

Rt. Hon Nicky Morgan MP
Chair
Treasury Committee
House of Commons
Committee Office
London
SW1A 0AA

25 July 2019

Dear Ms Morgan,

Thank you for the opportunity to provide evidence as part of your inquiry into the Impact of Business Rates on Business. Please find below responses to areas where it was agreed I would write to you to provide clarification on certain points.

1. Check and Challenge – our timeliness against the legislative backstops and the outcomes of checks and challenges.

Check

The Check stage sets out how a valuation has been calculated. If the facts are incorrect or have changed, they can be agreed at this stage and the valuation amended if necessary.

The VOA aims to resolve 90 per cent of Checks within three months. For 2017-18, 90 per cent were resolved within three months and for 2018-19 this figure was 79 per cent. Over the two financial years 99.99 per cent were resolved within 12 months (the statutory time limit).

The VOA currently records the outcomes of Check cases at an individual level only and is developing the analysis needed to compile this at an aggregate level, with a view to including this within our published Official Statistics in future.

Challenge

The Challenge stage allows ratepayers to challenge their valuation if they feel it is still incorrect. Within four months of a Check being completed, ratepayers or their agents who wish to proceed need to provide the full evidence for their Challenge, giving VOA the opportunity to respond and resolve the issue without the need for an appeal. In 85% per cent of Check cases resolved in the period up to 31 December 2018¹, ratepayers decided not to raise a Challenge.

The VOA aims to resolve 90 per cent of Challenges within 12 months. For 2017-18, 86 per cent of Challenges were resolved within 12 months and for 2018-19 this figure was 81 per cent. Over the two financial years 100 per cent were resolved within 18 months (the statutory time limit).

The VOA currently records the outcomes of Challenge cases at an individual only level and is developing the analysis needed to compile this at an aggregate level, with a view to including this within our published Official Statistics in future.

¹ End of December figures are shown in order to ensure all resolved cases are accounted for. This ensures those Checks still within the timeframe to proceed to Challenge are not included.

Appeal

If ratepayers still wish to contest their valuation, they can Appeal to the independent Valuation Tribunal for England (VTE). This appeal will be undertaken in the full knowledge of all the evidence and arguments put forward from both sides at the Challenge stage.

As at 31 March 2019, the VTE had received 70 Appeals against the 2017 rating list. This represents broadly 1.5 per cent of resolved Challenge cases. A proportion of resolved Challenge cases are still within the statutory time limit for the ratepayer to appeal.

2. Business awaiting resolution of their Check or Challenge.

We do not hold information about businesses that have been wound up while they are in the process of raising a Check or a Challenge. Although we record cases where Checks or Challenges are withdrawn, there are a number of reasons why this could be the case and there is no requirement for ratepayers to disclose these to us.

As stated at the hearing, we have a process in place to prioritise cases where ratepayers are facing financial hardship

3. Our staff retention.

Our average staff attrition² over the last four years is provided in the table below:

Year	Percentage attrition of all VOA staff (average throughout the year)
2015-16	9.46
2016-17	11.10
2017-18	9.00
2018-19	10.98

4. Details of the process used by the VOA to ensure that personal data is dealt with appropriately.

The first step in creating an account to access the Check and Challenge service is identity verification and registration with the Government Gateway service. No personal information entered as part of HMRC's identity verification process is sent to VOA systems. HMRC gateway credentials can be deleted in one of two ways: users have the ability to delete their credentials through the self-service facility in their account, or, if the account credentials have been not been used for two years, HMRC will automatically delete them.

HMRC's privacy notice is available to view on gov.uk (<https://www.gov.uk/government/publications/data-protection-act-dpa-information-hm-revenue-and-customs-hold-about-you/data-protection-act-dpa-information-hm-revenue-and-customs-hold-about-you>). The VOA's CCA privacy notice is available to view on gov.uk (<https://www.gov.uk/guidance/check-and-challenge-your-business-rates-valuation-privacy-notice>). This sets out how we will use the information that an individual provides and explains how this is shared with third parties.

We store the name of the person who initiated the registration process to claim a property and any contact details they provide, such as business postal address, phone number and

² Attrition is the total Agency turnover; the total number of people leaving including voluntary leavers due to Other Government Department transfers, resignations and retirements in addition to business planned exits.

contact email address. This data can also easily be amended at any time online by the customer. We keep personal information for only as long as is necessary to undertake our functions and in line with our retention and disposal policy. We also adhere to legal and regulatory requirements for retaining and deleting information. As the VOA is an agency of HMRC, our data is protected by a duty of confidentiality in the Commissioners for Revenue and Customs Act 2005.

5. Information available online for ratepayers.

The VOA publishes a range of information to inform ratepayers how their valuations have been determined. This includes over 200 practice notes explaining our approach to valuing different types of property – these can be found on gov.uk

(<https://www.gov.uk/guidance/rating-manual-section-6-part-3-valuation-of-all-property-classes>). In the annex we have set out the information that is available online to ratepayers.

Through our online service, ratepayers for most types of property can view the details of their property and their valuation and how that was determined, including how this compares with other properties (Annex A1).

Once a ratepayer has confirmed that they have a legitimate interest in a property they can see the full detailed valuation of the property without needing to submit either a Check or a Challenge (Annex A3).

I trust you and the other committee members will find this information helpful. If I can assist with any further information please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Melissa Tatton', written in a cursive style.

Melissa Tatton CBE