

Council Tax: Challenges and Changes in England and Wales, 2014-15



Valuation Office
Agency

Main Findings

Challenges against the Council Tax Valuation Lists for England (1993) and Wales (2005):

- The Valuation Office Agency (VOA) **received** 53 thousand challenges against Council Tax Valuations in England and Wales between 1 April 2014 and 31 March 2015.
- The VOA **resolved** 54 thousand challenges between 1 April 2014 and 31 March 2015. This represents a decrease of 23 per cent compared with the previous financial year (when 71 thousand challenges were resolved).
- Of the **resolved** challenges 63 per cent resulted in **no change** to the Council Tax band. This compares with 69 per cent of those resolved in the previous financial year.
- As at 31 March 2015, 10 thousand challenges against the Council Tax Valuation Lists were **unresolved**.

Changes to the Council Tax Valuation Lists for England (1993) and Wales (2005):

- There were 235 thousand **insertions** into and 59 thousand **deletions** from the Council Tax Valuation Lists in England and Wales.
- There were 73 thousand **amendments** made to the Council Tax Valuation Lists in England and Wales. Of these, 41 per cent resulted in an **increase** to the band, 38 per cent resulted in a **decrease** to the band and 22 per cent resulted in **no change** to the Council Tax band.

About this release

This is a new release that combines aspects of two existing releases: 'Council Tax valuation lists: challenges (England and Wales)' (last published on 28 August 2014); and 'Council Tax valuation lists: changes (England and Wales)' (last published 14 August 2014).

The release provides statistics on the challenges against entries in the Council Tax Valuation Lists for England (1993) and Wales (2005), including the outcomes of those challenges; it also provides statistics on changes to the Council Tax Valuation Lists.

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TBC

Challenges against the England (1993) and Wales (2005) Council Tax Valuation Lists

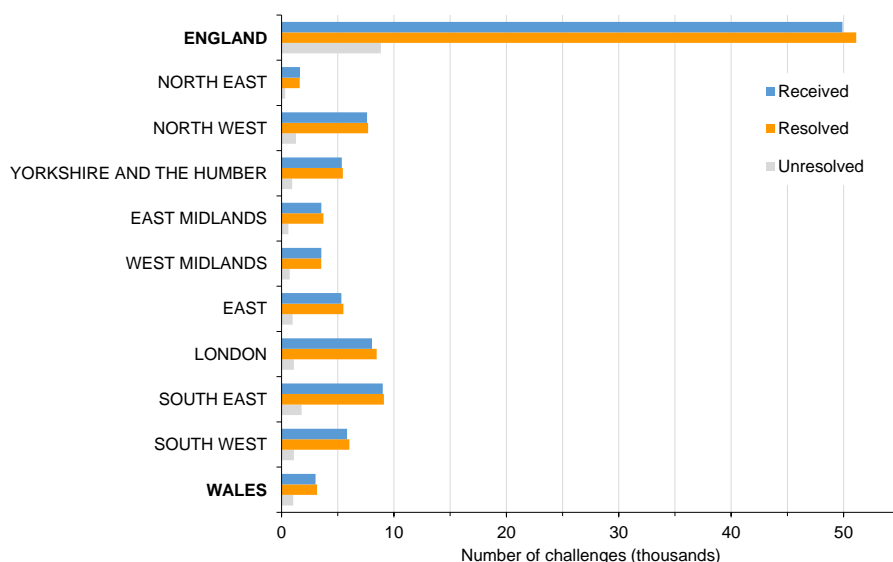
The Valuation Office Agency (VOA) produces valuations for Council Tax in England and Wales. In England, the current Council Tax Valuation List was published in 1993. In Wales, the current Council Tax Valuation List was published in 2005.

Between 1 April 2014 and 31 March 2015, the VOA **received** 53 thousand challenges. In the same period 54 thousand challenges were **resolved**. This compares to 71 thousand challenges **resolved** in the previous financial year and represents a decrease of 23 per cent.

This is the first time that the VOA has published statistics on the numbers of challenges received and the number outstanding. It is therefore not possible to comment on how these figures have changed since the last financial year (2013/14).

The resolved figures are the number of challenges that were resolved between 1 April 2014 and 31 March 2015; some may not have been received during this period of time as they may have been challenges that were still outstanding from previous years.

Chart 1: Challenges received, resolved and unresolved broken down by country and region



Source: Tables CTCAC1.0 to CTCAC1.2

The majority (59 per cent, 31 thousand) of the challenges the VOA **received** were proposals, while 33 per cent (17 thousand) were band reviews. The remaining 8 per cent (4 thousand) were appeals.

Likewise, 58 per cent (32 thousand) of challenges **resolved** were proposals, while 33 per cent (18 thousand) were band reviews. The remaining 9 per cent (5 thousand) were appeals. Of these appeals, 3 thousand (56 per cent) were resolved without being heard at a Valuation Tribunal (VT) and the remaining 2 thousand (44 per cent) were resolved at a VT.

Definitions

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

Band review: a band review is carried out when a potential inaccuracy is brought to the attention of the Valuation Office Agency (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.

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 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.

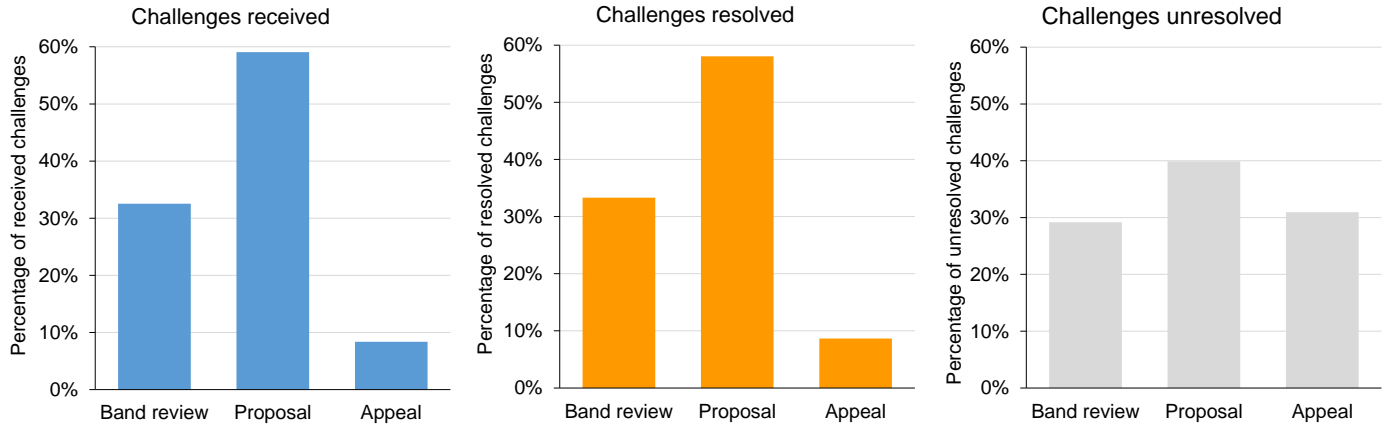
Appeal: where a valid proposal has been made, a Council Tax payer has the right to appeal against the VOA's decision on the proposal to an independent VT. Appeals are often withdrawn or settled before being heard by the VT.

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

Of the **unresolved** challenges, 3 thousand (29 per cent) were band reviews, 4 thousand (40 per cent) were proposals and 3 thousand (31 per cent) were appeals.

A breakdown of challenges received, resolved and unresolved by type of challenge can be seen in Chart 2.

Chart 2: Challenges received, resolved and unresolved broken down by type of challenge (England and Wales)



Source: Tables CTCAC1.0 to CTCAC1.2

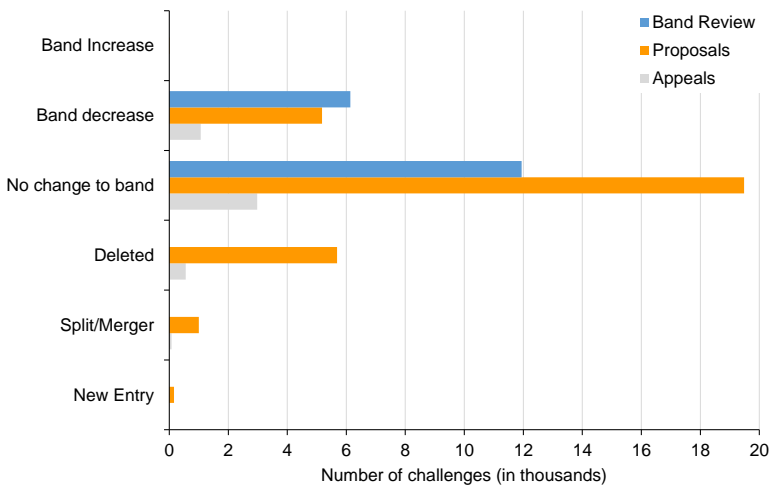
Outcomes of challenges to the Council Tax Valuation Lists for England (1993) and Wales (2005) that have been resolved

The majority (63 per cent, 34 thousand) of the challenges resolved between 1 April 2014 and 31 March 2015 resulted in **no change** to the Council Tax Band, while 12 thousand (23 per cent) resulted in a **decrease** to the band. Less than 0.1 per cent resulted in an **increase** to the band.

These figures are broadly consistent across the different types of challenge: there was **no change** to the Council Tax band as a result of 66 per cent of band reviews, 62 per cent of proposals and 63 per cent of appeals.

A breakdown of the outcomes of challenges to entries in the England and Wales Council Tax Valuation Lists can be seen in Chart 3.

Chart 3: Outcomes of challenges resolved between 1 April 2014 and 31 March 2015 (England and Wales)



Source: Tables CTCAC2.1 – CTCAC2.3

Definitions

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.

Split/Merger: where a change has been made to a dwelling, a list entry may be split into two or more entries e.g. when 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. a number of flats are converted to a single dwelling.

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.

Changes to the Council Tax Valuation Lists for England (1993) and Wales (2005)

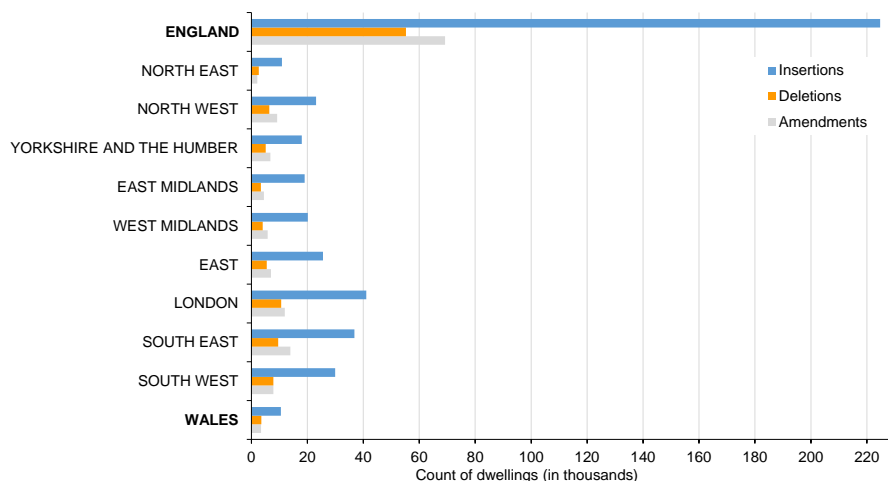
This section covers all changes made to the Council Tax Lists for England and Wales. This includes both changes made as a result of challenges, and changes made because the VOA has become aware of a change to the dwelling that would warrant a change in the list entry (for example a house is extended and subsequently sold). Changes made as a result of a challenge represent 15 per cent of all the changes made between 1st April 2014 and 31st March 2015, and almost a half (45 per cent) of Council Tax band decreases were made as a result of challenges.

Changes to the Council Tax Valuation Lists include dwellings being inserted into the Council Tax Valuation Lists (an existing dwelling is split into two, for example), dwellings being deleted from the lists (when they are demolished, for example), or a dwelling's band needing to be amended (for example when it is refurbished or extended). Further details about the circumstances under which a change occurs are included in the ['Data Information and Methodology'](#) document.

Of those changes made by the VOA between 1 April 2014 and 31 March 2015 for England and Wales, 64 per cent (235 thousand) were **insertions**, 16 per cent (59 thousand) were **deletions** and 20 per cent (73 thousand) were **amendments**.

A breakdown of the changes to the Council Tax Valuation Lists by region and country can be seen in Chart 4.

Chart 4: Insertions, deletions and amendments to the Council Tax Valuation Lists between 1 April 2014 and 31 March 2015 (England and Wales)



Source: Tables CTCAC3.0 – CTCAC3.2

The majority of **insertions** (91 per cent) were due to reasons captured within the 'Other' category; these reasons include newly built dwellings and some dwellings which were not previously on the Council Tax Lists but have been added due to a change to the use of a dwelling (e.g. a shop converted into a house).

Definitions

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.

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

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

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 dwelling are incorrect).

Likewise, the majority of **deletions** (74 per cent) were due to reasons captured within the 'Other' category; reasons include demolished dwellings and dwellings deleted due to a change to the use of a dwelling (e.g. a house converted into a shop).

Of the **amendments**, 41 per cent resulted in an increase to the band, 38 per cent resulted in a decrease to the band and 22 per cent resulted in no change to the Council Tax band.

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 for these local services.

The VOA's job is to place each dwelling into one of the valuation bands; there are eight valuation 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 1st April 1991 for England (for the 1993 Council Tax Valuation List) and 1st April 2003 for Wales (for the 2005 Council Tax valuation List); this band then determines the amount of Council Tax to be paid. The following tables show the breakdown of bands for England and Wales. New dwellings are assigned a band on the basis of what they would have been valued at on 1st April 1991 for England and 1st 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.

England

Band	Value of dwelling (at 1 April 1991)
A	Up to £40,000
B	£40,001 up to £52,000
C	£52,001 up to £68,000
D	£68,001 up to £88,000
E	£88,001 up to £120,000
F	£120,001 up to £160,000
G	£160,001 up to £320,000
H	£320,001 and above

Wales

Band	Value of dwelling (at 1 April 2003)
A	Up to £44,000
B	£44,001 up to £65,000
C	£65,001 up to £91,000
D	£91,001 up to £123,000
E	£123,001 up to £162,000
F	£162,001 up to £223,000
G	£223,001 up to £324,000
H	£324,001 up to £424,000
I	£424,001 and above

Statistics are published at national, regional and local authority level.

The counts are calculated from data for England and Wales extracted from the VOAs administrative database on 31 March 2015.

For all tables, counts are rounded to the nearest 10 with counts of zero being reported as "0" and counts fewer than five reported as negligible and denoted by "-".

Further Information

More detailed information about the data and methodology used in this publication can be found in the ['Data Information and Methodology'](#) document.

More detailed information on Council Tax bands can be found at the following location:
<https://www.gov.uk/council-tax-bands>.

Further information on the area codes used in this release please refer to the ONS's website at the following location:
<http://www.ons.gov.uk/ons/guide-method/geography/geographic-policy/best-practice-guidance/presentation-order-guidance/administrative-areas/index.html>.