

# Council Tax Product Testing: Banding Enquiry Evidence Form and Banding Decision Letter

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Agency

## Main findings

### Overarching findings

- It is important for documents provided to customers to be as succinct as possible, while still covering the key points. This would make these documents feel accessible and easier to digest.
- Participants welcomed the possibility of using online options. These were identified as having the potential to improve the accuracy of information submitted and help to sign post to further information.
- The overall tone of language greatly influenced how participants engaged with documents. The tone of the written communication should be appropriate to the overall purpose.

### Banding enquiry evidence form

- Participants understood what was required of them on first looking at this document – that is to provide information about their own property and submit evidence of neighbouring properties.
- Participants were less clear on how to complete the form, particularly in relation to where they needed to go to find the required evidence. To help overcome this, participants suggested providing more detailed examples and clearly explaining what to do if people get stuck.
- Of the different versions tested, a tick box option was preferred over a grid option. The pre-defined fields in the tick box version were felt to be easier to complete, and limited the scope to provide incorrect information through misinterpretation of the question. Participants reported they were unlikely to guess an answer if they had doubts.

### Banding decision letter

- The decisions presented in this document were clear and easy to understand. Participants understood that their council tax bands were correct and would not change.
- The initial response to the letter greatly influenced how customers engaged and viewed subsequent content. Those who felt disappointed by the outcome, and perceived the tone as insensitive, were less likely to engage compared to those who felt more positively.
- There was a clear link between how participants responded to the decision and their reported understanding of the valuation process and confidence in the VOA. Those who felt the decision was fair, and anticipated it, were more likely to say they understand the decision and have greater confidence in the VOA.
- Other external factors can also have influence on understanding and confidence, such as previous conversations with the VOA, the level of existing understanding of how council tax bands are set and more general views of council tax.

## About this report:

This report has been written by Ipsos Mori, based on research carried out in February and March 2015. The views and findings expressed in the report are the author's own and do not necessarily reflect those of the Valuation Office Agency.

Qualitative research explored two pilot written communications for council tax customers:

- The **Banding enquiry evidence form** is designed to help council tax customers submit evidence to the VOA if they want to challenge their council tax banding. The VOA needs the evidence provided in this form to review cases.
- The **Banding decision letter** is sent to customers who have challenged their council tax band to inform them of the VOA's decision, and to explain the process.

The qualitative approach allowed for the views and experiences of participants to be explored in depth. The findings show a range and diversity of experiences rather than indicate the prevalence of any particular experience.

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This section provides the context underpinning the research, and the research aims and methodology.

### 1.1 Background and context

The VOA wants their written communications for council tax customers to:

- Improve customer understanding of how the VOA makes decisions;
- Help customers provide accurate and relevant information when challenging their bandings; and,
- Save public money through minimising the need for customers to re-contact the VOA after receiving a written communication.

The VOA commissioned Ipsos MORI, an independent research agency, to conduct qualitative research exploring two pilot written communications for council tax customers. The research was designed to provide evidence on how they could work in practice. The research also provided wider conclusions about best practice in communicating with council tax customers.

### 1.2 Research aims and objectives

Banding enquiry evidence form:

- Participant preferences for providing evidence for a council tax band challenge (online or by post);
- The facilitators and barriers to participants providing accurate information;
- What instructions and explanation participants need to provide evidence;
- Ways the VOA could improve the usability of the form for customers, and the accuracy of the information provided.

Banding decision sheet:

- Customer understanding of the banding decision process from the letter, specifically how the VOA made their decision and what evidence the VOA used to decide.
- Confidence levels in the VOA's decision (and any link with understanding of the valuation process).
- What factors motivate a customer to complain or re-contact, and how these could be prevented.

Examples of the documents tested are provided in Appendix A.

### 1.3 Methodology

The research adopted a qualitative approach to explore the views and experiences of participants in depth. Qualitative research is designed to map the range and diversity of experiences rather than indicate the prevalence of any particular experience. Purposive sampling was therefore used to ensure diverse characteristics were included, instead of aspiring for the sample to be statistically representative.

Fieldwork was conducted between 18th February and 20th March 2015.

#### *Strand one: The banding enquiry evidence form*

This strand comprised two rounds of three focus groups (6 groups in total). Two different versions of the document were tested at the first round. Based on feedback from the first round the VOA developed new versions of the documents to be tested for the second round. The same broad format was followed at the second round. Focus groups lasted approximately one and a half hours. An overview of the topics discussed is provided in Appendix B.

Focus groups were organised homogenously to illuminate how different types of people viewed the documents. Key sampling characteristics used to organise the groups were working status and social grade. Participants were recruited by specialist recruiters using free-find methods. Key quotas were set and

participants were recruited according to these using a screening document. The table below summarises the achieved sample.

*Achieved sample table*

Group	Make-up	Attendees
Group 1	Retired/higher social grade - ABC1	8
Group 2	Working/lower social grade - C2D	7
Group 3	Not working/higher social grade - ABC1/E	7
Group 4	Working/high social grade - ABC1	6
Group 5	Not working/lower social grade - C2DE	7
Group 6	Retired/lower social grade – C2D	8

*Strand two: The Banding Decision Sheet*

This strand comprised 22 qualitative depth interviews, conducted over the phone with participants who had received the Banding Decision Sheet. Recipients of the letter were invited to take part in the research by the VOA. Following an opt-out period, details of those who agreed to take part were securely transferred to the research team, who then arranged interviews according to agreed quotas.

Two different versions of the document were tested, the Original Banding Decision Letter as already in normal operational use and a new Pilot Banding Decision Sheet. Key sampling characteristics were working status and which version of the document participants received. An overview of the topics explored is provided in Appendix B. Interviews typically lasted 45-50 minutes. The table below summarises the achieved sample for this strand.

*Achieved sample table*

Employment status	Retired/not working	9	Received a pilot letter	6
			Not received a pilot letter	3
	Working	13	Received a pilot letter	8
			Not received a pilot letter	5

**1.4 Data management and analysis**

The interview and focus group recordings were summarised into a thematic framework, using the qualitative data management package NVivo 10. The Framework approach was used to support case and theme based analysis (Ritche and Lewis, 2014).<sup>1</sup> Summarised data were synthesised thematically and interrogated for patterns and relationships. Links to raw data were carefully documented and revisited throughout the data management and analysis process.

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<sup>1</sup> J. Ritchie, J. Lewis, C., McNaughton Nicholls, R., Ormston (2013), *Qualitative Research Practice, A guide for social science students and researchers*, SAGE.

## Strand one - Banding enquiry evidence form

This chapter explains what the banding enquiry evidence form is and when it would be used. It then explores participants' preferences for the different versions tested, how they understood the instructions provided and their views on the form. The section finishes by drawing conclusions about the document in relation to the specific research aims for this strand.

### 2.1 Background and context

The pilot banding enquiry evidence form is designed to help council tax customers submit evidence to the VOA if they want to challenge their council tax banding. The VOA needs the evidence provided in this form to review cases. A situation when a council taxpayer might be asked to use the pilot banding enquiry evidence form is outlined below:

- Step 1: A customer makes an initial call to the VOA, enquiring about council tax band.
- Step 2: The VOA (call centre member of staff or listing officer) identifies customer as making a council tax band enquiry.
- Step 3: The VOA explains that the customer will need to provide further evidence before they are able to make a challenge and sends the form.
- Step 4: The customer submits evidence using the form.

#### 2.1.1 Documents tested

Different versions of the banding enquiry evidence form were tested at each round of the research. Following feedback from the first round of testing, the VOA developed revised versions of the document. A description of the document and different variations is provided in the box below, and examples of the documents tested are provided in appendix A.

##### *Side 1: Guidance on how to complete*

This guidance on how to complete the form varied across the different versions, but all versions included information on:

- the purpose of the form;
- how to complete the form;
- the banding enquiry process, or in other words what would happen next.

##### *Side 2: Banding enquiry evidence form*

There was variation in how this page was presented across different versions, but all collected information on the following fields:

- information about their property (including address, current banding, sales information, age, parking facilities, size and number of rooms);
- information about a comparable property (including the same fields as above).

#### Key similarities and differences between versions

##### Round 1

For this round, side 1 ('Guidance on how to complete') stayed the same across both versions. Side 2 ('banding enquiry evidence form') changed from a grid or table style format to a tick box version.

- Version 1A: Grid version (lead document)
- Version 1B: Tick box (comparison document)

##### Round 2

Following feedback from the first round of focus groups the grid version was dropped and the tick box version was further developed. The 'Guidance on how to complete' side of the lead document (version 2A) was very similar to that tested in round 1. Side 2 of the lead document was similar to the tick box version from round 1 (version 1B). The lead document was then compared and contrasted with different versions of each side, as detailed below.

- Version 2A: Detailed guidance and more tick boxes (lead document)
- Version 2B: Fewer tick boxes (comparison document)
- Version 2C: Less detailed guidance instructions (comparison document)

## 2.2 Exploring alternative formats

This section details how participants initially responded to the pilot banding enquiry evidence form and explores their first impressions to the document. It then goes on to outline preferences for the different versions tested. The key findings from this section are summarised in the box below.

### Key section points:

- What was required was clear on first look of the form, but knowing how to source the evidence required to complete the form was more difficult.
- The tick box version of the form was preferred to the grid version.
- The less detailed version of guidance was preferred to the lengthier version.
- There were mixed views about whether the VOA should be responsible for collating evidence or the council taxpayer.

### 2.2.1 First response

On first impressions participants felt what was required was clear and easy to understand. Participants quickly gleaned they needed to provide information about their own property and submit evidence of neighbouring properties.

However, the act of actually collecting the evidence and how to do this was perceived as more difficult. As explored in subsequent sections, a number of suggestions were made to make the banding evidence enquiry form even clearer on first look. There was no variation by different group types here.

#### *The form*

The tick box version of the banding enquiry evidence form emerged as a clear favourite over the grid version from round one. It was popular for two main reasons:

- **Usability:** This version was easier to use because it defined what possible answers looked like, in comparison to the free-style text approach of the grid version. For example, in the tick box version the following options were listed under 'building type': 'annex, bungalow, flat, house, maisonette'. Ticking a box was felt to be more straightforward than writing an answer into the grid version. Additionally, the boxes in the grid version were small and difficult to fit answers into.
- **Accuracy:** The tick box version made it easier to provide more accurate information. For example, with the grid version what was meant by "building type" was left to interpretation which led to incorrect assumptions, a participant speculated "building type" referred to whether a property was a council house or not. This led to the perception that the tick box version was not 'trying to trip people up', unlike the grid version.

Participants suggested the tick box version could be further improved by clearly labelling where customers should provide information about their own home, and comparison properties. Additionally, it was felt that providing information on what customers could do if they got stuck would also have improved the overall quality of the document. For example, placing the VOA website prominently on all pages would have been welcomed.

#### *Guidance on how to complete*

The less detailed version of the guidance was preferred over lengthier version tested. Again there was no variation in preference by group type here. The key reasons this version was preferred are outlined below:

- It was felt to be far less intimidating. On first look the form had less information which meant important key messages were spotted more immediately.
- The headings were more spaced out making them clearly demarked. This made it easier to notice the reference to the website – which was welcomed as it signposted where to turn if you got stuck.

- The less detailed version was felt to have a more imperative and direct tone. This was preferred because it made completing it more feasible. As a participant explained about the less detailed version:

*'This one feels more like they are working with you than against you.'*

(Participant from Group 5, not working)

- The less detailed version included a declaration. The declaration asked participants to state their relationship to the property (tenant/owner/other). This was well received when participants felt the declaration meant the evidence submitted would be carefully considered.

#### *Number of tick boxes*

- There was a mild preference for the version with more tick boxes compared to fewer, but it was not something participants felt particularly strongly about. The version with fewer tick boxes felt like it was 'too minimal' and might not lead to the VOA giving the case as much consideration compared to the version with more tick boxes.

### **2.2.4 Responsibility**

Participants, naturally perhaps, reflected on whether the customer should take responsibility for submitting this evidence, or if it should be a part of the VOA's remit to collate this evidence. Views on this were mixed. On one hand it was felt unfair for an individual to have to collect this information, as a participant explained:

*'You're asking us to snoop around and let you know what's going on around there, and I don't think that's very nice.'*

(Participant from Group 6, retired)

In these cases it was felt that collating this evidence should come under the VOA's wider remit – this view was especially held amongst those from lower social grades. Alternatively, others felt the onus should be on the individual customer to provide evidence because they are suggesting something is wrong. Moreover, the opportunity to submit evidence was even welcomed, and identified as making council tax fairer:

*'[The VOA] are trying to get fairness out of it, aren't you?'*

(Participant from Group 1, retired)

However, it was acknowledged that if the VOA collated evidence it could have resource implications and could ultimately cost more public money, which participants felt should be avoided.

### **2.2.5 Section summary**

Participants found the actual instruction clear from all versions of the banding enquiry evidence form tested – 'provide information about your own property and submit evidence of a neighbouring property'. However, as will be explored in subsequent sections, the act of actually collecting the evidence and how to do this was perceived as more difficult.

There was a strong preference for the tick box version over the grid version. There was also a strong preference for the version with less detailed guidance instructions, and a mild preference for having more tick boxes in order to guide responses.

## **2.3 Understanding instructions and completing the form**

This section explores how participants understood the instructions (side one) of different versions of the banding enquiry evidence form. It then discusses their views on how easy or difficult it was to complete different versions of the form (side two). The section concludes with a summary of participants' views about how the instructions and forms could be further improved.

### Key section points:

- Participants understood the guidance provided and how to complete the form.
- However, participants felt improvements could be made to assist the usability and accuracy of information provided.
- Suggestions made included clarifying key terms, providing more detailed examples and clearly explaining what to do if you felt stuck.

### 2.3.1 Understanding the instructions

Participants understood what was required, but did have suggestions for improvement. How participants understood the two versions of the guidance notes – the more detailed and less detailed – is outlined below. Any variations by group type highlighted throughout.

#### ***Detailed guidance notes***

The more detailed instructions were divided into four broad headings:

- Before you fill in this form
- What evidence to include
- Completing the form
- The banding enquiry process

Specific findings in relation to each heading are summarised below.

#### *Before you fill in this form*

The introductory two sentences in this section were understood well by participants, and were felt to be clear:

“This form is to allow taxpayers to provide the Valuation Office Agency with information that suggests their Council Tax Band is incorrect.”

However, an area of ambiguity here was the use of ‘taxpayer’. Participants questioned whether ‘council taxpayer’ might be a more accurate term to use, as it includes those who pay council tax but do not pay other types of tax.

#### *What evidence to include*

Responses to this section varied. Those who demonstrated greater familiarity with the VOA and who had previously thought about their council tax banding, unsurprisingly perhaps, tended to find this section more straightforward. Participants made a number of specific suggestions about how the clarity of this section could be enhanced for future customers with less familiarity. These suggestions fell into three main categories:

##### *1. Clarifying terms*

There was a lack of clarity about what some terms meant. For example, “near”. It was felt this could be helpfully quantified by stating a specific distance. There was also a lack of clarity about what “similar” properties meant. Without a specific explanation participants thought it could be interpreted in a number of different ways, and recipients could be inclined to interpret it in a way that was favourable to their case.

##### *2. More detailed examples*

The examples provided were sometimes felt to lack detail. Participants who demonstrated less awareness of how council tax bandings are set found it hard to rationalise why current sales prices were not relevant and would have welcomed an explanation, or being signposted to an explanation. Similarly, there were mixed understandings of what was meant by “price indices”. Those who had not heard the term before reported they would have used sites like Zoopla and assumed it was a valid source. Here, participants suggested providing an example of a price index.

### 3. *Where to turn if stuck*

It was unclear how to source information that was not easily accessible. As a participant explained:

*'If sales information isn't freely available, what are you supposed to do?'*

(Participant from Group 2, working)

Here, greater guidance, or an acknowledgement that it might not be possible to answer every question could help future customers to provide more accurate information.

#### *Completing the form*

This section was clear and well understood. It was described as 'straightforward' – you needed to turn over and complete the form on the reverse side. However, in a similar vein to the above, participants would have welcomed a steer as to what sources they could consult here.

#### *The banding enquiry process*

The sentence explaining that a band challenge could result in an increase to neighbouring properties was contentious. Participants felt this could 'open a can of worms', and while they appreciated it needed to be stated for transparency, this would deter people from completing the form and submitting it to the VOA. Participants feared an increase in their own banding and/or antagonising their neighbours should their banding increase.

Greater clarity about why a banding would increase would also have been welcomed. Participants incorrectly assumed that bandings could increase as a penalty for providing incorrect information. Again, participants explained this would have deterred them from submitting evidence.

#### ***Less detailed guidance notes***

This version had significantly less detail, and slightly different headings:

- Before you fill in this form
- Completing the form
- The banding enquiry process
- Declaration

This version was preferred because it was perceived as more direct, user-friendly and clearer. The final sentence in this version – "When you submit a banding enquiry we will explore the evidence you submit and any other evidence we hold" – was well received. This left participants feeling that responsibility was shared:

*'Here it's like a two way thing between the VOA and you, and this one [more detailed version] is kind of like you do all the work and we'll see what we can do.'*

(Participant from Group 5, not working)

While this sentence was included in other versions of the form it did not stand out to the same degree, and easily went unnoticed.

There were mixed views about the declaration. On the one hand it was welcomed because it suggested the VOA cared about accuracy and would carefully consider evidence provided. Yet, on the other hand, participants worried that signing their name could be incriminating if they accidentally provided incorrect information. There were also mixed responses to the overall tone, which was described, on one hand, as impersonal. However, on balance, participants valued direct and efficient language over tone.



## Tick box version<sup>2</sup>

The tick box version was described as easier to use, and led to more accurate information being provided. A version with fewer tick boxes was also explored. While the tick boxes version was felt to work well overall, participants provided suggestions to help improve the usability of this form. A number of suggestions were made regarding specific aspects of the form, these are outlined below. The form was divided into two main parts “your property” and “a comparable property”, each is considered in turn.

### *Your property*

- Sales price and year of sale: This was slightly confusing as it implied that sales evidence outside of the date range stated in the instructions (two years either side of 1991<sup>3</sup>) was relevant. Participants suggested clarifying what counted as valid sales evidence here.
- Comment line: It was unclear how this was supposed to be used. Participants would have welcomed a larger free text box to supplement evidence with an explanation, and also felt this could potentially save the VOA time, perhaps minimising the need to re-contact if it was an adequate space to express concerns, doubts or complaints.
- Age: The categories were felt to be clear up to a point and being able to give an indication of range rather than specific year was welcomed. However, participants questioned why there was a pre-1918 cut off, and what implication this had for council tax bandings.
- Garage/parking: Participants would have welcomed an indication of whether this referred to on-street or off-street parking. With the absence of this clarity, participants speculated that customers might be tempted to select whichever they perceived as preferable to their case.
- Size: Participants reported not always knowing how to complete the size for their own property. Here, more information on where to source this or how to calculate it would have been welcomed. In some cases, participants were more accustomed to imperial measurements.
- Number of rooms: There was confusion over whether this referred to bedrooms or all rooms in the property. Again, further clarity would have been welcomed.

### *A comparable property*

- Size: Participants welcomed being able to indicate the size of the comparable property in relation to their own: larger than, same size, smaller. This was felt to be significantly easier than providing the actual size in m<sup>2</sup>. However, it felt prohibitively difficult to ascertain evidence about a neighbouring property. There was consensus across different groups, here, with participants simply ‘not knowing where to begin’.
- Design: The design of this page was described as ‘amateurish’ because the tick boxes did not always neatly line up. It was felt that it could be made to look more professional with better alignment and if it was on a separate page to the instructions.
- The use of the “Don’t know” boxes caused some confusion amongst participants because they implied information was not absolutely essential. Participants would have welcomed an example of a completed form that indicated the minimum amount of information the VOA needed to consider a case.

### **2.3.3 Section summary**

The less detailed version of instructions and tick box version of the form were preferred by participants. However, a number of suggestions were made to further improve customer understanding, and the usability

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<sup>2</sup> Findings here relate to all tick-box versions tested: 1B, 2A, 2B and 2C.

<sup>3</sup> ‘Sales information for the subject property or similar properties in the immediate locality, up to two years either side of the valuation date of 1 April 1991’.

of the form itself. The most significant outstanding issue was the perceived difficulty in collecting information about neighbouring properties. Here, a steer from the VOA about the minimum amount of information required for a case to be considered would be especially welcomed.

## 2.4 Improving accuracy of information provided

This section explores how accurate participants thought information provided through the banding enquiry evidence form would be, and explores suggestions for improvement. It then examines preferences for providing evidence through different channels.

### Key section points:

- Participants were unlikely to guess if they did not know an answer.
- The tick box version was felt to encourage accuracy compared to the grid version.
- Submitting evidence online was preferred and it could facilitate accuracy through directing customers to relevant online sources.

### 2.4.1 Understanding and improving accuracy

Participants reported that they would not provide inaccurate information. If they did not know an answer they would be inclined to leave something blank or tick the “Don’t know” box. Participants explained they would be unlikely to submit the form if they felt they had not been able to complete enough fields.

The tick box version of the form was felt to facilitate the most accurate information. This was because it removed the need for participants to guess how fields were defined, and risk getting them incorrect (for example interpreting “building type” to mean ‘council house’ as a type of building).

Additionally, the “please do not guess” sentence was spontaneously noticed across all versions tested and participants reported it would prevent them from guessing. The “Don’t know” boxes also helped to facilitate the provision of more accurate information, as they further encouraged you to not guess. The declaration in the shorter version of the form was also felt to increase accuracy – adding your name to something provided an extra incentive to ‘get it right’.

However, participants made suggestions of how the accuracy could be further improved through the design of the banding enquiry evidence form. There was some overlap between suggestions to help improve understanding. The specific suggestions are outlined below.

#### *Instructions*

- *Providing further clarification on relevant sources:* For example, can the Land Registry provide information on age? Are people expected to measure their properties if information is not available from other sources (deeds/mortgage papers), and if so, could guidance be provided on how this should be done.
- *Give examples of irrelevant sources:* Provide examples of irrelevant sources/evidence – for instance, explain that it is not ok to use Zoopla or a price index. Participants reported that this is the first source they would consult if asked to provide evidence, and therefore felt it important to clarify.
- *Emphasising the VOA web address:* This could be done by a larger font size and/or positioning it more prominently. Having a source to check assumptions against could help avoid incorrect assumptions, for example on what counts as relevant sales evidence.

- *Elaboration on fields:* Clarification on whether the number of rooms refers to bedrooms or all rooms would help customers provide accurate information, in line with what the VOA expected here. Guidance on how to count large open plan rooms would also have been welcomed, and was felt could prevent inaccuracies.

#### *Completing the form*

- *Provide examples:* Examples of what a completed form could look like, to help illustrate what the VOA expected was felt could also minimise people making mistakes.
- *Provide a free text box:* Participants thought future customers would welcome the opportunity to indicate any doubts they might have about accuracy, and to highlight where any assumptions might have been made.

## **2.5 Preferences for channels**

Participants preferred to provide evidence through online options compared to post. This was partly because it was perceived as being more user-friendly, for example collapsible boxes would mean it was possible to control the amount of information viewed at any one time. However, it was also felt that online options would help customers to provide more accurate information.

Respondents commented that features like 'hover boxes' could be used to explain what exactly is meant by fields that are difficult to understand or are likely to be misunderstood – like what counts as relevant sales information. Additionally, respondents felt it would be easier to link to dynamic content, like websites, where further guidance and information could be provided. This could also help overcome the feeling of 'not knowing where to begin'. However, participants acknowledged the importance of a postal option for those at risk of digital exclusion.

Preferences of digital format varied between being sent the form as an attachment or link in an email and being directed to a website. While participants did not express particularly strong views here they said they would welcome being offered different options.

## **2.6 Conclusions**

Participants explained that not knowing where to turn if they got stuck could prompt them to disengage with the process and simply not complete the form. In terms of providing accurate information, the tick box version was better than the grid version. With regards to the information and instructions needed to complete the form, the less detailed version was much preferred to the detailed version. Participants consistently reported a preference for providing information online, and thought this would further improve the accuracy of information provided.

Participants had clear views on what improvements they would prioritise in future iterations, and unsurprisingly different priorities mattered to different people. The most important priorities related to the amount of guidance to provide, the amount of contextual information to provide (such as how bandings were set) and the appearance of the form.

This chapter outlines findings from the Banding Decision Letter research. The letters tested are shown in Appendix A. It explores how customers understood different versions of the letters, what factors affected their understanding and confidence in how the VOA values properties and how likely they were to re-contact the VOA. The chapter concludes by comparing and contrasting the two versions of the letter.

### 3.1 First impressions and understanding of the banding decision

This section explores first impressions of the letters, how recipients engaged with them and how well banding decisions were understood.

#### 3.1.1 Initial response and engagement with the letter

Participants reported reading the version of the letter they received closely when they first received it until they understood that their council tax band was correct and would not change. Whether and how participants read on after this point varied.

Those who accepted the outcome did not always read to the end because it was deemed unnecessary – there was nothing contentious and the decision was in line with their expectations. Additionally, those who were disappointed by the outcome, but believed it was not possible to change could not always see the point in reading further.

Unsurprisingly, not reading the letter in its entirety was a barrier to understanding how the VOA made banding decisions. Those who did not finish reading because of disappointment with the decision said they would be encouraged to read on had the tone been more sympathetic, and if there had been some acknowledgement of potential disappointment. As a participant reported:

*‘Tone is everything...it makes a big difference...it is important in customer service. When you’re receiving a letter...the tone of the writing can make a big difference to you being absolutely furious or “oh I can see what they are saying.”*

(Male, working, Pilot Banding Decision Sheet)

#### 3.1.3 Views of the original banding decision letter

##### *First impressions*

Participants clearly understood that their council tax bands would not change from the covering letter. The content of the top right corner of the covering letter was also well received. “Your reference” “Our reference” and “Please ask for” helped create a sense that there was ‘someone there’ which made participants feel more receptive to the rest of the letter. However, the rest of the letter felt less personal and more generic, something that was sent to everyone. It was also unclear, on first impressions, how exactly the VOA had decided that the current council tax banding was correct.

##### *Decision making and evidence used*

Recipients found it hard to understand the decision making process, even after closer reading. There was a general lack of clarity about how banding decisions were made. On the one hand there was some sympathy for the complexity involved, as one participant explained:

*‘Obviously, Jo public doesn’t know how civil servants go about doing this [evidence used to decide CT band]’.*

(Female, retired, Original Banding Decision Letter)

However, the lack of understanding also left participants feeling that it was an arbitrary process and that bandings would never change as this was not in the VOA's interest. The key factors influencing understanding are outlined below.

### *Understanding original banding decisions in 1991*

Participants who reported a greater understanding of how council tax bandings were set in 1991 were better able to explain how decisions were made. These participants tended to be retired, or described themselves as 'old enough' to remember bandings being set in 1991. Those who understood 1991 banding decisions conceptually sometimes felt that it was a fundamentally unfair system.

While this did not necessarily impact negatively on understanding it meant participants were less inclined to engage with the letter as they perceived it as an unfair system which they were powerless to change.

However, there was still some difficulty in understanding how reviews had been conducted amongst these participants, who would have welcomed a more detailed account of steps taken historically to calculate value of properties that did not exist in 1991. As a participant explained, it felt like the 'working out' was missing, which was the most important part:

*'At school, the maths teacher used to say that the workings out were as important as the answer [and the workings out were missing]'.*

(Male, retired, Original Banding Decision Letter)

It was difficult for participants to understand the 1991 bandings conceptually when they had less contextual knowledge. This group would have also welcomed more detailed information of how bandings were set historically, either within the letter or being signposted to other sources.

Those who read the FAQ section closely would have welcomed further elaboration in some parts. For example, the point about Stamp Office felt superficial and unclear. It was felt that more detail could help explain decisions.<sup>4</sup>

### *Language*

Participants who identified as having greater exposure to similar style letters (letters from their local authorities, for example), found the language easier to understand and reported a better overall understanding of the decision made. For example, a participant felt the letter 'didn't go around in solicitous terms'. In contrast, those who felt the language was 'woolly' or imprecise found it harder to understand the decision. An example of imprecise language was: "for reasons specific to the property at the time".

### *Other sources of information*

Understanding was greater when participants were given some indication of what specific evidence could be taken into account during initial phone conversations with the VOA. For example, a participant was clearly told that a recent development on a property was unlikely to change her banding, which improved her overall understanding of the decision.

#### Key section points:

The key suggestions for improving understating of how banding decisions are made from this letter are:

- Level of explanation: Provide greater explanation of 1991 banding decisions (or direction to where more information can be found), and more detail in FAQs.
- Precision of language: Use precise language, avoiding terminology that could be perceived as 'woolly'.
- Tone: Adopt a more sympathetic tone to encourage customers to read, and meaningfully engage with the content.

<sup>4</sup> The specific part of the FAQs referenced: *What evidence do you use to decide a banding – When people sell properties, their solicitors provide details of the transaction to the Stamp Office.*

### 3.1.4 Views of the pilot banding decision sheet

#### First impressions

As with the Original Banding Decision Letter, participants were quickly able to glean the outcome of their case. Responses to the letter were found to be underpinned by participants' feeling about the decision made. Those who were neutral or positive about the decision tended to view the letter more favourably on first look – the structure seemed logical, there was a good flow and it was well laid out and presented, with the use of colour helping to break-up text, as a participant reported:

*[It's] quite standard for that kind of letter...in line with what I'd expect. Short and to the point, it doesn't waffle on'.*

(Female, working, Pilot Banding Decision Sheet)

By contrast, those who felt less positively about the decision viewed the letter differently. The volume of information overwhelmed participants and the letter felt more like a generic 'rejecting letter'. Participants speculated whether it had been the VOA's intention to make people feel overwhelmed and switch off to dissuade them from re-contacting. Again, the tone was described as impersonal and cold, which prompted participants to disengage before reading the entire letter.

#### Decision making and evidence used

In a similar vein, initial responses to the decision influenced how participants engaged with the letter and understood the subsequent content. When recipients did not report any inaccuracies from their perspective, they felt the letter clearly explained the decision. However, some participants reported perceived inaccuracies in relation to their specific cases, which were confusing to them. For example, one participant reported that they thought the number of bedrooms had been entered incorrectly. In this case, this could lead to assumptions that the VOA had 'already decided' the outcome and simply went through a 'tick box' exercise rather than engage in an 'evaluative process', the perception being that the decision was simply made and not underpinned by a process, so there was nothing to understand – 'it is what it is'. As a participant explained it felt as if:

*'They've [the VOA] used the evidence to suit them, rather than use the correct evidence in my opinion'.*

(Female, working, Pilot Banding Decision Sheet)

### Findings on specific parts of the letter

#### Information about your home

Participants felt that this page clearly explained the factors used by the VOA in making their decision, and how these related to the customer's own property. When participants felt neutrally about the letter, these participants welcomed its presence. In contrast, those who perceived inaccuracies about their property here found it difficult to engage with the content as feelings of frustration and anger tended to overshadow. This was felt acutely when participants reported having previously corrected inaccuracies with the VOA in earlier conversations. For example, a participant reported having previously told the VOA he had two bedrooms but the letter stated he had five. Other feedback about this page was that "factors we look at" and "information about your home" was repetitive as the factors are implicit in the "information about your home" (please see image below).

Your property	
Type of home	Terraced house
Age of home	1930 - 1939
Size of home	96m <sup>2</sup>
No. of floors	2
No. of Bedrooms	3
No. of Living Rooms	
No. of Bathrooms	1
Parking	Garage for 1 car

Factors we look at:
• Number of bedrooms
• Number of bath/shower rooms
• Number of other rooms
• Type of parking
• Size of dwelling
• Age of dwelling
• Type of dwelling
• Floor level for flats
• Locality

## How we set Council Tax Bands

The flow chart diagram (as shown below) was received well by participants as it was felt it explained the steps the VOA took to conduct the review.



Having this information mattered to varying degrees – depending on engagement levels – but it was seen as assisting clarity. The visual presentation felt accessible and the use of colour helped overcome feeling overwhelmed. However, participants suggested it would be of greater value if it was tailored to specific cases. Additionally, more detail on how the VOA undertook each step would have been welcomed, such as the sources used at each stage. Participants were frustrated when they felt individual steps had not been followed in their case, as explained by a recipient of this letter:

*'It's clear what they're saying...but it doesn't feel very accurate, because clearly they don't do that.'*

(Female, working, Pilot Banding Decision Sheet)

The introductory paragraph was received less well. The content duplicated what was presented in the flow diagram, and was felt to be unnecessarily verbose, acting as a barrier to understanding. The below sentence was identified as being wordy, for example:

*"We always value any property as though it existed in 1991 but we only take improvements into account if there has been a subsequent sale."*

### What evidence we used

This page was received well when it was felt to be accurate and fair, because it provided a tangible illustration of evidence used. However, it was problematic when participants felt the VOA had simply selected evidence that supported their case and ignored information participants provided in earlier communications. In these cases participants would have welcomed a clear explanation of why this information had not been taken into account.

### 3.1.5 Conclusions

The two letters have clear strengths and weaknesses in explaining how the VOA made their decision. The length of the Original Banding Decision Letter was well received and meant people were more likely to read the entire letter, thereby increasing understanding of how banding decisions were made. In contrast, the length of the Pilot Banding Decision Sheet left participants feeling overwhelmed, and less inclined to read to the end. In both letters, a sympathetic and personal tone would have encouraged engagement with the letter.

How well recipients of the Original Banding Decision Letter understood the VOA's decision was, in the case of participants in this research, at least partially linked to their familiarity with how council tax bandings were initially set in 1991.

The content of the Pilot Banding Decision Sheet, in theory, had potential to clearly explain how the VOA made their decision. However, perceived inaccuracies in the information provided confused some participants. The following suggestions were made by participants to improve understanding of the reasons behind the decision made:

- Level of explanation: Provide more relevant contextual information, or signpost to where more is available.
- Accuracy of information: Ensure consistency with earlier communications, or clearly explain inconsistencies.
- Length: Keep length to a minimum to ensure the entire letter is read.
- Precision of language: Use precise language, avoiding terminology that could be perceived as 'woolly'.
- Tone: Adopt a more sympathetic tone to encourage customers to read, and meaningfully engage with the content.

### **3.2 Understanding of the banding process and confidence in the VOA's ability to determine council tax bandings**

This section explores how well banding decisions were understood by participants and how confident participants were in the VOA's ability to make the right council tax banding decision.

#### **3.2.1 Levels of understanding of the banding decision**

Participants reported a range of different levels of understanding. Participants who said they understood the decision were more likely to know:

- Council tax bandings were originally set in 1991, and only change in very limited circumstances
- The listing officer reviewed their case looking at any evidence provided and decided their banding was correct.

Participants who said they had a limited understanding tended to:

- Be unsure when or how council tax bandings were first set.
- Think council tax banding should change if they provide convincing evidence – up to the VOA to explain why if not.
- Think the VOA would not change an incorrect banding.

#### **3.2.2. Overall confidence**

Confidence levels were influenced by wide-ranging factors, including those that related to participant's personal background. Each group of factors is considered in turn, with specific points relating to each letter highlighted throughout. The section concludes with suggestions from participants about how the VOA could increase confidence through this written communication.

Overall confidence levels in the VOA were mixed and this appeared to be underpinned by how happy participants were with the decision. However, there were a group of participants who understood the principle of how the decision was made, but felt a mistake had been made in their particular case – these participants lacked confidence in the VOA. Neither version of the letter left recipients more or less confident, but each had different strengths and weaknesses.



### 3.2.2 Personal background and previous experience

#### *Earlier contact with the VOA*

With both versions, confidence levels were shaped before the letter was received - the decision felt fairer when it was anticipated. Those who had been told their banding was unlikely to change in earlier conversations with the VOA tended to have more confidence that the correct process had been followed. They read the letter expecting this outcome, so naturally perhaps, assumed it was right.

On the other hand, those who were left more hopeful their banding could change following initial phone conversations with the VOA were less confident in the process that had been undertaken, when there had been no change in their banding. In these cases the letter contradicted something communicated by the VOA over the phone, which was sometimes perceived as a more trustworthy source.

Additionally, those who demonstrated a good understanding of how 1991 banding decisions were made or had higher awareness of the VOA were more confident in the VOA's ability to decide. Again, this was because they were more likely to have lower expectations that their banding would change. There was no variation by letter type here.

#### *Timeliness of delivery*

Participants reported that they received the letter within the two month timeframe, as they were advised during initial phone conversations. This promoted trust in the VOA, as this was seen as the VOA 'keeping their word'. However, those who considered council tax a financial burden felt this was a long period of time to have to wait, and would have welcomed a quicker turnaround.

#### *Underlying doubts and scepticism*

With both letters, there were participants who were mistrustful of the review process, as a participant explained:

*'My confidence levels [were] already zero'.*

*(Male, retired, Pilot Banding Decision Sheet)*

It appeared that there was little that could be done to increase confidence in the VOA's decision among participants who perceived council tax as unfair. This could lead to interpretations that in sending the decision letters the VOA had intended to 'bombard' people with too much information to make the process opaque. These participants wanted there to be a fundamental change in how council tax bandings are set. While it was beyond the scope of this research to suggest ways the VOA could engage with this type of customer, this study illuminated that strongly held negative views could be a significant barrier to having confidence and trust in written communications from the VOA.

There was another group of participants who were more accepting of council tax in principle, but felt their individual situation was unfair, because, for example, a neighbour paid significantly less council tax despite the participant believing that their property was identical. These participants felt the letters (both versions) lacked adequate explanation of why this was the case. Greater elaboration of why would have been welcomed in letters.

### 3.2.3 The letters

#### *Degree of personalisation*

Recipients of the Pilot Banding Decision Sheet felt their letters lacked a personal approach, which had a negative impact on confidence levels. Specific parts of this letter, like the flow diagram, were identified as feeling generic. Additionally, when there were perceived mistakes – about the characteristics of their property – participants felt that a template had simply been completed without much thought or attention to detail.

Participants also questioned why there was no reference to their earlier conversations with the VOA (where for example, they previously corrected the number of bedrooms). Consequently, this letter felt like it was an automated process, led by a computer rather than feeling like something that had actually been reviewed and considered by a person. The latter would have inspired more confidence, as recipients of this letter explained:

*'It would have made me more confident in the decision that was made because I would have felt like they listened to me and taken my concerns on board'.*

(Female, working, Pilot Banding Decision Sheet)

*'You need to have trust in the decision that's made and the only way to give that trust is for it to feel personal, that somebody has actually looked at it'.*

(Female, working, Pilot Banding Decision Sheet)

### *Use of evidence*

With both letters, when participants felt comprehensive and accurate information had been taken into account they felt confident in the VOA's decision and were able to understand it. This left them highly confident in the VOA's ability to review and determine bandings. Yet they were less confident when they thought the opposite was true. Perceived inaccuracies – like disparities in the number of rooms or bedrooms – greatly undermined confidence. As explored above, this left some participants thinking that the VOA had not followed a process, but rather selecting evidence to support a decision which had already been taken. A participant who reported an inaccuracy reflected about her letter:

*'It screams to me: "This is what we have decided. Tough luck"'*

(Female, working, Pilot Banding Decision Sheet)

Participants said that not being able to challenge the VOA's decision or easily correct details undermined their confidence in the fairness of the decision. This applied with both versions of the letter. It suggested to them that the VOA thought they were incapable of making mistakes, or at least, were reluctant to correct errors.

### **3.2.4 Conclusions**

There is limited scope to address factors relating to personal background and experience through this written communication. However, the research revealed a number of ways the letters could help to improve confidence further:

- Degree of personalisation: Adopting a personalised approach would suggest cases had been given individual consideration and would increase confidence. This could be done by the reference details in the top right corner of the Original Banding Decision Letter and through further tailoring the letter.
- Use of evidence and understanding: Ensuring that information is accurate and comprehensive, explaining why certain information cannot be taken into account, or that any perceived inaccuracies are clearly explained.
- Approach to re-contact and acknowledging mistakes: Acknowledging that the VOA could have made mistakes and wanted to be corrected would suggest that the VOA cared about getting the decision right, and so increase confidence.

### 3.3 Re-contact

This section explores how likely participants were to re-contact the VOA after receiving the letter, and what motivated any decisions to re-contact. The section concludes with suggestions from participants about what could prevent future customers from needing to re-contact the VOA.

#### 3.3.2 Reasons for deciding not to re-contact the VOA

On balance, participants were unlikely to re-contact the VOA (recipients of both letters). A key reason for deciding against re-contact – even in the event of perceived mistakes or strong disappointment – was the perception that they would not be able to change the outcome, so there was little point. Participants reported that “Can I challenge your decision? No” in the FAQs led them to hold this view. This was felt to send a strong message not to re-contact. As a participant explained:

*‘That’s quite aggressive isn’t it...it really does put you off. Because they’ve put that it makes you feel like there is no point. It’s very definite, it’s very to the point, it’s very blunt – no you can’t!’*

(Female, working, Pilot Decision Sheet)

Additionally, participants who lacked confidence in the process were reticent to re-contact the VOA again as they anticipated encountering the same experience again. Participants felt that re-contacting would be like ‘banging your head against a brick wall’. A view amongst recipients of the Original Banding Decision Letter was that the letter was a device to dissuade people from making contact. While there was some sympathy for the fact the VOA might want to minimise re-contact to save public money, it was felt the message could have been delivered more delicately:

*‘It’s a very business-like thing to do. But from the customer’s point of view, the letter is a little bit too firm. They are saying “I don’t care what you think”. The message could be given in a more sensitive way.’*

(Male, working, Original Decision Letter)

Those who accepted the decision, perhaps because they expected it, perceived no need to get in touch again. This group felt that whether someone would re-contact the VOA or not depended on how convinced they were that their banding was correct, and the quality of the explanation.

#### 3.3.3 Reasons for wanting to re-contact the VOA

Amongst those who did expect to re-contact the Agency, participants reported variation in reasons based on the letter type received. Those who received the Original Banding Decision Letter wanted clarification about the 1991 setting of council tax bands, whereas recipients of the Pilot Banding Decision Sheet wanted to query specific perceived inaccuracies in relation to their case.

Further reasons why participants reported re-contacting, or planning to re-contact, the VOA after receiving their letter were:

- Contradictory information – when participants had been led to strongly believe they had a case from earlier conversations with the VOA and/or their own research.
- Strong personal conviction – if a participant felt the explanation and justification simply was not clear or good enough, they would get in touch again, despite any indication in the letter that they should not. This group firmly believed they were in the wrong band, and would be inclined to challenge it until it changed. As one participant said:

*‘Blow that – how dare they say to me that I can’t challenge this information. I still needed an answer to a question that was raised that hadn’t been answered in the letter.’*

(Female, working, Pilot Decision Sheet)

### 3.3.4 Preventing re-contact

Participants identified three measures they felt would prevent future customers from needing to re-contact the VOA.

#### *Sensitive tone*

As previously explored, the direct tone, in both letters and in the FAQs, was unpopular. It was felt this tone antagonised participants, prompting them to feel aggrieved and less receptive to the content. A more sensitive tone that acknowledged possible disappointment could encourage future customers to think:

*“Oh yeh that’s reasonable” and then go away and keep quiet’.*

(Female, retired, Original Banding Decision Letter)

#### *Accurate and comprehensive information*

It was also felt that providing accurate and comprehensive evidence would help prevent re-contact. As a participant explained, if the information he had provided over his initial phone conversation was taken into account in the letter he would not have needed to re-contact the VOA. The FAQs were identified as an opportunity to explain perceived inaccuracies or what you could do if you thought a mistake had been made (if there are any steps that could be taken in place of re-contact). As a participant explained:

*‘My issue is not mentioned anywhere on the letter, so you feel a bit stuck’.*

(Female, working, Pilot Decision Sheet)

#### *Alternative sources of information*


Participants would have welcomed being directed to alternative sources of information – perhaps specific pages of the VOA website – which they could use to corroborate the information in their letters. For example, participants would have welcomed more information on how council tax bandings were historically set, especially in the case of the Original Banding Decision Letter.

### 3.3.5 Conclusions

While participants were unlikely to re-contact the VOA (recipients of both letters), it was felt that contact could be reduced by adopting a more sympathetic tone; ensuring information is accurate and clearly signposting to other sources of information. As with the previous section, it is important to bear in mind that those with a strong personal conviction regarding the decision of the VOA might always be inclined to re-contact the VOA.

## Appendix A: Products tested

### Banding enquiry evidence form - Tick box version

  
**Banding enquiry evidence form**

Please complete this form based on the guidance on the previous page. You should complete as many boxes as possible, but if you are unsure about something, please don't guess. The address and band must always be completed, please provide further detail where you have it.

**Your Property:**

Address: \_\_\_\_\_  
 Band: \_\_\_\_\_ Sale Price: \_\_\_\_\_ Year of sale: \_\_\_\_\_  
 Comments: \_\_\_\_\_

**Building Type:**    **Building Situation:**    **Age:**    **Garage/parking:**

Annex	<input type="checkbox"/>	Detached	<input type="checkbox"/>	Pre 1918	<input type="checkbox"/>	Yes	<input type="checkbox"/>
Bungalow	<input type="checkbox"/>	Semi-Detached	<input type="checkbox"/>	1919-1945	<input type="checkbox"/>	No	<input type="checkbox"/>
Flat	<input type="checkbox"/>	Terrace	<input type="checkbox"/>	1946-1960	<input type="checkbox"/>	Don't know	<input type="checkbox"/>
House	<input type="checkbox"/>	End	<input type="checkbox"/>	1960-1980	<input type="checkbox"/>		
Maisonette	<input type="checkbox"/>	Block of flats	<input type="checkbox"/>	1981-1999	<input type="checkbox"/>		
Other	<input type="checkbox"/>	Not Applicable	<input type="checkbox"/>	2000 onwards	<input type="checkbox"/>		
				Don't know			

Size m<sup>2</sup>: \_\_\_\_\_  
 Don't know

Number of rooms: \_\_\_\_\_

**A comparable property:**

Address: \_\_\_\_\_  
 Band: \_\_\_\_\_ Sale Price: \_\_\_\_\_ Year of sale: \_\_\_\_\_  
 Comments: \_\_\_\_\_

**Building Type:**    **Building Situation:**    **Age:**    **Garage/parking:**


Annex	<input type="checkbox"/>	Detached	<input type="checkbox"/>	Pre 1918	<input type="checkbox"/>	Yes	<input type="checkbox"/>
Bungalow	<input type="checkbox"/>	Semi-Detached	<input type="checkbox"/>	1919-1945	<input type="checkbox"/>	No	<input type="checkbox"/>
Flat	<input type="checkbox"/>	Terrace	<input type="checkbox"/>	1946-1960	<input type="checkbox"/>	Don't know	<input type="checkbox"/>
House	<input type="checkbox"/>	End	<input type="checkbox"/>	1960-1980	<input type="checkbox"/>		
Maisonette	<input type="checkbox"/>	Block of flats	<input type="checkbox"/>	1981-1999	<input type="checkbox"/>		
Other	<input type="checkbox"/>	Not Applicable	<input type="checkbox"/>	2000 onwards	<input type="checkbox"/>		
				Don't know			

Size: \_\_\_\_\_

Larger than my property	<input type="checkbox"/>	More than my property	<input type="checkbox"/>
About the same as my property	<input type="checkbox"/>	About the same as my property	<input type="checkbox"/>
Smaller than my property	<input type="checkbox"/>	Less than my property	<input type="checkbox"/>
Don't know	<input type="checkbox"/>	Don't know	<input type="checkbox"/>

OPTION C

### Banding enquiry evidence form - Grid version

  
**Banding enquiry evidence form**

Please complete this form based on the guidance on the previous page. You should complete as many boxes as possible, but if you are unsure about something, please don't guess. The address box must always be completed.

The factors that affect property value      Sales Evidence between 1989 and 1993

	Property Address	Type of home	Age	Size - m <sup>2</sup>	Number of rooms	Garages/Parking	Sale Price	Year of Sale	Band	Comment Box
Your Property										
Your Evidence										
Your Evidence										
Your Evidence										
Your Evidence										
Your Evidence										

# Original Banding Decision Letter including Frequently Asked Questions

Listing Officer  
Council Tax North  
Valuation Office Agency

Tel:  
Fax:  
Email:

Your Reference : None  
Our Reference : \*\*\*\*\*  
Please ask for : \*\*\*\*\*

Date : 20 May 2014

Dear |

**Council tax: Review of council tax band  
Address:**

You asked me to look at the council tax banding of the above property because you believe it is wrong.

You referred to number 34 \*\*\*\*\* as being similar to your own property. Our records show that the band on number 34 was reduced on valid proposal for reasons that were specific to the property at the time the Council Tax list was altered. Whilst these grounds are not applicable to the band on your own property, the bandings of similar properties on your street will be reviewed to check they are in line with your own.

I have taken account of the points you raised and the evidence available to me and I have concluded my review. I am satisfied your property falls within the value range of £68001 and £88000 at 1 April 1991, and that the current council tax band is correct.

The attached 'Frequently Asked Questions' give you more information about how we value properties for council tax.

Yours sincerely

Listing Officer



Council Tax - England  
Frequently Asked Questions...

What are the valuation bands?

The Council Tax valuation bands and ranges of values in England are:

A up to £40,000  
B £40,001 to £52,000  
C £52,001 to £68,000  
D £68,001 to £88,000  
E £88,001 to £120,000  
F £120,001 to £160,000  
G £160,001 to £320,000  
H over £320,000

Why do you value properties at 1 April 1991?

We base the band on the price a property may have sold for on the open market on 1 April 1991. We apply this date to all properties, even if they weren't built at that time.

What is the Council Tax valuation based on?

Your banding is based on sales of similar properties at or around 1 April 1991. We cannot take account of any increase or decrease in a property's value caused by general changes in the housing market when we consider bandings.

We have to assume the size, layout, character of the property and locality are as they were when the government introduced Council Tax on 1 April 1993. Sometimes we look at what the property and its locality were like at a different date, for example, when a new property is built. But we always take the levels of value as at 1 April 1991.

Similarly, we have to assume the property is in a state of reasonable repair for its age, character and location. Therefore, a property in disrepair would not necessarily cause us to reduce the band.

Does a house price index provide good evidence of value?

No. House price indices cover wide geographic areas which have different property types. These indices only show general trends in house prices. A house price index is not an accurate indicator of value for a specific property and is of very little help in arriving at a council tax band.

Why might larger neighbouring properties be in the same band?

This can happen when there are differences in size that are not sufficient to warrant a higher band. The range of values within each band is quite wide.

It can also happen when the current owner of a neighbouring property has extended or improved it. Even if you make substantial changes to a property, we cannot increase the band unless it is sold.

Why might similar properties in the area be in a lower band?

- The current owners may have extended it to a similar size to your property but have not sold it. We normally cannot increase a band to reflect improvements until the owner sells the property.
- A property modernised before 1993 may be in a higher band than a similar property that was unmodernised at that time. We cannot increase the band on a property modernised after April 1993 until a relevant transaction takes place on the property. A relevant transaction is:
  - Current owner selling the property to a new owner
  - The purchase of the freehold on the property, by either the owner of the property or another company purchasing the freehold from the current leaseholders.
  - Sale of part of the grounds of the property.

- Other properties might be in a lower band as a result of an error. When we become aware of an error, we will correct it.

What if there have been changes in the local area?

I am only able to consider significant physical changes, for example, the building of a new road or a new factory. Even then, the changes must reduce the value of the property enough to warrant a lower band.

What evidence do you use to decide a banding?

When people sell properties, their solicitors provide details of the transaction to the Stamp Office. The Stamp Office provide the VOA with this information and we use sales close to the valuation date (1 April 1991) to place your property in a Council Tax band. This valuation date is applied even if your property wasn't built at that time.

Can I see the sales evidence you used?

No. Information about other taxpayer's property is confidential and is protected by the Commissioners for Revenue and Customs Act (CRCA) and the Data Protection Act. We are therefore unable to share that information with you. I assure you that as part of my investigations to make sure your band is correct, I have thoroughly researched the sales evidence.


Can I challenge your decision?

No. The review I have carried out is an informal one. You can only make a formal challenge, known as a proposal, to the council tax valuation list in limited circumstances. These are:

Reason	Time limits
You have become the council tax payer for a property and you disagree with the band.	You can make a proposal within six months of becoming the taxpayer
If your property needs a band (for example it is a newly built house).	You can make a proposal at any time
If you think your property has reduced in value because: <ul style="list-style-type: none"> <li>part of the property has been demolished (unless the demolition is the first stage of building work);</li> <li>substantial physical changes have taken place in the area where you live since the property was first banded;</li> <li>you have adapted the property to make it suitable for someone with a disability.</li> </ul>	You can make a proposal at any time
We have changed your band.	You can make a proposal within six months from the date of the change
If parts of the property are separately banded but should now be banded as one, for example, flats merged into one house.	You can make a proposal at any time

If you believe you meet one of these circumstances, you should submit your proposal to me online at [www.gov.uk](http://www.gov.uk). Or you can complete a 'Proposal to Alter the Valuation List' form in writing, which you should request from me.

# Pilot Banding Decision Letter

  
Valuation Office Agency

Name, address and post code

I  
Dear\* (use taxpayer's name, for example Mr Smith)

Thank you for your recent enquiry regarding your council tax band.

I have reviewed the information used to value your property and am satisfied that your Council Tax Band of\* is correct.

To help you understand your current council tax band I have enclosed an information sheet which explains how we set this.

The sheet contains the following information


- Information we hold about your home which we used to set your band
- How we set council tax bands
- The evidence we used to decide the band for your home.

Additional information about how we set council tax bands for all properties can be found on our website – <https://www.gov.uk/council-tax-bands>

The attached 'Frequently Asked Questions' gives you more information about how we value properties for Council Tax.

Yours sincerely

Listing Officer

  
Valuation Office Agency

Council Tax  
www.voa.gov.uk  
Date

Council Tax – Banding information for your home

**Information about your home**

Your home is in **Band E**.

Your council tax band is based on the value of your property on the open market in 1991.

The list below shows the different factors that affect your property valuation. The key information that we use to value your property is presented in the table below. We already hold a large amount of information about properties in England and Wales so we often do not need to visit your home to decide on your band.

Your property	
Type of home	Terraced house
Age of home	1930 - 1939
Size of home	96m <sup>2</sup>
No. of floors	2
No. of Bedrooms	3
No. of Living Rooms	
No. of Bathrooms	1
Parking	Garage for 1 car

**Factors we look at:**

- Number of bedrooms
- Number of bath/shower rooms
- Number of other rooms
- Type of parking
- Size of dwelling
- Age of dwelling
- Type of dwelling
- Floor level for flats
- Locality

This means that the value of your home, if sold on the 1<sup>st</sup> April 1991 on the open market, would have been between £88,001 and £120,000.

The Valuation Office Agency is independent from your local council and is responsible for setting your council tax band based on the valuation of the property in 1991. Each local council then decides the amount of money you pay, depending on your band.

**How we set council tax bands**

In England, council tax bands are based on the property values on 1 April 1991, not what your property is worth today. This date is set by law. A valuation date is set so that all properties are compared and valued at a fixed point in time to ensure fairness and consistency.

We always value any property as though it existed in 1991 but we only take improvements into account if there has been a subsequent sale. If improvements are made to your property or a neighbour's that increases its value, we cannot amend the council tax band until we have been told it has sold. If your property was built after 1 April 1993, we band the property based on its value on 1 April 1991.

There are many factors that affect your property's value. These factors are related to both the property and its location and all will be considered when valuing your property to place it in a council tax band.

We explain below the stages that we go through when reviewing the council tax band of a property.

- 1 Looking at the property**  
The first thing we do is check the property details which include:
  - Type (detached, terrace, and house, bungalow or flat)
  - Size (for houses, size is measured externally, excluding garages, and for flats, size is measured internally)
  - Number of bedrooms, living rooms, and bathrooms
  - Property location
- 2 Looking at comparable properties in your area**  
We then compare your council tax band to that of similar properties in your area to make sure that they are fair and consistent.
- 3 Looking at sales**  
We also see if there were any sales of similar properties in your area around 1991, as these help support the banding decision.

**Council tax band**  
From all this information we give your property a council tax band. When bands change we notify the local authority and council tax payer.

**Evidence supporting your council tax band**

Below is a table which shows the evidence we used to decide on your council tax band. This table includes information about properties which are similar to yours and information we use to assess their value. All the properties in the table are from your local area. Information about other taxpayers' property is protected by law, the evidence below is therefore anonymous. The table includes the following two types of evidence:

- Bands of similar properties** showing the average value of your area (stage 2 in the flow diagram)
- Sales of similar properties** (stage 3 in the flow diagram). As not all properties sold in 1991 we do not have sale prices for every property.

[Optional additional sentence to explain evidence selected]

	The factors that affect property value						Relevant Sales Evidence	Year of Sale	Band
	Type	Street	Age	Size - m <sup>2</sup>	Bed rooms	Parking			
Your Property	Terraced house	Brownie Way	1930-1939	95	5	Garage for 1	Not sold	Not sold	E
Similar Properties to Yours									

\* Sizes and values of properties have been rounded to the nearest 5m<sup>2</sup> and £5,000

Based on this evidence this means you are in **Band E**:

Your Band	
E	£88,001 - £120,000

£0    £40,000    £52,000    £68,000    £88,000    £120,000    £160,000    £320,000    £320,000

## Appendix B: Research tools

An overview of the key topics explored with participants from each strand is provided below. These broad topics were tailored to specific versions of documents being tested.

### Banding enquiry evidence form: Overview of topics

1. Introduction: Introduce the research and explain purpose. Emphasise voluntary nature and give participants an opportunity to ask questions.
2. Introducing the VOA and council tax band challenges: Explore awareness of the VOA and attitudes to council tax. Present scenario to illustrate customer journey of contacting the VOA (scenario provided below).
3. Understanding introductions and the form: map participant understanding of the form, and accompanying information, including anything that is unclear and how this could be overcome.
4. Completing the form and information needed: To provide an insight into how easy or difficult the act of completing the form is, and how any challenges could be overcome.
5. Exploring alternative formats: re-designing the evidence template: To brainstorm and explore alternative formats of the evidence template, reflecting participants' preferences.
6. Conclusions: consolidate coverage and to give participants a chance to add any final thoughts.

### Scenario used at group discussions:

*Adam was recently speaking to his neighbour Tony. Adam thinks that his property is very similar to Tony's, but from their conversation it sounded like Tony might be paying less council tax than him. Adam looked into how he could enquire about this, and to whom. Someone from his local council suggested he contacts the Valuation Office Agency (VOA) to make an enquiry. Following this advice, Adam called the VOA and explained the situation. The VOA told Adam he need to provide further evidence before they can look into his case. The VOA said they would post a template and some guidance notes to Adam.*

### Banding Decision Sheet: Overview of topics

1. Introduction: Introduce the research and explain purpose. Emphasise voluntary nature and give participants an opportunity to ask questions.
2. Background and context: Map basic contextual knowledge.
3. Understanding the Banding Decision Letter: Explore participants understanding of how the VOA made their decision and the evidence used to make their decision.
4. Minimising complaints and re-contact: Explore what would make participants less likely to complain or re-contact the VOA in response to their banding decision letter.
5. Conclusions: consolidate coverage and to give participants a chance to add any final thoughts.

## Background notes

The VOA is an executive Agency of HMRC. Its strategic function is to provide “the valuations and property advice required to support taxation and benefits” in England and Wales.