VALUATION TRIBUNAL FOR ENGLAND

Non-domestic rating; 2017 rating list appeal; Local Government Finance Act 1988; Price per m^2 in dispute; 5% end allowance for shape; Lotus and Delta v Culverwell (VO) [1976] RA 141; No rental evidence; Comparable assessments; Appeal dismissed.

APPEAL NUMBER: CHG100694779

RE:	Unit 23, Station Point 121, Sandycombe Road, Richmond, Surrey TW9 2AD

BETWEEN:	Scope AT Ltd	Appellant
	And	
	The Valuation Officer	Respondent

SITTING ON:	26 November 2024 (Remote Hearing number 3)	
BEFORE:	Mr Martin Smith	(Presiding Senior Member)
	Dr Sally Penni	(Senior Member)
CLERK:	Mr Duncan Adamson IRRV (Hons)	
APPEARANCES:	Mr Dan Bond	for the appellant
	Mr Jonathan Reeve	for the respondent

Summary of decision

1. Appeal dismissed. The rateable value (RV) of the appeal property was confirmed as £16,250 with effect from 25 May 2017.

Introduction

2. This 2017 rating list appeal had been brought in respect of the following: the appellant was the non-domestic ratepayer of the appeal property Unit 23, Station Point 121, Sandycombe Road, Richmond, Surrey TW9 2AD.

3. The property had been entered in the 2017 rating list as office and premises with an RV of £16,250 based on a rate of £265/m^2 with effect from 25 May 2017.

4. The challenge proposal was submitted by the appellant’s representative on 19 May 2021 to reduce the base price from £265/m^2 to £213.75m^2, reducing the RV

to £13,000, for a 5% end allowance for its unconventional shape and a reduction for permitted hours.

5. The VO issued a challenge decision notice on 27 April 2022 which stated that, based upon the evidence and information available, the rating list entry was reasonable and disagreed with the entry proposed.

6. The appeal property were first floor offices built in 2016 and part of an office block with shared car parking. The construction was brick under a pitched slate roof and the property benefitted from air conditioning. It was situated in a residential area close to the centre of Richmond.

7. The tribunal had been informed that the appellant would be professionally represented by Hampton Lovett Consultant Surveyors, however, they were unable to attend and the Director of Scope AT Ltd therefore attended.

8. To assist the appellant and with the agreement of all parties, the panel varied the tribunal's model procedure and invited the LO's representative to present his case first.

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

Issue

10. The issue in dispute is whether the base rate should be reduced and therefore the RV and whether a 5% end allowance be granted.

Evidence and submissions

11. The bundle comprised all of the documents exchanged between the parties as part of the challenge process including the appellant's challenge submission, initial response to the challenge and the VO's challenge case decision notice. On 22 October 2024, the VO emailed an update for factual context. No objection was submitted by the appellant and the evidence was therefore accepted by the tribunal.

12. The appellant had submitted that all of the rents at Station Point were connected and therefore not relevant. Some of the properties had never been occupied e.g. Units 9/10 and others, Unts 21 – 22 and 12/13, were empty.

13. In the hearing he also stated that all of the properties at Station Point were unrentable as they were loss makers and the rents were too high. It had generally become something of a ghost town. For these reasons none were submitted as comparable evidence. The only relevant comparables were those on 6/7 Forge Lane and he had submitted two items of comparable evidence from there that were in the same valuation scheme as the appeal property.

14. The Ground Floor Suite which had an overall area of 54.85m^2 with a base price of £213.75/m^2 and the 1st Floor Suite which had an overall area of 53.2m^2 with a base price of £213.75/m^2. He submitted that the valuation scheme supports his case by comparing with other assessments in the scheme.

15. He had also submitted that the shape of the property was unconventional and should therefore be given a 5% end allowance. The RV should therefore be reduced to £13,000.

16. In respect of the permitted hours, he advised the tribunal that this was no longer a part of his appeal.

17. The VO's representative stated that the appellant had not submitted any rental evidence to support his proposed main rate of £213.75m^2. He had only cited two items of comparable property evidence and these did not support a reduction. He had submitted properties in the same building as the appeal property that had been assessed at the same base rate.

Decision and reasons

18. The panel referred to the Local Government Finance Act 1988 in respect of the definition of rateable value in paragraph 2(1), Schedule 6 to the Act (as amended). The rateable value of any hereditament is to be taken to be the amount, determined in accordance with the statutory assumptions, equal to the rent at which it is estimated the hereditament might reasonably be expected to let from year to year, on 1 April 2015 the "antecedent valuation date" (AVD). The material day for this appeal was 25 May 2017.

19. The panel was aware that the leading judgment in non-domestic rating assessments was *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141 however, the panel noted that neither party submitted rental evidence as they were between connected parties.

20. The panel noted that the two pieces of comparable evidence cited by the appellant were within the same building but on different floors, however, they were two miles south of the appeal property and therefore in a different locality and did not share the same amenities. The panel therefore found that they were not comparable to the appeal property and afforded this evidence little weight.

21. The panel also noted the appellants reference to the properties at Station Point being impossible to rent, however, no evidence was presented in support of this statement and the panel therefore afforded it little weight.

22. The panel was presented with comparable property evidence by the VO of assessments within the same building as the appeal property.

23. Unit 12-13, assessed on a rate of £265/m^2 which had not been challenged. Unit 14, assessed on a rate of £265/m^2, this was challenged but later withdrawn. The panel found that these properties supported the current base rate of the appeal property at £265/m^2.

24. The panel noted the comparable rental evidence submitted by the VO but did not find a need to separately address it.

25. In respect of the unconventional shape of the appeal property, no plan was submitted to the panel and therefore this could not be considered. The panel noted that the VO did not consider it to be of an unconventional shape, it was only slightly irregular. The panel noted that the appellant had not provided any evidence to the VO to support a 5% reduction.

26. The panel was aware that in cases such as these the onus was on the appellant to demonstrate that the rating list entry was unreasonable, however, the panel found that the appellant had not made his case and dismissed the appeal.

Date issued to parties: 20 December 2024

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.