9 November 2020

Office of Tax Simplification
Room G 41
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By email only to: ots@ots.gov.uk

Dear Sirs

CAPITAL GAINS TAX REVIEW
SECOND STAGE – MAIN CALL FOR EVIDENCE

RESPONSE BY THE AGRICULTURAL LAW ASSOCIATION

We thank you for the opportunity to consider and respond to the Capital Gains Tax Review – Call for Evidence and write further to our response dated 10 August to the first stage of the Call for Evidence.

As previously, our response has been prepared in consultation with members who specialise in providing advice on capital taxation matters to a wide range of rural and agricultural businesses.

As an overall comment, notwithstanding some of the changes we have suggested in this response, we do not consider a wholesale reform of the CGT regime is necessary and with particular reference to the rural sector, would create a significant level of complexity and challenge at a time of significant change to the industry (financial support regime, trading post EU exit etc).

We submit our response as follows:

Acquisition and disposal

1. Is the scope and boundary of CGT clear? Is it always obvious when an event is chargeable?

The distinction is clear to professionals, less so to the lay public, this, perhaps is inevitable and a balance must be struck between equity in the tax system and simplicity / transparency.

The cases where it is most unclear are where disposals are deemed to take place at market value ((TCGA92/S17(1)(a)) or deemed to take place in the hands of trustees where beneficiaries become absolutely entitled. Greater public education about the former and more clarity in the technical guidance concerning the latter would be beneficial.

2. How generally aware are taxpayers of their (potential) CGT liabilities following a disposal? Could/should they be made more aware, and if so how?

Liability to CGT is frequently a surprise to taxpayers in our experience.

The guidance available on the GOV.UK website exacerbates this problem in two ways.

First, it is almost entirely devoid of statutory references and where they arise they are not linked through to legislation.gov.uk. In an attempt to make this guidance accessible it has been rendered uncertain, since the legal footing upon which it is offered is obscure.

Second, and more importantly, the guidance should contain clearer and more explicit signposting to the services of professional advisors. Capital taxes are complex and in many cases it will be best for all stakeholders if they are dealt with by professionals, who have not only the relevant expertise, but also a professional duty to act with integrity. In order to make taxpayers aware of their liabilities therefore they should be clearly directed to take advice where matters are unclear. Again, we consider to requirement to take and pay for professional advice in certain matters to be part of the trade-off between fairness and simplicity in the tax system.

3. To what extent do the current CGT rules influence decisions around whether, how or when taxpayers acquire or dispose of assets? And to what extent and how do taxpayers adjust their activity to reflect this?

To a limited extent, given the (historically) relatively low and flat current rates, decisions on acquisition and disposal of assets in the agricultural sector are driven by commercial and succession planning considerations in the main. CGT does not presently present a significant disincentive to disposals but potentially would were the present reliefs or rates altered.

4. Are there any specific practical challenges for taxpayers in dealing with the CGT aspects of acquiring and disposing of assets?

The requirement to report and pay tax liabilities on residential disposals within 30 days introduced in April 2020 was poorly timed and is not well supported by the current IT or HMRC infrastructure generally. Other respondents will have provided further detail as to the difficulties in extracting reference numbers in good time to make payment. Furthermore as a matter of principle the reporting requirement introduces unnecessary duplication of professional time and costs with individuals being obliged to make a return

around the disposal when they are often obliged to make a further return the following January anyway. This system should not be extended any further until the robustness of HMRC's systems for administration have been proven.

5. Is it always clear and easy to understand which expenses (including capital improvement, acquisition or disposal expenses) qualify for CGT purposes? Are the rules on qualifying enhancement expenditure clear and reasonably straightforward to operate in practice?

Whilst the rules are relatively clear, their application is difficult due to the frequent difficulties encountered in collating historical records of such expenditure. In the agricultural industry it is not uncommon for asset to have been held for generations. Given the pressure towards diversification in the industry it is also not uncommon for assets to change use over time, with the final use not being in the contemplation of the original owners e.g. a farm cottage that is used as a residence for the farmer being converted for use as offices or rented privately. In this context, the current historic rebasing date of 1982 causes significant record keeping problems.

Very frequently proper records of expenditure going back to 1982 will not exist or will have been lost in the transfer of a taxpayer's business to new or different professional advisors. This is one amongst several compelling reasons for an urgent rebasing of asset values. From the point of view of simplification, rebasing to a more recent date would make collation and verification of records of expenditure much more straightforward to the benefit of all parties.

6. Are there particular practical challenges or issues arising from the CGT rules about acquiring, disposing of or transferring assets on marriage (or civil partnership), separation or divorce?

Spouses who are separated are still treated as connected parties by virtue of TCGA92/S286 (2), meaning that disposals between them will be deemed to take place at market value (TCGA92/S17(1)(a)) unless they take place in the tax year of separation, in which case the normal treatment of inter spousal transfers as taking place on a no gain/no loss basis (TCGA92/S58) will apply.

Of course, if the separation takes place anywhere near the end of the tax year, it becomes extremely difficult for such transfers to be arranged early enough to avoid a dry tax charge - that is, a charge to tax on the disposal of an asset that has not been sold and therefore has not generated any cash from which to settle the ensuing tax liability.

This causes particular practical problems in divorces between farming couples. Their affairs are usually complex. Their business is often operated from the matrimonial home, that is, the farmhouse, which is often located at the centre of the farming operation. The business is usually capital intensive but relatively cash poor. Negotiating a financial settlement between such separating spouses very frequently takes longer than a year. Such negotiations are complicated and delayed by the fact that, after the end of the tax year of separation, a purely *in specie* division of assets will become impossible or impractical due to the CGT consequences that will ensue.

Linking the treatment of disposals between separating spouses to the date of separation and end of the relevant tax year imposes random, arbitrary and often unachievable deadlines for such disposals to take place.

TCGA92/S58 should be amended to provide for the no gain/no loss treatment to apply to disposals that are made in settlement of ancillary relief proceedings without time limit. The scope for abuse of such a change by couples 'resting on decree nisi´ must surely be extremely limited.

7. Are there particular issues around the boundary with income tax e.g. shares or share rights received by employees or the boundary between trading and investment?

Where farms and estates are located near to growing towns or villages, it is not uncommon for them to dispose of land for development with the proceeds typically being invested in more farmland. There was a historic concern that where such disposals took place in tranches, subsequent disposals could be treated as 'trading in land' and subject to an income tax rather than a capital gains tax charge. The new transactions in land rules introduced in Finance Act 2016 complicated this position, first by removing the requirement for a tax planning motive and second by removing the option to apply for statutory clearance.

They should be amended to provide a statutory clearance procedure that will provide certainty for taxpayers.

8. In your experience, to what extent do individuals or their agents arrange to time disposals of assets in such a way as to maximise use of their AEA to manage down their tax liabilities?

To some extent, but given the relatively small size of the tax savings at stake and the additional professional costs of staggering disposals in this way such planning is usually an afterthought and applied generally only when it makes commercial sense, for example where discrete assets are being disposed of in quick succession.

9. Could there be a simpler or more targeted way of taking small gains out of tax?

The AEA is simple and well understood. The scope for abuse is limited and the cost to Treasury of individuals maximising the use of their AEA by staggering their disposals is relatively small. Any change to this method of taking small gains out of tax would inevitably lead to greater complexity.

10. To what extent do the different rates of CGT cause complexity? Is it always clear which tax rate should apply? Which situations present specific problems? Does the dependence on the income tax higher rate threshold make this inevitable? Do you think the rates position could be made simpler, and if so how?

The different rates of CGT between residential and other assets serves a policy and revenue raising function that justifies any complexity that they cause.

However, linking the rates of CGT specifically to the actual taxable income of a taxpayer in the year of disposal causes great confusion and complexity. First, in farming where profitability is linked to commodity prices and thus highly variable it is often impossible to give a firm forecast of an individual's liability in advance. This is inequitable as a matter of policy since individuals ought to be able to know the tax liability that will arise from a particular transaction in advance. It also causes commercial issues since absent a definite CGT figure it is more difficult to plan onwards investment and business cash flow.

The easiest way to simplify this situation would be to break the link between CGT rates and taxable income by introducing lower and higher rate bands specifically for capital gains. Thus the AEA for CGT and CGT rate bands would simply run in parallel to income tax allowances and rates and could be considered in isolation.

11. Are you aware of situations where the current rules are not easy to operate perhaps because of changes in society or patterns of work (such as home-working, taking in a lodger, letting out a bedroom to tourists, or the use of gardens or grounds)?

The most significant difficulties, as previously mentioned arise from the lack of any CGT rebasing in these last 38 years, which causes both record keeping and valuation difficulties, the latter becoming steadily more acute as those with first-hand experience of the market operating in 1982 retire from professional practice. We address this in further detail below.

As a separate point, successive governments have strongly encouraged farmers to diversify their businesses so as to make them more robust. However, where such diversification has been into ancillary property rental this activity appears actively discouraged by the tax system. We would encourage a more permissive approach to the characterisation of rural business as trading versus making or holding investments in line with the recent recommendations of the Country Land and Business Association (https://www.cla.org.uk/sites/default/files/Rural%20Business%20Unit%20Report%20FINAL_%20%28004%29.pdf)

12. Are the ancillary reliefs and occupation rules consistent with what you consider PPR is aiming to achieve? If not, what would make them simpler to apply or better achieve these aims?

The reduction in the final period exemption from 18 months to 9 months announced in Budget 2018 are now out of step with the practical difficulties and delays being experienced in the current property market. They should be reversed or temporarily relaxed as, rather than 'targeting ancillary reliefs within Capital Gains Tax PRR at owner occupiers' (https://www.gov.uk/government/publications/changes-to-ancillary-reliefs-in-capital-gains-tax-private-residence-relief/changes-to-ancillary-reliefs-in-capital-gains-tax-private-residence-relief) they now penalise those who experience unavoidable delays between vacating and selling their properties.

13. How do you find the principle and practice of making a nomination? Are there better ways of achieving the same ends?

We endorse the OTS' recent recommendation (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/927023/Claims_and_elections_report_Oct_2020_-_web_copy.pdf) that the personal tax account be updated so as to allow a nomination to be made via that online service.

A statutory or model form for the election would also reduce uncertainty.

HMRC should also abandon their contention that such nominations cannot be signed by a tax agent, which seems to serve no purpose other than to make such elections more difficult.

14. Are there any aspects of the taxation of gains arising from the disposal of chattels that you consider would benefit from being simplified?

The £6,000 threshold could benefit from being indexed.

15. Is it clear to taxpayers that gains on significant chattels are potentially taxable? Or is there a general lack of awareness?

We consider that the narrow category of taxpayers with chattels standing at significant gains are likely to be aware of the relevant provisions.

16. Are there features of CGT that present barriers or distortions at any of these stages? Are the rules simple to understand and apply correctly? Please provide examples along with any suggestions on how the rules could be made simpler.

No comments to offer.

17. Do you know of occasions when CGT rules have affected business decision making more generally, including decisions regarding the structure of a business or the choice of business vehicle (for example a corporate entity, partnership, unincorporated business)?

The ease of claiming Entrepreneurs' Relief / Business Asset Disposal relief in relation to the disposal of shares stands in stark contrast to the difficulties that surround claims to relief on disposals of the assets of partnerships and sole traders. The continuing role of these business structures should be acknowledged and a move made towards parity of treatment the application of reliefs.

18. Please tell us about any complications or rules which unduly affect the way businesses operate if payment for the sale of a business is not made in cash but in some other way (such as qualifying and non-qualifying corporate bonds, deferred consideration and earn outs). To what extent is there a business tension between claiming a tax relief at the point of sale as opposed to deferring the tax charge until cash is received?

Outside the ALA's expertise and common experience.

19. Is the scope of each of these reliefs intuitive or are there unexpected differences between them that create practical problems for businesses? Are there aspects of any of these reliefs that you consider are unclear or particularly difficult to utilise in practice?

In the context of farming partnerships It is unclear to us why relief for associated disposals is restricted/apportioned (TCGA92/S169K and 169P) when such restrictions to not apply to material disposals of an interest in a business (made under TCGA92/S169I).

If, for example, Farmer A sells their business and the farmland which is not appropriated to the partnership balance sheet, they would and claim relief on the gains realised on that farmland the basis of TCGA92/S169K, with such relief potentially being subject to a 'just and reasonable apportionment' on the conditions set out in TCGA92/S169P.

Farmer B, who has appropriated their land onto the partnership balance sheet and who thus is making disposals under TCGA92/S169I would be subject to no such 'just and reasonable apportionment'.

In the first case, the sale or sales of farmland fall under s.169K, in the second under s.169I(2)(c). In practical reality and to the lay observer however the two disposals appear nearly identity: a farmer withdraws from a partnership and sells their land. Yet they are taxed differently. Moreover, the distinction between the two businesses (one having land appropriated to the partnership balance sheet, the other not) may have arisen for reasons that relate to something as arbitrary as historic accounting practices.

It is also unclear to us why trustees, who often hold assets for farming estates are subject to such restrictive criteria as to claiming Entrepreneurs Relief / Business Asset Disposal Relief. The requirement to but a qualifying beneficiary in the position of qualifying for the relief causes artificial behaviour. It also often runs counter to the trust's entire *raison d'etre* which is to keep assets out of the absolute ownership of the beneficiaries for reasons of long-term estate management and succession planning.

In this case, the requirements of TCGA92/S169(3) should be relaxed to include discretionary beneficiaries and the requirements of TCGA92/S169(4) should be removed entirely.

20. Are there aspects of these reliefs which distort business decision making (for example in respect of such areas as the timing of the disposal of an asset, or how much cash to accumulate on a company balance sheet) or are inconsistent with your understanding of what the relief is aiming to achieve? Are there any ways in which they could be made less distortive?

Entrepreneurs Relief/Business asset disposal relief could be replaced by a reintroduction of a simple tapering relief for long term business asset or alternatively reformed to make the rules that apply to individuals and trustees and material or associated disposals the same.

A prospective tapering relief would be reasonably easy to design since the qualification criteria could be linked to those for reinvestment relief (TCGA1992/S165) which are well settled and widely understood. It would then simply be a fiscal matter to consider the lengths of business ownership that ought to qualify for reliefs and any what rate.

21. Should gift relief be extended to cover a greater range of business and investment assets as it was until 1989? What would the effect of this be? And would any extension open up unintended avoidance opportunities?

No comment to offer.

22. Are there any aspects of the rules relating to the taxation of gains or losses realised on the disposal of shares and securities that are particularly complex to understand or apply? Are you aware of any difficulties in ascertaining the base cost of such assets, such as the share matching rules?

Outside the ALA's expertise and common experience.

23. Are there any aspects of the taxation of gains arising from the disposal of investment properties, leases, land or buildings that you feel would benefit from being simplified?

No.

24. Are there other asset classes (such as for example crypto assets) which present challenges or complexity for individuals on disposal?

Outside the ALA's expertise and common experience.

25. Are there particular areas of complexity that relate exclusively to companies? And if so, should these be simplified or made more consistent?

Not at this time.

26. Please describe any problems you have had (or anticipate having) in navigating the online systems or forms and provide any suggestions you have on how the forms or related guidance could usefully be simplified, made clearer or made easier to complete. Please specify which method(s) of reporting your experience relates to.

The 30 days requirement referred to above is onerous and seems to serve little useful purpose, the Treasury, after all, not having the cashflow requirements that confront private business.

27. Do you have any suggestions about how HMRC could use information it currently has or has access to, in order to reduce administrative burdens, improve customer experience and ensure compliance in respect of individuals' and businesses' CGT obligations? Does HMRC get the balance right between asking for information to avoid unnecessary enquiries and streamlining the experience for those with simple affairs?

Further integration with the personal tax account may be helpful. In particular if holdover elections could be preserved and linked to personal tax payer accounts that would be of significant help to taxpayers and their agents.

28. Please comment on any complexities or practical problems that you have experienced (or anticipate) in relation to the process of paying CGT. Please specify which reporting system(s) your payment(s) relate to.

No comment.

29. Are you aware of any particular practical or technical issues (relating to for example record keeping, awareness, use of ringfencing rules, timing deadlines or other challenges) for losses, other claims, or clearances that you feel should be highlighted as part of this CGT review?

See above comments on historical records.

30. What, if anything, could be done to help taxpayers to more easily fulfil their record keeping obligations and calculate any tax payable in relation to their capital gains?

See above comments on rebasing.

31. Have you encountered any difficulty with valuing assets either at acquisition or disposal? What, if anything, could HMRC do to simplify the valuation requirements or processes without opening up unintended avoidance opportunities?

The availability of sufficient 1982 value comparables is an issue. Whilst bare land values are relatively straightforward, property portfolios that include mixed use property i.e. residential, commercial, agricultural, heritage assets can be complex to value with reference to 1982. This will be exuberated as valuers who were in practice in 1982 or at a similar time, retire and those remaining to advise and value (both in private practice and those in the Valuation Office) have limited or no experience of the property market at that time.

32. Would changing to a more recent rebasing date than 1982 make finding the base cost of a disposal easier or would any such benefit be outweighed by an increase in the number of valuations that would then be required?

Such a rebasing is urgently needed. We do not understand the reference to an increased number of valuations, since the trigger for valuation in practice is not the rebasing but a prospective disposal. Valuations of a more recent rebasing date would be significantly simpler and thus less costly to the taxpayer. We would strongly recommend rebasing to the most recent appropriate date possible.

33. Are there particular aspects of the taxation of capital gains made by those administering an estate that could be simplified?

The position is relatively straightforward.

34. To what extent does the absence of a CGT charge on death and transferring those assets at market value on death distort and complicate the decision-making process around passing on assets to the next generation?

In farming businesses assets are generally passed to the next generation in order to enable them to continue the farming business, with no intention to make sales or disposals. As such the uplift on death is often irrelevant since assets will never be disposed of. In these circumstances, a transfer subject to holdover is often made.

A CGT charge on death however would be certain to complicate the decision-making process around passing assets to the next generation. Indeed, such a charge seems likely to prompt premature disposals and transfers and to encourage decisions that are driven by tax considerations rather than sensible family business succession planning.

Removing rebasing on death would also significantly increase the already severe record-keeping and valuation problems cause by the 1982 base value. Often the fact that assets have been rebased on death is the only thing that saves a taxpayer from the onerous and costly process of seeking to establish a historic base cost and to trace historic records of expenditure on improvements.

We refer you to our response of 10 August, we are concerned with any change in the taxation regime that would seek to levy a tax charge on death arising from a change in the current capital value uplift rules. The principle of such a change would run against the principles of Inheritance Tax reliefs which allow for the business assets remaining intact on transfer. There is a real risk that in many cases, assets would need to be disposed of in order to meet any capital gains tax charge on death. Furthermore, the capital uplift on death i.e. rebasing the transferee's asset value on that date, recognises the unintended effects of inflationary increases in asset values during long term ownership and provides a solution to that.

35. Are there any aspects of the taxation of gifts or other disposals that are not made at market value, that you feel would benefit from being simplified? Should the range of assets eligible for a tax deferral when they are gifted be broadened to include a greater range of assets? And would any extension open up unintended avoidance opportunities?

The current system works relatively well.

36. Are there instances where you feel the interaction of CGT with other areas of tax results in particular complexity or difficulty in applying the rules correctly? Are there definitions within CGT that would benefit from closer alignment with the definitions found in other taxes? Please provide examples, as well as any suggestions for ways to simplify the system.

Different taxes serve different policy purposes and address different asset classes. Different definitions are an inevitable and appropriate feature of our tax system.

37. Are there instances where you feel the interaction of CGT and capital allowances (in respect to income or corporation tax) results in particular complexity, difficulty in applying the rules correctly, or unexpected tax outcomes?

No comment.

38. Are there any particular areas of complexity that are unique to partnerships?

Farming partnerships frequently do not appropriate the farmland from which the business is operated onto the partnership balance sheet. Often in these circumstances the farmland is owned by individuals and farmed by the partnership on a gratuitous licence.

In these circumstances, where the business is sold, Entrepreneurs Relief/Business Asset Disposal relief will only be available on the basis of an 'associated disposal' (as, for example with 'Farmer A' above). This requires the business to cease or the relevant individual to withdraw from the business prior to disposal of the asset. This causes problems since the normal practice on the sale of a farm would be for the outgoing farmer to 'hold over' in occupation after a sale long enough to harvest their final crop, which would then be marketed for sale sometime later. After this the business' other assets might gradually be sold off. This means that the 'associated disposal' would, if matters were approached in the ordinary commercial manner happen first, with the withdrawal from or cessation of the business happening shortly thereafter.

This complexity causes business cessation to take place in a disordered manner and should be revised.

On a related point, in order to satisfy their obligations under the Basic Payment Scheme and avoid penalties farmers must have the relevant land at their disposal on the 15th May each year. Again, the common practice on a disposal can be to hold over after a sale. This represents a continuance of the business *after* the date of what would otherwise be a qualifying associated disposal.

The rules here could be relaxed to allow associated disposals to be made within a year either side of withdrawal from or cessation of a business. This would greatly simplify matters an allow a commercial rather than tax driven approach to be taken to such sales.

The provisions restricting relief where 'partnership purchase arrangements' apply are also problematic for family farming partnership agreements. These often include an option to purchase so as to prevent family farming assets passing outside of the business on an untimely or unexpected death. Such arrangements can inadvertently fall foul of the 'partnership purchase arrangements' provisions even where they are historic and there is no tax planning motive.

We would suggest that the partnership purchase arrangements provisions were unnecessary and reflect an unwillingness in HMRC to tackle tax avoidance schemes using their existing (and wide) anti-avoidance powers, such as the GAAR. They should be removed or revised to make clear that agreements containing options to purchase with an obvious commercial justification or succession planning motive should be excepted.

39. Please tell us about any other areas of complexity not covered above in applying any CGT reliefs, thresholds, or administration not already mentioned in your response, along with any suggested improvements to the CGT rules or legislation.

There are two points we would like to address in relation to rollover relief.

First, where assets are compulsorily purchased and those assets are subject to a tenancy, rollover relief is allowed, but for a restricted class of assets that excludes new agricultural buildings on any remaining let farms. The asset classes into which such gains can be rolled over should be aligned with those allowed for normal qualifying disposals to encourage investment into farm buildings and provide fairness to those whose assets are being compulsorily acquired.

Second, the time limit for rollover claims causes market distortion (not least because it gives rise to an increased number of buyers of rollover assets into what is often a market of short land supply and therefore disproportionately can increase the market value of land and/or the ability to secure a purchase where there is significant competition) and could usefully be extend to 5 years.

40. Are there any areas of complexity that are specific to England, Scotland, Wales or Northern Ireland?

Not at this stage and we would urge government to retain a UK wide policy on capital taxation so as to avoid the risks of intra-UK tax disparity with the ensuing complexity and possibilities for abuse.

41. Do you think that there are ways in which the taxation of capital gains should be reformed more widely to simplify the regime for the benefit of taxpayers? If so, how?

As cited in at the start of this response, we do not consider a wholesale reform of the CGT regime is necessary, particularly at a time of significant change to the rural industry.

42. Do you think it would be reasonable for some reliefs or exemptions to be removed if they fail to meet what you regard as their policy objective or are infrequently used? If so, which ones?

This raises an important point about policy. In our experience the policy objective behind both particular reliefs and indeed entire taxes is not clear and indeed is subject to change, evolution and subjective interpretation. It would be of great benefit to both policy makers and those engaged with tax policy if government would offer, and then update and maintain a clear and centralised statement of the broad policy objectives of both taxes and tax reliefs. Whilst we appreciate the scope of such a suggestion, this information exists already, albeit that it is scattered.

This, it seems to us, is within the remit of the OTS. Whilst OTS clearly does not set or propose policy, your governance framework confirms (https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/522874/20160512_ots_draft_revised_framework_document.pdf) *"The OTS has a role to play in the tax policy making process*".

It is difficult to engage effectively with questions as to the policy objectives of particular reliefs when government is non-committal as to what those objectives truly are. The risk is that stakeholders such as this organisation make assumptions of the policy intentions behind particular taxes and reliefs that are not shared by Treasury or government. For example, we can be found reciting as a truism that it is not the intention of CGT to capture inflationary gains - but this is not reflected in practice of government, and may not be a view shared by Treasury: we do not know.

Similarly, we would aver that reliefs such as holdover prevent the forced sale of business assets on intergenerational transfer of family businesses and believe this to be part of the policy justification for such reliefs, but again we cannot be sure that this view is shared.

In effect what we are asking for is public clarity on the purpose of both existing taxes and existing reliefs so as to enable an informed debate about their continued use and relevance.

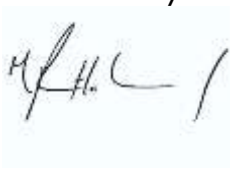
43. Are there any useful lessons that can be learned from the UK's historic CGT regime or other countries that would be relevant to the UK today? If so what, and from which countries?

Outside the ALA's expertise and common experience.

We would welcome further engagement with the OTS in respect of this review where it is felt further consideration of our suggestions above is required.

If you have any immediate queries, please contact the writer.

Yours faithfully



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