

# BUSINESS RATES

How we support landlords  
and occupiers with their  
commercial properties



# The power of good advice

Life is full of decisions and choices that shape our future. Making great decisions requires as much certainty as possible – the kind of certainty that comes from good advice. Our advice is backed by almost 200 years' experience in helping people and businesses flourish.

At Evelyn Partners our mission is 'to place the power of good advice into more hands'. We believe that more people and businesses should have access to good advice, regardless of their size or wealth. We are committed to raising the standards of good advice and to extending its reach.

We are the UK's leading integrated wealth management and professional services group. We look after the combined wealth and tax needs of our clients and provide specialist accountancy, assurance, tax and advisory services for businesses. Our clients range from online investors to those requiring bespoke wealth management, and from charities to entrepreneurs and corporate businesses.

All our advice is delivered by people who care, who go further to understand your needs so they can help you make those big decisions with ease and confidence, bringing *you* closer to what matters *most to you*.

That's the power of good advice.

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## Welcome

**Business rates are a UK-specific tax on the occupation of commercial property and are one of the largest overheads for businesses operating in the UK. The tax is set cyclically and reflects opinion of the annual property rental value.**

Business rates pose a significant cost for businesses, as well as for owners of real estate when a property falls vacant.

In this guide we look at the opportunities for keeping liabilities to a minimum, setting out the importance of the approaching 2017 Rating List closure as well as the new 2023 Rating List. We show you how our business rates specialists can support you.



### Important information

By necessity, this briefing can only provide a short overview and it is essential to seek professional advice before applying the contents of this article. No responsibility can be taken for any loss arising from action taken or refrained from on the basis of this publication.

Prevailing tax rates and reliefs depend on individual circumstances and are subject to change.

# Business rates: am I paying too much?

Businesses rates are usually reviewed and re-calculated around every five years. The 2023 Rating List, however, will apply for three years, from 1 April 2023 to 31 March 2026.

## Considerations:

- Have you reviewed your current 2017 Rating List assessment? If not, you have until 31 March 2023 to do so
- Have you reviewed the 2023 Rating List draft figures for opportunities to reduce future business rates liabilities? If not, the figures are available for businesses to review and can help businesses budget for the 2023/24 liability with increased certainty
- Am I capitalising on business rates reliefs that my business is eligible for?

Our business rates specialists work with the Valuation Office Agency to ensure that your business rates assessments are fair and reasonable and reflect the correct value of your property.

There are a number of opportunities to ensure your liabilities are kept to a minimum;

- Challenging the rateable value directly with the Valuation Office Agency
- Applying for business rates relief (in certain circumstances)
- Mitigating empty rates liabilities on vacant property

## Speak to us

Our specialist team deals with a wide variety of commercial property assets in a number of sectors, supporting both landlords and occupiers.

New reliefs may have been introduced since your last review, while others may have application deadlines.

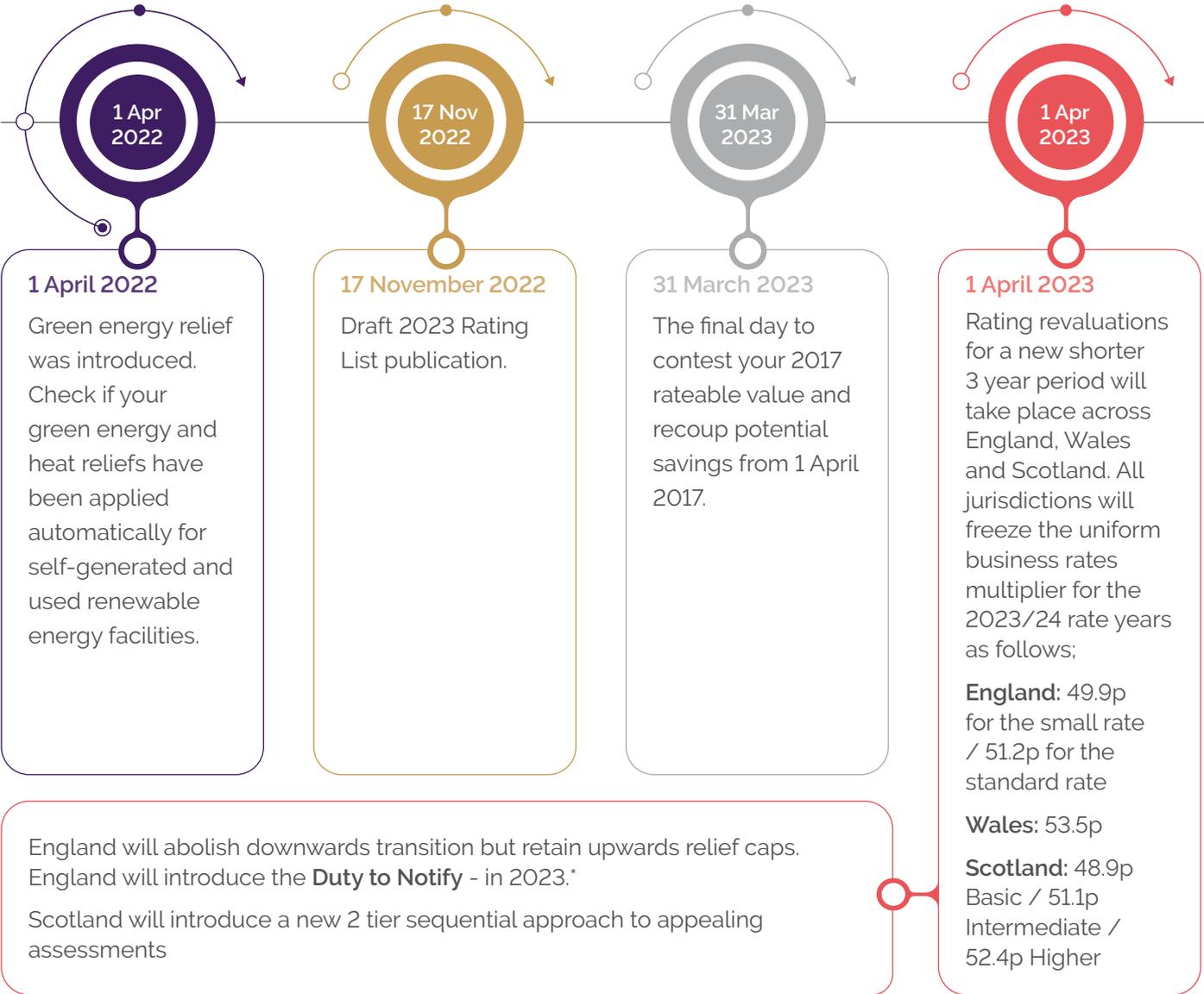
**Speak to our business rates team to ensure you are not paying too much.**





# 2023 revaluation and beyond – key dates

The 2023 business rates revaluation across England, Wales and Scotland is fast approaching on 1 April 2023. Alongside major expected increases in values in certain sectors and locations, you will need to be aware of the following:



\*The **Duty to Notify** places the onus on the ratepayer to notify in real time and annually of event changes to the properties they are liable for.



**31 Jul  
2023**

**31 July 2023**

Deadline to lodge a proposal to the Scottish Assessors on the 2023 revaluation.



**1 Apr  
2024**

**1 April 2024**

Introduction of improvement rate relief. Ratepayers remaining in occupation when undertaking eligible work can apply for this relief. There will be a 12-month period where ratepayers will not have assessments increased to reflect the improvements.



**1 Apr  
2026**

**1 April 2026**

Removal of the check stage intended for the 2026 Rating List.



**1 Jul  
2026**

**1 July 2026**

Proposed deadline to lodge a compiled list check in England and Wales.

# How can we help?

## Challenging value

**Check, challenge, appeal:** we conduct a thorough review of your current business rates liabilities and interests and provide analysis on where to challenge value both for the current 2017 revaluation and for the forthcoming 2023 revaluation.

**Disturbance:** if you are undertaking a programme of works or there is neighbouring building or infrastructure works affecting the quiet enjoyment of a commercial premises, it may be possible to submit a relief application on the grounds of 'vacant space' or a 'material change in circumstance' (MCC). Our experts can assess the disturbance and advise accordingly.

**'Rightsizing' property portfolios through relocations, disposals and acquisitions:** we advise on the business rates implications of 'rightsizing' your occupied or owned portfolios in line with your business strategy. Following the pandemic, and in the midst of an uncertain economic period, many commercial real estate occupiers are revisiting their occupied strategy to accommodate growth, streamline operations and facilitate hybrid working arrangements.

Our experts ensure that whatever your rightsizing intentions are, your business rates liabilities are kept to a minimum. Throughout relocation, acquisition or disposal of commercial premises, we offer step-by-step advice on the business rates tax implications.

We can:

- provide budgetary advice;
- make vacant relief applications; and
- lodge either MCC or deletion/value checks as appropriate to reflect your real-time position.

**Vacancy:** if your property falls vacant before lease expiry, we can advise on strategic mitigation and submit empty rates relief applications at the end of a tenancy during the re-marketing period or ahead of and during an intended re-development period.

**Deletion:** we can reduce your assessment to £0 or remove it from the local or central Rating Lists if your property cannot be beneficially occupied and no longer meets the criteria for business rates tax. If you are undergoing a major programme of redevelopment or refurbishment works for a sustained period, our team can look to reduce your assessment to £0.

**Completion notice challenges:** when you receive your completion notice from the local billing authority to bring your property into the Rating List, our experts will review the notice to ensure it has been served correctly and can challenge it if appropriate.

*Any challenge must be made within 28 days of the completion notice being served on the building,*

## Budgeting

**Budgetary advice and forecasting:** we can provide continuous budgetary advice and real-time forecasting data throughout the period of our engagement. This includes providing rates liability forecasts in line with both the business rates tax year (1 April – 31 March) and your financial year end. We'll provide figures that mirror any changes to your owned or leased property portfolio, helping to avoid unexpected costs.

**Rates audit:** we can review your property portfolio to identify any historic or current rates credits outstanding from 1 April 1990 onwards. We identify and request transitional certificates where they are due to ensure all savings owed are claimed.

## Rates relief - financial management

**Business rates relief entitlements:** we will review your business rates liabilities and property portfolio alongside current relief schemes to ensure you capitalise on all reliefs to which you are entitled to.

Current reliefs available include;

- Retail, hospitality and leisure relief - now extended for the 2023/24 rate year and increased from 50% to 75% but capped at £110,000
- Charitable rate relief
- Covid additional relief fund
- Small business rate relief
- Rural rate relief
- Investment zone relief (yet to be ratified)
- Green energy rate relief
- Local newspaper relief
- Hardship relief
- Enterprise zone relief
- Improvement rate relief\*
- Part vacant discretionary relief
- Empty rates relief

\* Will be introduced from 1 April 2024





# Why Evelyn Partners?

- We provide accurate and informed business rates tax advice throughout the life cycle of a property to assist you with decision making and ensure your business rates liabilities are minimised
- All of our team are RICS or IRRV members and are regularly involved in industry associations and policy committees, so you can rely on the quality of our advice now and in the future
- The team has a breadth of experience across a range of asset and sector types including offices, industrial manufacturing, healthcare, education, renewable energy, hotels and more so we can manage diverse portfolios and bring best practice from other sectors to you
- We have expertise across all property valuation methods, including comparable, receipts and expenditure and contractors' valuations

## Future proofing your business rates advice

- Evelyn Partners has a wealth of experience building technology solutions to house and transfer tax compliant data . Our clients can benefit from this to comply with the 'duty to notify' deadlines.
- These capabilities will become even more relevant given HMRCs intentions to digitise business rates and develop a database for matching the Valuation Office Agency business rates

## A proven track record

Our team members have experience of working for a number of large blue-chip corporates as well as occupier and landlord SMEs to drive considerable savings:

- We saved a large UK retailer £5 million in business rates on the 2017 list
- Our rightsizing work drove savings in excess of £1.8 million for a large international law firm, reflecting the fact that merged assessments should be in place across a number of sites
- We delivered £500k in savings for a large UK retailer by reclaiming credits on account
- We have experience in dealing with well-known hotel chains on both the 2010 and 2017 rating lists
- We generated savings in excess of £600k for a large UK bank during a period of major refurbishment works on the 2017 rating list
- We delivered savings in excess of £500k for a large NHS hospital trust
- We have experience dealing with a number of large UK universities, colleges and both independent and state schools delivering savings on both the 2010 and the 2017 rating lists

# Not just business rates

The need to continually adapt to changing regulations and financial or market risks is a challenge experienced by real estate, construction and infrastructure companies across the globe. Our real estate group is a leading adviser to ambitious businesses in the real estate and construction sectors. We have the local, national and global capabilities to help firms succeed at all stages of their life cycle.

Working with more than 200 businesses in the sector and across the supply chain means we are close to the issues you face and have the experience to help you achieve your ambitions. Our clients span the full property life cycle and complementary industries including the contractors that demolish and construct, the registered providers you work alongside, the investors who own the business, and those who fund projects.

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# Contact us

If you would like to find out more about how we can help, please contact:



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