

TRIBIWNLYS PRISIO CYMRU - VALUATION TRIBUNAL FOR WALES

Appellant: Walter Reed Associates agent for Mr Davies

Appeal Property: Kings Club Snooker at Absolute Sports Group, Victoria Road, Gowerton, Swansea SA4 3AB

Appeal number: 685533932517/285NV17

The Matter Appealed Against: 2017 Rating List

Date of Hearing: Tuesday 8th February 2022

Appearances: Mr M Bates (for the appellant) & Mr A Morse (for the respondent Valuation Officer)

Date of Decision: 23rd February 2022

Decision of Tribunal: Appeal allowed in part.

Members of the Tribunal: Mr JR Evans (Chairperson), Mr S Hancock & Mr JM Griffiths

Tribunal Clerk: Mr G Harris

Introduction

1. The appeal before the tribunal followed a proposal made by Walter Reed Associates in respect of Kings Club Snooker at Absolute Sports Group, Victoria Road, Gowerton, Swansea SA4 3AB which the respondent Valuation Officer received on 13th December 2019. The proposal sought a reduction in the Rateable Value (RV) of the appeal property from £16,250 to £1 with effect from 1st April 2017 on the following grounds –

The Rateable Value applied is incorrect and excessive.

2. The appeal property comprised a modern snooker hall, formed following the subdivision of a former warehouse in 2018.
3. The matters for consideration by the Tribunal were the £/m² to be applied to the valuation in respect of the main space, and whether it should be valued as a snooker club or as a warehouse.
4. The valuation under consideration had been produced in accordance with Paragraph 2(1) Schedule 6 of the Local Government Finance Act 1988 which stated –

2(1) The rateable value of a non-domestic hereditament [none of which consists of domestic property and none of which is exempt from 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.*
5. Schedule 6 also provided for the Antecedent Valuation Date (AVD), the date by reference to which the rateable value of the hereditament was to be determined, this was 1st April 2015 for the 2017 Rating List.
 6. 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 of reference to any statement, or evidence, should not be construed as being overlooked.

Parties Submissions

7. Mr Bates contended that the assessment should be valued in line with that of a warehouse using a base rate of £17/m² as used by a valuation scheme for similar sized units, such as Gower Timber (Holdings) Ltd which had an area of 595m² and had been valued at £16.16/m². In line with general practice, he had added an uplift of 20% to the ground floor retail area to reflect its office quality. Mr Bates's proposed valuation was –

Floor	Description	Area	£/m²	Value
Ground	Reception/entrance	20.68	17.00	352.00
Ground	Public toilets	15.42	17.00	262.00
Ground	Internal storage	13.97	17.00	237.00
Ground	Retail area	395.77	20.40	8074.00
Ground	Internal storage	208.85	17.00	3550.00
Total		654.69		12,475.00
			RV	£12,250.00

8. Mr Morse explained that the former warehouse had been split into 6 new assessments with each being valued as a warehouse built before 1965 but with an uplift according to their use. The snooker hall had been valued with a 30% uplift on the base value applied to the original factory. However, to clarify the actual use of the premises and to bring the valuation more into line with direct comparables Mr Morse had changed the valuation to that of a club and had removed the uplift, which he contended was a more logical approach.
9. Mr Morse had adopted £27.50/m² due to the relatively modern space created in the 2018 refurbishment and to reflect the benefit of car parking, which some other clubs did not have. This was in line with several

comparable assessments provided in evidence and had resulted in the same end valuation of £16,250, however this had been rounded down to £16,000 at the hearing. Mr Morse's revised valuation was as follows –

Floor	Description	Area	Line Factor	£/m²	Value
Ground	Reception/entrance	20.68	1	27.5	569.00
Ground	Public WC	15.42	.67	18.5	285.00
Ground	Stores	13.97	.45	12.4	173.00
Ground	Snooker club	395.77	1	27.5	10883.00
Ground	Vacant area	208.85	.75	20.75	4332.00
Total		654.69			16,242.00
			RV		£16,000.00

Decision

10. After considering all the evidence the Tribunal decided that Mr Morse's revised valuation based on the assessment being a snooker club was both logical and compelling and was supported by the photographs of the property.
11. The Tribunal did not agree with Mr Bate's assertions that it should be valued as an industrial unit as it no longer constituted such following the refurbishment in 2018. Following an examination of the photographs the Tribunal believed it was more akin to that of a snooker club when empty and to let.
12. The Tribunal agreed that in line with the revised valuation an uplift was not applicable however believed a unit rate of £25/m² was more in line with that of the comparable assessments provided by Mr Morse in his evidence. As such the Tribunal's revised valuation was as follows –

Floor	Description	Area	Line Factor	£/m²	Value
Ground	Reception/entrance	20.68	1	25.0	517.00
Ground	Public WC	15.42	.67	16.75	258.00
Ground	Stores	13.97	.45	11.25	157.00
Ground	Snooker club	395.77	1	25.0	9894.00
Ground	Vacant area	208.85	.75	18.75	3915.00
Total		654.69			14,741.00
			RV		£14,500.00

13. In light of the above, the Tribunal orders the Valuation Officer to alter the entry for Kings Club Snooker at Absolute Sports Group, Victoria Road, Gowerton, Swansea SA4 3AB in the 2017 Rating List to £14,500 with effect from 1st April 2018.