

SUCCESS STORY

COLLIERS INTERNATIONAL RATING TEAM ACHIEVES £1.3M SAVING FOR MIDLANDS MANUFACTURER

TEAM – RATING BIRMINGHAM

Graham Ryall
Director
0121 265 7579
graham.ryall@colliers.com

STATISTICS

Savings of £1.3m

SERVICES PROVIDED

Rating Valuation

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CHALLENGE

Our client was a manufacturing company based in the north Midlands. Colliers International rating experts were asked to examine the Valuation Office's assessments of the firm's two factories – which had seen their rateable values increase significantly following the 2005 revaluation.

STRATEGY

Both factories were modern, purpose-built facilities, set in landscaped grounds in rural locations totalling 1,900,000 sq ft in size, and each included substantial rateable plant and machinery.

We carried out a comprehensive inspection of the premises and conducted extensive research into similar sites.

Our negotiations with the Valuation Office focused on the lack of comparable evidence in the region – we argued that a direct comparison with similar properties in the more established industrial and urban locations was flawed by the lack of access to the motorway network.

The VO accepted our argument that to find evidence of comparable properties, we would need to consider a much wider geographical area.

SERVICES

- Initial recommendation and advice from a professional rating surveyor with extensive market experience;
- Detailed measuring survey allowing instigation of procedures to ensure the lowest level of liability is being charged;
- Full analysis of subject property rental transaction, if applicable, and transactions based on comparable properties in the marketplace;
- Proactive lead in discussions with the Valuation Office to ensure best result for our client;
- Provision of additional advice and recommendations on Valuation Office forms of return, Small Business Rate Relief and applications to local authorities on vacant areas of commercial properties;
- Continued rating advice and support throughout the life of the rating list and beyond.

RESULTS

Our approach was a success and agreement on reductions on both factories was finally secured. Thanks to our efforts, the assessments of rateable value were reduced by a total of £620,000, generating savings of £1.3 m in rates.