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WELSH PUBLIC SECTOR PROPERTY CONFERENCE
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THE POLITICS OF BUSINESS RATES

- *Business rates devolved to Wales from April 2015*
- *Since then increasing divergence between systems in Wales, England and Scotland*
- *Creates challenges for businesses operating throughout the United Kingdom*



DIVERGENCE

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- *Appeal procedures*
 - *Multipliers*
 - *Transition*
 - *Small Business Rate Relief*
 - *Reliefs: New Development Scheme, High Street Retail Relief*
 - *Too complex to be easily understood*

WELSH GOVERNMENT CONSULTATIONS

- *Evidence to National Assembly Economy, Skills and Infrastructure Committee*



- *Co-ordination and response by Cooke & Arkwright*

- *Consultation Papers:*
 - *3 April 2017 - Amending the Valuation Tribunal for Wales*
 - *13 October 2017 - Delivering a Tax Cut for Small Businesses, a New Small Business Rate Relief Scheme for Wales*
 - *5 January 2018 - Reforming the Non-Domestic Rates Appeal System in Wales.*
 - January 2018 – Still no response to appeal reform consultation*
 - *26 June 2018 - Tackling Avoidance of Non-Domestic Rates in Wales*
 - 16 October 2018 – Anti-avoidance conclusions published*

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- *The system of business rates has come under severe and regular criticism*
 - *Important source of income for Government*
 - 2017/18 - £30.2 billion*
 - + £4.3 billion (+14%)*
 - 2023/24 - £34.5 billion*
 - *Therein lies the problem: tinkering with it too much could lead to less certainty and more volatility of income*

APPEAL PROCEDURES PREDICTIONS IN WALES

- *Welsh Government have learnt from significant problems created by Check, Challenge, Appeal process in England*
- *Any change is unlikely to be implemented before the next revaluation effective from April 2021*
- *Likely to be increased requirements in expressing detailed reasons for the appeal at the start of the appeal process*

NOTEABLE CASE LAW DEVELOPMENTS

1. *Newbiggin (VO) (Respondent) v SJ & J Monk (a firm) (Appellant) (2017)*
UKSC14



2. *Woolway (VO) v Mazars (2015)*
UKSC53



NOTEABLE CASE LAW DEVELOPMENTS

3. *Hughes (VO) v York Museums & Gallery Trust (2017) UKUT 200 LC*



4. *Telereal Trillium v Hewitt (VO) (2018) EWCA CIV26*



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- *English Budget November 2018 provides more generous relief for the high street up to £51,000 RV*
 - *Mazars*
 - *Challenge for Welsh Government*