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

Case No: CHG101099536

Sitting remotely using Microsoft Teams

Date: 26 June 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141 — Office and premises — main space price — appeal dismissed

Before:
MR R CHERIYAN
MS CJ JONES

Between:

AZETS HOLDINGS LTD **Appellant**

- and -

ANDREW MOULAND (VALUATION OFFICER) **Respondent**

Regarding:
AV AZETS, FIRST AND SECOND FLOOR, 221-227 HIGH STREET, ORPINGTON BR6 0NZ
(the “subject property”)

Mr Paul Willmore for **Rupert David Ltd** for the appellant
Mr John Short for the **Respondent**

Hearing date: 2 June 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The Tribunal finds that the rateable value was not unreasonable.

Introduction

3. The appellant had made a challenge against the accuracy of the compiled list assessment in the 2017 Rating List, by way of a proposal that he served on the Valuation Officer (VO) on 31 July 2023. After considering the proposal and evidence submitted during the challenge period, the VO decided that the proposal was well founded and agreed to reduce the appeal property to £55,500 RV. A decision notice to this effect was served on the appellant on 4 September 2024. His representatives then appealed the VO's decision to the Tribunal on 3 January 2025, on the grounds that the current valuation for the hereditament was not reasonable, under regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

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

Background

5. The appeal property was an office and premises with an agreed total area of 516m².

6. As Mr Willmore appeared on behalf of the appellant as both advocate and expert witness, the clerk asked if there was a success related fee involved and if so whether its existence was compatible with his obligations to the tribunal as an expert. This question was raised in view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC).

7. He declared that he was instructed under a contingency fee arrangement in his role as both advocate and expert witness. Mr Willmore confirmed 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.

8. 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).

9. Mr Short confirmed that he was representing the VO as advocate and expert witness.

10. The issue in dispute before the panel was the correct tone of value to be applied to the appeal property. Mr Willmore sought a reduced entry of £51,000 RV from 1 April 2017 based on an unadjusted of value of £100/m².

11. However, Mr Short defended the VO's assessment of £51,500 RV based on a tone of value of £105/m².

12. The evidence bundle before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties comparable assessments, skeleton arguments, location maps and external photographs of the appeal property.

Relevant Law

13. The term ‘rateable value’ is defined in Schedule 6 to the Local Government Finance Act 1988 (as amended):

“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; and

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. In accordance with the authoritative guidance in Lotus & Delta v Culverwell (VO) and Leicester City Council [1976] RA141, the rent on the appeal 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. The rent for the appeal property was £83,250 per year. However, as the rent commenced 1 January 2018, it was too far from the Antecedent Valuation Date (AVD) to be reliable.

15. Mr Willmore submitted that the adjoining property had been valued at £105/m^2. However, that property was smaller, with an area of 413m². He argued that the value of the subject property should be valued at £100/m^2 to reflect a quantum allowance. However, whilst the panel accepted that larger properties would benefit from a quantum allowance, the panel applied less weight to Mr Willmore’s argument that the appeal property should benefit from a quantum allowance as he presented no evidence to prove that properties around the size of the appeal property should benefit from an allowance.

16. Mr Short accepted that the appeal property was the largest one within the VO scheme. However, he contended that within the VO scheme there were quantum size points at 300m² and 400m² and that all properties that had an area of 400m² were valued at £105/m^2. The panel applied significant weight to his contentions that there was no evidence to suggest properties with an area larger than 500m² should be valued any lower than £105/m^2.

Determination

17. In view of the above findings and conclusions, the Tribunal is satisfied that the RV was reasonable. Given Mr Short's contentions, the panel concluded that the appeal property should be valued at £105/m^2. No evidence was presented by Mr Willmore to prove that properties within the VO scheme that were larger than 500m^2 should benefit from a quantum allowance and valued less than £105/m^2. The appeal is therefore dismissed.

Right of further appeal

18. 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.

19. 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/.

Mr R Cheriyan, Senior Member (Presiding)

Ms CJ Jones, Senior Member

26 June 2025

Clerk to the Tribunal
Date issued to the parties: 26 June 2025