



Valuation Office
Agency

**Janet Alexander BA MRICS MCMl
Valuation Officer**

Non-Domestic Rates East
Valuation Office Agency
Rosebery Court
Central Avenue
St Andrews Business Park
NR7 0HS

Your Reference :
Our Reference :
Please ask for :
Contact Numbers: Tel: 03000 501501

Date : 08-August-2016

Dear Sir/Madam,

The Valuation Office Agency (VOA) is an executive agency of HMRC which is responsible for setting the Rateable Value of all business properties in England and Wales. Your Rateable Value is then used by your local council to calculate your business rates bill.

Why are we contacting you?

The way we value some business properties has changed due to a Supreme Court decision. It is possible that the valuation for your property may change as a result of this decision. A large number of business premises in the UK need to be reviewed because of these changes, and we will assess them all over the course of the next two years. This may affect both your current valuation and your new valuation, which will come into effect on 1st April 2017.

Which properties are affected?

The Supreme Court decision means that we have had to revise how we value properties where occupiers use two or more separated spaces within the building. We are now legally obliged to treat different areas of the same building which are accessed through communal areas (such as shared stairways or lifts) as separate premises for business rates purposes. This is in contrast with the previous approach, which has been to value separate but adjoining areas in the same building which are occupied by a single individual or company as a single property for business rates purposes.

For example, in a multi-storey office building with different occupiers, where two consecutive floors are occupied by the same person or company, these would up until now have been considered as one "property" for business rates purposes. Following the decision, these must now be considered as two separate "properties".

What does this mean for you?

If you are affected by this issue, you may be issued separate bills for different parts of your property and your overall rates bill could increase. This change may impact on the business rates you have already paid, as any changes in business rates you pay are likely to be backdated to whichever is the most recent:

- 1st April 2015



Frequently Asked Questions

How has the way you value properties changed?

Due to the ruling in a recent Supreme Court case (Mazars vs. Woolway) we are now legally obliged to treat different areas of the same building which are accessed through communal areas (such as shared stairways or lifts) as separate premises for business rates purposes. This is in contrast with the previous approach, which has been to value separate but adjoining areas in the same building which are occupied by a single individual or company as a single property for business rates purposes.

When are you going to review my property?

Your property will be reviewed between 1st October 2016 and 31st March 2018

Why are you doing this now?

These changes are due to a new legal decision which changes how some properties should be defined for business rates purposes.

How does this affect the revaluation taking place next year?

We are also currently undertaking a revaluation of all business properties. These valuations will be used to calculate your business rates from the 1st April 2017. Please note that this is part of our regular work process, and is not connected with this issue. The changes in how we value properties have not yet been applied to these new valuations. Therefore the information you see online when you view your draft valuation may change as a result of this review.

How much more will I have to pay?

The extent of the changes will depend on each individual case. It may be that your business rates bill does not change at all. We will not know until we have reviewed your property.

How far will you backdate these changes?

If your valuation changes, any changes in business rates you pay will be backdated to whichever is the most recent:

- 1st April 2015
- The date you became the occupier.

This means that you may owe your Local Authority business rates from previous financial years, going back to the dates given above.

Will someone need to visit my property to reassess it?

We may not need to visit your property. If we do, we will contact you separately to arrange a time for a visit to take place.

I currently have an appeal lodged – how is this affected?

This will depend on the grounds on which your appeal was made and will be dealt with on a case-by-case basis. When we contact you about either your appeal or this review, we will look at both and can advise you how your appeal is affected.

Should I speak to my local council?

No, if we alter the valuation we will let your local council know and they will contact you.