



Valuation Tribunal Users' Group

Minutes of the Meeting held via MS Teams on Tuesday 18 July 2023 at 11:00 am

Present: Tony Masella -	Valuation Tribunal Service (VTUG Chair)
Lee Anderson -	Valuation Tribunal Service (Director of Operations & Development)
David Slater -	Valuation Tribunal Service (Registrar & Chief Clerk)
Gary Garland -	President of the Valuation Tribunal for England
Mike Heiser -	Local Government Association
Louise Freeth -	Local Government Association
Andrew Hetherton -	Institute of Revenues, Rating & Valuation
Carla-Maria Heath -	Institute of Revenues, Rating & Valuation
Cain Ormondroyd -	Planning and Environment Bar Association
Blake Penfold -	Royal Institution of Chartered Surveyors
Simon Green -	Royal Institution of Chartered Surveyors
Simon Griffin -	Rating Surveyors' Association
Richard Williamson -	Rating Surveyors' Association
Dennis Broughton -	Rating Surveyors' Association
Helen Zammit-Willson -	Valuation Office Agency
Nicola Hunt -	Secretary

1 Welcome and apologies for absence

1.1 Tony Masella welcomed all attendees to the meeting. Apologies were noted from Harry Rich (Valuation Tribunal Service Board Chair), Chris Sykes (Valuation Office Agency), Michael Pearce (Valuation Office Agency), Charles Golding (Royal Institution of Chartered Surveyors) and Ben Butler (Federation of Small Businesses).

2 Minutes of the meeting held on 20 March 2023

2.1 The minutes of the meeting held on 20 March 2023 were accepted as an accurate record and confirmed.

2.2 There were no matters arising.

3 Appeal workload analysis

3.1 Lee Anderson circulated the following appeal statistics (by type) which showed

the position as at 1 July 2023:

Appeal Type	Open Ready	Suppressed	Listed	Notified	Total
2010 Invalidation	1			87	88
2010 Rating List Appeal	262	25	1	1239	1527
2017 Rating List Appeal	331	1342	11	278	1962
CT Completion Notice	65	1		37	103
CT Invalidation	10			14	24
CT Liability	241	8	1	169	419
CT Reduction	225	4	4	122	355
CT Valuation	1158	20	20	604	1802
Non-Domestic Completion Notice	36		1	22	59
Non-Domestic Transitional Certification	3	1		65	69
	2332	1401	38	2637	6408

3.2 Lee Anderson reported circa 2,000 2017 List appeals were settled by withdrawal or agreement without tribunal intervention. A more granular review on appeals resolved without tribunal involvement was being conducted to better understand at what point in the process settlements were triggered. As the legislative framework had been designed to refrain from settlements at the appeal stage, this would assist in identifying trends. Lee advised that office fit-out appeals will be removed from the analysis.

3.3 Lee Anderson reported that the deadline for submitting checks was 31 March 2023, but the impact of the spike in appeals had not yet been seen by the tribunal due to the time lag. Circa 4,000 appeals had been received across the life of the List, therefore a similar number was anticipated over the next couple of years.

4 Appeal volumes/2017 Challenges/2023 Rating List

4.1 Helen Zammit-Willson advised that circa 1,400 2010 List appeals were outstanding, of which 1,031 related to ATMs; it was hoped the vast majority of these would be resolved by September. Circa 1,945 2017 List appeals were outstanding, the majority of which related to office fit-out appeals. Helen explained it was still too early to

see an increase in appeals, and checks were down to about 22,000 at this point in time. Whilst she was not expecting any detailed analysis for conversion rates until October, the current conversion rate for check to challenge was 28%. There had been a substantial increase in the period April to July, possibly because the agents were preparing challenges in Scotland.

4.2 Large volumes were not anticipated for 2023 appeals (apart from factual issues) until later in the List. It was not yet known how the financial support available for the 2023 List would impact challenges, but it would be about 18 months before any appeals from this spike are transmitted to the VT. Some early 2023 challenges had been received; some had already been cleared by decision notice which could proceed to appeal.

4.3 The VOA had implemented a new way of dealing with challenges which increased contact with proposers. These discussions had resulted in more challenges being cleared and appeared to be a better way of working.

4.4 Tony Masella highlighted that whilst appeal numbers have been low, there had been an increase in appeal receipts over recent months and this will give a better indication of conversion rates. Helen Zammit-Willson added that the NDR Reform Bill proposes to bring forward the time limit for making challenges against future lists. VOA staff aimed to deal with as much 2017 workload in the next 12-18 months as possible, and then start discussions with agents in respect of the 2023 List using the GPCR format before the 2026 List commences.

4.5 Tony Masella expressed his concern at the number of settlements by Consent Order because of the impact this had on tribunal resources. This matter will be discussed further once analysis had been carried out.

5 Update on stayed, complex and lead appeals

5.1 David Slater provided an update of the outstanding stayed, complex and lead appeals. He referred in particular to:

- Barristers Chambers and rail infrastructure appeals had been appealed to the Upper Tribunal
- J Sainsbury Plc was heard on 28 June 2023
- Tesco was heard on 3 July 2023
- Fridays of Cranbrook was heard on 22 June 2023
- Charles Wells Brewery will be listed in November 2023

5.2 David Slater pointed out that a lot of requests are received for cases to be treated as complex when they are not. The vast majority of appeals are valued by the rental method, receipt and expenditure or the contractor's test, but this does not automatically make them complex. He added that parties cannot dictate which members hear their appeals.

5.3 Mike Heiser requested clarification on whether there are any museum cases

outstanding; Helen Zammit-Willson confirmed that in respect of the 2010 List there are 124 appeals but no 2017 List appeals, she added that there may be some challenges.

6 Office fit-out appeals

6.1 It had been proposed at the last meeting that office fit-out appeals would be dealt with in the same way as ATM appeals with centralised discussions. However, due to the number of agents involved and the different issues in dispute under each appeal, the VTS will await the outcome of ongoing agent/VOA negotiations before progressing with listings. Helen Zammit-Willson confirmed circa 1,100 appeals were outstanding and meaningful discussions were taking place with agents. The vast majority of appeals are located in London (877 inner London, 132 South, 46 Wales West, 38 East and North 7). It was noted where the pre-office fit-out tone had been agreed, the cases were being dealt with quicker, and that discussions were taking place in respect of rental adjustment/analysis in order to progress what remained outstanding.

6.2 Lee Anderson confirmed that cases which can't be resolved will need to be included in the listing programme and that to give three months' notice of hearings, the earliest hearings will probably be in the January to March quarter. Helen Zammit-Willson agreed to keep the VTS updated of progress.

7 Any other business

7.1 Andrew Hetherington and Carla-Maria Heath thanked Lee Anderson on behalf of the IRRV for the article in *Insight* outlining the VTS's Performance Award entry. Andrew congratulated the VTS on their success winning the IRRV awards.

7.2 Simon Green requested an update on API testing; Lee Anderson explained some issues had been identified following testing and that there was ongoing work to resolve these. As agents had been heavily involved in the submission of Scottish appeals, the testing environment had been left open. A collaboration area had been created to avoid the duplication of problems and to enable IT to respond when queries are raised. Lee hoped it would be possible to move to the live environment by September. Dennis Broughton supported Lee's explanation and confirmed the collaboration area had been useful and feedback had been dealt with in a positive manner.

7.3 Richard Williamson endorsed Helen Zammit-Willson's earlier comments about the spike in receipts and added that there will be a higher conversion rate. However, it was less certain there would be an equivalent spike in appeals depending on the new VOA initiative grouping challenges.

7.4 Tony Masella referred to his earlier comments regarding Consent Orders and opined that CCA is designed to provide a better avenue of negotiation to remove the potential to appeal. Appeal volumes are significantly lower than pre-2017 but the number being dealt with is higher than before. Tony was keen to better understand the process to avoid listing appeals which are then settled beforehand in order to better utilise tribunal resources. It was pointed out that the problem with CCA relates to the limitation on evidence through the challenge process which can cause problems when

further evidence comes to light. The rules say evidence cannot be introduced later but if the case is appealed to the Upper Tribunal, it can be. Tony added that Consent Orders are not bad, but if evidence outside of the framework was being considered the tribunal needed to know because the process was not working. Helen Zammit-Willson agreed that the check to challenge conversion rate could be higher, but she disagreed with the comments about evidence limitation, as this meant that in the majority of cases the evidence was available and discussed at challenge stage.

7.5 Tony Masella thanked everyone for attending the meeting.

8 Date of next meeting

8.1 The meeting closed at 12:00 pm. The next meeting will take place on Monday 4 September 2023.

A handwritten signature in black ink, appearing to read 'Tony Masella', written in a cursive style.

Tony Masella
Chair