



## Valuation Tribunal Users' Group

### Minutes of the Meeting held via MS Teams on Monday 4 September 2023 at 11:00 am

<b>Present:</b> Tony Masella -	Valuation Tribunal Service (VTUG Chair)
Lee Anderson -	Valuation Tribunal Service (Director of Operations & Development)
David Slater -	Valuation Tribunal Service (Registrar & Chief Clerk)
Mike Heiser -	Local Government Association
Andrew Hetherton -	Institute of Revenues, Rating & Valuation
Carla-Maria Heath -	Institute of Revenues, Rating & Valuation
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
Michael Pearce -	Valuation Office Agency
Ben Butler -	Federation of Small Businesses
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), Gary Garland (President of the Valuation Tribunal for England), Louise Freeth (Local Government Association), Cain Ormondroyd (Planning and Environment Bar Association), Charles Golding (Royal Institution of Chartered Surveyors), Chris Sykes (Valuation Office Agency) and Helen Zammit-Willson (Valuation Office Agency).

#### **2 Minutes of the meeting held on 18 July 2023**

2.1 The minutes of the meeting held on 18 July 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 August 2023:

Appeal Type	Open Ready	Suppressed	Listed	Notified	Total
2010 Invalidity			1	1	2
2010 Rating List Appeal	154	26	35	763	978
2017 Rating List Appeal	359	1342		270	1971
CT Completion Notice	12	1		86	99
CT Invalidity	14			2	16
CT Liability	243	8	11	161	423
CT Penalty	2				2
CT Reduction	237	4	7	128	376
CT Valuation	985	18	56	772	1831
Non-Domestic Central List	1				1
Non-Domestic Completion Notice	15			24	39
Non-Domestic Transitional Certification		1		14	15
	<b>2022</b>	<b>1400</b>	<b>110</b>	<b>2221</b>	<b>5753</b>

3.2 Lee Anderson reported circa 40% of outstanding appeals have been listed to hearings and 1,400 appeals have been suppressed. The majority of suppressions relate to office fit-out appeals where the VOA were taking a national approach. There had been a slight increase of CCA cases received each month, but no significant increase had been seen yet. There will be better visibility of expected volumes early next year. Lee confirmed there were currently no peculiarities or major concerns.

3.3 Concern was expressed at the number of appeals being settled by Consent Order, currently at 50%. Whilst Consent Orders are unavoidable in some instances, this level did not present an efficient way for the VTS to work and takes up unnecessary listing resource. Work is currently ongoing to see whether there are any particular trends where Consent Orders arise most often. It was stressed that the VTE expectation is that when cases are listed for a hearing they have been fully discussed, evidence exchanged and are in a ready state to be heard.

3.4 Tony Masella echoed that the percentage of appeals that are withdrawn or settled by Consent Order was significant in terms of volumes cleared. Whilst last minute

negotiations and settlements cannot be completely eradicated, the percentage currently being seen is not proportionate. Michael Pearce explained that some proposals contained very little detail. The VOA approach had recently changed and staff should now be talking to proposers rather than just exchanging documentation. This level of engagement is designed to help with ensuring relevant matters are on the table for discussion, thus reducing the number of Consent Orders.

3.5 Andrew Hetherington asked if details of the cases settled by Consent Order are published; Lee Anderson confirmed granular detail on settlements is recorded but not published. It was agreed it would be useful if high level detail of 2017 List appeal settlements were circulated to VTUG.

**Action: Lee Anderson to provide a breakdown of 2017 appeal settlements to VTUG**

#### **4 2017 & 2023 Check/Challenge volumes/2023 Rating List**

4.1 Michael Pearce advised that there had been a spike in 2017 List checks towards the end of March and an inevitable increase in challenges was expected as a result. There had been a reasonably slow start in terms of the 2023 List.

4.2 Lee Anderson added that there had been some indication there may be a few 2023 List cases fast tracked, and confirmed the VTS would be in a position to handle appeals received earlier than anticipated, but this would be done manually. Lee hoped to be in a position by the start of Q3 to receive and handle 2023 List appeals in the same way as 2017 List appeals.

4.3 Richard Williamson explained that from an agent's perspective there could be a big increase in numbers of appeals. However, following the success of the way the ATM appeals were dealt with, discussions were taking place with the VOA to look at new ways of working to try and reach agreement and reduce the number of cases going to appeal. The RSA continued to engage with the VOA for the programme of GPCRs (Group Pre-Challenge Review). Tony Masella was pleased to hear this and agreed the process implemented to deal with the ATM appeals had been a huge success. He hoped the fit-out cost appeals could be dealt with in the same way. Michael Pearce confirmed good progress was being made on fit-out cost appeals and he was optimistic that large numbers of appeals were capable of settlement without the need for a listing.

#### **5 Review of stayed, complex and lead appeals**

5.1 David Slater reported there was only one category of appeal to be stayed on the stayed list, but as the VO had not appealed the President's decision in the Tesco Express/Petrol Filling Station/ATM case, that stay would be lifted. The only outstanding complex case is the Charles Wells Brewery and Pipeline, which is due to be heard on 1 November. There are currently no lead appeals identified.

#### **6 Any other business**

6.1 Andrew Hetherington requested further detail on the recently published *VOA Non-*

*Domestic Rating and Council Tax Litigation and Settlement Strategy*. Michael Pearce advised this document was not a new approach, merely an internal document which had been aligned with HMRC strategy to formalise the approach and published for transparency, rather than the implementation of any changes. He added that the document only covered NDR and CT, it did not extend to HMRC work. Should anyone wish to view it they can do so on the gov.uk website. Michael explained that the document set out the broad criteria of how the VOA will litigate cases which will be resolved on their own merits and not as part of a group action.

6.2 Blake Penfold referred to the consultation on Business Rates Improvement Relief. While this matter did not necessarily concern VTUG, RICS had recommended a right of appeal against a refusal to grant a certificate for improvement relief or the right of appeal against a value or effective date in the certificate, and that the appeal should lie with the VTE. Simon Griffin echoed this and confirmed the RSA had responded to the Welsh consultation, and agreed there should be a right of appeal process to the VTE. Ben Butler confirmed the Federation of Small Businesses also submitted its recommendation supporting an appeal system.

6.3 Simon Griffin referred to the recent discussion at the House of Lords regarding CCA. He advised that agents are being contacted by new VO case workers to discuss cases with a view to reaching settlements, which appeared to be working so far.

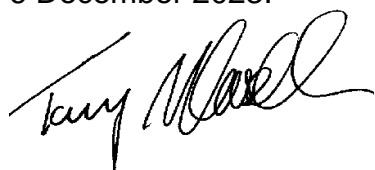
6.4 Dennis Broughton appreciated the approach of the VTS during the testing and implementation of new IT systems. He was currently awaiting feedback but was pleased to report so far it had been very positive.

6.5 David Slater advised that parties must be proactive when requesting postponements and inform the VTS at the earliest opportunity if certain cases cannot be progressed and not wait until the last minute. Listings are made on the expectation that they will be heard and last minute postponements are likely to be refused. It is critical that parties are proactive if they are not in a position to take an appeal forward and avoid taking up unnecessary hearing resource. Tony Masella explained that postponement rates have increased in recent months to 40% and that a more robust process had now been implemented to avoid further escalation. In future requests are likely to be refused unless the Tribunal is satisfied that there is a good reason to defer.

6.6 Tony Masella thanked everyone for attending the meeting.

## **7 Date of next meeting**

7.1 The meeting closed at 11:50 am. The next meeting will take place on Wednesday 6 December 2023.



Tony Masella  
Chair