

Business Rates Inquiry. Response from independent operator, Shropshire.

We attempted to challenge our rateable value in 2018. From the outset the process proved to be ambiguous to say the least resulting in telephone calls to the VOA for clarification. Unbeknown to us the information given proved to be incorrect. We were notified by the VOA weeks later that we had supplied incorrect information and that another application was required.

We spoke again with the VOA who confirmed which certain box applied to our criteria. Again we were told incorrect details but fortunately spoke with another employee who finally confirmed the correct procedure.

The application was duly forwarded. We heard nothing for weeks and chased the VOA by email. We received confirmation informing us that there was no change and to submit a challenge again. In our ignorance we assumed that this meant to submit the re check case again!

After some weeks we again chased the VOA who confirmed yet again that there was 'no change' in our RV and to submit another challenge, again we resubmitted the original application as there were no comments on the VOA's correspondence to say anything was incorrect with the application.

Again some weeks later we were informed that there was no change and to resubmit a challenge.

We further spoke with the VOA to find out why we had not been successful and were only told to submit another challenge.

We challenged them as to why we had not been successful but they could not comment. We then asked why an inspector had not been out to collate relevant details himself by visiting the premises and talking with the owners but were told they only look at the information supplied on forms. I challenged this as the RV of our particular business was ascertained when it was owned by Enterprise and in its heyday! Since those days the RV had only increased the last being in 2017. We have owned the property since 2015.

I further challenged the accuracy of the system as there were establishments within a radius of us who were enjoying a healthy trade in excess of £10K a week boosted by the addition of new rooms but were rated under £15000 and as a result with rural rate relief, small business rates relief etc were in fact not paying rates. I was informed that they could not comment despite my pressing the point that there was no parity! One such business openly advertised for another chef as their three existing chefs could not handle the level of business! This business does not pay business rates. One has to say good luck to them!

Having got absolutely nowhere with the VOA we submitted yet another application which was again rejected after some weeks. We were invited to resubmit a challenge but were asked for additional information with regard turnover, having previously been asked only for wet/dry. This time they wanted additional details of machine income, tobacco and accommodation!

This debacle lasted 18 months by which time we gave up and went through the complaints system which took weeks to conclude. Again we got absolutely nowhere however the inspector overseeing our complaint commented that she had noticed that on our subsequent challenge resubmits we had resubmitted the original 'check case' papers whereas we should have submitted a 'challenge'. At no point during this process had the VOA advised us that the

challenge they referred to applied to different paperwork. We assumed their terminology 'challenge' related to challenging their no change decision. This is a typical example of a faceless inefficient jobsworth Government department whose main objection appears to be to wear one down into submission.

The VOA can take up to 3 months to come back to you to inform you that there is an error in the paperwork, please resubmit. They can then take weeks to come back again if it is still wrong and so it goes on. In our case 18 months whereas it could have been far less had we been advised from the outset that certain information was incorrect and the relevance of their Check Case and Challenge terminology. We certainly assumed because we were not told otherwise that the forms related to a 'challenge' against the RV.

Most landlords do not have time to sit on computers or indeed the inclination. We considered one of the many fat cat organisations offering to reduce your business rates but decided £7k was a price too high for an unknown quantity, looking back who knows!

God knows how anyone got on during the Pandemic who were challenging their RV's.

This application system needs to be totally overhauled with clarity and transparency uttermost.

There is no parity between certain establishments with many falling into the category of being zero rated despite enjoying profitable income streams over other establishments.

VOA inspectors must get off their fat backsides and visit sites as it is quite clear that they totally ignore criteria on paper that would effect and fairly reduce the RV of deserving businesses. A site visit should speak volumes in favour of the business but who are these inspectors at the end of the day, certainly not hardened ex landlords who have years of relevant experience!

FMT does not take into consideration many factors relating to the individual property such as location, footfall, drive out appeal or not, market trends (Shropshire is historically the cheapest county for alcohol in the country despite pubs buying in at the same wholesale prices as all pubs in other counties). There is currently a differential between £1.20 & £2.00 a pint through the pumps.

The independent operator/free house is at a distinct disadvantage compared with the multiple.

Inflation is not considered by the VOA and many establishments have to swallow it at source. This includes staffing who invariably can demand salaries and hours worked meaning doubling up on staff just to get cover. This is not cost effective with chefs even if you can find any.

The additional burden of business rates is just another nail in the coffin for pubs and restaurants and the VOA are tunnelled visioned with FMT not bottom line!

The private operator simply cant cover the ever increasing overheads and outlying pubs and restaurants if they are to remain open have to cut back on staffing and days open in a desperate attempt to keep the doors open for main trading days. Unfortunately the end result has the same outcome...closure.

In turn this devastates the resale value of the business as it does the feasibility of anyone taking up a rental opportunity.

The VOA must be held responsible for their decisions with clarity in their decision making backed up by independent reports on the viability of the business in question.

From our experience they are a law unto themselves, unapproachable and totally inefficient displaying an appalling 'who do you think you are' attitude!

What will come this April..the final death knell no doubt.

