

Business Information Sheet

Number 5b: Commercial Property – Business Rates

WHAT IS THE BUSINESS RATES REVALUATION, WHY IS IT DONE AND WHAT DOES IT MEAN FOR ME?

The Valuation Office Agency (VOA) carries out a revaluation of the rateable values of all non-domestic and business property every five years.

The rateable value for your non-domestic or business property will be reviewed as part of the revaluation.

Revaluation maintains fairness in the rating system, by ensuring that the rates that each business pays reflect changes in the relative rental value of property over time.

Revaluation does not raise extra revenue from business rates - it merely redistributes the overall national rates bill.

WHAT IS RATEABLE VALUE AND HOW IS IT CALCULATED?

Rateable value, broadly speaking, is the annual rental value that a property could be let for on a common valuation date - 1 April 2008

Rateable value is used as the basis for calculating business rate bills.

The VOA gathers details of actual rents paid and other available evidence from around the valuation date, and uses this to assess the rental value of all property.

In some cases, pubs and leisure premises for example, rental value is assessed with reference to levels of trade.

DO I HAVE TO USE A PROFESSIONAL RATING AGENT, OR CAN I DEAL WITH THE VOA MYSELF?

It's your choice whether or not you employ a rating agent, and the VOA has tried to present rating information clearly, in all its communications materials, so that you can be self-sufficient

You can deal directly with the VOA if you have any queries about your valuation and this service is free of charge.

HOW CAN A PROFESSIONAL AGENT HELP ME?

Helping you understand your rateable value
Checking the details of your new valuation
Making sure it is consistent with others
Looking at evidence that supports the valuation
Managing any query or challenge to your new valuation
Checking the accuracy of your rates bill

According to their web site, the Royal Institute of Chartered Surveyors offers a **free 30 minute initial consultation**.

Call +44 (0)870 333 1600 and you will be put in touch with an RICS member local to you. Lines are open **0830 - 1730 (GMT), Monday to Friday**. For further information, visit <http://www.rics.org/helplines>

WHAT DO I NEED TO DO IF I WANT TO EMPLOY A PROFESSIONAL?

Ensure he/she is a member of one of the three main representative bodies - the Royal Institution of Chartered Surveyors, the Institute of Revenues, Rating and Valuation, or the Rating Surveyors' Association. Speak to other local businesses to see if they have used the services of an agent and whether they have recommendations.

When choosing an agent, you may find it helpful to ask for details of previous work carried out on businesses similar to yours

Ask for a clear breakdown of the fees you will be expected to pay

Check the details of any contract or agreement you are asked to sign

BE WARY OF...

- Anyone who comes 'cold-calling'
- Anyone who wants payment for their services up front
- Anyone who requests payment for lodging an appeal – this is free
- Anyone who makes promises to reduce your rateable value or your business rates bill without knowing the details of your valuation

- Anyone who claims to be working on behalf of the VOA. (All VOA staff carry official proof of identity and no one else is ever authorised to work on the VOA's behalf)
- Being asked to sign any document before you fully understand the terms you will be committed to

Bear in mind that a reduction in rateable value does not necessarily mean a reduction in your rates bill.

NB This Guidance Note is based on ***Business Rates - Getting Professional Advice - Make A Choice, Not A Mistake*** produced by Royal Institution of Chartered Surveyors, Institute of Revenues, Rating and Valuation, The Rating Surveyors' Association, Valuation Office Agency

Disclaimer

The information in this document is for guidance only. While every effort has been made to offer current and accurate information, all statements contained herein are made without responsibility on the part of Harrow Borough Council. None of the statements contained in this document is to be relied upon as a statement or representation of fact. Harrow Borough Council does not make or give any representation or warranty whatever in relation to statements made in this document.

FURTHER INFORMATION & ADVICE

Further information on the entire business rates system is available at:

<https://www.gov.uk/browse/business/premises-rates>.

FURTHER ADVICE & CONTACT DETAILS

Royal Institution of Chartered Surveyors (RICS)
www.rics.org - 020 7222 7000

Institute of Revenues, Rating and Valuation (IRRV)
www.irrv.org.uk - 020 7831 3505

The Rating Surveyors' Association (RSA)
www.ratingsurveyorsassociation.org

Valuation Office Agency
www.voa.gov.uk/2010 - 0845 602 2010