

## 2021 Rates Review Report

### A word from our technical director

Call 01380 739112

The announcement on the 25<sup>th</sup> March 2021 by the Government to effectively pull the rug under the estimated 400,000 COVID-19 Rating Appeals in the English system, was made just two days after it issued its much-criticised Interim Report on the Fundamental Review of Business Rates, where **decisions have been kicked down the road until Autumn 2021**.

**“...the existing rating system was ill-equipped to handle the impacts of the pandemic”**

One wonders whether the Government understands the fundamentals sufficiently themselves because this latest “on the hoof” intervention seems to suggest they are blissfully unaware of the future problems that are about to come rolling down the hill. There is no doubt that **the existing rating system was ill-equipped to handle the impacts of the Pandemic**, but it is inexcusable that the Government did not realise this so much sooner, and not wake up to that fact, after three National lockdowns.

Rating professionals and ratepayers had no other mechanism to attempt to protect their position regarding their liability to business rates than to lawfully submit COVID-19 Rating Appeals, where the impacts of the pandemic on the use and value of their premises were clear for all to see, and where expectations that many businesses would see substantial reductions in rateable value and consequential falls in liability. To have these **legitimate appeals scotched overnight** highlights the Government's failings.

**Too little too late** is one way to sum it up. The Government proposes to add a further £1.5 billion support for sectors other than Retail, Leisure and Hospitality which has already received £16 billion support themselves. The additional support can be seen to be very small in relative terms, and should also be seen against a loss estimated in some circles to be £5 billion, should the appeals have been allowed to stand. Yet the Government has not decided how this money is to be distributed and says it will do so after primary

legislation is introduced (when parliamentary time permits) to nullify the existing covid related appeals.

However, the final collision course appears to have been lost in the shakeup. The Government currently stands by a Revaluation taking place in April 2023; using a valuation date of 1<sup>st</sup> April 2021 to assess values (the Antecedent Valuation Date). The announcement on the 25<sup>th</sup> March 2021 suggests that matters like the Pandemic should only be reflected at revaluations, and not between revaluations. This will create substantial lower rateable values across many sectors for April 2023; leaving the thorny question remaining as to whether ratepayers will see the benefits of those reductions in full, or whether as in previous revaluations the Government will impose caps to keep bills artificially higher, through its downward transitional schemes.

**“...legitimate appeals scotched overnight”**

Whether the Government has realised it has also binned its major political card of being able to substantially reduce the business rates multiplier in April 2023, as called for by many respondents in the reform of business rates consultation, I suspect not; that would be far too forward-thinking!



**Alan Weston BSc, MRICS**  
Board Director

## Review your costs, prepare for life post COVID-19

The Pandemic, it turns out, has not provided an opportunity for all business owners to recover savings on their business rates. 27 years of experience and expertise in the field might. Goodman Nash remains available as a champion to secure business rates savings. Get in touch and find out how we can help you [save on your property costs](#).



Call Goodman Nash  
on **01380 739112**



Receive your  
free consultation



Start the process of  
reducing your expenses

Get in touch today to start saving



**Andrew Wheeler**  
Board Director  
[andrewwheeler@goodmannash.co.uk](mailto:andrewwheeler@goodmannash.co.uk)



**Jason Delaney**  
Business Development Manager  
[jasondelaney@goodmannash.co.uk](mailto:jasondelaney@goodmannash.co.uk)