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

Case No: CHG101113926

Sitting remotely using Microsoft Teams

Date: 20 June 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — car showroom and premises; price per m^2 in dispute; rental evidence; comparable assessments; appeal allowed.

Before:
MR M ASLAM
MS L DUBOW

Between:

BENHAM AND REEVES — **Appellant**

- and -

ANDREW MOULAND (VALUATION OFFICER) — **Respondent**

Regarding:
555 PRINCES ROAD, DARTFORD, DA2 6HH
(the “subject property”)

Mr S Bunch from Sanderson Weatherall, representing the Appellant
Mr S Forbes for the Respondent

Hearing date: 29 May 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed.

2. The panel determined a rateable value (RV) of £177,000, based upon £130 per m^2, with effect from 1 April 2017.

Introduction

3. This is a 2017 rating list appeal. 555 Princes Road, Dartford, DA2 6HH (the ‘subject property’) had been entered in the 2017 rating list as ‘car showroom and premises’ at a RV of £197,000 with effect from 1 April 2017, based upon £150 per m^2.

4. A challenge proposal was submitted by Sanderson Weatherall on behalf of Benham and Reeves and was received by the Valuation Officer on 21 August 2023. It had been made on the grounds that the RV was inaccurate. A revised RV of £172,500 was proposed, based upon £150 per m^2, and a reduction in vehicle spaces from 68 to 60.

5. The Valuation Officer issued a challenge case decision notice on 19 December 2024, which disagreed with the proposed alteration of the list, but stated that the current rating list entry was unreasonable. A revised RV of £193,000 with effect from 1 April 2017 was confirmed, to reflect missing air conditioning, and a 5% survey unit allowance for fragmentation/layout of the two car showrooms.

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 received by the Tribunal on 19 December 2024.

7. Mr Bunch 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 Bunch confirmed that he was not instructed under any conditional fee arrangement. He declared 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 the evidence supported the client’s case.

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

Relevant Law

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

10. 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).

11. 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

12. The subject property is a purpose built car showroom, constructed in 1989. The accommodation consists of two separate car showrooms, offices, services workshop, parts store, mezzanine store and first floor office. Externally there are display and customer parking spaces. The site is owned and occupied by the appellant and therefore there is no rental information available for consideration.

13. Following an inspection of the subject property, Mr Bunch confirmed that he had agreed the number of car parking spaces, and consequently, the only issue in dispute was the price per m^2 to be adopted in the valuation.

14. In support of his adopted price of £130 per m^2, Mr Bunch referred to a nearby car showroom, WJ King Vauxhall at 573-597 Princes Road. He submitted that this was similar to the subject in terms of age and location, and in previous rating lists, the two sites had been valued at the same, or similar price per m^2. As 573-597 Princes Road had been assessed at £130 per m^2 for the 2017 list, Mr Bunch contended that there was no reason or justification as to why the values should be so different.

15. Mr Bunch disputed the relevance of Motorline Skoda, Broad Oak Road, Canterbury, Kent CT2 7PX, cited as rental evidence by the Valuation Officer in support of £150 per m^2. He argued that this was a modern, purpose-built car showroom in a different location to the subject property.

16. The case for the Valuation Officer was that the rental evidence for a comparable car showroom, agreed close to the AVD, supported £150 per m^2 for the subject property. As rental evidence was limited in the location, Mr Forbes submitted that it was necessary to widen the search for rental evidence. The rent effective from 1 November 2015 for Motorline Skoda, Broad Oak Road, analysed at £183.98 per m^2. The property had been assessed at £150 per m^2.

17. In the Valuation Officer’s challenge decision notice, it was stated that while the values of the subject property and 573-597 Princes Road may have been similar in previous rating lists, each rating list is independent, and the valuation applied in a previous list is not automatically carried over into the new list.

18. At the hearing, Mr Bunch acknowledged that both properties form a cluster, however, 573-597 Princes Road is a 1950s building, updated in the 1990s, whereas the subject property was purpose-built in 1989.

19. In consideration of the parties' evidence and submissions, the panel found that the most persuasive evidence was the appellant's comparable property, 573-597 Princes Road. The photographs provided clearly showed the close location and similar appearance of the two properties. While 573-597 Princes Road was constructed in the 1950s, it had been updated in the 1990s, and the panel found that it was relevant for consideration with the subject property built in 1989.

20. The panel decided to attach less weight to the Valuation Officer's rental comparable, Motorline Skoda, as this was of more modern construction and in a different location.

21. Mr Forbes' reference to a recent transitional certificate issued in respect of 573-597 Princes Road, was rejected by the panel, as this was new evidence which had not been disclosed to the appellant, and in any case, could subsequently be subject to challenge.

Determination

22. In view of the above findings and conclusions, the Tribunal Panel is satisfied that the appellant's representative has demonstrated that the present RV of £193,000 is not reasonable, and therefore the appeal is allowed.

23. 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 alter the entry in the rating list to rateable value £177,000 with effect from 1 April 2017.

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

25. A refund of the paid fee will now be arranged provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Right of further appeal

26. 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.

27. 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 M Aslam, Senior Member (Presiding)

Ms L Dubow, Senior Member

20 June 2025

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 20 June 2025