



Valuation Tribunal Users' Group

Minutes of the Meeting held via MS Teams on Tuesday 7 September 2021 at 11:00 am

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|-----------------|------------------------|-------------------------------------------------------------------|
| Present: | Tony Masella - | Valuation Tribunal Service (Chair) |
| | Lee Anderson - | Valuation Tribunal Service (Director of Operations & Development) |
| | Jon Bestow - | Valuation Tribunal Service (Registrar & Chief Clerk) |
| | Harry Rich - | Valuation Tribunal Service (Board Chair) |
| | Gary Garland - | Valuation Tribunal for England (President) |
| | Simon Green - | Royal Institution of Chartered Surveyors |
| | Charles Golding - | Royal Institution of Chartered Surveyors |
| | Tim Johnson - | Rating Surveyors' Association |
| | Dennis Broughton - | Rating Surveyors' Association |
| | Louise Freeth - | Institute of Revenues Rating & Valuation |
| | Michael Pearce - | Valuation Office Agency |
| | Helen Zammit-Willson - | Valuation Office Agency |
| | Chris Sykes - | Valuation Office Agency |
| | Mike Heiser - | Local Government Association |
| | Roger Jones - | Local Government Association |
| | Nicola Hunt - | Secretary |
| Absent: | Blake Penfold - | Royal Institution of Chartered Surveyors |
| | Daniel Bellis - | Federation of Small Businesses |

1 Welcome and apologies for absence

1.1 The Chair welcomed all attendees to the meeting.

1.2 Apologies were noted from Andrew Hetherington (Institute of Revenues Rating & Valuation), Carla-Maria Heath (Institute of Revenues Rating & Valuation) and Cain Ormondroyd (Planning & Environment Bar Association).

2 Minutes of the meeting held on 29 June 2021

2.1 The minutes of the meeting held on 29 June 2021 were accepted as an accurate record and confirmed.

2.2 There were no matters arising.

2.3 *(Michael Pearce to provide details of cases where additional or new evidence was allowed despite objections by VOA staff)* Michael Pearce had not yet provided details of these cases, he will provide them in due course.

2.4 *(Professional bodies to submit their views in writing on the VT interpretation of the scope to appeal on challenge to multiple assessments under one proposal)* Discussions took place during the VTUG meeting held on 29 June 2021 regarding the scope to appeal on challenge to multiple assessments under one proposal. Following this meeting Blake Penfold submitted a response on behalf of rating consultancy members of the RICS Rating and Local Taxation Advisory Forum.

2.5 Jon Bestow explained that in discussions with the VTE President, Gary Garland, the matter had been discussed further and whilst reflecting that legislation provides for splits and mergers to be treated as one appeal, one proposal for multiple hereditaments will need to be tested. The bottom line is that splits and mergers will be accepted, as will mergers for multiple assessments within one hereditament. Legislation does not address different types of hereditament and matters will therefore be dealt with as they arise because there is no overarching answer. Tony Masella agreed this needs to be tested; Lee Anderson added that there is already a case in the system which may provide some answers once tested. **Action closed.**

3 Workload statistical analysis

3.1 Lee Anderson reported that just over 13k 2010 List cases are now outstanding following the focussed discussions on ATM appeals since COVID. He advised that 85% of the ongoing work is Council Tax (CT) related, which reflects the low volume of 2017 List appeals received so far. The breakdown of outstanding CT appeals is shown below:

- 1,800 to 1,900 CTV
- 1k CTL
- 500 CTR

3.2 The three-month suspension of hearings due to the onset of COVID had impacted on delays, which was at a time when CT bills were being issued. Although remote hearings were launched in September 2020, this backlog continues. Circa 1,300 cases are listed to hearings during the next few months and the current listing programme is back to full capacity.

3.3 The position with CCA appeals as at 1 September 2021 is shown below:

- 1,500 received and registered
- 842 cleared
- 658 live
- 275 suppressed (primarily due to fit-out issues)
- 100 listed to hearings during the next few months

3.4 CCA volumes received are increasing, but not significantly. How many COVID MCC appeals will be received when the 18-month deadline is reached, whilst the expected legislation journeys through its debate in Parliament, is not known.

4 Remote hearings

4.1 Tony Masella advised that a change in legislation to include oral and audio within the definition of a hearing came into force on 9 June 2021. Remote hearings continue to work well in the current environment, and it was pleasing that feedback from the professional bodies at the National Rating Day was most positive. The professional bodies agreed that remote hearings have been a positive experience.

4.2 Tony Masella elucidated that remote hearings appear to provide a much more focussed approach in drawing out issues compared to physical hearings and this leads to more effective decision making. Gary Garland advised that he had been pleasantly surprised in how this technology had been introduced and how effective it was. He agreed that in his experience parties remain particularly focussed and the hearings run effectively. Although remote hearings were developed and introduced to provide a hearing environment during a time of government restrictions, he was comfortable that they will become a significant part of post-COVID normality.

4.3 Gary Garland pointed out that while remote hearings will be the default position, he recognised that there will be cases where a physical face-to-face hearing would be required. Therefore, he will be considering the criteria required for a physical hearing and the plan is to work towards an updated Practice Statement in April 2022. He added that since remote hearings were introduced, the number of individuals requesting a face-to-face hearing was very low.

4.4 Tim Johnson confirmed that his experience, and those of the Rating Surveyors' Association (RSA), of remote hearings was positive and pointed out that the ability to observe a hearing works extremely well and he hoped this would continue. Lee Anderson advised that the TSO Team are responsible for setting up arrangements for observations and should be contacted via the office number.

5 Progress on MCC COVID challenges

5.1 Tony Masella advised that primary legislation in respect of MCC COVID challenges was still in its journey through Parliament, and he wondered how the Parliamentary timetable impacted on the 18-month deadline for issuing decisions, which then gives rise to appeals. Helen Zammit-Willson provided a status of the Bill, currently at the report stage with its third reading taking place on Thursday 9 September, then it will progress on its journey in the House of Lords. It was estimated that less than 1k will breach the 18-month deadline by the end of the calendar year and it was unlikely that this Bill would receive royal assent by then. It was noted that this Bill is retrospective.

5.2 Helen Zammit-Wilson explained that the VOA planned to approach the proposers to see whether an extension to the legislative timescale could be agreed. Tim Johnson pointed out it was unlikely that any such extension would be accepted by the professional representatives and estimated that as many as 150k MCC COVID appeals could be submitted to coincide with three lockdowns.

5.3 Helen Zammit-Willson confirmed that there had been a large reduction in MCC challenges on COVID grounds received since March, but unfortunately she could not provide statistics to show the split of COVID MCCs and business as usual MCCs. Work continued to review the backlog of challenges to check which are lawful, while also working through the new challenges received. She explained that if royal assent is received, the VOA intend to issue decision notices to clear the cases from the system, unless the professional bodies would prefer to withdraw. During the next RSA Committee meeting she will clarify the position.

5.4 Roger Jones was keen to see statistics on what were dedicated COVID MCC challenges, and which had non-COVID aspects connected to them. He explained that billing authorities were holding provisions that they had no visibility over, which was proving very challenging for all local authorities. Helen Zammit-Willson advised that this information cannot be provided, and the only assistance the VOA can offer is for billing authorities to sign-up to the information sharing agreement to gain access to information on checks and challenges which does identify the grounds used. While this will not provide specific statistics on the split, it may provide some assistance. Mike Heiser added that this is a serious problem for Local Government revenue and funding. It is hoped royal assent will be received as soon as possible, which will then enable the associated relief scheme to be rolled out by MHCLG.

6 Update on clearance of ATM appeals

6.1 Tony Masella confirmed there are circa 13k 2010 List appeals outstanding, the bulk of which are ATM appeals. Discussions continued regarding the ATM appeals and good progress had been made. The VTS transferred all the appeals from the CDB to the new Dynamics platform in August, and it is hoped more will be withdrawn without the need to be listed to a hearing.

6.2 Helen Zammit-Willson highlighted that there were initially 52k ATM cases outstanding. The remaining appeals fall into three categories:

- The ATM is the subject of an appeal - around 281 outstanding and discussions are ongoing. Separate assessments/values are being discussed to agree whether the ATM should be merged back into the host hereditament. The vast majority should be resolved by deletion, the value of the ATM agreed, or the appeal withdrawn.
- The appeal is on the host hereditament or there is a separate let out dependent on the host store. There are circa 10k outstanding, discussions are ongoing, forms are awaited, or the VOA is trying to engage the appellant.
- Superfluous appeals - there are circa 1.5k outstanding, it is hoped all will be

resolved or require VT assistance to be cleared.

6.3 It was hoped by the end of September there will only be circa 5k-6k appeals still in discussion, with the others being cleared or requiring VT intervention to clear.

7 Evidence bundles

7.1 Tony Masella explained that he had set up a working group comprising VTS, VTE, RSA (E-Comms) and the VOA to review improvements on evidence bundles. Lee Anderson explained that work on this project is progressing well and the general principles have been agreed.

7.2 As outlined in the regulations there is provision for appeals to be electronically submitted. There are free text boxes on the current platform to record grounds of appeal and the specified document download requirements. Four documents are required: the proposal, challenge decision notice, evidence submitted by the ratepayer at challenge and the VOA evidence. In the past an enormous amount of evidence was submitted, even relatively simple cases had a duplication of evidence attached.

7.3 The format of the VOA challenge decision notice has been changed. The expectation is that now it is a complete document including the decision and all the information exchanged leading to that decision. The primary focus is to have two documents at the point of registration and remove the four fixed entries on the portal. The second document will be the supporting evidence statement, which will be bespoke from the ratepayer/agent highlighting the salient points and not repeating information already disclosed. It is a statement of evidence and not an opportunity to submit new evidence. It is hoped this document will be more accessible and readable. Previously files with multiple documents embedded within them caused many problems and will not be accepted in future.

7.4 Lee Anderson advised that the new process is subject to the approval of the VTE President. The guidance is being finalised and changes to the online portal will be required to introduce this new approach. The changes are more significant than previously thought, therefore once the work de-commissioning the CDB is completed the IT changes will be made to allow the new process to commence. Lee hoped by the end of September he will be in a position to share the guidance for comment and the IT changes will be made in the background for implementation in October. Tony Masella thanked all those who have been involved in this project and explained how it will provide benefits to all and streamline the process.

7.5 Helen Zammit-Willson expressed concern in view of standardising the notices to comply with the new required format if an appeal relates to a complex property because the template may not be suitable. Lee Anderson confirmed that in exceptional circumstances a bespoke template can be used, it was accepted that a standard template may not be suitable for every case.

8 Any other business

8.1 Lee Anderson reported that the VTS has moved away from the CDB, which was housing 2010 List appeals, and these have now been transferred to the Dynamics platform. Work will continue in the background before any appeals may be fully processed on the new system. Lee thanked the VOA for providing status updates since the exit took place. The changes to systems will be invisible to ratepayers/agents as the output from the CDB had been mirrored in the new environment so the data fields and automation process will work in the same way, with data pulled through from the VTS system to the agents. Dennis Broughton would be testing this for the agent community before any live cases are listed.

8.2 Roger Jones referred to the issue discussed earlier around billing authorities being unable to identify COVID-related appeals and the benefit such identification would provide. Helen Zammit-Willson advised that an internal exercise was being carried out to enable decision notices to be issued on COVID-related appeals. This work is coming to an end, but the information would not be available publicly, it is purely an exercise to ensure decision notices are issued appropriately. She reiterated that billing authorities should sign-up to the sharing agreement so they can access information on grounds used in checks and challenges. While it is impossible to separate the COVID-related checks and challenges, it was suggested the majority submitted referring to a material change of circumstances between March 2020 and March 2021 will be COVID-related.

8.3 Jon Bestow advised the meeting that it seemed appellants who applied for universal credit were not clear of the various roles played by DWP and billing authorities. They thought that when dealing with DWP the CTR element had been resolved, until they received a CT bill. He had mentioned this matter at recent IRRV forum events to raise awareness. It was pointed out that some billing authorities require application for CTR, but others automatically award it. It was confirmed that billing authorities should not automatically award CTR, they should invite an application. Billing authorities cannot use a DWP application as CTR is not a DWP linked benefit.

8.4 Charles Golding advised that the RICS was progressing the issue of rogue rating surveyors as they are keen to raise awareness to protect people. The term 'Chartered Surveyor' is regulated, but anyone can call themselves a surveyor. He asked all stakeholders to revise the content of professional advice and how individuals obtain it, to protect innocent people becoming victims of these unscrupulous companies. Jon Bestow added that this is also becoming a problem with CT appeals where companies are setting themselves up as experts with unscrupulous charging regimes and marketing tactics.

9 Date of next meeting

9.1 The meeting closed at 12:15 pm. The next meeting will take place on Wednesday 1 December 2021. Tony Masella advised that it is likely the next meeting will be conducted via Teams, but the Lemman Street office will be re-opening on 13 September if people would prefer to attend in person.



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Tony Masella
Chair