IN THE VALUATION TRIBUNAL FOR ENGLAND
IN THE MATTER OF A 2017 RATING LIST APPEAL

Case No: CHG100777965

Sitting remotely using Microsoft Teams

Date: 17 September 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — betting shop and premises; method of valuation in dispute; rental evidence; comparable properties; appeal allowed in part.

Before:
MS L OWUSU-AFRIYIE
PROF P CATTERALL

Between:

DONE BROTHERS (CASH BETTING) LTD **Appellant**

- and -

ANDREW RICKETTS (VALUATION OFFICER) **Respondent**

Regarding:
PART GROUND FLOOR, 10 MITCHAM ROAD, LONDON, SW17 9NA
(the "subject property")

Mr J Hart from Hart Commercial Surveyors Ltd, representing the Appellant
Mr W Mak for the Respondent

Hearing date: 21 August 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed in part.

2. The Tribunal finds that the rateable value (RV) of the subject property is not reasonable and confirms a revised RV of £39,000 with effect from 1 April 2017.

Introduction

3. This is a 2017 rating list appeal. Part Ground Floor, 10 Mitcham Road, London, SW17 9NA (the subject property) had been entered in the 2017 rating list as ‘betting shop and premises’ at £45,750 RV with effect from 1 April 2017, based upon an adopted Zone A price of £1,000 per m^2.

4. The challenge proposal was submitted by Hart Commercial Surveyors Ltd on behalf of Done Brothers (Cash Betting) Limited, and was received by the Valuation Officer on 21 February 2022. It had been made on the grounds that the RV shown in the rating list on 1 April 2017 was inaccurate. A revised RV of £31,500 was proposed with effect from 1 April 2017, based upon an overall price of £200 per m^2.

5. The Valuation Officer issued a challenge case decision notice on 21 April 2023, which stated that, based upon the evidence and information available, the rating list entry was reasonable and there would be no change.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal to this Tribunal has been made on the grounds that the valuation for the hereditament is not reasonable. The appeal was received by the Tribunal on 16 August 2023.

7. This statement of reasons is not, and does not purport to be, a full verbatim record of proceedings.

Relevant Law

8. Rateable value is determined in accordance with paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988, which provides:

   “(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.

9. In respect of an appeal against an entry in the 2017 rating list, the rental levels are to be taken as those passing at the antecedent valuation date (AVD) of 1 April 2015, in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841).

10. The material day (the date by which physical factors have to be taken into account) was provided by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject appeal, the material day is 1 April 2017.

Discussion

11. The subject property is a betting shop and premises situated at the western end of Mitcham Road, close to the junction with Tooting High Street. It has a total area of 45.07m^2 in terms of main space. The property is held on a five year lease from 24 June 2004 at a rent of £32,000 per annum. The tenant had been “holding over” since the expiry of the term.

12. On behalf of the appellant, Mr Hart submitted that the subject property should be valued on an overall basis at £200 per m^2, in line with comparable betting shops. With reference to a layout plan, Mr Hart highlighted the irregular shape of the subject property: an entrance lobby of 2.4m width by 2.4m depth leads to a corridor of 8.5m length before opening up into the main retail area. Together with a lack of retail frontage, he contended that the zoning method was not appropriate. In support, he highlighted two comparable betting shops which had been assessed overall, Ground Floor Rear, 39 Wardour Street, W1D 6PX and Ground Floor, 319 Kentish Town Road, NW5 2TJ.

13. Mr Hart also referred to properties in the locality valued on an overall basis: 30 and 71-73 Upper Tooting Road, 144-146 and 158A Tooting High Street, and Sainsburys 196-202 Mitcham Road. The overall price per m^2 adopted for those properties ranged between £145 per m^2 and £256 per m^2.

14. In support of his adopted overall price of £200 per m^2, Mr Hart referred to his analysis of the subject rent at £207 per m^2. He disputed that low weight should be attached to the “holding over” rent, as this may show that the property had been over rented, and/or the landlord is satisfied with the level of rent, and the tenant is not prepared to commit to a longer term, so neither party instigates renewal proceedings.

15. On behalf of the Valuation Officer, Mr Mak submitted that the subject property was correctly valued on a zoned basis, in line with the comparable properties in the parade, which are assessed at £1,000 per m^2 and £1,050 per m^2 Zone A.

16. Mr Mak attached little weight to the subject rent, which had been agreed ten years prior to the AVD. With reference to rental evidence from the mid-2000s to the mid-2010s, he sought to show that rents had not remained static:
    - 10-12 Mitcham Road – the rent increased from £50,750 in June 2006 to £73,000 in July 2016.
    - 14-16 Mitcham Road – the rent increased from £78,400 in April 2007 to £102,250 in March 2014.
    - 24C Mitcham Road – the rent increased from £45,000 in December 2004 to £65,000 in September 2015.

17. In further support of his contention that little weight should be attached to the subject rent, Mr Mak referred to the analysis at £710 per m^2 in terms of Zone A. In contrast, the rental analysis of comparable properties in the parade was as follows:
    - 2 Mitcham Road – a rent effective from 27 March 2021 analysed at £1,348.16 per m^2
    - 10-12 Mitcham Road – a rent effective from 25 July 2016 analysed at £1,057.66 per m^2.
    - 14-16 Mitcham Road – a rent effective from 25 March 2014 analysed at £875.68 per m^2.
    - 20 Mitcham Road – a rent effective from 13 February 2012 analysed at £1,040.03 per m^2.
    - 22 Mitcham Road – a rent effective from 1 May 2018 analysed at £1,414.01 per m^2.
    - 24C Mitcham Road – a rent effective from 20 September 2015 analysed at £992.52 per m^2.

18. The relevance of Mr Hart's comparable properties in support of a zoned approach was disputed by Mr Mak. He argued that Ground Floor Rear, 39 Wardour Street has no shop frontage, and the entrance is not part of the demise; it is located in Chinatown, some distance from the subject property. Ground Floor, 319 Kentish Town Road is valued as an office, and located in Camden. The comparable properties assessed on an overall basis in Upper Tooting Road and Tooting High Street were closer to the subject property, however they were not located within the subject parade, which, Mr Mak submitted, was a prime retail location, as demonstrated by the Zone A price per m^2.

19. In view of Mr Hart's contention that the Zone A area of the subject property was impacted by the entrance and corridor, Mr Mak conceded that this was a disadvantage which should be reflected in the valuation. He therefore requested that the panel confirm a revised RV of £39,000 RV to reflect a 50% adjustment to the entrance area within Zone A.

20. In arriving at the decision that the subject property was correctly valued on a zoned basis, the panel attached most weight to the comparable properties presented by the Valuation Officer. The panel considered that a zoning approach was consistent with the properties in the subject parade, 2 to 13 Mitcham Road. The panel was aware that the subject property had always been assessed as a zoned retail unit, and considered that no compelling evidence had been presented to persuaded them to depart from that method.

21. The panel attached less weight to the comparable properties presented by Mr Hart, as they were not considered to be directly comparable in terms of physical layout, use or location.

22. The panel considered that Mr Hart's reliance on the subject rent in support of his adopted £200 per m^2 was flawed, as it had been agreed many years before the AVD. The panel considered that the rental evidence drawn from the subject parade closer to the AVD provided a more reliable guide to rental values.

23. As the panel was not persuaded that a zoned approach was appropriate, Mr Hart's contention for a revised RV of £31,500 based upon a Zone A price of £200 per m^2 could not succeed. While not persuaded to change the valuation method, the panel decided to allow the appeal in part to reflect the Valuation Officer's revised valuation of £39,000 RV.

Determination

24. In view of the above findings, the Tribunal concluded that the present RV of £45,750 was unreasonable, and therefore the appeal was allowed in part.

25. 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 alter the entry in the rating list to rateable value £39,000 with effect from 1 April 2017.

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

27. A refund of the paid fee will now be arranged provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Right of further appeal

28. Any party who is aggrieved at the Tribunal's decision, and who appeared or was represented at the hearing, has a statutory right of further appeal to the Upper Tribunal (Lands Chamber) pursuant to Regulation 42 of the Tribunal Procedure Regulations. A party does not require permission to appeal from the Tribunal. Any appeal must be made directly to the Upper Tribunal (Lands Chamber) within **four weeks** of the date this decision and statement of reasons is issued.

29. Further information regarding this statutory right of further appeal, and the parties' other rights, is contained in the guidance booklet "*A guide to tribunal decisions*" available on the Tribunal's website at www.valuationtribunal.gov.uk/guidance-booklets/.

Ms L Owusu-Afriyie, Senior Member

Prof P Catterall, Member

17 September 2025

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 17 September 2025