

# Non-domestic rating: Challenges and Changes, 2017 and 2010 Rating Lists September 2017

## Background Information



Valuation Office  
Agency

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## Scope and content of the data

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

### 2017 Challenges and Changes 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 checks registered, resolved and outstanding on a monthly basis.
  - Number of challenges registered, resolved and outstanding on a monthly basis.

This publication only captures checks and challenges made between April and September. These are presented at National Level to comply with Agency statistical disclosure policy on ensuring published data remains confidential.

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.

## **2017 Challenges and Changes for Wales**

Challenges against the 2017 Rating List for Wales are processed under the existing process for handling proposals and appeals. Statistics on the 2017 Rating List for Wales include:

- Challenges received, resolved and outstanding on a quarterly basis.
- Reviews (changes) received, resolved and outstanding on a quarterly basis.
- Challenge outcomes.

These statistics are presented at National, Regional and Billing Authority level.

## **2010 Challenges and Changes for England and Wales**

These statistics are related to the 2010 Rating List for England and Wales. They include:

- Challenges received, resolved and outstanding on a quarterly basis.
- Reviews (changes) received, resolved and outstanding on a quarterly basis.
- Challenge outcomes.

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 (Review statistics, 2017 Rating List statistics for Wales and 2010 Rating List statistics). 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 and 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 cases *registered* by the VOA while non-CCA challenge statistics show numbers *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.

These statistics will continue to be provided on a quarterly basis, and will include monthly breakdowns.

## 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](#).

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 ratepayer 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. Ratepayers or their agents provide the full evidence for their challenge, giving VOA the opportunity to resolve the issue without the need for an Appeal. The VOA presents the full evidence to support the decision.
- If ratepayers are still unhappy 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.

These statistics contain counts on checks and challenges received 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 ratepayer 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 2005, 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 (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 (CCA process)** - The ratepayer can challenge any valuation related to the same property within four months of the check completion. Ratepayers 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 ratepayer's check confirmation.

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

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

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

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

**Invalid proposal (IP) (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 1<sup>st</sup> 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 VOA’s administrative system, and the rating list has not been updated.

**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 due to processing lags.

**Resolved challenge** – a challenge will be resolved when it has been cleared on the VOA’s administrative system – primarily because it has been agreed or rejected.

**Resolved check** –the VOA have responded stating the outcome in full to a check 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 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 ratepayer withdraws their proposal.