

2017 Rating Revaluation

What you need to know

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Since the last major revaluation of commercial property in 2010, the economy has changed substantially. Due to the postponement of the 2015 revaluation, the current rating list has been in operation for almost seven years.

The new rateable values will be based on 1st April 2015 rental values. Many categories of property assessed under the 2017 list will therefore show significant changes in rental levels compared with the 2010 list.

Businesses need to bear in mind that rental values can rise as well as fall. Professional advice should be sought to ensure assessments are fair and correct.



Understanding the business rates system

Leading up to the 2017 revaluation we have already seen some changes, with further ones on the horizon.

Budget 2016

Small business rate relief thresholds were significantly extended. In addition, from 2020 the measure of inflation applied to the annual multiplier will be based on CPI instead of RPI. The Government announced an aim to carry out more frequent revaluations, which will likely take place every three years instead of five. Although this would better reflect market values, the appeals process will need to be much quicker to work alongside the shorter rating list.

Check, Challenge, Appeal

The Government's planned streamlining of the appeals system is aimed at reducing the large number of speculative appeals lodged. Covering England and most likely Wales, it will place greater onus on the ratepayer to provide detailed evidence upfront when challenging assessments. Furthermore, escalating a challenge to appeal stage may involve a fee.

What are the likely effects of the 2017 revaluation?

In general terms, we expect significant shifts in levels of assessment depending on location and category of property. For clients with a regional property spread or with a diverse property portfolio we recommend that a full portfolio review is undertaken.

From 1st April 2017 the new rateable values can be appealed in Scotland within the 6 month deadline. Accurate and current rental evidence is essential to assist us with any rates appeal.

Forms of Return

You may have already received a Form of Return, which the Valuation Office and Scottish Assessor are currently issuing. These seek rental information and are used as evidence to build the rental archive, from which the revaluation is carried out. Please speak to us before completing Forms of Return as the information in them could prejudice the level of future assessments.