

GERALD EVE'S RATING NEWS UPDATE

AUGUST 2010

LOOMING DEADLINE FOR SCOTTISH APPEALS

For all property in Scotland, the last date for appealing your Rateable Value at 1 April 2010 is just a few weeks away. Unlike the rest of the mainland UK where there is no deadline, all initial appeals in Scotland must be submitted by 30 September 2010.

Another key difference is that appeals in Scotland for 'material changes' which occurred prior to April 2010 can still be made, but again only up to 30 September 2010. This can cover physical changes to a property or in its locality and successful appeals can be backdated to April 2009.

Appeals in Scotland made after 30 September will be invalid unless made following a new 'material change' which can be backdated to 30 September 2010 or to the beginning of the rate year in which it occurs, whichever is the later. New occupiers also have a right of appeal but the effects of the appeal are not backdated.

ASSISTANCE FOR SMALL BUSINESSES

The latest announcement from the Department for Communities and Local Government confirms that the Government will make Small Business Rate Relief in England more generous for one year, starting from 1 October 2010.

Eligible properties with a Rateable Value (RV) of up to £6,000 will receive 100% rate relief for one year from 1 October 2010. The relief is applied on a reducing scale for properties with an RV between £6,001 and £12,000. Whilst this clearly helps small businesses it should also be of assistance to serviced or managed office operators looking at ways to reduce the financial burden for tenants.

A NEW APPROACH FROM THE VALUATION TRIBUNAL

Major changes to the procedures for determining rating appeals are being introduced by the Valuation Tribunal for England. From next January, a strict timetable will be implemented with obligations on the parties to submit a summary of the evidence and arguments to be advanced at a forthcoming hearing should the dispute not be settled.

The aim is to ensure that the lay members of the voluntary tribunals are better informed before the hearing commences, but there is the risk of significantly increasing the burden on appellants.

RATING CHAMPIONS

At Gerald Eve, our rating expertise leads the field and sits at the very core of our business. We have saved our clients over **£2.5bn** following the last two rating revaluations, made in excess of **130,000** rating appeals and are the UK's largest outsourced ratepayer, managing over **£650m** per annum of clients' rates liabilities. Our national rating team advises a quarter of the FTSE100 and we are respected influencers of policy makers, industry associations and professional bodies.

Whatever your challenge, be it reducing your overall liabilities through appeals, mitigating empty property rates, or managing payments and refunds, let us show you what we can do for your business.



EMPTY RATES CONTINUE TO THREATEN BUSINESSES

Empty property rates continue to haunt business with vacant property and it is vital to employ every possible legitimate tactic to reduce the burden as much as possible. These include:

- intermittent occupation
- charitable occupation
- occupation prohibited by law
- incomplete build
- properties not capable of beneficial occupation

For 2010/11 no empty rates are payable for properties with a rateable value of less than £18,000 and we are lobbying for this to be increased or at least extended for 2011/12.

PUTTING CLIENTS' MONEY WHERE OUR MOUTH IS

Example 1

We have saved our client, an international insurance company, £2 million whilst its HQ was undergoing a rolling refurbishment programme, by

- achieving deletions of assessments of buildings being refurbished
- negotiating valuation allowances for disturbance to occupied areas
- obtaining temporary rates relief for vacant space in occupied buildings

Example 2

Our client, a property investment fund, was refurbishing one of its retail parks – decanting some tenants during the course of works.

- by removing three units out of rating we achieved savings of £93,000
- when the units were brought back into assessment, an additional three months' empty rates relief was obtained

Example 3

We advised a national developer client on a development in Brighton where 16 two-storey buildings were originally assessed by the Valuation Office before practical completion had been certified.

- By agreeing corrected completion dates and units of assessment we saved our client over £190,000 between September 2008 and March 2010

GERALD EVE'S UK OFFICE NETWORK

Gerald Eve is the pre-eminent business rates adviser. We currently advise a quarter of the FTSE100 companies on rating matters. So far we have saved our clients occupying over 50,000 properties throughout the UK more than £1.1bn in rates liabilities since the 2005 revaluation.

We are very keen to tell you more about our approach and how we can assist you, so please contact **Jerry Schurder** on **020 7333 6324**, jschurder@geraldveve.com or your usual Gerald Eve contact to find out more.

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