

**EXPLANATORY MEMORANDUM TO**  
**THE NON-DOMESTIC RATING (ALTERATION OF LISTS AND APPEALS)**  
**(ENGLAND) (AMENDMENT) REGULATIONS**  
**2006**

**2006 No. 2312**

1. This explanatory memorandum has been prepared by the Department for Communities and Local Government and is laid before Parliament by Command of Her Majesty.

**2. Description**

2.1 These Regulations amend the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2005 (S.I. 2005/659) (“the Appeals Regulations”). The Appeals Regulations provide the system for ratepayers and other interested parties to propose the alteration of rating lists by valuation officers. The amendments in these Regulations make adjustments to the procedure for proposals following feedback from rating practitioners.

**3. Matters of special interest to the Joint Committee on Statutory Instruments  
Select Committee on Statutory Instruments**

3.1 None.

**4. Legislative Background**

4.1 The Appeals Regulations are made under powers in Part 3 of, and Schedules 9 and 11 to, the Local Government Finance Act 1988. Part 3 of that Act provides for the system of non-domestic rating in England, which includes in sections 41 and 52 the requirement that valuation officers compile and maintain rating lists showing each non-domestic hereditament in their area. (Some hereditaments are required by regulations to appear on a central rating list and this is maintained by the central valuation officer.) Rating lists are required by sections 42 and 53 to show the rateable value of each non-domestic hereditament.

4.2 The Appeals Regulations apply to rating lists compiled on or after 1st April 2005. Part 2 contains provisions allowing a ratepayer or other interested person to make a proposal to the relevant valuation officer that he should amend a local rating list because information shown on it is inaccurate. The circumstances in which a proposal may be made are set out in regulation 4 and include that the rateable value shown in the list for a hereditament is wrong. Regulation 5 specifies when a proposal to alter a rating list may be made whilst regulation 6 contains the requirements for a valid proposal. Regulations 7-13 set out the procedures to be followed by the valuation officer, the proposer and other interested parties once a proposal has been made. By virtue of regulation 13, if within three months of the day that a proposal has been served on a valuation officer the proposal has not been accepted, withdrawn, or an

alternative amendment to the rating list agreed, the proposal is referred directly to the valuation tribunal as an appeal.

4.3 Regulation 44 of the Appeals Regulations revoked the Non-Domestic Rating (Alteration of Lists and Appeals) Regulations 1993 (S.I. 1993/291) (“the 1993 Regulations”) with savings for certain purposes.

4.4 These regulations make amendments to the provisions of regulations 4, 5, 6, 8 and 14 in Part 2 of the Appeals Regulations, relating to the proposals procedure in respect of rating lists compiled on or after 1st April 2005 and a consequential amendment is made to regulation 24. A new Part 2A is added reinstating a right to make certain proposals in respect of 1995 rating lists. Some of the amendments clarify the original intention behind the Appeals Regulations, following comments from stakeholders on how they have been operating since 1st April 2005.

4.5 The substantive changes in respect of rating lists compiled on or after 1st April 2005 are:

(a) a person making a proposal to alter a rating list must specify the capacity in which they are making that proposal (regulation 2(4)(a));

(b) a proposal made by the billing authority, or a person who was an interested person at the time of the event giving rise to the proposal, under regulation 4(2)(b) and (c) of the Appeals Regulations will no longer need to be accompanied by information about amounts payable in respect of occupation of the hereditament (regulation 2(4)(b)(ii));

(c) an invalidity notice may be issued by a valuation officer in respect of a proposal after the 4 week time limit imposed by the Appeals Regulations where the proposer consents (regulation 2(5)); and

(d) a proposal which replaces a previous proposal in relation to which an invalidity notice has been served by the valuation officer will be deemed to have been served on the day the original proposal was served on the valuation officer for the purpose of ascertaining the effective date of an alteration to a rating list under regulation 14(5)(a) of the Appeals Regulations (regulation 2(6)).

4.6 The right to make proposals relating to entries on a 1995 local rating list on the grounds that:

(a) property which is shown in the list as more than one hereditament ought to be shown as one or more different hereditaments; or

(b) property which is shown in the list as one hereditament ought to be shown as more than one hereditament

and made as a consequence of changes to a 2000 rating list made by the valuation officer, which was available under the 1993 Regulations until 31st March 2005, is re-established and the time limit for making such a proposal is 30th March 2007 (regulation 2(7)).

## **5. Extent**

5.1 This instrument applies to England.

## **6. European Convention on Human Rights**

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **7. Policy background**

7.1 Ratepayers may object to their local valuation officer – known as making a proposal – against the rateable value of their property as shown in the local rating list. As part of the revaluation of business rates that took effect from 1st April 2005, the Appeals Regulations were introduced for the purposes of proposals against entries in the 2005 rating lists. The Appeals Regulations introduced a number of changes to the system that applied in respect of the 1995 and 2000 rating lists under the 1993 Regulations. The aim of the changes was to strike a balance between reducing the number of unnecessary and unsubstantiated proposals submitted to valuation officers while retaining the fundamental right of ratepayers to challenge the rateable value of their hereditament. The changes also addressed certain aspects of the existing system that had given rise to confusion and unfairness.

7.2 As the new system continues to settle down, some areas have come to light that could benefit from being amended to improve the effectiveness of the existing regime. In January 2006, the then Office of the Deputy Prime Minister therefore published a consultation paper inviting comments on a range of proposals to amend the existing arrangements governing business rates appeals. Most of the proposed amendments related to the arrangements for the 2005 lists, although one proposal related to alterations to the 1995 lists. The consultation exercise attracted 31 responses mainly from rating professionals, business representatives and local authorities, and generated mixed views.

7.3 There was widespread support for the reinstatement of the right to make a proposal to alter a 1995 list for 31st March 2000 where a property has been split or merged, although views differed as to how long this should be available for.

7.4 Support was also forthcoming from most respondents for the proposal that the person making a proposal should state the capacity in which they are doing so. Some consultees raised difficulties over the supply of rental information where proposals are made related to properties that are sub-let, by former owners or occupiers or by billing authorities. Some consultees also thought that the Appeals Regulations should make it clearer that a fresh proposal may be made on the same grounds where there is a change in owner or occupier.

- 7.5 One of the proposals in the consultation paper was aimed at correcting a typographical error in the Appeals Regulations and related to the provision of information about the amounts payable in respect of occupation of the hereditament when ratepayers make proposals on certain specified grounds. Although some consultees were in favour of the proposal, more were opposed to it and repeated concerns they had raised in early 2005 when the requirement to provide such information was introduced as part of the Appeals Regulations.
- 7.6 There was a large measure of support for the proposal to allow valuation officers to issue an invalidity notice beyond the current four-week period. Most favoured introducing the additional safeguard that this should only be permitted with the agreement of the proposer. To prevent ratepayers being disadvantaged in the event of an invalidity notice being served a long time after a proposal has been made, some commented that any re-served proposal should be treated as being served on the day on which the original proposal was served.
- 7.7 In the light of these representations, DCLG has decided to implement most of the proposals in the consultation paper subject to certain amendments. Ratepayers will have until the end of March 2007 to make proposals in respect of a 1995 list for 31st March 2000 where properties have been split or merged, and the Appeals Regulations will be amended so that details of amounts payable for occupation will not have to be provided where proposals are made by former owners or billing authorities. The Appeals Regulations are also amended to clarify that occupiers making proposals are required to provide details of the amount they pay under their lease, easement or licence to occupy and that others making proposals are required to provide details of the amount they receive. They will also clarify that a fresh proposal may be made by the same person on the same grounds if that person is acting in a different capacity, for example because they were formerly the occupier and have become the owner. Provision is also made for valuation officers to serve an invalidity notice beyond the current 4 week period, but only with the agreement of the proposer, and for any re-served proposal to be treated as being served on the day on which the original proposal was served for the purposes of ascertaining the effective date of an alteration to the rating list.

## **8. Impact**

8.1 A Regulatory Impact Assessment is attached to this memorandum.

## **9. Contact**

**Rob John** at the Department for Communities and Local Government Tel: 020 7944 4223 or e-mail: [Rob.John@communities.gov.uk](mailto:Rob.John@communities.gov.uk) can answer any queries regarding the instrument.

## **PURPOSE AND INTENDED EFFECT**

### **OBJECTIVE**

The objective is to improve the efficiency of the system that allows a ratepayer to request an alteration to the rateable value of a property shown on the national non-domestic rating lists.

### **BACKGROUND AND RATIONALE FOR GOVERNMENT INTERVENTION**

The rating of non-domestic property in England is carried out by the valuation officers of the Valuation Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. Ratepayers may object to their local valuation office - known as 'making a proposal' - against the rateable value of their property or other information shown on the local rating list. The same procedure, with some necessary modifications, applies to properties which appear on the central rating list.

As part of the revaluation of business rates that took effect from 1 April 2005, new regulations were introduced for making proposals against entries in the 2005 rating lists. These regulations introduced a number of changes to the system that applied to the 2000 rating lists. The aim of these changes was to strike a balance between reducing the number of unnecessary and unsubstantiated proposals submitted to the VOA while retaining the fundamental right of ratepayers to challenge their rateable value. The changes also addressed certain aspects of the existing system that had given rise to confusion and unfairness.

As the new system continues to settle down, some areas have come to light that could benefit from being amended to improve the effectiveness of the existing regime. As such, Government intervention is required to amend the regulations. Proposals to amend the system, as set out in the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2005 (SI 2005/659) ("the 2005 Regulations"), were consulted upon between 20 January and 3 March 2006.

### **CONSULTATION**

The consultation paper was sent to all billing authorities in England and to stakeholders that the Department for Communities and Local Government (DCLG - formerly ODPM) usually consults over issues affecting business rates, including those organisations representing small businesses and rating professionals. In addition, DCLG has consulted the Valuation Office Agency, the Small Business Bureau and the Small Business Service over the current proposals.

### **OPTIONS**

Two possible options were identified.

#### **OPTION 1 - DO NOTHING**

If the Government did not make any changes, the arrangements that currently apply in respect of the 2005 non-domestic rating lists would continue to apply notwithstanding that improvements to the effectiveness of the scheme have been identified during its first year of operation. Ratepayers would also continue to be disadvantaged by an unfairness in the operation of the previous system for making proposals in relation to 1995 local rating lists, set out in the Non-Domestic Rating (Alteration of Lists and Appeals) Regulations 1993 (SI 1993/291).

#### **OPTION 2 - AMEND THE LEGISLATION**

The following suggested amendments stem from recommendations from rating agents and the VOA. These would require alterations to the 2005 Regulations.

- Proposal 1 - Extend to 30 September 2006 the time by which ratepayers may make proposals to alter the 1995 list for 31 March 2000 where the valuation officer has made an equivalent amendment to the 2000 list.
- Proposal 2 - Amend regulation 5 of the 2005 Regulations to allow a proposal to be made in the light of a tribunal or court decision at any time up to 6 months after the compilation of the next list, i.e. by 30 September 2010.
- Proposal 3 - Amend regulation 6 of the 2005 Regulations to require the proposer to state the capacity in which the proposal is made, where the proposer is an interested person.
- Proposal 4 - Amend regulation 6 of the 2005 Regulations to require rental details to be provided when making proposals on the grounds set out in regulation 4(1)(a) to (g) and (i) to (l).
- Proposal 5 - Amend regulation 8 of the 2005 Regulations to enable the valuation officer to serve an invalidity notice on the proposer any time before notice of hearing is given by the clerk of the valuation tribunal.
- Proposal 6 - Amend regulation 8 of the 2005 Regulations to clarify that the date of a proposal is the date it is first made, not the date it is finally determined as being valid.

The proposals apply to England only.

## **Benefits**

### **ECONOMIC**

#### **OPTION 1 - DO NOTHING**

Maintaining the status quo is likely to result in some cost benefits. In particular, the VOA would not be faced with the costs involved in handling the additional proposals resulting from Proposal 1 below.

#### **OPTION 2 - AMEND THE LEGISLATION**

- Proposal 1 - Extend to 30 September 2006 the time by which ratepayers may make proposals to alter the 1995 list for 31 March 2000 where the valuation officer has made an equivalent amendment to the 2000 list.

This amendment would enable a proposal to be made to alter the list for 31 March 2000, where the 2000 list had been altered by the valuation officer as a result of a split, merger or reconstitution, with an effective date of 1 April 2000. At present, there is no such facility which means that some ratepayers lose their transitional relief path and, in some cases, are faced with larger rate bills than would otherwise be the case.

The extent to which ratepayers will benefit financially from this amendment will depend on the particular circumstances of the case.

Proposal 2 - Amend regulation 5 of the 2005 Regulations to allow a proposal to be made in the light of a tribunal or court decision at any time up to 6 months after the compilation of the next list, i.e. by 30 September 2010.

This amendment would correct a drafting error in the existing Regulations and would enable a ratepayer to make a proposal in the light of a tribunal or court decision at a much earlier stage than the Regulations currently permit. This means the ratepayer will be able to enjoy any financial benefit arising from a proposal in these circumstances earlier than at present.

Proposal 3 - Amend regulation 6 of the 2005 Regulations to require the proposer to state the capacity in which the proposal is made, where the proposer is an interested person.

In many cases, this information is already provided voluntarily by interested persons when submitting proposals. In other cases, though, the valuation officer has to go back to the proposer to clarify the capacity in which the proposal is being made. The introduction of this amendment would clarify the status of the interested person up front and save the valuation officer from having to go back to the proposer.

Proposal 4 - Amend regulation 6 of the 2005 Regulations to require rental details to be provided when making proposals on the grounds set out in Regulation 4(1)(a) to (g) and (i) to (l).

Although, technically, this introduces a new requirement for ratepayers to provide information when making proposals on certain grounds, this amendment simply corrects an inconsistency in the existing Regulations which was never intended. The introduction of this amendment will ensure that the relevant information is provided when the proposal is first made and ensures consistency in the information required to be provided when making a proposal.

Proposal 5 - Amend regulation 8 of the 2005 Regulations to enable the valuation officer to serve an invalidity notice on the proposer any time before notice of hearing is given by the clerk of the valuation tribunal.

This would enable issues of invalidity to be resolved more speedily in some cases and may result in ratepayers enjoying any financial benefit arising from a proposal earlier than at present.

Proposal 6 - Amend regulation 8 of the 2005 Regulations to clarify that the date of a proposal is the date it is first made, not the date it is finally determined as being valid.

Views were invited on the extent to which the existing Regulation 8 was causing problems of interpretation. If there was clear evidence that this was giving rise to difficulties and that ratepayers were being disadvantaged financially, further consideration would be given to addressing the issue.

## **Costs**

### **ECONOMIC**

#### **OPTION 1 - DO NOTHING**

The Do Nothing option could result in some financial disadvantage to ratepayers. In particular, some ratepayers would be denied the opportunity to have their transitional relief reassessed where they had lost or suffered from reduced entitlement as a result of an alteration to a 2000 rating list made by a valuation officer (Proposal 1) and to benefit from the possible earlier resolution of invalidity issues (Proposal 5). Both valuation officers and valuation tribunals would also fail to benefit from a reduction in the need to attend hearings to resolve invalidity issues if Proposal 5 were not adopted.

#### **OPTION 2 - AMEND THE LEGISLATION**

Proposal 1 - Extend to 30 September 2006 the time by which ratepayers may make proposals to alter the 1995 list for 31 March 2000 where the valuation officer has made an equivalent amendment to the 2000 list.

This amendment has the potential to increase the number of proposals that are made to the VOA, but it would apply in very limited circumstances. A proposal could only be made to alter the 1995 list for 31 March 2000, where the 2000 list had been altered by the valuation officer as a result of a split, merger or reconstitution, with an effective date of 1 April 2000. In addition, ratepayers will only have until 30 September 2006 to make a proposal.

We estimate that, since 1 April 2005, there have been less than 400 instances where the valuation officer has split, merged or reconstituted a 2000 rating list entry or entries with effect from 1 April 2000, other than as a result of a proposal. Where the 2000 list has been altered in these circumstances, it will be for the ratepayer concerned to decide whether to make a proposal to alter the list for 31 March 2000. In theory, this could result in no more than 400 additional proposals being made to the VOA by 30 September 2006. However, it will not always be to the financial advantage of the ratepayer to make a proposal to alter the list for 31 March 2000. Of the 400 assessments that have been affected, we estimate that around 200 proposals will be made to the VOA.

There may be cost implications for those who decide to make proposals in these circumstances. In many cases, ratepayers will be able to make proposals themselves at minimal expense. In other cases, ratepayers may choose to employ agents to act on their behalf; the cost to the ratepayer will inevitably vary depending on the terms of the contract between the ratepayer and agent.

The making of additional proposals will have cost implications for the VOA, although it is not possible to estimate this impact with any precision. The cost of determining proposals varies widely and depends on factors such as the complexity of the case and the size of the hereditament. In view of this, an 'average' cost for determining proposals is fairly meaningless. The estimated number of appeals likely as a result of this change is not significant compared with anticipated receipts of appeals against the current lists which came into force on 1 April 2005.

Broadly speaking, and allowing for the fact that cases may vary widely in complexity, proposals to alter the 1995 list as at 31 March 2000 should not require significant costs to determine. This is because much of the information required to determine the case will already be available to the valuation officer in the context of alterations to the 2000 list for 1 April 2000.

Proposal 2 - Amend regulation 5 of the 2005 Regulations to allow a proposal to be made in the light of a tribunal or court decision at any time up to 6 months after the compilation of the next list, i.e. by 30 September 2010.

There is no cost associated with this proposal.

Proposal 3 - Amend regulation 6 of the 2005 Regulations to require the proposer to state the capacity in which the proposal is made, where the proposer is an interested party.

There is no cost associated with this proposal.

Proposal 4 - Amend regulation 6 of the 2005 Regulations to require rental details to be provided when making proposals on the grounds set out in Regulation 4(1)(a) to (g) and (i) to (l).

Although, technically, this introduces a requirement for ratepayers to provide information when making proposals on certain grounds, it addresses and corrects an error in the 2005 Regulations. The costs of providing this information would be negligible. Basic rental information should be known by rating agents and businesses.

Proposal 5 - Amend regulation 8 of the 2005 Regulations to enable the valuation officer to serve an invalidity notice on the proposer any time before notice is given that the unresolved matter is to be dealt with by the valuation tribunal.

We expect that extending the current four week limit will benefit the person making the proposal. However, there may be some cases where the ratepayer has spent time and money in preparing their proposal and disagrees that it is invalidly made. In those cases, the ratepayer may feel disadvantaged by the service of an invalidity notice some time after making the original proposal. The consultation paper therefore invited views on whether this proposal might result in some ratepayers being disadvantaged and, if so, whether to introduce a requirement that an invalidity notice can only be served after the current four week period if the proposer agrees. The consultation paper said that further consideration would be given to this issue in the light of the consultation responses (see response to consultation section below).

Proposal 6 - Amend regulation 8 of the 2005 Regulations to clarify that the date of a proposal is the date it is first made, not the date it is finally determined as being valid.

Views were invited in the consultation paper on the extent to which the existing Regulation 8 is causing problems of interpretation. The consultation paper said that, if there was clear evidence that this was giving rise to difficulties and that ratepayers were being disadvantaged financially, further consideration would be given to addressing the issue (see response to consultation section below).

#### **RACE EQUALITY ASSESSMENT**

There are no racial equality issues in relation to the proposed changes.

#### **HEALTH IMPACT ASSESSMENT**

There are no health impact issues in relation to the proposed changes.

#### **RURAL IMPACTS**

There are no rural impact issues to consider.

#### **ENVIRONMENTAL AND SOCIAL**

There are no environmental or social impacts associated with the proposed changes.

#### **EQUITY AND FAIRNESS**

The proposals in the consultation paper would apply equally to all business ratepayers, including small businesses, whether in urban or rural areas.

Proposal 1 is aimed at addressing an unfairness in the current system by allowing ratepayers until 30 September 2006 to make proposals to alter the 1995 lists for 31 March 2000. The consultation paper also invited comments on whether Proposal 5 could lead to some ratepayers being disadvantaged and therefore whether the proposal should be modified to safeguard the position for those ratepayers. The consultation paper said that the issue would be considered further in the light of the responses to the consultation (see response to consultation section below).

#### **THE SMALL FIRMS IMPACT TEST**

The Small Business Bureau has been consulted on these proposals. Their initial view was that these were not likely to have a significant negative impact on small firms. The Small Business Service commented that, while initial soundings suggested that significant negative impact was unlikely, they advised wider consultation with small businesses and their trade bodies. The consultation paper was circulated widely. None of the consultation responses suggested that the proposals raised significant small business implications warranting further assessment and discussion.

## **COMPETITION ASSESSMENT**

The competition assessment was introduced jointly by the Office of Fair Trading and the Cabinet Office to ensure that new legislation will not introduce change to the competitive environment which could lead to a negative effect on the working of the markets. We do not believe that any market sector will be disproportionately affected by these measures.

## **ENFORCEMENT, SANCTIONS AND MONITORING**

The Local Government Finance Act 1988 establishes the main structure of the rating system. If the proposals are taken forward, the relevant regulations will be amended accordingly and the wider rating system, including the provisions relating to enforcement and sanctions, will remain unaffected.

## **RESPONSE TO CONSULTATION**

The consultation exercise attracted 31 responses mainly from rating professionals, business representatives and local authorities, and generated mixed views.

There was widespread support for the reinstatement of the right to make a proposal to alter the 1995 list for 31st March 2000 where a property has been split or merged, although views differed as to how long this should extend for. Similarly, of the 28 respondents who commented on proposal 2, all agreed that the existing provision should be amended, although various alternatives were suggested for the cut-off point.

Support was also forthcoming from most respondents (25 out of the 28 who commented) for the proposal that the person making a proposal should state the capacity in which they are doing so. Several consultees raised difficulties over the supply of rental information where proposals are made related to properties that are sub-let, by former owners or occupiers or by billing authorities. Some consultees also thought that the 2005 Regulations should make it clearer that a fresh proposal may be made on the same grounds where there is a change in owner or occupier.

Proposal 4 in the consultation paper related to the provision of rental information when ratepayers make proposals on certain specified grounds. Although some consultees were in favour of the proposal, more were opposed to it and repeated concerns they had raised in early 2005 when the requirement to provide rental information was introduced as part of the Appeals Regulations. It was always the Government's intention that rental information should be provided when proposals were made on the grounds set out in Regulation 4(1)(j) and (k), and it was only because a typographical error had crept in during the drafting of the 2005 Regulations that made this amendment necessary.

There was a large measure of support for the proposal to allow valuation officers to issue an invalidity notice beyond the current four-week period. Most (22 out of the 29 respondees) favoured introducing the additional safeguard that this should only be permitted with the agreement of the proposer. To prevent ratepayers being disadvantaged in the event of an invalidity notice being served a long time after a proposal has been made, some commented that any re-served proposal should be treated as being served on the day on which the original proposal was served.

There was no evidence from the consultation that practitioners were experiencing difficulties with the interpretation of regulation 8(9) of the 2005 Regulations.

Respondents also took the opportunity to raise issues not addressed in the consultation paper. These included concerns about specific aspects of the existing system such as the restriction on the number of appeals that ratepayers may make, as well as wider suggestions that the whole business rates appeals system should either be reviewed or repealed.

## **SUMMARY AND RECOMMENDATION**

In the light of these representations, DCLG has decided to implement most of the proposals in the consultation paper subject to certain amendments. Ratepayers will have until the end of March 2007 to make proposals for 31st March 2000 where properties have been split or merged, and the 2005 Regulations will be amended so that rental details will not have to be provided where proposals are made by former owners or billing authorities. The 2005 Regulations will also be amended to clarify that occupiers making proposals are required to provide details of the amount they pay under their

lease, easement or licence to occupy and that others making proposals are required to provide details of the amount that they receive. They will also clarify that a fresh proposal may be made by the same person on the same grounds if that person is acting in a different capacity, for example because they were formerly the occupier and have become the owner. Provision will also be made for valuation officers to serve an invalidity notice beyond the current four-week period, but only with the agreement of the proposer, and for any re-served proposal to be treated as being served on the day on which the original proposal was served. As there was no evidence from the consultation that practitioners were experiencing difficulties with regulation 8(9), no changes are needed to clarify this provision.

<b>Option</b>	<b>Total cost per annum Economic, environmental, social</b>	<b>Total benefit per annum Economic, environmental, social</b>
1 - Do nothing	Some financial disadvantage to ratepayers, although not possible to quantify.	Some, but not significant, costs for the VOA arising from Proposal 1.
2 - Amend legislation	Some, but not significant, costs for the VOA arising from Proposal 1.	<ul style="list-style-type: none"> <li>- Corrects unfairness</li> <li>- Clarifies intention behind Regulations</li> <li>- Invalidity issues resolved more speedily</li> </ul>

**IMPLEMENTATION AND DELIVERY PLAN**

The Non-Domestic Rating (Alteration of Lists and Appeals) (Amendment) (England) Regulations 2006 will make the necessary amendments to implement the new arrangements. It is envisaged that the amending regulations will come into force on 1 October 2006.

**POST-IMPLEMENTATION REVIEW**

Business properties are revalued every five years and the next revaluation is due to take effect on 1 April 2010. DCLG will work with the VOA, rating professionals, local authorities and other stakeholders to monitor the effectiveness of the arrangements for making proposals in respect of non-domestic properties, including the effectiveness of the new arrangements. Issues arising from the operation of these proposed new arrangements would be considered with a view to introducing further possible changes in time for the 2010 revaluation of business rates.

**DECLARATION AND PUBLICATION**

I have read the regulatory impact assessment and I am satisfied that the benefits justify the costs.

Signed...*Phil Woolas*.....

Date: 23rd August 2006

Phil Woolas MP, Minister for Local Government and Community Cohesion, Department for Communities and Local Government.

Contact point for enquiries and comments: Mr Rob John, DCLG, Council Tax and Business Rates Division, Zone 5/B1 Eland House, Bressenden Place, London SW1E 5DU (Tel: 020 7944 4223; e-mail Rob.John@communities.gsi.gov.uk).