

Non-domestic rating: Challenges and Changes, 2017 and 2010 rating lists

Background Information



Valuation Office
Agency

Contents

Scope and content of the data	Page 1
Check, Challenge, Appeal	Page 3
Data Quality	Page 4
Use made of the data	Page 4
Glossary	Page 5

Scope and content of the data

This release contains statistics relating to Challenges and Changes for England and Wales across the 2017 and 2010 rating lists. Statistics on the 2017 rating list for England include checks and challenges under the new Check, Challenge, Appeal (CCA) process. Further information is provided below, and more information on the new CCA system can be found in the CCA section.

Checks, Challenges and Changes against the 2017 local rating list for England

These tables will include:

1. Statistics related to cases raised under the new CCA process (for the 2017 rating list), including:
 - Number of interested person (IP) and agent registrations for CCA (Table 1.2).
 - Number of approved property claims (Table 1.3).
 - Number of checks registered, resolved and outstanding on a monthly basis (Tables 2.1 to 2.3).
 - Number of challenges registered, resolved and outstanding on a monthly basis (Tables 2.1 to 2.3).
 - Outcomes of checks and challenges (Tables 2.5 and 2.7).

This publication only captures registrations, property claims, checks and challenges made between April 2017 and June 2018. These are presented at national level to comply with agency statistical disclosure policy on ensuring published data remains confidential.

Additional tables show:

- The total number of checks registered, resolved and outstanding by administrative area (Table 2.4).
 - The total number of challenges registered, resolved, incomplete and outstanding by region. Administrative area breakdowns will be added in future publications once volumes are sufficiently high (Table 2.6).
2. Statistics relating to the assessment reviews raised against the 2017 rating list including:
- Number of received, resolved and outstanding reviews, on a quarterly basis by administrative area (Table 3.1 to 3.3).

Challenges and Changes against the 2017 local rating list for Wales

In Wales, challenges against the 2017 local rating list are handled using the same process as the 2010 local rating list for England and Wales. Statistics on the 2017 local rating list for Wales include:

- Challenges received, resolved and outstanding on a quarterly basis (Tables 1.1 to 1.3).
- Reviews (changes) received, resolved and outstanding on a quarterly basis (Table 3.1 to 3.3).
- Challenge outcomes (Table 2.1).

These statistics are presented at national, regional and billing authority level.

Challenges and Changes against the 2010 local rating list for England and Wales

These statistics are related to the 2010 local rating list for England and Wales. They include:

- Challenges received, resolved and outstanding on a quarterly basis (Tables 1.1 to 1.3).
- Reviews received, resolved and outstanding on a quarterly basis (Table 3.1 to 3.3).
- Challenge outcomes (Table 2.1).

These statistics are presented at national, regional and billing authority level.

Differences between CCA Statistics and Non-CCA Statistics

The statistics in this publication can be broadly grouped into two types, CCA-process related statistics (2017 rating list checks and challenges in England) and non-CCA-process related statistics (statistics on challenges and reviews, the 2017 rating list for Wales and the 2010 rating list for both England and Wales). It's important to understand the differences between the two sets of statistics.

Definition of a challenge

A challenge has a different and specific meaning when used in the CCA process as opposed to when used under the non-CCA process:

- CCA process – a challenge to a valuation is made only after the completion of a check.
- Non-CCA process – a challenge can be either a proposal to change a valuation or a subsequent appeal against a valuation.

This is covered in more detail in the Glossary.

Registered and received

CCA check and challenge statistics show the number of checks and challenges *registered* by the VOA while non-CCA challenge statistics show numbers of cases *received* by the VOA as at a point in time. When information is received by the VOA manually it is marked with a 'received' date. The information is then registered on the VOA administrative system at which point a 'received' and 'registered' date are recorded. Usually, there is very little delay between receiving and registering the data and often they are the same date. However, when very high volumes of cases are received over a short period, the VOA may experience delays in registering those cases.

Check, Challenge, Appeal

There is a new business rates appeal process in England from 1 April 2017 known as Check, Challenge, Appeal (CCA). The VOA deals with checks and challenges, while the independent Valuation Tribunal for England (VTE) handles appeals. This service applies to England only. Business rates appeals are handled differently in [Wales](#), [Scotland](#) and [Northern Ireland](#).

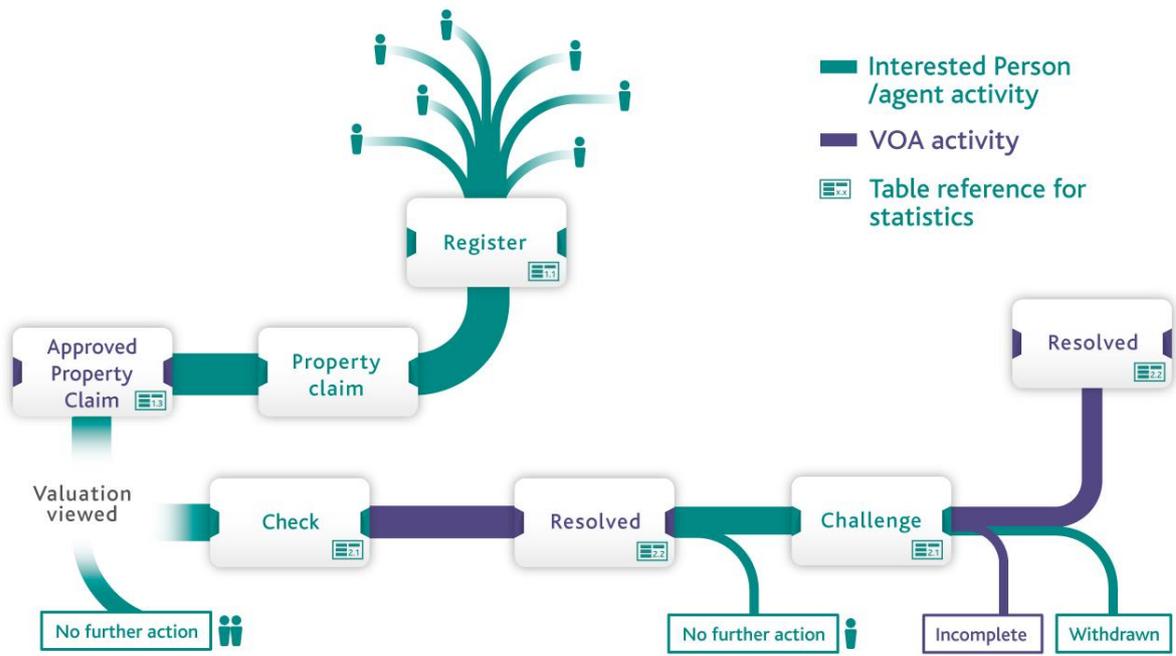
Owners, occupiers and authorised agents must first register to use the online service and view or request details of their valuation.

There are three stages to the new process – 'Check', 'Challenge' and 'Appeal':

- The Check stage sets out exactly how a valuation has been calculated. It provides the IP with all the underlying facts, and allows them to update those facts if they have changed or are incorrect. This means that everyone understands and agrees the factual basis for any valuation, and that valuation can be amended at this stage if necessary.
- The Challenge stage allows people to challenge the valuation if they feel the calculation done on the basis of the facts established at Check is incorrect. IPs or their agents provide the full evidence for their challenge, giving the VOA the opportunity to resolve the issue without the need for an Appeal. The VOA presents the full evidence to support the decision.
- If IPs are not satisfied with the VOA's decision, having understood all the evidence and basis for the decision, they can appeal to the independent VTE. This appeal is undertaken in the full knowledge of all the evidence and arguments put forward from both sides at the Challenge stage.

Figure 1 provides an overview of the CCA process.

Figure 1: CCA business rates appeal process



As well as counts on checks and challenges received, these statistics also contain number of registrations and property claims under the new CCA process. The VTE publish their own statistics on [appeals](#).

Further information about CCA can be found [here](#).

Data quality

The information supplied in the tables is based upon administrative data held within the VOA’s operational database. All administrative data are subject to processing and process errors and as such, while the VOA has made every effort to ensure accuracy of the data underpinning this publication, it is possible that some errors remain.

Use made of the data

This publication is being released as part of a drive towards making the VOA’s data more accessible as well as continuing to improve and make more consistent presentation of information to assist users to conduct their own analysis of VOA data. The data are used to inform government policy and conduct analyses to support the operations of the VOA.

In a wider context this publication supports BAs’ requirements for information in respect of the Business Rates Retention Scheme contained within the Local Government Finance Act 2012. (The Local Government Finance Act 2012 can be found at: <http://www.legislation.gov.uk/ukpga/2012/17/contents>)

We will review the format of this summary document to improve the presentation of our statistics. We welcome feedback from users on the usefulness of the information provided in this summary.

Glossary

Appeal (non-CCA process) – an appeal consists of both Valuation Tribunal cases and Upper/Lands Tribunals cases. A challenge only becomes an appeal when the proposal (IPP) is referred to the Valuation Tribunal Service.

Appeal (CCA process) – an appeal in the Check, Challenge, Appeal process consists of an appeal referred by the IP to the VTE for an independent review.

Area code – a unique identifier for administrative geographies as specified by the Office for National Statistics (ONS).

Assessment – an entry in the rating list is often referred to as an assessment.

Assessment review (report) – assessment reviews (reports) relate to instances where the VOA will review the entry in the rating list. They can be either a report initiated by the BA, known as a Billing Authority Report, or initiated by the VOA, known as a Valuation Office Report. These could typically be attributable to a demolition, new property build or other physical change to a property. An assessment review (report) is counted as received when it has been registered on the VOA's administrative system.

Billing authority (BA) – a local authority empowered to collect non-domestic rates on behalf of itself and other local authorities in its area. In England, shires, metropolitan districts, the Council of the Isles of Scilly, unitary authorities, London boroughs and the City of London are BAs.

Billing authority code – a unique identifier for BAs.

Billing authority report (BAR) – a report (assessment review) initiated by the BA. These could typically be attributable to a demolition, new property build or other physical change to a property.

Cancelled challenge or assessment review (non-CCA process) – a challenge/assessment review raised against a property in error that is cancelled.

Central rating list – the VOA's list of rateable values for companies named in the Central Rating List Regulations, primarily for the network property of major transport, utility, and telecommunications undertakings and cross country pipelines. There are separate lists for England and Wales.

Challenge (CCA process) - the IP can challenge any valuation related to the same property within four months of the check completion. IPs can also make a challenge if the VOA has not completed the check after 12 months. If the challenge is about a change in the surrounding area (a material change of circumstances) the challenge can be made either within four months after the check completion or within 16 months of the IP's check confirmation.

Challenge (non-CCA process) – a proposal by the ratepayer to alter the 2010 rating list entry in England and Wales or the 2017 rating list in Wales; typically attributable to a challenge to the assessed rateable value or a change of circumstance of the property as well as physical changes in the locality. Challenges consist of both IPPs and appeals. IPPs are commonly, though incorrectly, referred to as appeals; technically a challenge only becomes an appeal when the proposal is referred to the Valuation Tribunal Service. A challenge is counted as being received when it has been registered on the VOA's administrative system. It is counted as being resolved when it has been cleared and the rating list has been updated.

Challenge outcomes (CCA process) – resolved challenges may be:

- Agreed - this category is made up of challenges resolved with an outcome of well founded or agreement reached. Well founded is an outcome where the VOA agrees with the proposed alteration to the list and the date from which the proposed

alteration should take effect. Agreement reached is an outcome where the VOA and the IP come to an agreement which is different to the proposed alteration of the list and/or the date from which the proposed alteration should take effect.

- Disagreed - this category is made up of challenges resolved with a considered decision, which is where the VOA and the IP cannot agree the proposal, so the VOA issues its decision that may or may not result in an alteration to the list.

Check (CCA process) - a review by the IP of the information held by the VOA for their property. The IP confirms the accuracy of the facts on which the rating list entry is based, provides missing factual information and amends property details as necessary.

Check completion – a resolved check: the VOA have responded to the IP, stating the outcome in full and cleared the case.

Check confirmation – the point during check at which the IP confirms the accuracy of the facts on which the rating list entry is based, provides missing factual information and amends property details as necessary

Check outcomes – there are three outcomes for resolved checks, which are:

- Agreed – the VOA agrees with/accepts all of the facts proposed by the IP.
- Partially agreed – the VOA agrees with/accepts some of the facts provided by the IP.
- Disagreed – the VOA does not agree with/accept the facts provided by the IP and so does not alter the rating list.

Compiled list – the rating list as it comes into effect following revaluation; for the 2010 rating list this is the list as at 1 April 2010 and for the 2017 rating list it is the list as at 1 April 2017.

Direction – the Tribunal's written instructions that the appellant and the VOA must follow.

Incomplete challenge – the challenge does not contain all of the detail required in legislation and so is not accepted by the VOA.

Interested person (IP) – an interested person can be an individual or a company who is the owner, occupier or ratepayer of the property, or a person with a 'qualifying connection'. A person has a qualifying connection if they own the company that owns the property, if they are a company owned by the property owner or occupier, or if both they and the property owner or occupier are companies owned by the same company.

Interested person proposal (IPP) (non-CCA process) – a proposal by the IP or agent acting on their behalf to alter the local rating list entry.

Invalid proposal (non-CCA process) – a proposal that has been submitted to the VOA and that the VOA considers to be incorrect. In these circumstances the VOA informs the maker of the proposal why they consider the proposal to be invalid. The maker of the proposal has the option to appeal to the Valuation Tribunal against the VOA's decision.

Lands Tribunal cases – the functions of the Lands Tribunal were transferred to the Upper Tribunal (Lands Chamber) on 1st June 2009. These cases are now known as Upper Tribunal cases and includes any appeal to the Upper Tribunal (Lands Chamber), Court of Appeal and Supreme Court.

Local rating list(s) – the VOA's lists of all the non-domestic rateable properties in England and Wales. There is a separate local list for each BA.

Minor rating list change (MRL) – a minor change to a rating list entry usually correcting a typographical error in the address or description of a property.

Outstanding – a case is counted as being outstanding when it has been registered on the VOA's administrative system, and has not been resolved.

Property claim – before anyone can access more detailed valuation data about a property, they must prove that they have a legal interest in the property under the non-domestic rating legislation, for example as an owner or occupier or both. To do this, they are required to 'claim their property' through the VOA's online service and provide proof of their relationship to the property, such as a copy of a business rates or utility bill. Once the VOA confirm the interested person's relationship to the property, the claim is approved and the IP is able to view or request the detailed valuation for that property.

Rateable value (RV) – a monetary value assigned to every rateable property within a rating list, based broadly on the annual rent for which a rateable property could have been let on the open market at a set date.

Ratepayer – the person required to pay the business rates bill for the property. This is usually the occupier, unless the property is empty when it is the owner's responsibility to pay.

Received – a case is counted as being received when it has been received by the VOA.

Region – a geographical unit formerly referred to as Government Office Region (GOR). The GOR framework was the primary classification for regional statistics and comprised nine regions of England, which, combined with the devolved administrations, collectively spanned the United Kingdom. From 1 April 2011 the term GOR was dropped in favour of region. This release comprises English regions and Wales.

Registered – a case is counted as being registered when it has been registered on the VOA's administrative system. Note this may differ from the date the case was sent to the VOA.

Resolved challenge – a challenge will be resolved when it has been cleared on the VOA's administrative system. This will be because it has either been agreed (well founded), a negotiated agreement has been reached (agreement reached), it has been withdrawn, or the VOA have disagreed with the challenge and issued a decision notice (considered decision).

Resolved check – the VOA have completed the check, stating the outcome in full and cleared the case.

Struck out – the decision made by the Valuation Tribunal not to hear an appeal and give it no further consideration. This is usually because of a failure of the appellant to comply with a direction of the tribunal.

Unique rateable property (also known as hereditament) – a unit of non-domestic property that is, or may become, liable to non-domestic rating and thus appears in the local rating list. The area of a property included in a rateable value calculation can cover all of one property, only part of a property or be several separate units in one building or site.

Upper Tribunal (Lands Chamber) – this was previously known as the Lands Tribunal before its functions were transferred to the Upper Tribunal on 1 June 2009. This is a specialist tribunal that resolves certain disputes concerning land, particularly the valuation of land. It has power to hear cases under many different Acts of Parliament and statutory instruments.

Valuation Office notice (VON) – the notice of alteration to the rating list that arises when the VOA amends a rating list following either a BAR, a Valuation Office report (VOR) or settlement of an IPP.

Valuation Office report (VOR) – a report (assessment review) initiated by the VOA to review an entry in the local rating list. These could typically be attributable to a demolition, new property build or other physical change to a property.

Valuation officer – an employee of the VOA and the officer authorised by statute to compile and maintain rating lists.

Valuation Tribunal (VT) – an independent appeals tribunal, to handle council tax and rating appeals in England (VTE) with a similar but separate Valuation Tribunal in Wales (VTW).

Withdrawn – the IP withdraws their proposal.