



Rating: Law and Practice 2024 - Applying Case Law to Practice

London - 7 May 2024 Montagu Evans LLP, 70 St. Mary Axe, London, EC3A 8BE		
£225 + VAT	Registration: 12.15 Finish: 17.30	4.5 CPD Hours
To book: https://cptevents.co.uk/event/rating-law-and-practice-2024		

Delivering best and effective rating practice cannot be achieved without understanding case law and the foundations it has been derived from. This event is far more than a case law review. Leading rating advisors along with senior representatives from the VOA and eminent lawyers will review key cases in the context of current practice. Subjects are grouped into rating themes, important and topical cases will be explored to extract best practice for those rating practice areas. The discussions will once again be directed by our chair, Upper Tribunal Judge Elizabeth Cooke.

The past 12 months has delivered a desperate, unconvincing and threadbare mix of both Valuation Tribunal and Upper Tribunal cases, with no Court of Appeal or Supreme Court decisions.

This year with a change of focus, Rating Law and Practice will look at the 3 sources it has derived from:

- Core or founding principles, derived from statute or Regulation
- The accumulation of case law which provides a lattice work which sits and penetrates into the foundations
- Subsequent legislative changes adds another layer of complexities

The event has identified five core areas of rating practice:

1. The Birth, Life and Death of a Hereditament
2. MCCs – Internal and External
3. Changing the Methodology
4. Changing the Tone
5. The Erosion of the Tax Base – Exemptions and Reliefs

Speakers will re-consider and explore the crucial, active and guiding cases that have influenced and defined these areas of rating practice. The audience will be encouraged to join the unfolding debates.

Speakers:

Judge Elizabeth Cooke, Judge of the Upper Tribunal (Lands Chamber)

Simon Griffin, Jones Lang LaSalle; President of The Rating Surveyors' Association

Richard Williamson, GL Hearn Limited; Vice President of The Rating Surveyors' Association

Luke Wilcox, Landmark Chambers

David Myerscough, Valuation Office Agency

Roger Cohen, BCLP.

Blake Penfold, Blake Penfold Consultancy

Mandy Franklin, Valuation Office Agency

Colin Hunter, CHExpertise Ltd

David Alford, Valuation Office Agency

Bjorn Bowles, Knight Frank LLP

Heather King, Valuation Office Agency

Cain Ormondroyd, Francis Taylor Building

Andrew Hetherington, Andrew Hetherington Consulting Ltd

Neil Humes, Valuation Office Agency

Richard New, Mills & Reeve LLP



Topics Being Covered:

The Birth, Life and Death of a Hereditament

MCCs – Internal and External

Material changes of circumstance have been a valuable check on the tensions between the rating hypothesis and the facts on the ground. Now MCCs are undergoing material change themselves. The changes came into play on 26 October 2023. What do we know about how practice has evolved and is evolving? What role will MCCs have to play with triennial revaluation?: What does it mean for ratepayers and the tax take?

Changing the Methodology

The choice of valuation methodology can have a profound impact on the outcome of a valuation. Arguably choosing the “right” methodology can reduce the rates burden for ratepayers or inflate the tax take for the local authorities and Treasury. At present there is no statutory driver behind the choice of methodology for different classes of property and so the choice should be based on market practice and evidence, guided by case law on what relevant factors should be taken into account.

Case law has considered, recently and over the last 3 decades and more, choices between receipts and expenditure, shortened methods and contractors method. Case law has also looked at what factors should or should not be taken into account in the valuations especially at the final step back and look stage.

- How has case law played its part in shaping the switch between methodologies?
- Are there nuances without a single valuation method that can change RV?
- For hereditaments with mixed uses should mixed methods be considered?

Changing the Tone

The term 'tone of the list' derives from Section 20 General Rate Act 1967, s 20. 'Rating seeks a standard by which every hereditament in this country can be measured in relation to every other hereditament. It is not seeking to establish the true value of any particular hereditament, but rather its value in comparison with the respective values of the rest. Since all rateable values in a rating list must be assessed at a common valuation date, the 'tone of the list' for a particular category of hereditament is the general level of value for that type of hereditament at that date. This concept has subsequently been considered by the Tribunals to determine when and whether a 'tone of the list' has been established.

Following the introduction of CCA in 2017, its impact and the requirement for more frequent re-valuations the viability of this concept is now coming under question. What can we learn from the key cases to inform our thoughts in this new and evolving rating world?

The Erosion of the Tax Base – Exemptions and Reliefs

In assessing liability (to be paid or received), whether as an individual ratepayer, a Billing Authority or HMT itself, the interplay between Rateable Value and Multipliers/Supplements is only half the story. Successive Revaluations, and intervening Budgets and Autumn Statements, have seen the introduction of a vast array of reliefs and exemptions, on top of those which were hard-baked into the overarching statutory framework. Taken together with varying degrees of Billing Authority discretion, these serve to make an already complicated system increasingly difficult to navigate. But do they make the system better, either for the tax man, or the tax payer? This session will review the evolution of reliefs over time, ask whether they are a benefit or a hindrance and pose questions around what next; and how challenges from the VOA and private practice have shaped what can be claimed and levied within this myriad of exemptions and reliefs.