

# Council Tax: Challenges and Changes, March 2018

## Background Information



Valuation Office  
Agency

### Contents

<a href="#">Background notes</a>	Page 1
<a href="#">Methodology</a>	Page 3
<a href="#">Data Quality</a>	Page 3
<a href="#">Use made of the data</a>	Page 3
<a href="#">CSV Metadata</a>	Page 4
<a href="#">Further Information</a>	Page 4
<a href="#">Glossary</a>	Page 4

### Background notes

The VOA is an Executive Agency of HM Revenue and Customs, and has responsibility for providing Council Tax bands for dwellings in England and Wales. It does not set the level of Council Tax nor collect the money; these are tasks for local government. Council Tax is a local tax, set by local authority districts to help pay for local services. It uses the relative value of dwellings to determine each household's contribution to these local services.

The VOA's role is to place each dwelling into one of the valuation bands; there are eight bands for dwellings in England and nine bands for dwellings in Wales. The valuation band is assigned to a dwelling on the basis of its value at 1 April 1991 for England (for the 1993 Council Tax Valuation List) and 1 April 2003 for Wales (for the 2005 Council Tax Valuation List); this band then determines the amount of Council Tax to be paid. New dwellings are likewise assigned a band on the basis of what they would have been valued at on 1 April 1991 for England and 1 April 2003 for Wales. The basis of valuation is set down in regulations made under the Local Government Finance Act 1992. Minor updates were made to the initial regulations in 1994 but they have not been changed since. The following table shows the breakdown of bands for England and Wales.

England		Wales	
Band	Value of dwelling (at 1 April 1991)	Band	Value of dwelling (at 1 April 2003)
A	Up to £40,000	A	Up to £44,000
B	£40,001 up to £52,000	B	£44,001 up to £65,000
C	£52,001 up to £68,000	C	£65,001 up to £91,000

D	£68,001 up to £88,000	D	£91,001 up to £123,000
E	£88,001 up to £120,000	E	£123,001 up to £162,000
F	£120,001 up to £160,000	F	£162,001 up to £223,000
G	£160,001 up to £320,000	G	£223,001 up to £324,000
H	£320,001 and above	H	£324,001 up to £424,000
		I	£424,001 and above

## Challenges

The VOA has responsibility for maintaining accurate Council Tax Lists. When evidence suggests that a band may be inaccurate, a taxpayer can request a band review. The VOA will investigate and, if necessary, change the band.

In certain circumstances set out in legislation, a taxpayer can submit a 'proposal'; for example, if they are within six months of first moving into a property. The VOA will review the band and issue a decision.

If the taxpayer is not satisfied with the decision, they have the right to appeal to an independent Valuation Tribunal (VT).

The proposal system in Wales differs from the English system in that all proposals, if unresolved, are automatically transmitted as appeals to the VT.

This publication presents the number of challenges to the Council Tax Valuation Lists (i.e. band reviews, proposals and appeals) that were received, resolved and outstanding during the period from 1 April 2017 to 31 March 2018. Resolved challenges were not necessarily received during this period of time as they may have been challenges that were still outstanding from previous years. The statistics also present the outcomes of those resolved challenges.

Outcomes of a challenge can include:

- Changes to Council Tax bands;
- An entry for a dwelling being deleted from a list, e.g. where a dwelling has been demolished;
- A list entry may be split into two or more entries, e.g. when a house has been converted into a number of flats;
- One or more entries on the list being merged to form a single entry, e.g. when a number of flats are converted to a single dwelling;
- A new entry being added to the list, e.g. where a new dwelling has been built.

## Changes

Changes to the Council Tax Valuation Lists cover all the insertions, deletions and amendments to the Council Tax Valuation Lists as a result of physical changes to a property, changes to the surrounding area, or new information being provided. These include changes that have resulted from a challenge being made against the lists.

New bandings are entered into the Council Tax Valuation Lists as a result of: newly built dwellings; dwellings which have been reconstituted (e.g. either a dwelling is split into two or

more new dwellings or two or more dwellings are merged to form a new dwelling); and dwellings which were not previously on the Council Tax Valuation Lists that are added due to changes in the use of the property (e.g. a retail unit being converted into a domestic dwelling).

Bandings are removed from the Council Tax Valuation Lists where: a dwelling has been demolished; a dwelling has been reconstituted (e.g. either a dwelling is split into two or more new dwellings or two or more dwellings are merged to form a new dwelling); and where a dwelling is no longer banded due to a change in the use of that dwelling (e.g. a domestic dwelling is converted into a retail unit).

The bands of dwellings recorded on the Council Tax Valuation Lists can be amended as a result of: physical alterations made to a dwelling (e.g. extensions or refurbishments); a change to the surrounding area (e.g. a new road built nearby); or from new information that has been brought to light that makes it clear the original banding was incorrect (e.g. the dimensions of the dwelling are incorrect).

## Methodology

### Assigning Geographies

The statistical geographies used in this release have been assigned using the following methodology.

Each dwelling with a Council Tax band held on the VOA's database is assigned a billing authority (and billing authority code known as "BA Code"). These BA codes have been merged with Office for National Statistics (ONS) corporate area codes and standard names. The following look-up table shows which BAs are linked to which ONS area codes.

[Link to look-up table](#)

## Data quality

The information supplied in the tables is based on administrative data held within the VOA operational database. While the VOA actively seeks to maintain accurate Valuation Lists for Council Tax bandings, some reliance is upon the billing authorities to notify the VOA of any changes (including new builds, demolitions or alterations). There is inherently some uncertainty and variability in this process, which is reflected in the rounding statistics (typically to the nearest 10 for counts). All administrative data are subject to processing and system errors and as such, while the VOA has made every effort to ensure accuracy of the data underpinning this publication, it is possible that some errors remain.

## Use made of the data

This publication is released in support of and in particular to bring greater transparency to VOA functions. The data are also used to inform government policy and conduct analyses to support the operations of the VOA.

The data in this publication relate to England and Wales only. The rating law and practice in Scotland and Northern Ireland are different and valuations for rating in those countries are not carried out by the VOA.

We welcome feedback from users on the information provided in the summary. Please forward any comments to the [statistics@voa.gsi.gov.uk](mailto:statistics@voa.gsi.gov.uk).

## CSV Metadata

The following table provides the variable names and descriptions appearing on the CSV files included in this release.

[Link to workbook](#)

## Further Information

More detailed information on Council Tax bands can be found here:

<https://www.gov.uk/council-tax-bands>.

For further information on the area codes used in this release please refer to the ONS's website:

<https://www.ons.gov.uk/methodology/geography/ukgeographies/administrativegeography>.

## Glossary

**2017-18** - 1 April 2017 to 31 March 2018.

**Amendments** – amendments are made as a result of: physical alterations made to a dwelling (e.g. extensions or refurbishments); a change to the surrounding area (e.g. a new road is built nearby); or from new information that has been brought to light that makes it clear the original banding was incorrect (e.g. the dimensions of the dwelling are incorrect).

**Appeal** – where a valid proposal has been made, a Council Tax payer has the right to appeal against the VOA's decision on the proposal to an independent VT. Appeals are often withdrawn or settled before being heard by the VT.

**Band review** – a band review is carried out when a potential inaccuracy is brought to the attention of the VOA. The VOA will investigate the matter and inform the taxpayer of the outcome. The taxpayer does not have the right to appeal the outcome of a band review.

**Challenges** – these are challenges against the entries in the Council Tax Valuation Lists for England (1993) and Wales (2005), consisting of band reviews, proposals and appeals.

**Changes** – these include any insertions, deletions or amendments (including those that result from challenges) to the Council Tax Valuation Lists as a result of maintenance changes such as physical changes to the property, changes to the surrounding area, or new information being provided. Further details about the circumstances under which a change occurs are included in the [Background Notes](#) section.

**Deleted** – in some cases a challenge may result in an entry for a dwelling being deleted from a list, e.g. where a dwelling has been demolished.

**Deletions** – these include demolished dwellings, dwellings that have been split or merged and dwellings that no longer require a Council Tax band.

**Dwelling** – a separate unit of living accommodation, together with any garden, yard, garage or other outbuildings attached to it, all occupied by the same person(s) and within the same area of land.

**Insertions** – these include new dwellings, reconstituted dwellings and dwellings that have been split or merged.

**New entry** – the outcome of a challenge may result in a new entry being added to the list e.g. where a new dwelling has been built.

**Proposal** – a proposal is a formal challenge made to a council tax list entry. The VOA will review the band and provide the taxpayer with a written decision. The taxpayer then has the right to appeal against the decision at a VT. The proposal system in Wales differs from the English system in that all proposals, if unresolved, are automatically transmitted as appeals to the VT.

**Split/Merger** – where a change has been made to a dwelling, a list entry may be split into two or more entries, e.g. where a house has been converted into a number of flats. Conversely, two or more entries on the list can be merged to form a single entry, e.g. where a number of flats have been converted into a single dwelling.

**Valuation Tribunal (VT)** – this is an independent body responsible for making decisions on council tax appeals.