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Valuation Tribunal Service

Valuation in Practice

News in brief

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Second Floor, 120 Leman Street, London E1 8EU.

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Guidance on the implementation of the council tax premiums on long-term empty homes and second homes

This guidance, published on 1 November 2024, sets out when a council may make use of a premium where it chooses to apply one.

This also sets out the mandatory exceptions to council tax premiums as well as the discretion available to councils in applying the premium.

Council tax information letters

The Ministry of Housing, Communities and Local Government (MHCLG) published a council tax information letter relating to exceptions to council tax premiums on 1 November 2024.

See here for the latest council tax information letters.

Official statistics: Local authority council taxbase in England: 2024

Published on 13 November 2024, this release provides details on

- number of dwellings liable for council tax;
- number of dwellings that receive council tax discounts;
- number that are charged premiums; and
- number receiving exemptions in England.

The total number of dwellings is based on the Valuation Office Agency (VOA) Valuation List snapshot as of 15 September 2024.

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The Valuation Office Agency's (VOA) Council Tax Manual: The VOA's technical manual for assessing domestic property for council tax

The VOA's council tax manual on how they assess domestic property was updated on 21 November 2024. This manual provides practice guidance for Listing Officers on council tax valuation matters and sets out their interpretation of current law and precedent in this area.

Click here for the latest updates.

Self-catering holiday homes: Movement between non-domestic rating and council tax valuation lists

Published on 17 December 2024, this release looks at self-catering holiday homes (also known as holiday lets) that have been deleted from the non-domestic rating lists in England and Wales between 2019-20 and 2023-24, and reviews how many of these have been inserted into the council tax valuation list in the same period.

Inside this issue:

Sharing more information on business rates valuations

This is part of a wider set of changes that are coming to business rates in England and Wales from 2026 to 2029. The VOA has published details about how it will improve the information it discloses on business rates valuations. These changes are being introduced in stages and will support the VOA in delivering more frequent property revaluations. Click here to read more.

Business rates information letters

On 19 November 2024, government published a business rates information letter setting out the measures announced int the Autumn Budget 2024.

See here for the latest business rates information letters.

Policy paper: Transforming business rates

In the Autumn Budget 2024, the government announced its intention to introduce permanently lower business rates for retail, hospitality and leisure properties from 2026-27 to level the playing field for the high street.

This paper sets out the government's priority areas of reform to achieve the remaining objectives: to incentivise investment and ensure the business rates system is fair and fit for the 21st century.

The government is interested in receiving representations from all interested parties and stakeholders on the priority areas – more information on this can be found here.

Press release: Next steps set out to permanently cut business rates for the high street

On 13 November 2024 legislation was introduced to allow government, for the first time, to permanently cut business rates for retail, hospitality and leisure properties.

You can read this press release here.

Our Tribunal Hearing Programme - January to March 2025

The profile and volume of our remote hearing programme is:

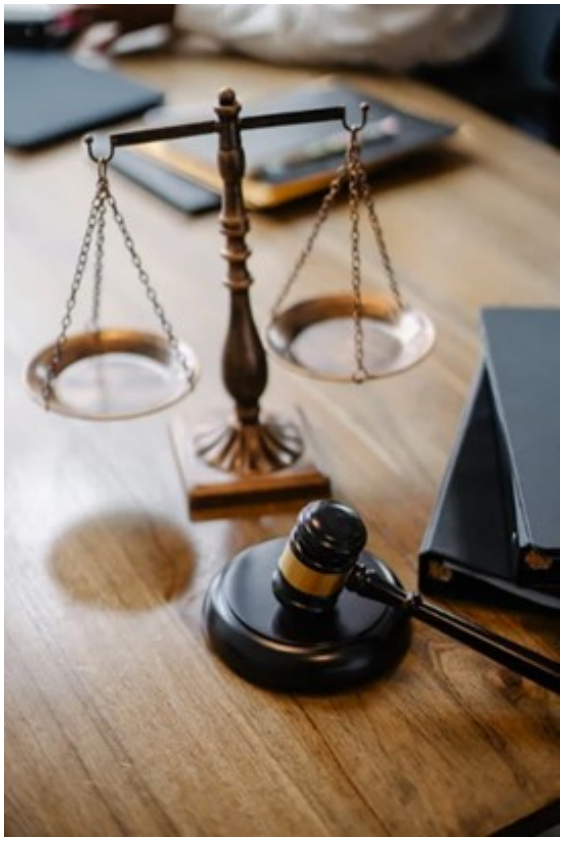
Tribunal Type	January	February	March	TOTAL
Council Tax	56	63	62	181
2017/2023 Rating List	22	12	13	47
2017 Rating List Complex Case	1	0	0	1
2017/2023 Rating List + Transitional Certificate	0	1	0	1
TOTAL	79	76	75	230

Stayed appeals - Material Change of Circumstances in relation to closure of large shops

A significant number of appeals have been received following material change of circumstance challenges in relation to the closure of large shops. The Tribunal will consider 33 appeals identified as test cases prior to listing the remainder, which have been supressed in the interim.

Decisions of the High Court

Cameron Marshall v Bath and North East Somerset Council [2024] EWHC 2551 (Admin)



An appeal against a Valuation Tribunal for England (VTE) panel decision which had determined that the appeal property was not an exempt dwelling for the purposes of council tax.

Following the vacation of tenants, the appellant claimed that he was residing in the appeal property, during the period 24 November 2022 to 3 January 2023. As he was a student living alone, he sought an exemption under Class N of the Council Tax (Exempt Dwellings) Order 1992. An exemption under Class K was sought for the period when the property became unoccupied after he returned to university. The appellant was studying a Legal Practice course at BPP University Law School in London. His student certificate showed that his residential address was at his parents' home in Richmond, London.

In his lengthy judgment, His Honour Judge Keyser KC reviewed the earlier authorities on sole or main residence before rejecting the appellant's argument that the VTE panel had erred in law, in finding that his sole or main residence remained in London and this was a necessary test for entitlement to Class N. The Judge therefore held that the VTE was right to consider that sole or main residence criterion was relevant to the application of the Class N exemption.

The Judge did, however, agree with the appellant's Counsel that the VTE had no specialist expertise in fact finding in cases like this and the respondent's claim that it did was undermined by the fact that the panel's clerk introduced the case law on which it relied.

The appellant also argued that as his and his father's witness statements were unchallenged at the VTE hearing, as nobody for the billing authority appeared, they should have been accepted. The Judge rejected this argument as it was open to the VTE to decide on the facts whether the appeal property was the appellant's main residence. Therefore, the VTE was not obliged to accept their unchallenged assertions that the appeal property was the appellant's main residence.

The Judge also dismissed the appellant's claim that the VTE panel had adopted an incorrect approach to determining the sole or main residence issue with regard to the time spent at the property. In paragraph 24 of its decision, the VTE expressly accepted as the High Court authorities had showed that absences of long or short duration would not deprive someone of

Consolidated Practice Statement (CPS)

Please note: the CPS was recently amended and changes were effective from 1 April 2024. The CPS can be found on the VTS website under VTE guidance.

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Decisions of the High Court cont'd...

having a main residence.

The appellant also argued that the VTE's finding that his sole or main residence was in London was unreasonable based on the evidence before it. Having reviewed the evidence put before the panel, the Judge held that the VTE was perfectly entitled to conclude that the appeal property was not the appellant's main residence albeit it may have been a residence of his.

The appeal was therefore dismissed.

Decisions of the Upper Tribunal

Karl List (VO) and Network Rail Infrastructure Ltd [2024] UKUT 0351 (LC)

Two appeals, heard together, against a VTE panel decision which had determined that two advertising rights formed part of the railway hereditament and therefore the entries were deleted from the local rating list.

In allowing the Valuation Officer's appeal, the Upper Tribunal (UT) rejected the respondent's Counsel's argument that the advertising rights had not been separated from Network Rail's occupation of the station for railway purposes. As they had not been let out, the respondent argued that sections 64(2) and 65(8) of the 1988 Act had no application.

The UT also rejected the argument that, when applied to the identification of a hereditament, the metaphor of carving out or separation from the central list is a helpful one. The central list is an amalgamation of individual hereditaments which were treated as if they were one single hereditament, but that did not make them a single hereditament. The suggested metaphor presupposed that everything that was in a railway station formed part of Network Rail's central list assessment unless it was specifically excluded from it. The UT held that this was logically inconsistent with section 42(1) which excludes a hereditament from the local list, if it must be shown in a central list. This was not a particularly accurate reflection of regulation 6(1) of the Central Rating List (England) Regulations 2005 which begins by identifying hereditaments which Network Rail occupies and hence, in the case of advertising rights, first requires one to consider sections 65(8) and 64(2). The UT stated the better approach was to consider the various statutory conditions in the round, as they apply to each putative hereditament, rather than thinking in terms of a separation of part from a larger whole.

As far as advertising rights were concerned, the issue of who was in rateable occupation was dealt with in section 65(8). Accordingly, it was not necessary to apply any landlord control or paramountcy principle. Had the UT taken the opposite view, it would have found it very difficult to accept that Network Rail was in paramount control of the advertising rights.

Counsel for the respondent argued that if the Valuation Officer's approach was replicated across other railway stations, it could result in chaos, by requiring numerous separate hereditaments to be entered into the local list(s). However, the UT did not think that was a relevant consideration, when it came to applying the law as Parliament made it.

The entries were therefore restored to the local rating list.

The VTE decision can be found here.

Decisions of the Upper Tribunal

Carey Group Plc and Andrew Ricketts (VO) [2024] UKUT 356 (LC)

The ratepayer appealed the VTE's decision which dismissed its appeal.

The appeal property, offices and premises, was incapable of beneficial occupation between March 2020 and April 2021 following water penetrating the basement through the external wall which had not been properly sealed by the developer. The water had ponded below the raised office floor, creating damp conditions in which mould and fungi flourished, which was hazardous to health and therefore resulted in the offices being closed.

The ratepayer's case was that the remedial works required to prevent water ingress went beyond repairs. The respondent argued that the statutory repair assumptions would be engaged and that the works involved fell within the scope of repair.

The Upper Tribunal (UT) stated that the critical question in *Monk* was the extent to which the repair assumption displaced the reality principle. In this appeal the critical question was whether the consequence of applying the repair assumption was that the defective joint must have been assumed to have been remedied and the basement to have been dry on the material day. That meant that remedying the defect must have involved "repair" and not some different activity.

It was common ground that the appeal property was incapable of beneficial occupation due to the propensity for water to enter the basement between March 2020 and April 2021. The solution to the problem was not complex or required extensive works. The concrete joint was identified as the likely source of the problem by March 2020. The remedial work was relatively simple in its design and took only a few weeks to complete.

The broken pump and the poorly sealed manhole cover in the basement both contributed to the insanitary conditions, but they were unconnected to the structural issue with the concrete joint. There was no doubt that the remedial work to return the pump to a functioning condition and to re-seal the manhole to prevent smells and flies from escaping was work of repair. It was also obviously work which no reasonable landlord would consider to be uneconomic.

The only issue concerns the joint between the concrete floor and the concrete wall through which water could, and did, penetrate, and the consequences of that water penetration. Was the work to seal that joint which was carried out in April 2021 a "repair" within the meaning of paragraph 2(1)(b) of Schedule 6, 1988 Act, or was it something other than a repair?

Once the appeal was reduced to that relatively simple question the answer was not in doubt and in fact that the UT had no doubt. It did not see this as a borderline case.

Despite the absence of detailed evidence about the joint itself, the UT had no doubt that the penetration of water through it gave rise to a state of disrepair. At the very least this included damage to the internal partitions in the basement of the appeal property.

The UT considered that putting the appeal property into a reasonable state of repair after the damage caused to it by the ingress of water in early 2020 could not be achieved simply by removing and replacing the damaged partitions and cleaning off

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Decisions of the Upper Tribunal cont'd...

the mould. The building would have remained vulnerable to future incursions of water, which would have caused the same type of damage to the replacement partitions and the same risk to the health of the occupants.

In the rating context, the usual principle was that the person who has the repairing obligation was entitled to choose between different types of work may not apply. Under paragraph 1(2)(b) the assumed repairing obligation fell on the notional tenant, but all repairs are to be assumed to have been undertaken other than those which "a reasonable landlord would consider uneconomic". The appeal was therefore dismissed.

Decisions of the Upper Tribunal

The Appeals of Amanda Hitchings (VO) and Joanne Moore (VO) [2024] UKUT 00006 (LC)

The respective Valuation Officers appealed unopposed two VTE panel decisions relating to digital advertising rights at bus shelters in Manchester and Sheffield.

The Manchester appeal related to a VTE decision in respect of a transitional certificate appeal where the certified value was reduced from £7,200 RV to £3,600 RV with effect from 1 April 2017.

The Sheffield appeal related to a 2017 Rating List appeal where the assessment was reduced from £4,800 to £850 RV.

At the UT hearing, the VO determined a certified value of £10,000 RV for the Manchester site but sought a restoration of the £7,200 RV certified figure whilst the VO's proposed value for the Sheffield site was £3,900 RV with effect from 1 April 2017.

In support of the VO's case, the UT was presented with evidence to show the advertising industry was treating digital sites as worth 6 times more than static ones.

Whilst there were a number of commercial agreements, the UT placed less weight on them because many were entered into post 1 April 2015, the antecedent valuation date.

It was uncontroversial that scroller type advertising displays were three times more valuable than static ones. The UT therefore determined that the digital sites would have had a higher value than scroller types. Although there was no like for like rental evidence, on balance there was sufficient evidence which convinced the UT that the right to use a digital display was worth 6 times more than a static one.

The certified value of £7,200 RV (based on £1,200 (£600 per side) x 6) for the Manchester site was therefore reinstated and the assessment for the Sheffield site was increased to £2,950 RV with effect from 1 April 2017 (based on 7 x £425 (1 static side and 6 digital) = £2,975 before rounding down). Both appeals were therefore allowed.

Decisions of the VTE - Council Tax Liability

Owner for the purposes of council tax

The appellant appealed a billing authority's (BA) decision that he remained the liable person for the council tax as the owner. Even though the appellant's disputed liability amounted to over £30,000, the BA failed to engage in the VTE hearing.

The period in dispute was 1 January 2018 to 19 March 2023. The case was unusual in that the appellant had sold his freehold interest in the appeal property for £3 million to Hamilton Investments Ltd on 19 July 2017, which was incorporated in the Seychelles. Following the sale, the transfer of title form TR1 which had been completed by the appellant had not been processed by the Lands Registry. This was because there were issues with a previous registration, the purchaser was an overseas company and there were issues relating to stamp duty. Therefore, the appellant's name still appeared on the Lands Registry to show him retaining title.

The appellant had previously advised the BA that he had vacated the property on 31 May 2017. With effect from 1 June 2017, the property was used for non-domestic purposes for car parking at Manchester Airport by Drakes Estates Property Company Ltd. One of its Directors had informed the BA that it was the owner of the appeal property and was responsible for council tax and any rates.

When Drakes Estates became insolvent, its joint liquidators made an application to the High Court for title of the appeal property to be transferred from Hamilton Investments to Drake Estates. In the subsequent Court Order, it was declared that the appellant retained title to the appeal property on bare trust for Hamilton Investments Ltd, which held its interest on sub trust for Drake Estates Property Company Ltd absolutely. The latter being the ultimate beneficial owner.

As the appellant was named on the Court Order as retaining title on bare trust, this convinced the BA that he remained the liable person for the council tax. However, the VTE panel determined that with regard to the bare trust, the appellant was a mere nominee. The appellant had no control over the property nor any access to it. Moreover, the property was being used for car parking and the BA had been notified of its change of use but had done nothing with that information.

Whilst there is presumption of regularity in law that official records are accurate, this presumption can be rebutted, as in this case, if evidence is produced to show that the official records are wrong. The factual evidence in this case clearly showing that the ownership of the appeal property had changed hands, despite the Lands Registry showing otherwise.

In any event, the actual wording of the High Court Order, as relied on the BA could not be held to be decisive. The Judge was not called upon to determine who was the liable person for council tax purposes. Instead, the issue he was tasked with to decide related to claim made by the joint liquidators for the ownership of the property to be transferred from Hamilton Investments Ltd to Drake Estates Property Company Ltd.

The appeal was therefore allowed.

Click here to read the full decision.

Decisions of the VTE - Council Tax Liability

Class T exemption

This appeal related to a Class T exemption under the Council Tax (Exempt Dwellings) Order 1992 [SI 1992 No. 558]. The appeal raised the question as to whether the dwelling, being an annexe, could be let separately from the main dwelling without a breach of planning control within the meaning of section 171A of the Town and Country Planning Act 1990 (the 1990 Act).

Following an earlier hearing and decision, a Vice President of the Tribunal, Mr FJ Stuart, directed a review and having set aside the decision, ordered that it was to be reheard before him to properly consider the matter afresh.

In its submissions, the respondent billing authority (BA) fell into a circular argument that the subject dwelling was free from any restrictions upon it being let separately, but that the appellant would also be liable to investigation for a breach of planning control should it be separately let.

It was held by the Vice President that the respondent BA was incorrectly placing too great a weight upon the absence of a specific restriction or condition within the planning permissions already granted. The absence of such conditions was not wholly determinative of the question as consideration needed to be given as to whether separately letting without planning permission would, in itself, constitute a breach of planning control. Section 55(1) and (3)(a) of the 1990 Act makes it clear that to begin using a single dwelling as two or more dwellings is "development" (being a change in use), and such, development without planning permission would constitute a breach of planning control within the meaning of section 171A of the 1990 Act. The Vice President found that this was exactly what a planning officer had meant in his email in response to the revenues department enquiries.

Accordingly, the Vice President found that both limbs of the Class T exemption were satisfied, and the subject dwelling was a Class T exempt dwelling, not chargeable to council tax.

Click here to read the full decision.

Decisions of the VTE - Council Tax Liability

Backdating of Single Person Discount

The appeal had been made in response to the billing authority's (BA) refusal to backdate a single person discount in respect of the appellant's council tax liability, for the period from 1 January 2013 to 31 March 2021.

The appellant submitted an application for a single person discount on 26 September 2022, in which he stated that he had only recently been made aware that, as a single adult, he should have been receiving a 25% discount from when his ex-partner moved out of the appeal property in December 2012.

Following receipt of the application, the BA awarded a single person discount with effect from 1 April 2021. The BA refused to backdate the discount further on the basis that it could only be backdated to the previous financial year; information regarding the discount had been included with the yearly council tax bills; and the appellant had failed to notify a change in circumstances. The BA's case was that its taxpayers should have been aware of possible entitlement to single person discount,

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Decisions of the VTE - Council Tax Liability cont'd...

because information regarding same was on the reverse of its demand notices.

Prior to the hearing, the BA reviewed its position and decided to backdate the appellant's single person discount to 26 September 2016, being six years from the date of the initial application.

The Limitation Act 1980 sets the time limit for actions for sums recoverable by statute. The effect of this provision is that the claim must be commenced within six years of the accrual of the cause of action. The limitation period of six years does not apply to the backdating of the discount. In the subject appeal, the taxpayer was not aware of any entitlement until September 2022, so had six years from that date to make an application.

The panel was satisfied that no reasonable steps had been taken by the BA to ascertain whether the chargeable amount was subject to a discount.

There was no dispute that the appellant had been the sole adult resident in the appeal property from 1 January 2013, and his application had been made within six years of becoming aware of his possible entitlement. Consequently, the panel decided that the appellant was entitled to a single person discount with effect from 1 January 2013.

The decision can be read in full here.

Decisions of the VTE - Council Tax Liability

Long term empty premium

The appeal concerned a number of issues: sole or main residence, liability under the hierarchy in section 6 and premiums for long-term empty properties.

The billing authority (BA) held the appellant liable initially on the basis that she claimed to be resident following the death of her mother (the former occupant and owner of the appeal property). However, the BA subsequently decided that the appellant was not resident and was liable for council tax in Greenwich. It therefore classed the appeal property as an exempt dwelling under Class F of the Council Tax (Exempt Dwellings) Order 1992, on the basis that the property was unoccupied following the death of the owner/occupier.

The appellant continued to argue that she lived at the property and that her house in Greenwich was uninhabitable, but the BA established that Greenwich Council had no record of this, and the appellant was still liable with a 25% sole occupier discount at that address.

The appellant had submitted a considerable amount of documentation, but the panel was not satisfied that her main residence had changed to the appeal property, and it found that her main residence remained in Greenwich (although acknowledging she also spends periods abroad).

After confirming the exemption under Class F, the panel considered the ongoing liability for the appellant. Probate was granted on 6 September 2020 and the property remained exempt for a further six months until 6 March 2021. The BA had charged the appellant as the liable person from this date as the beneficiary of her mother's estate. However, the panel found that the appellant had no liability under Section 6 of the Local Government Finance Act 1992 for an unoccupied dwelling until

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Decisions of the VTE - Council Tax Liability cont'd...

she held a material interest of six months or more in the property. The Land Registry confirmed that the title for the appeal property was registered to the appellant with effect from 8 September 2021, so the panel altered the appellant's liability to begin from that date.

The final issue to be decided was concerning the application of a long-term empty property premium. The BA contended that the criteria was met and had applied a premium effective from 6 March 2023, this being two years after it held the appellant liable for the chargeable dwelling. However, the panel was not satisfied that the appeal property fulfilled all parts of the test for such a premium to apply. It was accepted that the property was unoccupied but there was no evidence before the panel to demonstrate it was also unfurnished.

The BA's representative submitted that the appellant had provided no evidence it was furnished and had refused attempts to inspect the property.

The panel found that where a premium is charged, there is an evidential burden on the BA to demonstrate the criteria for charging a premium is met. It had provided no evidence of when it considered the furniture to have been removed from the appeal property and therefore when it first met the criteria for the premium to apply after the prescribed time had passed. In the absence of any evidence that the appeal property was unfurnished, the panel ordered the removal of the premium.

The full decision can be read here.

Decisions of the VTE - Council Tax Liability

Liability for council tax

The appellant was placed in temporary accommodation by London Borough of Waltham Forest (LBWF). LBWF allocated the appeal property to the appellant although it was a property located within a different billing authority (BA) area. His tenancy commenced on 10 February 2020.

The appellant found that the appeal property was not suitable for his needs and so refused to occupy it. As it was left empty, the BA charged the appellant council tax. The appellant appealed on the basis that he was not liable for the council tax for the appeal property as he had been forced to take on the appeal property under the threat of not being offered another property. He stated that he had not occupied the appeal property as it was not fit for his needs. He also argued that due to the lockdowns and lack of available staff at LBWF, he was unable to return the keys or relinquish the tenancy for the appeal property until 7 March 2021.

Due to the issue of the appeal property not being suitable and the problems with handing the property back, the appellant thought that the tenancy agreement should be nullified. However, this was not a matter for this tribunal. All this tribunal could consider was whether or not the appellant held a material interest in the appeal property for the period in dispute. The BA contended that the appellant was liable for the council tax under Section 6(2)(f) of the LGFA as the "owner" of an unoccupied property. The BA decided that the appellant held a material interest as he was given a tenancy for six months or more and was therefore deemed to be the owner for council tax purposes.

As the panel was satisfied that the tenancy was granted for a period of six months and the appeal property had not been surrendered back to LBWF until 7 March 2021, which was over a year later, the panel was satisfied that the appellant held a

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Decisions of the VTE - Council Tax Liability cont'd...

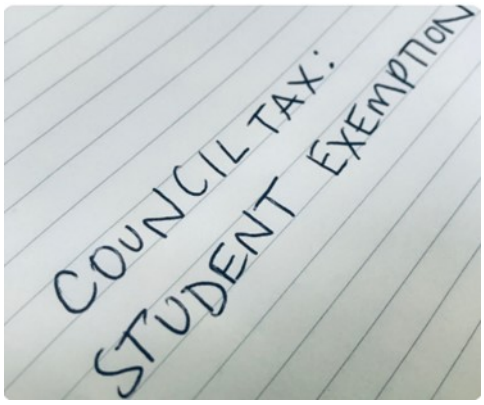
material interest in the appeal property. As a consequence, the appellant remained liable for the council tax under section 6(2)(f) of the LGFA being the "owner" of an unoccupied property. The panel dismissed the appeal.

The decision can be read here.

Decisions of the VTE - Council Tax Liability

Class N exemption

The Tribunal dismissed an appeal regarding a council tax exemption under Class N of the Council Tax (Exempt Dwellings) Order 1992 for the period from 26 September 2023 to 25 March 2024.



The appellant was the sole adult occupant of the property and claimed exemption on the grounds of being a full-time student. The billing authority (BA), however, determined that she did not meet the legislative criteria for full-time student status. Although the appellant was enrolled in a BSc (Honours) Psychology with Counselling course with the Open University requiring 360 credits, during the disputed period, she was undertaking a single 60-credit module running from 7 October 2023 to 30 June 2024, equating to approximately 18 hours of study per week. The BA argued this did not meet the statutory requirement of an average of 21 hours per week across 24 weeks per academic year.

The appellant contended that the module hours were merely guidance and that her actual study time exceeded the stated hours. Additionally, her representative argued that her initial enrolment as a full-time student, completing two 60-credit modules in the first year, established her full-time status for the entirety of her course. Further, the appellant had to re-sit a failed module under supervision, requiring regular contact with her tutor.

During proceedings, the panel considered the precedent set in the 2019 Valuation Tribunal decision (5630M237894/281C) and the Court of Appeal judgment in *Jagoo v Bristol City Council* [2019] EWCA CIV 19. In *Jagoo*, it was held that adjustments made to accommodate a student's disability could be considered part of their course requirements if formally documented.

The appellant presented evidence, including a doctor's letter outlining health issues and screenshots showing tutor support, such as extended deadlines and additional meetings. However, the panel noted a lack of formal documentation, such as a timetable or schedule, demonstrating mandatory additional study hours exceeding the 18 hours prescribed for her 60-credit module.

While the appellant received support from her tutors to help her with the module that she was re-sitting as well as the module that that she had opted to study, the panel concluded that this support did not formally alter the required study hours for her course. Without sufficient documentation proving the necessity of studying an average of at least 21 hours per week, the panel found that the legislative requirements for full-time student status under the Council Tax (Exempt Dwellings) Order 1992 were not met.

Decisions of the VTE - Council Tax Liability cont'd...

In conclusion, the panel determined that the BA had acted correctly in refusing the council tax exemption for the disputed period. As the appellant did not satisfy the statutory criteria for a full-time student, the appeal was dismissed.

Read the full decision here.

Decisions of the VTE - Council Tax Valuation

Owner for the purposes of council tax

The subject property is a mobile home located in a rural area on a small park known as Capel Gardens Holiday Park in Ruckinge to the south of Ashford in Kent. The subject property has two bedrooms, two bathrooms, a reception room and a kitchen and is currently in valuation band A with effect from 18 September 2022. Band A is the lowest council tax band, for properties valued up to but not exceeding £40,000 as at 1 April 1991.

The appellants argued that Capel Gardens Holiday Park only has a licence as a holiday park and not for residential purposes. It is not permissible to reside in the caravan and to do so would mean that they could be evicted, hence, they both have their sole or main residence elsewhere and visit the caravan for holidays and at weekends.

The Listing Officer (LO) contended that, as the appellants (CW and AK) had failed to provide evidence that they were paying council tax elsewhere, the subject property should be regarded as their sole or main residence and therefore it becomes a dwelling for council tax purposes. Furthermore, it was argued that despite the park having a holiday licence there are twenty seven other caravans on the same park which are currently in the valuation list and banded for council tax purposes.

At the hearing the appellants argued that the reason they did not pay council tax elsewhere was because the properties where they each had their sole or main residence were the homes of their respective parents who were named on the council tax bills. On questioning, they stated that they stayed at the caravan for holidays and at weekends only.
The panel noted that the appellants had stated that they did not reside at the caravan, however, whilst they had provided evidence to show that the site was for holiday lets, they had not provided any documentary evidence in support of their arguments that they had their sole or main residences at the addresses mentioned above.

Ultimately, the panel determined that the LO had correctly banded the appeal property, as it was satisfied it was the sole or main residence of the appellants as required by section 66(3) of the Local Government Finance Act 1988.

Click here to read the full decision.

Decisions of the VTE - Council Tax Valuation

Is an annexe suitable for use as separate living accommodation?

The appeal property was a large farmhouse, built around a central courtyard. Several years ago the appellant re-purposed two rooms in what he referred to as 'the main property', creating a bedroom, bathroom and kitchen area out of a former utility room and storage room. Initially intended for use by visiting relatives, the rooms were subsequently advertised as a holiday let. The appellant was contacted in August 2023 and asked to complete a questionnaire to determine whether the appeal property met the criteria to be listed in the non-domestic rating list. The questionnaire was not returned and therefore the appeal property was brought into the council tax valuation list with effect from 1 April 2023.

The appellant disputed the new list entry, stating that the area identified as the annexe forms part of the main house, and is not self-contained, having no separate access and sharing services with the main house. In September 2023, he stated that the appeal property would no longer be let, other than to honour a booking over the festive period (Dec 2023 / Jan 2024). He further stated that he had reverted to using the rooms as storage and utility almost as soon as he had received the Listing Officer's (LO) notice of the annexe's list entry.

The panel noted that the annexe (a term that the appellant objected to) did not have its own separate access but understood from *McColl v Subacchi* that shared access did not deter an area from being a self-contained unit.

The panel asked the LO's representative where the bathroom was located but she was unable to identify it on the floorplan. The appellant explained that he had installed (but since removed) a standalone shower. He stated that there was no toilet within the annexe. It was on the other side of the building and was, in his words 'an outside toilet', being in a stone building with a rat-trap. The panel understood from the floorplan that the only way into the room was from a door in the courtyard. The appellant confirmed this, and he explained that the facility had not been exclusive to the users of the annexe, having been shared with the beekeepers who used the grounds. When questioned as to why holidaymakers would choose to rent accommodation without an inside, private toilet he stated that some people sought the 'back to nature' experience.

The panel referred to the case law and in particular the High Court judgment of *Corkish (LO) v Wright and Hart* [2014] EWHC 237 (Admin) in which Popplewell J identified six key principles to consider. The panel applied these principles to the facts at the appeal property, having regard to the physical characteristics of the premises, as at the relevant date, 1 April 2023, and concluded that at that time the annexe was "reasonably suitable for use as separate living accommodation". There was somewhere to live, sleep, wash and prepare food. Although the toilet facility was basic and shared, it was available. The panel acknowledged that it may have reached a different decision if it had had before it evidence that the shower had been removed as at the relevant date.

The decision can be read here.

Decisions of the VTE - Non-Domestic Completion Notice

Owner for the purpose of Non-Domestic Completion Notice

The billing authority (BA) had served 26 completion notices on 26 floors within a 50-storey super tower in Central London. The Notices were served on 27 March 2024 with a completion date of 8 June 2024.

The parties agreed that the building had reached practical completion on 19 June 2023 and that all that was required was the fitting out of the offices.

10 of the appeals were to be withdrawn, as it was found that the notice was served on the owner of the building, but at the time of the service of notices, those floors were either already in occupation, or a tenant was in possession of the floor.

Out of the 16 remaining appeals, the appellant sought a revised completion date of 25 July 2025, a period of 25 months after practical completion. It was argued that this reflected the real-life constraints that meant all 16 floors could not be fitted out at the same time. These constraints included the service lift limitations (there were only two), capacity of the loading bay and disturbance of other tenants already in situ. The appellant accepted that when considering the date for completion such preparatory works including finding a tenant, planning and tendering should be ignored and works deemed to start on the date of practical completion as per *London Merchant Securities plc v Islington LBC* [1987] 1 AC 303. However, Lord Bridges also considered that works that were truly incidental could be taken into account, and he considered the constraints were truly incidental. The appellant conceded that if the works were preparatory then the date in the notice was correct.

The respondent considered that it was correct to treat each floor as separate hereditaments and that works commenced from the date of practical completion(s) and that the period given in excess of 11 months from that date was sufficient for the works to be completed. It considered each floor could be fitted out simultaneously and that the real-life constraints were preparatory works and not incidental. It also considered that if the works were considered incidental then they still could have been completed by the completion date as 16 floors had been in the process of being fitted out all at once according to the schedule provided by a person dealing with the management of the building fit outs.

The panel ultimately decided to dismiss the appeals. It considered that the logistics of planning the works was preparatory works carried out prior to the works commencing and not incidental which Lord Bridges had stated as "to prolong the period once the works have commenced".

The panel also considered that if the works had been incidental the appeal would still have been dismissed as it was satisfied that the works to the 16 floors could have been completed by 8 June 2024.

Click here to read the full decision(s).

VALUATION TRIBUNAL SERVICE

We welcome any feedback.

Editorial team:
David Slater
Tony Masella
Amy Dusanjh
Claire Cooper

Contact us:
0303 445 8100

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