

Master Guide to UK Rating Revaluations 2026

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Introduction

On 1 April 2026, a new business rates revaluation came into effect in England, Wales, and Scotland, reshaping tax liabilities for 2.4 million non-domestic properties and determining bills until 31 March 2029.

The publication of the 2026 draft local rating lists, alongside the Autumn Budget 2025 and the Scottish Budget in January 2026, establishes the fiscal framework for the next valuation cycle. This revaluation represents the most significant reset of commercial property taxation since the pandemic, driven by the government's shift to revaluations every three years.

With substantial increases in the tax base, a new five-tier multiplier system, transitional caps, relief supplements, and sweeping changes to retail, hospitality, and leisure (RHL) support, the outcomes for ratepayers vary sharply across sectors and regions. These changes demand a strategic approach to ensure businesses are not overburdened by flawed valuations or missed opportunities for relief.

What Are Business Rates?

Business rates are a property-based tax, levied on most non-domestic premises in the UK. While their origins trace back to the Poor Law of 1601, the first standardised national system was introduced by the Rating and Valuation Act 1925. The framework in use today in England and Wales stems from the Local Government Finance Act 1988, implemented in 1990. The modern Scottish system was introduced by the Valuation and Rating (Scotland) Act 1956. Figure 1 displays a formula used to calculate the annual business rates bill for non-domestic properties in the UK.

Figure 1: Standard formula used to calculate the annual business rates bill.



Calculated by reference to rental values on a fixed valuation date, business rates provide a stable, hard-to-avoid revenue source for funding local services. Liabilities are tied to property values through periodic revaluations.



England and Wales

The Purpose of Revaluation

At its core, the revaluation of non-domestic (business) rates is designed to redistribute the tax burden more fairly based on updated rental value across more than 2.4 million hereditaments.

Unlike council tax for residential properties—which is still based on outdated domestic property values from April 1991 in England and Scotland and April 2003 in Wales—the business rates system is regularly revalued to reflect current market conditions.

Business rates are a statutory tax on non-domestic properties, with liabilities derived from the property's rateable value (RV) multiplied by the appropriate business rate multiplier (the "pence in the pound"). They exist to provide a stable, unavoidable revenue stream for funding local services.

Basis of 2026 Rateable Values

Rateable values for the 2026 draft local rating lists are based on open market rental values as of 1 April 2024, known as the antecedent valuation date (AVD). The Valuation Office Agency (VOA) has estimated what a property could reasonably be let for on that date, assuming it was vacant and available on the open market.

This date is key—it attempts to capture the market as it stood two years before the new list takes effect. The valuation should reflect structural shifts in occupier demand, the post-COVID realignment in workspace needs, regional market trends, legislative changes, and policy developments.



Revaluations are designed to:

- Redistribute the tax burden according to up-to-date rental values
- Reflect market shifts and sectoral trends
- Realign liabilities that may have shifted away from the underlying economic reality

The 2026 Draft Local Rating Lists: A Transformative Shift in the Tax Base

The 2026 draft local rating lists reveal a substantial uplift in the national tax base.

Key Insights:

£2.13M
properties assessed

Total RV rises from
£70.8B → £84.4B

+19.4%
England overall increase in RV

+15.2%
Wales overall increase in RV

+22%
London leads regional increases

+16%
East Midlands records the lowest rise in England

Regional Movements

The data in Table 1 highlights significant regional variations, driven by post-pandemic recovery, shifting occupier demand, and the robust performance of specialist and receipts and expenditure (R&E) valued assets.

Revenue Neutrality

Crucially, revaluations are revenue neutral at a national level. While the overall tax yield remains broadly unchanged, individual ratepayers will see their bills rise or fall depending on how their property or sector has performed relative to the rest of the tax base, creating “winners” and “losers.”

To preserve revenue neutrality, the uniform business rate (UBR) multipliers (the pence-in-the-pound tax rates) have been reset for the 2026/27 financial year in line with the total new RV across the tax base. For the 2026/27 financial year, the tax take has increased in accordance with the Consumer Price Index (CPI) as at September 2025. The new multipliers include an allowance for anticipated rating appeal losses during the life of the new list.

Table 1: RV percentage changes across all sectors, rounded to the nearest whole number.

Region	Change in RV (%)
London	+22%
South East	+20%
North West	+19%
East of England	+18%
North East	+18%
South West	+18%
Yorkshire and the Humber	+18%
West Midlands	+17%
East Midlands	+16%
Wales	+15%

Source: Ryan

How the New Multipliers Work: The Five-Tier System

For the first time, England has implemented a five-tier multiplier structure starting in April 2026 (Table 2).

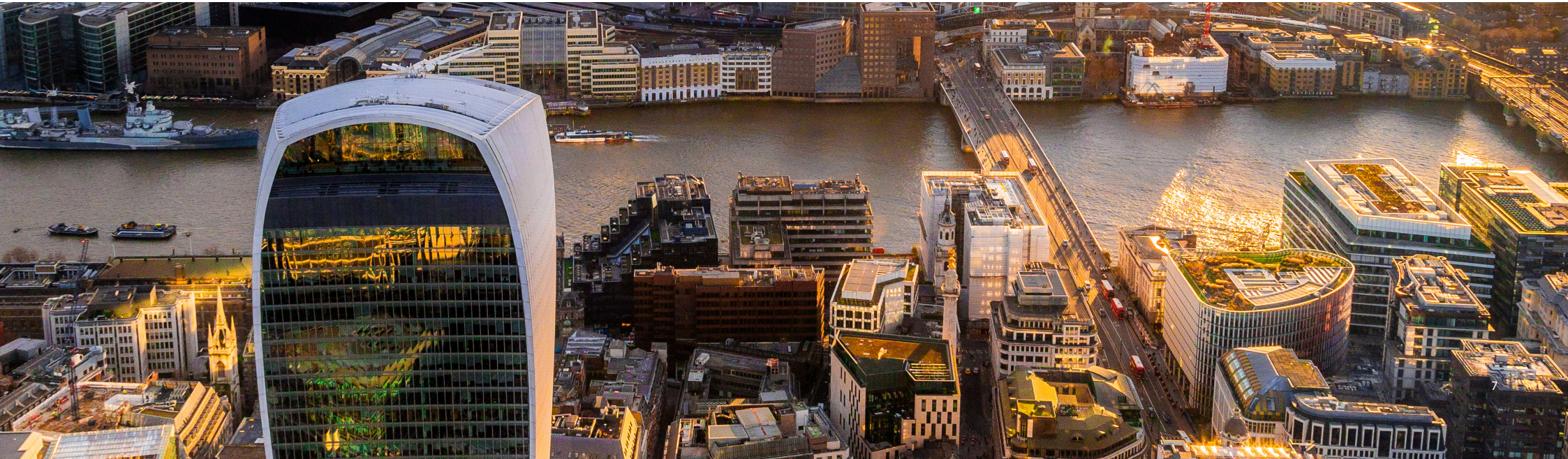
Key Features of the New System

- High-value surtax: A 2.8p surtax applies to all properties with an RV of £500,000 or more.
- Legislative cap: While legislation allows for a surtax of up to 10p, the government has opted to use less than one-third of the permitted maximum.
- RHL multipliers: The RHL multipliers are only 5p below national rates, a significant reduction in generosity compared to the current 40% discount.
- Cap removal: The removal of the £110,000 cap will provide relief for multisite operators.

Table 2: Five-tier multiplier structure.

Multiplier	Rate	Applies to
Small Business Multiplier	43.2p	Non-RHL < £51,000 RV
Standard Multiplier	48.0p	Non-RHL ≥ £51,000 RV
High-Value Multiplier (HVM)	50.8p	All hereditaments ≥ £500,000 RV
RHL Small Business	38.2p	RHL < £51,000 RV (and <£500,000 overall)
RHL Standard	43.0p	RHL ≥ £51,000 RV (and <£500,000 overall)

Source: Ryan



The Position in Wales: Multipliers Confirmed

Wales has implemented a three-tier multiplier system starting 1 April 2026. The Welsh Government solidified this framework in its written statement on 3 December 2025, following the statutory structure established by The Non-Domestic Rating (Description of Differential Multipliers) (Wales) Regulations 2025, enacted on 5 November 2025.

2026/27 Welsh Multipliers:

- Retail multiplier: 35.0p
- Standard multiplier: 50.2p
- Higher (surtax) multiplier: 51.5p

These rates replace the single 2025/26 multiplier of 56.8p, marking a significant shift in Wales' approach to non-domestic rating.

Retail Multiplier Eligibility (as Defined in Law)

Retail multiplier eligibility applies exclusively to hereditaments that have an RV less than £51,000 and are listed in the rating list as:

- Shop and premises
- Post office and premises
- Pharmacy and premises
- Kiosk and premises

Higher Multiplier Eligibility (with Statutory Exemptions)

Higher multiplier eligibility applies to hereditaments with an RV exceeding £100,000 that are not classified as public-service hereditaments, including:

- Hospitals, health centres, and surgeries
- Schools, colleges, and universities
- Police, fire, and ambulance stations
- Law courts, prisons, and libraries
- Museums, leisure centres, swimming pools, and sports centres

This structure ensures that public services, including the NHS, are shielded from funding retail relief through higher business rates—a clear departure from England's system.



The New Transitional Relief Scheme

Transitional Relief in England

The government is introducing a three-year transitional relief scheme to cap bill increases for properties with sharply rising RVs, as shown in Table 3.

Bills for many large, rising-value assets could increase by approximately 110% over the cycle before full convergence in 2029.

Transitional Relief Supplement (TRS)

To fund the scheme in 2026/27, a 1p supplement will apply to all ratepayers not receiving transitional relief. This means even properties with falling or stable values will face higher-than-expected bills next year because of the supplement.

Transitional Relief in Wales

The Welsh Government has introduced a two-year transitional relief scheme to support ratepayers facing liability increases exceeding £300 because of revaluation.

Structure of Welsh Transitional Relief:

33% increase payable in 2026/27

66% increase payable in 2027/28

Full liability applies 2028/29

The scheme's key feature is the absence of tiering or differential caps based on property size or value.

With both multipliers and transitional relief now confirmed, Welsh ratepayers can accurately model their 2026/27 bills by factoring in their RVs, multiplier category, and transitional phasing.

Table 3: Annual caps on increases in England.

RV Band	2026/27	2027/28	2028/29
Up to £20,000 (£28,000 in London)	5%	10% + CPI	25% + CPI
£20,000 to £100,000	15%	25% + CPI	40% + CPI
More than £100,000	30%	25% + CPI	25% + CPI

Source: Ryan

Winners and Losers: The Sharpest Movements in 2026

The 2026 revaluation has revealed significant shifts in RVs, with some property types experiencing dramatic increases while others see reductions or stability.

These changes highlight the volatility inherent in the R&E method and Contractor's Basis of valuation. See Tables 4 and 5 for a breakdown of the sharpest movements by property type and Tables 6 to 9 for the sharpest movements by region.

Top 10 Largest Increases

The property types listed in Table 4 have experienced the most significant increases in RV, reflecting evolving market dynamics and valuation methodologies. These sharp rises emphasise the impact of demand, investment, and operational changes on asset valuation under the R&E and Contractor's Basis approaches.

Top 10 Biggest Reductions

In contrast, the property types listed in Table 5 have seen the largest reductions or minimal changes in RV, with some remaining stable. These outcomes underscore the variability in valuation methodologies and market conditions for R&E and the Contractor's Basis for valuing assets.

Table 4: Top 10 largest increases (RV percentage change).

Property Type	Change in RV
Civil Airports	+295%
Royal Palaces	+201%
Arenas	+138%
Game Farms	+131%
Specialist Car Parking	+124%
Lodges	+122%
Railways and Tramways (Non-Leisure)	+112%
Hotels (4*+ and 3* Chains)	+97%
Golf Driving Ranges	+80%
Holiday Centres	+74%

Table 5: Top 10 biggest reductions (RV percentage change).

Property Type	Change in RV
Film Studios	-27%
Pumping Mines	-26%
Museums and Art Galleries (Non-Contractors)	-11%
Windmills	-9%
Sporting Rights	-3%
Telephone Kiosks	-2%
ATMs	0%
Large Shops >1,850m²	0%
Mortuaries	0%
Telescope Sites	+1%

Source: Ryan

Regional and Sectoral Analysis

The following tables summarise the regional RV changes for key property classes, providing a clear view of how different regions and sectors have been impacted.

Retail

Retail properties have seen moderate increases across England, with London leading the way, as shown in Table 6.

Table 6: Regional percentage change in RV for retail properties.

Region	Change in RV
London	+13%
South East	+10%
East Midlands	+9%
East of England	+9%
West Midlands	+9%
Yorkshire	+8%
South West	+7%
North West	+6%
North East	+3%
England Overall	+10%
Wales	+5%

Industrial

Industrial properties have experienced significant growth, particularly in the North West and North East, as shown in Table 7.

Table 7: Regional percentage change in RV for industrial properties.

Region	Change in RV
North East	+25%
North West	+25%
London	+24%
Yorkshire	+23%
East of England	+20%
South East	+20%
West Midlands	+20%
South West	+19%
East Midlands	+18%
England Overall	+21%
Wales	+20%

Offices

Office properties have seen steady increases, with the South West leading regional growth, as shown in Table 8.

Table 8: Regional percentage change in RV for offices.

Region	Change in RV
South West	+19%
North East	+17%
North West	+15%
South East	+15%
Yorkshire	+15%
London	+14%
East of England	+12%
West Midlands	+12%
East Midlands	+6%
England Overall	+14%
Wales	+11%

Source: Ryan

Other Property Types

The “other” category, as shown in Table 9, has experienced the most dramatic increases as a result of the 2026 revaluation. This category is the VOA’s catch-all grouping for properties that do not fit into the main bulk classes, including retail, office, and industrial. It encompasses a wide range of miscellaneous and often specialist hereditaments, including many complex assets valued on the R&E basis.

Examples of properties within this grouping include airports, football stadiums, museums, galleries, universities, NHS facilities, police and fire stations, and other major public, cultural, and civic buildings. The inclusion of these R&E-valued assets and those valued on a Contractor’s Basis is the primary reason this class shows such high movements at the 2026 revaluation.

As a statistical grouping covering disparate property types, shifts within “other” reflect the aggregate effect of a highly mixed valuation cohort rather than a single sector trend. The magnitude of these increases underscores the unique valuation methodologies applied to assets in this category and the volatility inherent in such a diverse grouping.

Table 9: Regional percentage change in RV for “other.”

Region	Change in RV
London	+45%
South East	+27%
North West	+25%
South West	+24%
East of England	+23%
North East	+22%
East Midlands	+20%
West Midlands	+20%
Yorkshire	+20%
England Overall	**+29%**
Wales	**+20%**

Source: Ryan



The R&E Method and the Airport Effect: A System Under Scrutiny

The 2026 draft local rating lists confirm that R&E-valued assets have experienced the sharpest increases in RVs, driven by:

- **The switch from the AVD in April 2021 (COVID-suppressed) to April 2024 (near full recovery):** The valuation snapshot reflects a market that has rebounded significantly from pandemic lows.
- **Strength in income streams:** Many R&E assets demonstrated robust income performance at the valuation date, amplifying RVs.
- **Concerns over simplified valuation models:** While the Upper Tribunal has ruled that a shortened R&E method fails to fully capture the valuation matrix for these properties, there is sector concern that more streamlined R&E models may have been applied in practice.

Why This Matters

- **Concentration of high-value ratepayers:** 8 of the top 10 largest ratepayers in 2026/27 are airports, nuclear facilities, or other R&E-valued infrastructure.
- **Capped increases mask underlying growth:** Many of these properties will face the maximum 30% capped transitional increase in year one, signalling substantial underlying RV increases.
- **Delayed reform:** Although the government has launched a Call for Evidence into the R&E method, any reforms will come after 2026. Operators must absorb these increases in the interim.



Interaction of the Budget and the Draft Local Rating Lists: Why Bills Still Rise

Despite the introduction of lower multipliers and reliefs, the business rates system will raise an additional £3.5 billion across the UK during the 2026/2027 financial year.

Key Drivers of the Increase:

- **CPI uprating:** Inflation adjustments continue to push liabilities higher.
- **Tax base growth:** A 19.2% increase in the tax base across England and Wales.
- **Withdrawal of RHL discounts:** The temporary RHL discounts have been removed.
- **Redistribution from the five multipliers:** The new multiplier structure shifts liabilities across property types.
- **Prefunding uplift:** The Office for Budget Responsibility (OBR) forecasts a prefunding uplift of 3.75% of gross rates to cover expected losses on appeals.
- **1p TRS:** The introduction of the TRS adds further upward pressure.

Even with structural reforms, the business rates system continues to “do heavy lifting” for the Exchequer, underscoring its critical role in public revenue generation.



Understanding the 2026 Revaluation

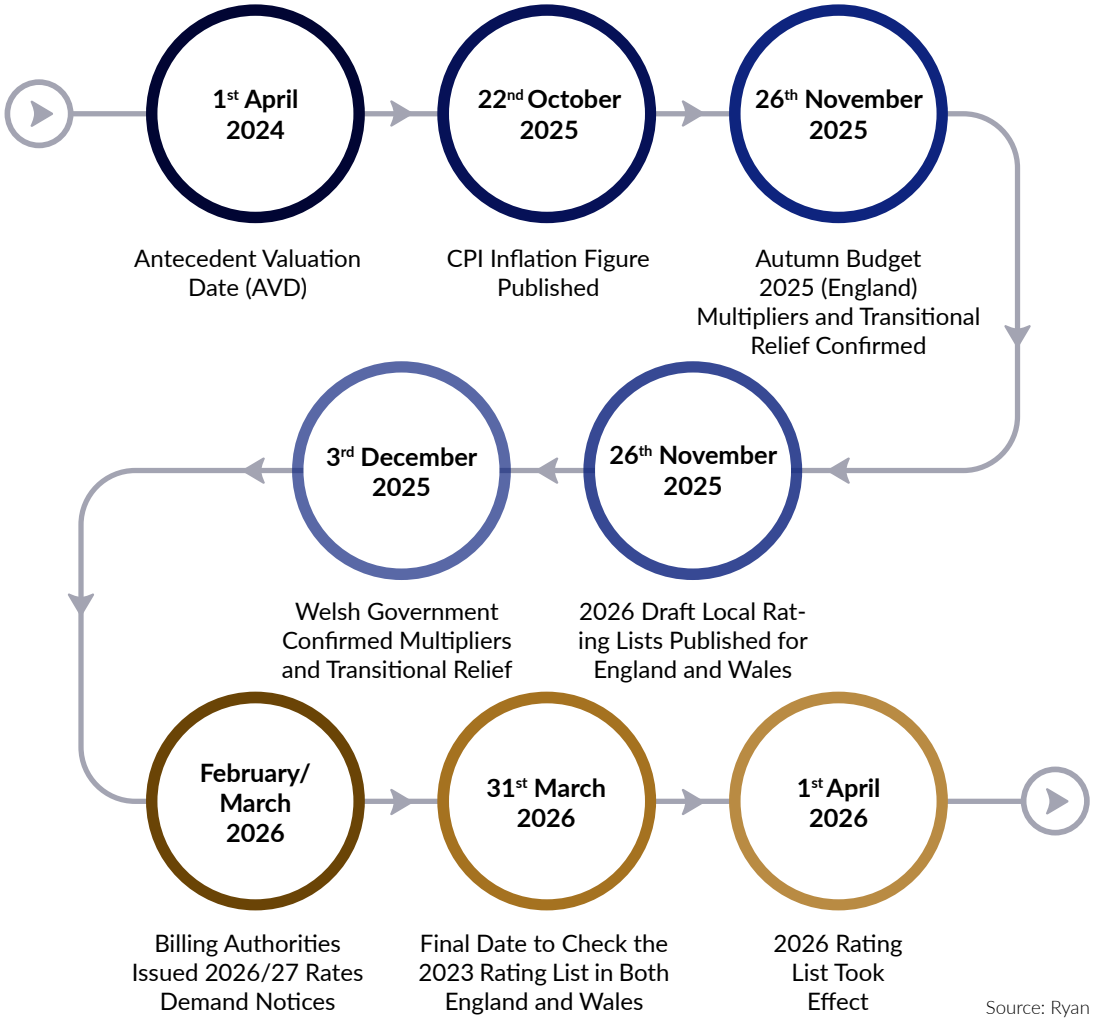
Proactive preparation is essential for businesses, as it enables them to anticipate changes in their rates' liabilities, assess the financial impact early, and take informed steps to manage costs, appeal valuations if necessary, and align budgeting with the new tax landscape.

To prepare, businesses should:

- Review leases and rent reviews to assess evidence that could affect valuations.
- Check VOA records for any factual errors that could distort liabilities.
- Model a range of scenarios to understand potential changes in bills.
- Plan budgets to absorb potential cost increases.
- Identify properties for potential appeal following release of the draft list.

The 2026 revaluation offers an opportunity to reset business rates in line with market realities, but it also introduces the risk of volatility for those unprepared. The ratepayer's best defence is foresight, informed analysis, and early engagement with a professional adviser. See Figure 2 for key 2026 revaluation milestones for England and Wales.

Figure 2: Key 2026 revaluation milestones for England and Wales.



Source: Ryan

A New Cycle, a New Set of Risks and Opportunities

The 2026 revaluation marks a fundamental reset of the business rates system, introducing both challenges and opportunities for ratepayers:

- **A significantly enlarged tax base:** A 19.2% increase across England and Wales reshapes the financial landscape.
- **Redistributive multiplier reform:** The most substantive changes in decades, shifting liabilities across property types and regions.
- **Transitional caps:** These delay, but do not eliminate, the impact of large RV increases.
- **A redefined RHL support regime:** Permanent changes reduce relief generosity, particularly for RHL properties.
- **Sharp increases for R&E-valued assets:** Airports, nuclear facilities, and other infrastructure face the steepest rises.
- **Regional variation:** London leads the way, with strong growth in other regions reflecting post-pandemic recovery and shifting demand.

For many ratepayers, this is the most consequential revaluation since 1990, requiring careful planning and strategic action.

Looking Ahead

The 2026 revaluation underscores the evolving complexity of the business rates system. While it introduces significant risks, it also creates opportunities for proactive ratepayers to challenge valuations, optimise liabilities, and adapt to the new landscape.

At Ryan, we specialise in helping businesses navigate these pivotal moments. Whether it's identifying savings, managing appeals, or planning for the future, our expertise ensures you're prepared to meet these challenges head-on.

Let's turn uncertainty into opportunity—together.





Scotland

This section outlines the key outcomes of the 2026 Scottish non-domestic rates (NDR) revaluation and confirms the business rates framework applying from 1 April 2026. Ryan provides this analysis to equip occupiers, owners, and investors with Scottish property exposure with the insights needed to navigate the system.

We explain how the Scottish system operates, summarise draft valuation outcomes, assess the impact on liabilities, and outline the statutory processes available to protect your bottom line.

How NDR Operate in Scotland

NDR function as a property-based tax levied on lands and heritages used for non-domestic purposes. Liability is calculated using the following formula:

Rateable Value × Poundage – Reliefs

Key features of the Scottish system include:

- Independent Valuation: The Scottish Assessors' Association (SAA) determines values, distinct from the VOA.
- Single Tone Date: The system applies one valuation date consistently across the valuation roll, which is currently 12 months before the valuation roll comes into force.
- Poundage-Based System: Scotland utilises a poundage model rather than a multiplier reform model.
- Periodic Revaluations: Like England and Wales, the system resets values periodically to align with market conditions. This is currently on a three-yearly cycle.



The 2026 Revaluation: Framework and Timing

The 2023 revaluation marked a pivotal shift as the first to operate under the three-year cycle introduced following the Barclay Review of Non-Domestic Rates. This revaluation strategically realigned the tax base to reflect shifts in rental values across properties and sectors. It ensures fairness without altering valuation methodology, statutory assumptions, or the underlying tax structure. The 2026 revaluation is undertaken with the benefit of a full revaluation cycle having passed and increased certainty on procedures.

Draft 2026 Valuation Roll: Scotland-Wide Position

Ryan's analysis of the draft valuations issued by the SAA revealed a material uplift in the Scottish tax base ahead of the 2026 revaluation.

Key Statistics:

260,000 approx
properties on the draft roll

£915 million
aggregate draft RV increase

12.23%
percentage increase

Distribution of Valuation Movements:

144,000
properties show an increase in RV

40,000
properties show a decrease

74,000
properties show no change

Key Dates:

1 April 2026

Effective Date of New Valuation Roll

1 April 2025

Tone Date

Previous Revaluation:

1 April 2023

(with a tone date of 1 April 2022)

Values based on physical circumstances as of 15 March 2026

Sector and Property-Type Impacts

While all major property classes show an aggregate increase in RV, the scale of change varies significantly:

+28%
Hotels and Leisure/ Entertainment

+23%
Advertising

+21%
Public Sector Buildings

+6%
Shops

+5%
Offices

<1%
Care Facilities

Source: SAA Valuation Roll

Four Classes:

Industrial | Offices | Shops | Statutory undertakings

Each carry draft values exceeding £1 billion. Together, they account for nearly two-thirds of the Scottish non-domestic tax base.



Poundage Rates: Before and After April 2026

Although the Scottish Government has reduced poundage rates, these reductions often do not offset the material increases in RV. Tables 10 and 11 outline the rates before and after the adjustments effective from April 2026.

These changes represent reductions of approximately 3.4% to 3.5% across all bands. While lower poundages moderate liabilities, proactive management remains essential for properties experiencing uplift.

Table 10: Poundage before 1 April 2026 (2025/26).

Band	Rateable value	Poundage
Basic	≤ £51,000	49.8p
Intermediate	£51,001 to £100,000	55.4p
Higher	> £100,000	56.8p

Table 11: Poundage from 1 April 2026.

Band	Rateable value	Poundage
Basic	≤ £51,000	48.1p
Intermediate	£51,001 to £100,000	53.5p
Higher	> £100,000	54.8p

Source: The Scottish Government



Cash Impact of the Revaluation

Despite reduced poundages and transitional protections, the cash burden on businesses will rise significantly.

Published Revenue Forecasts:

£3.097 billion

2025/26 NDR revenue

£3.387 billion

2026/27 forecasted NDR revenue

This represents £290 million more in cash, equivalent to a 9.4% year-on-year increase.

The 2026 revaluation marks a pivotal shift because the government has deliberately abandoned the principle of revenue neutrality at a national level. This decision has driven a substantial real-terms increase in rates liability for ratepayers across the UK.

Reliefs Applying from April 2026



Small Business Bonus Scheme (SBBS)

- Retained at existing thresholds for the full three-year cycle
- Removes around 100,000 properties from rates entirely
- Eligibility tightened for certain land-based uses and short-term lets



Retail, Hospitality, and Leisure (RHL) Relief

- 15% relief for three years, excluding licensed hospitality
- 40% relief for licensed hospitality sector
- Applies to properties liable at basic or intermediate rates with an RV up to and including £100,000
- Business-level cap: £110,000 per year
- Enhanced relief: 100% relief for qualifying RHL properties on islands and specified remote areas

Transitional Relief: Two Distinct Schemes

Transitional relief schemes delay impact but do not remove the impact of higher valuations. The three distinct schemes are as follows.

1. Revaluation Transitional Relief (Gross Bills)

As shown in Table 12, this scheme caps the annual increases in gross liability arising from revaluation based on specific RV bands.

Table 12: Capped annual increases in gross liability based on RV bands.

RV Band	2026–27	2027–28	2028–29
≤ £20,000	15%	22%	38%
£20,001 to £100,000	30%	44%	75%
> £100,000	50%	75%	113%

2. Small Business Transitional Relief (Net Bills)

This relief applies when eligibility for Small Business Rates Relief is lost.

2026–27	2027–28	2028–29
25% of increase payable	50% of increase payable	75% of increase payable

3. Self-Catering Transitional Relief

(Capped Annual Increase in Gross Liability)

2026–27	2027–28	2028–29
15%	32%	52%



Draft Valuations, Representations, and Appeals

The Appeal Window: A Critical Opportunity for Savings

Scotland operates a defined statutory appeal window following revaluation. This is your moment to act.

For the 2026 revaluation:

- The final valuation roll took effect on 1 April 2026.
- Ratepayers have until 31 July 2026 to lodge a formal proposal against the 2026 RV.

Critical Risk:

If you do not lodge a proposal within this four-month window, the 2026 RV will remain in force for the entire three-year cycle. Transitional relief may expire, but the valuation remains. There is no opportunity to submit a proposal at a later date when transitional relief expires on a property.

What Ratepayers Should Be Doing Now

The 2026 Scottish revaluation materially increases the cash burden on businesses, even after poundage reductions and reliefs.

While the impact varies by sector and asset type, you can manage this exposure through early action and valuation accuracy.

- Review draft 2026 RVs immediately.
- Test valuations against tone-date rental evidence.
- Identify exposure above relief thresholds and caps.
- Engage early with the SAA where values appear excessive.
- Prepare formal proposals for submission by 31 July 2026 if an agreement cannot be reached.

Ryan combines deep expertise with innovative technology to verify valuation accuracy at the start of the cycle. Early, evidence-led engagement within the statutory appeal window remains the definitive way to secure results.





Northern Ireland

In late January 2026, Land & Property Services (LPS) published the draft valuation list for the NDR revaluation 2026 (NI Reval2026). The draft list covers approximately 75,000 non-domestic properties across Northern Ireland, outlining proposed net annual values (NAVs) based on updated rental evidence.

Following the release of the draft list, the finance minister paused the Reval2026 process. This decision came after businesses, particularly within the hospitality sector, raised concerns. The Department of Finance has formally acknowledged the pause.

Northern Ireland, which was also due to revalue in 2026, paused the process following political intervention in January after sustained pressure from the hospitality sector. As a result, it now enters the new 2026/27 financial year without a revaluation and with no confirmed timetable for its resumption.

"Pausing revaluation in Northern Ireland reflects a political choice about how to respond to post-pandemic increases in valuations, highlighting the divergence in policy across the devolved nations."

Alex Probyn, Principal, Practice Leader, EAP Property Tax

Purpose of Revaluation

The statutory revaluation process ensures NAVs reflect current open-market rental evidence. This maintains fairness in the distribution of business rates liability among ratepayers.

The revaluation process is designed to remain revenue neutral in aggregate. The system adjusts regional and district rates to ensure total receipts stay broadly unchanged. Consequently, shifts in individual liabilities stem from relative movements in value rather than an increase in the overall tax take.

While these core principles underpin the Northern Ireland revaluation framework, the timing and implementation of Reval2026 are now subject to ministerial review.

Valuation Context and Timing

The previous Northern Ireland revaluation took effect in 2023 and relied on rental values from October 2021, a period significantly impacted by pandemic-related disruption. In contrast, Reval2026 rebases all non-domestic properties onto rental values as of 1 April 2024, reflecting substantially more normalised trading and market conditions.

Under the original timetable, rates bills issued from 1 April 2026 were set to be calculated using the updated Reval2026 valuations, alongside the regional and district rates for 2026/27. However, following the minister's decision to pause the process, this position is no longer certain and awaits formal confirmation.

Headline Valuation Outcomes

Ryan's analysis of the draft valuation list published in January 2026 indicates an overall increase of approximately 15% in aggregate NAV across the Northern Ireland non-domestic rating list compared with the current valuation.

Distribution of Valuation Movements:

- Around 67% of properties display draft NAV increases at or less than the overall national average uplift.
- A smaller proportion of properties accounts for the largest changes, reflecting sector-specific market pressures rather than uniform growth across the tax base.



Sectoral Movements

Industrial, Logistics, and Manufacturing

Industrial, logistics, and manufacturing properties record some of the strongest valuation growth at Reval2026, with average NAV increases of around 16%.

Key drivers of growth include:

- Sustained occupier demand
- Limited availability of modern accommodation
- Continued upward pressure on rents across well-located estates

These trends broadly align with wider UK industrial market conditions.

Offices

Office properties show a more moderate uplift, with draft NAVs rising by around 9% overall. Growth appears strongest in prime Belfast locations, while secondary offices and more peripheral markets record flatter outcomes. The draft list reflects selective rental growth rather than a uniform uplift across the office market.

Retail

Retail properties also record an average increase of around 9%, though outcomes vary significantly by location and format. Prime urban retail locations have generally outperformed secondary and local high-street locations, resulting in a wide distribution of individual outcomes beneath the headline average.

Hospitality

The hospitality sector records some of the largest valuation movements at Reval2026.

Key Increases:

Hotels

84%

Aggregate increase in total valuations.

Public Houses

47%

Aggregate increase in total valuations.

For many hospitality properties, these uplifts reflect improved trading conditions following the pandemic, alongside expansion, refurbishment, and capital investment since the last valuation. These factors, combined with location-specific performance, result in a high degree of variance within the sector.

The scale of these draft movements has driven significant political and sectoral concern, leading to the minister's decision to pause the revaluation process.



From Valuations to Rates Bills

Draft NAVs represent only one component of any future rates liability. Actual rates bills for 2026/27 will depend on three key factors:

- The applicable valuation list
- The regional rate, set annually by the Northern Ireland Executive
- The district rate, set by the relevant district council

At this time, the link between the draft Reval2026 valuations and the 2026/27 rates bills is uncertain, pending confirmation on whether and when the revaluation will be implemented. In the absence of an operative new valuation list, rates bills would typically continue to be calculated using the existing valuation list. However, the Department of Finance or LPS has not yet formally confirmed this position.

Fiscal Context

NDR serve as a major source of public-sector funding in Northern Ireland, raising around £720 million per year. This revenue supports a wide range of regional and local services. Revaluation redistributes this tax burden between ratepayers but does not increase the overall amount collected in aggregate.

Governance and Timing Concerns

Business rates are a fully devolved matter in Northern Ireland. The late publication of draft valuations, followed by ministerial intervention, highlights the governance and policy risks associated with compressed revaluation timetables.

The lack of clarity on whether Reval2026 will proceed, be delayed, or be replaced complicates planning for occupiers, landlords, and investors for the 2026/27 rating year.



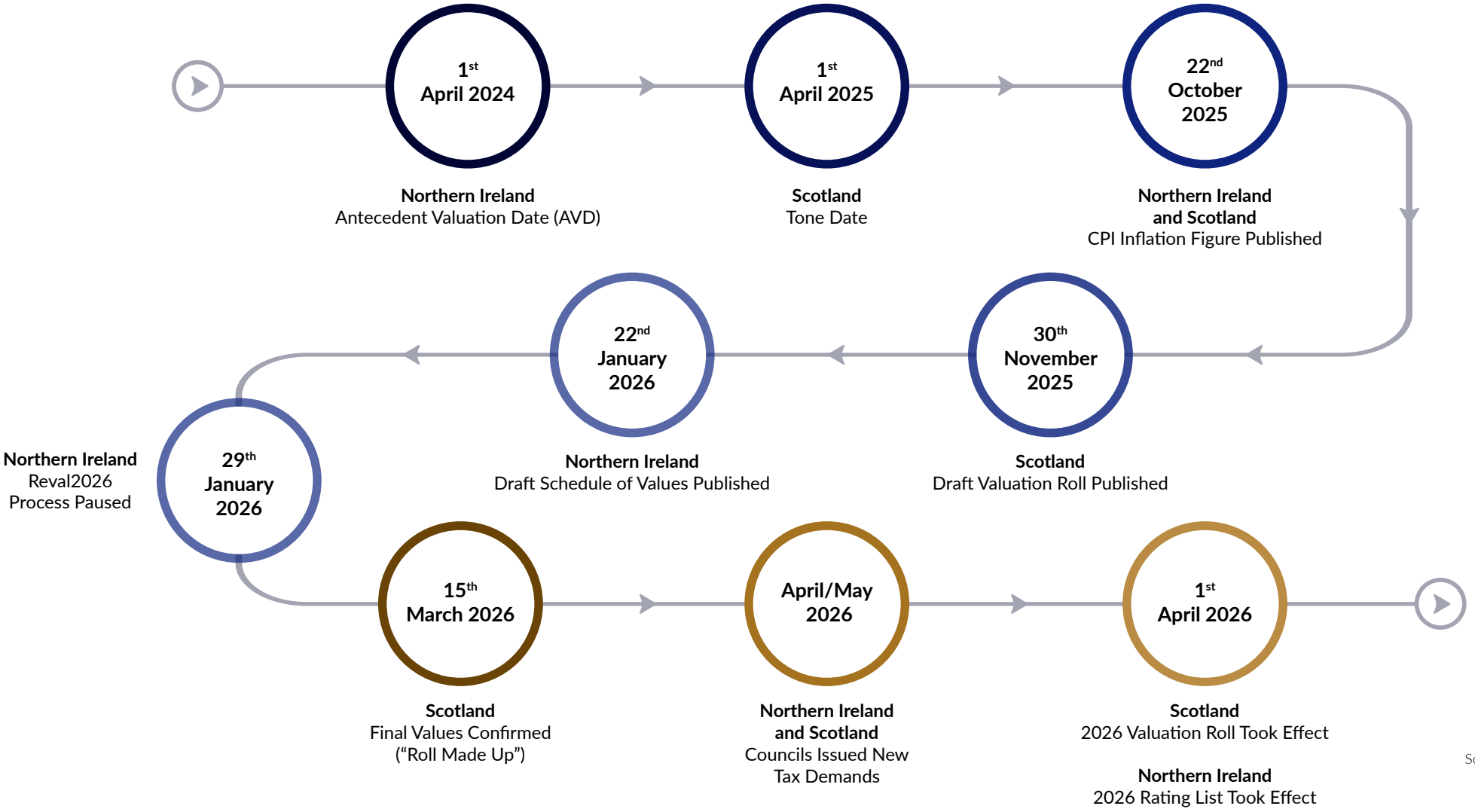
What Businesses Should Do Now

- Monitor developments closely because formal decisions may be required to clarify future direction.
- Review draft NAVs and benchmark against comparable properties.
- Submit additional information to LPS where draft values do not reflect market evidence.
- Monitor regional and district rate announcements.
- Assess relief eligibility, given that reliefs remain a critical component in moderating final liabilities.

Ryan combines deep expertise with innovative technology to verify valuation accuracy. Early, evidence-led engagement remains the definitive way to secure results and ensure your business positions itself for success.



Key 2026 Revaluation Milestones: Scotland and Northern Ireland



Source: Ryan

About Ryan

Ryan, an award-winning global tax services and software provider, is the largest Firm in the world dedicated exclusively to business taxes. The Firm provides an integrated suite of international tax services on a multijurisdictional basis, including cost management, compliance, consulting, technology and transformation, and innovation funding. Ryan's global Property Tax practice combines local expertise and advanced technology to deliver strategic property tax and business rate management, reporting, forecasting, and litigation support, as well as agency and lease consulting. We combine industry-leading technology with unmatched market insights, leveraging the expertise of our team across North America and the United Kingdom to streamline processes like assessments, management, appeals, and forecasting while providing clients with the clarity needed to make informed decisions. Ryan's multidisciplinary team of more than 7,100 professionals and associates serves over 74,000 clients in more than 80 countries, including many of the world's most prominent Global 5000 companies. More information about Ryan can be found at ryan.com.

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