

Comment Information

Document Section RICS Valuation - Global Standards 2017 ...
UK VPGA 11 Valuations for Capital Gains ... (no name) /

Comment ID 56

Respondent [Chris Thorne - Valuology](#)

Response Date 09 Jul 2018

Comment

UK VPGA 11 Valuations for Capital Gains Tax, Inheritance Tax, Stamp Duty Land Tax and the Annual Tax on Enveloped Dwellings

This is the current UKGN 3 with a slight reorganisation and the inclusion of ATED. While the latter is a new tax, I have not come across any professional valuers being involved in its assessment and given the banding and five year revaluation cycle it falls into a different category to the three other taxes which are all event driven. The legal cases cited are all to do with IHT, CGT or SDLT (or their predecessors) and are not relevant to ATED. It does call into question whether RICS needs to issue guidance on ATED when it does not for two much more widespread annual taxes, Council Tax and Rating.

Comment Information

Document Section RICS Valuation - Global Standards 2017 ...
UK VPGA 12 Valuations for compulsory p... (no name) /

Comment ID 57

Respondent [Chris Thorne - Valuology](#)

Response Date 09 Jul 2018

Comment

UK VPGA 12 Valuations for compulsory purchase and statutory compensation

The purpose of introducing this subject into the Red Book is far from clear. RICS members have been involved in valuations for compulsory purchase and compensation (CP&C) since long before the Red Book existed. If compulsory purchase, why not rating, council tax, acquisitions, disposals etc etc?

The inclusion of this VPGA is all the more puzzling as it is an activity that would appear to be largely excluded from the Red Book under PS1. Even the parts

which arguably could be, are more specifically and appropriately, covered by other RICS Professional Statements or guidance.

Paragraph 3 of this draft states that the provisions of PS1 and PS2 in the global Red Book are applicable. This is worth examining:

-) PS1 states that the standards in VSPs 1 – 5 are mandatory subject to exceptions, two of which are providing valuation advice in preparation for negotiations and acting as an expert witness. This covers the two valuation roles which a RICS valuer could carry out in connection with CP&C. The only applicable part of PS1 may be the Valuer Registration requirements, although since registration is only required for valuations to which the Red Book applies this also would also seem to be doubtful.
-) PS2 is concerned with competency and ethics, including conflicts of interest, which are already covered in the 2017 Professional Statement referenced, so a suggesting another Professional Statement dealing with the same issue also applies is not only superfluous but also of uncertain authority given the exclusion of the activities that are most commonly associated with CP&C work.

The draft seems to acknowledge its redundancy by referring to the two RICS standards that are more applicable in the opening box and paragraphs 1 & 2. Including this draft VPGA just seems unnecessary padding and a source of potential confusion. If the RICS wishes to promote its CP&C professional statement, the Red Book is not the place to do it and this type of content sets a bad precedent.

Delete.

Comment Information

Document Section RICS Valuation - Global Standards 2017 ...
UK VPGA 13 Local authority disposal of la... (no name) /

Comment ID 58

Respondent [Chris Thorne - Valuology](#)

Response Date 09 Jul 2018

Comment

UK VPGA 13 Local authority disposal of land for less than best consideration in England and Wales

This is basically the current UKGN5, with a longer title and remodelled introduction.

The lengthening of the current title is unnecessary in the light of the first sentence. If the title is extended, the first sentence simply repeats it. What is not needed is the same thing repeated immediately one starts reading.

The quite ridiculous convention that has been adopted of starting each subsection with a highlighted box followed by a "Commentary" is again illustrated in this draft. In 13.2 and 13.3 the box has just been filled with the first sentence of the paragraph in the existing guidance. Instead of having a coherent, self contained paragraph, there are now two pieces of orphaned text which are neither.

Comment Information

Document Section RICS Valuation - Global Standards 2017 ...
UK VPGA 14 Affordable rent and market r... (no name) /

Comment ID 59

Respondent [Chris Thorne - Valuology](#)

Response Date 09 Jul 2018

Comment

UK VPGA 14 Affordable rent and market rent in a regulatory context

This is the current UK Appendix 14 with another superfluous addition to the title.

This draft VPGA is duplicated within in the proposed new UK VPGA 10 (see comment ID 51). Since determination of affordable rents is not a matter specific to secured lending valuation but has wider application, VPGA 14 should remain and the material in VPGA 10.4 removed and replaced with a cross reference to this material.