



# *Council Tax*

A guide to valuation banding  
and appeals



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## Introduction

The council tax is a local tax set by local councils to help pay for local services.

This booklet explains how properties in England are valued for council tax purposes, what this means for your council tax bill and how you can appeal against your valuation. This booklet is intended as a brief and simple guide for the layperson; it should not be regarded as a definitive statement of or complete guide to the law.

### 1. How are dwellings valued?

Each dwelling is placed on a “valuation list” in one of eight “valuation bands”, from A to H. The list will show only the band to which your home has been allocated, not its actual value.

The Valuation Office Agency (part of Her Majesty’s Revenue and Customs), carries out the valuations, not your local council. The basis of valuation is the “capital value” of each dwelling. Valuation lists can be compiled fairly only by assessing values of dwellings on one common date. 1 April 1991 is the date which was chosen for this exercise.

Capital values are arrived at by estimating the amount each dwelling might have been sold for on the open market, subject to certain assumptions, if it had been sold on 1 April 1991 (taking account of any significant change to the property between then and 1 April 1993, such as an extension). The object is to determine the relative values of properties within a particular area as at a particular date. Changes in value since then do not normally count (but see section 5). The current valuation list for England came into effect on 1 April 1993.

The table below shows the range of values, for each band in England.

## Band range of values (at 1 April 1991)

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

Within a local area, basic council tax bills for each of the different bands will differ according to proportions laid down by law. The proportions are:

band A – 6

band B – 7

band C – 8

band D – 9

band E – 11

band F – 13

band G – 15

band H – 18

So, for example, if the council tax for a dwelling in band A is £600, the bill for one in band D will be one and a half times that amount (6:9) – £900 – for one in band H three times that amount (6:18) – £1,800 – and for a dwelling in band F, the bill will be £1,300 (6:13).

## 2. What counts as a dwelling?

Houses, flats, bungalows and maisonettes all count as dwellings provided they are at least partly used for domestic purposes. And if part of the property – for example, an annex – is entirely separate and self-contained, that, too, will count as a separate dwelling in its own right. Mobile homes and houseboats may also count as dwellings if they are someone's main home. Certain other properties, however, such as houses occupied by more than one household who share cooking and washing facilities (for example, groups of bed-sits or some hostels), will generally only be treated as one dwelling.

## 3. What are the assumptions used in the valuation?

In order to ensure that all valuations are carried out fairly and on the same basis, a number of assumptions must be made. The assumptions are set out by law, and include the following:

- the sale was with vacant possession;
- houses were sold freehold;
- flats were sold on 99 year leases;
- the dwelling was in reasonable repair;
- the size, layout and character of the dwelling and the physical state of the locality are the same as they were on 1 April 1993, or, if a later alteration is being made to the list, in most cases as they were on the day the alteration comes into effect.

## 4. What happens where house prices have risen or fallen since 1 April 1991?

Because council tax valuations are always based on the price a property would have fetched if it had been sold on 1 April 1991, any increase or fall in a dwelling's value which results from general changes in the housing market will not affect its valuation.

**Such general movement in house prices will not, therefore, be a reason for changing your council tax band, until there is a wider revaluation. (see section 6)**

## 5. Can valuations change at all?

Individual dwellings may be re-banded after the valuation list is compiled, for instance (see also section 8):

- if your home decreases in value because part of it is demolished, because the physical state of the local area changes or because alterations have been carried out to make it suitable for use by a person with a physical disability;
- if you start or stop using part of your dwelling to carry out a business, or the balance between business and domestic use changes;
- if your home increases in value because you have carried out improvements to it, such as building an extension, the banding will not be looked at until such time as it (or any part of it) is sold. Any change in the banding will take effect only from the date of the sale.

If it is necessary to alter the banding, your home will be assessed on the value it would have been expected to sell for on 1 April 1991. If the change in value is only slight, it may not be enough to move your home from one band to another. If you disagree with the new band, you may appeal (see section 9).

It is also possible that the listing officer may allocate your home to a different valuation band if they believe that a mistake has been made when the current banding was first made. Again, if this happens, you have the right to appeal against the alteration.

## 6. How often are valuations carried out?

The Government has decided to postpone the council tax revaluation in England that was due to take effect from 1 April 2007, so that revaluation can take full account of an independent inquiry by Sir Michael Lyons on the role and funding of local government.

The Council Tax (New Valuation Lists for England) Act 2006 provides flexibility on the timing of future revaluations. The Government has made it clear however that it does not believe that revaluation will take place during the lifetime of this Parliament.

## 7. What are the arrangements for people with physical disabilities?

Any special fixtures designed to make your home suitable for a person with a physical disability, which add to its value should have been disregarded when the listing officer first valued the property. This means that your home would have been valued as if the special fixtures were not there, so that your home is not placed in a higher band because of them.

On the other hand, if your home has special fixtures which reduce its value, they should be taken into account in deciding which valuation band your home should be in. This means that, because of the fixtures, your home may be placed into a lower valuation band than it would otherwise have been. If you do not think the fixtures have been taken into account, because, for example, they are internal, you should contact the listing officer at the local office of the Valuation Office Agency.

There is a separate scheme of reductions for people with disabilities, the details of which are set out in the free booklet “*Council tax: A guide to your bill*”. You can find details of where to obtain copies at the end of this booklet. If you, or someone living with you, needs extra space to use a wheelchair, an additional room or an extra kitchen or bathroom, because of a disability, you may be eligible for a one-band reduction to your bill.

***If you think this scheme applies to your home, you should contact your council for an application form.***

## 8. Who can appeal?

Normally, you can appeal if you are:

- the person liable to pay the council tax;
- the person who would be liable if the dwelling were not exempt;
- the owner of the dwelling;

and have one of the listed grounds of appeal (see section 9)

Your council will also have the right to appeal.

***Making an appeal does not allow you to withhold payment of the council tax owing in the meantime, and you should continue to pay your bill whilst your appeal is outstanding.***

## 9. What are the grounds for appeal?

There is no appeal against the amounts of council tax set by your council each year.

You can make a proposal (the first stage of the appeals process) to have the banding of your home changed within six months of becoming the council taxpayer for the property. Otherwise, the grounds for appeal about banding are restricted to the following cases:

- where you believe that the banding should be changed because there has been a *material increase* or *material reduction* in the dwelling's value (these terms are explained on page 9);
- where you start or stop using part of your dwelling to carry out a business, or the balance between domestic and business use changes;
- where, following either of the above, or for any other reason, the listing officer has altered a list without a proposal having been made by a taxpayer.

A material increase in value may result from building, engineering or other work carried out on the dwelling.

***In these cases a property will not be revalued until after a sale – so the person appealing would normally be the new owner or resident.***

A material reduction in value may result from the demolition or conversion of any part of the dwelling, any change in the physical state of the local area or an adaptation to make the dwelling suitable for use by someone with a physical disability. ***In these cases a property should be revalued as soon as possible.***

Rebanding will not take place if the increase or reduction in value is not enough to move the dwelling to another band.

You can also appeal if you believe that your home should not be shown on the valuation list, for example if you think it is not in itself separate, self-contained accommodation. Equally, you can appeal if you think it **should** be shown in the list, if for example it used to be used for business purposes which have now ceased.

Even if you are not eligible to make an appeal to have your banding changed you may still request that your local office of the Valuation Office Agency reviews your band if you believe that it is wrong. Listing officers have a duty to maintain an accurate list and, if the evidence indicates that the property should be rebanded, to amend the list.

## 10. How do I appeal?

You should contact the listing officer for your area (not your council) who will normally be based at the local office of the Valuation Office Agency (VOA). You will be able to get the address from your council tax bill, by looking in the telephone directory, or from the VOA's website.

The listing officer will provide you with the necessary 'proposal' form to have your dwelling placed in a different valuation band, which is the first stage of the appeals process. If you prefer, you can make your proposal on-line at [www.voa.gov.uk](http://www.voa.gov.uk). You will be asked to identify the dwelling in question, and state in writing:

- your name and address;
- your interest in the dwelling (eg. owner or tenant);
- why you believe the list is wrong and how it should be altered.

If the listing officer needs more information, he/she will get in touch with you. You will not have to attend a hearing at this stage.

If the listing officer agrees with your proposal he/she will alter the valuation list and your council will be required to revise your council tax bill and adjust your payments if necessary.

If the listing officer does not agree with your proposed alteration, if you cannot agree on an alternative one, or if no decision has been made at the end of six months, the listing officer must refer your proposal to a valuation tribunal as a formal appeal.

If the listing officer believes that a proposal has not been made correctly, he/she may reject the proposal as invalid. If you disagree with such a decision, you will be able to appeal against that, too, to the valuation tribunal direct.

## 11. What is a Valuation Tribunal?

Valuation tribunals are judicial bodies, whose members are experienced in hearing council tax appeals. They are wholly independent of the local council and the listing officer.

You will be notified by the listing officer when your appeal is referred to a valuation tribunal. In due course the tribunal will contact you to make arrangements for a hearing and will send you a booklet explaining the tribunal's procedures in more detail. The appeals process has been designed to be as simple and straightforward as possible. Where possible, the hearing will be held locally. A tribunal hearing *will not cost you anything* unless you choose to employ a solicitor or other person to present your case.

If you cannot attend on the date of the hearing you can ask for another hearing date, or you can ask the tribunal to hear the appeal without your being there and send them your case in writing. You should contact the tribunal at the address shown on the notice of hearing.

Normally, the valuation tribunal's decision will be final. However, any party who appeared at the hearing may appeal to the High Court against the decision or any order which arises from it, but only on a point of law.

If the tribunal upholds your appeal, the listing officer will be required to alter the valuation list. Your council will then revise your council tax bill and adjust your payments if necessary.

***You should continue to pay your council tax bill whilst your appeal is outstanding.***

## 12. How are Completion Notices dealt with?

Councils issue completion notices in order to identify the day when the work remaining to be done on a new building or a conversion will be completed, and it becomes a dwelling for council tax purposes. It is then entered on to the valuation list with effect from that date.

This avoids any of the uncertainties, such as who was liable and for how long, which could arise if the date of completion were fixed retrospectively.

If you do not agree that the outstanding work can be completed by the date shown in the notice, you may appeal to a valuation tribunal. The completion notice will normally state the date by which you should appeal. That will be within four weeks from the date the notice was sent. If you have already received a completion notice which does not specify a date by which an appeal must be made, you should contact your council who will tell you when your appeal rights expire. Appeals should be made direct to the valuation tribunal, though you may choose to discuss the matter with your council first if there is time.

### FURTHER INFORMATION

A booklet explaining who has to pay the council tax, and the range of reductions, discounts and exemptions which can apply is available free from DCLG Publications, PO Box 236, Wetherby, West Yorkshire, LS23 7NB; Tel: 0870 1226236; Text Phone: 0870 1207405; e-mail: [communities@twoten.com](mailto:communities@twoten.com); or electronically on the DCLG website.

A booklet explaining Council Tax Benefit is available from post offices, Jobcentre Plus or social security offices.

If you have further questions, you should contact:

- the Council Tax Policy Team at the Department for Communities and Local Government, Eland House, Bressenden Place, London SW1E 5DU. or e-mail the Council Tax Policy Team at: [council.tax@communities.gsi.gov.uk](mailto:council.tax@communities.gsi.gov.uk)

- your local valuation office. Contact details can be found in the telephone directory or on the VOA website;
- The Chief Executive's Office, Valuation Tribunal Service, Block One, Angel Square, 1 Torrens Street, London EC1V 1NY; Tel: 020 7841 8700; e-mail: [ceo.office@vto.gsx.gov.uk](mailto:ceo.office@vto.gsx.gov.uk)

The following websites may also be useful:

[www.communities.gov.uk](http://www.communities.gov.uk) – the Department for Communities and Local Government website has more information about local councils, including funding.

[www.voa.gov.uk](http://www.voa.gov.uk) – you can check the council tax band of your property and, if you prefer, appeal online, on this site.

[www.valuation-tribunals.gov.uk](http://www.valuation-tribunals.gov.uk) – you can find out more about appeals on this site.

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