VALUATION TRIBUNAL FOR ENGLAND

2017 Rating List Appeal; Local Government Finance Act 1988; shop and premises; allowance for double frontage: appeal allowed.

APPEAL NUMBER: CHG100861486

RE: BST AND GND FLR,23--25, UXBRIDGE ROAD,LONDON,W12 8LH
(the "subject property")

BETWEEN: Baltic Enterprises (UK) Limited — Appellant

and

Andrew Ricketts
(Valuation Officer) — Respondent

SITTING: *remotely using Microsoft Teams*

ON: 18 March 2025

BEFORE: Mr WJ Read, Senior Member

CLERK: Miss N Shepherd IRRV (Hons)

APPEARANCES: Mr M Parvin, on behalf of the appellant
Mr T Adeyemi, on behalf of the Valuation Officer

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed.

2. I determined a revised rateable value (RV) of £65,000 with effect from 1 April 2017, based upon a 10% allowance being applied due to double frontage at the subject property.

Introduction

3. This is a 2017 rating list appeal. The subject property had been entered into the 2017 rating list as 'shop and premises' at an RV of £72,500 with effect from 1 April 2017.

4. The challenge proposal was submitted on behalf of the appellant and was received by the Valuation Officer on 23 September 2022. It had been made on the grounds that the RV shown in the rating list from 1 April 2017 was inaccurate. A revised RV of £65,000 was proposed with effect from 1 April 2017, based upon a 10% allowance to reflect the disadvantages of the size of the property.

5. The Valuation Officer issued a challenge case decision notice on 1 March 2024 which disagreed with the proposed alteration of the list and stated that the rating list entry was reasonable based on the evidence and information available.

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 lodged by the appellant's representative on behalf of the appellant and received by the Tribunal on 27 March 2024.

7. Mr Parvin 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 Parvin explained that he was instructed on a conditional fee basis and he declared that he understood and accepted his duty 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 the evidence supported the client's case.

8. 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). The panel therefore considered the expert evidence and attached such weight to it as it saw fit.

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

Senior member sitting alone

10. A second panel member had been allocated to this hearing. However, on the morning of the hearing they were no longer able to sit.

11. I referred to the Valuation Tribunals Consolidated Practice Statement Part 1 Tribunal Business Arrangements paragraph 11 "Hearings where a member is unable to sit": -

> "Where a panel member is allocated to a hearing and unable to sit for any reason or fails to appear……. a hearing will proceed with a Senior Member alone where a member gives notice of unavailability within one working day of the hearing, to avoid postponing the hearing."

12. I duly proceeded alone.

Relevant Law

13. I am governed by Schedule 6 to the Local Government Finance Act 1988 as amended by the Rating (Valuation) Act 1999, which provides that:

> 2(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.

14. 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).

15. 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

16. The starting point in any valuation for rating purposes was usually the rental evidence for the subject property. For the Valuation Officer Mr Adeyemi referred to rent reviews dated 1 October 2012 and 1 October 2017 in respect of the subject property. The rent review dated 21 October 2012 was for an amount of £85,000 per annum (pa) analysing to £759.27/m^2 and the rent review for 1 October 2017 was for an amount of £93,250 pa analysing to £832.96/m^2. Mr Adeyemi contended that both of these analysed rents were still significantly higher than the adopted rate of £650/m^2, supporting that the current RV was more than reasonable.

17. Whilst I had regard to Mr Adeyemi's contention and noted that the analysed price per m^2 was higher than the adopted rate both pre and post AVD I ultimately attached little weight to this evidence. I considered that the dates of both the rent reviews to be too far removed from the AVD to accurately reflect the rental value that could have been achieved at the AVD.

18. Mr Parvin submitted that the double frontage at the subject property was a disadvantage and that it was significantly larger than the other units within the parade, measuring 393.2m^2. In support of a 10% reduction Mr Parvin referred to six properties which he deemed comparable and which had been awarded an allowance in respect of size. These were:

- 110-112 Uxbridge Road, this property measured 124.10m2 and had 5% allowance
- 436-438 Uxbridge Road, this property measured 255.13m2 and had a 15% allowance
- 362-364 Kings Road, this property measured 129.01m2 and had a 10% allowance
- 49-51 Fulham Road, this property measured 261.77m2 and had a 10% allowance
- 867-869 Fulham Road, this property measured 339.46m2 and had a 5% allowance
- 437-439 North End Road, measured 342.86m2 and had a 10% allowance.

19. Mr Adeyemi disputed the comparability of these assessments, submitting that those located on Kings Road, Fulham Road and North End Road were located over 3 miles from the subject property and as such were in a different area, with a different market value. He also contended the comparability of 110-112 Uxbridge Road and 436-438 Uxbridge Road and that the allowances at these properties had been awarded based upon the individual circumstances at each of these properties.

20. I considered Mr Adeyemi's contention and found he had a valid point regarding Kings Road, Fulham Road and North End Road and the fact that these were in a different locality to the subject property. As such I attached little weight to this evidence. However, I considered to evidence pertaining to 110-112 Uxbridge Road and 436-438 Uxbridge Road to be useful, these properties were located on the same street as the subject property and had allowances for size.

21. At 393.2m2, I noted the subject property was considerably larger than 110-112 Uxbridge Road which had been awarded a 5% allowance for size. Based upon the difference in square meterage between these two properties I did not consider the proposed 10% allowance in respect of the subject property to be unreasonable.

22. In consideration of the evidence presented, I determined the assessment below, based upon a 10% allowance to reflect that the appeal property was a double unit.

COMPONENT PARTS OF PROPERTY					
Ref	**Floor**	**Description**	Area m2/unit	£ per m2 unit	Value (£)
1.1	Ground	Retail Zone A	44.40	650.00	28,860
1.2	Ground	Retail Zone B	80.60	325.00	26,195
1.3	Ground	Remaining Retail Zone	69.20	162.50	11,245
1.4	Basement	Internal Storage	199.00	32.50	6,468
		Size/Double Unit		- 10%	- 7,276.80
				Valuation sub-total	65,491.20

Say £65,000 RV with effect from 1 April 2017.

Disposal

23. In view of the above findings and conclusions the panel therefore allowed the appeal.

24. The Tribunal orders, pursuant to Regulation 38 of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, that the Valuation Officer, within two weeks of the date of this order, shall alter the rateable value in the 2017 list in respect of the subject property to an RV of £65,000 with effect from 1 April 2017.

25. A refund of the paid fee will now be arranged (Regulation 13E of the Non-Domestic Rating (Alteration of Lists & Appeals) (England) Regulations 2009. Provided there is no review of the Tribunal’s decision the refund will take around six weeks to process.

Date issued to parties: 17 April 2025

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.
