IPTI Xtracts

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CONTENTS

COLLIERS QUESTION 'AMAZING SUCCESS' AS HUNDREDS OF THOUSANDS OF BUSINESS RATES APPEALS WIPED OUT BY GOVERNMENT LEGISLATION

Latest CCA business rates appeals figures (to end December 2021) show the VOA has had the highest ever success rate in resolving checks and challenges since the list began on April 1st, 2017. But according to business rates experts at Colliers, this result is only due to the Government outlawing Covid MCC appeals in one foul swoop.

According to latest figures of the 625,070 checks registered since the start of the list, 617,420 (or a massive 99%) are now resolved.

And of 117,370 challenges, some 92,550 (or 79%) are now resolved also. Latest figures show there are now only 12,120 challenges in the list outstanding, compared to three months ago when there were 63,780 outstanding. According to Colliers, the impact of the government's knock out legislation is evident.

As John Webber, Head of Business Rates at Colliers says, "Looking at the latest stats, on the surface it appears that the VOA has had its most efficient and successful quarter ever in dealing with businesses appealing against their business rates and by implication that the current system is working."

However, Colliers say, the reality is much darker. Last March the government, concerned about the enormous number of MCC appeals lodged by businesses impacted by Covid-19 (around 450,000 checks were registered by businesses since the first Lockdown) took the unprecedented step of announcing it would legislate that Covid-19 MCC appeals would not be valid for the appeals system.

Instead, the government offered a £1.5bn business rates relief fund, which would "get cash to affected businesses in the most proportionate and equitable way." This move that was lambasted by the industry at the time, as unprecedented and "ripping up" the ratings rule book retrospectively.

In December 2021 this legislation became law and overnight the record number of appeals were struck out in one blow.

As John Webber comments, "Overnight nearly 450,000 businesses, who had paid their full rate bills during the pandemic, despite the disruption to their businesses, found the goalposts moved as they lost their right to appeal against their businesses rates bills.

"Many of these businesses are now still waiting for their share of the £1.5 billion business rates relief fund, for which guidance for distribution has only just been announced.

"Not only does £1.5 billion go nowhere near covering the amount of business rates rebates such businesses should have received, but its distribution is so unwieldly that it will take many months to reach the right pockets."

"Meanwhile the VOA is able to announce squeaky clean results that give the appearance it is doing a great job and all in the garden is rosy. It's a disgrace that such business distress has just been brushed under the carpet."

PLANS FOR MANX PROPERTY RATES REFORM 'STALLED' DUE TO PANDEMIC

Proposals to overhaul the rating system were backed by Tynwald in 2019

Plans to change the way property rates are calculated on the Isle of Man "stalled" because of the coronavirus pandemic, a minister has said.

A proposal to introduce a system based on property size was approved by politicians in October 2019.

Cabinet Office Minister Kate Lord Brennan said any decision on modernisation should now be the subject of another Tynwald debate.

Rates are currently based on 1970s rental values of homes.

Ms Lord-Brennan told the House of Keys, while aerial photography of island properties had been taken in 2020, further consultation on the issue had then been proposed.

Modernising the rates system was "undoubtedly complex and resource-intensive" and required "careful consideration and assessment", she said.

Modernisation would need to be considered regarding where it fits among the immediate priorities for the Cabinet Office, which was currently focused on the development of the government's five-year Island Plan, she added.

MHKs questioned why rate reform was not in that plan, and whether there was a real commitment to change the system.

Chris Thomas MHK said previous proposals had already been accepted by Tynwald, and called for the Cabinet Office to work with the Treasury to "actually revisit" the idea.

Ms Lord-Brennan said it was something Tynwald could look at again "down the line".

SCOTTISH LAND COMMISSION TELLS MINISTERS TO CREATE CADASTRAL MAP OF SCOTLAND

ALL Scottish land should be put on a valuation roll as part of wider land reforms across the country, ministers have been told.

The recommendation is one of many put forward on Tuesday by the Scottish Land Commission (SLC) as part of a report on taxation and land reform.

Other suggestions include a cadastral map approach to allow the integration of information on land ownership, use and value. The SLC said such a scheme has already been “widely adopted across Europe”.

“This would be a vital first step in strengthening the role of land in Scotland’s tax base,” it added.

The cadastral map would help the Scottish Government to widen the scope of its future policy options by changing the “underlying tax administration system”.

The SLC also suggests working on a UK basis to use reliefs and exemptions to work towards diversification of ownership of land, and bringing in new facets to the Non-Domestic Rates (NDRs) administered by councils.

Such new powers could include measures to allow councils to collect NDRs on newly derelict properties, or impose additional rates for new builds in order to support economic recovery in town centres and discourage buildings being allowed to fall into disrepair.

The report focuses on aspects that are directly relevant to the devolved powers of the Scottish Parliament, with the SLC noting that “many of the primary taxation levers relevant to land remain reserved to Westminster”.

The commission said that while 50% of the UK’s wealth is tied up in land and property, it only forms around 10% of the total tax base.

In Scotland, just 12% of all public sector revenue across reserved and devolved taxes are raised through taxes fully or partially levied on land and property.

The commission also recommended that “particular attention should be given to how taxation can secure a productive balance of public and private benefit from future carbon values”.

Hamish Trench, the SLC’s chief executive, said: “Land is our most valuable asset and Scotland has scope to tax land in ways that better support the Scottish Government’s policy priorities, but this needs to be considered in a careful way that acknowledges the complexity and devolved powers.

“This report sets out steps that can be taken to steadily increase the role that land value plays in taxation, as well as specific reform opportunities to tackle priorities including derelict land regeneration and a just transition.

"Tax is a potentially significant influence in delivering Scotland's land policy objectives and we recommend an ongoing programme of reforms. Discussing changes to taxation often attracts passionate debate and strong views, our international research has shown how important direct public engagement is in discussion and consideration of the options for changes in land taxation.

"That is why we also advise that a national conversation needs to happen to help build consensus on the options for taxing land and making the most of Scotland's land."

VOA 'AGGRESSIVELY PURSUING' FINES FOR HOSPITALITY, WARNS COLLIERS

It said the increased fines are being sought despite the fact that many of these businesses were closed during the pandemic, with no one in the office when the forms were issued

The government's Valuation Office Agency (VOA) has reportedly accelerated its demands to hotel and pub businesses by issuing and "aggressively pursuing" an increasing number of fines for late Valuation Forms of Return, Colliers Business Rates Team has warned.

It said the increased fines are being sought despite the fact that many of these businesses were closed during the pandemic, with no one in the office when the forms were issued, and that these businesses are now struggling to recover post-lockdown.

The forms in question provide the VOA with basic information about a business's property, such as rent, lease and ownership details, enabling the VOA to work out the rateable value of the property, which is then used to calculate the business rates. Businesses have 56 days to return the forms, after which they receive a £100 penalty.

If the information has still not been provided within the next 21 days, a further £100 penalty notice is issued, and from this date a charge of £20 a day is added to the total sum owed until the information is provided. The maximum penalty amount is £500 or the property's rateable value, whichever is greater, which means it can potentially run into thousands of pounds.

Colliers said the issue for the hotel, pub and hospitality sector is that the return forms are "much more complicated" than other sectors, including asking for detailed trade figures for the three-year period (2019,2020,2021), a period in which many such businesses were closed for long periods due to the pandemic and many staff were furloughed.

The VOA was said to be traditionally more understanding about late returns, and because of this many businesses have not yet collated all the necessary information to make the returns and are suddenly finding themselves facing ever increasing fines, Colliers said.

It added that in many cases, this information "isn't even useful" to the VOA as some businesses were making a zero return in the period.

John Webber, head of Business Rates at Colliers, said: "It's totally inappropriate. The VOA is gearing up for the 2023 Revaluation and has suddenly woken up to the fact it can make extra monies by issuing fines for late returns of these forms, despite being more conciliatory to rate payers in previous years.

"We are seeing an increasing number of businesses coming to us to help sort this out, some of them with fines going into hundreds of pounds or more, particularly if there are a number of properties in their portfolio as form filling wasn't the key priority for such businesses in the pandemic."

He added: "Does the VOA really think this is a sensible way to behave? Such businesses have seen a difficult two years with lockdowns, furlough schemes, staff shortage and increased prices, not to mention pre-Christmas edicts about working from home and avoiding socialising.

"Surely they should be given some slack if they are slightly behind with the paperwork? Particularly when that paperwork has been made increasingly detailed and complicated to fill in? The drop in trade over December for pubs, bars, cafés and restaurants is still coming home to roost with estimates that trade fell by a third. It is disappointing the VOA is not showing a more conciliatory approach to a sector just coming off its knees."

HILCO TOOK £25M IN DIVIDENDS FROM HOMEBASE DESPITE £10.6M IN COVID AID

Decision by DIY chain's owner to hold on to government support contrasts with many other large retailers

The restructuring group Hilco took a £25m dividend payment from the DIY chain Homebase in 2020 despite accepting at least £10.6m in government aid.

The company, which bought Homebase for £1 in 2018 from its Australian owner, Wesfarmers, said it had accepted business rates relief for the Homebase chain on top of £10.6m in furlough payments and grants for the Bathstore chain, which was forced to close for many weeks under government high street lockdowns.

The total amount of government assistance booked by Homebase has previously been estimated at up to £40m.

The group operates about 150 DIY stores after closing 15 in 2020 and also owns 15 Bathstore outlets and two Decorate by Homebase stores, which are smaller high street versions of its DIY chain.

The government support payouts came as the chain rang up a ££48m pretax profit in the year to 27 December 2020, from a ££8.2m loss a year before. Its highest paid director, thought to be the chief executive, Damian McGloughlin, also received a 14% pay rise to £1.42m. The change in fortunes came despite a 3.2% fall in sales to £839.2m, according to accounts filed at Companies House.

Hilco UK, founded by the accountant Paul McGowan, who still chairs the business, is known as the group that bought the entertainment retailer HMV out of administration in 2013 before it later fell back into administration in 2018. The company also owns the British pottery Denby.

Homebase said in its accounts that the government funding "was used to help offset the significant impact and losses from the temporary closure of all Homebase stores during the peak trading period and longer closures of Bathstore stores, Decorate by Homebase stores and kitchen and bathroom showrooms".

It added that the government support also "offset incremental costs due the pandemic" including protective equipment for staff and other health & safety measures as well as the multimillion-pound write-off of live plants due to store closures. It said the plants had been donated to charities and good causes.

Homebase's decision to hold on to government support, including business rate relief, contrasts sharply with other large retailers.

Kingfisher, the owner of Homebase's rival B&Q, pledged to repay the £130m it received in business rates relief in December 2020 after benefiting from a boom in DIY trade during the Covid pandemic. The business also handed back at least £23m in furlough payments.

The shift to working and studying at home, as well as more entertaining at home, particularly outdoors, prompted many to alter their houses and flats to suit the new way of living. Boredom during lockdowns also enticed younger people to learn DIY skills to improve their homes.

Other retailers, including all the large supermarkets, have also returned almost £2bn in business rates relief and furlough payments.

Hilco declined to comment and Homebase did not respond to a request for comment.

OVER TWO THIRDS OF COUNCILS SET TO RAISE COUNCIL TAX BY MAXIMUM

More than two thirds of councils are considering raising council tax by the maximum amount permitted without having to hold a referendum, LGC research has suggested.

Our analysis of the 50 councils whose plans we have so far seen reveals 68% are considering raising their council tax to the maximum amount permitted without a referendum.

For upper and single tier authorities, this is a 2.99% increase, including the 1% social care precept and 1.99% for general council tax. District councils may choose the greater of a 1.99% or £5 rise.

Our analysis indicates that nine of the first 10 county councils for which information is available are set to raise council tax by the maximum level in 2022-23, with 86% of the unitary councils examined by LGC proposing to do the same.

All the eight metropolitan districts that have announced their plans are proposing to raise council tax over the next financial year, but only three-quarters of them are proposing a maximum rise.

Of the 12 district councils whose plans were available, all but one have proposed raising council tax next financial year, most by something approaching the maximum. Only one of the district councils analysed has proposed to freeze council tax for the next financial year - Mansfield DC.

Among councils proposing a maximum rise in council tax is Nottingham City Council, which declared a Section 114 notice last month.

In the October 2021 spending review, the government reduced the amount councils are permitted to raise the social care precept by without a referendum from 3% to 1%.

Seven of the 39 top-tier councils which have published information are planning council tax rises under the maximum threshold allowed.

Telford & Wrekin Council which has pledged to freeze general council tax rises for both the 2022-23 financial year and 2023-24 and will rely on raising the social care precept only.

Among those raising council tax by the maximum, several will see a 3% rise in the social care precept, having deferred the 2% rise permitted for the 2021-22 financial year to 2022-23. They include Bournemouth, Christchurch & Poole Council which has proposed to raise general council tax by the maximum allowed alongside a 3% increase in the social care precept, amounting to a 4.99% rise in total.

OMICRON CAUSES SURGE IN CANCELLATIONS FOR SMES

One fifth of small businesses have been hit by increased cancellations as Omicron sends Covid-19 cases rising

Figures released by the Office for National Statistics have revealed the sheer scale of cancellations that UK small businesses experienced last month, as fears over the Omicron variant and Plan B rules took hold.

Results from the government's recent fortnightly business survey show almost one in five small business respondents (19%) experienced increased cancellations in November and December 2021.

Understandably, the hotel and restaurant sector has been hit hard – some 45% of business owners in this sector reported a negative impact of customer cancellations.

But the wider service industry has suffered, too, with 50% of all businesses – including hairdressers and beauty salons – experiencing reduced customer bookings.

Covid-19 cases are still being reported at an alarming rate, continuing the disruption into the new year.

In early December, the government announced that all UK workers who could work from home should do so.

Consequently, the much-needed bumper Christmas period slowed, as consumer caution about catching or spreading the virus grew.

Staff shortages have also been hurting businesses, as workers are forced to self-isolate following a positive Covid test result.

The government data showed that more than a third (37.9%) of UK businesses are currently experiencing a shortage of workers.

Chris Ramsbottom is director of the Coventry-based holistic therapy company, The Amethyst Centre. Ramsbottom told us: "In the week before Christmas, zero customers out of the 10 booked turned up. In the week after Christmas, zero customers out of the five booked turned up. I can't go on like this and hope my business is eligible for some of the money Rishi Sunak says is coming to small businesses this month."

As a result of the pandemic, many small businesses pivoted online, accelerating an expansion of e-commerce towards new firms, customers and types of products.

Customers have been given access to a significant variety of products from the convenience and safety of their homes. This has meant that some UK firms have been able to continue operation, despite moving in and out of various coronavirus measures.

Nathan Le-Moine, director of children's educational toys and resources company, Kiddiekin told us that despite a strong early start to Christmas trading in November, "the sudden explosion of Omicron shortly before Christmas resulted in many shoppers quickly reverting to shopping online for their last minute Christmas gifts, with 'express delivery' orders up by 53% on December 2020."

Sophie de Taranto is owner of Shutter Jewellery. De Taranto told us: "Despite deciding not to book any pitches at Christmas Fayres this year, which often make up a good chunk of our November and December takings, we managed to get by on online sales.

"The only downside was the current stress on the postal system and the inevitable delays, so I decided to bring the cut off date for orders forward this year and lost 4-5 days of sales. However, I felt this [would] avoid any last minute stress for me and disappointment for customers."

Want to learn more about taking your business virtual? Read our full guide to moving online post-Covid to learn more about the process and its benefits.

What help is available?

The crucial Christmas retail and hospitality period may now be behind us, and for many businesses, the loss of footfall had a devastating impact. Government support is now available to ease some of the burden for suffering businesses. The support on offer varies by region:

England

Hospitality and leisure firms in England, as well as their supply chains, are now able to access grants of up to £6,000 as part of new government support introduced to lessen the impact of Omicron on small businesses.

More than £100m is also being made available to the Additional Restrictions Grant fund, which councils can give out at their discretion to businesses in need.

Grants will be a one-off support payment from their Local Authority. Businesses are encouraged to apply to their council for grant funding which will be administered over the coming weeks.

Scotland

A similar £107m scheme has been announced for Scottish SMEs.

Hospitality businesses will be contacted by their local authority to access top up funding through the December and January Business Top Up.

Wales

The Welsh Government has announced that £120m will be made available for leisure and hospitality firms, and has also decided to extend support to non-essential retail SMEs.

This will take the form of Non Domestic Rates (NDR) linked grants of up to £6,000. Local Authorities will also deliver a discretionary fund to support sole traders, freelancers and businesses who don't pay rates, with grants of £500 – £2000.

On top of NDR based grants, the Welsh Government's Economic Resilience Fund (ERF) will see up to £25,000 made available for businesses which have seen a reduction in their turnover of more than 60%.

OMICRON GRANTS BRANDED AN 'INSULT' AS MOST PUBS WON'T GET THE FULL £6,000

England's councils start dishing out Omicron Hospitality and Leisure Grants of "up to £6,000" this week - but the majority won't get the full amount and many will get only £2,667

Stricken pub chiefs have branded this week's Omicron grants "an insult" as most boozers are not eligible for the full amount.

England's councils were given a £700m pot on Friday to dish out "up to £6,000" each to hospitality, leisure and accommodation venues.

Councils are being asked to distribute the grants "as soon as possible" and by February 28.

But the £6,000 one-off grant is only for the largest venues with a "rateable value" above £51,000.

The majority of venues are smaller and only get £4,000 or £2,667.

Official figures suggest more than a third of England's pubs, restaurants, cafes and bars will receive only the minimum grant.

And well over half of hotels are due only £2,667, our analysis suggests.

The Campaign for Real Ale (CAMRA) warned the sum may cover just one night's lost takings due to lower footfall.

Michael Kill, chief executive of the Night Time Industries Association, added the grants were "a drop in the ocean" compared to £46k lost by the average business before Christmas.

He told the Mirror: "Over the last two years businesses have been lost, people have lost their careers, some have even lost their family homes due to this pandemic.

"To then amidst the chaos of Christmas have a considerable amount of trade ripped away from them, and be presented with a disproportionate level of support against the backdrop of hundreds of thousands of pounds of losses, can only be seen as an insult."

We analysed figures from the Valuation Office Agency, which calculates venues' 'rateable value' to set their business rates bill.

The one-off Omicron Hospitality and Leisure Grant is set at three levels depending on rateable value. Venues under £15k get £2,667; those valued at £15-51k get £4,000; and those over £51k get £6,000.

But of all 2million rateable properties in England - which also include shops, offices and industry not eligible for the grants - 71% have a value under £15k. 19% are between £15-51k, and just 10% are over £51k.

Crucially, pubs and wine bars have a median rateable value of £17,500.

This means exactly half of all pubs and wine bars have a rateable value under £17,500 - and suggests a large number are below the £15k threshold.

Similarly, restaurants and cafes have a median rateable value of £16,800.

And "hotels etc" have a median rateable value of just £3,900, meaning well over half are below the £15k threshold.

Separate figures, compiled last year by the House of Commons Library, suggested 38% of pubs, 35% of bars and 25% of nightclubs were below the £15k threshold, giving them the lowest grant.

By comparison, just 23% of pubs were in line for the highest possible grant.

CAMRA national chairman Nik Antona claimed 77% of pubs will not receive the full £6k, adding: "The promised grants are not nearly enough to cover the losses faced by pubs.

"It is really a drop in the water when it comes to daily take-home over the festive period - perhaps covering just one night of lost footfall for most of these pubs."

Ministers said the grants were part of a £1bn support package, and councils also get £100m of discretionary business support.

A Government spokesperson said: "We recognise that the hospitality and leisure sector has been severely impacted by the Omicron variant which is why we are providing grants of up to £6,000 to businesses facing challenges.

"We have always said that the amount businesses receive is dependent on rateable value and local authority allocations have been calculated based on the business population within each area."

BUSINESS RATES SYSTEM STILL NEEDS FUNDAMENTAL REFORM

The government's review was an opportunity lost and radical intervention is needed to sustain viable businesses, writes the former chief executive of Birmingham City Council and non-executive director of the Valuation Office Agency, 2017-21.

Imagine a system of income tax where the amount you paid went up every year, even in years when your income fell. Or where the amount you paid was determined by the income of other people. Or that you are still liable for the full amount even if you had no income. And if you believed you had overpaid tax, it could take several years to get it back. And the effective rate of tax could easily be over 40% of turnover before other costs.

I'm not sure it would survive long. Public opinion would tear it apart and one political party or another would change it fast. Nevertheless, that is more or less how the rates system works.

Ratepayers applauded loudly when the government announced its fundamental review of business rates in March 2020, but the outcome, published alongside the October 2021 spending review, seems bound to disappoint.

The reduction in burden, for example to hospitality and retail, is not part of the fundamental review but an extension of the temporary administrative relief brought in to mitigate the impact of Covid. None of the flaws have been addressed. The principal changes are to move to three yearly revaluations and some changes to the collection of data and the processing of appeals which, while worthwhile, don't deliver fundamental change.

Theory versus reality

In theory, rates is a tax on economic rent: the premium income commanded by preferable land locations. In a perfect market, rational economic players are prepared to pay just that much extra for a prime location as to erode the economic advantage of it over a secondary one. For example, in an agricultural world, the less fertile land is left fallow until grain prices rise sufficiently to enable the farmer to make just enough money on the least productive land to pay their costs and make a 'normal rate of return' on capital employed. The 'super profits' they make on their more productive land can be taxed as a windfall gain and it will not reduce their resolve to employ it.

Those super profits are economic rent and can be taxed without distorting activity. So 'rates' are intended as a tax on an income source rather than a wealth tax. In classical economic theory, a tax on (economic) rent is considered very efficient and it should not distort the market. It's all based on "location, location, location".

Of course, that isn't what we actually tax. We have established a complex valuation system that attempts to measure economic rent, forged over time by the valuation profession and tempered by tribunals and courts to the point that a lay person has little hope of understanding what is being measured. But it is clear that if the multiplier can exceed one (which in the 1970s and 1980s it did) so more than 100% of 'economic rent' is collected, and there are no properties with zero rateable value (which economic theory predicts there should be), the actual tax is a levy on the yield from property in current use. Effectively it is a tax on capital employed.

Distorted economic choices

As a tax on a means of production it will distort economic choices. It makes online business more profitable than ones based on using bricks and mortar and less capital-intensive businesses more attractive to entrepreneurs than more capital-intensive ones (remember plant and machinery is 'rated' as well as just land and property).

The amount of tax paid is in effect determined by what was paid in the past by all business plus inflation. That has been moderated this year, because of the dramatic impact of Covid. But prior to that business rates went up by CPI regardless of underlying economic conditions. The government capped council tax, reducing the 'real' level of domestic property taxes during austerity but not business rates.

Each revaluation of rates redraws the distribution of the burden. Frequently in the past, the state of the property market in the City of London would determine whether your bill went up or down. If the City was doing badly and their property rents had risen slowly, your bill was likely to increase!

Even then the relative burden any business paid was based on what the level of rents were at least two years prior to the introduction.

Clogged up with appeals

You could appeal, but not against that valuation date no matter what has happened in the economy since. In any case it would take years to resolve the appeal. The introduction of Check, Challenge, Appeal has helped remove some frivolous appeals, and some of the current changes to data collection are designed to improve the efficiency of the process. But statutory deadlines are still measured in months and years.

Part of the problem with the system is that it is frequently clogged up with thousands of appeals, many of which have little or no chance of success. There are a large number of surveying firms whose existence is predicated on pursuing appeals for ratepayers and whose USP is that they understand the byzantine valuation process. In previous conversations with representatives of these firms they had expressed an interest in moving from five- to three-yearly revaluations as the best way for them to maximise their income and equalise their workload over the cycle!

Four options for reform

A fundamental review would have tried to address some of these weaknesses. For example, if you moved to annual revaluations, you could have a system where the multiplier (the tax rate) was fixed (unless explicitly raised in a transparent way as all other major taxes are). This means changes in rateable value – up and down – are the cause of the change in the burden of the tax. Annual revaluations are possible – other countries do it, although admittedly with a much smaller overall tax burden.

What Covid demonstrated was the need for radical intervention in the business rates system to sustain viable businesses, and the scale of the change needed in those circumstances.

Second, you could have significantly simplified the valuation process, using an explicit formula basis which everyone could understand and apply without use of difficult and esoteric concepts like the 'tone of the list', so ordinary taxpayers can work out if they are paying the right amount.

Third, there would be analysis of the economic distortions created by such a heavy tax on the use of some types of productive assets. That might conclude that the overall burden was too high, and a rebalancing of business taxes overall was desirable.

Fourth, perhaps some of the anomalies of the system could be rooted out. Independent schools can claim charitable tax relief, while local authority schools cannot. Similarly privately owned and publicly owned hospitals. There is small business rates relief, but perhaps the burden could be modified further by considering the economic capability of the underlying taxpayer.

What Covid demonstrated was the need for radical intervention in the business rates system to sustain viable businesses, and the scale of the change needed in those circumstances. The fundamental review was a chance to resolve deep-seated flaws in the rates system. The fact that it was an opportunity lost doesn't mean the issues go away, nor the pressure from taxpayers for change.

Stephen Hughes, former chief executive, Birmingham City Council; non-executive director, Valuation Office Agency, 2017-21