Valuation Office Agency notifies the ratepayer of the agreed facts, the facts which are still disputed and any revisions which have been made to the rating list
- c) the trigger point is reached (plus any agreed extension), no notification of (a) or (b) has been issued, no agreement has been made on a further extension and the ratepayer wishes to move to the challenge stage.

Challenge

28. If at the end of the check stage the ratepayer believes the rating list entry is still inaccurate they can challenge the valuation or other aspects of the entry for the property. The challenge stage will allow early and effective engagement and the exchange of relevant evidence and information. It is anticipated that the great majority of remaining cases will be resolved at this stage without the need for an appeal.

Time limits

29. Ratepayers may proceed to challenge stage once check stage has been completed. A time limit will apply to this, and we propose that a complete challenge must be submitted within 4 months of the completion of check stage. The Valuation Office Agency will be able to accept out-of-time challenges in exceptional circumstances (e.g. where a ratepayer has been ill and evidence is provided of this).

Question 7: What are your views on the time limit for submission of a complete challenge, following check stage?

30. There will also be a trigger point for challenge stage, so that ratepayers have the right to move from challenge stage to appeal stage after 18 months, regardless of whether the Valuation Office Agency has completed consideration of the case. The challenge stage can be extended by agreement between the parties. As for check stage, the vast majority of cases will be determined in a shorter timescale. A service level agreement will be put in place to ensure this happens, and over time we will aim to reduce the 18-month figure.

Question 8: What are your views on the trigger point for challenge stage?

Making a challenge

31. We propose that the ratepayer must set out:
- a) grounds for the challenge
 - b) substantive reasons for the challenge, backed by supporting evidence and,
 - c) an alternative valuation which is supported by the evidence provided.
32. The substantive reasons for the challenge must set out why the ratepayer believes that the assessment is not correct (for example, that the Valuation Office Agency has not taken into account specified relevant evidence). It will not be sufficient to simply state that the assessment is not correct. The requirement for supporting evidence will not be met by an assertion, whether by the ratepayer or an expert, which is not further backed up by facts, analysis or legal argument as necessary. An explanation must be provided of how the alternative valuation has been arrived at and the evidence provided should support the alternative valuation. Providing this information upfront will minimise the time taken to deal with the challenge, and hence the costs to businesses. Clear guidance will be available to support small or unrepresented businesses in meeting these requirements. Challenges can be made on one of the grounds set out in existing regulations,⁹ and we are not proposing to alter these.
33. Where a challenge does not set out the grounds for the challenge, substantive reasons and an alternative valuation, backed by evidence, it is not complete and will not be accepted by the Valuation Office Agency. When an incomplete challenge is received, the ratepayer will be notified of what is missing, and will have an opportunity to provide the missing material and resubmit the challenge, provided that they do so within the original 4-month limit for challenge.

Time limits for complete and incomplete challenges

34. When the Valuation Office Agency receives a challenge, it will notify the ratepayer whether the challenge is complete and has been accepted, or is incomplete and has not been accepted:
- if the challenge is complete, the trigger point is calculated from the date the challenge was received by the Valuation Office Agency
 - if the challenge is incomplete, the clock for the 4-month time limit will pause while the Valuation Office Agency is considering whether to accept the challenge, and will resume once a decision has been taken.
35. This approach will remove the need for a validity procedure, as incomplete challenges will be returned, and the Valuation Office Agency will respond to the detail provided in respect of complete challenges.

⁹ Regulation 4 of the Non-domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 (SI 2009/No.2268), as amended. A summary is provided at <https://www.gov.uk/business-rate-appeals/types-of-appeals> See footnote 6 for an explanation of how 'challenge' stage relates to proposals.

Question 9: Do you agree that these requirements for a challenge are the best way to ensure early engagement on the key issues?

During challenge

36. The criteria for a complete challenge are designed to ensure that the issues are clearly and fully set out at the beginning of the challenge process. The information provided will usually be sufficient for the Valuation Office Agency to proceed to determine the case.
37. As the ratepayer will have provided their complete case on entering challenge, in most cases they will only need to provide new evidence and arguments in response to Valuation Office Agency information and discussions during the challenge stage. However, we recognise that there will be times when further information becomes available at a later date and the Valuation Office Agency will have discretion to accept relevant further evidence.¹⁰
38. It should not be assumed that new evidence or arguments, or amendments to the challenge, will automatically be accepted. It is therefore in ratepayers' interests that they and their professional representatives make full disclosure of all relevant evidence at the beginning of the process.
39. Where further discussion is necessary, the Valuation Office Agency will respond to the arguments and evidence put forward by the ratepayer, and will provide proportionate evidence to address the issues raised. Some of the evidence at issue may be commercially sensitive, and the Commissioners for Revenue and Customs Act 2005 sets out the limited circumstances in which the Valuation Office Agency can disclose the information it collects. The ratepayer will always have the opportunity to respond to any information that is put forward by the Valuation Office Agency during the challenge stage.
40. Where further exchanges of information between the parties are necessary, the Valuation Office Agency will indicate timescales within which the ratepayer must respond to its arguments and evidence. Subject to the ratepayer having the opportunity to respond to its evidence, it is for the Valuation Office Agency to determine when discussions have concluded. A review of the outstanding issues will ensure that there is clarity about the matters which remain to be resolved. If the parties have not been able to reach agreement about the valuation during this process, the Valuation Office Agency will notify the ratepayer that it is moving to a decision, and will also indicate the timescale for the decision to be issued.
41. If the Valuation Office Agency has not already notified the ratepayer that it is moving to a decision, the ratepayer will be required to confirm 3 months before the original or extended trigger point whether they wish to move to a decision. This will not prevent the parties agreeing a further extension if they wish to do so but will allow the Valuation Office Agency to plan its work effectively.

¹⁰ See also paras 52-54 on admission of new evidence at appeal stage.

42. The Valuation Office Agency's decision notice will set out:
- a) a summary of agreed matters, including any amendments to the challenge
 - b) the Valuation Office Agency's decision on the challenge and any amendments to the rating list
 - c) the reasons for the decision, addressing all remaining disputed matters and indicating what evidence and arguments have been relied on in reaching the decision.

Question 10: Do you agree that this process allows the ratepayers to make their case in a fair and effective way?

Completion of challenge stage

43. Challenge stage is completed when one of the following occurs:
- a) an agreement is reached on the matter which has been challenged
 - b) a decision notice is issued
 - c) the trigger point is reached (including any agreed extension), no agreement on the challenge matter has been reached, no decision notice has been issued, no agreement has been made on a further extension and the ratepayer wishes to move to the appeal stage.
44. Once the challenge stage has been completed, the Valuation Office Agency will not be able to reopen the case and will not undertake any discussions with ratepayers or their representative about the challenge.

Appeal

45. Appeal stage allows ratepayers who disagree with the assessment set out in the Valuation Office Agency's decision notice following the challenge stage (or in cases where a decision notice has not been issued) to seek a decision from the Valuation Tribunal for England.
46. The Valuation Tribunal for England will consider the Valuation Office Agency's decision in respect of the challenge, based on the evidence which was before it at that stage, and will decide whether the decision was correct. If the Tribunal disagrees with the Valuation Office Agency's decision, it may conclude that the ratepayer's proposed rating list entry is correct. If it decides that neither party is correct, the Tribunal may substitute its own rating list entry. The Valuation Office Agency will be required to alter the rating list in accordance with the Tribunal's decision.
47. We aim to increase the efficiency of the appeal process for ratepayers by ensuring that the Valuation Tribunal for England receives complete, relevant and timely information so that it can determine the case swiftly and efficiently in the light of the evidence presented and exchanged at check and challenge stages. In

rare cases new evidence may need to be considered, but we propose to limit the circumstances in which this occurs (see paragraphs 52-54 below).

48. We do not expect further discussion between the parties at appeal stage and are considering the feasibility of straightforward appeals being determined on the papers where a hearing is not necessary.

Question 11: What are your views on whether straightforward appeals could be determined on the papers, without the need for a hearing?

Time limits

49. Ratepayers may proceed to appeal stage once challenge stage has been completed. We propose that the appeal must be submitted within 4 months of the completion of challenge. Out-of-time appeals may be accepted at the discretion of the President of the Valuation Tribunal for England.

Question 12: What are your views on the time limit for submission of an appeal, following challenge stage?

Making an appeal

50. When an appeal is made, we propose that the ratepayer must set out:

- a) substantive reasons for the appeal, i.e. the reason why they disagree with the Valuation Office Agency's decision, or the fact that no decision was issued
- b) a copy of the Valuation Office Agency decision (if a decision was issued), and any evidence provided by the Valuation Office Agency to the ratepayer or their representative
- c) a copy of the original challenge, along with any subsequent amendments, and any evidence that was put forward by the ratepayer at challenge stage and accepted by the Valuation Office Agency.

51. An appeal can be made within 4 months of a decision notice if one was issued and within 4 months of the conclusion of the challenge stage if no decision notice was issued. A ratepayer cannot appeal while the challenge stage is ongoing. If no decision notice has been issued, the evidence which will be taken forward to appeal is the same as would have been taken forward if a decision letter had been issued, namely:

- a) anything put forward in the original challenge
- b) anything subsequently provided by the Valuation Office Agency
- c) anything subsequently provided by the ratepayer in response to the Valuation Office Agency's arguments and discussions
- d) anything subsequently provided by the ratepayer which the Valuation Office Agency has accepted under its discretion to accept new evidence.

New evidence at appeal stage

52. To support the objective of early and effective engagement, prior to the appeal stage, we propose to limit the introduction of new evidence at the appeal stage by both parties. We may do this in a number of ways.

53. We may regulate so that new evidence may only be introduced at appeal stage:
- a) by agreement of the parties, or
 - b) in exceptional circumstances. This could be limited to circumstances where the Valuation Tribunal for England takes the view that the evidence did not exist when the challenge was considered or there is evidence put forward by the VOA to which the taxpayer has not been given the opportunity to respond.

54. We may regulate so that where new evidence is introduced at appeal stage, unless the parties agree that it should be admitted, the Valuation Tribunal for England should 'stay' proceedings to provide an opportunity for the parties to consider the case further. The Tribunal will set a time limit for the stay (taking into account the views of the parties), and requests to vary the length of stay subsequently will also be a matter for the Tribunal. If the matter is not resolved during the stay, it will return to the Tribunal for decision.

Question 13: How should we best ensure that the appeal stage focuses on outstanding issues and, as far as possible, is based on evidence previously considered at challenge stage?

Fees

55. We propose to introduce fees for appeals, in line with the approach proposed for other tribunals such as the Tax Chamber. Fee levels could be flat rate, perhaps in the region of £100-300, which is in line with other tribunal fees, or could be linked to rateable value. Ratepayers would receive a refund if the appeal is successful.

Question 14: We will consult further on the details of these fees, but in the meantime, would welcome general views on implementation.

Appeals to the Upper Tribunal

56. The Upper Tribunal (Lands Chamber) deals with appeals made against decisions of the Valuation Tribunal for England. Appeals to the Upper Tribunal should be lodged within 4 weeks of the Valuation Tribunal's decision, along with a lodging fee of £250. All appeals are heard afresh, and the parties are not limited to the evidence which was submitted to the Valuation Tribunal. The Upper Tribunal's decision on all matters of fact is final, with a limited right of appeal to the Court of Appeal on points of law.¹¹

57. Currently appeals on business rates have an onward appeal right from the Valuation Tribunal for England to the Lands Chamber in the unified tribunal system, both on points of facts and law. This approach is inconsistent with

¹¹ <http://www.legislation.gov.uk/ukxi/2009/2269/regulation/42/made>

onward appeals in the First Tier, including tax, where most appeals to the Upper Tribunal are on a point of law only.

58. We wish to explore how we can speed up the resolution of business rate appeals, for example by restricting the scope of onward appeals from the Valuation Tribunal for England to the Upper Tribunal (Lands Chamber) to points of law only, as in the First Tier Tribunal. We also wish to explore whether there are other changes which would improve the effectiveness of the process of resolution, such as considering if certain complex cases should have a direct route of appeal to the Upper Tribunal rather than to the Valuation Tribunal for England.

Question 15: We would welcome general views on whether changes to appeals to the Upper Tribunal (Lands Chamber) would be beneficial.

Savings and costs

59. These reforms will give rise to a number of savings, in time, money and resources:

- cases will be resolved at an earlier stage, leading to savings for ratepayers and earlier refunds where these are due
- ratepayers will have more clarity about the factual basis for the valuation
- a more transparent system will be easier to navigate for ratepayers
- reducing the number of speculative challenges and addressing issues as early as possible will lead to savings for ratepayers, the Valuation Office Agency and the Valuation Tribunal for England
- overall, decisions will be made more quickly (although the length of time any individual case takes will depend on factors about that specific case)
- fewer speculative challenges and quicker decisions will provide greater financial certainty for local government
- a more efficient system will mean costs savings for the Valuation Office Agency and the Valuation Tribunal.

60. In most cases we do not anticipate any increase in costs for ratepayers. While they will be required to provide information at an earlier stage, they will not need to provide more information in total, and earlier resolution of the issues will result in lower costs. We propose to introduce a fee for appeals; however, this should affect relatively few ratepayers. At the moment, the vast majority of cases do not go to an appeal hearing, and with more effective and earlier engagement, we expect this number to fall further. Appeal fees will be refunded for successful appellants.

61. The proposed policy is not within the scope of the Reducing Regulation Committee and does not require an Impact Assessment for this purpose.

Implementation

62. Enabling primary legislation is being brought forward via the current session's Enterprise Bill, and the details of the new system will subsequently be set out in regulations.
63. DCLG is continuing to develop the practical aspects of the new system with Valuation Office Agency, the Valuation Tribunal for England and other interested parties, and there will be further consultation before the regulations come into effect.