

Appendix C: Information for ratepayers in Northern Ireland

Guidance Note issued by The Royal Institution of Chartered Surveyors, The Rating Surveyors' Association and The Institute of Revenues Rating and Valuation

This document contains important information. It must be provided to a ratepayer as part of the written confirmation of the Terms of Engagement for Rating Consultancy advice.

Your business rates bill, which may be a substantial part of your outgoings, is calculated by applying the Total Non-Domestic Poundage, to your property's rateable value, known as Net Annual Value (NAV), the Poundage being the total of the Non-Domestic District and Regional Poundages. An NAV is an estimate made by the District Valuer of a property's rental value at a particular date specified for each general rating revaluation. You may challenge the NAV but the Total Non-Domestic Poundage is set annually by the Department of Finance and Personnel for Northern Ireland and each District Council. Following a revaluation, the Northern Ireland Assembly may provide for adjustments to rate liability by phasing increases, and decreases, in rates payable. These transitional arrangements are governed by very complex statutory regulations and may affect your rate liability calculation.

Your rating consultant will be able to explain the effect of the procedures in your particular circumstances, but to help you to understand some of them this document, which is not intended to be a comprehensive statement of the law, gives you outline information.

A general revaluation of rating assessments is normally undertaken every five years. New NAVs came into effect on 1 April 2003, and the next general revaluation was due to take place on 1 April 2010 but has now been postponed for at least one year. The District Valuer may alter your NAV at any time to keep it up to date and to reflect the results of appeals and will notify you of any alterations to your assessment, including the effective date. Challenges to individual NAVs, known as Applications for Revision (an Application), can usually only be made against the NAV which is in force at the time the Application is made. If your property has been affected by a material change of circumstances, for example, a physical change to the property, you have can make an Application. An Application may also be made challenging an alteration made by the District Valuer to an NAV.

Briefly, an NAV may be challenged by completing a standard application form and sending it to the appropriate District Valuer who will acknowledge it. After a valid Application is made there will be an opportunity to discuss the assessment with the District Valuer. If you are still unhappy with the District Valuer's determination your case will be considered on appeal to the Commissioner of Valuation. Should you remain dissatisfied the matter will be referred for hearing to the Lands Tribunal. The Lands Tribunal may dismiss an appeal, or amend the NAV, including increasing it in exceptional circumstances. There is a further right of appeal on points of law, to the higher courts. There are no charges made by either the District Valuer or the Commissioner of Valuation, but fees are payable for appeals to the Lands Tribunal and the higher courts, and additional fees will be charged by your professional

advisers and legal representatives. Should you choose at any stage in the process to engage a professional adviser, fees are not normally reimbursed.

You should be aware that various stages of the appeals process are rarely dealt with immediately. When the District Valuer receives a valid application you will be advised of the timetable for determining the application. You have to continue paying full rates until any application is determined.

Following the a determination by the District Valuer, Commissioner of Valuation or Lands Tribunal, of an NAV, Land and Property Services will be notified of the revised NAV and will recalculate the rates payable, having regard to the consequential transitional arrangements if they apply. You should be aware that even if the NAV value is reduced there is still a possibility that, where transitional arrangements apply, the rates payable will not necessarily reduce and in very limited circumstances may increase. Your consultant will usually explain what effect a change to the NAV will have on your bill and estimate the amount of any refund to which you may be entitled.

Your consultant must provide written Terms of Engagement which set out the minimum information required by the RICS/IRRV/RSA Rating Consultancy Code of Practice. The proposed terms for providing rating consultancy advice must make it clear whether the contract, and fee liability, will apply to just a single general rating revaluation or several, and whether it includes assessment alterations that may occur between revaluations. Where ratepayers seek professional assistance in the challenging of a rating assessment they will be responsible for any fees that may arise in accordance with the Terms of Engagement. Your consultant is required to explain to you, in the written Terms of Engagement, how the fees will be calculated and when they are payable.

The provision of this information complies with the requirements of the RICS/IRRV/RSA *Rating Consultancy Code of Practice*. A copy of the *Code of Practice* will be provided by your rating consultant on request.

The Royal Institution of Chartered Surveyors (RICS) represents over 100,000 individually qualified professional members worldwide who provide expert advice on all land, property, and construction issues. The Institute of Revenues Rating and Valuation (IRRV) represents practitioners in the valuation, administration and adjudication of local property tax and business rate matters. Rating consultancy is a specialist service provided by some members of RICS and IRRV. Membership of the Rating Surveyors' Association (RSA) is restricted to members of RICS with a minimum of three years' specialist experience.