



BUSINESS RATES

Our Solutions, Your Savings

Knight Frank

BUSINESS RATES TYPICALLY EQUATE TO APPROXIMATELY 45% OF ANNUAL RENT

What are Business Rates?

Business rates are a tax on the right to occupy commercial property and typically equate to approximately 45% of annual rent. As such, they represent one of the largest overheads for businesses and substantially impact on the profitability of many organisations.

How are Business Rates Calculated?

Business rates are calculated by multiplying the 'rateable value' of a property by the uniform business rate (UBR).

The 'rateable value' is the Valuation Office's estimate of a property's market rent at a set valuation date. We are currently in the 2010 Rating List with rateable values being based on a valuation date of 1st April 2008.

How We Can Help

Since Business rates are based on the Authorities' or Valuation Office's estimate of the annual rental of a property, the calculation of them is often open to challenge.

The Knight Frank Business Rates team consists of both chartered surveyors and audit specialists, drawing on over 45 years of experience in managing the complexities of the rating system. Our role is to actively seek to reduce your rate liabilities, ultimately placing your company in a better financial position.

What We Do

In simple terms, we use our experience and knowledge of the rating system to mitigate your rate liabilities. If excessive assessments are identified, we can lodge an appeal with the Valuation Office, with the aim of securing a full refund on past payments and a reduction in your rate liability going forward.

We advise clients on traditional accommodation such as offices, industrial and retail premises as well as specialist properties such as hotels, leisure facilities and museums. We are also able to provide strategies to minimise rate liability if a premises is empty, only partially occupied or is adversely affected by external factors such as major building works.

OUR ROLE IS TO ACTIVELY SEEK TO REDUCE YOUR RATE LIABILITIES, ULTIMATELY PLACING YOUR COMPANY IN A BETTER FINANCIAL POSITION.

Case Studies



Client: LA Fitness
Property: Doncaster Head Office and over 100 prestigious health clubs.
Service: Full rate payment management & appeal work.
Result: Over £6 million paid in rates over 2007/2008 period. £250,000 of unclaimed rate credits secured. £1.9 million savings secured as a result of appeal work.



Client: Investec
Property: Gresham Street, City of London.
Service: Full Business Rates Service.
Result: 2010 rating list successfully negotiated. Total savings secured: £1.2 million



Client: Westminster City Council
Property: Substantial operational and investment portfolio of approximately 500 properties
Service: Full Business Rates Service.
Result: Ongoing – Total savings to date in excess of £3.5 million.

LET US DO THE WORK



Services we provide

Effective management of your Business Rates can generate significant savings. Our comprehensive rating service can be tailored to your requirements with our complete Mitigation Strategy covering the following services:

A Complete Business Rates Mitigation Strategy

Rate Assessment Review

- ◆ Determine if the rating assessment is legally valid.
- ◆ Ensure the accommodation matches the assessment both in terms of area and demise.
- ◆ Review the rateable value using our extensive market knowledge.
- ◆ Challenge excessive assessments and secure reductions.
- ◆ Full representation at the Tribunal Service Hearings.
- ◆ Monitor and react to any changes to the property or surroundings over the life of the rating list.

Rate Account Management

- ◆ Forensic rate audit on past payments.
- ◆ Identify and secure all relief's and exemptions.
- ◆ Providing empty rate mitigation strategies.
- ◆ Full Treasury facility with payments by Knight Frank's Accountant team.
- ◆ 24/7 web access to live rate liability position on each property across the portfolio.
- ◆ All refunds tracked, secured and validated.
- ◆ Full Representation at the Magistrates Court where invalid demands are contested.

Why Knight Frank?

Knight Frank is the leading independent global commercial property consultancy where your business is our priority. Established over 100 years ago we insist on transparency, clarity and excellence in the service we provide to our clients; you can be confident that your needs will be met by a wealth of expertise at every stage.

Our market leading rating team offer an unrivalled level of knowledge, experience and success in their field. As a national service line we are well positioned to ensure our client's needs are met without compromise, regardless of location. As a Knight Frank client you enjoy the benefit of a dedicated case handler, acting on your behalf and representing your interest at every stage of the process.



Rates Calculator

See our unique online Rates Calculator to provide you with an estimate of your future rates payable.

Visit knightfrankrating.com to use this service and for further information.



Client: Bruntwood Estates
Property: Former Royal Mail sorting office, St Andrews Street, Manchester.
Service: Completion Notice Appeal.
Result: Appeal successfully negotiated and assessment deleted. Client avoided an estimated Notice of Assessment of £1.6 million and empty rates liability of £700,000 pa.



Client: British Land
Property: 8-12 Baker Street London W1
Service: Empty rate mitigation whilst the building was awaiting redevelopment. RV successfully reduced on appeal and intermittent occupation strategy significantly reduced the holding costs.
Result: Total savings in empty rates achieved on this building since April 2008 in excess of £1.2 million.



Client: Minerva Plc
Property: Segas House, Ellis House, Link House, Croydon
Service: Following the expiry of the Compulsory Purchase Order, the above vacant office assessments were liable for Empty Rates. Appeals served to delete the assessments on the grounds they were 'no longer capable of beneficial occupation'
Result: Total savings achieved £500,000



Our Clients

We are proud to advise some of the leading organisations in the United Kingdom. Our relationship with our clients is at the core of our service. Through regular meetings, we can ensure that strategic rates advice is provided on all property decisions. Our successful track record is shown on our case studies across this report.

AELTCC (Wimbledon)	McAlee & Rushe Group
Almacantar	Metro Bank
Ambac Assurance	Minerva
Arlington	Morley Fund
AVAYA	National Science Museums
Avestus	National Union of Teachers
Big Lottery Fund	NESTA
Boden	Orion Capital Partners
British Land	Orrick
Bruntwood Estate	Osborne Clarke
Capital & Counties	Pentland Group
Carbon Trust	Premier Cru Hotels
Cardiff Bay Partnership	Public & Commercial Services Union
Constellation Group	Quintain Estate & Development Plc
Crown Estate	Reed Smith LLP
Hammerson	RO Developments
Helical Bar	SAWIS
Henderson Global Investors	Scottish Courts Service
Holland & Holliand	Smurfit Kappa
Intel Corporation	Stephenson Harwood
Investec	Talk Back Thames
IVG	Teva UK
KPMG LLP	The Garden Centre Group
L A Fitness Group	Thomas Miller
Lancashire County Pension Fund	Towry Law
Matthew Clark Wholesale	Westminster City Council

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Testimonials

“For Henderson Global Investors, active management of Business Rates is one of the key components in controlling our accommodation cost base. We use Knight Frank, and have for many years, because of the results they achieve on our behalf. They are proactive, innovative and consistent, and we believe, the Number One firm for Business Rates.”

Fred Kinahan, Head of Facilities Management
Henderson Global Investors

“We have used Knight Frank's rating service over the last 10 years and we have always been impressed at their professionalism and the level of savings they have secured. We have no hesitation in recommending them.”

Tony Grimes, Head of Facilities
Investec