THE VALUATION TRIBUNAL FOR ENGLAND

Non-Domestic Rating Appeal; Office and premises; allowance for disruption caused by building works; appeal allowed in part.

RE: Mobility Finance, City Gate House, 22 Southward Bridge Road, London SE1 9HF

APPEAL NUMBER: CHG100694584

BETWEEN:	Mobility Operations Ltd	Appellant
	and	
	Mr A Ricketts (Valuation Officer)	Respondent

BEFORE: Ms A Griffiths (Presiding Senior Member)
Mrs S Saleem (Senior Member)

CLERK: Mr R Gath IRRV Hons

REMOTE HEARING on 6 February 2024

APPEARANCES: Mr B Moore from CBRE (Appellant's representative)
Mr S Dadds (Valuation Officer's representative)

Summary of decision

1. Appeal allowed in part. The entry is reduced to Rateable Value £1,370,000 with effect from 4 November 2019.

Introduction

2. This appeal has been brought in respect of Mobility Finance, City Gate House, 22 Southward Bridge Road, London SE1 9HF which was entered in the 2017 rating list as 'Office and premises' at rateable value £1,580,000 effective from 1 April 2017. The appellant was seeking a reduction of 20% due to disruption caused by two sets of building works.

3. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, Mr Moore made an appeal to this Tribunal because he disagreed with the current rateable value. The appeal to this Tribunal has been made on the grounds that the valuation for the appeal property is not reasonable[1].

4. Both parties had agreed that the material day is 24 January 2020 being the date that the Valuation Office Agency (VOA) received the check submission. The appeal to this Tribunal was made on 12 July 2022 following the Valuation Officer's Decision Notice of 29 June 2022 in respect of the appeal property (hereditament).

5. Mr Moore had declared that his firm is on a contingency fee basis. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Moore's declaration of truth included a statement that he understood and accepted that his duty is to the Tribunal in giving his evidence and he will comply with this as well as the requirements of his professional body regardless of whether or not the evidence supports his client's case.

6. The panel accepted this expert witness evidence on the above basis as the appeal is not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations and is 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).

7. Mr Dadds confirmed that he was representing the VO as advocate and expert witness.

8. This tribunal decision document is not and does not purport to be a verbatim record of proceedings.

Issues

9. The issue for determination is the level of allowance, that should be granted for disruption caused by building works to the rear and side of the appeal property.

Evidence and submissions

10. The evidence bundle before the panel comprised all of the evidence disclosed and exchanged during challenge which included rental evidence and its analysis, the parties' skeleton arguments, location maps, photographs of the appeal property and building works at other localities.

Decision and reasons

11. As the VOA had already awarded an allowance, there was no dispute about whether or not there had been a material change of circumstances or that the

[1] Regulation 13A(2) of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009.

appeal property had been affected by the disturbance. It was just to what extent the appeal property had been affected.

12. Mr Moore argued that the demolition and building works were located close to the rear of the appeal property. There was also further works being undertaken at Rose Court which was located at the side of the appeal property although it was on the opposite side of the road to where the appeal property was located.

13. To support his argument for a higher allowance he referred to a number of redevelopment works where allowances of between 10% to 22.5% had been granted. In particular he referred to 30 Park Street which had been awarded a 15% allowance for an office block. The development was located at the rear and side of that property which he considered was similar to the appeal property. He also referred to 1 Curzon Street where a 12% allowance was granted where the redevelopment works were located on the opposite side of the road.

14. Mr Dadds argued that the VO would only grant an allowance of 15% if the works were severe. However, he argued that the properties that were being demolished were just single storey buildings that were in a poor state or repair. Turning to the redevelopment works at Rose Court, the VO contended that the disruption to the appeal property would be minimal as it was located at the side of the appeal property.

15. Whilst he accepted that the demolition and building works were taking place closer to the appeal property than first thought, Mr Dadds considered that the noise disturbance at the appeal property would be minimal as large parts of the redevelopment works were located further away from the appeal property. Furthermore, as at the Material date, the demolition works which he considered was the most disruptive, had nearly finished. Furthermore, Rose Court was not full demolition works.

16. Where there were construction only schemes, the VO would only grant an allowance of 7% and 15% allowances for redevelopment works he considered was towards the upper range of a disturbance allowance the VO would grant.

17. Turning to the other works highlighted by Mr Moore, where a 15% allowance had been granted, Mr Dadds contended that the building works at 30 Park Street there was only a railway line at the rear of the property being redeveloped and that Park Street was a quiet road. The works at Curzon Street, the VO had initially allowed an 8% allowance but then increased it as there were two schemes of large scale demolition.

18. Mr Dadds also submitted that allowances of more than 15% would be granted only where the demolition involved properties with a shared party wall.

19. During questioning, the panel had established that by the material date, the demolition had largely been completed and from April onwards the foundation works were being undertaken which involved piling and foundation works which would create a large amount of traffic such as cement lorries.

20. Given all of the above, the panel concluded that an allowance of 12.5% should be granted. The panel understood the VO's argument about the sound dissipating. However, there were two sets of works being undertaken and the panel considered that this would cause significant traffic disturbance. The panel also took into account the building works, in particularly the piling works, and that these works for being undertaken in close proximity to the appeal property. The panel therefore allowed the appeal in part.

21. The revised valuation is as follows:

Floor	Description	Area	£ per m^2	Value
Ground	Office	567.00	350.00	198,450
First	Office	650.00	350.00	227,500
Second	Office	635.00	350.00	222,250
Third	Office	650.00	350.00	227,500
Lower Ground	Office	280.00	262.50	73,500
Basement	Internal storage	178.60	122.50	21,879
Fourth	Office	650.00	350.00	227,500
Fifth	Office	650.00	350.00	227,500
Sixth	Office	577.00	350.00	201,950
Lower Ground	Restaurant	266.92	262.50	70,067
			Sub-total	1,698,095
Less 7.5% Adjustment for permanent disadvantage				127,570
			Sub-total	1,570,738
Less 12.5% allowance for developments				196,342
		Total		1,374,396
		Rateable value say		1,370,000

Order

22. Under the provisions of regulation 38(4) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Tribunal for England orders the Valuation Officer to reduce the entry in the rating list to rateable value £1,370,000 with effect from 4 November 2019.

23. Under regulation 38(9), the Valuation Officer must comply with this order within two weeks of the date of its making.

Refund of appeal fees

24. As the ground of the appeal has been made out, 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.

Date: 19 February 2024

Appeal number: CHG100694584

Right of further appeal

Any party who is aggrieved by the Tribunal's decision, and who appeared or was represented at the hearing, has the right of appeal to the Upper Tribunal (Lands Chamber). Any such appeal should be made within four weeks of the date of this decision notice.