VALUATION TRIBUNAL FOR ENGLAND

Non-Domestic Completion Notice appeal: Local Government Finance Act 1992; London Borough of Newham v Rad Phase 1 Type B property Company No.1 Ltd [2020] UKUT203 (LC); Aviva Investors Property Developments Ltd v Whitby (VO) [2013] UKUT 0430 (LC); appeal allowed in part.

APPEAL NUMBER:	VT00026539, VT00026540, VT00026541
RE:	Unit 1,102 East Duck Lees Lane, Enfield, EN3 7SS Unit 2, 102 East Duck Lees Lane, Enfield, EN3 7SS Unit 3, 102 East Duck Lees Lane, Enfield, EN3 7SS (the “subject properties”)

BETWEEN:	Segro Lee Park Distribution Limited (represented by Ryan Property Tax Services UK Limited)	Appellant
	and	
	London Borough of Enfield (Billing Authority)	Respondent

SITTING:	*remotely using Microsoft Teams*
ON:	26 March 2025
BEFORE:	Mr Amran Hussain, Presiding Senior Member Mrs X Holt, Senior Member
CLERK:	Mrs S Hodgson IRRV(Dip)
APPEARANCES:	Mr A Moore for the appellant Ms H Adeyemi for the respondent

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DECISION AND STATEMENT OF REASONS

Decision

1. The appeals are allowed-in-part.

2. The Tribunal Panel found that although the billing authority (BA) was correct to serve completion notices, it should have allowed more time for completion of the remaining work at the date the notices were served. The dates of completion were amended from 9 October 2024 to 2 January 2025 for Units 1 & 2, and from 9 October 2024 to 2 April 2025 for Unit 3.

Introduction

3. These appeals were against the completion notices which the BA served on the appellant company on 2 October 2024. The BA proposed completion dates of 9 October 2024, as it considered that the units were complete.

4. Mr Moore, on behalf of the appellant company, appealed to this Tribunal on 28 October 2024, on the grounds that the subject properties were not, and could not be, completed by the completion dates.

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

Background

6. The subject properties were warehouse units with offices above. Unit 1 measured 68,806 square feet, Unit 2 measured 49,171 square feet, and Unit 3 measured 117,476 square feet. The parties jointly inspected the units on 8 November 2024 after the completion notices had been issued.

Relevant Law

The Local Government Finance Act 1992

7. Section 17 of the Act is as follows:

   (1) Subject to the provisions of this section, Schedule 4A to the 1988 Act (which makes provision with respect to the determination of a day as the completion day in relation to a new building) shall, with the exception of paragraph 6, apply for the purposes of this Part as it applies for the purposes of Part III of that Act.

   (2) Any reference in this section to the Schedule is a reference to Schedule 4A to the 1988 Act as it applies for the purposes of this part.

The Local Government Finance Act 1988

8. Schedule 4A, so far as is relevant for the purposes of this appeal, is as follows:

1 (1) If it comes to the notice of a billing authority that the work remaining to be done on a new building in its area is such that the building can reasonably be expected to be completed within 3 months, the authority shall serve a notice under this paragraph on the owner of the building as soon as is reasonably practicable unless the valuation officer otherwise directs in writing.

1 (2) If it comes to the notice of a billing authority that a new building in its area has been completed, the authority may serve a notice under this paragraph on the owner of the building unless the valuation officer otherwise directs in writing.

2 (1) A completion notice shall specify the building to which it relates and state the day which the authority proposes as the completion day in relation to the building.

2 (2) Where at the time a completion notice is served it appears to the authority that the building to which the notice relates is not completed, the authority shall propose as the completion day such day, not later than 3 months from and including the day on which the notice is served, as the authority considers is a day by which the building can reasonably be expected to be completed.

2 (3) Where at the time a completion notice is served it appears to the authority that the building to which the notice relates is completed, the authority shall propose as the completion day the day on which the notice is served.

4 (1) A person on whom a completion notice is served may appeal to a valuation tribunal against the notice on the ground that the building to which the notice relates has not been or, as the case may be, cannot reasonably be expected to be completed by the day stated in the notice.

4 (2) Where a person appeals against a completion notice and the appeal is not withdrawn or dismissed, the completion day shall be such day as the tribunal shall determine.

…

9 (1) This paragraph applies in the case of a building to which work remains to be done which is customarily done to a building of the type in question after the building has been substantially completed.

9 (2) It shall be assumed for the purposes of this Schedule that the building has been or can reasonably be expected to be completed at the end of such period beginning with the date of its completion apart from the work as is reasonably required for carrying out the work.

9. Therefore, a BA was under a statutory duty to serve a council tax completion notice in respect of a complete building or one where the work remaining to be done could reasonably be expected to be completed within three months. The authority could propose a date of completion it considered was reasonable providing it fell within three months of the date the completion notice was served.

Discussion

10. *Ravenseft Properties Ltd v Newham London Borough Council* [1976] 1 EGLR 109 held that ‘completed’ means ready for occupation. This was supported by the decision in *Porter (Valuation Officer) v Trustees of Gladman Sipps* [2011] UKUT 204 (LC) which stated:

“A building is only a hereditament if it is ready for occupation, and whether it is ready for occupation is to be assessed in the light of the purpose for which it is designed to be occupied. If the building lacks features which will have to be provided before it can be occupied for that purpose and when provided will form part of the occupied hereditament and form the basis of its valuation it does not constitute a hereditament and so does not fall to be shown in the list.”

11. The panel heard from Mr Moore that the offices in all of the units were currently in a Category A configuration and still required small power distribution, data cabling, air conditioning, and office partitioning. The warehouses still required lighting, small power distribution, data/communications, heating, racking, and welfare facilities. He had provided marketing brochures to demonstrate the current specifications of the units including photographs.

12. Ms Adeyemi stated that the BA visited the site of the units on 20 September 2024 and determined they were complete and completion notices were issued shortly after on 2 October 2024. Ms Adeyemi stated it is the policy of the BA to allow one week for service of the completion notices due to previous issues with delayed post, which is why the completion dates were 9 October 2024.

13. Photographs had been provided by Ms Adeyemi that were taken at the joint inspection on 8 November 2024. The photographs were of one of the units, however both parties agreed that all units were in the same condition. Through questioning, Ms Adeyemi stated she had not noticed if there was any electrical lighting in the warehouses and stated there was no power as it was empty open spaces.

14. The panel were referred to the decision of *Aviva Investors Property Developments Ltd v Whitby (VO)* [2013] UKUT 0430 (LC) where the Upper Tribunal held that industrial/warehouse units which were missing small power distribution units and lighting could not be held to be complete. Mr Moore likened the subject properties to the properties in the Aviva case in terms of the work remaining.

15. The panel reviewed all of the evidence put before it, including photographs from both parties, and descriptions of the work that remained to be done at the subject properties. The panel found that there was a large size difference between Units 1 & 2, and Unit 3. It accepted Mr Moore's submission that the work remaining on Unit 3 would take longer to complete than the smaller units.

16. When considering the case law and the legislation, the panel was satisfied that the work that was still required at the units, prevented them from being hereditaments, specifically the small power distribution and the warehouse lighting which was the same situation in *Aviva*.

17. Mr Moore had suggested that the remaining works would take six months to complete at Unit 1 and Unit 2, and 9 months to complete at Unit 3, however evidence of these timings had not been provided. It was the panel's opinion that the office sections of the units were more complete than the warehouse sections. The panel's view was that the works remaining could be completed in three months and six months for Units 1 & 2 and Unit 3 respectively.

Disposal

18. In view of the above findings, the Tribunal Panel concluded that as at the date of service of the completion notices on 2 October 2024, a reasonable date to complete the remaining work was 2 January 2025 for Units 1 & 2, and 2 April 2025 for Unit 3.

19. The Tribunal Panel orders that under paragraph 4(2) of Schedule 4A the completion dates for the subject properties, must be changed as follows, within two weeks of this notice:

    Unit 1,102 East Duck Lees Lane, Enfield, EN3 7SS – 2 January 2025
    Unit 2, 102 East Duck Lees Lane, Enfield, EN3 7SS – 2 January 2025
    Unit 3, 102 East Duck Lees Lane, Enfield, EN3 7SS – 2 April 2025

Date issued to parties: 25 April 2025

Right of further appeal

Any party who is aggrieved by the Tribunal's decision has the right of appeal to the High Court on a question of law. Any such appeal should be made within four weeks of the date of this decision notice.