THE VALUATION TRIBUNAL FOR ENGLAND

Non-domestic rating; 2017 rating list appeals; Local Government Finance Act 1988; Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 as amended; Appeals dismissed.

RE: Paradis Design Ltd

APPEAL NUMBERS:	CHG100946213	17 South Grove, London N15 5QG
	CHG100849443	17A South Grove, London N15 5QG

BETWEEN:	Paradis Design Ltd	Appellant
	and	
	Andrew Ricketts (Valuation Officer)	Respondent

BEFORE:	Mrs Stacey Patel	(Chair and Senior Member)
	Mrs Amanda Adeola	(Senior Member)
CLERK:	Mr Duncan Adamson IRRV (Hons)	
REMOTE HEARING 2:	5 February 2024	
PARTIES PRESENT:	Mr Tasos Loizides	Appellants’ representative
	Ms Joanne Jones	Appellants’ representative
	Mr Hirji Hirani	Respondent’s representative

Summary of decision

1. Appeals dismissed. The Rateable Values (RV) of the appeal properties were confirmed as £26,250 for 17 South Grove and £20,000 for 17A South Grove with effect from 1 April 2017.

Introduction

2. These appeals had been brought in respect of the following: the appellant was the non-domestic rates payer of the appeal properties at 17 and 17A South Grove, London N15 5QG.

3. The appeal properties were ground floor workshops and premises adjacent to each other and measuring 327.44m^2 and 222.28m^2. They were situated on South Grove within a predominantly residential area in South Tottenham.

4. The appellant had proposed that both of the appeal properties be deleted from the rating list with effect from 2 May 2012 on the grounds that they were incapable of beneficial occupation due to the damage caused by a water leak.

5. The valuation officer found the proposals not well-founded and disagreed with the proposed alterations of the list.

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

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

Preliminary Issues

8. The appeal in respect of 17A South Grove was not initially listed for 5 February 2024, however, both parties had previously expressed a desire for both appeals to be heard at the same time.

9. Regulation 30(1) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 requires the VTE to provide a minimum notice period of fourteen days before a hearing can take place. However, regulation 30(2) allows the VTE to waive the minimum notice period where (a) the parties consent or (b) where there are urgent and exceptional circumstances.

10. As both parties had consented, on 2 February the appeal in respect of 17A South Grove was listed for 5 February and both appeals were heard together.

11. The appellant had re-submitted their entire evidence case on 2 February 2024. This contained new evidence in respect of the appeal. The VO's representative was forwarded the new evidence on the same day.

12. At the start of the hearing as a preliminary matter, he stated that he accepted its inclusion in the evidence bundles and the panel proceeded accordingly.

Issue

13. Whether the appeal properties should be deleted from the 2017 rating list.

Evidence and submissions

14. The bundles comprised all of the documents exchanged between the parties as part of the challenge process including the VO's case decision notice, assessment summaries and the appellant's challenge submission including photographs and videos showing the state of the properties.

15. The appellants' representative had stated that the lease explicitly stated that the billing authority, LB Haringey, was responsible for repairs to the roofs and the exterior of the

properties. Since 2012, there had been damage to the roofs which became progressively worse and less than half of the properties' space could be used. By 3 September 2019, the properties had become completely unusable.

16. In 2019, the billing authority's surveyor inspected the properties and proposed extensive roof repairs, however, no repair work was done. The properties eventually became in total disrepair resulting in the damage of valuable stock and causing employees to leave.

17. The billing authority later ceased to charge any rent for the properties, accepted full liability and recognised that the premises were not fit for habitation.

18. The appellant's representative stated that the company should not be liable for rates on properties that were completely dilapidated and unsafe preventing them from operating their business and causing extensive financial losses. The health hazards and severe damage to the units was undeniable and he had implored the council/ Valuation office to take immediate action and address the issues responsibly. Their livelihood and the future of their business depended on it.

19. Since 2013 they could only use half of the properties and since 2018 could not use any of the property at all. It had become completely uninhabitable.

20. The respondent's representative stated that it was evident that the appeal properties were not undergoing reconstruction or refurbishment but had merely fallen into disrepair. This was the state of the properties at 1 April 2017, the start date of the 2017 rating list and the material day for this appeal.

21. For these reasons the appeal properties could not be taken out of the 2017 rating list.

Decision and reasons

22. 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"). The material day for this appeal was 1 April 2017.

23. One of the assumptions 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"

24. The panel noted that the legislation therefore requires an assumption that the appeal properties were in reasonable repair on 1 April 2017. The appellant's representative had clearly stated that the appeal properties were being used up until 3 September 2019 and the panel found that this means that the properties were in rateable occupation as at the material day of 1 April 2017.

25. The panel also noted that the billing authority had stated that they were to undertake repairs and that this had been stated after 1 April 2017. The panel found that it was clear that the landlord of the appeal properties, LB Haringey, was of the opinion that it was economic for

them to be repaired. Neither the appellants' representative or the billing authority had provided any evidence of the costs of repairs to the appeal properties and the panel found that it was reasonable for it to rely on the billing authority's statement.

26. The panel made reference to the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 as amended which states that where a proposal is received on or after 1 April 2017 then the effective date is limited to 1 April 2017.

27. For these reasons the appeals are dismissed and the appeal properties are to remain in the list.

28. The panel noted that it was clear that the appeal properties had fallen into a greater state of disrepair after the material day of 1 April 2017. The appellants' may consider contacting the VO to discuss the possibility of making an appeal in respect of the appeal properties' deletion from the 2023 rating list. Such an appeal would require statements from the landlord of the appeal property along with estimates of costs and the date as to when the appeal properties became uneconomic to repair.

Date: 1 March 2024

Appeal numbers: CHG100946213 and CHG100849443.

Rights of appeal

Any party who is aggrieved by the Tribunal's decision 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.