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Valuation Tribunal Service

Valuation in Practice

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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.

Announcement: Retirement of the Registrar and Chief Clerk

After many years of dedicated service, our Registrar and Chief Clerk, David Slater, has retired from VTS. Throughout his time with the organisation, he has made an invaluable contribution to the work of the VTS and VTE and supported colleagues across the organisation.

We would like to thank him for his commitment and contribution over the years and wish him every happiness for his retirement and the next chapter ahead.

David's current Deputy, William Hamilton, has been appointed as our new Registrar and Chief Clerk.

Non-Domestic Rate Appeal Fees

On 28 October, as part of the Budget, the government announced that it would bring an end to appeals fees for Non-Domestic Rates appeals for the 2026 list onwards. It will be bringing forward regulations to make this change shortly. Until those regulations are in place, we will continue to charge fees for any new appeals from the 2026 list under current regulations, and will refund any existing fees for the 2026 list as soon as possible once those

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regulations are in force.

Appeals fees will continue to apply to 2023 list appeals, and current systems will remain in place to collect those fees.

Official Statistics: Council Tax: stock of properties, 2026

This release provides statistics on the stock of domestic properties by council tax band and property attributes in England and Wales. This publication includes statistics from 2025 to 2026.

Documents include:
- Council tax: stock of properties statistical commentary
- Background information

Updates: Council Tax Manual

On 11 August 2026 Practice note 8 within the Council Tax Manual was updated to include changes in legislation on when self-catering holiday lets are eligible for business rates.

Updates can be found here.

Accredited official statistics: Collection rates for council tax and non-domestic rates in England, 2025 to 2026

On 31 July 2026, the Ministry of Housing Communities and Local Government (MHCLG) updated its annual release on the receipts of council tax and non-domestic rates collected by local authorities during 2025-26 and the arrears outstanding at the end of the financial year. The release can be read here.

Press release: Burnham means business - PM slashes business rates bills for pubs, clubs and live music venues

Continuing his drive to build an economy that works for every postcode, the Prime Minister has taken action to cut business rates bills for pubs, social clubs and live music venues across England from April next year.

The press release, published on 23 July 2026 can be found here.

A subsequent press release, published on 24 August 2026, can also be read here.

Business rates information letters

7/2026: Court of Appeal decision on 'box-shifting'

This is the seventh business rates information letter to be issued by the MHCLG in 2026. This letter covers:
- Court of Appeal decision in The Mayor and Commonality and Citizens of the City of London v 48th Street Holdings Limited & Another [2026] EWCA Civ 970
- 2025/2026 New Burdens Assessment

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

Guidance: Business rates and duty to notify

Find out about the business rates duty to notify, including what changes you may need to report and when it will be introduced.

Businesses and owners of other non-domestic properties will in future be required to tell the Valuation Office, part of HM Revenue and Customs (HMRC), about changes to their property.

Following feedback from businesses, the timing of these changes and the launch of the new service are currently under review. No action is required at this stage and there is no need to begin any preparatory work. Further information will be provided on what businesses need to do and when the changes will take effect.

Official Statistics: National non-domestic rates collected by local authorities in England 2025 to 2026

This release, published on 22 July 2026, provides data on non-domestic rating income collected by local authorities in 2025-26, including the amount of business rates reliefs given to businesses.

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.

Our Tribunal Hearing Programme – October to December 2026

The profile and volume of hearing days for Quarter are:

Tribunal Type	October	November	December	TOTAL
Council Tax	68	74	50	192
2017/2023 Rating List	4	6	7	17
2017 Rating List Complex Case	2	1	0	3
2017/2023 Rating List and Transitional Certificate	1	0	0	1
TOTAL	75	81	57	213

What is on the VTE Stayed Appeals List?

An appeal has been made to the Upper Tribunal regarding Sewage Treatment facilities valued by the Contractors' basis where an allowance is sought by the appellant for underutilised treatment capacity at the material day. Similar appeals will be stayed until the outcome of the Upper Tribunal appeal is known.

Future VTE Recruitment

Could you make the decisions you've been reading about?

In early 2027, recruitment will open for new volunteer Members and Senior Members of the Valuation Tribunal for England. There's no need to be legally qualified, and as we prepare for the introduction of High Value Council Tax Surcharge, there's never been a better time to donate your time and talents!

Volunteering with the Valuation Tribunal for England exposes you to a range of challenging and engaging cases across the world of local taxation, whilst giving you the opportunity to develop your own knowledge, communication and analytical skills.

Above all, you will be playing a vital role in supporting fair and efficient access to justice for local taxpayers, in turn supporting a well-functioning society and economy.

The Judicial Appointments Commission will be running recruitment for us. **You can stay up to date with when recruitment opens by signing up to their newsletter (selecting 'non-legal roles') at:** Judging your Future newsletter - Judicial Appointments Commission

If you would like to know more about volunteering with the Valuation Tribunal for England, please contact appeals@valuationtribunal.gov.uk.

Decisions of the Upper Tribunal

SANDERSTEAD REMOVALS LIMITED and ANDREW MOULAND (VO) [2026] UKUT 00247 (LC)

This was an appeal against a VTE panel's decision to dismiss the ratepayer's appeal and confirm the then existing assessment of £174,000 Rateable Value with effect from 1 April 2017.

The appeal property was a warehouse and office complex that was situated near to Godstone in Surrey and was built on a former Quarry site, where there was a public right of way through Quarry Road, the middle of the site, as it was a designated bridlepath and bike path (route 21).

There were five warehouses on site with eaves heights varying between 3.18 and 7.47 metres. Four of the warehouses were built in the 1970's and the fifth one was added in 1999. It was a sloping site, so there were issues with its topography.

Neither of the parties' experts attached any weight to the actual rent passing.

Both parties were in agreement that an unadjusted rate of £55 per m² should be the starting point in the valuation. Both had made adjustments to reflect the lack of heating (-2½%) and the lack of insulation (-2½%).

The appellant's expert made applied end allowances of 10% for layout and fragmentation, 10% for access and adverse topography and 5% for security.

The respondent contended that the disabilities referred to by the appellant were largely reflected in the tone and therefore if end allowances were applied to reflect same, it would amount to double counting. The Valuation Officer (VO) was, however, prepared to concede an allowance of 5% for the floor level issues in warehouses 3 and 4, plus a 7½% end allowance for the layout of the site.



The VO expert's valuation was £167,000 Rateable Value, whilst the appellant's expert's valuation was £130,000 Rateable Value.

Both parties' experts referred to a number of comparable properties which the Upper Tribunal (UT) member Mr Higgin had regard to. He observed that there were a number of disparate properties which had been valued at the same unadjusted rate of £55, by reference to the same valuation scheme. He questioned this apparent one size fits all approach, the eventual assessments that were arrived at were difficult to

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analyse, in terms of what adjustments had been applied and why they had been applied.

Mr Higgin found the comparable property at Drake Road, Mitcham helpful in terms of the layout issue. He found that the VO's end allowance of 7½% for layout was reasonable, having regard to what was conceded for Drake Road.

With regard to topography issues, Mr Higgin deducted 2½% because, in his judgment, the appeal property's topography was inferior in comparison to the comparable properties which had sloping sites.

The appellant had adopted a 10% end allowance for adverse topography and access, but Mr Higgin looked at the issues separately. Having dealt with the topography issue, he found that an allowance of 2½% was justified for the appeal site's access as Quarry Road was a relatively short road and there were a very small number of vehicles using it. Again, he had had regard to what, if any, allowances had been conceded or agreed elsewhere.

The final factor in dispute was the security issue. Given the public right of way, the appeal property could not be properly secured, unlike other properties without a public right of way which did not have this issue. Therefore, an allowance was justified and Mr Higgin adopted 5%. Although he did not find the comparable evidence put forward by the appellant to support the 5% allowance, as the two sites were not comparable, he agreed with the quantum of the appellant's adopted allowance.

The UT's resultant valuation of £149,500 Rateable Value took account of the agreed relativities and the VO's allowance for the floor levels in Warehouses 3 and 4.

Even though the parties did not rely on the actual rent, Mr Higgin used the original rent which was set in 2011 as a sense check. That initial rent was £155,000 per annum but needed adjustment to conform to the statutory hypothesis. There was a three-month rent-free period, followed by six months at half of the annual rent. He disregarded the 2021 rent as it was too remote from the antecedent valuation date. The rent could have been reviewed in 2016 but it was not. Having regard to the initial rent suitably adjusted, he was satisfied that his valuation of £149,500 Rateable Value was reasonable.

The appeal was therefore allowed.

Decisions of the Upper Tribunal

Carecall Limited and Karen Giles (VO) [2026] UKUT 369 (LC)

This was an appeal against the VTE's decision to dismiss a 2023 Rating List appeal because it was made out of time, with no good reason to justify the delay, following a case management decision.

The Appellant Company was in the business of running care homes for the elderly. Its appeal against the Valuation Officer's (VO) challenge decision was filed with the VTE 231 days late. In mitigation, the Appellant Company's Director Mr Ghai, who was dealing with the matter, said that

To be continued on Page 6

its rating agents, Appeal Business Rates, had been instructed to file the appeal but had failed to do so. The appellant lost contact with its rating agents after 24 September 2025. The statutory time limit for filing the necessary appeal expired on 19 October 2025.



Mr Ghai said that for several months he had suffered from a number of health issues. The VTE accepted that Mr Ghai had been unwell, as medical evidence had been provided to prove same, however, it noted that another of the Appellant Company's Directors, Mr Ghai's son, could have taken over the reins and managed the appeal, if Mr Ghai was incapacitated.
The VTE also observed that, if it entertained the appeal, there was no reasonable prospect of it succeeding as the Appellant Company sought the deletion of the rating list entry for its property at 124 Carholme Road, Lincoln. However, on the material date, the property appeared to remain a hereditament and no overt act had been undertaken to commence any demolition works.

The Upper Tribunal Judge Elizabeth Cooke disposed of the appeal by way of written representations. In dismissing the Appellant Company's appeal, Judge Cooke stated that its reasons for the late filing of the appeal could not excuse the delay. She found it inexplicable that if Mr Ghai was responsible for the company's finances, he did not make emergency arrangements, if he was unfit to deal with such matters. She also observed that when it became known that its rating agents had not filed an appeal in September 2025, there was still plenty of time to instruct another firm and to file the appeal.

As all of the above facts were made known to the VTE, she found that its decision to dismiss the appeal was entirely appropriate because no good reason for the delay had been supplied.

Decisions of the Upper Tribunal

Nicola Johnson (VO) and The Salvation Army Trustee Company [2026] UKUT 370 (LC)

This was an appeal made by the Valuation Officer which challenged the VTE's decision that a meeting room and a prayer room, in the former headquarters of the Salvation Army at 101 Newington Causeway, London, SE1 6BN qualified for exemption under Schedule 5 to the Local Government Finance Act 1988. The VTE panel found that the way the rooms were used was ancillary to office use and therefore met the requirements of paragraph 11(2)(b) of Schedule 5. At the VTE hearing the ratepayer, respondent in this appeal, accepted that the kitchen was rateable. However, at the Upper Tribunal (UT), the parties had agreed that the kitchen was exempt, under

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the above provision, and therefore the rating assessment needed to be altered as result.

As the appeal property was no longer occupied by the respondent, the UT did not inspect the appeal property. Having regard to the photographic evidence, the hall appeared akin to an informal style church set out for worship and certainly it was so used for an hour a week and for Christmas Carol Services. Ms Gurrin, who appeared as a witness of fact, gave unchallenged evidence that it was used for a variety of activities that were obviously ancillary to office use. The UT was therefore satisfied that the hall was primarily used for purposes that were agreed to be ancillary to office and exemption was allowed on that basis. The additional use(s) to which the hall was put did not alter the nature of its primary use.

The question of whether the prayer room was a neutral or multi-faith space was seen as a distraction. The legal issue which the UT needed to decide was simply whether it was ancillary to the use of the property as an office. The evidence pointed to the fact it was provided for the well-being of the staff and used by them. The UT therefore found that it was no less ancillary to office use than the kitchen. It therefore rejected the argument that space provided for private worship cannot, for that reason, be within paragraph 11(2)(b). Therefore, the Prayer Room was also found to be exempt. The VO's appeal was therefore dismissed and the rateable value of the appeal property determined at £1, in accordance with the parties' agreed valuation, if the hall and prayer room was exempt.

Decisions of the Upper Tribunal

HDR Group Limited v Lucy Formela-Osborne (Valuation Officer) [2026] UKUT 375 (LC)

In this case, the Valuation Officer (VO) successfully persuaded the Upper Tribunal's (UT) Deputy Chamber President to strike out the appeal, on the basis that the appellant was not entitled to make a proposal, nor appeal to the VT for Wales and therefore not entitled to appeal the VTW's decision to the UT.

When the 2017 Rating List appeal was heard by the VTW, it was assumed by both parties that the appellant was entitled to make a proposal and therefore the question of its validity was not raised.

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However, the VO had later learned that the appellant was never in rateable occupation and therefore did not qualify as an interested person who was entitled to make a proposal.



In striking out the appeal, Martin Rodger KC upheld the VO's argument that the appellant was not in rateable occupation, when the proposal was served. He found that the appellant had vacated the appeal site two years earlier, following the completion of preliminary works.

The appellant was a company which specialised in the clearance and remediation of contaminated sites. It was granted a temporary non-exclusive licence by the property's owner Merthyr Tydfil Borough Council to enter the site from 8 April 2019 to carry out certain preliminary enabling works comprising site preparation, security, health and safety, general enabling and preliminary waste removal.

The appellant therefore had no standing to make an appeal and the case was struck out.

Decisions of the High Court

Badham v Bromsgrove District Council & Another [2026] EWHC 2431 (Admin)

The appellant appealed a VTE decision that he was not entitled to a reduction, in accordance with the Council Tax (Reductions for Disabilities) Regulations 1992, for a wooden cabin, within the back garden of his home. The cabin contained a sofa, television and heater and the appellant described it as his therapy room. The cabin provided a space where he can retreat from the main house to find peace and quiet, particularly when his partner's grandchildren were visiting, so he used it to manage his stress and his linked IBS, as well as a private space for his remote counselling sessions.



The appellant suffered from arthritis, IBS and poor mental health. The VTE found that

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the appellant's poor mental health was not a permanent disability and therefore he was not a qualifying individual for the purposes of the regulations.

Having found that the appellant was not a qualifying individual, there was no need to determine if there was a causative link between the appellant's needs as a disabled person and the cabin.

The appellant argued that the VTE had misdirected itself as his disability need not be permanent in order to qualify for relief. He argued that the correct test was whether or not the impairment would last for 12 months or more or would be recurring. He also relied on the definition of disability in the Disability Discrimination Act 1995.

The Judge reviewed the relevant law and the earlier authorities before dismissing the appeal. In rejecting the appellant's arguments, the Judge stated that the relevant 1992 Regulations were passed three years before the 1995 Act came into force. Consequently, the definition of 'qualifying individual' under Regulation 1 of the 1992 Regulations as 'a person who is substantially and permanently disabled (whether by illness, injury, congenital deformity or otherwise)' had more in common with older legislation that was still in force in 1992, like the local authority social care duties in s.29 National Assistance Act 1948 which applied to adults 'substantially and permanently handicapped by illness, injury, or congenital deformity, or such other disabilities as may be prescribed'.

He also did not accept the appellant's argument that the VTE ignored or misapplied his medical evidence. On the contrary, he found that the VTE had carefully considered it and the conclusion it came to, that the appellant was not permanently disabled, was not perverse and there was no error in law.

That said, the appellant's circumstances had changed since his earlier application for relief was made and it was possible that what did not look like a permanent disability in 2024 may be in 2026. With this in mind, it was open to the appellant to make a fresh application, based on his revised circumstances and, if the billing authority refused it, to make a fresh appeal under section 16 of the Local Government Finance Act 1992.

The Judge chose his words carefully, as he did not want to pre-empt the outcome of any future claim or appeal.

Decisions of the High Court

Baker and Bath & North East Somerset Council [2026] EWHC 2706

The Appellant appealed a VTE decision that her dwelling did not qualify for exemption under Class U of the Council Tax (Exempt) Dwellings Order 1992 as amended.

The billing authority did not engage in proceedings at the High Court.

The appeal dwelling was occupied by two persons, the Appellant and her adult daughter. Both of whom were disregarded for the purposes of council tax discount and therefore the billing authority

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had applied a discount of 50%.



The Appellant was disregarded because she was severely mentally impaired, whilst her daughter was disregarded as her carer.

The appeal dwelling would have qualified for a Class U exemption, if the Appellant had resided alone. However, as she lived with her daughter, qualification for Class U was reliant upon whether her daughter met the definition of being a relevant person. Unfortunately, she did not as she was not a student, a non-UK student's spouse or dependant of a student, a school or college leaver, or a Ukrainian occupying under the Homes for Ukraine scheme.

The Appellant argued that it was unfair that the VTE dismissed her appeal, when both she and her daughter were disregarded for the purposes of discount. The Judge, however, found that the tribunal had applied the law correctly and dismissed the appeal.

Decisions of the VTE - Non-Domestic Rating List 2023

Accuracy of the compiled list assessment - Refractory Works and Premises

The subject property was described as Refractory Works and Premises. It is the only one in existence in this country and is a specialist supplier of bricks for use in glassworks across the world and has been for 226 years. It has been owned by the same family for the entire time.

The appellant's representative submitted that the rateable value had risen from £200,000 in the 2017 Rating List to £310,000 in the 2023 Rating List, representing a 50% increase. He argued that an assessment consisting largely of old buildings should not have increased that much in value over six years.

He also relied on reductions agreed by the Valuation Office (VO) in earlier rating lists and sought a 10% allowance for the property's access, layout, and sloping site.

The previous valuations relied upon by the appellant were:

- 2005 Rating List: £233,000, reduced to £215,000;
- 2010 Rating List: £297,000, reduced to £202,000;
- a later 2010 Rating List increase to £212,000, reduced to £209,000;
- a further 2010 Rating List increase to £221,000, reduced to £218,000; and
- 2017 Rating List: £242,000, reduced to £200,000.

The panel had regard to the Upper Tribunal's decision in Flight Centre (UK) Limited v Ricketts (VO), which held that no weight should be attached to comparisons with previous rating lists.

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The VO conceded that the existing entry should be reduced to £260,000 RV and her revised valuation included a 5% allowance for the sloping site, poor access and layout. She said that no evidence had been provided to justify a larger allowance.

Regarding depreciation, the VO argued that this had already been reflected in the valuation. Although those items were older by the 2023 valuation date, she considered that the depreciation allowance would have levelled off and that they would not depreciate further to the same extent.

Ultimately, the panel upheld the VO's revised valuation of £260,000 RV.as it did not appear to be unreasonable. No further reduction, beyond what the VO was prepared to concede was justified because the appellant had not proven their case.

Read the full decision here.

Decisions of the VTE - Council Tax Liability

Fettered discretion leads to successful Section 13A Appeal

DL v Elmbridge Borough Council provides a significant reminder that a billing authority's (BA) discretionary relief policy cannot be applied so rigidly that it prevents genuine consideration of an application's merits. The panel ultimately allowed the appeal and substituted its own decision after finding that the respondent had unlawfully fettered its discretion when considering an application under section 13A(1)(c) of the Local Government Finance Act 1992.

The respondent accepted that the appellant was experiencing financial hardship. However, it maintained that discretionary relief should be refused because all available avenues to maximise income had not been exhausted. Central to its reasoning was the fact that a member of the household had not made a claim for Universal Credit, which the BA regarded as a prerequisite before relief could properly be considered.

The panel was critical of this approach. Drawing on the well-established guidance of Professor Zellick in *SC and CW v East Riding of Yorkshire*, it emphasised that BAs must consider every section 13A application on its individual merits and must not allow policy criteria to become absolute conditions. A policy may guide decision-making, but it cannot dictate the outcome of a case.

The panel found that the respondent had focused disproportionately on the absence of a Universal Credit claim and had treated that issue as effectively determinative. On the facts of the case, the panel accepted that the circumstances preventing such a claim were also the circumstances giving rise to the request for assistance. By insisting that a claim first be made, the BA imposed

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a requirement that was effectively impossible for the appellant to satisfy given her personal circumstances, thereby excluding meaningful consideration of the wider application. The panel concluded that this amounted to a fettering of discretion.

The decision also criticised the respondent for adopting an unduly narrow assessment of the case. Whilst acknowledging financial hardship, the panel found that the BA had failed to undertake a balanced evaluation of the household's overall circumstances and gave insufficient weight to the cumulative factors affecting the taxpayer's ability to meet the council tax liability.

Another notable aspect of the judgment was the panel's rejection of the respondent's reliance on the interests of the wider body of council taxpayers and the financial implications of discretionary awards. Referring again to *SC and CW*, the panel gave "short shrift" to the argument, observing that budgetary considerations cannot determine the merits of an individual application.

Having found strong grounds to depart from the authority's decision, the panel substituted its own assessment and awarded discretionary relief equivalent to 50% of the outstanding council tax liability. The case serves as a useful warning to BAs that section 13A policies must remain flexible tools for decision-making and should never be applied in a manner that prevents proper consideration of exceptional individual circumstances.

The full decision can be read here.

Decisions of the VTE - Council Tax Liability

Class G exemption

The appeal concerned whether the subject property qualified for a Class G council tax exemption between 20 July 2022 and 27 October 2025. The appeal was brought by the appellant acting as executor of his late mother-in-law's estate. The property is located within a retirement complex where occupation is restricted to persons aged 55 or over.



The appellant's mother-in-law had occupied the property until her death on 20 July 2022. Following her death, the appellant and his wife became executors of the estate. The property remained unoccupied during the

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period in dispute. The appellant argued that the dwelling should qualify for a Class G exemption because the executors themselves were unable to occupy it due to the age restriction attached to the retirement development. The appellant also pointed out that the property could not be sublet, which further restricted its use.

The panel considered the legal definition of Class G under The Council Tax (Exempt Dwellings) Order 1992 (as amended). Class G applies to an unoccupied dwelling where occupation is restricted by a condition that both prevents occupancy and is imposed through planning permission under the Town and Country Planning Act 1990, or where occupation is otherwise prohibited by law.

The billing authority (BA) argued that the exemption did not apply because occupation of the property was not legally prohibited. It submitted that the age restriction merely limited the class of people who could occupy the property rather than preventing occupation altogether. The BA contended that Class G requires a genuine legal prohibition on occupation arising from public law, not simply contractual or planning restrictions that limit who may reside there.

The panel found that the occupancy restriction did not prevent occupation entirely; it merely restricted occupation to individuals who met the age criteria. Therefore, the property remained capable of being lawfully occupied by a qualifying resident.

Consequently, the property was not an exempt dwelling under Class G, and the appeal was dismissed.

The full decision can be found here.

Decisions of the VTE - Council Tax Liability

Higher amount for long-term empty dwellings

The appeal concerned the application of a long-term empty dwelling premium for the period 20 October 2023 to 29 December 2023. The appellant accepted liability for the standard council tax charge but challenged the application of the premium.

The billing authority (BA) was not represented at the hearing and requested that the appeal be determined in its absence. The panel therefore considered the appeal on the basis of the documentary evidence before it and the submissions made by the appellant.

The BA contended that the property had been continuously unoccupied and substantially unfurnished since 20 October 2021. In support of that position, it referred to online sales particulars which it said showed the property contained no furniture. However, it did not provide copies of those particulars and instead relied on an online link. The appellant stated that the link was inaccessible and the panel was likewise unable to access the material. As a result, the panel was unable to attach any weight to that evidence. The panel observed that, particularly where a party does not attend a hearing, it is important that any evidence relied upon is provided in documentary form rather than by way of a link.

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The appellant produced possession notices and related correspondence referring to possession proceedings and proposed eviction dates during 2022. The appellant argued that these documents indicated that the property had been occupied during at least part of the period relied upon by the BA. The panel accepted that this evidence undermined the BA's assertion that the property had been continuously unoccupied throughout the relevant period.

The panel also noted that the BA had failed to provide documentary evidence demonstrating that it had made the determination required by section 11B of the Local Government Finance Act 1992 to impose a long-term empty dwelling premium. In particular, no evidence was produced of the council resolution or associated public notice. In the absence of such evidence, the panel was unable to conclude that the premium had been lawfully imposed.

The appeal was therefore allowed. The panel was not satisfied that the property had been continuously unoccupied and substantially unfurnished for the necessary qualifying period and was further not satisfied that the BA had demonstrated a lawful determination to impose the premium. The BA was ordered to recalculate the council tax liability and remove the long-term empty dwelling premium for the period in dispute.

Read the full decision here.

Decisions of the VTE - Council Tax Liability

When Does a Home Stop Being a Home?

A recent Valuation Tribunal appeal considered whether a dwelling remained a taxpayer's sole or main residence during a prolonged absence abroad and whether an exemption applied after the taxpayer moved into residential care overseas.

The taxpayer had occupied the property as their main residence and received a single person discount. In March 2020, they travelled abroad to visit family, intending to return after a short stay. However, the Covid-19 pandemic prevented an early return and the taxpayer remained overseas. Their health subsequently deteriorated and they entered residential care in late 2022, where they remained until their death.

Following a review of the council tax account, the billing authority (BA) concluded that the dwelling had ceased to be the taxpayer's sole or main residence in September 2020. Relying on overseas documentation, it removed the single person discount and later imposed a council tax premium.

The tribunal considered the established principles relating to sole or main residence, including

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Williams v Horsham. It noted that physical absence from a property, even for a lengthy period, is not determinative. The question is one of fact and degree, taking account of all the circumstances.

The panel accepted that the taxpayer had intended to return home, had retained possessions at the property and had not chosen to relocate permanently abroad. It was therefore not persuaded that the dwelling ceased to be the taxpayer's sole or main residence when alleged by the BA. However, the tribunal found that the position changed when the taxpayer entered residential care in late 2022. At that stage there was no realistic prospect of returning to live at the property and it ceased to be their main residence.

The most interesting aspect of the appeal concerned the exemption provisions. The parties agreed that a Class E exemption could not apply. Class E applies where a person has their sole or main residence elsewhere in specified circumstances, including hospitals and care homes in England, Wales and Scotland. Because the taxpayer was residing in residential care overseas, those conditions were not met.

The tribunal then considered Class I. Unlike Class E, Class I applies where a person has their sole or main residence elsewhere for the purpose of receiving personal care. The taxpayer was receiving personal care in residential accommodation overseas. Had the taxpayer been residing in a hospital, care home or similar establishment in England, Wales or Scotland, the exemption provisions would have operated differently. However, because the care was being provided outside those jurisdictions, the taxpayer was able to satisfy the eligibility requirements for a Class I exemption.

The BA argued that the exemption could not apply because the taxpayer had originally travelled abroad to visit family rather than to receive care. The tribunal rejected that interpretation, holding that the relevant question was the taxpayer's circumstances when the dwelling ceased to be their main residence. By that point the taxpayer was living elsewhere for the purpose of receiving personal care and qualified for the exemption.

The appeal was allowed. The tribunal reinstated the single person discount until the taxpayer entered residential care, awarded a Class I exemption thereafter and directed the removal of the council tax premium. The decision highlights the distinction between Classes E and I and demonstrates how an overseas care arrangement can produce an outcome that would not ordinarily arise where a taxpayer enters residential care in England or Wales.

Click here to read the full decision.

Consolidated Practice Statement (CPS)

Please note: the CPS can be found on the VTS website under VTE guidance.

Decisions of the VTE - Council Tax Liability

Second Home Premium

The appeal concerned the billing authority's (BA) decision to apply a 100% council tax premium to a property that was substantially furnished but was not the appellants' main residence. The BA had adopted the premium in accordance with its statutory powers, and the panel accepted that the property fell within the category of dwellings occupied only periodically. There was no dispute that the appellants did not use the property as their sole or main residence and that it was instead marketed and occupied through short-term Airbnb bookings.

The appellants argued that the property should qualify for a Class H exception because it was actively marketed for letting and had been occupied by paying guests throughout the financial year. They maintained that the ongoing availability and use of the property for accommodation purposes meant that the exception should apply.

The panel accepted that the property was advertised through Airbnb and that this was supported by the evidence. However, it found that the statutory requirements for a Class H exception had not been met. The legislation requires a dwelling to be offered for letting under a valid tenancy agreement. The panel concluded that the arrangements entered into through Airbnb were not tenancies but short-term licence arrangements for visitors and holidaymakers.

The appellant relied on the House of Lords decision in Street v Mountford, arguing that guests occupied the property exclusively and therefore the arrangements should be treated as tenancies. The panel was not persuaded by that argument. It noted that Street v Mountford establishes that exclusive possession may indicate a tenancy, but the true nature of an arrangement must be determined by considering all the surrounding circumstances.
The panel also considered the decision in Errington v Errington, referred to in Street v Mountford, which recognises exceptions where exclusive possession does not create a tenancy. In the panel's view, holiday accommodation falls within such an exception.

Although guests may have exclusive use of the property during their stay, their occupation is temporary, intended for visitor or holiday purposes, and not for establishing a home. Consequently, there is no intention by either party to create a tenancy, and the arrangement remains a licence.

Having considered the evidence and the relevant case law, the panel concluded that the Airbnb lettings did not amount to tenancy agreements and therefore did not satisfy the requirements of the Class H exception. As a result, the BA had correctly applied the premium to the property.



Accordingly, the panel found no error in the BA's decision and dismissed the appeal.

The full decision can be found here.

Billing Authority Webinar Series

The Valuation Tribunal Service (VTS) is hosting a series of regional webinars for Billing Authorities during November 2026. The sessions provide an opportunity to hear updates, ask questions and support effective communication between Billing Authorities and VTS.

The session will:

- Provide information on VTS processes and developments
- Share updates relevant to Billing Authorities
- Anwer your questions
- Support effective communication between Billing Authoroities and the VTS

Webinar sessions available:

Session 1 - North West, 11 November 2026 at 14:00
Session 2 - North East and Yorkshire, 12 November 2026 at 10:00
Session 3 - East and West Midlands, 17 November 2026 at 10:00
Session 4 - East Anglia, 19 November 2026 at 14:00
Session 5 - South East and West, 24 November 2026 at 14:00
Session 6 - London, 26 November 2026 at 14:00

The joining loinks are available above. Alternatively, colleagues can email appeals@valuationtribunal.gov.uk to request the appropriate link.

We look forward to seeing you there.



We welcome any feedback.

Editorial team:
David Slater
Amy Kandola
Claire Cooper
Charlotte Stafford

Contact us:
033 445 8100

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