

Questions about more frequent revaluations

Question 1: Do you agree revaluations should occur at least every three years in future, to maintain fairness in the system by ensuring valuations are updated more often to reflect changing economic conditions? What are your reasons for your answer?

Yes, we support revaluations every three years. We believe frequent revaluations are vital to track the very latest economic demographics of the area and industry sectors.

Question 2: Do you think revaluations should occur more frequently than every three years? If so, how often would you suggest?

The increased frequency of revaluations is welcomed, but this needs to be balanced against the fact that most businesses fall under the threshold of paying business rates so for most businesses the revaluation is purely an administrative exercise and does not affect what they pay.

For this reason, we believe revaluations should occur every three years, and not more frequent. Having revaluations more frequent than three years could result in greater uncertainty for businesses and result in instability around medium term business planning.

Question 3: Do you think the gap between the antecedent valuation date and the revaluation taking effect should be less than two years, if possible, in future?

Yes, if this is possible.

Question 4: Do you have any views on the proposals to create a duty on ratepayers to inform the VOA if certain information relating to the hereditament changes, and the new duty to provide annual confirmation, to support more frequent revaluations and the maintenance of accurate rating lists?

We support the proposals as it should reduce the need to create retrospective Business Rate bills other than to a few months in cases where landlords and occupiers are forthcoming with timely information being submitted to the VOA within 60 days.

This, in conjunction with the principle of introducing the requirement to confirm information annually, will contribute to more accurate timely billing.

It will also provide opportunity for new occupiers to be billed based upon the circumstances of their occupation and increase the accuracy of the rating list to reflect the latest situation on the ground.

Question 5: Do you have any views on the proposals for a proportionate compliance regime to support the duty to provide information? Do you consider the proposed penalties to be fair and proportionate?

We support the need for a proportionate compliance system with penalties for the worst offenders who fail to provide timely information to the VOA.

Many ratepayers in Wales qualify for 100% rate relief and have not had to pay Business Rates for several years. Consequently, businesses often overlook the requirement to advise the local authority of taking on a new lease or their vacation due to their mindset that they do not pay business rates. Therefore, any system requiring the supply of information of changes to the VOA will require a change in ratepayer behaviours which will need to be encouraged and supported with a campaign of awareness followed by a regime of compliance.

The proposed fees for providing false information after the relevant notice and reminders have been issued reflect the seriousness of the matter of supplying false information or non-compliance.

Question 6: Do the proposed timescales provide ratepayers with enough time to meet their obligations? If not, under what circumstances would this not be possible?

We consider the timescale of 60 days to be fair.

Questions about providing reliefs and exemptions

Question 7: Do you have any views on the proposal to undertake a review of relief schemes and any views on how their effectiveness should be considered? What factors should a review consider?

We welcome a review of the wide-ranging rate relief schemes to ensure they reflect the current demographics and economic landscape, that they remain fit for purpose and to ensure they provide targeted responsive support to the business sectors that currently are in most need.

Potentially any review of reliefs could dovetail into the introduction of a dual rate multiplier scheme and simplify the extent to which relief schemes are applied.

It is important that new relief schemes are considered to support new enterprises and encourage job growth. For example, under the current system there is a lack support for new business start-ups, especially those that fall outside of rate relief support for businesses operating from small premises. This can be a barrier for businesses wanting to take on larger properties.

Question 8: Do you have any views on our proposals to enable the Welsh Government to amend, remove and create new statutory reliefs by secondary legislation to align to policy priorities?

We welcome any proposal to allow Welsh Government to be more responsive in providing support to businesses.

Utilising secondary legislation could enable faster delivery and more bespoke schemes tailored to meet the economic conditions and needs of businesses in Wales.

Question 9: Do you have any views on the proposal for the Welsh Government to have greater flexibility to provide for exemptions by secondary legislation, to align with policy priorities?

We support Welsh Government having greater flexibility to use secondary legislation to provide exemptions to meet the changing economic landscape and policy priorities.

Currently, the void exemption criteria, whilst recently tightened does still incentivise owners and landlords of empty units to bring them into use by employing contrived avoidance methods rather than genuine business opportunities.

Question 10: What is your view on the proposal to give local authorities greater flexibility to award retrospective discretionary relief

We welcome the greater flexibility to use the award of discretionary relief retrospectively for awards beyond the current restrictions of six months after the end of the financial year.

Questions about varying the multiplier

Question 11: What is your view on proposals to provide the Welsh Government with the ability to vary the multiplier for properties of different use, rateable value, and geographical location, to align to policy priorities?

We support the proposal to provide Welsh Government with the ability to vary the rate multiplier.

We see it as a tool not only to assist Welsh Government with policy priorities, but an opportunity to quickly implement and target support for certain businesses without the need of new reliefs or temporary reduction schemes.

Delivering support to business via a lower multiplier can be quickly built into systems and is easy to administer.

Question 12: Do you have any other suggestions for parameters that could be considered in varying the multiplier?

No.

Questions about improvements to valuation and rating list administration

Question 13: Do you have any views on proposals to ensure that changes in economic factors, market conditions or changes in the general level of rents are addressed through more frequent revaluations, rather than as material changes of circumstances between revaluations?

We agree that more frequent revaluations every three years would allow the majority of changes in economic factors or market conditions, or levels of rent would be reflected more accurately regularly and reduce the need on most occasions for there to be a consideration of material changes between revaluation assessments.

Question 14: Do you think the proposed changes to completion notice procedures will help to ensure all relevant properties are listed for NDR in a timely manner?

Yes. We support that serving of completion notices on previously existed properties by the local authority would improve the efficiency and effectiveness of such cases being brought back into the list quickly and reduce the opportunity for cases to be overlooked.

Question 15: Do you have any views on proposals to improve administration of the central rating list?

No comment to make.

Question 16: Do you have any views on proposals for a general anti-avoidance rule for NDR in principle?

We welcome proposals to deter rate avoidance schemes.

Question 17: Do you think local authorities should have more powers to enable them to counteract NDR avoidance effectively?

We believe local authorities should have more powers, as well as additional funding, to tackle avoidance schemes. More robust business rate regulations also ensure avoidance schemes are not created in the first place.

Questions about other approaches to raising local taxes

Question 18: What are your views on taking an alternative approach, such as a local land value tax, to raising local taxes, over the longer-term

The current business rates system is generally a tried and tested property-based tax, with origins going back to the 1600's, that tracks the value of the property.

Before alternative tax systems are introduced, we believe the current system can, and should, be improved to ensure the tax system remains fair and proportionate.

We also believe in the introduction of a local rate retention scheme which incentivises local authorities to grow the local economy and retain an element of the tax base growth.

Questions about other aspects of NDR reform

Question 19: We have asked several specific questions about the reform of NDR. If you have any related points which we have not specifically addressed or if you wish to comment on other aspects of NDR reform, please use this space to record your comments.

Businesses, through the development of the small business rates scheme particularly, are no longer used to paying anything in Business Rate or even advising the authority when they move in or move out. A system where everyone pays something may restore a greater degree of accuracy in the database of business premises and provide a greater perception of fairness amongst the public that businesses contribute their fair share of local taxes.

We also believe there needs to be wider reform of the business rates system involving a review of contribution and re-distribution of business rates as we believe we should be able to keep a greater share of the business rates raised in Flintshire.

Questions about the Welsh language

Question 20: The Welsh Government would like your views on the effects these proposals would have on the Welsh language, specifically on:

1. opportunities for people to use Welsh; and 2. on treating the Welsh language no less favourably than English.

No comment to make.

Question 21: Please also explain how you believe the proposals could be formulated or changed so as to have:

1. positive effects or increased positive effects on opportunities for people to use

the Welsh language and on treating the Welsh language no less favourably than the English language; and 2. no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

No comment to make.