VALUATION TRIBUNAL FOR ENGLAND

Non-Domestic Rating appeal; Offices and Premises; Proposal seeking a lower £ per m^2 and an end allowance; Appeal allowed in part.

APPEAL NUMBER:	CHG101112072
RE:	Currie Motors Twickenham Ltd, 161 Chertsey Road, Twickenham TW1 1ER

BETWEEN:	Currie Motors Limited	Appellant
	and	
	The Valuation Officer	Respondent

SITTING:	22 November 2024 (remotely using Microsoft Teams)
BEFORE:	Ms J Hadley (Presiding Senior Member) Mr J Thomas (Senior Member)
CLERK:	Mr A Johnson
APPEARANCES:	Mr M Saxby of Colliers International (for the Appellant) Mr S Forbes (for the Respondent)

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed in part.

2. The panel reduced the rateable value (RV) of the subject property to £270,000 with effect from 1 April 2017.

Introduction and background

3. This decision statement is not a contemporaneous record of the proceedings and must not be read in such a manner.

4. The subject property is entered in the valuation list as a ‘car showroom, office and premises’. It is situated on the A316, close to Twickenham Rugby Stadium and its

total significant area was 1,680.51m^2. It was owner occupied, having been built to the owner's specification, and so there was no passing rent.

5. The subject property entered the 2017 rating list with effect from 1 April 2017 with a RV of £272,500. A proposal was submitted to the Valuation Officer on the grounds that its RV was unreasonable and should be reduced to £238,000. This was on the basis that the price per m^2 of a showroom measuring 347.69m^2 should be reduced by approximately 37% to £105 (or £110.25 when the uplift for air conditioning is included) and an allowance of 5% is applied to reflect the layout of the site.

6. The representatives appeared in the dual roles of advocate and expert witness. Mr Saxby declared that Colliers International were representing the Appellant on a contingency fee basis. Mindful of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT (LC), the panel accepted the expert witness evidence on this basis as the appeal was not considered to be 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 concerning admissibility of evidence (regulation 17(2)(a) where the Tribunal can admit evidence whether or not it would be admissible in a civil trial). It was therefore appropriate for the panel to consider the ‘expert’ evidence and assess what weight, if any, to give it in the context of the issue before it.

7. Both representatives acknowledged that when presenting evidence as expert witnesses that their duty was to the Tribunal, regardless of whether or not it supported their case.

Discussion

8. All factual matters (such as the floor areas) were not in dispute.

9. Mr Saxby considered the current RV of £272,500 to be excessive because it did not reflect the disadvantage caused by the low ceiling height of a showroom within the hereditament or an allowance to reflect the disability caused by the site having two separate showroom buildings.

10. On the first point, Mr Saxby argued that the ceiling height reduced the amount of natural light that could penetrate the showroom, thereby making it a less attractive space to sell vehicles from. Other modern showrooms are built with much higher ceilings and were therefore more attractive. The RV attributable to the office and reception space had been reduced to a similar level and he saw no reason why the showroom in question should not be valued at the same level. In support of his argument, Mr Saxby referred the panel to other car showrooms and specifically to one in Syon Gate Way, Brentford which had a restricted ceiling space being at a reduced adopted rate of £120 per m^2 to reflect its low ceiling height.

11. In contrast, Mr Forbes argued that the ceiling height of the showroom in question was not a disadvantage. He added that the significant factor when selling vehicles was the brand and vehicles themselves, which will attract customers. Mr Forbes added that no significant weight should be placed upon the comparables put forward by Mr Saxby, as each case should be determined upon its own merits. Mr Forbes also

considered the reduction at the Syon Gate Way to be inaccurate and would be reviewed.

12. Mr Forbes also referred the panel to the Upper Tribunal decision in *Vines Limited and Andrew Quentin de Mauny* [2010] UKUT 322 LC which, he contended, had established that the ceiling height of a showroom was not RV significant. On this point, the panel respectfully disagreed with Mr Forbes, finding that the conclusion reached by the Upper Tribunal was case specific.

13. The ceiling height of the showroom in question had been built to the owner/occupier's specification who, it appeared, had valued office space above over the ceiling height of the showroom. As such, it was a self-imposed disability. However, the panel was nevertheless satisfied that the rental bid of a hypothetical tenant coming fresh to the scene would be sufficiently influenced to justify a reduction to the adopted rate. However, the adjustment sought by Mr Saxby was not found to be reasonable and the panel concluded that an allowance of 5% should be made to reflect the less attractive nature of the showroom to the hypothetical tenant.

14. The panel then turned to the matter of a 5% allowance that had been sought to reflect the existence of two separate buildings. Mr Saxby argued that, not only was this an inconvenience, it also increased repair and maintenance costs and the overall efficiency of the site was reduced. Mr Saxby presented evidence relating to two sites (one in Bedford and one in Southampton) to support his argument.

15. Mr Forbes argued that the case for an allowance had not been made out. The business operating from the hereditament had chosen to operate with two separate showrooms in order to retail different makes of vehicle (one was a Lexus site and the other was a Toyota site) and these attracted different customer bases. This, he argued, was a conscious business decision which did not justify the allowance which had been sought. Mr Forbes added that the allowances made for the Bedford and Southampton sites had nothing to do with the existence of two showrooms. Rather, the reduction allowed in Bedford was to reflect an area of separated parking and the reduction allowed in Southampton (which only contained one showroom) was to reflect the various buildings being split by a sloping site.

16. After due consideration, of the arguments before it, the panel determined that the case for an allowance had not been made. No evidence of an allowance for the same reason had been provided and the allowances made for the sites in Bedford and Southampton had been made for different reasons. Furthermore, the panel was not convinced by Mr Saxby's argument concerning the increased costs of maintaining two separate buildings and no compelling evidence had been presented on this point.

Disposal

17. In view of the foregoing findings and conclusions, the panel is satisfied that the RV of the subject property should be reduced to £270,000 with effect from 1 April 2017 (as set out below).

18. In accordance with regulations 38(4) and 38(9) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 the Valuation

Tribunal for England orders the Valuation Officer to alter the rating list within two weeks of the date of this order to show the entries for the subject properties at £270,000 with effect from 1 April 2017.

Refund of appeal fee

19. The appellant is entitled to a refund of the appeal fee in accordance with regulation 13E of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009. This will be refunded as soon as possible.

Date issued to parties: 18 December 2024

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.

	Area m/2	£ per m2	Value
Ground floor office	21.26	107.10	2,277
Ground floor showroom	347.69	170.00	59,107
Ground floor internal storage	16.83	76.50	1,287
Ground floor office	8.95	107.10	959
Ground floor office	22.72	107.10	2,433
Ground floor internal storage	2.69	76.50	206
Ground floor kitchen	3.80	102.00	388
Ground floor office	83.70	107.10	8,964
Ground floor office	45.99	178.50	8,209
Ground floor office	1.67	107.10	179
Ground floor office	28.92	107.10	3,097
Ground floor plant room	8.60	76.50	658
Ground floor office	7.59	102.00	774
Ground floor public toilets	6.96	170.00	1,183
Ground floor staff toilets	7.30	76.50	558
Ground floor office	16.30	102.00	1,663
Ground floor office	13.38	178.50	2,388
Ground floor office	8.81	102.00	899
First floor office	5.12	107.10	548
First floor staff toilets	5.95	102.00	607
First floor office	8.95	51.00	456
First floor office	423.11	107.10	45,315
First floor kitchen	13.27	102.00	1,354
First floor internal storage	8.63	51.00	440
First floor plant room	19.70	51.00	1,005
First floor plant room	16.50	51.00	842
First floor staff toilets	8.10	51.00	413
First floor office	18.10	107.10	1,939
First floor office	16.10	102.00	1,642
First floor staff toilets	13.16	51.00	671
First floor internal storage	2.47	51.00	126
Ground floor showroom	412.92	178.50	73,706
Ground floor showroom	7.90	178.50	1,410
Ground floor internal storage	3.44	76.50	263
Ground floor public toilets	12.23	170.00	2,079
Ground floor plant room	5.50	76.50	421
Ground floor plant room	26.20	76.50	2,004
	1,680.51		**230,471**
Vehicle display spaces	45.00	600.00	27,000
Vehicle display spaces	10.00	500.00	5,000
Vehicle display spaces	22.00	400.00	8,800
			271,271
	RV SAY:		**270,000**