
STATUTORY INSTRUMENTS

1992 No. 550

COUNCIL TAX, ENGLAND AND WALES

**The Council Tax (Situation and Valuation
of Dwellings) Regulations 1992**

<i>Made</i>	- - - -	<i>9th March 1992</i>
<i>Laid before Parliament</i>		<i>10th March 1992</i>
<i>Coming into force</i>	- -	<i>31st March 1992</i>

The Secretary of State for the Environment, as respects England, and the Secretary of State for Wales, as respects Wales, in exercise of the powers conferred on them by sections 3(3) and (7) and 7(2) and (3) of the Local Government Finance and Valuation Act 1991⁽¹⁾ and sections 1(3), 10(2), 21(2), 113(1) and 116(1) of the Local Government Finance Act 1992⁽²⁾ and of all other powers enabling them in that behalf, hereby make the following Regulations—

PART I
GENERAL

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Council Tax (Situation and Valuation of Dwellings) Regulations 1992 and shall come into force on 31st March 1992.

(2) In these Regulations—

“the Act” means the Local Government Finance Act 1992;

“the 1988 Act” means the Local Government Finance Act 1988⁽³⁾;

“caravan” shall be construed in accordance with Part I of the Caravan Sites and Control of Development Act 1960⁽⁴⁾;

“composite hereditament” has the meaning assigned by section 64(9) of the 1988 Act;

“ground level” means the highest level of ground contiguous with—

(1) 1991 c. 51
(2) 1992 c. 14.
(3) 1988 c. 41.
(4) 1960 c. 62.

- (a) in the case of a structure where sub-paragraph (b) does not apply, the structure; or
 - (b) in the case of a structure which forms part of a larger structure, the larger structure; and
- “single property” has the meaning given by the Council Tax (Chargeable Dwellings) Order 1992(5).
- (3) References in these Regulations to the superficial extent of a caravan, houseboat or other structure are to be treated as references—
- (a) in the case of a caravan, to its floor area measured externally;
 - (b) in the case of a houseboat, to its enclosed volume; and
 - (c) in the case of any other structure—
 - (i) if the lowest floor of the structure is above ground level, to the floor area of the lowest floor measured externally;
 - (ii) if the whole of the structure is below ground level, to the floor area of the lowest floor measured internally;
 - (iii) if neither of the foregoing paragraphs applies, to the area of the structure measured externally on a horizontal plane at ground level.

PART II

SITUATION OF DWELLINGS

Interpretation of Part II

2. In this Part—

“part”, in relation to the area of a billing authority, means the part of its area in which, for the purposes of section 30(1) and (2) of the Act, dwellings fall, or are assumed to fall, within a particular category(6); and

“relevant dwelling” means a dwelling situated or, by virtue of regulation 3 below, treated as situated in a billing authority’s area.

Dwellings within the area of more than one billing authority

3.—(1) Subject to paragraphs (2) and (3), where a dwelling falls within the area of two or more billing authorities, the dwelling shall be treated for the purposes of Part I of the Act as situated in the area in which the greater or greatest part of the dwelling, determined in accordance with regulation 5, is situated.

(2) Subject to paragraph (3), where a dwelling is part of a single property which falls within the area of two or more billing authorities, it shall be treated for the purposes of Part I of the Act as situated in the area in which the greater or greatest part of that property, determined in accordance with regulation 5, is situated.

(3) Where a dwelling is a composite hereditament or is part of a single property which is a composite hereditament, each such dwelling shall be treated, for the purposes of Part I of the Act, as situated in the area in which the composite hereditament is treated as situated, for the purposes of Part III of the 1988 Act.

(5) S.I. 1992/549.

(6) See section 30(4) and (5) of the Local Government Finance Act 1992.

Dwellings in more than one part of a billing authority's area

4.—(1) Subject to paragraph (2), where a relevant dwelling falls within two or more parts of a billing authority's area, it shall be treated for the purposes of Part I of the Act as situated in the part in which the greater or greatest part of the dwelling, determined in accordance with regulation 5, is situated.

(2) Where a relevant dwelling is part of a single property which falls within two or more parts of a billing authority's area, it shall be treated as situated in the part in which the greater or greatest part of the single property, determined in accordance with regulation 5 is situated.

Rules for ascertaining situation of dwellings

5.—(1) For the purposes of regulation 3, the greater or greatest part of a dwelling or a single property, is to be ascertained by reference to the superficial extent of the structure of which the dwelling or, as the case may be, the property consists or which forms part of the dwelling or property; and for this purpose "structure" does not include any structure not contiguous with the principal structure on the premises of which the dwelling consists.

(2) Paragraph (1) shall apply for the purposes of regulation 4 as it applies for the purposes of regulation 3 as if for references in that paragraph to a dwelling there were substituted references to a relevant dwelling.

(3) Where no part of the superficial extent of a caravan, houseboat or other structure can reasonably be ascertained, in accordance with paragraph (1) to be greater than any other, the part of the caravan, houseboat or other structure to be treated as the greater or greatest—

- (a) for the purposes of regulation 3, shall be determined by agreement between the billing authorities within whose areas the several parts of that superficial extent are situated or, failing such agreement, by lot between those authorities;
- (b) for the purposes of regulation 4, shall be determined by the authority.

PART III

VALUATION OF DWELLINGS

Valuation of dwellings: general

6.—(1) Subject to regulation 7, for the purposes of valuations under section 21 (valuations for purposes of lists) of the Act, the value of any dwelling shall be taken to be the amount which, on the assumptions mentioned in paragraphs (2) and (3) below, the dwelling might reasonably have been expected to realise if it had been sold in the open market by a willing vendor on 1st April 1991.

(2) The assumptions are—

- (a) that the sale was with vacant possession;
- (b) that the interest sold was the freehold or, in the case of a flat, a lease for 99 years at a nominal rent;
- (c) that the dwelling was sold free from any rent charge or other incumbrance;
- (d) except in a case to which paragraph (3) applies, that the size, layout and character of the dwelling, and the physical state of its locality, were the same as at the relevant date;
- (e) that the dwelling was in a state of reasonable repair;
- (f) in the case of a dwelling the owner or occupier of which is entitled to use common parts, that those parts were in a like state of repair and the purchaser would be liable to contribute towards the cost of keeping them in such a state;

- (g) in the case of a dwelling which contains fixtures to which this sub-paragraph applies, that the fixtures were not included in the dwelling;
 - (h) that the use of the dwelling would be permanently restricted to use as a private dwelling; and
 - (i) that the dwelling had no development value other than value attributable to permitted development.
- (3) In the case of a valuation carried out for the purposes of an alteration of the valuation list resulting from a material reduction in the value of the dwelling, it shall be assumed that—
- (a) the physical state of the locality of the dwelling was the same as on the date from which the alteration of the list would have effect; and
 - (b) the size, layout and character of the dwelling were the same—
 - (i) in the case of an alteration resulting from a change to the physical condition of the dwelling, as on the date from which the alteration of the list would have effect;
 - (ii) in a case where there has been a previous alteration of the valuation list in relation to the dwelling, as on the date from which that alteration had effect;
 - (iii) in a case where in relation to the dwelling, there has been a relevant transaction within the meaning of section 24, not resulting in an alteration of the valuation list, as on the date of that transaction;
 - (iv) in a case to which more than one of sub-paragraphs (i) to (iii) applies, as on whichever is the latest of the dates there mentioned; and
 - (v) in any other case, as on 1st April 1993.
- (4) Sub-paragraph (g) of paragraph (2) applies to any fixtures which—
- (a) are designed to make the dwelling suitable for use by a physically disabled person; and
 - (b) add to the value of the dwelling.
- (5) In paragraph (2)—
- “common parts”, in relation to a dwelling, means any part of a building containing the dwelling and any land or premises which the owner or occupier of the dwelling is entitled to use in common with the owners or occupiers of other premises in the immediate locality;
- “flat” has the same meaning as in Part V of the Housing Act 1985⁽⁷⁾;
- “permitted development” means development for which under the Town and Country Planning Act 1990⁽⁸⁾ planning permission is not required, or for which no application for planning permission is required;
- “relevant date” means—
- (a) in the case of a valuation carried out for the purposes of an alteration of the valuation list, the day from which that alteration would have effect; or
 - (b) in any other case, the day on which the valuation is made;
- “rentcharge” has the same meaning as in the Rentcharges Act 1977⁽⁹⁾.
- (6) In determining what is “reasonable repair” in relation to a dwelling for the purposes of paragraph (2), the age and character of the dwelling and its locality shall be taken into account.

⁽⁷⁾ 1985 c. 68.

⁽⁸⁾ 1990 c. 8.

⁽⁹⁾ 1977 c. 30.

Valuation of dwellings: composite hereditaments

7.—(1) In the case of a dwelling which is a composite hereditament or is part of a single property which is a composite hereditament, the value of the dwelling, for the purposes of valuations under section 21 of the Act, shall be taken to be that portion of the relevant amount which can reasonably be attributed to domestic use of the dwelling.

(2) In paragraph (1)—

“domestic use” has the same meaning as in section 24 of the Act; and

“relevant amount” means the amount which the composite hereditament might reasonably have been expected to realise on the assumptions mentioned in regulation 6, other than paragraph (2)(h) of that regulation, if for the references to the dwelling throughout paragraphs (2) to (6) of that regulation, there were substituted references to the composite hereditament.

Revocation of Regulations

8. The Domestic Property (Valuation) Regulations 1991⁽¹⁰⁾ and the Domestic Property (Valuation) (Amendment) Regulations 1991⁽¹¹⁾ are hereby revoked.

9th March 1992

Michael Heseltine
Secretary of State for the Environment

9th March 1992

David Hunt
Secretary of State for Wales

⁽¹⁰⁾ S.I. 1991/1934.

⁽¹¹⁾ S.I. 1991/2815.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations relate to properties in England and Wales that are dwellings for council tax purposes. The properties that are dwellings for these purposes are defined in section 3 of the Local Government Finance Act 1992 (“the 1992 Act”).

Part II of the Regulations contains rules for treating a dwelling which falls within the area of more than one billing authority as situated in only one of those areas, and for ascertaining the particular part of a billing authority’s area within which a dwelling is to be treated as situated.

Part III sets out the basis of valuation of dwellings for the purposes of valuation lists required to be compiled and maintained under Chapter II of Part I of the 1992 Act. The value of any dwelling, other than one to which regulation 7 applies, is to be taken to be the amount which, on the assumptions specified in paragraphs (2) and (3) of regulation 6, it might reasonably have been expected to realise if sold on the open market by a willing vendor on 1st April 1991.

Regulation 7 makes special provision for composite hereditaments.

Regulation 8 revokes the Domestic Property (Valuation) Regulations 1991 and amending Regulations. The 1991 Regulations are superseded, as to regulations 2 and 4, by these Regulations and, as to regulations 3 and 5, by sections 22 and 5(2) and (3) of the 1992 Act, respectively.