

THE VALUATION TRIBUNAL FOR ENGLAND



2017 Rating List appeal – price per m² to be adopted – rental evidence – trend of price per m² between 2010 and 2017 rating lists – weighting of evidence – appeal dismissed

Re: Unit 1436, Clock Tower Road, Isleworth, London, TW7 6DT

APPEAL NUMBER: CHG100826876

BETWEEN:	Linear Tools	Appellant
	and	
	Ms D Bunyan	Respondent
	(Valuation Officer)	

PANEL: Mrs N Carman (Presiding Senior Member)
Ms R Sharma (Senior Member)

CLERK: Mr A Jolly

REMOTE HEARING: Friday 26 January 2024

APPEARANCES: Mr A Hair of the Altus Group representing the appellant
Mr J Balogun representing the respondent

Summary of decision

1. Appeal Dismissed. Rateable Value (RV) confirmed at £46,250 confirmed with effect 1 April 2017.

Introduction

2. This appeal has been brought in respect of the following: An appeal was lodged by the Altus Group on behalf of the occupier on 13 July 2023 against the Valuation Officer's Challenge Decision Notice of 20 June 2023.
3. This tribunal decision document is not and does not purport to be a verbatim record of proceedings.
4. The hearing was held using the Teams platform. At the start of the hearing the Presiding Senior Member lost her connection but the connection was quickly re-stored and she experienced no further issues. Following a brief adjournment of the hearing the Senior Member was unable to see the other participants on camera but was able to hear all the participants who were able to see and hear her. The parties were happy to proceed with the hearing.

5. Mr Hair appeared on behalf of the appellant as both Advocate and expert witness. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Hair's declaration of truth included a statement that he was instructed under any conditional fee arrangement.
6. Mr Hair 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 case.
7. 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).
8. The panel therefore considered the "expert" evidence and attached such weight to it as it saw fit.
9. Mr Balogun was appearing as both advocate and expert witness.
10. During the hearing it was discovered that an email exchange between the appellant's representative and the respondent during the challenge stage had not been received by the Valuation Tribunal when the appeal was lodged. The email exchange was forwarded to the clerk and the respondent by the appellant. A short adjournment was provided to enable the respondent to re-familiarize himself with the email exchange. The respondent accepted that it was omitted evidence and not new evidence and raised no objection to its inclusion. The email exchange was forwarded to the panel for inclusion.

Issues

11. The issue before the panel concerned the price per m² to be adopted having regards and weighting the evidence presented.
12. The appeal hereditament had been entered in the 2017 rating list at RV £48,750 with effect from 1 April 2017 at a price per m² of £110. The appellant sought a reduction to RV £43,250 based on the price of £92.50 per m². In the challenge document the respondent had sought an RV £45,250 but this was an error and the RV sought should have stated £46,250 based on a price of £97.50 per m². The appellant's representative accepted that an error had occurred and that the respondent had revised the appeal hereditament's RV to £46,250 and not £45,250.
13. The appeal hereditament was a warehouse and premises.

Evidence and submissions

14. The bundle comprised all of the documents exchanged between the parties as part of the challenge process including the VO's case decision notice, rental evidence and assessment summaries, valuations and the appellant's challenge submission. The panel was also provided with the email exchange between the parties during the challenge process and its attachments.

Decision and reasons

15. Mr Hair stated that the issue concerned the price per m² adopted for the appeal hereditament. He considered the best evidence in terms of rents was that of 3 and 4 Clock Tower Road. He stated that the rent information on the Form of Return (FOR) differed from information he had obtained in that the rent included Unit 3 and not just Unit 4 as indicated by the respondent. The lease commenced in December 2016 and had analysed to £79.00 per m². This was a larger hereditament to the appeal hereditament and therefore he considered quantum may apply. He stated that the rent for the appeal hereditament commenced in 2011 and was reviewed in June 2016 and he had analysed this to £104 per m².
16. Mr Hair stated that between the 2010 rating list and the 2017 rating list the price per m² adopted had increased from £97.50 to £105 per m² which was a 7.7% increase whereas other industrial units within other similar industrial parks in Isleworth and Feltham had seen a decrease in the price per m² adopt between rating lists of between 6.25% to 17.4%. He referred to 3 Dockwells, Feltham which he considered was a superior location to the appeal hereditament due to its close proximity to Heathrow Airport and that in the 2010 rating list values were higher than those for the appeal hereditament but for the 2017 rating list the tone was £92.50 per m² compared to £105.00 for the appeal hereditament. He considered that the trend showed values had fallen and therefore this should apply for the appeal hereditament's value. He stated that the evidence was not to show tonal values as the properties were in different schemes or of different age.
17. Mr Hair referred to the rental evidence provided by the respondent and his email exchange with the respondent. He did not consider them to be of assistance as either information was missing from the FOR, sections of land not included in the analysed rent or limited information from other sources was available. Also, the rent for the appeal hereditament was a stepped rent from 2011 till its review in 2016.
18. Mr Hair considered that from the trend between lists and the evidence the RV was unreasonable and requested the panel allow the appeal and confirm RV £43,250, based on a price per m² of £92.50, with effect from 1 April 2017.
19. Mr Balogun stated that originally the appeal hereditament had been entered into the 2017 rating list at RV £48,750 based on a price of £105 per m² but he was seeking confirmation of RV £46,250 based on a price per m² of £97.50, which the panel noted was the same price per m² agreed and adopted for the 2010 rating list.
20. Mr Balogun stated that the appeal hereditament was unique on the development and therefore there was limited evidence tonally to compare with. He considered that rental evidence provided the best evidence and in particular Unit 4 Clock Tower Road and the rent on the appeal hereditament. He had analysed the rents to £121.99 for Unit 4 and £116.03 for the appeal hereditament. He considered that the analysed rents supported his contention that £97.50 per m² was not unreasonable.
21. Mr Balogun did not consider a comparison could be made between the difference between rating lists as the rate per m² was adopted having regards to rents and other information pertaining to the antecedent valuation date for each list. He also did not consider the

properties cited by the appellant to be within the same locality or they were of different character and age.

22. The panel first considered the rental evidence submitted. The appellant had provided information which gave the panel doubt on the respondent's analysed rent. In particular Unit 4 Clock Tower Road as the lease provided by the appellant showed that it was for both Unit 4 and Unit 3 but the rent had been analysed by the respondent using only Unit 4 details. Also, the rent on the appeal hereditament in 2016 was following a review and that the rent prior had been stepped. It also noted that Unit 2 had been analysed to £118.31 per m² but the FOR had missing information in relation to the lease. The panel therefore placed lesser weight on the rental evidence due to the doubts that had been raised.
23. The panel noted that neither party had provided tonal evidence although the appellant had provided 2010 and 2017 rating list information on a number of properties. The panel considered these to see if they were of assistance to establish a tone in the locality. Unfortunately, the majority were located in Feltham and therefore the panel did not consider would assist in establishing a tone and the only property in Isleworth was an older and larger property so again would not assist.
24. The panel had been informed by the appellant that there was a downward trend in price per m² between the 2010 and 2017 rating list. He provided details of properties to illustrate this trend from Isleworth and Feltham and that the trend appeared to be reductions between lists of between 6.25% to 17.4%. However, the properties were either from a different area or were older and larger and also showed a varied reduction. No compelling evidence was presented to illustrate that rental evidence had fallen within Clock Tower Road between the 2010 AVD of 1 April 2008 and the 2017 AVD of 1 April 2015.
25. The panel having considered and weighted the evidence, had not been persuaded by the appellant's representative that RV £46,250, based on price per m² of £97.50, was unreasonable. The panel therefore dismissed the appeal and confirmed RV £46,250 with effect from 1 April 2017.

Date: Friday 9 February 2024

Appeal number: CHG100826876

Right Of 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.