



**Valuation Office Agency**

## **Council Tax Wales**

## **Revaluation 2005**

**Post Evaluation Review of the operational aspects of the project.**

## **COUNCIL TAX WALES**

### **Revaluation 2005 – Project Evaluation Report Index**

<b>Section 1</b>	Purpose of Project
<b>Section 2</b>	Key Business Objectives
<b>Section 3</b>	Terms of Reference
<b>Section 4</b>	Project Methodology
<b>Section 5</b>	Achievement of business objectives and benefits secured
<b>Section 6</b>	Banding Methodology
<b>Section 7</b>	Budget
<b>Section 8</b>	Resourcing
<b>Section 9</b>	Training
<b>Section 10</b>	Information Technology
<b>Section 11</b>	Communications
<b>Section 12</b>	Quality and Timeliness Targets
<b>Section 13</b>	Informal Enquiries and Appeal Programming
<b>Section 14</b>	Stakeholder Involvement
<b>Section 15</b>	Customer Satisfaction
<b>Section 16</b>	Best Practice
<b>Section 17</b>	Recommendations
<b>Appendix A</b>	Project Costs
<b>Appendix B</b>	Summary of Enquiries and Appeals

## **COUNCIL TAX REVALUATION WALES 2005 – POST EVALUATION REVIEW.**

### **1. PURPOSE OF PROJECT.**

Council Tax came into effect on 1 April 1993 and was established under the provisions of the Local Government Finance Act 1992. The VOA has a duty under this Act to compile and maintain valuation lists and specify bands within which dwellings are placed.

The Welsh Assembly Government commissioned a Council Tax Revaluation and Rebanding of all dwellings in Wales to take effect on 1 April 2005, with an Antecedent Valuation Date (AVD) of 1 April 2003.

Details of the Banding structure was announced in The Council Tax (Valuation Bands) (Wales) Order (S I 2003/3046(W289) which came into force on 30 November 2003.

### **2. KEY BUSINESS OBJECTIVES.**

- Allocate new bands to approximately 1.3m domestic properties throughout Wales.
- Produce draft lists on 1 September 2004.
- Issue notification of proposed new bands to Council Tax payers.
- Produce compiled lists on 1 April 2005.
- Develop an enquiries and appeals handling system.

### **3. TERMS OF REFERENCE OF REVIEW.**

The aim of a Post Evaluation Review (PER) is to assess the success of the project in delivering its key business objectives. It should particularly concentrate upon items that can be of use to both current and future projects in England and Wales. This PER looks at the work undertaken by the Valuation Office Agency in Wales to deliver the 2005 Council Tax Revaluation. It does not cover any policy aspects.

The PER should commence on 3 January 2006 and provide a draft report to the CTR Wales Project Board by 30 April 2006 and a final report by 31 May 2006. The final report will be presented to the Management Board on 29 June 2006.

Key areas for investigation are as follows: -

1. Achievement of Business objectives and benefits secured.
2. Project governance and methodology.
3. Budgetary control.
4. Stakeholder involvement and satisfaction (Welsh Assembly Government, Welsh Valuation Tribunal Service, Welsh Billing Authorities and VOA stakeholder teams) – excluding policy issues.
5. Resourcing and training.
6. Banding methodology.
7. IT requirements and deliverables.
8. Development of informal enquiries and appeal programming.
9. Customer satisfaction.
10. Achievement of timeliness and quality targets.

11. Communication strategy (including issue of Notices).
12. Lessons learned, identified best practice and future recommendations.

#### **4. PROJECT METHODOLOGY.**

The project was set up under the guidelines as contained in the "Agency Project Management Manual (APMM)" with a Project Board being established from the outset, and a Project Manager being appointed in January 2002. Following an early recommendation from Internal Audit the structure of the Project Board was rationalised in order to give the Project Board greater independence from the Project Team.

The exercise became a formal project in January 2002 with feasibility studies having taken place during 2001. In February 2002 the Welsh Assembly Government made the formal announcement that a Council Tax Revaluation would take effect on 1 April 2005. This date coincided with the NNDR Revaluation. A project plan was drawn up in March 2002 using Microsoft Project software, and was revisited on a regular basis by the Project Board to ensure overall success of the project. Risk assessment was a standing agenda item on Project Board meetings and regularly reviewed in between. A Risk Assessment schedule was drawn up and fully updated.

The Project Board was made up of representatives from CEO Council Tax, Group Management and TUS. In addition Internal Audit Office (IAO) had a standing invite to attend project board meetings.

Formal links with key CEO divisions ie.HR Training, Corporate Communications and Customer Services were not established from the outset of the project and as a result these divisions were not involved in the initial stages of the strategic planning of the project.

#### **Recommendations 1 and 2.**

#### **5. ACHIEVEMENT OF BUSINESS OBJECTIVES AND BENEFITS SECURED.**

All key business objectives of the project were met with all domestic properties throughout Wales being given a new Council Tax Band within the required timescale. It is too early to comment conclusively on the accuracy of the List produced, however the initial acceptance of the List measured against the volume of enquiries and appeals received (34,818 during first year of new list) is very favourable in comparison with estimates made – prior to the lists going live – for planning purposes of ensuring capacity to handle up to 80,000 appeals and enquiries (subsequently reduced to 65,000).

#### **6. BANDING METHODOLOGY.**

It was decided from the outset that a "manual" Revaluation would take place in Wales, with AVM technology not having been sufficiently investigated and developed by the VOA for use on CTR 2005. Statistical information of property sales were provided by the VOA to the Welsh Assembly Government in order that a Banding structure could be arrived at, and then individual properties placed in those Bands. This followed closely the approach adopted for the 1993 Revaluation. The broad methodology and timescale adopted was as follows:-

#### **Survey records (April 2002-ongoing)**

Updating of survey records to take account of alterations to dwellings since 1993.

A combination of taxpayer questionnaires, external and internal inspections were undertaken.

### **Key sale creation (October 2002- September 2003)**

Identification from Particulars Delivered (PD's) of the key sales evidence within each locality. A taxpayer's questionnaire was then used to verify survey records as at date of sale. The sales were later analysed when the Bands were known to set parameters in readiness for Banding.

### **Banding (April 2003- July 2004)**

Billing Authority areas were divided up into "communities" and the larger communities divided up into location specific batches in readiness for Banding. The Banding sheets contained not only current Band and addresses but also survey characteristics and last sale on each property where available. The majority of survey information was not held electronically and therefore part of the process involved the caseworker identifying the type and size of each property from manual records, inspection or digital mapping, and recording this for input with the Bands where time allowed and such information was readily available.

Prior to commencement of Banding the necessary research was done within the "community" and a "bible" created containing a summary of key property types and their values, the key sales with photocopies of relevant documents in readiness for defence, taxpayers questionnaires, estate agents particulars and any other relevant information e.g. new housing development - house types etc. The properties within each batch were then Banded: where the sales indicated that the property fell well within Band margins no inspection was undertaken; where the information showed the property to be on the margins or there was a lack of data an external inspection was usually carried out.

The completed batches were subject to quality control and then input and the inputting subject of a further quality control check.

As Communities/Billing Authorities were completed, further quality assurance was undertaken via two computer-generated reports: -

- Deviation reports looked for large Band movements.
- Sales reports allowed comparison of actual sale prices to Bands over a period of time to ensure the correct Band had been ascribed.

Specialist property types including agricultural dwellings, licensed property and park homes were the subject of national (England and Wales) coordination to ensure consistency of valuation approach.

During the period November 2002 to April 2004, 50,830 questionnaires were issued with 30,911 being returned representing a return rate of just over 60%. Such a return rate is acknowledged to be very good; however unfortunately there is no comparable industry standard to benchmark this against. Lessons learned in terms of improving return rates and quality of information received has already been captured and is being taken forward as part of the CT Customer Interface project.

Delays in inputting sales transactions resulted in some comparable evidence not being considered at the initial Banding stage resulting in an increased number of consequential amendments post April 2005. Reval Circular 18 gave instruction to Groups to ensure inputting of sales transactions was brought up to date (those 6 months either side of AVD as a minimum), however this does not seem to have been followed in all Group locations, with no formal monitoring having been undertaken to establish adherence.

With some 51,000 sales to be verified a robust approach had to be adopted which may have sacrificed some accuracy. It is considered that Sales Verification work forms part of an ongoing process and links in with AVM work. This would place the VOA in a much stronger position to inform government.

**Recommendations 8, 9, 10, 14, 17, 18 and 20.**

## **7.0 BUDGET**

### **7.1 Estimated Costs**

There were extra marginal costs of managing the CTR in Wales (e.g. project manager and support from central CEO CT Team, CEO Finance, Communications and ITSD) and these have been reflected in the total costs.

The Agency's Finance and Planning Division, working with the Chief Valuer Wales, estimated the costs of undertaking a Council Tax Revaluation in Wales in January 2002 at £4.80m and the Welsh Assembly Government were notified accordingly.

In March 2003 the Welsh Assembly Government notified the Agency that an announcement regarding the Banding structure would be delayed. This delay resulted in the accumulation of additional work such as revisiting of batches where Band marginal properties existed.

During the project the Welsh Assembly Government agreed with the VOA that there was a requirement to undertake an inspection programme to improve the quality of the property information database.

The above two events increased costs from £4.80m to £5.27m.

### **7.2 Budgetary Control**

The costs of the project were monitored at three levels.

Total costs, including overheads, were monitored at Agency level by Finance and Planning Division. Centrally managed costs, for example IT and Corporate Communications, were monitored by the individual CEO divisions responsible for those costs and local budget managers managed delegated local costs such as local staff and operating costs.

Whilst these processes ensured adequate financial control there appears to be very little evidence in project documentation of budgetary information being made available to the project board or active budgetary control being discussed at project board meetings.

## **Recommendation 15**

### **7.3 Actual Costs**

Using staff usage data collated by the Agency's Business Efficiency Unit the staff days employed on the project have been costed. These actual staff costs - together with the associated operating costs - were compared to the estimated cost of the project. The results show a small under spend of £72,000 (1.4%) over the 3 year life of the project.

Details of actual costs are contained in **Appendix A**.

## **8.0 RESOURCING.**

The resources required for the project were discussed and agreed during the early part of 2001 between the Agency's Finance and Planning division and Chief Valuer Wales.

The initial allocation of staff resources was undertaken prior to the introduction of the new grading structure.

It was agreed between both Groups and CEO that there would be a single Team Leader covering all seven locations in Wales.

A Team Leader was appointed from 1 April 2002 but due to the transfer of this postholder to another business stream another Team Leader was appointed in October 2002.

Recruitment of staff was undertaken quickly, however there was an inevitable time lag between taking up duty and being operationally effective. The calibre of the staff recruited was such that the time lag had very little impact on the progress of the project.

Consultation took place between Trade Union Side (TUS) and CEO (HR) in deciding the allocation of tasks to the appropriate grade.

A need was identified for some Band 3 resource to provide technical assistance and support to the Team Leader who was spread too thinly having to cover seven locations within two Groups. Following Grade structure review a Band 6 allocation was also introduced to the project. To allow for these changes adjustment to the resources initially allocated to the project had to be made.

The high number of advancements and new recruits resulted in a significant training programme as the staff involved were either new to Council Tax procedures or new to the Agency. This resulted in all staff involved in the Revaluation requiring training.

### **Recommendations 3, 4 and 13.**

## **9.0 TRAINING.**

Throughout the Revaluation training was delivered by both HR Learning and by members of Project Team mainly including the Project Manager and Team Leader.

HR Learning delivered a generic Council Tax Referencing course during 2003 that was tailored to meet the needs of the Revaluation in Wales with a specific session on the Banding exercise taken by the CT Reval Team Leader. All Band 5's undertaking the Revaluation attended this course. HR Learning do not hold any evaluation results prior to November 2004 when an electronic only system was introduced, and therefore the effectiveness of this training cannot be measured other than anecdotally.

HR Learning in conjunction with the CT Reval Team Leader delivered two further courses early in 2005 for staff that would be dealing with Defence of the List. Caseworkers new to the grade attended "Resolving CT Appeals", with 91% of those attending stating that their training objectives had been met, and all caseworkers attended "Valuation Tribunal Presentation Skills" with all stating that their training need had been met.

All staff involved in sales analysis and the identification of "key properties" attended a workshop in July 2003, with further workshops being held in November 2003, March 2004 and November 2004 to discuss the banding of composite properties and park home sites, which resulted in revised practice notes being issued.

The Team Leader and Project Manager undertook two road shows in all locations in Wales. The first in August 2004 dealt with the procedures to be adopted for dealing with enquiries received as a result of the publication of the Draft List. The subject of the second road show in March 2005 was dealing with enquiries/appeals post 1 April 2005 including the programming of appeals. During these road shows process maps were worked through with all staff to ensure consistent application of the process.

Staff who were on the Helpdesks attended customer care and call handling training which involved a series of two day sessions provided by HRMC external consultants in generic telephone/call handling skills. This course was a joint one for CT Enquiries and Summary Valuation Enquiries. This training proved to be successful with 99% of all staff attending saying that their training objectives had been met.

Instructions were provided to staff by a series of Wales Council Tax Revaluation Circulars and booklets. Process maps for dealing with enquiries on draft list were available on the Intranet from August 2004 and for dealing with enquiries/appeals post 1 April 2005, from March 2005. Staff used the process maps initially for training purposes but as they became confident with the procedures they used them only as an aide-memoire. Staff preferred to use hardcopy instructions as they found it difficult to access the process maps on the system at the same time as dealing with telephone callers and entering required information on telephone call logging system and having to access the Central Data Base (CDB) for information to assist the tax payer.

This was a project local to offices in Wales and a proactive approach to training was undertaken, with the onus on the Team Leader and Project Manager to identify training needs and request it from HR Learning.

It is considered that training was delivered on time, was relevant to the needs of the project and was well received by staff.

#### **Recommendation 5.**

### **10.0 INFORMATION TECHNOLOGY.**

The IT Services Division (ITSD) provided continuous assistance to the project. Representatives from Wales attended the joint application development meetings held between IT Services Division and Cap Gemini with the first one being held in January 2002.

Initial support provided by ITSD was to produce an "Inspection Support Data by Location" report for each community in Wales for use by caseworkers as working / input dockets. These printed sheets provided a breakdown by street of every address, it's current Band, dwelling house codes, whether a logged CR10 report was outstanding and the latest sale information if available. Bulk production of the reports was undertaken by ITSD and were delivered to locations in Wales in readiness to commence the banding on 1 April 2003.

Due to the short timescale it was not possible to develop a case based system to undertake the Revaluation so new functionality that permitted the capture and maintenance of 2005 Reval Bands together with associated reports and enquiry functionality was added to the existing Council Tax application. As a consequence of this action there is no history held of draft list Bands.

Draft lists were produced on 1 September 2004 and provided to Billing Authorities via the VOA File Transfer site. Billing Authorities then placed copies on their Internet Websites. It was understood at the time that legislation did not allow the draft lists to be placed on the VOA website although later investigation appeared to suggest that this view may have been erroneous. However by this stage publication on the VOA website was no longer feasible due to time constraints

Completely revised draft lists were produced fortnightly but no update schedules were provided, although a report for VOA and Billing Authority use, listing the new, deleted and changed entries was made available at the same time the draft lists were updated. Local Office Notices (LON's)

which provide taxpayers with details of their revised proposed 2005 Band were issued on the occasion of each revised draft list.

The introduction on 1 April 2005 of the new Council Tax Lists for Wales led to minor redevelopment of the existing CT application with the main change being the introduction of a "List Year" field on most screens. In England this defaults to "1993" but in Wales the user has to choose between "1993" and "2005".

Regular statistical updates required by the Welsh Assembly Government and the VOA including the numbers of properties Banded and movement of Bands, were produced manually until November 2003. After that date statistics were provided electronically, however due to a heavy workload at Micro Systems Group (MSG) at CEO there was a slight delay to the production of these returns.

## **Recommendation 5 and 12.**

### **11.0 COMMUNICATIONS.**

#### **11.1 Communication Strategy**

A meeting between the Welsh Assembly Government and the VOA (Chief Valuer Wales and CEO Communications) to agree a communications strategy was held on 17 November 2003.

Various avenues of communication were used to ensure the project was completed successfully, with staff and stakeholders being kept informed via written communication ie circulars/ e-mails or via meetings.

At every stage of the project the VOA considered the requirements of the Welsh Language policy and where necessary issued all correspondence in a bi-lingual format.

The CT Reval Team Leader and Project Manager made regular visits to all locations. These and regular team meetings provided staff with the opportunity to discuss and resolve any communication issues.

CEO Corporate Communications became involved in the project from mid 2003 onwards, and were involved in defined areas of the project mainly to do with the development of specific communication materials, which were developed in consultation with CEO Customer Services, the project team in Wales and the Welsh Assembly Government.

The VOA put out press releases and were successful in getting coverage on several high profile broadcast stations and newspapers.

Briefing packs were prepared by Corporate Communications with input from staff in Wales for use by Members of Parliament (MP's) and Assembly Members (AM's). There is no record of how successful these briefing packs were.

PowerPoint presentations were produced by Corporate Communications and used as a basis of presentations by senior staff in Wales when responding to requests for public talks from both groups of taxpayers and councillors.

Forms, guidance notes, leaflets and standard letters to be used for the appeal process post 1 April 2005 were updated.

"Peoples Panels" were used to test the updated appeals literature. The new letters alongside the originals and in conjunction with the new literature were tested on council taxpayers and

staff – some of whom were Welsh speaking. Testing revealed that there was a clear preference for the re-written letters, with taxpayers expressing better understanding, and less frustration about the way they perceived that their appeal was being handled. In itself, this is likely to have reduced the number of enquiries. All feedback was incorporated into the final versions, which were ready for use on 1 April 2005. The research with taxpayers provided insight into customer needs that was useful beyond the scope of the project. This testing also meant that the communications solution was based on real, not perceived needs of taxpayers and staff.

To ensure that the materials developed did indeed support staff and taxpayer needs, further testing was carried out some months after delivery. Six members of staff were interviewed by a research company in July 2005, with results showing that the letters and the appeal leaflet were being effective. It is suggested that such testing of standard letters and leaflets becomes a regular process as customer understanding and perceptions change during the Revaluation / Defence cycle.

Media management was developed as an agency-wide process, with all staff being given guidance on whom to contact if a journalist enquiry was received. Queries from the media were fielded to the central press office. Media training was given to all key spokespeople in Welsh Groups.

The Welsh Assembly Government issued two leaflets to all homes in Wales. The first was a general explanatory leaflet of the forthcoming Revaluation, and the second provided further information on issues such as the relief available under the “moderation scheme” for households moving up two bands or more. The VOA had input into the content of both leaflets.

## **Recommendations 8, 11 and 21.**

### **11.2 Individual notification of proposed 2005 Band.**

It was decided early on in the project and in consultation with the Welsh Assembly Government that all taxpayers in Wales would be issued with notification of their proposed 2005 Band immediately following deposit of the draft list.

An initial notification was drawn up and then subject to consultation at the Local Taxation Working Group. This group recommended that the notification included not only the proposed Band but also the 1993 list Band to allow taxpayers to make a comparison and to promote greater understanding.

The notices provided taxpayers with information on the basis of valuation for Council Tax, details of their current 1993 Band and proposed 2005 Band and also advised them that although they were unable to make a formal appeal until 1 April 2005 if they had a query they could contact the VOA and details on how to do this was also provided in the notice (Help Desk telephone number).

Also included with the notice was the second leaflet written by the Welsh Assembly Government. The purpose of issuing the notice and the leaflet together was to provide sufficient information to enable the taxpayer to make an informed decision as to whether they needed to query their proposed Band or not.

Due to the short timescale in which to issue the notices and the large numbers of staff that would be required to undertake this task it was decided that it would be more cost effective to use an outside contractor to print and issue the notices. Adare Halcyon who were also issuing summary valuations for the Non- Domestic Revaluation was awarded the contract.

A targeted approach was decided upon and a timetable for posting the notices was produced and agreed with the Welsh Assembly Government. This timetable was included in the VOA press release of 24 August 2004.

ITSD liaised with Adare Halcyon with regard to the bulk printing of the notices for every draft list entry and provided them with the template and all the data required for the printing of the notices. ITSD also proof checked and verified the notices.

Concerns regarding the risk of non-delivery of large numbers due to deficiencies in the VOA address database proved unfounded. The notices were issued during the first 3 weeks of September 2004 and less than 10,000 or 0.76% of the total number issue were returned undelivered by end of October 2004.

## **Recommendation 7**

### **11.3 Helpdesks**

A decision was made to introduce a single telephone helpline number with helpdesks in each location, which would be focused solely on handling Council Tax enquiries received as a result of the publication of the draft lists and then the compiled lists. The benefits of this approach were that all notification documentation could be issued with just one single contact number, and the introduction of the helpdesks also ensured that switchboards were not trying to field notification enquiries, in addition to the normal volume of calls.

A script for dealing with queries on the draft list was produced in conjunction with CEO Customer Services and Corporate Communications, and was based on the one already issued for NDR summary valuations. There is no record of how effective these scripts were, although it has been commented on that they were very narrow in what they covered.

The scripts were then updated for use in dealing with queries after the publication of the compiled list.

Local offices did not have access to the BT Inbound Architect site and were therefore unable to monitor the volume of calls and unable to identify which staff were logged on and available to take calls. Although CEO had access to detailed statistics showing calls received and numbers missed, this information was not available until the next day at the earliest. It would have been useful for local offices to have had access to “real time” information.

## **Recommendation 6**

### **12.0 QUALITY AND TIMELINESS TARGETS.**

#### **12.1 Quality**

Council Tax Wales Circulars were issued during the Revaluation process to set out the processes and required standards for the Banding exercise, dual maintenance procedures and quality control and assurance.

Whilst these circulars set out clear instructions for all processes, it appears from the comments received from two BAs that the dual maintenance procedures were not always followed and resulted in Bandings being altered “out of sync”, which created substantial billing difficulties for them. Due to the limited responses from BA’s to the PER consultation, it is however difficult to establish whether this was a wide spread problem or isolated incidences. However, it does highlight the need to ensure that all centrally defined processes are adhered to, and fully

understood by those undertaking them, so they understand the implications for others if they are not strictly followed.

Control sheets were required to be completed during the Banding exercise for each 'batch' which initially contained 250 properties, but could be increased to 1,500 after completion of 5 successful batches once these had passed the quality control procedures outlined in Reval Circular 17. This followed the batch progress right through to the QC undertaken following input.

The only real measure of the quality of the Banding exercise is to look at it in relation to 1) the number of enquiries that have been received since the issue of notifications and publication of the draft list in September 2004, 2) the number of appeals received since the publication of the compiled list in April 2005, and 3) the corresponding alterations that have been made to the list.

#### Pre-lists going live:

- Between 1 September 2004 and 31 March 2005, 29,357 enquiries were received against the draft list. This represents 2.2% of the total number of Banded dwellings.
- Of these, nearly 25% were dealt with by 1<sup>st</sup> line helpdesk operators and required no further action: of the balance, a further 40% were similarly "no actioned" after 2<sup>nd</sup> line consideration. Where Banding adjustments were made, the majority were reductions – though in some 830 instances Banding increases resulted.
- Consequential adjustments were also made where – as a result of enquiries – it was clear that Banding of neighbouring properties should be revised.

#### Post-lists going live:

- From 1 April 2005 to 31 March 2006:
  - 20,842 enquiries had been received against the compiled list, representing 1.58% of the total number of Bandings.
  - 13976 appeals had been received, representing 1.06% of the total number of Bandings.
- As a result of handling enquiries, appeals and consequential actions, as at 31 March 2006 the number of Banding alterations as a percentage of the overall number of live Bands was 1.85%.

#### Analysing these results:

- Of those enquiries resolved as at 31 March 2006 – 60% resulted in no change to the Banding, 39% resulted in a reduction and 1% in an increase.

Of those appeals resolved as at 31 March 2006 – broadly one-third result in no change, and two-thirds result in a reduction.

**See Appendix B for further details.**

The low enquiry and appeal rate as shown above indicates the overall levels of confidence shown in the 2005 CT List by taxpayers, and therefore the overall robustness and quality of the Banding exercise. Further comment on the enquiry and handling process itself appears below in Section 13.

Whilst statistics are now in place to facilitate the ongoing monitoring of enquiries and appeals, the absence of a case based system prior to April 2005, meant all initial enquiry statistics had to be recorded manually. This was a time consuming process and restricted the amount of the

management information readily available. The need for a full functional case based system must be a priority requirement for any future Revaluation.

## **Recommendation 17.**

### **12.2 Timeliness**

The new Banding scheme was due to be announced in April 2003, and work was scheduled to commence on allocation of proposed Bands from this date through to August 2005. However, this announcement was delayed until November 2003, to enable the Welsh Assembly Government to consider and consult on the Banding structure.

This delay effectively reduced the time scale for this task from 15 months to just 8 months. However, in order to minimise the impact to the project, a contingency plan was introduced and work commenced on non-Band sensitive properties between April and November 2003. The late confirmation of Bands did mean that borderline properties in early batches had to be put on hold, which did have some impact on efficiency as these then had to be reviewed when the new scheme was known.

Just over 1.3 million properties had to be revalued by August 2004. Monthly incremental Banding targets were set for each office, which were a percentage of their total number of properties. Progress against these targets was closely monitored by the Project team.

Although the delay in the Banding announcement did hamper the application of the sales evidence to support the Banding exercise the overall impact was kept to a minimum by adopting the above approach. The Banding timetable was still adhered to, and was actually completed one month in advance, at the end of June 2004. This was a major achievement on the part of all involved.

The final deadline for the production of the compiled list was met and the lists were made available to the BA's in advance of official publication.

Unfortunately the commitment to have the compiled list available on the VOA website at the start of business on the 1 April 2005 was not met due to a lack of clarity of communication between the VOA and Capgemini. The Lists finally appeared at 18:45 on 1 April 2005. This delay meant that taxpayers could not make an electronic appeal during this time. However, there is no record of any complaints being received, and the delay does not appear to have had a major operational impact. As a result of this incident, a joint review between VOA (ITSD) and Capgemini was undertaken. The main recommendation following this review was that a VOA release manager should be appointed for all major IT projects in future to co-ordinate the individual IT releases and ensure that all project requirements are documented and scheduled.

## **Recommendation 16**

### **13.0 INFORMAL ENQUIRIES AND APPEAL PROGRAMMING.**

The issuing of individual notification of proposed 2005 Bands resulted in the VOA receiving 29,357 (2.2% of total Bands) enquiries on the draft list between 1 September 2004 and 31 March 2005. With there being no case based system available a manual system to control and monitor the enquiries was devised.

This consisted of a locally produced docket that was attached to the back of questionnaires used for telephone enquiries and to the back of written enquiries.

Due to the lack of electronic management information a spreadsheet was devised to record a manual count of numbers of enquiries received, cleared and outcomes.

Lack of a case based system meant that there was no history other than on paper or telephone call logging.

A decision was made in January 2005 to continue with the enquiry process post 1 April 2005. New case types were set up on the Council Tax application to deal with the enquiries and this enabled more management information to become available.

19,612 enquiries have been resolved as at 31 March 2006 of which 1,676 – less than 10% - have resulted in formal appeals, demonstrating very clearly the success of the enquiry process in filtering out the more straightforward cases.

It was originally estimated for planning purposes that the VOA might need to handle up to 80,000 appeals (subsequently reduced to 65,000) in the first 2 years of the new list. To assist the VOA to plan for this work it was agreed with the Welsh Assembly Government and the VT that the Agency would have a programming system for dealing with appeals arising from the 2005 Council Tax Revaluation.

Additional functionality was added to the existing CT Application for the administration of sub programmes for appeal cases. All valid Council Tax 2005 appeals are allocated to a sub-programme. With the relatively low appeal rate to date (13,976 as at 31 March 2006) compared to the original planning scenario assumptions, the Programming regime has not been significantly tested.

An electronic VT Presentation Pack was developed and available for use by caseworkers by end of June 2005, which has been very well received by caseworkers.

The development of the software for the programming of appeals and the VT Presentation Pack was not part of the original scope of the project.

As noted above, the whole enquiry and appeals process was geared around dealing informally with taxpayer's enquiries and although there is no direct customer satisfaction survey data, the implementation of informal enquiries has been generally well received by the public. Sending out appeal forms in advance of 1 April 2005 would have meant in some instances them being returned prior to that date – however well it was explained – with an invalid appeal the outcome. The time between draft list and the ability to make an appeal against the compiled list, also gave opportunity to embed the culture of informal enquiries with staff new to the work who could have been disposed to just sending out an appeal form – there was some evidence of this post 1 April 2005 which had to be addressed.

Overall, the introduction of informal enquiries has been very successful and has been instrumental in the significantly lower than estimated levels of formal appeals.

## **Recommendation 22.**

### **14.0 STAKEHOLDER INVOLVEMENT.**

Stakeholders were kept informed of and involved in the Revaluation process via:-

- VOA (mainly Chief Valuer Wales) and the Welsh Assembly Government liaison meetings.
- Tri-partite meetings between VOA, the Welsh Assembly Government and the Valuation Tribunal Service for Wales.

- Local Taxation Working Group (LTWG) meetings at which representatives from all the Billing Authorities (BA'S) were present.

PER consultation from the Welsh Assembly Government, Valuation Tribunal Service for Wales and the BA's has been very limited, however throughout the project feedback and satisfaction via the above meeting structure was positive and beneficial, and it is felt that the level of stakeholder involvements was well balanced.

Close working and liaison between the VOA and the Welsh Assembly Government was particularly effective, and has played an important part in the overall success of the project.

## **15.0 CUSTOMER SATISFACTION.**

Minutes of meetings with the Welsh Assembly Government express strong satisfaction with the progress and achievement of the project.

To date there has been a low volume of enquiries and appeals relative to the overall number of properties, which is a strong indication of taxpayer acceptance. This however could be masked to some extent by the very strong growth in the Welsh property market between the Antecedent Valuation Date and the Compiled List date.

There has been limited feedback from PER consultation. Negative comments from Billing Authorities mainly surround delays in Dual List maintenance, and the lapse in time between updating 1993 and 2005 lists.

Complaints received within the two Welsh Groups between 1 April 2004 and 31 March 2006 total 123 with 96 in South Wales and 27 in North Wales. These complaints centre in the main around delays in dealing with enquiries and appeals, and valuation issues.

Greater involvement of Group Customer Service Managers (GSCM) and at an earlier stage of the project would have ensured improved customer response monitoring, and improved understanding of the project by the GSCM's.

### **Recommendation 5 and 19.**

## 16.0 BEST PRACTICE.

<b>Best Practice / What went well</b>	<b>Why?</b>
1. Liaison with HR Training, Communications and Customer Services	Communications strategy produced, together with more customer friendly documentation. Wide range of training delivered throughout the Revaluation exercise.
2. Team Leader appointed at the out set of the project.	TL took an active part in the planning and development of processes. However, at times this did mean that the TL was over stretched which could have been overcome, had a TL been appointed for each Group.
3. Appointment of Band 3 technical advisors to the project.	Assisted the TL by fielding queries and providing technical guidance and advice to caseworkers.
4. The issue of individual notification of proposed 2005 Band to taxpayers	The information provided in the notice created transparency and improved acceptability. It also positively encouraged taxpayers to contact the VOA to query their band if they so wished.
5. Handling of enquiries from taxpayers following the issue of Banding notifications.	Queries were looked into and where required Bands corrected prior to the compiled lists and bills being issued Procedures put in place enabled a speedy resolution to enquiries despite the lack of a fully integrated case based IT system.
6. Establishment of Helpdesks to handle first line enquiries.	Enabled speedy resolutions of enquiries by directing them to a single telephone number, which also provided good customer service. However, the inability to monitor call volumes locally on occasions meant that if any hotspots occurred action could not be taken immediately to resolve it.
7. Where appropriate to inspect all enquiry and appeal properties.	The accuracy and quality of survey data held was improved and the ability to quickly identify consequential was increased.
8. The use of "Peoples Panels" to test literature	Literature produced was based on real, not perceived needs of taxpayers and staff.

## 17.0 RECOMMENDATIONS.

The following recommendations are based on the VOA's assumption that Automated Valuation Model (AVM) technology would be fully utilised in any future Council Tax Revaluation in Wales.

1.	Formal training be provided to all staff undertaking project management.
2.	Relevant CEO divisions should be involved at the outset of any Revaluation project as a strategic partner to ensure they are included in the planning process so that sufficient resource and support is provided.
3.	One Team Leader for each Group to be appointed at the outset of any future Revaluation.
4.	Allocating Band 3 resource to the Revaluation project should be repeated in future and extended to more / all locations.
5.	A fully integrated IT case based system needs to be developed and implemented before the commencement of any future Revaluation to include an automated case creation facility for Dual List work, sufficient history on draft list, controlling and monitoring of enquiries, and a main enquiry function to produce statistical returns.
6.	A telephone monitoring system be provided that enables volume of calls and potential hotspots to be monitored locally in real time.
7.	Individual Draft List Notifications to Council Taxpayers of proposed Bands be issued and helpdesks used in all future Revaluations.
8.	"Peoples Panels" be used to test any major changes to VOA literature and communication strategy including contents of questionnaires.
9.	Full data capture and validation exercise of all CT records is undertaken prior to any future Revaluation.
10.	Sources of property information need to be reviewed for effectiveness of links, including with Billing Authorities.
11.	The VOA & the Welsh Assembly Government should adopt a proactive approach to Revaluation publicity
12.	The VOA must be confident that it may publish the draft list for any future Revaluation by having statutory cover well in advance.
13.	Internal and external trawls are run concurrently and with greater lead-in time to enable staff to be in place from project planned date.
14.	Greater emphasis and adequate time needs to be allocated to the verification of key sales information.
15.	Budget monitoring should be a standard item at a Project Board meeting and budget information should be available to the Project Board.
16.	A VOA release manager is appointed for all IT projects to co-ordinate the individual IT releases.
17.	Need for specific measures and formal monitoring needs to be set up at start of a project in order that its success can be successfully measured and evaluated against them. These measures need to cover all aspects of the project and not just achievement against key business objectives.
18.	Sales Verification work should be an ongoing process.

19. Group Customer Services Managers should be involved in a Revaluation project from an early stage.
20. Consideration needs to be given to a process to enable the VOA to sample check details provided on questionnaires.
21. Testing and reviewing of standard letters and leaflets becomes a regular process as customer understanding and perceptions change during the Revaluation / Defence cycle.
22. Need for customer satisfaction surveys to be sent out to individuals making informal enquiries.

## **APPENDIX A.**

### **COUNCIL TAX WALES – PROJECT COSTS.**

	<b>2002-03 £m</b>	<b>2003-04 £m</b>	<b>2004-05 £m</b>	<b>Grand Total</b>
<b>Staff Costs</b>	0.449	1.618	1.656	3.723
<b>Operating Costs</b>	0.027	0.177	0.230	0.434
<b>IT Costs</b>	0.130	0.017	0.569	0.716
<b>Overheads</b>	0.039	0.138	0.148	0.325
<b>TOTAL COSTS</b>	0.645	1.949	2.603	5.198
<b>ESTIMATED COSTS / APPROVED FUNDING</b>	1.510	1.790	1.970	5.270
<b>Under spend</b>				-0.072

## **APPENDIX B.**

### **SUMMARY OF ENQUIRIES AND APPEALS FROM SEPTEMBER 2004 TO MARCH 2006.**

WALES COUNCIL TAX REVALUATION 2005

Enquires and Appeals received since 1 April 2005

Group	Live Bands as at 1 April 2005	Outcomes												
		Total Enquires (CR15)	Enquires (CR15) as % of Live bands	Resolved enquiries (both written and telephone)								Summary		
				Total Enquires Resolved	Total No Actioned	No Actioned as % of resolved	Band Reduced	Band reduced as % of resolved	Band Increased	Band increased as % of resolved	Total Reduced (CR15s)	No reduced as % of Live bands	Total Increased (CR15s)	No Increased as % of Live bands
South Wales TOTAL	983,608	11,817	1.20%	11211	6793	60.59%	4209	37.54%	119	1.06%	4209	0.43%	119	0.01%
North Wales TOTAL	333,995	9,025	2.70%	8401	4906	58.40%	3356	39.95%	68	0.81%	3356	1.00%	68	0.02%
All Wales TOTAL	1,317,603	20,842	1.58%	19612	11699	59.65%	7565	38.57%	187	0.95%	7565	0.57%	187	0.01%

Group	Live Bands as at 1 April 2005	Outcomes												
		Total Formal Appeals	Appeals as % of Live bands	Resolved appeals								Summary		
				Total Appeals Settled	Total Withdrawn or Dismissed	Withdrawn/ Dismissed as % of settled	Band Reduced	Band reduced as % of settled	Band Increased	Band increased as % of settled	Total Reduced (Appeals)	No reduced as % of Live bands	Total Increased (Appeals)	No Increased as % of Live bands
South Wales TOTAL	983,608	10,244	1.04%	6493	1905	29.34%	4288	66.04%	0		4288	0.44%	0	
North Wales TOTAL	3,339,995	3,732	0.11%	2669	898	33.65%	1707	63.96%	0		1707	0.05%	0	
All Wales TOTAL	1,317,603	13,976	1.06%	9162	2803	30.59%	5995	65.43%	0		5995	0.45%	0	

Group	Live Bands as at 1 April 2005	Outcomes													
		Total Consequentials Identified (CR16s)	Appeals as % of Live bands	Resolved CR16s								Summary			
				Total CR16s Resolved	Total No Actioned	No Actioned as % of resolved	Consequentials Reduced	Consequentials reduced as % of resolved	Consequentials Increased	Consequentials increased as % of resolved		Total Reduced (Inc Consequentials)	No reduced as % of Live bands	Total Increased (Inc Consequentials)	No Increased as % of Live bands
South Wales TOTAL	983,608	18,309	1.86%	11733	3652	31.13%	5312	45.27%	2604	22.19%		13809	1.40%	2723	0.28%
North Wales TOTAL	333,995	6,064	1.82%	3991	1253	31.40%	2373	59.46%	350	8.77%		7436	2.23%	418	0.13%
All Wales TOTAL	1,317,603	24,373	1.85%	15724	4905	31.19%	7685	48.87%	2954	18.79%		21245	1.61%	3141	0.24%

Total Enquiries & Appeals received between 1st September 2004 - 31st March 2006

Group	Live Bands as at 1 April 2005	Summary			
		Total Reduced (Inc Consequentials)	No reduced as % of Live bands	Total Increased (Inc Consequentials)	No Increased as % of Live bands
South Wales TOTAL	983,608	19488	1.98%	8266	0.84%
North Wales TOTAL	333,995	14471	4.33%	2275	0.68%
All Wales TOTAL	1,317,603	33959	2.58%	10541	0.80%

WALES COUNCIL TAX REVALUATION 2005

Enquiries received between 1 September 2004 - 31 March 2005

Group	Live Bands as at 1 April 2005	Enquiries received - all sources		Enquiries dealt with at first line	Second line resolution		Second line resolved enquiries (both written and telephone) at 25/3/06							Consequential				Summary - Enquiries and Consequential										
		Total Written enquiries	Total Telephone Enquiries		Total No of enquiries (Telephone & Letter)	Enquiries as % of Live bands	Total Requiring Further Work	%age Of those complete as at 25/3/05	Total Enquiries Resolved	Total No Actioned	No Actioned as % of resolved	Band Reduced	Band reduced as % of resolved	Band Increased	Band increased as % of resolved	Consequentials Reduced	Consequentials reduced as % of identified	Consequentials Increased	Consequentials increased as % of identified	Total enquiries /conseq'tials	Total enquiries /conseq'tials % list	Resolved by 25/3/05	Total Reduced	Reduced % list	Total Increased	Increased % list	Total No band change	No band change %
South Wales TOTAL	983,608	3836	15040	18876	1.92%	5038	13838	83%	11535	8166	71%	2614	23%	755	7%	3065	39%	4788	61%	26729	2.7%	24426	5679	0.58%	5543	0.56%	13204	1.34%
North Wales TOTAL	333,995	2093	8388	10481	3.14%	2318	8163	79%	6422	3454	54%	2893	45%	75	1%	4142	70%	1782	30%	16405	4.9%	14664	7035	2.11%	1857	0.56%	5772	1.73%
All Wales TOTAL	1,317,603	5929	23428	29357	2.23%	7356	22001	82%	17957	11620	65%	5507	31%	830	5%	7207	52%	6570	48%	43134	3.3%	39090	12714	0.96%	7400	0.56%	18976	1.44%

NOTES:-

First Line Resolutions - Dealt with at first point of contact

Second Line Resolution - Passed to caseworker for further investigation

Consequential - refers to action that is taken in respect of 1 or more comparable properties that are reviewed as a consequence of a banding decision and may lead to an alteration in the band