House of Commons

Housing, Communities and Local Government Committee

# Pre-legislative scrutiny of the draft Non-Domestic Rating (Property in Common Occupation) Bill

## Sixth Report of Session 2017–19

*Report, together with formal minutes relating to the report*

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## Housing, Communities and Local Government Committee

The Housing, Communities and Local Government Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Ministry of Housing, Communities and Local Government.

### Current membership

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Mike Amesbury MP *(Labour, Weaver Vale)*

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The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the internet via www.parliament.uk.

### Publication

Committee reports are published on the Committee's website at www.parliament.uk/hclg and in print by Order of the House.

### Committee staff

The current staff of the Committee are Edward Beale (Clerk), Jenny Burch (Second Clerk), Tamsin Maddock, Nick Taylor (Committee Specialists), Tony Catinella (Senior Committee Assistant), Eldon Gallagher (Committee Support Assistant), Gary Calder and Oliver Florence (Media Officers).

### Contacts

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# Summary

On 29 December 2017 the Government published the draft Non-Domestic Rating (Property in Common Occupation) Bill. It made provision to reinstate elements of the Valuation Office Agency's (VOA) practice in identifying rateable premises in multi-occupied buildings before the decision in *Woolway v Mazars* (2015). That practice was inconsistent with the Supreme Court's explanation that the law does not treat as a single unit for rating purposes adjoining floors in a building occupied by the same business but accessible only via common parts.

From January 2018 we corresponded with the Department within the context of pre-legislative scrutiny of the draft Bill, raising a number of detailed questions. We also asked the Department to send us the responses it had received to its public consultation in order to inform our ongoing scrutiny. We were therefore disappointed and surprised that the Government presented the subsequent Bill on 28 March 2018 before sending these responses and when we had not completed our scrutiny. We consider this a discourtesy and believe there are lessons to be learned for the Government in terms of future engagement in pre-legislative scrutiny.

Notwithstanding the process, we are satisfied with the overall objectives and policy goals of the draft Bill. But we are concerned that the Government has not taken sufficient steps to assess the potential financial effects on local authorities and urge it to do so as soon as possible. We are publishing the consultation responses, subsequently received, alongside this Report and have appended our correspondence with the Minister, to assist Parliament as the Bill progresses.

# 1 Introduction

1. In the 2017 Autumn Budget the Chancellor announced that the Government would legislate to reinstate the relevant elements of the Valuation Office Agency's (VOA) practice prior to the decision of the Supreme Court in *Woolway v Mazars* [2015] UKSC 53.[1] The Court found that the longstanding practice of the VOA in identifying rateable premises in multi-occupied buildings did not reflect current law, ruling that where a business occupies, for example, more than one floor of an office block, and access between the floors is via common parts, the VOA must treat those two floors as separate properties for business rates purposes. The effect of this ruling has become colloquially known as the 'staircase tax'.[2] On 29 December 2017 the then Department for Communities and Local Government published a consultation and draft Bill, the draft Non-Domestic Rating (Property in Common Occupation) Bill.[3] The object of the draft Bill was to return the VOA's practice to its position prior to the Supreme Court judgment.

2. The then Minister for Local Government, Marcus Jones MP, wrote to the Committee on 3 January 2018 to inform us of the publication of the draft Bill and consultation, highlighting the short eight-week consultation period which he believed would "allow sufficient time for rating experts and others to consider and discuss" the draft provisions, "hoping" that this met with our approval.[4] The consultation period closed on 23 February 2018 and on 28 March 2018 the Government presented to Parliament the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill 2017–19.[5] Second Reading of the Bill has since been scheduled for 23 April 2018.

3. The Bill as presented also contained separate provisions, not included in the draft Bill and consultation, to permit a charge of up to 200% of normal council tax on properties that have been empty for two years or more, instead of the current limit of 150% (known as the 'empty homes premium'). This was a separate policy commitment also made at the time of the Autumn Budget 2017. This Report does not, therefore, extend to consideration of these separate provisions.

1 Autumn Budget 2017, HM Treasury, Paragraph 3.27

2 Previously, the VOA took a discretion to value such areas as a single property, if this reflected actual use by the occupier, or to value two areas separately, for example if separate leases were in place. The judgment put an end to this practice. For more information on the judgment and the 'staircase tax' see: "Flights of fancy: the truth about the 'staircase tax'", House of Commons Library Insights blog, 9 November 2017.

3 Business rates in multi-occupied properties: Consultation on reinstating the practice of the Valuation Office Agency prior to the decision of the Supreme Court in *Woolway v Mazars* [2015] UKSC 53, Department for Communities and Local Government Committee, December 2017

4 Correspondence from the Minister for Local Government to the Chair of the Communities and Local Government Committee, 3 January 2018. This and all other correspondence between the Committee and Department on the draft Bill are provided in Appendix 1 of this Report.

5 Compared with the draft Bill, so far as material, the Bill (a) adds separate provision to treat empty premises as a single unit for rating purposes where they were so treated while occupied; and (b) adds to the definition of 'contiguous' in three ways: (i) altering vertical contiguity so as to apply where properties are "on consecutive storeys" and the floor of one is directly above the ceiling of another (mitigating the effect of any void), (ii) providing that a space between premises is not fatal to contiguity, and (iii) adding fences and other means of enclosure (the draft Bill included only "walls") as acceptable means of horizontal division.

# 2 Process of pre-legislative scrutiny

4. We note that Committees have engaged in scrutiny of draft Bills in various ways since the practice emerged in the late 1990s. This has often been through substantive departmental or joint committee inquiries, but Committees have also pursued such scrutiny in other ways, for example through one-off evidence sessions or more detailed correspondence. In response to the Government's letter of 3 January 2018, the Chair wrote to the new Minister for Local Government, Rishi Sunak MP, on 23 January 2018.[6] The letter raised a number of questions about the purpose and effect of the draft Bill specifically in the context of the process of pre-legislative scrutiny:

> As you know, the default position should be that Bills will be published in draft and submitted to Parliament for pre-legislative scrutiny. If a Bill is published, the expectation is that pre-legislative scrutiny will be conducted by the competent committee, should it wish (Cabinet Office, *Guide to Making Legislation*, July 2017, chapter 22).

5. The letter went on to note that the Department appeared to have taken a different approach to the publication of this draft Bill:

> Whilst also inviting views from the Committee in your letter, it seems that in this case it is the Government's intention that the primary objective of the draft Bill and short eight-week consultation are to elicit responses from rating experts and other key stakeholders. This may be justified given the short nature of the draft Bill and its policy objective which seeks to return the Valuation Office Agency's practice, which dates back more than 50 years, to its position prior to the Supreme Court judgment to which you refer. Equally, it is quite possible that there may be broad consensus among these stakeholders regarding the policy objective. But Committees conducting pre-legislative scrutiny have often benefitted from seeing the results of public consultation before reporting, which is why departments are urged to consider the timetable if issuing a draft Bill at the same time as consulting the public (*Guide*, para 22.32). The views of stakeholders, and any consensus among them, can often shape a committee's approach to scrutinising a draft Bill.

6. The Minister's response of 19 February 2018 reiterated that the Department's main purpose for publishing the Bill in draft had been to consult rating surveyors "due to the technical complexity of this matter".[7] However, our subsequent letter to the Minister of 26 February 2018 again noted our responsibilities with regards to pre-legislative scrutiny, and within this context raised a number of further questions and concerns about the draft Bill and the potential effect of the proposed changes, particularly on local authorities.[8] In this letter, we also asked to be provided with copies of all the responses to the Government's consultation in order to better assess the effect and rationale of the draft Bill. While the Minister's response of 8 March 2018 sought to address the majority of our detailed

6 Correspondence from the Chair of the Communities and Local Government Committee to the Minister for Local Government, 23 January 2018

7 Correspondence from the Minister for Local Government to the Chair of the Housing, Communities and Local Government Committee, 19 February 2018

8 Correspondence from the Chair of the Housing, Communities and Local Government Committee to the Minister for Local Government, 26 February 2018

questions, the consultation responses were not provided, although he committed to sending these "under separate cover".[9] At the time of the presentation of the Bill on 28 March 2018 we had not received those responses. They were supplied to us only later that same day.

7. **We are disappointed that the Department did not notify us of its intention to present the Bill when it did, or provide the promised consultation responses prior to that presentation. This cannot be consistent with civil service best practice in such circumstances. We made clear in both of our letters that the consultation responses would assist us in assessing the potential effects of the draft Bill. Thus, we are surprised that the Department appeared to have concluded that we had completed our engagement in the pre-legislative scrutiny process. We therefore consider it a discourtesy to the Committee that we were pre-empted in our pre-legislative scrutiny by the presentation of the Bill.**

8. ***We ask the Government to assess what lessons can be learned for future best practice related to the publication of draft Bills. Particular consideration should be given to processes prior to a subsequent Bill's presentation to Parliament, in order to ensure that departments have appropriately completed any engagement on pre-legislative scrutiny with Parliamentary committees. The Cabinet Office should also take steps to ensure that all departments are fully aware of the processes related to pre-legislative scrutiny of draft Bills and their engagement responsibilities with Parliament and its committees, and that its guidance is clear in this regard.***

9 Correspondence from the Minister for Local Government to the Chair of the Housing, Communities and Local Government Committee, 8 March 2018

# 3 Outstanding issues

9. Had the Government not presented the Bill when it did, we might have been able to further scrutinise the draft Bill with a view to identifying any possible problems in the implementation of a largely uncontroversial policy. As we note in our correspondence with the Minister, that policy appears to have been broadly welcomed, given it simply re-enables a practice of the VOA that has been stable and understood for over 50 years. **Following our correspondence with the Minister in which we clarified the policy goals, we are satisfied with the overall objectives of the Bill.**

10. However, in correspondence, we did raise a range of issues related to the potential financial effect on some local authorities, whether retrospective legislation was appropriate and whether it required additional express provision, and the drafting of the test for contiguity. These issues are more fully articulated in the correspondence which we have appended to this Report. We hope these will be of use both in informing the work of Members of both Houses as the Bill progresses and in ultimately contributing to better legislation.

11. We welcome the detailed and considered way in which the Minister has responded to our questions in correspondence, and while many of the issues and questions we raised were addressed in the responses provided, there are a number of outstanding issues which we elaborate on below.

12. Equally, had the Committee enjoyed the opportunity to assess the consultation responses before the Bill was presented, there may have been further questions we would have raised in the context of pre-legislative scrutiny which could have further improved the proposed legislation. This deepens our frustration that the potential benefits of pre-legislative scrutiny were not fully realised in this instance. Given we were only provided with these consultation responses after the Bill was presented, we have now simply published and reported these to the House separately alongside this report, again to assist Parliament as the Bill progresses through its various stages.

## Effect on local authorities

13. When announcing plans to legislate to reverse the effect of the Supreme Court judgment, the Government stated that "Local government will be fully compensated for the loss of income as a result of these measures."[10] Yet a range of local authorities responding to the Government's consultation were concerned that the draft Bill would have a negative financial impact. Our brief analysis of the consultation responses suggests seven individual local authority respondents and the District Councils' Network (representing 200 district councils) expressed concern over the cost to authorities, the latter specifically asking for funding to cover refunds. Despite this, and its previous commitment at the time of the Autumn Budget 2017, the Government told us in correspondence and in response to its consultation on the draft Bill that "no compensation will be payable to local government" because the Supreme Court judgment created an unexpected 'windfall'—an interpretation we questioned in our correspondence—for some local authorities.[11]

10 Autumn Budget 2017, HM Treasury, Paragraph 3.28

11 Correspondence from the Minister for Local Government to the Chair of the Housing, Communities and Local Government Committee, 19 February 2018, paragraph 4; and Business rates in multi-occupied properties: Consultation on reinstating the practice of the Valuation Office Agency prior to the decision of the Supreme Court in Woolway (VO) v Mazars [2015] UKSC 53, Summary of Responses and Government Response, Ministry of Housing, Communities and Local Government Committee, paragraph 16

14. The Government made clear in its correspondence with us that it did not believe it was possible to isolate the effect of the draft Bill from "the many other changes that happen to properties on the rating list". Despite assurance in the consultation paper that under the rates retention scheme "the overall impact on rates income will be nil"[12] the Government did acknowledge that some local authorities may see an "overall financial consequence", likely to be "small overall".[13] **We do not find this sufficiently reassuring, and remain concerned that the Government has not taken sufficient steps to assess the potential financial effects on local authorities however large or small they may be.**

15. In considering whether the Government is able to estimate the effect of the Bill's provisions on local authorities in any way, and taking into account our requests for this to be calculated in the correspondence with the Minister, we observe that there will be a new route to allow ratepayers to seek adjustments to rateable values otherwise closed to challenge.[14] While the value of adjustments may not reflect only the reinstatement of previous practice, as the Government has noted, the fact those adjustments are happening *would*. This is a financial effect that could be quantified in relation to local authorities.

16. ***We therefore recommend that as early as possible during the progress of the Bill the Government should:***

*a)* ***take steps to quantify by whatever means possible the potential effect on individual local authorities of the provisions in the Bill; and***

*b)* ***explain in detail why it does not now plan to honour its Autumn Budget 2017 commitment to compensate local government fully for the loss of income resulting from the provisions.***

## Other questions

17. There also remain questions beyond those already raised in our correspondence with the Minister. For example, we might have further considered whether it is appropriate to change the law retrospectively (especially where it may affect local government funding). In addition, we might have explored (though not dealt with in the draft Bill or the Bill) whether the intention is to allow ratepayers to have their premises revalued only to reverse the effects of *Mazars*, or whether any ratepayer seeking to reverse those effects will be unable to do so without triggering a potentially adverse revaluation on other grounds.

12 Business rates in multi-occupied properties: Consultation on reinstating the practice of the Valuation Office Agency prior to the decision of the Supreme Court in Woolway (VO) v Mazars [2015] UKSC 53, Department for Communities and Local Government Committee, December 2017, paragraph 10

13 Correspondence from the Minister for Local Government to the Chair of the Housing, Communities and Local Government Committee, 19 February 2018, paragraph 7

14 Business rates in multi-occupied properties: Consultation on reinstating the practice of the Valuation Office Agency prior to the decision of the Supreme Court in Woolway (VO) v Mazars [2015] UKSC 53, Department for Communities and Local Government Committee, December 2017, paragraph 39

# Conclusions and recommendations

## Process of pre-legislative scrutiny

1. We are disappointed that the Department did not notify us of its intention to present the Bill when it did, or provide the promised consultation responses prior to that presentation. This cannot be consistent with civil service best practice in such circumstances. We made clear in both of our letters that the consultation responses would assist us in assessing the potential effects of the draft Bill. Thus, we are surprised that the Department appeared to have concluded that we had completed our engagement in the pre-legislative scrutiny process. We therefore consider it a discourtesy to the Committee that we were pre-empted in our pre-legislative scrutiny by the presentation of the Bill. (Paragraph 7)

2. *We ask the Government to assess what lessons can be learned for future best practice related to the publication of draft Bills. Particular consideration should be given to processes prior to a subsequent Bill's presentation to Parliament, in order to ensure that departments have appropriately completed any engagement on pre-legislative scrutiny with Parliamentary committees. The Cabinet Office should also take steps to ensure that all departments are fully aware of the processes related to pre-legislative scrutiny of draft Bills and their engagement responsibilities with Parliament and its committees, and that its guidance is clear in this regard.* (Paragraph 8)

## Outstanding issues

3. Following our correspondence with the Minister in which we clarified the policy goals, we are satisfied with the overall objectives of the Bill. (Paragraph 9)

4. We […] remain concerned that the Government has not taken sufficient steps to assess the potential financial effects on local authorities however large or small they may be. (Paragraph 14)

5. *We therefore recommend that as early as possible during the progress of the Bill the Government should:*

    *a) take steps to quantify by whatever means possible the potential effect on individual local authorities of the provisions in the Bill; and*

    *b) explain in detail why it does not now plan to honour its Autumn Budget 2017 commitment to compensate local government fully for the loss of income resulting from the provisions.* (Paragraph 16)

# Appendix 1: Committee correspondence

## Letter from Marcus Jones MP, Minister for Local Government, to the Chair, dated 3 January 2018

Dear Clive,

**Consultation and draft Bill: Business rates in multi-occupied properties**

On 29 December, the Department for Communities and Local Government published a technical consultation document and draft bill containing measures to amend the Valuation Office Agency's practice of identifying rateable businesses in multi-occupied buildings. These changes are designed to return the Valuation Office Agency's practice to its position prior to the Supreme Court Judgment of Woolway (VO) v Mazars [2015] UKSC 53, the consequences of which have become known as "the staircase tax". I would welcome the Committee's views on the consultation.

The practice of identifying rateable businesses in multi-occupied buildings had remained stable and understood for more than 50 years. Now many ratepayers who previously received one rates bill for their contiguous occupations in a building are receiving multiple bills. Some ratepayers have consequently experienced an increase in their total rateable value (and therefore rates bill), while others have lost their small business rate relief. Some ratepayers have seen these changes backdated as far as 1 April 2010.

In the Autumn Budget the Chancellor of the Exchequer announced that the Government would legislate to address the so called "staircase tax". The consultation document and draft bill set out how we plan to change the law and how we plan to implement the change. Although this is only a short bill, it applies to a field that the Supreme Court described as 'complex' and 'multi-faceted'. Publishing in draft therefore ensures that we can consult fully with stakeholders and experts before introduction to the House.

The provisions of the Bill will have retrospective effect to 1 April 2010 so no ratepayer will ultimately be disadvantaged by first publishing in draft. Nevertheless, it remains important that we move as quickly as practicable to change the law. In light of these considerations, I have allowed eight weeks for consultation which, whilst being less than the usual consultation period, will still allow sufficient time for rating experts and others to consider and discuss with us the draft provisions. I trust this meets with your approval.

I am placing a copy of this letter in the Library of the House.

Yours sincerely,

Marcus Jones

Letter approved by the Minister and signed in his absence

## Letter from the Chair to Rishi Sunak MP, Minister for Local Government, dated 23 January 2018

Dear Rishi,

**Draft Non-Domestic Rating (Property in Common Occupation) Bill**

Firstly, may I congratulate you on your ministerial appointment. I and the Committee look forward to engaging with you constructively on a wide variety of local government issues as we did with your predecessor who was a regular visitor to the Committee. I am writing to you now in response to the letter of 3 January from your predecessor regarding the publication of a consultation document and draft Bill on business rates in multi-occupied properties.

As you know, the default position should be that Bills will be published in draft and submitted to Parliament for pre-legislative scrutiny. If a Bill is published, the expectation is that pre-legislative scrutiny will be conducted by the competent committee, should it wish (Cabinet Office, Guide to Making Legislation, July 2017, chapter 22). Whilst also inviting views from the Committee in your letter, it seems that in this case it is the Government's intention that the primary objective of the draft Bill and short eight-week consultation are to elicit responses from rating experts and other key stakeholders. This may be justified given the short nature of the draft Bill and its policy objective which seeks to return the Valuation Office Agency's practice, which dates back more than 50 years, to its position prior to the Supreme Court judgment to which you refer. Equally, it is quite possible that there may be broad consensus among these stakeholders regarding the policy objective. But Committees conducting pre-legislative scrutiny have often benefitted from seeing the results of public consultation before reporting, which is why departments are urged to consider the timetable if issuing a draft Bill at the same time as consulting the public (Guide, para 22.32). The views of stakeholders, and any consensus among them, can often shape a committee's approach to scrutinising a draft Bill.

In this context, appended to this letter please find a number of questions related to the consultation and draft Bill, alongside more detailed commentary, from the Committee. I would be grateful if you could respond to these questions within the next four weeks. This will allow the Committee to consider your response and whether there is a need for us to question the Government any further on this issue. You will know that we have invited you to appear before the Committee pursuant to our separate inquiry on business rates retention on 26 February. While this inquiry is clearly not related to the draft Bill, this session may also be an opportunity, if necessary, to raise any further questions or issues that the Committee has on the draft Bill with you.

Given their role and interest in the wider process of pre-legislative scrutiny, I am copying this letter to the Chair of the Liaison Committee and the Minister for the Cabinet Office.

Clive Betts MP

Chair, Communities and Local Government Committee

**Q1. Is it correct as a matter of policy to consider contiguous properties as one hereditament where they are in common occupation?**

The consultation document (paras 22-32) sets out the Government's intention to reinstate the practice of the Valuation Office Agency (VOA) prior to the Supreme Court judgment in Woolway v Mazars [2015] UKSC 53. The practice was to treat contiguous properties as a single hereditament when occupied by the same person. The VOA's approach to the meaning of contiguous was to treat two units of property as being contiguous where they were separated by a wall or floor/ceiling. Voids between otherwise contiguous offices (possibly containing services) were not considered by the VOA to prevent the units from being contiguous. The practice which the Government intends to reinstate is clear but it has provided no reason for its policy. In this context:

a) **Why is this particular treatment of hereditaments attractive to the Government such that it wants to enshrine it in legislation?**

b) **Why is this approach preferable to the view expressed in Mazars that to be assessed as a single hereditament, two contiguous properties must be in the same occupation and must not be separated by common parts or facilities?**

c) **Is the Government's approach based solely on a desire to enable the VOA to return to is previous practice or is there a more principled view held by Government which is not evidenced in the consultation document?**

We note that the consultation exercise doesn't extend to the principle behind the policy decision to reverse the effect of the views expressed by the Supreme Court. In answering this question, we would be grateful for information about what consultation and analysis was undertaken before coming to the decision.

**Q2. How will the draft Bill be implemented?**

The Government has made clear its intention to return to the position prior to the Mazars decision but it is not clear how this is to be achieved. The draft Bill makes no provision for secondary legislation to permit amendment of rating lists already compiled.

The consultation document (at paragraph 34) refers to the 2010 rating list, noting that some ratepayers may have had the Mazars decision backdated to 1 April 2010 in relation to their property. It explains the Government wants ratepayers to have the right to request a reassessed rateable value on the basis of previous VOA practice (paragraph 35 of the consultation document), but that there is no suitable procedure available for alterations to the 2010 list. The right would only apply to ratepayers affected by Mazars who think that two or more hereditaments ought, as a result of the draft Bill, to be merged to form one hereditament (paragraph 36 of the consultation document). The Government also states that it will ensure that the former 2010 list proposals and appeals process will apply. Ratepayers will be able to discuss the implications of a backdated change to the 2010 list with the VOA and only proceed if they wish, thus ensuring that the previous VOA practice is only applied in the case of the 2010 list if the ratepayer desires it (paragraph 37 of the Consultation Document).

Though section 55(6)(a) of the Local Government Finance Act 1988 permits retrospective alteration of the rating lists, the Government envisages retrospective amendment to implement new law (reinstating old VOA practice). There are no additional powers in the draft Bill for alteration of lists, so the Government will need to ensure that section 55(6) achieves its objectives in relation to the 2010 list. It is not clear that this will necessarily be the case: although Section 55(6) allows retrospective alteration the intention which the Government is expressing is that the basis upon which alterations should take place is changed, aligning law with practice prior to the Mazars decision.

Alternatively, fresh legislation with retrospective effect will be needed. Retrospective legislation is unusual; it is generally reserved for urgent situations or for those where the UK is found to be in breach of international obligations. It would be helpful to know why the Government feels that it has to act in this way to address what might be classed as a sectoral issue.

In summary, the implementation of the draft Bill requires a detailed explanation to ensure that the Government's plans are clearly understood and are achievable without the need for further legislation.

**Q3. Does the Government propose to ensure that no local authority's funding is reduced in respect of any period before the draft Bill comes into force, as a result of the draft Bill? If so, how?**

The consultation document explains, in respect of periods from 2010 to date, that ratepayers may have seen their rateable value increase (eg, by loss of 'quantum discount' on valuation or Small Business Rate Relief, or due to rounding on multiple hereditaments). As we note above, the Government intends to allow ratepayers to apply for reassessment of rateable value retrospectively back to 2010. So, the rate bills for some ratepayers will presumably be reduced. There will be no corresponding increase in the bills of others; there would doubtless be problems retrospectively increasing taxation.

Paragraph 40 of the consultation document is unclear but appears to suggest that local authorities will not be negatively impacted by the retrospective reassessments:

> *For local government, any additional business rates revenue arising from the Supreme Court decision which they would have held under the rates retention scheme will be offset by the reinstatement of the previous practice of the Valuation Office Agency. The overall impact on rates income will, therefore be nil and no compensation will be payable under the rates retention scheme.*

However, this paragraph leaves unclear what the Government believes will be the impact on funding of individual local authorities in respect of the period from April 2010 until commencement of the draft Bill, and the reasons for that belief.

**Q4. Has there been an impact assessment? If so, please provide us with a copy.**

Draft Bills should be published as command papers (Cabinet Office, Guide to Making Legislation, July 2017 para 22.14), and an impact assessment made available alongside Bills published in draft for pre-legislative scrutiny (paras 14.5 and 22.14). We would welcome the Government's explanation for the decision not to follow this good practice.

In addition to any impact on ratepayers, and on local authorities as recipients of a proportion of non-domestic rates, we would expect to see an assessment of the impact on VOA and local authorities in implementing the draft Bill.

**Q5. Why does the department take the view—as set out at paragraph 29 of the consultation document—that a void between two otherwise contiguous properties will not prevent them from being treated as contiguous under the draft Bill?**

It is not immediately obvious to the Committee why this would be the case, or that this is the effect of the draft.

## Letter from Rishi Sunak MP, Minister for Local Government, to the Chair, dated 19 February 2018

Dear Clive

**Draft Non-Domestic Rating (Property in Common Occupation) Bill**

Thank you for your letter of 23 January regarding the above Bill in response to my predecessor's letter of 3 January.

The draft Bill seeks to address the consequences of a Supreme Court decision which resulted in changes in the way the Valuation Office Agency (VOA) assess property in common occupation. These consequences became known as the staircase tax. The Chancellor announced at the Autumn Budget that we would address the staircase tax and we of course want to move quickly to introduce the necessary legislation. Until we change the law ratepayers will still be liable for business rates based upon the current rules.

I appreciate, as a result of this urgency, that we have shortened the usual timescales for draft legislation. Normally we would move immediately to introduce a Bill in situations such as these but, due to the technical complexity of this matter, we felt it was essential to first consult upon draft provisions. This additional step has been widely welcomed by rating surveyors. In January my Department held two events with the Rating Surveyors Association and we continue to hold discussions with stakeholders to hear their views ahead of the consultation closing on 23 February.

To assist with your consideration of the Bill within this timetable, you asked us to consider five questions. These are addressed in the Annex to this letter.

Rishi Sunak MP

### *Annex*

**Q1. Is it correct as a matter of policy to consider contiguous properties as one hereditament where they are in common occupation?**

1. Prior to the Supreme Court decision in the Mazars case, the general rule was that two hereditaments in the same occupation and contiguous should form one hereditament. This had the benefit of following the practice in the market where occupiers may well take more than one contiguous unit of property and usually occupy them as a single unit under a single lease. The obvious example is of tenants taking contiguous floors of an office block. The change in practice following the Supreme Court decision meant that these individual units of property had to be separately assessed even where they were in the same occupation and contiguous.

2. Following the Supreme Court decision, and as the change in practice starting to be implemented by the VOA, stakeholders and rating practitioners increasingly called for us to restore the previous practice. In a joint letter to my predecessor in February 2016, all three professional bodies working in business rates (the Royal Institution of Chartered Surveyors, the Institute of Revenue, Rating and Valuation and the Rating Surveyors Association) called for the previous practice of contiguous units of property in single occupation to be treated as one to be restored. They described that previous

practice as widely understood and as ensuring that rating assessments reflect the value to the occupier and as such equity between similar ratepayers. That is the practice which we seek to restore through the draft Bill.

**Q2. How will the draft Bill be implemented?**

3. As you note, we have explained in the consultation document that the change in law brought about through the Bill will be implemented by the VOA who will amend the rating list. The Bill will change the law retrospectively to 1 April 2010 but from April 2018 the VOA will not be able to amend the 2010 rating list other than as a result of an outstanding appeal. To resolve this we will introduce a new right of appeal on the 2010 rating list for those affected. Our early discussions with stakeholders have shown widespread support for this approach although we recognise the need to provide more detail on the precise terms of this new right of appeal. We intend to prepare draft regulations for discussion with the sector alongside the passage of the Bill. We consider the existing powers in section 55 of the Local Government Finance Act 1988 to be sufficient for these purposes but we will review the position before introduction.

**Q3. Does the Government propose to ensure that no local authority's funding is reduced in respect of any period before the draft Bill comes into force, as a result of the draft Bill? If so, how?**

4. The change in practice brought about by the Court ruling provided an unexpected windfall to local authorities. By legislating to reinstate previous valuation practice, the government is giving this windfall back to ratepayers. Accordingly, no compensation will be payable to local government in respect of this measure.

5. For example, the VOA may have, following the Supreme Court decision, amended a rating assessment with effect from 1 April 2010. This may, in turn, have increased the charge for that period and the ratepayer will then have had to pay more in business rates. The Bill will allow for the previous practice to be restored from 1 April 2010. Following Royal Assent the rating assessment can, therefore, be amended back to 1 April 2010 to reflect the practice prior to the Supreme Court decision. The charge will be amended back to April 2010, the ratepayer will be refunded and the overall impact on the rates income received from that ratepayer as a result of this measure will be nil.

6. Under the rates retention scheme individual local authorities will retain different percentages of business rates income depending upon the type of authority, whether they are on the safety net or paying a levy and whether they are part of a 100% growth pilot. These percentages could change year to year depending upon their circumstances, such as where an authority comes off the safety net or joins a 100% growth pilot. Where this has happened, the impact on the local authority's retained business rates from the increased charge following the Mazars decision in one year may be different to the impact upon retained rates income from the refund in a different year.

7. As a result of this timing difference, some local authorities may, in theory, see an overall financial consequence from this measure. We are unable to estimate this impact in practice but it is likely to be small overall and may be to the benefit as well as the detriment of authorities.

**Q4. Has there been an impact assessment? If so, please provide us with a copy.**

8. As this draft Bill implements a Budget measure and amends a location taxation regime, no impact assessment has been prepared. This is normal for tax legislation and reflects the practice followed for example on the Telecommunications Infrastructure (Relief from Non-Domestic Rates) Bill and the Finance Bill.

9. As we explain in the consultation document, we estimate that the number of ratepayers whose eligibility for small business rate relief was affected as a result of the Mazars decision to be less than 1,000. Those ratepayers will, subject to other changes to their rateable value or circumstances, see their eligibility for small business rate relief restored following Royal Assent of the Bill. This is an estimate at the England level. We do not hold centrally data about which properties receive Small Business Rate Relief and, therefore, no further analysis of this estimate is possible.

10. Ratepayers may also have seen their total rateable value change as a result of the Mazars decision due to the loss of a "quantum discount" and due to rounding (see paragraphs 16, 17 and 21 of the consultation document). These impacts will, subject to other changes to the property, be reversed following Royal Assent of the Bill.

11. The VOA undertook an exercise to implement the change in practice following the Supreme Court decision and is able to track the resulting change in rateable value from that exercise. On 13 September 2017 Melissa Tatton CBE, the Chief Executive of the VOA wrote to the Treasury Select Committee with the latest data from that work. However, in practice this exercise will have also captured changes in rateable value for other reasons such as where there have been physical changes to the property. And Valuations Officers may also have changed rateable values for the Mazars decision in the normal course of business. Therefore, we have explained in the consultation document that it is not possible to say with certainty how much rateable values have changed due to the Mazars decision and how much from other factors.

**Q5. Why does the department take the view-as set out at paragraph 29 of the consultation document-that a void between two otherwise contiguous properties will not prevent them from being treated as contiguous under the draft Bill?**

12. The practice prior to the Supreme Court decision was that properties separated by a wall or a floor/ceiling in which there was a void in the occupation of another party (such as a void for services) were still considered to be contiguous. This is despite the fact that, in strict terms, the void would otherwise mean the properties were not contiguous. This divergence between the strict meaning of contiguous and the rating meaning (which was highlighted by the Supreme Court) has meant that in drafting the legislation we have had to define the meaning of contiguous in order to restore the previous rating practice.

13. In doing so we have, in respect of 3ZB(a), relied upon the common meaning of the term wall on the understanding that a structure between units of properties can include voids for matters such as services and still be considered a single wall. This contrasts with two walls separated by, for example, a room. And in respect of 3ZB(b) we have relied upon the floor of one hereditament being considered to form all or part of the ceiling of the other hereditament even if a void for services existed within them.

14. These are probably the most difficult parts of the draft Bill and precisely why we felt it so important to consult. A lot of the discussion with stakeholders has centred around these provisions and we will, of course, look again at them in light of responses to see if they meet the policy objective.

## Letter from the Chair to Rishi Sunak MP, Minister for Local Government, dated 26 Febraury 2018

Dear Rishi

**Draft Non-Domestic Rating (Property in Common Occupation) Bill**

Thank you for your response of 19 February to my letter of 23 January regarding the Committee's detailed comments and questions on the Draft Non-Domestic Rating (Property in Common Occupation) Bill. The Committee takes its responsibilities with regards to pre-legislative scrutiny very seriously, and it is welcome that you have given careful consideration to the questions we posed.

As you note, the broad policy objective of the provisions of the draft Bill have been generally welcomed by experts in the sector, and no doubt will be by those ratepayers directly affected by the Mazars case. However, the Committee remains concerned about the potential effect of these changes on some local authorities in particular. We believe that the Government should be more clearly evidencing that it has assessed and quantified such potential effects adequately.

We therefore have a number of further questions on this and other outstanding points which we would welcome the Government's answers to as part of the pre-legislative scrutiny process.

**Policy**

1. We asked whether it is good policy to treat "contiguous" properties as one hereditament. In summary, though you did not specifically answer the supplementary questions under Q1 (a-c), your reply is that various stakeholders urged you to change the law to match previous practice, and you seek to ensure rating assessments reflect value to occupiers. So we can better understand this rationale:

**Q6. Did any local authorities (LAs) respond to your recent consultation? If so, to what effect?**

**Q7. We request that you send us copies of all responses to the consultation.**

**Local authority funding**

2. Your response to our question about the effect on local government funding was that by changing the law you are returning a "windfall" and therefore the overall impact on income from each ratepayer will be nil, by which you mean not the impact of the draft Bill but the net effect of Mazars and the Bill. You acknowledged an "overall financial consequence" for "some authorities", likely to be "small overall" with some winners and some losers. However, we do have concerns about whether the effects on local government are as simple as you suggest for the following reasons:

a) The increase in the overall total rateable value (RV) on the 2017 rating list following Mazars will have been a factor lowering the multiplier from 2017. If RVs are revised down to reverse Mazars, the multiplier will be too low.

b) The increase in some RVs on the 2017 rating list will have changed the spread of the taxation burden and affected different LAs in differing ways. The tariffs and top-ups were adjusted at the 2017 revaluation to ensure changes in the total rateable value in LA areas did not affect their rate revenue (the "wash through") and will have been calculated on the basis of the law explained in Mazars.

3. So we can better evaluate the impact on local authorities, please tell us:

**Q8. How do you intend to monitor and report on changes in RVs which result from reversing the effect of Mazars?**

**Q9. What would be the aggregate fall in RV across the 2017 rating list as a result of reversing Mazars? What effect do you calculate this will have on LA rate revenue?**

**Q10. To avoid reducing overall LA rate revenue when reversing Mazars, will you provide for the multiplier to be changed to compensate for the lower total RV. Or will you compensate for the lower total RV in some other way?**

**Q11. How will you ensure that tariffs and top-ups set in reliance on Mazars are adjusted so that reversing the effect of Mazars does not unfairly advantage or disadvantage any LAs? In other words, how will you check the levelling mechanism doesn't become a distorting one?**

**Q12. Have you considered which LAs might be most affected by any reversal of the effect of Mazars?**

**Walls, floors, ceilings, and voids**

4. Because of the decision to change the law, as the law was explained in Mazars, it becomes necessary to define "contiguous" in statute. You explain you rely on the "common meaning of the term wall" on the understanding that a wall may contain voids (in contrast with rooms) and a floor may be considered the ceiling of the property below, even if a void exists "within" ("between", presumably) them.

**Q13. Are you confident the courts will accept that the floor of one hereditament forms the ceiling of another, regardless of voids? Similarly in relation to walls.**

**Q14. What is your (at least provisional) view as to how a void will be distinguished from a room? At what point does one become another?**

**Q15. What assessment have you made of whether a statutory definition of "contiguous" will introduce significant scope for litigation?**

**Retrospectivity**

5. Although RVs are often revised retrospectively, it is to apply properly the law as it then stood, rather than in response to a retrospective change in the law. In this case, the law as properly understood, and as explained by the Supreme Court, is to be retrospectively changed, retrospectively altering property rights. To help us understand how widespread this issue will be:

**Q16. How many properties have the Valuation Office Agency revalued to produce a RV which is different to what it would have been apart from Mazars?**

**"Windfall"**

6. Finally, the logical inference of the Supreme Court's decision is that the VOA had been too 'generous' to taxpayers in its interpretation of the law in treating contiguous properties as forming a single hereditament. It might be said that the Supreme Court simply corrected the VOA's understanding of the law, rather than gave LAs a "windfall".

**Q17. Why is it right to characterise LAs receipt of rates in accordance with the law as explained in Mazars as a "windfall"?**

The Committee is grateful in advance for your consideration of these additional questions and looks forward to your timely response within the context of the pre-legislative scrutiny process for this draft Bill.

Clive Betts MP

Chair, Communities and Local Government Committee

## Letter from Rishi Sunak MP, Minister for Local Government, to the Chair, dated 8 March 2018

Dear Clive

**Draft Non-Domestic Rating (Property in Common Occupation) Bill**

Thank you for your further letter of 26 February regarding the above Bill, following my letter of 19 February.

Since I wrote, the consultation period on the draft Bill has closed and I am pleased to say we have received 53 responses. This builds upon the stakeholder engagement we undertook with the rating sector throughout the consultation period. We are now considering the results of this consultation exercise.

I understand your concerns that the consequences of the change in VOA practice following the Mazars decision and the provisions in the Bill to restore the previous practice have not been fully quantified. In our consultation document and in my letter of 19 February I explained the constraints which prevent us from fully analysing these impacts in isolation from the many other changes that happen to properties on the rating list. I have set out the Government's thinking in more detail in response to your further questions in the Annex to this letter. I have grouped some of these questions where the response covers more than one of them.

Thank you again for raising these important points.

Rishi Sunak MP

### *Annex*

**Q6. Did any local authorities (LAs) respond to your recent consultation? If so, to what effect?**

1. Twenty five local authorities responded to the consultation. All twenty five agreed that the draft Bill reinstated the previous practice of the VOA (question 1 of the consultation) although four qualified this support with suggestions as to how the Bill could be improved (question 2).

2. As regards implementation on the 2010 rating list, nineteen local authorities supported the proposed approach to implementation through a new right of proposal (question 3) and six disagreed. Twenty one agreed that the former 2010 list appeals process should apply for the 2010 list (question 4) and three disagreed. Concerns raised in relation to implementation on the 2010 list (question 5) were that the appeal system was too burdensome, the possibility of negative impacts on ratepayers, and that the VOA should be more pro-active in automatically restoring its previous practice without the need for an appeal. One respondent said that the Bill should not apply to the 2010 rating list.

3. As regards implementation on the 2017 rating list, twenty local authorities agreed that the VOA should allow a prioritised "check" on the 2017 list in addition to the VOA's normal duty to maintain the rating list (question 6) and four disagreed. Concerns in

relation to implementation on the 2017 list (question 7) were again that the process should be automatic but also that the standard "Check, Challenge Appeal" process should apply to all ratepayers.

4. In addition, eight authorities said that the Government should compensate them for the loss of income as a result of the restoration of the VOA's previous practice. While this matter is outside of the scope of the consultation, the Government's position was explained in paragraph 40 of the consultation document and in paragraph's 4 to 7 of my response to you of 19 February.

5. Finally, some authorities asked that the Government fund the cost of administering billing and re-billing as a result of the Mazars decision. This is also outside the scope of the consultation. The Government considers that billing and rebilling administration costs arising from the Mazars decision is part of the normal cost of administering the business rates system and is already funded through the Cost of Collection Allowance. Nevertheless, the Government would welcome discussions with local government on this matter.

**Q7. We request that you send us copies of all responses to the consultation.**

6. We will send these under separate cover. We will publish a summary of all responses once we introduce the Bill.

**Q8. How do you intend to monitor and report on changes in RVs which result from reversing the effect of Mazars?**

**Q9. What would be the aggregate fall in RV across the 2017 rating list as a result of reversing Mazars? What effect do you calculate this will have on LA rate revenues?**

**Q12. Have you considered which LAs might be most affected by any reversal of the effects of Mazars?**

**Q16. How many properties have the Valuation Office Agency revalued to produce a RV which is different to what it would have been apart from Mazars?**

7. Paragraphs 8 to 11 of the Annex to my reply of 19 February explain that we are unable to say how much rateable values have changed due to the Mazars decision and how much from other factors. Further detail is provided below.

8. A typical example of a property affected by the change in practice following the Mazars decision would be a ratepayer who occupies, for example, three contiguous floors of an office block in common occupation. Prior to the Mazars decision the three floors occupied by that ratepayer would have been assessed as one hereditament.

9. Continuing this example, the VOA may have identified this property in the course of the exercise they undertook following the Mazars decision. This exercise ran from Spring 2016 to Autumn 2017. The property would have been flagged by the VOA as requiring a change due to Mazars. These flagged properties have been used to form the data included in the letter from the Chief Executive of the VOA to the Treasury Select Committee on 13 September 2017.

10. In the case of our example property, the VOA would have split the assessment from one into three and if necessary adjusted or removed the quantum discount from the valuation (see paragraph 10 of my letter of 19 February). This, in isolation, would have increased the overall rateable value across the now three assessments.

11. However, when looking at our example property, the VOA may have also identified other considerations which would also have needed to be reflected in the revised assessment. For example, they may have identified common areas which would have needed to be treated differently, they may have identified changes to the use of space in the office or they may have found improvements or other changes of which they were previously unaware. Changes such as these would have been made to the rateable value at the same time as the split of the one assessment into three but would not have been as a direct result of the Mazars decision and would not have been reversed as a result of the draft Bill.

12. Since a rateable value is the valuation of all attributes of a property in combination, the precise effects of the Mazars decision on any one valuation cannot be separated from any other changes without examining the detail of the individual case. Such information cannot be statistically derived by the VOA. In our example, the total rateable value of the three assessments for each of the three floors would have been different to the rateable value previously shown for the three floors combined but the VOA would need to reexamine the whole valuation to determine how much, if any, of that difference would be due to the loss of the quantum discount and how much due to other changes not directly related to Mazars.

13. It is also possible that our example property was identified by the VOA in the normal course of its work -either at the time of the Mazars exercise or since. In which case the VOA would still have corrected the assessment, splitting it into three and reflecting the other changes, but would not have flagged it as part of the review. As a result, all those cases which are in part or in whole due to the change in practice following Mazars cannot be specifically identified by the VOA.

14. This is why, in relation to your questions 9, 12 and 16, it is not possible to estimate or track the change in rateable value due to the Mazars decision and, therefore, nor is it possible to estimate the changes in rateable value which will result once the Bill has received Royal Assent.

15. In relation to your question 12, paragraphs 15 to 21 of the consultation document describe the impacts of the Mazars decision. We believe that the most significant of these impacts in financial terms is the loss of the "quantum discount" from rating valuations. This impact is likely to be concentrated in urban locations with concentrations of high value offices. Those authorities are likely to have seen the largest windfall gains from the Mazars decision and, it follows, will see the largest refunds once the Bill receives Royal Assent.

16. In relation to your question 8, the process for implementation of the Bill once it receives Royal Assent is described in paragraphs 33 to 39 of the consultation document. The VOA will be able to track those fresh appeals which are made on the 2010 rating list as a result of the Bill receiving Royal Assent. We expect these fresh appeals will, in part, give a reasonable guide to the impact of reinstating the previous VOA practice on the 2010

list. However, some amendments to the 2010 rating list after Royal Assent will be made as a result of existing and outstanding 2010 appeals, and, for the reasons given above, it will not be possible to track within those existing appeals the change in rateable value due to the reinstatement of the previous practice.

17. For the 2017 rating list, as we explain in the consultation document, the Royal Assent of the Bill will be reflected through the VOA's business as usual practice including Checks, Challenges and Appeals and the VOA's own amendments to the rating list. For the reasons given above, the VOA therefore expects that accurate tracking of the impact on the 2017 rating list of reinstating their previous practice will be difficult with the results being necessarily incomplete.

**Q10. To avoid reducing overall LA rate revenue when reversing Mazars, will you provide for the multiplier to be changed to compensate for the lower total RV. Or will you compensate for the lower RV in some other way.**

18. At the 2017 revaluation, as at each revaluation, the Government reset the multiplier to reflect the overall change in rateable value between the old and the new rating lists. The calculation of this adjustment for the 2017 revaluation was published on 9 March 2017 in Business Rates Information Letter (3/2017). A link is provided below.

https://www.gov.uk/government/collections/business-rates-information-letters

19. The adjustment is made at the England level using a formula set in primary legislation and, in broad terms, adjusts the multiplier in line with the percentage change in rateable value between the old and the new rating list. The adjustment is based on the evidence available at the time and has not been revisited to reflect later changes to rateable values.

20. The change in practice following the Mazars decision and restoration of that practice following the Royal Assent of the Bill will, in principle, change total rateable values on both the 2010 and 2017 rating list. Therefore, reflecting these factors in the adjustment for the multiplier would not necessarily have led to a movement in the overall percentage change between the two rating lists. In any case, in practice the numbers and resulting rounding in the setting of the multiplier are such that we do not believe the impact of Mazars could have had a material impact on the multiplier for 2017/18. Therefore, we do not consider that the multiplier set at the 2017 revaluation is lower than it would otherwise have been due to either the Mazars decision or the restoration of the VOA's practice through the Bill.

**Q11. How will you ensure that tariffs and top-ups set in reliance on Mazars are adjusted so that reversing the effect of Mazars does not unfairly advantage or disadvantage any LAs? In other words, how will you check the levelling mechanism doesn't become a distorting one?**

21. The adjustment to tariffs and top-ups following the revaluation is intended, as far as possible, to offset the change in rates revenue at the local level. It ensures that local authorities retain broadly the same rating income post-revaluation as they would have retained if the revaluation had not taken place. One component of the calculation of revised tariffs and top-ups (but only one) is the change in revenue from one list to the next.

22. The Mazars decision and changes made as a result of this Bill will have a similar impact on the value of both the 2010 and 2017 rating lists. Therefore, it makes little material

difference whether the calculation of post-revaluation tariffs and top-ups had used the original values set in reliance on Mazars, or values reflecting the changes to be made as a result of this Bill. As a result, we do not believe that the restoration of the previous practice of the VOA would have had a material impact on the revaluation adjustment to tariffs and top-ups.

**Q13. Are you confident the courts will accept that the floor of one hereditament forms the ceiling of another, regardless of voids? Similarly in relation to walls?**

**Q14. What is your (at least provisional) view as to how a void will be distinguished from a room? At what point does one become another?**

**Q15. What assessment have you made of whether a statutory definition of "contiguous" will introduce significant scope for litigation?**

23. The objective of the Bill is to settle upon a definition of contiguous which reflects the previous practice of the VOA and provides certainty for ratepayer and the VOA. We of course hope that such a definition avoids the need for litigation.

24. The draft Bill does not explicitly define a wall as including a void for services and nor does it explicitly provide that a similar void may be present between the floor of one hereditament and the ceiling of another. Our concern has been that if we start to define a void then we risk failing to distinguish the void from a room or failing to capture all the circumstances in which a void would still be considered to be contiguous. That is why, as I explained in paragraph 13 of my letter of 19 February, we prefer instead to rely upon the common meaning of the term wall and the concept of the floor of one hereditament forming all or part of a ceiling of the hereditament above.

25. Nevertheless, several respondents have offered comments on these parts of the draft provisions and we are currently considering those and all other responses.

**Q17. Why is it right to characterise LAs receipt of rates in accordance with the law as explained in Mazars as a "windfall"?**

26. The practice of combining into one hereditament contiguous properties in the same occupation was accepted by the VOA and rating agents prior to the Supreme Court decision. Neither the ratepayer nor the VOA were seeking a departure from this rule during the Mazars litigation and the Supreme Court decision was unexpected from all sides.

27. It would therefore not be correct to view the outcome of the Supreme Court decision as just a court decision clarifying an otherwise uncertain area of the law. The Supreme Court decision led to a change in the established practice in the VOA and rating surveyors in a way which was both fundamental to the meaning of a hereditament and also unexpected. As such, it is reasonable to view additional revenues flowing from that change in practice as a windfall.

# Formal minutes

## Tuesday 17 April 2018

Members present:

Mr Clive Betts, in the Chair

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|---|---|
| Mike Amesbury | Mr Mark Prisk |
| Helen Hayes | Liz Twist |
| Andrew Lever | Matt Western |

Draft Report (*Pre-legislative scrutiny of the draft Non-Domestic Rating (Property in Common Occupation) Bill*) proposed by the Chair, brought up and read.

*Ordered*, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 17 read and agreed to.

Summary agreed to.

Appendix agreed to.

*Resolved*, That the Report be the Sixth Report of the Committee to the House.

*Ordered*, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned until Monday 23 April at 3.45 p.m.

# List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

## Session 2017–19

| | | |
|---|---|---|
| First Report | Effectiveness of local authority overview and scrutiny committees | HC 369 (CM 9569) |
| Second Report | Housing for older people | HC 370 |
| Third Report | Pre-legislative scrutiny of the draft Tenant Fees Bill | HC 583 |