THE VALUATION TRIBUNAL FOR ENGLAND

Non-Domestic Rating / valuation / analysis of rents / rents agreed before construction and correct date to take / tenant fit out costs purely for own business use not included in devaluation / appeals allowed in part.

Re: Barnardo's, Units 3A and 3B, Hatherell's Yard, High Street, Chipping Sodbury, Bristol BS37 6BA (1)
Sodbury Florist, Units 3C and 3D, Hatherell's Yard, High Street, Chipping Sodbury, Bristol BS37 6BA (2)

APPEAL NUMBERS: CHG 100076019 (1) CHG100026003 (2)

BETWEEN: CDF (31) Limited *(1)* Appellants

The Sodbury Florist *(2)*

and

Dal S Virk Respondent

(Valuation Officer)

BEFORE: Mr A Clark (a Vice-President of the Tribunal)

REGISTRAR & CHIEF CLERK: Mr J Bestow

REMOTE HEARING: 16 February 2021

Appearances: Mr S Maughan of Maughan Mitchell Chartered Surveyors on behalf of Appellant (1) who are the owners of the hereditament. Barnardo’s, the occupiers, are a registered charity and had no interest in the outcome of the appeal due to the charitable relief awarded and therefore did not partake in the process.

Ms Amy-Louise Curtis -Whitfield of Sodbury Florists (2) appeared as ratepayer but it was agreed by the panel at an earlier hearing on 19 October 2020 that she could be assisted by Mr P Fox a Director of CDF (31) Limited. It was also agreed that the appeals could be heard together and the evidence for both cases should be subsumed into one hearing.

Mr T Keen of the Valuation Office Agency appeared on behalf of the Valuation Officer (VO).

Summary of decision

1. The appeals were allowed in part and the values in terms of zone A (ITZA) were reduced from £260 per m^2 to £220 per m^2 on the basis of a further rental analysis of Units 3C and 3D and also being mindful of the values for entries in the prime location, the High Street. The entries in the Rating List were reduced to:

   Barnardo's, Units 3A and 3B, Hatherell's Yard, High Street, Chipping Sodbury, Bristol BS37 6BA Rateable Value £14,750 wef 1 April 2017

   Sodbury Florist, Units 3C and 3D, Hatherell's Yard, High Street, Chipping Sodbury, Bristol BS37 6BA Rateable Value £13,000 wef 1 April 2017

Introduction

2. The President of the Valuation Tribunal for England (VTE) is required to make sure arrangements are in place and make such statements and Directions so as to ensure that business before the Tribunal is conducted in accordance with The Local Government Finance Act 1988, Schedule 11, Part 1, paragraph A17(1) and The Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009. By virtue of Part 2 regulation (5)(arrangement for appeals) and regulation (6)(3)(g) (appeal management powers) the VTE may determine the form of any hearing.

3. Therefore, in pursuance of Regulation (6)(3)(g) the VTE has incorporated "remote hearings" as part of that definition and for the time being as the default option until it is safe to return to normal working. The Tribunal's Consolidated Practice Statement has been amended to reflect this.

4. This is not intended to be an exhaustive record of the proceedings, but the parties can be assured that all of the evidence presented was fully considered by me before coming to a decision. Consequently, the absence of a reference to any statement, or evidence, should not be construed as it having been overlooked.

5. In accordance with the normal procedure, the Appellants presented their case first followed by the Respondent.

Background

6. The point in dispute was in respect of two 2017 appeals which were made under the Check, Challenge and Appeal process.

7. Following the completion of the Check stage proposals were submitted on 21 February 2019 (1) and 25 April 2018 (2). Decision Notices were issued on 9 July 2020 and 20 June 2019.

8. Appeals were made and accepted on 5 November 2020 (1) and 8 November 2019 (2). A hearing notice was issued in respect of the Sodbury Florist case and the hearing commenced on 19 October 2020. The panel issued a preliminary decision on an evidential issue. Both Ms Curtis-Whitfield and the Landlord's representative, Mr P Fox, attended the hearing as well as Mr Keen for the Respondent.

9. The evidential issues concerned a number of items. One was a letter from Mr Fox clarifying the terms of the lease as well as a statement of case from the Appellant. The panel concluded that both pieces of evidence were admissible in the proceedings as well as the Respondent's response.

10. There then followed consideration of three pieces of additional evidence that the Appellant sought to introduce on 5 October 2020. One was the

letter from the landlord which had already been agreed to, a further response to the VO's email of March 3 and a copy of an 18 page proposal document served on the VO by the ratepayer for Unit 2 Hatherell's Yard. The panel decided that the two new pieces of evidence would not be accepted into the proceedings.

11. The panel also recommended that all appeals in respect of Hatherell's Yard be listed to the same hearing and with the agreement of the parties at the proceedings before me be heard together.

12. The two appeals were listed for hearing on 16 February 2021. There was an application made to the VTE by Mr Simon Maughan, on behalf of the Appellant for Units 3A & 3B, to include a revised statement of case on the basis of a revised floor area and amended valuation. This was refused by a senior member on 19 January 2021 as (in short) the matter should have been addressed during the Check stage of the process. It appears unfortunate that whilst the decision of the senior member was correct in law, I understood that Mr Maughan had only been instructed once an appeal was made, and therefore any useful knowledge and information he possessed was not able to be considered.

13. The Respondent, just before the hearing sought a postponement as the appeals in part concerned fit out costs which were on the Tribunal's stayed list. Initially the Tribunal's Registrar found favour with the application and the cases were postponed but, following a further objection by Mr Fox, the cases were referred to me. I decided that, from the paperwork summaries, the cases could be heard and instructed fresh hearing notices be issued for the hearing to proceed as originally listed. Following the further notices the Respondent sought a postponement as his representative could not be present on the day. I refused the application as the date would have been in the diary following the initial listing. I was grateful to Mr Keen for appearing at short notice as substitute.

14. In brief the respective Appellants were dissatisfied with the rateable values entered into the 2017 Valuation List from 1st April 2017.

15. For 3A and 3B that was £17,250 RV based upon £260 per m^2 Zone A, although in July 2020 the Valuation Officer amended the entry to £16,750 RV based upon £250 per m^2:

Ground Floor	Retail Zone A	52.48 m^2 x £250 per m^2	£13,120
Ground Floor	Retail Zone B	23.71 m^2 x £125 per m^2	£2,964
Ground Floor	Office	4.71 m^2 x £31.25 per m^2	£147
	Air Conditioning	76.19 m^2 x £7 per m^2	£533
		Total	£16,764

16. For 3C and 3D that was £15,500 RV also based upon £260 per m^2 Zone A (although following the receipt of some additional evidence the Valuation Officer offered to reduce the entry to £14,750 RV again based upon £250 per m^2:

Ground Floor	Retail Zone A	49.02 m^2 x £250 per m^2	£12,255
Ground Floor	Retail Zone B	17.68 m^2 x £125 per m^2	£2,210
	Air Conditioning	66.70 m^2 x £7 per m^2	£467
		Total	£14,932

17. Both properties were let to the occupiers by CDF (31) Limited. They built them during 2013, not as a speculative development, but on the basis of them being pre-let to the eventual occupiers. As such the occupational leases were not completed until the summer of 2014 once building work had

been completed although the rents had been agreed during 2013 almost 2 years before the Antecedent Valuation Date (AVD).

18. The initial rent for 3A and 3B was £19,080 pa (with a 3 month rent free period). The lease was dated 24th September 2014 and some 80.9 m^2 has been valued to arrive at the RV.

19. The initial rent for 3C and 3D was £14,600 pa (with a 15 week rent free period). The lease was dated 22nd August 2014 and some 66.7 m^2 has been valued to arrive at the RV.

20. The VO has included an element in each valuation for Air Conditioning (£7 per m^2). The system was installed by the landlord and is included within the rent passing (although from the paperwork it is described as a Cosset Style Air Handling System).

21. For both leases there was a side agreement that the lessees were only responsible for internal repairs.

22. In arriving at the Rateable Values the VO has analysed the initial rents passing (together with a rent on Unit 2 now let to Koala Kreations but initially let to Cadeaux and Co for £16,000 pa).

23. The VO's revised analysis produced rents in terms of Zone A of

    Unit 2 - £224.14 per m^2

    Units 3A and 3B - £255.15 per m^2

    Units 3C and 3D - £232.05 per m^2

24. The Appellants question the VO's rental analysis.

25. The appeal properties are located in Hatherell's Yard, a courtyard development with access through it to Waitrose (some 200 metres distant), and used as a cut through from the main car parks. It can also be used to access market stalls and the High Street. The Appellants disputed that there was much additional footfall as a result of the cut through.

26. They also questioned the general rental trend in and around High Street, Chipping Sodbury, where shops fronting the High Street and in the vicinity of Hatherell's Yard were valued at £265 per m^2 Zone A, whereas Hatherell's Yard was valued at £260 per m^2 Zone A for the 2017 List. The Appellants pointed out that in the 2010 List Hatherell's Yard was valued at £200 per m^2 Zone A with the High Street at £250 per m^2 Zone A. That followed an inspection by the Valuation Officer's then representative. The appeal hereditaments had increased in terms of RV by some 30% between the 2010 and 2017 Lists, whereas the High Street had only increased by 6%.

The Law

27. The statutory hypothesis is contained in paragraph 2 of Schedule 6 to the Local Government Finance Act 1988. The statutory definition of rateable value is as follows;

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(1) The rateable value of a non-domestic hereditament [none of which consists of domestic property and none of which is exempt from local non-domestic rating] shall be taken to be an amount equal to the rent at which it is estimated the hereditament might reasonably be expected to let from year to year on these three assumptions—

(a) the first assumption is that the tenancy begins on the day by reference to which the determination is to be made;

(b) the second assumption is that immediately before the tenancy begins the hereditament is in a state of reasonable repair, but excluding from this assumption any repairs which a reasonable landlord would consider uneconomic;

(c) the third assumption is that the tenant undertakes to pay all usual tenant's rates and taxes and to bear the cost of the repairs and insurance and the other expenses (if any) necessary to maintain the hereditament in a state to command the rent mentioned above.

28. The date of the let was, for the purpose of these appeals, 1 April 2015 with the material day being 1 April 2017.

29. The Respondent quoted the principles of how to treat rental evidence from *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976]. The six propositions in *Lotus* stated:

"(i) Where the hereditament which is the subject of consideration is actually let that rent should be taken as the starting point.

(ii) The more closely the circumstances under which the rent is agreed both as to time, subject matter and conditions relate to the statutory requirements contained in the definition of gross value in s19(6) of the General Rate Act 1967, the more weight should be attached to it.

(iii) Where rents of similar properties are available they too are properly looked at through the eye of the valuer in order to confirm or otherwise the level of value indicated by the actual rent of the subject property.

(iv) Assessments of other comparable properties are also relevant. When a valuation list is prepared these assessments are to be taken as indicating comparative values as estimated by the Valuation Officer. In subsequent proceedings on that list therefore they can be properly referred to as giving some indication of that opinion.

(v) In the light of all the evidence an opinion can then be formed of the value of the subject hereditament, the weight to be attributed to the different types of evidence depending on the one hand on the nature of the actual rent and, on the other hand, on the degree of comparability found in other properties.

(vi) In those cases where there are no rents available of comparable properties a review of other assessments may be helpful but in such circumstances it would clearly be more difficult to reject the evidence of the actual rent."

30. The Respondent cited *Edma (Jewellers) Ltd* v. *Moore (VO)* LVC/93/1975 as the approach to take on improvements and that '*the objective is the determination of the rent which a tenant might reasonably be expected to pay under the rating hypothesis in those cases where the tenant under the*

actual lease carries out certain capital expenditure on the landlord's hereditament. It is proper to assume that the gross value is higher than the amount of rent reserved under the lease' and *'it would appear reasonable to assume that if a tenant is prepared to pay for the benefits of occupation partly by way of capital expenditure, he would also be prepared to pay the same amounts calculated in actual annual terms'.*

31. The Respondent also relied on the Upper Tribunal decision in *Ladies Hosiery and Underwear Ltd* v. *West Middlesex Assessment Committee* [1932] R & IT 116 where it was held by the High Court that if a hereditament is correctly assessed it is no ground for reducing that assessment to show that other similar hereditaments are assessed at lower values. The headnote reads:

    Held, that as the appellant's hereditament had been entered in the valuation list at the proper figure, evidence that the seven other hereditaments had been assessed at a lower figure was irrelevant and could not be used to justify a reduction of the appellant's assessment.

    Scrutton LJ said, at p 688*: "The assessing authority should not sacrifice correctness to ensure uniformity; but, if possible, obtain uniformity by correcting inaccuracies rather than by making an inaccurate assessment in order to secure uniform error."*

Rental Evidence

Units 3A and 3B, Hatherell's Yard

32. This is a double unit. It was let on a new ten year lease with five yearly rent reviews at open market value with effect from 1 August 2014 at £19,080 per annum. There was some dispute as to the terms of the lease between the parties and whether it was on full repairing and insuring terms or just internal repairs. However, the landlord had advised that the property was leased on an internal repairing and insuring basis only and that a 5% adjustment should be made. By the time of the hearing the Respondent had accepted the Appellant's contention and made a 5% adjustment to the rent.

33. There was a further dispute over when the rent was agreed. According to the Appellant (also the landlord) the heads of terms (HOT) were entered into in the autumn of 2013. It was only once that Agreements for Lease were exchanged with the tenants that the development could progress.

34. The landlord disputed that the air-conditioning should be included in the valuation as he had installed it. However, the air-conditioning was rateable in accordance with Class 2 of the Valuation For Rating (Plant and Machinery)(England) Regulations 2000 and by the time of the hearing the point had been accepted.

35. There was a three month rent free period at commencement but no fitting out costs provided. This period was agreed between the parties as an incentive. The rent analysis by the Respondent was at £255.15 per m^2 ITZA. The analysis was:

Rent	£19,080
Less 3 months' rent free over 5 years	-£1108
Less air conditioning	-£533
Total	£17,439
Less 5% for repairs	£16,567.05

Total £16,567.05 / 64.93 m^2 ITZA = £255.15 m^2 ITZA

Units 3C and 3D, Hatherell's Yard

36. This was also a double unit. There was some dispute as to the terms of the lease between the parties and whether it was on full repairing and insuring terms or just internal repairs. Again by the time of the hearing the Respondent had accepted that an adjustment of 5% was required to reflect the terms of the lease.

37. There is a further dispute over when the rent was agreed. According to the Appellant (and confirmed by the landlord) the Heads of Terms (HOT) were entered into in June 2013 and settled in August 2013.

38. Fit out costs (which took two to three weeks to complete) were £2,650 of which £2,500 was a floating ceiling and plastering at £150. It appears that lighting, electric sockets, a WC, kitchen area and flooring were installed by the Appellant's friends and no details of costs were provided. A rent free period was granted at the beginning of the term of 15 weeks.

39. By the time that the challenge was agreed the Appellant had confirmed that the air-conditioning was installed by the landlord and that the running costs and maintenance was covered by a service charge. The air-conditioning was rateable in accordance with Class 2 of the Valuation For Rating (Plant and Machinery)(England) Regulations 2000 and this was accepted.

40. However, the Appellant in respect of Unit 3C & 3D argued in the challenge that an adjustment should be made to reflect the high zone A ratio of width to depth. By the time of the hearing that was a 10% allowance to reflect significant dead frontage, a split double unit with a large width to depth ratio. To respond to this point I would need to examine whether the appeal hereditament is unique on that basis, whether others are the same and received a reduction and finally as there is a rent whether the RV produced is out of sync with that rent which the Respondent stated was agreed close to the AVD.

41. The form of return completed on 5 November 2014 by the Appellant provided the details of the lease. The property was let at £14,600 per annum from 1 July 2014 on a ten year lease at open market value on a full repairing and insuring term. The value in the list equated to £250 per m^2 ITZA:

Rent	£14,600
Less air conditioning	-£467
Total	£14,133

Less 5% for repairs	£13,426.35

Total £13,426.35 / 57.86 m^2 ITZA = £232.05 m^2 ITZA

Other rental evidence

Unit 2 Hatherell's Yard

42. This was let on a new ten year lease at £16,000 per annum with effect from 1 August 2014 with five yearly rent reviews. The form of return indicated there was a two month rent free period and that the landlord was responsible for external repairs. In addition the form stated it was let as a shell with an extra £12,500 being paid to the Landlord over five years. The Land Registry return stated that the rent paid was £18,500 per annum. The £12,500 has been treated by the Respondent as fit out works which they have equated to £2,500 per annum as tenants improvements. However, following evidence by the landlord that the additional payment was in relation to a loan, the rental figure remained as stated. The rent had been analysed as follows:

Rent	£16,000
Less 2 months' rent free over 5 years	-£632
Less external repairs	-£915
Less air conditioning	-£509
Sub Total	£14,859
Less 5% for external repairs	-743
Total	£14,116

Total £14116 / 62.98 m^2 ITZA = £224.14 m^2 ITZA

Other List entries

43. The appeal properties were built in 2014 and therefore the rental evidence of value had been included in the 2017 List for the first time. This makes a

comparison with the previous list values difficult. Both hereditaments are located down an alleyway off the High Street and were considered by the Appellants to be less prominent and therefore less desirable.

44. It was stated by the Appellants (and not disputed) that at the time of the entry into the 2010 Rating List the VOA's representative who inspected considered the location to be such that the units were significantly lower than those on the High Street.

Discussion on the evidence

45. I must value the appeal hereditaments in accordance with the statutory definition and also following the principles established in *Lotus* in determining the appeals where rental evidence is provided. My starting point was the rents on the appeal hereditaments. They were an attractive starting point as they were open market rents and new, first time lets. The first question was whether they met the statutory definition. The Respondent had already made some adjustments to reflect their being let on internal repair terms only. In respect of Unit 3A and 3B an adjustment was made for the three month rent free period and whilst all were let in the same condition, no ingoing works were undertaken for this hereditament. These hereditaments were all newly built and would therefore appear to have been capable of being let as a shop with office without any significant fit out.

46. The case for 3C and 3D was different. The hereditament was let to a florist who had specific requirements for the premises such as a flower preparation area, a store, a small kitchen for staff and a WC. The works only took around two weeks to complete. For the purposes of the valuation the Respondent had ignored all the works undertaken and the areas created through internal partitioning, by valuing the whole premises as retail mainly in zone A and a small amount in zone B (excluding the WC). This caused me some concern as no allowance had been made for the kitchen area which in other retail units would be valued at 10% of Zone A.

47. I am valuing for rating purposes the hereditament vacant and to let as retail without all those altered areas. Furthermore, unless another florist took the

premises on the hereditament will revert back to full retail use. I believe by taking into consideration the ingoing works of the Appellant I am not valuing the premises as a ‘shop but not any particular shop’ but as a florist. There were some works such as lighting of the unit undertaken by friends which may have incurred a very small cost and be of value to any occupier but which I have treated as de minimis.

48. Therefore, to treat the hereditament the same as Unit 3A & 3B I have disregarded the ingoing works for 3C & 3D and have also adjusted the rent to reflect a twelve week rent free period (having accepted that was a reduction from the 15 weeks granted to reflect some work would be undertaken, such as the lighting). I heard from Mr Fox, the landlord, that this period was offered as an incentive to the tenant to take on the leases and was treated as such by the Respondent in respect of 3A and 3B. Therefore, I have amended the devaluation of the rent in respect of 3C and 3D as follows:

Rent	£14,600
Less 12 weeks rent free	£847
Less air conditioning	£467
Total	£13,286
Less 5% for repairs	£12,621.70

Total £12,621.70 / 57.86 m^2 ITZA = £218.14 m^2 ITZA

I made no allowance for the width to depth ratio of the property and the majority being in Zone A as that is what the rent reflected and was in line with other assessments in Hatherell's Yard.

49. It was quite clear to me having read the documentation and having heard from the parties that the rents were set in the summer/autumn of 2013. I was surprised that the Respondent had not accepted that proposition given the evidence provided but instead relied on the Forms of Return which although accurate, didn’t paint the full picture. Was this a different market to that which

was prevalent at 1 April 2015, the antecedent valuation date? Mr Fox gave evidence that in his experience the rental market was more buoyant in 2013 than it was by 2015 and he thought he wouldn't have achieved the rents agreed if he had waited until the hereditaments were completed. The Respondent considered that a period of just short of two years prior to the AVD would be considered good evidence of value at AVD.

50. I have no doubt that the middle to late decade from 2010 has been a period of difficulty for retail units in town centres which has affected rents. Quite when the period commenced and how much of an impact it has had was not provided by any of the parties and therefore I was unable to reflect it in any adjustment. Whilst not relevant to deciding the point, the rent reductions offered at first review demonstrate that rents have fallen but not the date when it commenced. All I could reflect on was that it did raise a question with me as to whether the rents provided, and their devaluations in terms of zone A, properly reflected the statutory definition at the AVD.

51. I would also add that I was looking at rents that were set for brand new units before construction, whereas for the purposes of the valuation I am looking at units that were, by the Material Day, some three years old. Was a premium agreed to by the tenants due to the attraction of taking on a brand new unit built for them? It would seem a strong possibility which could also have affected the rent although I heard no evidence on the point.

52. This then resulted in me finding the following devalued rents:

Unit 2 - £224.14 per m^2

Units 3A and 3B - £255.15 per m^2

Units 3C and 3D - £218.14 per m^2

53. This provided quite a range of values. It was interesting that Mr Maughan questioned the tenants' representation at the rental negotiation stage. One of the tenants was provided by the owners with a loan to assist them in taking on the premises, one was a charity who would be paying little or no rates, a stock

that was donated and no wages to pay and the other tenant was unrepresented in negotiations. With the exception of the loan all those other tenants coming to the table are as much a part of the higgling of the market as those tenants professionally represented and therefore do not need to be reflected in my valuations. I must add that I was impressed with Ms Curtis-Whitfield's presentation to me and have no doubt, based on her experience of occupying retail premises in the area, would not have been blind to rental values.

54. The test in *Lotus* also requires me to look at comparable assessments. Due to the lack of appeals to date for the 2017 Rating List it would appear that a tone for the High Street has not been set. However, that doesn't mean I should disregard those assessments completely. The appeal hereditaments were through a walkway between the High Street and the Waitrose car park. The walk is around 200 metres. From the photographs and evidence provided it was quite clear that the appeal hereditaments were not in a prominent position. The walkway cannot be seen from the car park being down some steps and the walkway from the High Street is narrow and the units hardly noticeable as a domestic dwelling is the most obvious building.

55. I heard from Ms Amy-Louise Curtis-Whitfield that her unit was difficult to locate by customers. The evidence provided by Ms Curtis-Whitfield related not to the material day but recent experiences prior to Valentine's Day but from the plans and photographs I was not surprised. Mr Fox mentioned the lighting difficulties and lack of local authority services but they would have been reflected in the rents paid. The valuer who walked the area with Ms Curtis- Whitfield in 2014, whilst considering a value for the 2010 List, agreed that the units in Hatherell's Yard were significantly inferior to those in the High Street and set values ITZA on that basis. This differential had significantly disappeared for the 2017 Rating List. The Appellants wanted reasons why and the answer was clearly on the basis of the rents paid.

56. I agreed with the Appellants that it was surprising that, given the significant change of view between lists, it would appear that no inspection took place of the area and certainly throughout the CCA process there had been no visit by

the VO's representative. But I cannot criticise Ms H Moffat's (VOA) communications or attempts to resolve matters.

57. I heard in evidence, and included within the Challenge, the evidence from Ms Curtis-Whitfield that she moved from 48 High Street as her lease had come to an end there and that on review the rent was to increase to £16,500 per annum whereas she could let a unit in a new development at a lower rent (£14,600 per annum). It should be noted that the unit she originally occupied was thin and narrow and slightly smaller but I heard evidence from her, being a shop owner in the area for over 14 years, of the clear difference in values between the two areas.

58. Mr Maughan cited 3 Mitre Mews as a comparable as it was situated in an alleyway off the High Street. It had been valued at £150 ITZA but was let for a much lower rent in 2010 and from a photograph appeared to be vastly inferior to the appeal hereditaments and in a different position. I did not find this property or its assessment to be comparable.

59. It is always dangerous to accept values from an area where no tone has been set. In support of ignoring all the assessments in the High Street (the prime location) the Respondent cited the *Ladies Hosiery* case. However, as put by Mr Maughan, there was no suggestion that the High Street should have been valued at a rate higher than the ceiling of £265 ITZA on the basis that all the entries were incorrect. This level would have been set with reference to rental values in the area. I am also of the opinion having heard all the evidence, that the High Street was superior. Whilst I understood the point the Respondent was making *Lotus* doesn't tell valuers to ignore other assessments, far from it.

The Decision

60. In conclusion I decided to follow the process set out in *Lotus* by following the rents (and my analysis), looking at the locality but being mindful of the decision in *Ladies Hosiery*. That led me to a value ITZA of £220 for the appeal hereditaments to be correct. This meant the entries and valuations for the hereditaments in the Rating List were not reasonable. Whilst I have no doubt the Appellants will be disappointed with this, I simply cannot ignore the

rents agreed. Without those rents I would have found a value lower but they were good if not perfect evidence. I, therefore, have also looked at the location (and its accessibility) as well as assessments in the High Street and come to a value at the lower end of the analysed rents.

61. This, when I stand back and look, reflects a value in one appeal much lower than the rent that was paid from 2014, but in the other just above.

62. My valuations are as follows:

Units 3A and 3B

Ground Floor	Retail Zone A	52.48 m^2 x £220 per m^2	£11,545.60
Ground Floor	Retail Zone B	23.71 m^2 x £110 per m^2	£2,608.10
Ground Floor	Office	4.71 m^2 x £22 per m^2	£103.62
	Air Conditioning	76.19 m^2 x £7 per m^2	£533.33
		Total	£14,790.65

Say £14,750 RV

Units 3C and 3D

Ground Floor	Retail Zone A	49.02 m^2 x £220 per m^2	£10,784.40
Ground Floor	Retail Zone B	17.68 m^2 x £110 per m^2	£1,944.80
	Air Conditioning	66.70 m^2 x £7 per m^2	£466.90
		Total	£13,196.10

Say £13,000 RV

Order of the Tribunal

63. The Valuation Officer is ordered to amend the Rating List within two weeks to:

    Barnardo's, Units 3A and 3B, Hatherell's Yard, High Street, Chipping Sodbury, Bristol BS37 6BA Rateable Value £14,750 wef 1 April 2017

    Sodbury Florist, Units 3C and 3D, Hatherell's Yard, High Street, Chipping Sodbury, Bristol BS37 6BA Rateable Value £13,000 wef 1 April 2017

Refund of appeal fees

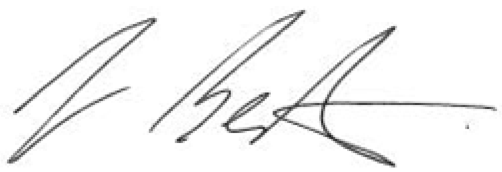
64. The grounds of appeal, namely that the valuations for the hereditaments were not reasonable, have been made out. Consequently, the appeal fees paid are to be refunded in full.

Amendment of the decision record

65. Following the release of the decision to the parties, the respondent identified a clerical error in the analysis of the rent in paragraph 42. This clerical error has been amended in accordance with regulation 39 of the VTE (Council Tax and Rating Appeals) (Procedure) Regulations 2009.

Date: 22 February 2021

Appeal numbers: CHG 100076019 & CHG100026003



Registrar **Vice President**