



Department
for Business
Innovation & Skills



Department for
Communities and
Local Government

Enterprise Bill: Business Rates Appeals Reform

Issue:

There is widespread agreement that the business rates appeals system is in need of reform. The Interim Findings of the Business Rates Administration Review discussion paper published on 10 October 2014 identified that too many business rates appeals are made with little supporting evidence, and take too long to resolve. The paper suggested that a reformed appeals system should be built around three stages – ‘check, challenge, appeal’.

Measure:

The measures in the Enterprise Bill broaden the existing enabling powers to ensure that comprehensive, effective and transparent reforms can be put in place. The changes to the enabling powers will allow secondary legislation to be made covering:

- a new Check stage;
- civil penalties of up to £500 for the provision of false information, and appeals against those penalties; and
- certain matters relating to appeals (including grounds for appeal, matters which may not be taken into account in the appeal, the admission of new evidence, and the payment and refund of fees).

Details of the reformed appeal system will be set out in secondary legislation and are summarised below:

- the Check stage will ensure that the property’s rating assessment is based on accurate and up-to-date facts. Where it is not possible to agree facts, the disputed matters will be clearly established;
- the Challenge stage will allow a ratepayer to challenge the rating assessment. The Valuation Office Agency will consider the case put forward by the ratepayer, and will issue a decision on whether the rating list will be changed; and

- the Appeal stage will allow a ratepayer to appeal to the independent

Aims and Impact:

Broadening the enabling powers will ensure that effective reforms can be made to the business rates appeals system. These reforms will:

- benefit businesses by making the system more transparent and easier to navigate;
- ensure that businesses can be confident that their valuations are correct and that they are paying the right amount of business rates;
- promote early engagement by all parties – this means that cases can be resolved at an earlier stage with quicker refunds where appropriate. Businesses will not need to waste time and money going to a formal appeal unless it is really necessary.