

TRIBIWNLYS PRISIO CYMRU - VALUATION TRIBUNAL FOR WALES

Appellant: Mr J M Croad (Owner)

Appellant's Address: Offices & Premises, 147a High Street, Merthyr Tydfil
CF47 8DP

Appeal number: 692533183835/285NV17/10

The Matter Appealed against: 2017 Rating List

Date of Hearing: 14 November 2019

Appearances: Mr J Vatougios for the respondent Valuation Officer (VO) on behalf of Mr A Neale the VO caseworker

Date of Decision: 22 November 2019

Decision of Tribunal: Appeal Allowed in Part

Members of the Tribunal: Mr K Curry (Chair), Mrs K Thomas & Mr WG Lewis

Tribunal Clerk: Mrs S Gwilliam

Introduction:

1. Mr Croad contended in a proposal to alter the entry in the 2017 Rating List in respect of Offices and Premises, 147a High Street, Merthyr Tydfil received by the VO on the 13 December 2018, that the Rateable Value (RV) of the appeal hereditament was inaccurate when the property was revalued in April 2017, and, should therefore be reduced from £6,500 to £4,000 RV, for the following reasons:

“Too high, rentals in Merthyr are currently now less than £4000 per annum – R/V is too high for the property”.

2. This is a summary of the case and is not intended to be an exhaustive record of the proceedings. However, the parties can be assured that all the evidence was fully considered by the Tribunal when it arrived at its decision. Consequently, the absence or reference to any statement, or evidence, should not be construed as being overlooked.

Summary of the Case

3. On the 8 November 2019, the Appellant notified the Valuation Tribunal for Wales that he would not be attending the hearing but wished his appeal to be heard in his absence.
4. In support of his contention, Mr Croad attached a copy of a letter dated the 5 November 2019 sent to the VO caseworker, Mr A Neale, reproduced overleaf:

5. *“Further to our telephone conversation this morning.*

The building 147a Lower High St, Merthyr Tydfil is an incubation unit for small developing businesses.

The rateable value of £6500 is in my estimation, too high for first time occupants.

You have been kind enough to propose a reduction to £6200 which is a step in the right direction.

However I would like the RV reduced to £4000, given the present use and location of the building, in the Lower High St.

I quite understand that your hands are tied in terms of percentage reductions, but I feel that realistic cognisance is taken of a youngster’s ability to pay when starting off, we may put them off?

We all need to do all we can to encourage young people to take the first step and set up fledging enterprises, if we don’t they will never get started.”

6. Mr Vatougios explained to the Tribunal that he was attending the hearing on behalf of the VO caseworker.
7. He explained that the caseworker had considered available rental evidence and the established tone for offices, together with the Appellant’s contentions, and whilst the caseworker found that a 5% reduction was warranted, there was no evidence to support a further reduction to £4,000 RV as contended by Mr Croad.
8. Whilst the VO could understand the Appellant’s grievance, for Non-Domestic rating purposes properties have to be valued vacant and to let.
9. Consequently, Mr Vatougios requested that the Tribunal allow the appeal in part and confirm a revised RV of £6,200 with effect from the 1 April 2017.
10. In response to questions from the Tribunal, Mr Vatougios stated:
 - In order to encourage uniformity, all properties are assumed to be vacant and to let therefore the caseworker was unable to take into account the Appellant’s personal motivations for the property in question; and
 - Each case is dealt with on a case by case basis and in this instance the caseworker felt, after considering the local established tone of offices within the area and the available rental evidence that a 5% reduction was warranted due to its location amongst retail properties.
11. At the conclusion of the hearing, the Tribunal decided to reserve its decision.

Reasons for Decision

12. Having considered all the evidence placed before it the Tribunal decided as follows:
13. The Tribunal was aware that in accordance with relevant legislation the appeal hereditament must be valued by having regard to values achieved as at the Antecedent Valuation Date, the 1 April 2015, whilst looking at the physical circumstances of the property as at the Material Day, the Compiled List entry date of the 1 April 2017.
14. In his proposal Mr Croad requested a reduction from £6,500RV to £4,000RV as he believed that the RV was too high for the area. In addition, he maintained that the RV was too high given its present use for first time occupants and believed that it was important to encourage young people to set up fledgling enterprises.
15. The Members were aware that the VO caseworker had considered Mr Croad's contentions and had regard to rental evidence and to an established local tone, and as such, he considered a 5% reduction to £6,200 was warranted due to the property's situation within a retail location.
16. The Tribunal was mindful that the persuasive or legal burden of proof rests with the Appellant, to show that the entry in the 2017 Non Domestic Rating List was wrong and not for the VO to prove otherwise.
17. Whilst the Members commended the Appellant regarding his intentions for the property to be used as a 'start up for fledging enterprises', the property must be looked at vacant and to let and no regard must be taken of the actual occupier. It was also noted that the Appellant did not provide any evidence in support of a reduction to £4,000RV.
18. Consequently, in the absence of evidence to persuade the Members that the Rateable Value as proposed by the VO was excessive, the Tribunal confirmed the VO's revised assessment of £6,200RV with effect from the 1 April 2017 for Offices and Premises, 147a High Street, Merthyr Tydfil CF47 8DP and allowed the appeal in part.

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