THE VALUATION TRIBUNAL FOR ENGLAND

2017 rating list appeal; city centre office block; proposed allowance for access difficulty; proposed quantum allowance in respect of the number of car parking spaces; appeal dismissed.

RE: New City House, 57-63 Ringway, Preston PR1 2QD

APPEAL NUMBER: CHG100099901

BETWEEN:	NCO Europe Ltd	Appellant
	and	
	Mr R Roberts (Valuation Officer)	Respondent

BEFORE: Mrs T Watson (Chairman and Senior Member)

CLERK: Mr D Mulgrew

HEARING: Remote hearing No.1 on 19 July 2021

APPEARANCES: Mr K Batty (Appellant's representative)
Mr G Willetts (Respondent's representative)

Summary of decision

1. Appeal dismissed. No change was made to the rateable value.

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 relevant legislation[1]. The VTE may determine the form of any hearing.

3. Therefore, in pursuance of the relevant regulation[2] 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 appeal has been brought in respect of New City House, 57-63 Ringway, Preston (the "appeal property"), which is currently entered in the 2017 rating list as "offices and premises" at rateable value £285,000 effective from 1 April 2017.

5. The challenge process began when the appellant made a proposal to the respondent on the ground that the entry shown in the rating list on 1 April 2017 was wrong and that it should be reduced to rateable value £270,000.

6. No alteration was made to the rating list by the respondent.

7. In accordance with regulations[3], an appeal was made to the VTE on the ground that the valuation for the appeal property was not reasonable.

8. 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 item of evidence, should not be construed as it having been overlooked.

Issues

9. There were two issues in dispute that I was required to decide on:

   a) The price per square metre in the valuation. The respondent had adopted an unadjusted rate of £60/m^2 in the rating list valuation, but the appellant wanted it reduced to £57.90/m^2.

   b) The appellant wanted a 10% quantum allowance on the 91 car parking spaces that the respondent had assessed at £750 per space.

10. The parties agreed the adjustments in the valuation for air conditioning and raised floors.

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[1] 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 and by virtue of Part 2 regulation (5)(arrangement for appeals) and regulation (6)(3)(g) (appeal management powers).
[2] The Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, regulation (6)(3)(g).
[3] The Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, regulation 13A.

11. Additionally, the appellant could not reconcile the amount in the valuation the respondent made for plant and machinery. This was £6,967. This had never been broken down until Mr Willetts had taken on the case on behalf of the respondent. Mr Batty believed the amount was wrong but had not provided any evidence in the submitted documentation. Mr Batty disputed eight concrete bases in the assessment.

12. Mr Willetts stated that this part of the valuation should have been resolved at the "check" stage, the purpose of that stage was to clarify any factual issues.

13. There was no evidence in respect of plant and machinery for me to consider and both parties agreed that this aspect of the valuation could be resolved though further discussion after my decision has been made.

Evidence and submissions

14. The appellant's representative had submitted documentation from both parties in respect of this appeal. It included correspondence exchanged between the parties; the appellant's proposed valuation; plans and photographs in respect of the appeal property; and rating assessment details in respect of comparable properties.

15. Mr Batty had provided a revised valuation which also came to rateable value £270,000, as sought in the proposal. Mr Willetts believed rateable value £285,000 was reasonable and wanted the appeal dismissed.

16. Mr Batty, as appellant's representative, appeared in a dual role of advocate and expert witness. He stated that he had inspected the appeal property and was aware that in giving expert evidence his responsibility was to the VTE. Further, he stated that he was not instructed under a conditional fee arrangement or other success related fee.

17. Mr Willetts also appeared in the dual role of advocate and expert witness. When asked, he said that he had not inspected the appeal property, but that he had carried out due diligence by viewing the 2015 inspection notes, survey and plans.

18. The dual role is allowable in VTE proceedings having regard to procedure regulations[4] and rules regarding admissibility of evidence[5]. However, it was necessary to consider the "expert" evidence and assess what weight, if any, to give it in the context of the matters in issue.

19. Both parties were able to participate in the hearing, with no significant problems with technical equipment or software. Mr Willets joined using the full video/audio link. Mr Batty joined the hearing by telephone. Each party was given the opportunity to question the other party.

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[4] Regulation 3 (Discharge of VTE functions – general) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009.

[5] Regulation 17(2)(a) (Evidence and submissions) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009.

Decision and reasons

20. The appeal property is a 1970s arc shaped office block situated on Preston's Ringway road.

21. The appellant had relied on one comparable property, Lancastria House, which had been assessed at an adjusted rate of £57.90/m^2. The basic rate was £60/m^2 but there was a 3.5% access allowance. Mr Batty informed me that that property joined the Market Hall in Preston and was accessed through other parts of the building. When asked, Mr Batty said that the access difficulty affected both pedestrians and vehicles. No further information was provided to me.

22. The appeal property, although fronting the Ringway, had to be accessed via Carlisle Street. There is an access road to the appeal property shared with the Holiday Inn and a B&M store. Mr Batty argued there was a vehicular access problem getting in and out of the car park at the appeal property.

23. I appreciated Mr Batty's comments but after careful consideration of the site plan I was not persuaded there was such a disability for the property because the car park had its own entrance from Carlisle Street. Mr Batty had not shown to my satisfaction that the road layout was a problem for the occupier. Having regard to the layout plan, I could not see anything that would warrant any reduction. In any case, I was not convinced it could be compared with the access arrangements at Lancastria House.

24. Mr Willetts has shown six comparable properties, including Lancastria House, that have an unadjusted rate of £60/m^2.

25. Therefore, I reached the conclusion that the appeal property was correctly assessed at a base or unadjusted price of £60/m^2 and that no access adjustment was required.

26. Mr Batty stated that the average number of spaces in a car park was 50 and as the appeal property had 91, he believed there should be some quantum adjustment. He thought 10% would be reasonable.

27. Mr Willets provided a schedule of rating assessments showing the price per car parking space adopted by the valuation officer. He said his best comparable was Palatine and Duchy which had 53 spaces at £750 per space. The schedule included pay and display car parking spaces; for example, St Wilfred's Street car park had 80 spaces at £950 per space.

28. The burden of proving the reduction was on Mr Batty. While recognising he was very experienced in rating matters, he was not able to demonstrate to my satisfaction that a quantum adjustment could be justified. There was no evidence for me to consider which showed that the unit price per car parking space reduced the greater the number of car parking spaces, either in Preston or elsewhere.

29. Having regard to the foregoing, I decided to dismiss the appeal.

Date: 13 August 2021

Appeal number: CHG100099901