

Decision Maker: Councillor John Lodge,
Leader of the Council

Date: 17 May 2021

Title: Council Tax Write Off

Report Author: Angela Knight, Assistant Director - Resources
aknight@uttlesford.gov.uk

Summary

1. A notification was received from the valuation office in July 2020 re-banding a domestic property from band B to band F and this was back dated to 2008.
2. The occupiers of the property had notified the valuation office of changes to the property as required in 2008 and had received no notifications since that time of a property band change.
3. The back dated valuation generated a council tax liability for prior years totalling £11,896.35. Due to the lack of communication for 12 years from the valuation office, it is not appropriate for the arrears to be applied to the customer's account.
4. This is an error outside of the control of the property owners, the account has never been in arrears and the couple have not defaulted on their council tax liability during this period. Once notification was received the owners have paid the increased liability in line with the re-banding since July 2020.

Recommendations-

5. It is recommended that the Cabinet approve the backdated council tax amount of £11,896.35 is written off.

Financial Implications

6. No significant impact as this was a re-banding the higher rate council tax for all years would not have been included in any budget assumptions.

Background Papers

7. None

Impact

8.

Communication/Consultation	N/A
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

Situation

9. In 2008 the owner of two smaller properties next to each other demolished one property and used the site to extend the existing building to make one larger dwelling and the Valuation Office was notified as required.
10. The Valuation Office acknowledge receipt of the notification regarding this property change but did not action any changes or remove the demolished building from the valuation listing.
11. As there were no amendments to the valuation listing the customer continued to receive his Council Tax bills at the same banding rate as prior to the changes in the properties.
12. The owners followed the correct procedure and notified the correct people/departments in July 2008 when they did not receive an updated council tax bill, they assumed there were no changes to the liability on their property.
13. In July 2020, the council were notified of amendments to the valuation list (this is a regular communication to the Council from the Valuation Office), included in this listing was the merged/updated property as discussed above. As the original notification was received in July 2008 the new liability charge at band F was applied to the account automatically from date of notification. The property was previously valued at band B and this change in banding generated arrears in the sum of £11,896.35.
14. Once notified the owners of the property have paid the increased liability at the higher band, they have been residents in Uttlesford for many years and have never defaulted on their payments.

15. The delay in the re-banding of the property is an error on the part of the Valuation Office and the owners have appealed this decision with them directly but it was not upheld. The charge against the property is actioned by the Valuation Office but the decision on whether to apply the monetary charge to the customer account and subsequent arrears is a council decision as they are the collecting agent.
16. The customer had received no communications in the 12 years since he submitted the notification of amendments to the properties, and it seems unreasonable that they should be charged for something outside of their control.

Risk Analysis

17.

Risk	Likelihood	Impact	Mitigating actions
Loss of income	None	None	The backdated increased banding liability would not have been included in any budgets so there would be no income loss in actual monetary value

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.