VALUATION TRIBUNAL FOR ENGLAND

Non-Domestic Rating Appeal: Local Government Finance Act 1988; Accuracy of the RV in the Rating List; Workshop and Premises; Rental and assessment comparable evidence; Tone; Appeal allowed in part.

APPEAL NUMBER: CHG101058163

RE: 855-863 High Road, Tottenham, London N17 8EY
(the "subject property")

BETWEEN: D W General Wood Machinists Limited — Appellant

and

Mr A Ricketts
(Valuation Officer) — Respondent

SITTING: *remotely using Microsoft Teams*

ON: Friday 9 May 2025

BEFORE: Mr A Backway, Presiding Senior Member
Mr S Muldoon, Senior Member

CLERK: Mrs S D Morgan

APPEARANCES: Mr C Cates – Appellant's representative (Ryan Property Tax Services UK Ltd)
Ms T Adeyemi – Valuation Officer's representative

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed in part.

2. The panel confirmed a revised rateable value (RV) of £90,000 with effect from 1 April 2017.

Introduction

3. This is a 2017 rating list appeal. 855-863 High Road, Tottenham, London N17 8EY (the subject property) had been entered into the 2017 rating list as ‘workshop and premises’ at a RV of £97,500 with effect from 1 April 2017.

4. The challenge proposal was submitted by Altus Group now known as Ryan Property Tax Servies Ltd on D.W. General Wood, Machinists Ltd and was received by the Valuation Officer on 8 March 2023. It had been made on the grounds that proposer disputes the RV in the Rating List. The Valuation Officer issued a challenge case decision notice 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.

5. 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 6 December 2024.

6. Mr Cates appeared on behalf of the appellant as advocate. In view of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Cates explained that he was instructed on a contingency 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.

7. The panel accepted this expert witness evidence on the above basis as the appeal is not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations and is 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. Ms Adeyemi appeared on behalf of the Valuation Officer acting as advocate and expert witness.

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

Background

10. The evidence bundles before the panel comprised of the evidence disclosed and exchanged during the challenge. It included comparable assessments, location plans, photographs of the subject property and the parties’ skeleton arguments.

11. The subject property is a large workshop and premises used as a timber merchant. It was built pre 1964 and is located on the main High Road in Tottenham. It consists of workshops on the ground floor with offices above. It has a total floor area of 2,145.6m^2.

12. The unadjusted main space price of £60/m^2 was in dispute. The appellant’s representative contended for a main space price of £52.50/m^2 with a proposed revised figure of £86,000 RV. The Valuation Officer’s representative believed the existing assessment was fair and reasonable.

Relevant Law

13. Rateable value is to be determined in accordance with paragraph 2(1) of Sch.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.

Discussion

14. The subject hereditament must be valued for the purpose of non-domestic rating on the basis of the rent at which it might reasonably be expected to be let from year to year on a number of assumptions. Those assumptions are listed in paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988.

15. In accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI:2014 No.2841), the date of the hypothetical rent was 1 April 2015, the antecedent valuation date (AVD). This common date was used to ensure that every property was treated in a consistent way.

16. Matters that affected the physical state or enjoyment of the property or the locality were to be taken at the material day, as outlined by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject hereditament, the material day was 1 April 2017.

17. In the case under consideration, the panel had analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA141. The rent on the subject property is considered to be the correct starting point but, where available, rents on similar properties are also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence can then be weighted.

18. The subject property is freehold therefore the panel would need to assess the weight of evidence given to the comparable properties.

19. The appellant's representative referred to the photographs of the subject property which showed a basic corrugated roof, the change of floor levels together with other detrimental elements throughout the property. The appellant's representative believed that the subject property was placed in an incorrect valuation scheme and would more appropriately fit into the scheme for the Peacock Industrial Estate (Valuation Scheme 408881) where the base price ranged between £52.50/m^2 and £65/m^2. He put forward three comparable properties from the adjoining Peacock Industrial Estate to support his proposed base rate of £52.50/m^2. These were modern units and as such, he believed that there was a need to reflect the differentials between the units and the subject property. He considered that the base price at the lower end of the range of 52.50/m^2 appeared more reasonable for the subject property.

20. The appellant's representative further contended that the Valuation Officer's comparable properties were not persuasive alternatives as they were in a valuation scheme where the subject property did not belong. The Valuation Officer's representative was using rental evidence for comparable properties that were significantly smaller and therefore not the best to be relied upon. Rear of 1A Bruce Grove (behind the fish market) was a property of some 726m^2 which was described as store and premises. Number 105 Brantwood Road was a better comparable property being the closest in use and size with some 1,500m^2 between the office at front and storage area to the rear. This property was being used for the storage and distribution of food and could not be compared with the subject property as they were not in valuation terms the same. The appellant's representative said that it was difficult comment on how the Valuation Officer's comparable properties could be acceptable as alternatives when looking at the size and specification differences. He therefore considered little weight should be placed on them. He contended that there should be a differential between the subject property and the modern units at the Peacock Industrial Estate, which were adjacent to the timber yard, to reflect the basic specification and overall quality.

21. The Valuation Officer's representative provided rental evidence from comparable properties in Brantwood Road, Peacock Industrial Estate in White Hart Lane, Bruce Grove, Broadwater Road and Rowleys Yard in London N17 where the analysed rents ranged from £59.02/m^2 to £121.01/m^2 with the base rate prices for these properties ranging from £60/m^2 to £100/m^2. The subject property had been placed in valuation scheme 396067 for industrial units built before 1965 in postcode area N17, where the base price ranged from £45/m^2 to £100/m^2. The rental evidence showed that all the rents analysed supported the adopted base rate of £60/m^2 as being reasonable, this included rental evidence within the Peacock Industrial Estate which also supported £60/m^2 for the subject property.

22. As further support, the Valuation Officer's representative referred to comparable property evidence in Brantwood Road, Lordship Lane and West Mews, West Road, London. These comparable assessments were closer in size and age for industrials premises that were in the vicinity of the London Borough of Haringey where the adopted value for these properties was £60/m^2, which was the established tone. She was of the opinion that the unadjusted rate of £60/m^2 for the subject property was fair and reasonable.

23. The Valuation Officer's representative commented on the appellant's three comparable properties on the Peacock Industrial Estate as having different accessibility with the entrance

at the side of the road compared with the location of the subject property fronting a main road. Unit 6-8, Peacock Industrial Estate was not comparable as it was in a different mode and category, whilst the other two comparable properties were smaller in size. She contended that these properties were not good enough evidence to support a reduction in the base rate on the subject property.

24. Having looked at the photographic evidence, the panel found that there appeared to be a quality difference with the subject property appearing to be larger and of a lesser quality than the comparable properties, particularly those on the Peacock Industrial Estate and 105 Brantwood Road. It believed that the hypothetical tenant would reduce his rental bid taking into account the specification, quality and size of the subject property. On a stand back and look approach, the panel determined that an unadjusted rate of £55/m^2 would take into account the detrimental factors of the subject property and the base rate would fall within the existing valuation scheme. The panel determined the following.

Floor	Description	Area	£ per m^2	Value
Ground	Workshop	372.97	£53.62	£19,999
Ground	Area under supported floor	58.05	£38.50	£2,235
Ground	Workshop	182.55	£53.62	£9,788
Ground	Workshop	400.83	£53.62	£21,492
Ground	Workshop	376.98	£53.62	£20,214
Ground	Internal Storage	7.41	£53.62	£397
Ground	Sales area	14.28	£53.62	£766
Ground	Office	11.13	£64.34	£716
Mezzanine	Internal Storage	58.05	£26.81	£1,556
First	Office	137.44	£66.00	£9,071
Ground	Canopy	525.91	£8.04	£4,228
	Surfaced open spaces	15	£280.00	£4,733
	Sub total			£95,195
	Divide/split unit -5%			
	Total			£90,435
	Say			£90,000

21. In view of the foregoing, the panel is satisfied that the subject property should be reduced to £90,000 RV with effect from 1 April 2017. Consequently, the appeal was allowed in part.

Disposal

22. 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 amend the entry in the Rating List to £90,000 RV with effect from 1 April 2017.

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

24. The appellant is also entitled to a full refund of the fee paid in accordance with regulation 13E(1)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended)) provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Date issued to parties: 5 June 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.
