

Council Tax: Challenges and Changes, 2018

Background Information



Valuation Office
Agency

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About this release

This release includes revised statistics which were originally published in the Council Tax: challenges and changes in England and Wales, 2017-18 release, on 24 May 2018. The statistics published on 24 May 2018 were labelled as provisional.

These statistics take a data extract from the Valuation Office Agency's operational database at a particular date to capture all of the challenges and changes recorded in the financial year at that point in time. The provisional statistics used data on all challenges and changes recorded on VOA computer systems as at 31 March 2018. As noted in our announcement on 30 May 2019 we were reviewing the methodology for these tables and looking to update tables in the autumn of 2019. This review work has now completed and the statistics published on 19 September 2019 are labelled as revised statistics.

This update includes the following tables:

- Summary of challenges received by region, county, and local authority district (Table CTC1.0_REV)
- Summary of challenges resolved by region, county, and local authority district (Table CTC1.1_REV)
- Summary of challenges unresolved by region, county, and local authority district (Table CTC1.2_REV)

- Outcomes of challenges resolved by region, county, and local authority district (Table CTC2.0_REV)
- Outcomes of band reviews resolved by region, county, and local authority district (Table CTC2.1_REV)
- Outcomes of proposals resolved by region, county, and local authority district (Table CTC2.2_REV)
- Outcomes of appeals resolved (total) by region, county, and local authority district (Table CTC2.3_REV)
- Outcomes of appeals resolved (no tribunal required) by region, county, and local authority district (Table CTC2.4_REV)
- Outcomes of appeals resolved (at tribunal) by region, county, and local authority district (Table CTC2.5_REV)
- Insertions into the England (1993) and Wales (2005) Council Tax Valuation List by region, county, and local authority district (Table CTC3.0_REV)
- Deletions from the England (1993) and Wales (2005) Council Tax Valuation List by region, county, and local authority district (Table CTC3.1_REV)
- Amendments to the England (1993) and Wales (2005) Council Tax Valuation List by region, county, and local authority district (Table CTC3.2_REV)

The counts are calculated from domestic property data for England and Wales as at 31 March 2018, which was extracted from the Valuation Office Agency's (VOA) administrative database at 30 June 2018. Counts in the tables are rounded to the nearest 10; counts of zero are reported as "0" and counts fewer than five are reported as negligible, denoted by "-".

If you have any queries regarding this release, please contact us at statistics@voa.qsi.gov.uk.

Background notes

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

The VOA has had responsibility for banding properties for Council Tax since the tax was first introduced in 1993. Before 1993, the VOA was responsible for the earlier system of domestic rates.

It is the duty of the VOA to make sure that each home is correctly assessed and placed in the right band. This ensures that there is a consistent and objective basis on which local authority districts can determine the amount they charge each household in Council Tax. The VOA maintains a high level of professionalism when carrying out this duty.

The VOA places each dwelling into a valuation band; there are eight bands for dwellings in England and nine bands for dwellings in Wales. The valuation band is assigned to a dwelling on the basis of its value at 1 April 1991 for England (for the 1993 Council Tax Valuation List) and 1 April 2003 for Wales (for the 2005 Council Tax Valuation List); this band then determines the amount of Council Tax to be paid. New dwellings are assigned a band based on what their value would have been on either 1 April 1991 (dwellings in England) or 1 April 2003 (dwellings in Wales). The basis of valuation is set down in regulations made under the Local Government Finance Act 1992. Minor updates were made to the initial regulations in

1994 but they have not been changed since. The following table shows the breakdown of bands for England and Wales:

| England | | Wales | |
|---------|-------------------------------------|-------|-------------------------------------|
| Band | Value of dwelling (at 1 April 1991) | Band | Value of dwelling (at 1 April 2003) |
| A | Up to £40,000 | A | Up to £44,000 |
| B | £40,001 up to £52,000 | B | £44,001 up to £65,000 |
| C | £52,001 up to £68,000 | C | £65,001 up to £91,000 |
| D | £68,001 up to £88,000 | D | £91,001 up to £123,000 |
| E | £88,001 up to £120,000 | E | £123,001 up to £162,000 |
| F | £120,001 up to £160,000 | F | £162,001 up to £223,000 |
| G | £160,001 up to £320,000 | G | £223,001 up to £324,000 |
| H | £320,001 and above | H | £324,001 up to £424,000 |
| | | I | £424,001 and above |

Challenges

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

In certain circumstances, set out in legislation, a taxpayer can submit a 'proposal', for example, if they are within six months of first moving into a property. The VOA will review the band and issue a decision. If the taxpayer is not satisfied with the decision, they have the right to appeal to an independent Valuation Tribunal (VT).

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

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

Outcomes of a challenge can include:

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

- A new entry being added to the list, e.g. where a new dwelling has been built. Note that appeals to add new dwellings to the list are now handled as changes to the list.

Changes

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

New bandings are entered into the Council Tax Valuation Lists as a result of: newly built dwellings; dwellings which have been reconstituted (e.g. either a dwelling is split into two or more new dwellings or two or more dwellings are merged to form a new dwelling); and dwellings which were not previously on the Council Tax Valuation Lists that are added due to changes in the use of the property (e.g. a retail unit being converted into a domestic dwelling).

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

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

Methodology

Received Challenges

Band Reviews

A band review is reported if it was registered on the VOA computer system on a date within the given publication period.

Proposals

A proposal is reported using the date it was registered on the VOA computer system.

Appeals

An appeal is reported using the date on which the proposal linked to the appeal was received. The number of appeals received only includes those appeals which are linked to a proposal received in the current reporting year. Appeals linked to proposals received in earlier years are not included in this count.

Resolved challenges

The number of challenges resolved comprises both challenges (band reviews, proposals or appeals) that were cleared and challenges for which a decision was recorded within the publication period.

Unresolved challenges

If we have no information for the date on which a challenge (band review, proposal or appeal) was resolved, we assume it is unresolved and report it as such.

Outcomes

Council Tax band change/no change

A classification of either 'change' or 'no change' is determined by comparing the council tax band before and after a challenge.

Deleted

A property is reported as deleted if it has been recorded as inactive within the publication period.

Split/merger

A property is reported as a split/merger when the number of properties associated with the challenge is different before and after the challenge.

New Entry

A property is reported as a new entry if it has a report code of 'new' or 'change to domestic use'. New entries to the list are now handled using Billing Authority Reports rather than an appeal. As a result, future publications will not include New Entries as an outcome of an appeal.

Assigning Geographies

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

Each property with a Council Tax band held on the VOA's database is assigned a Billing Authority (and Billing Authority code known as "BA Code"). These BA codes have been merged to ONS corporate area codes and standard names. The look-up table, which shows how Billing Authority codes are linked to ONS area codes, can be viewed here:

[\[Link to look-up table\]](#)

Data quality

Suitable data sources

The information supplied in the tables are based on administrative data held within the VOA operational database. Because it is a statutory requirement of the VOA to maintain accurate valuation lists, the data are considered accurate. However, while the VOA actively seeks to maintain accurate Valuation Lists for Council Tax bandings, some reliance is placed upon the billing authorities to notify the VOA of any changes (including new builds, demolitions or alterations). There is some uncertainty and variability in this process, therefore, we reflect this by rounding the statistics (typically to the nearest 10 for counts). All administrative data

are subject to processing and system errors. Consequently, although the VOA has made every effort to ensure accuracy of the data underpinning this publication, it is possible that some errors remain.

It is known that there are delays to the processing of information on the VOA computer system, especially regarding the delivery of appeal information from the Valuation Tribunal to the VOA. This means that some information may not be our computer system when the data used to produce this publication is extracted.

Assured quality

Our quality assurance follows the approach set out in the VOA Quality Policy which is published here:

<https://www.gov.uk/government/publications/voa-quality-policy/voa-quality-policy>

As part of the production of this publication, quality assurance takes place:

- During the valuation of properties;
- As part of the creation of the data which underpins the publication;
- As part of the coding which produces the publication outputs;
- As part of automated and manual checks of outputs;
- Using a comprehensive QA Check List and a QA Issues Log.

Uses of the data

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

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

The VOA welcomes feedback from users on the information provided in the release. Please forward any comments to the [Statistics Inbox](#).

CSV Metadata

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

[\[Link to look-up table\]](#)

Timeliness and Punctuality

This publication is published on an annual basis within two months of the last day of the reference period (31 March 2018).

Releases are always punctual, and published on the pre-announced dates. Pre-announcement of the precise date occurs up to four weeks before publication. The VOA always pre-announce the month of publication in our 12-month planning schedule.

Relevance

It is important that the statistics produced meet the needs of users, both in coverage and in content. These statistics evolved largely in response to Freedom of Information requests and Parliamentary Questions and were further developed with input from a CT Statistics Advisory Panel, which involved key users of the data.

Coherence and Comparability

These statistics are drawn from the same source and use a coherent and consistent methodology. Therefore, these statistics can be compared over time.

Please refer to the revised statistics that were published in the 'Council Tax: Challenges and Changes 2017/18' release when comparing statistics over time.

Accessibility and Clarity

This release is available free of charge. All official statistics are made available, primarily as Excel spreadsheets with comparable csv versions and a background information document.

Confidentiality, Transparency and Security

Access to the data and release during its publication is limited to the statistics production team only. Occasionally, valuation experts may be consulted as part of the quality assurance process. The list of pre-release recipients is published alongside the release.

Further information on the VOA Confidentiality and Access policy is published here:

<https://www.gov.uk/government/publications/valuation-office-agency-confidentiality-and-access-policy/valuation-office-agency-confidentiality-and-access-policy>

Further Information

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

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

Timing of future releases are regularly placed on the Agency's website at the following location:

<https://www.gov.uk/government/statistics/announcements?utf8=%E2%9C%93&organisations%5B%5D=valuation-office-agency>

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

http://geoportal.statistics.gov.uk/datasets?q=Guide+to+Presenting+Statistics+Administrative&sort_by=name&sort_order=asc

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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