



Valuation Tribunals – Modernisation and Reorganisation

The Government's conclusions



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On 5th May 2006 the responsibilities of the Office of the Deputy Prime Minister (ODPM) transferred to the Department for Communities and Local Government.

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1. The Government recently set out proposals for the reform of the valuation tribunals in England in a consultation document entitled “Valuation Tribunals – Modernisation and Reorganisation”, published in June 2006. It is grateful to all those who have responded to the consultation. This document sets out the Government’s conclusions in the light of the consultation.
2. The Government’s aim in seeking to modernise and reorganise the current system stems from a wish to address variations from modern tribunal practice currently found in the structure and operation of the valuation tribunals, to promote good tribunal practice and to encourage the efficient and effective running of the valuation tribunals while continuing to sustain their judicial independence.
3. The Government has carefully analysed and considered the responses which it received to the consultation document. Taking full account of these responses and the wide range of views expressed, it has concluded that it remains right to proceed with the majority of the proposals set out in the consultation document. It is therefore introducing to Parliament the necessary legislation to:
 - Establish a single Valuation Tribunal for England (VTE) with a VTE President and Vice-Presidents; allow the VTE President to sit on the VTS Board and that s/he and the Vice-Presidents may be paid; and
 - Provide for appointments of the VTE President, Vice-President, chairmen and members of the VTE to be selected by the Judicial Appointments Commission and made by the Lord Chancellor.
4. A majority of respondents were in favour of the main proposals within the consultation document. In particular the move to a single Valuation Tribunal for England (VTE), with appointments made by the Lord Chancellor (on the advice of the Judicial Appointments Commission (JAC)), along with the positions of VTE President and Vice-Presidents were widely supported. Issues surrounding the position of the VTE President with the post holder sitting on the VTS Board and possibly being remunerated elicited a broader range of views. A majority of respondents supported the former proposal while a small majority of respondents disagreed with the proposal to pay the VTE President and Vice-Presidents. The Government has carefully considered the arguments here in the light of the consultation responses. It has concluded that the arrangements it proposes would reinforce the independence of, and not interfere with, the voluntary ethos of the tribunal. A large majority of responses were against the reduction in the upper age limit for members and the Government has decided not to pursue this proposal.
5. In the consultation paper, the Government set out its intention to seek a suitable legislative vehicle in order to make the changes consulted on. At the recent opening of Parliament, reference was made in the Queen’s speech to the Government’s intention to introduce a Local Government Bill. This Bill, which has today been introduced to Parliament, includes the necessary legislation to deliver its proposals for the modernisation and reform of valuation tribunals in England.

The detailed proposals

6. The individual questions posed in the consultation document are set out below together with an overview of the themes raised in the responses to these.

Would the creation of a single tribunal, for the reasons outlined above, meet the needs of all its stakeholders?

7. A concern raised here, both among those supporting the VTE with a President and Vice-Presidents as well as among dissenting voices, was that the local culture of the valuation tribunals should be preserved. Unease was expressed about the single tribunal's ability to address local issues, provide local input and consult with the local membership. Concern about local issues was indeed a theme running through many of the responses in answering all the questions posed on the consultation. The Government therefore emphasises that it was not the intention of the proposals in the consultation to lose the local connection; nor does the Government believe that implementing these proposals would alter or affect the local nature of the service provided by the valuation tribunal. The consultation paper made clear (paragraph 26) that the VTE would maintain a presence in regional centres together with a locally based membership and sit in accessible locations. The Government anticipates that members would continue to be nominally allocated to a region or division within the single tribunal and continue to sit within that jurisdiction.
8. The proposals for a single unified tribunal led to various suggestions for alternative structures such as retaining the status quo and a variety of suggestions for a regional structure within, including 4, 9 or 12 divisions. The Government believes that the establishment of the VTE will not preclude a wide range of options for a geographically-based internal structure for the tribunal and that it is important to maintain flexibility. While the Government expects there should be synergy between the structure within the VTE and the administrative structure of the VTS, the President of the VTE should be able to influence the internal structure of the VTE and allow for any future structural changes both within the Tribunal and within the VTS.

Would the creation of a single tribunal assist in addressing the lack of consistency within current valuation tribunal practice?

9. While some respondents questioned whether there was a lack of consistency, the majority either expressed no view or agreed with the Government that a single tribunal with a unified structure would enable it to ensure consistency of practice across the tribunal as well as create effective partnership between the judicial and administrative arms of the Service. Although it has been noted that better communication and more effective training could address this issue, the Government is of the view that all users of the Service are entitled to the same treatment which is best achieved under the single VTE. Uniform practices under the VTE would provide users with confidence in the Service whilst enhancing communication and ensuring that members' training is relevant. Whilst we envisage a certain amount of local variation may be required, it would be for the VTE President to take account of where such flexibility may be required.

Do you agree that having a national President would provide better judicial leadership and be a strong advocate for the Service?

10. 42% of respondents agreed that a VTE President would provide better judicial leadership and be a strong advocate for the Service. Respondents felt the appointment of a national President would reinforce the knowledge, experience and competence of service. Of those that disagreed with the proposition and those not offering a direct answer concerns were largely in relation to the local accountability of a national president and advocated election by the current membership to maintain the local connection.
11. Under the proposals it would be for the JAC to decide on the detailed appointment process but the Government's view remains that appointments must be made in open competition and on merit. It would be open to existing tribunal members to put themselves forward for consideration alongside any other applicants. The Government does not agree with the points raised by some respondents that any appointment made from outside the Service would be contrary to the voluntary ethos of valuation tribunals, or that only an existing tribunal member is capable of taking on the role. Its aim is simply to ensure that the right person is chosen for the job.

Do you agree that in line with post-Leggatt policy, appointments to the Valuation Tribunal for England should be selected by the Judicial Appointments Commission and made by the Lord Chancellor?

12. The Government's view, with which the majority of respondents were in agreement, is that appointments selected by the JAC and made by the Lord Chancellor would reinforce the independence of the valuation tribunal, make the system transparent and make for greater coherence in appointments. In short this step can only enhance the judicial independence of valuation tribunals.
13. Key stakeholders, including The Council on Tribunals, were firmly in favour of the proposal and commented specifically that local authorities should cease to have any responsibility for appointments. Importantly, a large majority of local authority respondents were in favour of this proposal and thus endorsed the proposal that authorities should not play a part in appointments.
14. Those against a move to appointments by the Lord Chancellor felt there should be some local member input, perhaps through a local appointments commission, and that it was important to preserve lay culture and local knowledge and to give priority to local candidates. Under the Government's proposals, decisions about the process for appointments would be for the Judicial Appointments Commission to decide, but it is likely they would wish to have some local recruitment arrangements and the use by the Commission of local appointments panels is not in anyway prevented by the proposals.

Should the President for Valuation Tribunal for England sit on the Board of the Valuation Tribunal Service?

15. The majority of respondents (including the majority of those received from tribunal members) supported the Government's view that the VTE President should sit on the VTS Board. Respondents commented that it was of paramount importance, that it would provide an effective means through which the VTE President could put forward tribunal

member views, that it would promote effective partnership and bring the judicial and administrative arms of the Service together.

16. Nevertheless, the Government has noted that a substantial minority of respondents were not in favour of the VTE President joining the VTS Board. Comments received included that the President's presence on the Board would create a conflict of interest and divided loyalty. The Government continues to believe, however, that this is an essential element of the reform package. It understands that concerns over the proposal may have been based in some cases on the notion that including the VTE President on the board – and, indeed, the current tribunal presidents who already sit on it – somehow means that these tribunal representatives no longer represent the tribunal membership. The Government disagrees with this view. In the Government's view the presence of the VTE President on the VTS Board would strongly reinforce the crucial partnership working between the Board and the tribunals which is essential to the continuing support and development of the Service.

Do you agree that the President of the Valuation Tribunal for England should be supported by a number of Vice-Presidents?

17. Almost all respondents agreed with the Government's proposal for the VTE President to be supported by a number of Vice-Presidents with many of them commenting on the fact that they felt this proposal would assist in two way communications, preserve local connections and assist the new structure in keeping in touch with the grass roots of the Service.

Should the positions of President and Vice-President be paid?

18. The Government acknowledges the concerns expressed by many respondents about the proposal to remunerate the President and Vice-Presidents of the VTE. Some respondents, for example, commented that remuneration would undermine the voluntary ethos of the valuation tribunals and interfere with their independence. Others, however, took the opposite view, recognising that there would be a substantial workload, that payment would bring the valuation tribunals into line with other tribunal jurisdictions and that remuneration would be necessary to attract the calibre of candidate needed. Indeed some went so far as to suggest that all valuation tribunal members should be paid. It appears from comments received that a number of respondents may have misinterpreted elements of the proposal in the consultation paper. The intention is that the VTE President and Vice-Presidents should be paid for the additional work they undertake for the tribunal but *not* for sitting on a tribunal hearing appeal cases.
19. Having carefully considered the arguments on both sides in the consultation responses, the Government has concluded that the balance of the argument remains in favour of seeking a *power* for the President and Vice-Presidents to be remunerated, so that *should* it be decided that it is appropriate for them to be paid it is possible to do so.

Do you agree that the upper age limit for members of the Service should be reduced from 72 to 70?

20. The Government accepts the view of the overwhelming majority of respondents that argued against this proposal. Concerns expressed were largely that the proposal was ageist and would contribute to a loss of skills and experience in the tribunals.