THE VALUATION TRIBUNAL FOR ENGLAND

Non-domestic rating; 2017 list appeal; The Valuation for the hereditament is not reasonable; End allowances for layout and property characteristics; Appeal part allowed.

Re: Inghams Solicitors, 37 Red Bank Road, Blackpool, Lancashire FY2 9HX (the appeal property).

APPEAL NUMBER: CHG100130002

BETWEEN:	Inghams Solicitors	Appellant
	and	
	The Valuation Officer	Respondent

PANEL:	Ms N E Talbot - Hadley	(Chair)
	Dr Patricia Thomson	(Member)

CLERK:	Mr Duncan Adamson IRRV (Hons)
REMOTE HEARING 1:	22 September 2021
PARTIES PRESENT:	Mr Ken Batty, Appellant’s representative (Advocate and Expert Witness)
	Ms Nicola Costello, Respondent’s representative

Summary of decision

1. The appeal was part allowed. A 2.5% end allowance was awarded, reducing the rateable value of the property from £10,000 to £9,750 with effect from 1 April 2017.

Introduction

2. The appeal had been brought in respect of Inghams Solicitors located at 37 Red Bank Road, Blackpool. It is a circa 1930s brick-built inner terraced property with a single storey rear extension.

3. The challenge submission date was 1 October 2019 with the challenge being completed on 22 December 2020.

4. The property had a rateable value of £10,000 with effect from 1 April 2017 and the appellant sought to reduce that RV to £9,250.

5. The appellant stated that there is a step up from the pavement, poor natural light to the rear office and restrictions with beams on the second floor. There are also “rabbit warren” effects on the first and second floors, with one room only being accessible through another room, as well as a pillar in zone B affecting the usability of the area. The appellant contended that the 5% end allowance that the VO had given on the RV at 5 Red Bank Road ought to be equally applied to his property as the same conditions were present.

6. The respondent stated that the kind of characteristics mentioned by the appellant are common with the age and style of these kind of properties and do not affect their rateable value.

7. The end allowance at 15 Red Bank Road was given because that property was a double unit and therefore suffered to a greater extent than the appeal property in terms of layout and property characteristics.

8. Both parties had agreed that the zone A rate was correct at £175 pms.

9. 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 and 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.

10. 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.

11. Mr Ken Batty appeared on behalf of the appellant in a dual role as advocate and as expert witness. In view of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), his declaration of truth included a statement that he was instructed on a contingency fee basis. He declared that he understood and accepted that his duty was to the Tribunal in giving his evidence and he would comply with this as well as the requirements of his professional body, regardless of whether or not the evidence supported the client’s cases.

12. The panel accepted this expert witness evidence on the above basis as the appeal was not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations and was allowable due to the Tribunal’s rules on admissibility of evidence (regulation 17(2)(a) where the Tribunal can admit evidence whether or not it would be admissible in a civil trial). The panel therefore considered the expert evidence and attached such weight to it as they saw fit.

13. 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 the panel before coming to its decision. Consequently, the absence of a reference to any statement, or item of evidence, should not be construed as it having been overlooked.

Issues

14. The rateable value of the appeal property less any allowances.

Evidence and submissions

15. The evidence bundle comprised all of the documents exchanged between the parties as part of the challenge process: Valuation Officer's challenge case decision notice; lease agreements and summaries; appellant's challenge submission; photographs and location plans of the appeal property and email exchanges between the parties.

16. The appellant had submitted his own valuation of the appeal property and this included a reduction of 5% for size / quantity allowance, based on similar circumstances at 15 Red Bank Road and a further reduction of 2.5% for the obstructive pillar in zone B and the property layout on the first and second floors. This gave an RV of £9,349 rounded down to £9,250.

17. The respondent maintained that no reductions were appropriate.

Decision and reasons

18. The main issues in dispute were whether any end allowances were appropriate because of the layout of the appeal property.

19. The panel were presented with a pictorial layout of the ground, first and second floors showing zones A and B and the zone C remainder and photographs of the exterior of the property on Red Bank Road and the back of the property. There were also internal photographs of the offices on each floor, the reception area and storage space.

20. The panel found that the layout of the property and the characteristics of the building were not unique and looked to be very similar to many other properties within the vicinity of the appeal property. These properties were not purpose-built offices but it is rare in these kind of town environments to find many mid-terraced properties that are.

21. The pillar on floor B was a structural requirement and not unique and was, again, normal for these types of properties.

22. The panel found that the 5% end allowance given to the property at 15 Red Bank Road was not appropriate for the appeal property as the two properties were different and therefore not comparable. No. 5 was a double unit, essentially two properties fitted together, whereas the appeal property was one mid-terraced building.

23. The panel also noted that, except for 5 Red Bank Road, no other properties on the road had any discounts or end allowances.

24. In appeals of this nature the burden of proof rests on the appellant to prove his case. The panel concluded that the appellant's representative had produced sufficient evidence to justify a reduction in the rateable value and that 2.5% was appropriate for the positioning of the pillar, the layout of the property and the difficulties these would cause in its occupation.

25. The panel therefore found that the rateable value should be reduced by 2.5% giving a value of £9,750 and for this to be effective from 1 April 2017.

Order

26. The Tribunal orders, pursuant to Regulation 38 of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, S.I. No. 2269 2009, that the Valuation Officer, within two weeks of the date of this order, shall alter the rateable value in the 2017 list in respect of Inghams Solicitors, 37 Red Bank Road, Blackpool, Lancashire FY2 9HX to £9,750 with effect from 1 April 2017.

27. A refund of the paid fee will now be arranged (Regulation 13E of the NDR Alteration of Lists & Appeals Regs) provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Date: 14 October 2021

Appeal number: CHG100130002