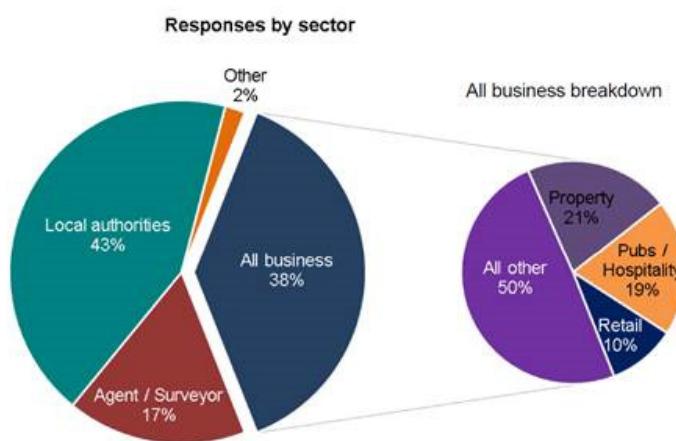


Check Challenge and Appeal, discussion paper

The Government has published the responses to its recent discussion paper on Check Challenge and Appeal. The paper was launched 30 October 2015 and responses had to be submitted by 4 January 2016.

214 responses were made and the graph below shows this by sector / interest – this was somewhat surprising when it comes to responses from retail. Of the 82 responses received from businesses, 37 were identical. The figures in this paper consider these responses individually. Included in the 82 were 15 responses from business representative bodies.



The maximum level of penalties will be £500 for the provision of false information “carelessly, recklessly or knowingly”, with a right of appeal to the Valuation Tribunal for England (VTE). However, we will propose lower penalties for small businesses. There will be clear guidance for VOA officials in applying penalties.

Check

Therefore, the Government will maintain the statutory right for a ratepayer to move to Challenge after 12 months even if the Check stage is not complete. Whilst it was considered by many that 12 months was too long the government suggests that this issue has been misunderstood and that the actual time scale there to protect businesses and that the anticipated timescale would be much shorter

Challenge

The Government has concluded that four months is a reasonable time limit for submission of a Challenge following the Check stage.

The Government will maintain the statutory right for a ratepayer to move to Appeal after 18 months even if the Challenge stage is not complete.

The Government shares the view of respondents that the availability of sufficient, tailored information, earlier than under the current system, will provide the basis for early and meaningful engagement between the VOA and ratepayers. This is the key to resolving cases in a more efficient manner and is at the heart of the package of incentives and requirements in these reforms. We continue to take the view that ratepayers should initiate a Challenge by providing details about why it is being made, in order that the issues under dispute can be established early on. This will allow the VOA to respond with a tailored package of information and allow the VOA (and ultimately the Valuation Tribunal for England) to deploy its resources more efficiently than it is able to do at present. This is central to an improved service for businesses. The Government considers this can be achieved without imposing unrealistic burdens on ratepayers, including those who may be small businesses or unrepresented. Guidance will be available to support small or unrepresented businesses.

Government is of the view that the process set out in the consultation document allows the ratepayers to make their case in a fair and effective way.

Businesses have asked for early engagement between the parties to resolve appeals and the new process allows for that. For the first time, under the reformed system there will be clear expectations on all sides about timescales, requirements and actions. This is a balanced approach which will improve the service provided to businesses.

The Government has decided to make provision for appeals to be determined on the papers, provided that all parties have agreed to this.

Appeals

The Government has decided to make provision for a four month time limit for submission of an Appeal following Challenge.

The Government has decided to place restrictions on the introduction of new evidence at Appeal stage. This will encourage full disclosure and examination of the arguments at Challenge stage, prompt early resolution, and ensure both parties have time to consider the other's evidence before any Appeal stage. It will also ensure that only those cases on which there are still matters of dispute reach VTE and in good order. This is not intended to be an outright ban and we have identified exceptional circumstances in which we think it could be appropriate to introduce new evidence. But the early statement of issues and early exchange of evidence means this should rarely be necessary.

Fees

There will be no charges at Check or Challenge stage, where it is our expectation that the majority of cases will be resolved. We plan to propose appeal fees of up to £300, with lower levels for small businesses, and there will be refunds where appeals are successful. No fees will be payable where the VOA has not issued a decision letter.

The Government will keep under review the interface with the Upper Tribunal, in the light of experience in implementing the proposed package of reforms to the business rates appeals process.

A copy of the Responses to the discussion paper can be found at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/535315/Reforming_business_rates_appeal - summary_of_responses.pdf