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5 ways the Valuation Office Agency can trick you

The Valuation Office Agency (VOA) love to pretend they are on your side, that they are open to discussions and that you don't need an agent, but can they be trusted?

Here are the VOA's top 5 tricks that could mean you end up paying more in business rates than you should:

1. The brick wall

The VOA don't like you challenging your rates. Whilst publicly they give the impression that they are happy to discuss matters and make amendments where necessary, the reality is they try and resist granting any reductions. They have internal targets not to reduce values by any more than about 3%. This coupled with their staff often being under skilled or over worked, means that their starting point to most appeals is "Your rateable value is correct." Even where there is a clear case for a reduction sometimes they maintain this "brick wall" approach and force the ratepayer to submit a statement of case and attend a formal Tribunal hearing in the hope they will give in and withdraw their appeal.

2. Playing the game

Years ago the VOA was quite good at disclosing the valuation evidence it was relying on to support its valuations. This allowed ratepayers and their agents to quickly ascertain whether their appeal had merit or not. Since 2010 however the VOA have realised that, by hiding behind a spurious interpretation of data protection rules, they can give away fewer reductions and process more appeals faster by not disclosing the evidence they have used. Consequently the VOA now adopts the line: "It's up to you to prove your rates are wrong." This is fundamentally unfair and would be the equivalent of the Inland Revenue's refusing to tell you how your tax code is calculated. Ratepayers need to ensure they have expert agents acting for them who can deal with this deliberately obstructive approach.

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3. Old records

We once dealt with a property where the VOA had valued 1,200 square metres of accommodation on the 1st floor and another 1,200 square metres on the 2nd floor. There was only one small problem. There was no 2nd floor. The VOA sometimes base their valuations on hopelessly out of date information and very rarely check it unless forced to during an appeal.

4. Sleight of hand

When the Valuation Officer says he has evidence supporting his valuation and therefore your rates are correct, all may not be what it seems. The evidence he is referring to is a rent analysis to get to a value per square metre. The VOA are very good at making sure this analysis comes to the highest figure possible. For example they usually try to ignore the full rent free period occupiers have been able to negotiate. Also they may not give full weight to the actual lease terms such as rents inclusive of services or where the landlord pays for the repairs. Cunning tricks but ones which a good agent will spot for his client.

5. The shoulder shrug

“A previous appeal on the property was withdrawn. Your rates are therefore correct.” This is a line often used by the VOA designed to dispense with having to deal with a ratepayer’s appeal. Not only is it a somewhat lazy approach but it is also incorrect. Previous business rates appeals can be withdrawn by ratepayers for a variety of reasons unrelated to whether the rates assessment is correct or not. For instance their period of liability may be restricted and due to transitional relief their appeal may no longer be necessary.

So now you know a few of the VOA’s tricks. If you want the best chance of reducing your business rates then call RatesRecovery on 01865 594070 or email us at enquires@ratesrecovery.com

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