

The Role of the Rating Agent Lancashire & Cheshire IRRV Association

John Williams
JLL





























Who are JLL?



- A 'Commercial Real Estate Services Firm'
- Founded in London in 1783
- Listed on the New York Stock Exchange
- Employs 88,000 people in 300 offices over 80 countries



What do JLL do?



Property Management

Lease Advisory

Building Services

Project Management



Investment

Agency

Valuation

Facilities Management

Planning & Development

Residential



What do Rating Agents do?



"waste council's time and resources"

"ask awkward questions"

"request the same information over and over again"

"try to catch me out"

"be deliberately obstructive"



What do Rating Agents do?



- Rates Liability Management
- Rateable Value Appeals / Check Challenge Appeal
- Rates Audits
- Other Rating Work



Rates Liability Management

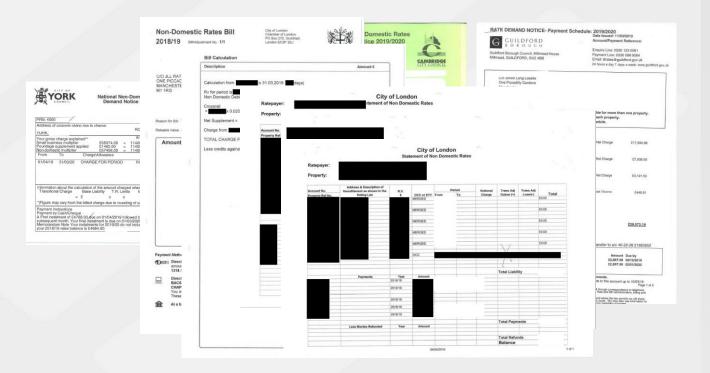


- Notify Councils when properties become occupied or empty
- Receive rates demands on behalf of the client
- Check that the demands received are correct:
 - ratepayers name correct legal entity
 - dates of liability are correct
 - empty relief (3 months / 6 months / land / listed building)
 - transitional relief
 - instalments provided
- Arrange payment of correct bills
- Investigate any recovery documents received:
 - client not liable?
 - non-payment?
 - allocation problem by council?



Types of Rate Demand







You are the Agent – Question 1





- Landlord Client
- Vacant "Open Air" Parking Spaces
- Spot the error in the demand...

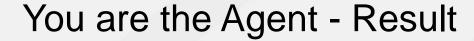


You are the Agent – Question 1



	Reason	For Bill	: Th:	is is your			Year: 2021
CAR SPACES AT.					20000	0.4990 0.5120	
Property	Address If Diff	erent	2005				
Car	EDE Park And I	Premises					
200 Propert		R.V.	9335			arge Calcula own of Amou	tion Int Due
Charge For Perio Emply Property R	d ate For Per	Rv 2 riod	0000	L7-NOV-2021 L7-NOV-2021			3787,40 0.00
LIABILITY FO	R THIS YEAR						
							3787.40
50 September 2000 Manage 200 Mana	5 24 C C C C C C C C C C C C C C C C C C			74517947ABYS0800	en e		
	Your l	nstalment [Details	and Payment	Instructio	ins	
SEE SUMMARY FOR	BALANCE AND	INSTALME	NTS				





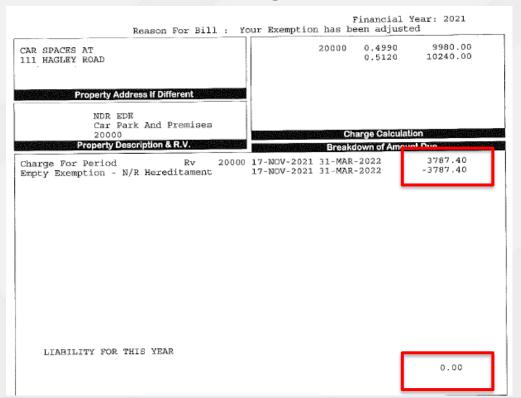


Successfully demonstrated that the assessment was not a relevant Non-Domestic hereditament under Reg 2 NDR (Unoccupied Property) 2008 [SI 2008 No 386]

As such Empty Rates could not apply



You are the Agent - Result







You are the Agent – Question



Reason for bill	Open	ing	bill
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Property details		
Address	Property reference	14644098881608
	Rateable value	65500
١,	Rate in the pound	0.512
	Rate in the pound	0.499 SBRR
Description: office, office and prem	ises	

Details	Amount (£)
Rates period: 17 May 2022 to 17 August 2022 Gross charge Empty property relief	8452.91 -8452.91
Total amount due for period	0.00
Rates period: 17 August 2022 to 1 April 2023 Gross charge	20856.64
Total amount due for period	20856.64
Total amount due	20856.64

Instalments

Method of payment: cash or cheque
Please pay a first instalment of £2607.64 on or before 1 July 2022, followed by

seven monthly instalments of £2607.00 from 1 August 2022.

Opening demand following tenant vacating and liability reverting to the landlord on 17th May 2022

Is this demand correct?

Would you approve it for payment?



You are the Agent – Result



H	leasor	1 for	bill	Op	en	ıng	bill

Property details	
Address	Property reference 14644098881608
	Rateable value 65500
	Rate in the pound 0.512
	Rate in the pound 0.499 SBRR
Description: off; Jes	, office and premises

Details	Amount (£)
Rates period: 17 May 2022 to 17 August 2022 Gross charge Empty property relief	8452.91 -8452.91
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Instalments		
Method of payment: cash or che Please pay a first instalment of seven monthly instalments of £:	£2607.64 on or before 1 J	у

- Demand was rejected and not paid
- EPRR awarded until 17th August 2022
- Instalments demanded from 1st July



Rateable Value Appeals / Check Challenge Appeal



- This is work relating to the Rateable Value of a hereditament and is undertaken with the Valuation Office Agency
- Common types of CCA that we submit relate to:
 - hereditaments undergoing refurbishment / 'Monk' cases
 - Material Changes in Circumstance (MCC)
 - hereditaments 'beyond economic repair'
 - appeals against the 'tone' of valuation
- What does the 2023 Revaluation hold?
 - Will ratepayers have to re-register on the Government Gateway?
 - Can different agents be appointed for different Lists?



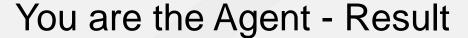
You are the Agent - Question





- A client approaches you following a fire at an industrial property they own.
- Following the site being cleared of debris they are left with this...
- What do you advise?









- This was a real case JLL dealt with.
- The Local Authority continued to charge £75,000 per year in Empty Property Rates.
- We submitted an appeal with the VOA but this took 4 years to be resolved.

Was this correct?

Could/Should anything of been done?



You are the Agent - Question



- Landlord owner of a vacant factory
- Previous occupied vacated 10+ years ago
- Site purchased by JLL client in a very poor state of repair with a view to redevelop.
- Client was unaware the site was assessed given the poor state of repair and no demands received from BA
- 5 years after purchase BA issues retrospective demands for payment from 2014/15



What do you advise the client?



You are the Agent - Result



- JLL challenged the way the demands were issued and whether the property should be in the Rating List
- Given when the demands were issued, the 2010 Rating List had been closed and the RV could not be appealed
- JLL appealed the 2017 List entry and the VOA agreed to delete the assessment from 01st April 2017
- The BA accepted that the demands for the 2010 List were not issued as soon as practicable and removed the charged up to 31st March 2017
- This saved the client c. £775k



Rates Audit



- If an agent is newly instructed by a client then they may suggest they complete
 a Rates Audit.
- We use this as an opportunity to review what has:
 - historically been paid
 - whether any exemptions or reliefs have been claimed
 - check whether any overpayments have been made or refunds unclaimed
- We try and get as much information regarding this from clients however there
 are occasions when we rely on Local Authorities assistance.
- Some of the time we are able to find the answers to our questions by using Local Authority's 'Opendata'.



Rates Audit



- Who knows if their Local Authority publishes Opendata?
- What information is included?
 - list of non-individual ratepayers?
 - list of credits?
 - list of empty properties?
 - List of small properties without SBRR?
- Some authorities publish all this information other refuse to publish any
- Wandsworth Council [2017] withheld the information under section 31(1)(a) of FOIA



Other Rating Work



Rates Mitigation Advice

'From the trenches' – Tom Dixon – IRRV Valuer Magazine (Dec 2019)

- Completion Notices
- Estimated RVs for New Developments/Redevelopments & 2023 Revaluation

https://www.jll.co.uk/en/trends-and-insights/research/2023-rating-revaluation

 Continuous Professional Development (CPD) Sessions for Clients and Colleagues



Any Questions?



Thank you all...

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