Issue 78 November 2025

Valuation Tribunal Service

Valuation in Practice

News in brief

Want to write to us?

Valuation Tribunal Service, Ground Floor, Fry Building, 2 Marsham Street, London SW1P 4DF.

Email us at appeals@valuationtribunal.gov.uk.

Guidance: Valuation Office Agency (VOA): information for local authorities

The VOA has issued guidance, which was updated on 3 September 2025, to assist local authorities in accessing information and services held by them.

Council tax information letters

See here for the latest council tax information letters from the Ministry of Housing, Communities & Local Government (MHCLG). To reflect the protection already in place for households hosting a person with a Homes for Ukraine visa, this latest issue sets out measures the government is taking to ensure that households providing a home for a sponsored person with a Ukraine Permission Extension visa maintain their council tax discounts, exemptions and local council tax support.

Accredited official statistics: Collection rates for council tax and non-domestic rates in England, 2024 to 2025

This annual release contains data on the receipts of council tax and non-domestic rates collected during 2024-25 and the arrears outstanding at the end of the financial year.

Council Tax Manual

Practice notes were added on 2 September 2025, relating to self-contained, self-catering accommodation and holiday lets. See here for more information.

Statistics: The Valuation Office Agency (VOA) publish official statistics for England and Wales on Non-Domestic Rating and Council Tax

On 7 August 2025 the VOA published statistics which have been grouped into two topics:

- Non-domestic rating
- Council tax

VOA statistics published before November 2014 can be found on the National Archive website.

Policy paper: Transforming Business Rates: Interim Report (Updated September 2025)

In the Autumn Budget 2024, government published a Discussion Paper setting out the priority areas of reform for business rates and inviting stakeholders to work with them on plans to transform the system.

This Discussion Paper set out the government's intention to deliver meaningful business rates reforms to:

- incentivise investment and growth;
- support the high street with a fairer system; and
- make the system fit for the 21st century.

Government will provide a further update in its Autumn Budget 2025 on its plan to reform the business rates system. Read more here.

Policy paper: Business rates: Forward look (Updated September 2025) Permanent support for the high-street from 2026

In the Autumn Budget 2024, government announced its intention to introduce two lower multipliers for Retail, Hospitality and Leisure (RHL) properties with rateable values (RVs) below £500,000. These will take effect from April 2026 and is intended to give long-term certainty and support to the high street. Government intends for these two new lower rates to be funded sustainably. Government intends to introduce a higher multiplier for all properties with RVs of £500,000 and

You can sign up to receive an alert when a new issue of Valuation in Practice is published. Click here to join over 2,200 other subscribers

Inside this issue:

above. This group represents less than one per cent of all properties, but captures the majority of large distribution warehouses, including those used by online giants. Read more here.

News story: Chancellor commits to explore pro-growth tax reforms to support small businesses opening new premises

On 11 September 2025 HM Treasury published a report setting out that the Chancellor will explore fixing sudden jumps in business rates - known as "cliff edges" - that can discourage small business investment and growth. Read more about this here.

News story: Stay informed about your business rates

On 1 September 2025, the VOA published a news story relating to changes in commercial property valuations.

Commercial property valuations are changing later this year, with the next revaluation scheduled to come into effect on 1 April 2026. Be the first to know about changes to your property's rateable value by registering for a business rates valuation account.

Official Statistics: Non-domestic rating: challenges and changes background information

This release, published on 7 August 2025, contains statistics relating to challenges and changes for England and Wales across both the 2017 rating list and the 2023 rating list.

The VOA no longer report on the 2010 local rating list as all cases have now been resolved. The 2017 list closed on 31 March 2023, however, the VOA will continue to report on this whilst numbers remain at a sufficient level. The full release can be found here.

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

This research and analysis explores 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 to 2020 and 2023 to 2024, and reviews how many of these have been inserted into the council tax valuation list in the same period.

The publication was updated on 27 August 2025 and can be found here.

Business rates information letters

See here for the latest business rates information letters issued by the MHCLG.

Collection: National non-domestic rates collected by councils

On 24 September 2025, the MHCLG published details of the national non-domestic rates collected by local authorities in the financial year 2024 to 2025 using provisional pre-audit data. Further information can be found here.

Local Authority Newsletter

The VOA issue a monthly newsletter which provides the latest news, updates, guidance and customer information for local authorities.

The September 2025 issue covered that:

- MHCLG are offering £50,000 to Local Planning Authorities via the Digital Planning Improvement Fund 2025/2026 to modernise planning services, and
- potential changes in how electrical vehicle charging points sites are assessed.

If you would like to receive this newsletter, please contact LAEngagement@voa.gov.uk.

Our Tribunal Hearing Programme – October to December 2025

The profile and volume of hearing days for Quarter 3 are:

Tribunal Type	October	November	December	TOTAL
Council Tax	43	44	40	127
2017/2023 Rating List	36	27	25	88
TOTAL	79	71	65	215

What is on the VTE Stayed Appeals List?

The VTE preliminary judgment that held a proposal was validly made has been appealed to the High Court by the Listing Officer. The issue over validity is because a historic decision was made on the same facts by a former tribunal that pre-dates the Valuation Tribunal for England (VTE).

Appeals on advertising rights owned by Network Rail and situated on railway premises or operational land are pending the outcome of the Court of Appeal hearing. This is scheduled to be heard in December 2025.

The VTE test case decisions regarding Anaerobic Digestion plants appeals on Bay Farm (CHG100858911) and Oak Grove (CHG100890093) have been appealed to the Upper Tribunal.

Important Advice for Billing Authorities (BA)

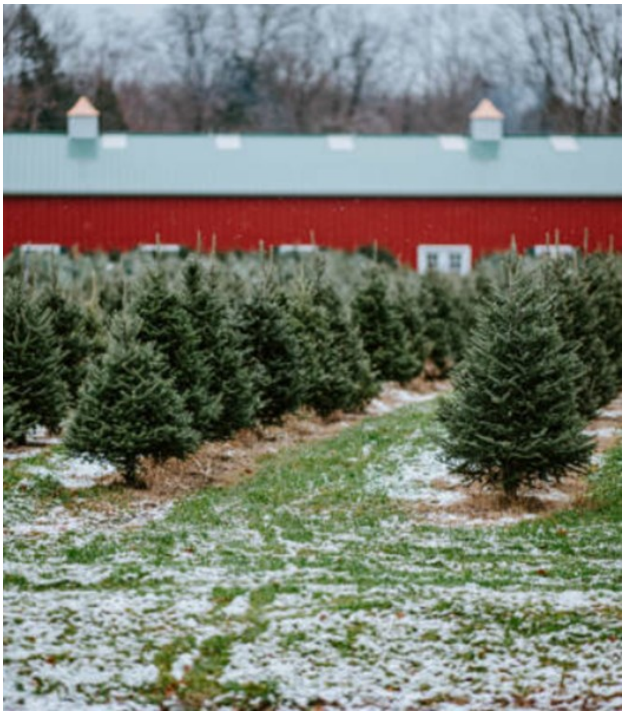
When submitting evidence to the tribunal, and if the taxpayer's appeal is council tax reduction related, it is important to submit a copy of the relevant extract to the scheme. This will greatly assist the Tribunal in its deliberation of the matter.

If the appeal challenges the BA's decision to reduce the level of discount under section 11A of the 1992 Act, or to apply a premium under section 11B or 11C of the 1992 Act, evidence will be required to show that the BA has in fact made the relevant determination following its use of its devolved powers. If evidence is lacking within the submission to show that a determination has been properly made under section 11A, 11B or 11C of the 1992 Act, the Tribunal may proceed on the basis that **no determination has been made**. It is insufficient for the BA to simply attest that a devolved determination has been made. Factual evidence must be provided to prove that the devolved powers have been properly exercised. A copy of the council's minutes confirming that the determination has been made or a copy of a public notice would suffice for this purpose.

Decisions of the Upper Tribunal

Robert Shroeder and Lucy Dyer (Valuation Officer) [2025] UKUT 256 (LC)

This was an appeal challenging the VTE's decision that the appeal property was not an agricultural building and therefore not exempt from rating, under paragraph 3 of Schedule 5 to the Local Government Finance Act 1988.



The appeal property formed part of a Christmas Tree growing farm. The Valuation Officer (VO) had rated the area used as a warehouse, following a report received from the billing authority. The appeal property was used for retail purposes, in the run up to Christmas and also housed a Christmas grotto, children's playing area and a café.

The shop was only used for five weeks a year and the appellant argued that this retail use should be treated as *de minimis*. However, the authorities were against him on this point, especially the Court of Appeal's judgment in *Hambleton District Council v Buxted Poultry* [1992] 2 All ER 70, CA.

Having regard to the facts, the Upper Tribunal (UT) was not convinced that any part of the appeal property was used solely in connection with agricultural operations on the adjoining land. The sale of Christmas trees was not an agricultural use. In addition, additional stock was bought in, in readiness for the Christmas period, to sell on to the public. This led to the conclusion that the appeal property was being used for commercial purposes as opposed to agricultural operations. The position being analogous to a farm shop which acquires its produce from a nearby farm but the use of which is wholly retail.

Prior to the UT hearing, the VO had inspected the appeal property again and decided that the assessment should be reduced

Consolidated Practice Statement (CPS)

Please note: the CPS was recently amended and changes were effective from 1 July 2025. The CPS can be found on the VTS website under VTE guidance.

To be continued on Page 4

Decisions of the Upper Tribunal cont'd...

from £18,750 to £16,250 RV with effect from 1 April 2017. This was because part of the property was not constructed until after the material day. However, the UT's jurisdiction, like the VTE's before it, was restricted to the question of exemption as the proposal was made on this ground. It was open to the ratepayer to have made a proposal for a reduced RV entry but he had not done so.

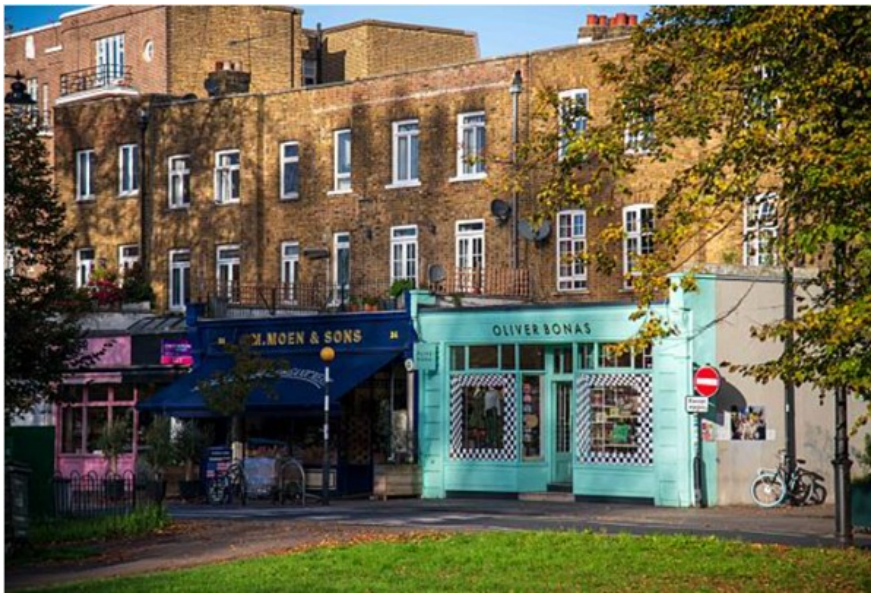
The appeal was therefore dismissed and the VTE's decision upheld.

Decisions of the Upper Tribunal

Wei Xiaoli v Nicola Johnson (VO) [2025] UKUT 291 (LC)

The appellant appealed a VTE decision which confirmed the 2023 rating list entry of £17,500 rateable value (RV) for her small shop in Clapham.

The appeal shop was situated in Landor Road which was a secondary retail location where the Valuation Officer (VO) still utilised a historic 4.57/7.62 metre (15/25 feet) zoning pattern. Rental evidence in the locality had therefore been analysed on this basis. The VOA rating manual, however, only refers to the standard 6.1 metre (20 feet) zones that are generally applied elsewhere.



Given that the zoning issue was the main point in dispute, the Upper Tribunal (UT) observed that the rating manual was in need of updating to prevent similar disputes arising in future. The UT expressed concern that, despite the shop's small size, it took several attempts by the VO to establish its correct survey area. The VO had visited the shop three times between 2022 and 2025 and produced seven different assessments. The different areas and RV assessments had only served to confuse the appellant.

The VO accepted that the existing RV for the shop was excessive and had in fact offered to reduce the assessment to £15,000 RV but the appellant had rejected the offer to settle. The appellant referred to this offer before the UT and argued that the RV should be no more than £15,000 RV.

With regard to the historic zoning approach, provided it was used consistently across all of the shops in a particular location and the analysis of rents and subsequent valuations also use the same method, the UT stated that the results should be fair and reliable.

Having inspected the appeal shop, the UT member was satisfied that the VO's zoning approach was correct. There was a structural wall between the staff room and the stores/WC at the rear of the shop. This marked the point where the zoned retail area stopped and the ancillary accommodation began. In contrast, the UT found that the appellant had not zoned her shop correctly, so the VO's areas were adopted.

In his valuation exercise, the UT member used the actual rent as his starting point. However, the rent of £16,100 per annum was agreed in 2019 and the appellant did not receive any professional advice. A new lease was agreed with the Council, her landlord, in 2022 and the rent increased to £17,000 per annum.

In this case, there was a paucity of rental evidence before the antecedent valuation date (AVD) of 1 April 2021 and therefore the UT had to have regard to post AVD rents. Some of the rents resulted from rent reviews and others from new lettings, the UT attached more weight to the latter. However, the UT did not find the Co-star report, on which the VO relied to show how rental levels had grown to be very useful, instead regard was simply had to the VO's unadjusted rents. After taking all of the evidence into account, the UT determined an assessment of £16,000 RV based on a tone of value of £410 per m^2, in terms of Zone A. The appeal was therefore allowed.

Decisions of the High Court

Iqbal & Another v Epsom & Ewell Borough Council [2025] EWHC 2195 (admin)

The appellant appealed a VTE panel decision that the appeal dwelling was not exempt from council tax. The appellant claimed an exemption under Class G of the Council Tax (Exempt Dwellings) Order 1992.

To be continued on Page 5

Decisions of the High Court cont'd...

In November 2019, the appellant was going through divorce proceedings and as a result of this he became subject to a freezing order made by the Family Court. The parties to the freezing order were the appellant and his wife. The appellant offered undertakings to his wife that he would not dispose of any assets, which included the appeal dwelling. Therefore, he agreed not to sell the dwelling or reside within it. On that basis, as the appeal dwelling was vacant, he sought a Class G exemption on the grounds that its occupation was prohibited by law.

The VTE determined that the exemption on which the appellant relied referred to the dwelling itself and not to the personal circumstances of the owner. It considered that, hypothetically. if the undertakings were imposed on the appellant, it did not prevent the property being occupied by friends or family.

The appellant argued that the VTE erred in its interpretation of the freezing order and that the exemption should apply.

The billing authority (BA) argued that the fact of choice which arose in this case was decisive. It contended that, if a person chose not to occupy a property, they cannot benefit from a council tax exemption. The BA referred to the Court of Appeal's judgment in *Pall Mall Investments (London) Ltd v Gloucester City Council [2014] PTSR 1184* in relation to which the exemption from non-domestic rates relied upon which it argued was drafted in the same terms as the council tax exemption. In *Pall Mall* the unoccupied offices were in disrepair and had been vandalised and an exemption from non-domestic rates was sought as it was claimed they could not be occupied by law. However, the Court of Appeal held that the occupation of the offices was not prohibited by law and that the owner was not entitled to an exemption because of the failure to undertake the repairs. At no time had the law prevented the owner from entering the premises to restore them.

Ultimately, Richard Clayton KC, sitting as a Deputy Judge, found no error of law in the VTE's decision and dismissed the appellant's appeal.

Decisions of the High Court

***R (on the application of LL & AU) v Trafford Metropolitan Borough Council* [2025] EWHC 2380 (Admin)**

In this judicial review, the High Court quashed Trafford Council's 2025–2026 Council Tax Reduction Scheme for working-age residents. The claimants, LL and AU, challenged the lawfulness of the Scheme on two grounds.

First, they argued the Scheme was not lawfully adopted, as it was approved by the Executive Committee rather than the full council, contrary to Section 67 of the Local Government Finance Act 1992. The Court agreed, finding no evidence that the full council had properly considered or approved the Scheme.

Second, the claimants alleged the Scheme was irrational and discriminatory due to "double counting" of income—where unearned income reduced Universal Credit entitlement but was also counted again in assessing council tax liability. The Court found this flaw inherent in the Scheme itself, not merely a software issue, and concluded it led to irrational and discriminatory outcomes, particularly affecting disabled individuals and carers. The council's reliance on discretionary relief did not cure the Scheme's defects, nor did it satisfy the Public Sector Equality Duty.

Pearce J granted permission and allowed the claim for judicial review on both grounds, quashing the Scheme and issuing declaratory relief. The judgment underscores the need for lawful adoption and rational, non-discriminatory design of council tax reduction schemes.

The judgment can be found online using the National Archives Find Case Law Service (https://caselaw.nationalarchives.gov.uk/ewhc/admin/2025/2380) or on BAILII (https://www.bailii.org/ew/cases/EWHC/Admin/2025/2380.html)

Decisions of the VTE - Non-Domestic Rating List 2017

Forged Solutions Group Limited and Karen Giles (VO) [VTE]

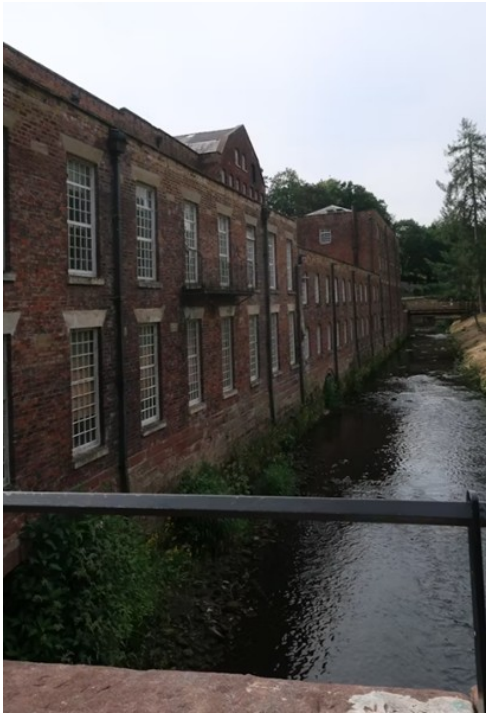
The subject property, comprising a warehouse and premises, was originally assessed at £231,000 RV effective from 1 April

Click here to sign up to be notified of when the Consolidated Practice Statement is updated.

To be continued on Page 6

Decisions of the VTE - Non-Domestic Rating List 2017 cont'd...

2017. The appellant's representative proposed a reduced RV of £208,000 to reflect a 10% end allowance due to the risk of flooding.



The property is situated in Flood Zone 3, near the River Don and directly affected by the underground watercourse Blackburn Brook, which runs through and around the site. The appellant argued that the flood risk posed a significant disadvantage to a hypothetical tenant, citing two major flooding events in 2007 and 2019, which incurred over £1 million in indirect costs and prompted £500,000 in flood defence investments in 2020/2021.

The Valuation Officer (VO) contended that the flood risk was already reflected in the tone of the valuation and presented two local comparables without flood allowances. However, Mr Abbott provided examples of other properties in flood-prone areas where allowances ranging from 5% to 20% had been applied. Although these comparables were not local, they demonstrated precedent for such adjustments.

The Tribunal considered the unique flood-related disadvantages of the subject property, particularly its location outside the first line of flood defences and the presence of Blackburn Brook running through and underneath the site. These factors distinguished it from the VO's comparables.

Applying the statutory framework under Schedule 6 to the Local Government Finance Act 1988, the Tribunal concluded that the existing RV did not reasonably reflect the rental value a hypothetical tenant would offer, given the flood risk. The proposed 10% end allowance was deemed fair and reasonable.

The full decision can be read here

Decisions of the VTE - Non-Domestic Rating List 2017

British Wool Marketing Board v Mouland (VO) [2025] VTE

The fleece wool market is a regulated one. The British Wool Marketing Scheme (Approval) Order 1950 (the "1950 Order") established the British Wool Marketing Board (the "Board") and a scheme for the regulation of the fleece wool. In short, where a person has four or more sheep, they are required to register with the Board, and they must sell their wool to the Board. The Board then sorts, grades, packs and stores wool prior to auctioning (together with the wool from other registered producers) and reimburses the producer in the following year.

This was the first of four appeals made by the Board seeking to de-rate buildings occupied by it for the collection, sorting, grading, packing and storage of fleece wool prior to its sale by the Board at auction.

The appellant argued that the appeal property was exempt from rating as an agricultural building under paragraph 7(1) of Schedule 5 to the Local Government Finance Act 1988. Paragraph 7(1) establishes that a building is an agricultural building, and thus exempt from rating, where three conditions are satisfied.

Firstly, the building must be used in connection with agricultural operation carried out on agricultural land. The Tribunal found it clear that wool gathered by the registered producers must, in order to be sold for profit, be taken to the subject property (or one of the other hereditaments operated by the Board).

However, the Valuation Officer (VO) argued that the legal transfer of ownership of the fleece wool at the point of delivery (as was required by the 1950 Order) was significant interruption to mean that the Board's activity was an independent enterprise. This argument was supported by the Lands Tribunal's judgment in *Secker (VO) v Kent Wool Growers Limited* [1984] RA 173.

To be continued on Page 7

Decisions of the VTE - Non-Domestic Rating List 2017 cont'd...

The appellant argued that *Secker* was irrelevant on the basis that Kent Wool Growers were acting as the Board's agent. However, the Tribunal disagreed, finding that Kent Wool Growers were acting for their principle (the Board) and *Secker* was authoritative that the transfer of ownership of the fleeces was fatal to the Board's claim for exemption.

The Tribunal's conclusion on the first limb was sufficient to dismiss the appeal, however, it went on to consider the second and third limbs.

The second limb requires that the building must be occupied by a corporate body whose members are or are together with the body the occupiers of the land. It was not disputed that this refers to the agricultural land in the first limb. The Board itself does not occupy the agricultural land and the crux of the occupation test turned upon the interpretation to be applied to the meaning of "members" of the corporate body. The appellant contended that the 35,000 registered producers of wool were the "members". However, the Tribunal held that only the Board's appointed and elected members were members of the corporate body, the corporate body being the Board rather than the scheme as a whole.

Lastly, looking at the final limb, as the Tribunal had already held that "member" did not include the registered producers, the building failed to meet the final condition that the members who are occupiers of the land (being the agricultural land in the first limb) have control of the body.

Accordingly, the Tribunal dismissed the appeal.

Click here to read the full decision.

Decisions of the VTE - Council Tax Liability

Class G Exception

The appeal concerned an unoccupied furnished property owned by the appellant. The property had been actively marketed for sale since 6 February 2024. In December 2024 and became subject to a council tax premium with effect from 1 April 2025. The appellant argued that the property should be excepted from the premium under Class G of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003, SI/No 2003/3011.

Class G provides an exception for properties that are either being marketed for sale at a reasonable price or have had an offer accepted but the sale has not yet completed—unless the property has been in that state for 12 months or more. The BA rejected the appellant's claim, stating that the property had already been for sale for over a year by 1 April 2025, and therefore did not qualify for the exception.

The appellant argued that the 12-month period should be calculated from the date the premium came into force (1 April 2025), not from when the property was first marketed.

The panel was satisfied that the BA had made a determination under section 11C of the 1992 Act regarding the premium one year prior to its introduction, noting that the council had approved the premium on 21 February 2024.

Liability is calculated on a daily basis and the circumstances of the property on the relevant day, in this case 1 April 2025, must be considered. The panel determined that as the appeal property had been for sale for a year or more as at 1 April 2025 it failed to satisfy the conditions for a Class G exception and the appeal was dismissed.

You can read the decision here.

Decisions of the VTE - Council Tax Liability

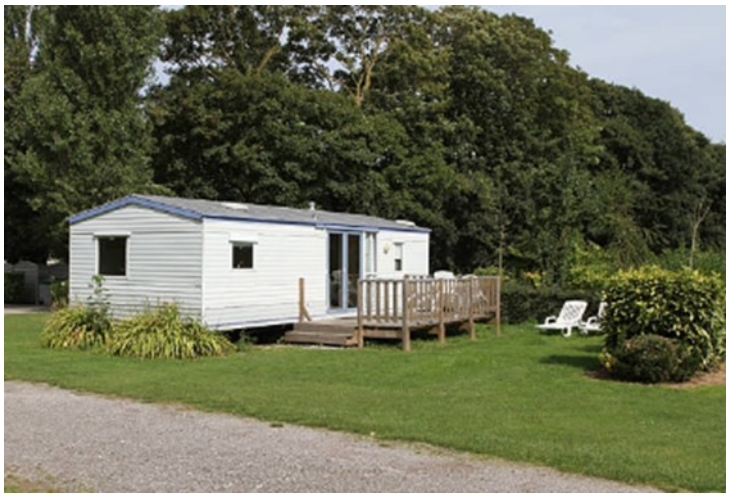
Class I & J exemption

This case concerns a council tax liability appeal brought by the appellants regarding their former residence. The appeal was focused on whether the property qualified as an exempt dwelling under Class I and/or J of the Council Tax (Exempt Dwellings) Order 1992.

To be continued on Page 8

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

Mrs R underwent surgery in December 2023, resulting in partial paralysis and her husband provided care for her. Following her discharge from hospital in late December 2023, the couple moved into a caravan due to its single-level layout, which better suited her mobility needs. Although they continued to pay rent on their former home until July 2024, they did not return to the property and gradually removed their belongings, completing the move in April 2024.



Initially, the Billing Authority (BA) initially deemed that their former home remained their main residence, as the intention was that the caravan would be a temporary residence for convalescence. However, it later accepted that the appellants' sole or main residence was the caravan from 1 April 2024. However, the BA refused to grant exemption under Class I or J. The appellants sought exemption from 28 December 2023, when Mrs R was discharged from hospital, until their tenancy ended on 29 July 2024.The BA contended that the exemptions in question could not apply because the appellants were husband and wife. The Tribunal found that the BA was applying a test used in assessing eligibility for carers discount disregards, but no such limitations applied in the case of Class I or J.

The Tribunal found that:

- Mrs. R met the criteria for Class I, having moved to receive care due to her disability.
- Mr. R met the criteria for Class J, having moved to provide care to his wife.

The BA argued that both tenants must meet the same exemption class, but the Tribunal rejected this, stating that the law does not require both occupants to qualify under the same class and it could not have been parliament's intention that the property remained a chargeable dwelling when both former residents met the test for exemption classes to apply. It emphasised that the focus should be on the property's status, not the individuals' relationship or identical classification.

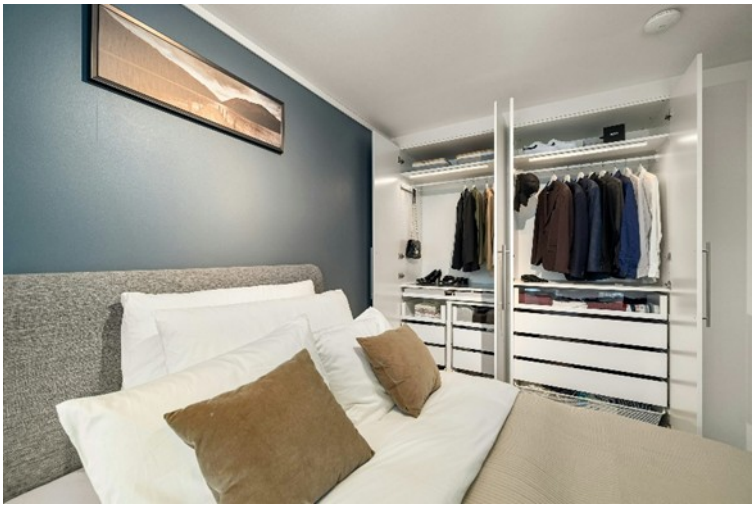
The Tribunal concluded that from 1 April 2024, the subject property met the criteria for exemption under both Class I and J. Therefore, the appeal was allowed and the appeal property/the appellants' former home was ordered to be recorded as an exempt dwelling from that date.

The full decision can be found here.

Decisions of the VTE - Council Tax Liability

Long-term empty property premium

The appellant purchased the property on 13 July 2023 and challenged the imposition of a 100% council tax long-term empty dwelling premium for the period 25 May 2024 to 13 September 2024, arguing the property was not continuously unoccupied and substantially unfurnished for two years, as required under section 11B of the Local Government Finance Act 1992.



The premium was applied based on Hillingdon's records indicating the property had been empty and unfurnished since 25 May 2022. However, no evidence was provided by the billing authority (BA) to support this claim, nor was any inspection conducted before the property was sold on 13 July 2023.

The appellant and her husband stated that the property was furnished during multiple viewings in early 2023 when they were considering purchasing the dwelling. Items included a bed, wardrobe (with clothes), armchairs, settee, shelving, and a table. The Tribunal found this to be sufficient furnishing for habitation, meaning the property was not substantially unfurnished during that time.

The BA's local policy (dated January 2023) still referred to a two-year threshold, despite legislative changes reducing it to one year from 1 April 2024.

The full decision can be found here.

Decisions of the VTE - Council Tax Liability

Property not occupied as sole or main residence due to providing care

The Tribunal dismissed the appeal, upholding Shropshire Council's decision to impose a 100% council tax premium on the appellant's property, effective from 1 April 2025. The property was deemed a "second home" by the billing authority (BA) but the appellant contended that it was her only home.

The appellant had purchased the property in January 2021 and maintained it in a furnished state. However, she had been living in Brighton for the past 13 years, caring for her 97-year-old mother. She argued that her circumstances—being a full-time carer—prevented her from residing in the subject property, and thus the premium was unfair.

The Tribunal examined whether the subject property qualified as the appellant's "sole or main residence."

The appellant acknowledged that she could not live in the property full-time due to her caring responsibilities. She visited occasionally but admitted Brighton was her main residence. Although she owned only the subject property and paid all its bills, the Tribunal concluded that her actual residence was in Brighton.

The Tribunal also reviewed whether the property qualified for any exemption.

The Tribunal found that Shropshire Council had correctly applied the premium in accordance with section 11C of the 1992 Act. The BA had made a formal determination to impose the premium, and the Tribunal verified the documentation supporting this.

While the panel acknowledged the appellant's personal circumstances and understood her situation, it emphasised that its role was to assess the legality of the BA's actions, not the fairness of the charge. As the property was not the appellant's sole or main residence and had been furnished for over 12 months, the premium was lawfully applied.

The appeal was therefore dismissed.

Click here to read the full decision.

Decisions of the VTE - Council Tax Liability

Long term empty property premium

The appellant contested the billing authority's (BA's) decision to apply a 100% long-term empty premium (LTE) to a property he owned, effective from 1 April 2025.

The appeal property became unoccupied on 8 January 2024 after a long tenancy. The appellant initiated substantial renovation works on the same date.

The respondent acknowledged that the nature of the works could qualify for an exception but maintained that the 12-month exception period is tied to the start of the works. Since the works began on 8 January 2024, the 12-month period would end on 8 January 2025, meaning the property would no longer qualify for the exception when the premium, came into effect on 1 April 2025.

Regarding the exception, the Tribunal examined Class D and Class M definitions under the Prescribed Dwellings Regulations. A Class D dwelling is one undergoing major repairs for up to 12 months, and a Class M exception applies to Class D dwellings. The Tribunal accepted that the property qualified as Class D from 8 January 2024, but this status expired on 8 January 2025. Since the property no longer qualified for Class D on 1 April 2025, it could not qualify for a Class M exception.

To be continued on Page 10

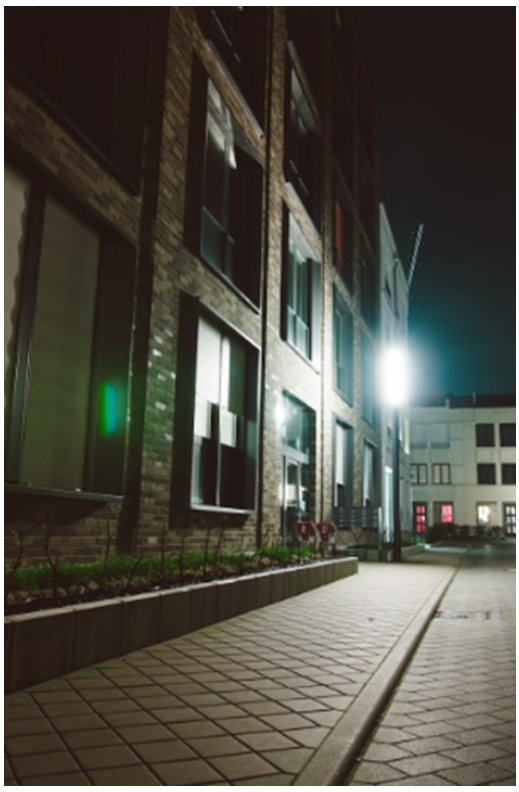
Decisions of the VTE - Council Tax Liability cont'd...

The Tribunal emphasised that the legislation does not allow discretion to start the exception period from any date other than the commencement of works. The Tribunal was bound by the statutory framework and could not override the 12-month limitation.

The full decision can be found here.

Decisions of the VTE - Council Tax Valuation

Deletion from the valuation list



Trainer Properties appealed against the inclusion of eight apartments (8A–8H Smith Street, Warrington) in the council tax valuation list. The properties were part of a larger redevelopment project converting a former nightclub into 22 residential units. The appeal focused on whether the apartments were complete and capable of occupation as of 1 July 2020. The case was governed by Section 17 of the Local Government Finance Act 1992 and Schedule 4A of the Local Government Finance Act 1988. These provisions require a billing authority (BA) to serve a completion notice when a property is deemed complete or capable of completion within three months.

The Listing Officer (LO) had not inspected the properties and relied solely on the billing authority's assertion that the properties were complete in October 2020. No completion notice had been served by the BA. The appellant provided extensive evidence, including:

- Photographs from 2017–2024 showing incomplete construction.
- Reports (Fire Safety, Structural, Noise Impact, Viability) indicating ongoing works and lack of essential services (e.g., electricity, water).
- Confirmation from Royal Mail that the addresses were listed as "Not Yet Built" as of April 2024.

The Tribunal emphasised that without a completion notice, properties must be 100% complete and ready for occupation to be entered into the list. The LO failed to provide inspection evidence or proof of completion. The appellant's evidence demonstrated that the properties were incomplete as of 1 July 2020 and remained under construction well into 2023. The Tribunal concluded that the properties were not complete or capable of occupation on 1 July 2020. Therefore, they should not have been entered into the council tax valuation list. The appeal was allowed, and the entries were ordered to be deleted effective from 1 July 2020.

The decision can be found here.

Decisions of the VTE - Council Tax Valuation

Alteration to the band entry

The Listing Officer (LO) increased the property's band from A to B, effective from 6 October 2024. The appellant sought to reverse this alteration.

The property in question is an end-terraced house built before 1900, with a two-storey extension added in 1972. Initially recorded as having a reduced covered area of 85m^2, a later inspection revised this to 81.3m^2.

Historically, the property was listed in band B from 1 April 1993. In 2001, the LO reduced the entry to Band A. The property was later removed from the council tax list in 2015 when it was used as a holiday let and subject to business rates, but it re-entered the list at band A in July 2021 when it returned to domestic in use.

Prior to the appellant purchasing the property, improvement works were carried out by a developer. Following the appellant's purchase of the property, a banding review was undertaken by the LO. After reviewing the accuracy of the band A entry, the LO concluded that the property should now be in band B, consistent with similarly sized properties in the locality.

The LO's sales evidence from June 1990 to February 1992 indicated the appeal dwelling would have been capable of commanding a sale price in excess of £40,000 as at 1 April 1991.

The appellant argued that some comparable properties had front gardens, unlike his property, and that neighbouring

To be continued on Page 11

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

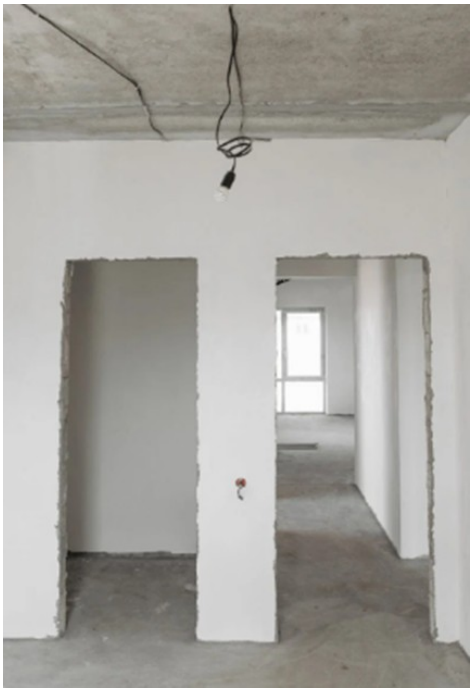
properties remained in band A. However, the Tribunal noted that those properties were smaller in size and dismissed the appeal.

Click here to read the full decision.

Decisions of the VTE - Council Tax Valuation

Deletion from the valuation list on the basis of being incapable of beneficial occupation

The appeal property was a former Caretaker's flat and was situated on the first floor of a two-storey building owned by the Church. The appellant sought a deletion of the flat's entry from the valuation list on the basis that it was incapable of beneficial occupation.



Despite having sight of a structural engineer's report, highlighting the disrepair issues and the existence of Reinforced Autoclaved Aerated Concrete (RAAC) which meant that the flat was unsafe to occupy, the Listing Officer (LO) refused to delete the entry. Photographic evidence was provided which showed numerous acro props supporting the ground floor ceiling, beneath the appeal flat. The LO did not dispute the existence of RAAC but argued that it was a repair issue. The appellant also highlighted the issue with the staircase that led to the flat, which meant it was unstable and incapable of use.

The appellant did not have the funds to remedy the defects inherent in the property and intended to demolish the premises. Until such time when the demolition works began, the LO's position was that the flat's entry should remain in the valuation list.

Given the RAAC that was present in the floor of the appeal property was beyond its lifespan and the recommended solution was to effectively rip it out and replace it with a material of superior construction with greater stability and durability, the question to be resolved was were the works that would be involved fall within the nature of repair. The panel therefore looked for authoritative guidance on this point and it was found in the Court of Appeal's judgment in the Space House case *Camden LBC v Civil Aviation Authority* EWCA [1980] RA 369.

In Space House, it was not a question of just filling in the cracks of the concrete columns. Struts had to be inserted between the columns and for extra precaution an extra ring/collar was added to the building to prevent movement. Once those works were done, as the Lands Tribunal had identified, the owner would be left with a building of a different quality. Although this was a rating case, this judgment was of great assistance to the panel in the issue it had to decide, as it had parallels with the council tax appeal before it.

Whether the works involved in remedying a defective building or part of a building was a question of fact and degree. In the Space House case it was held that the works went beyond what could be considered repairs. In the present case, the panel had an independent report that showed that the RAAC was beyond repair and needed to be replaced by a material of greater structural integrity and stability. If and when that work was completed, the appeal property would be a dwelling of a different quality. Ultimately, based on the independent expert evidence placed before it, the panel made a finding of fact that the remedial work required to enable the appeal property to be re-occupied as a flat went beyond what could legitimately be expected to be reasonable repair work that the statutory fiction assumed would have been undertaken. As the appeal property could not be re-occupied without removing the RAAC and replacing it with a floor of a different construction, it was incapable of beneficial occupation/use and therefore no longer a hereditament. No counterfactual evidence was presented on behalf of the Listing Officer to persuade the panel to come to a different conclusion.

The appeal was therefore allowed and the entry deleted with effect from 5 August 2024.

The full decision can be read here.

VALUATION TRIBUNAL SERVICE

We welcome any feedback.

Editorial team:
David Slater
Tony Masella
Amy Kandola
Claire Cooper

Contact us:
0303 445 8100

The photographs used here are for illustration purposes only and may not be of the actual properties or people referred to.

The summaries and any views given in this newsletter are personal and should not be taken as legal opinion

Valuation in Practice is published quarterly; the next issue will be in February 2026