

North Devon Conservatives

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Date: 12 January 2009

Government targets North Devon's 'nice neighbourhoods' with higher taxes ***Tax bombshell as Whitehall inspectors draw up plans to increase council taxes***

Philip J Milton, Conservative Prospective MP for North Devon, expressed alarm at the news today that Government tax inspectors have divided England up into 10,000 neighbourhoods and North Devon up into thirty-seven neighbourhoods, as part of Gordon Brown's plans for a council tax revaluation after the General Election.

So-called 'localities' have been covertly drawn up by government surveyors and by using commercial 'geo-demographic data'. After the revaluation, council tax bills will be based on the 'niceness' of the community and the character and lifestyles of the people who live in a neighbourhood.

- **Valuing every neighbourhood for its niceness:** Whitehall tax inspectors from the Valuation Office Agency have divided up England into 10,000 units in preparation for the council tax revaluation. Each neighbourhood has been given a 'value significance', which has been fed into the Government's council tax revaluation database – the Automated Valuation Model. Using complex mathematical calculations, nice neighbourhoods will end up being hit with higher council tax bills. The council area of North Devon has been carved up into thirty-seven such neighbourhoods.
- **Different bills for different neighbourhoods:** 'ACORN' lifestyle data helps the tax inspectors differentiate between neighbourhoods with 'student flats' or 'single parents', and those with 'retired home owners' or 'farming communities'. A leaked Powerpoint presentation delivered by the Government's Deputy Director of Council Tax shows how the new revaluation database can distinguish a 'local authority housing estate' next to a 'privately built housing estate' – with the implication that the latter will pay more tax purely because of its different neighbourhood characteristics.

- **ID number for every neighbourhood:** Each neighbourhood has been given a six digit ID number – but no name. The historic character of North Devon will be ignored by the tax inspectors and instead we shall just have numbers such as 1115_32. The Government has refused to publish the maps and boundaries of the individual neighbourhoods on grounds the information is ‘commercially sensitive’, but has admitted that the maps and values are being updated and refined frequently.

This new technology has not previously been used in Britain. However, the Labour Government did undertake a council tax revaluation in Wales in 2005, where four times as many homes moved up a council tax band as moved down – showing how the revaluation will be used to increase the tax burden.

Philip said:

“There is now cast-iron evidence that Gordon Brown’s tax inspectors are preparing for a council tax revaluation after the next General Election.

“Labour Ministers have literally developed a 21st Century Domesday Book – and have carved up North Devon into anonymous ‘localities’ for taxation. Family homes which enjoy lower rates of crime, less traffic or a friendlier community, compared to the national average, now face the prospect of higher taxes.

“Council tax is already at record levels thanks to Gordon Brown. A Conservative Government will scrap Labour’s plans for the council tax revaluation, and free up central funds to help local councils freeze council tax bills.”

FOR FURTHER INFORMATION OR PHOTOCALL PLEASE CONTACT:

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Notes to Editors

A detailed dossier on the Government’s council tax plans, “Gordon Brown’s nice neighbourhood tax”, is available upon request - contact Philip Milton on 01271 344300.

The Government’s list of the code numbers given to each individual neighbourhood in each council area is at:

<http://www.parliament.uk/deposits/depositedpapers/2008/DEP2008-1833.xls> (Excel file)

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