

Response to consultation paper Check, Challenge, Appeal

Introduction

1. Whilst it is accepted that a review of the rating system is long overdue the stated intentions of the review and the outcome are severely at odds with one another.
2. In paragraph 2 of the DCLG's introduction to the consultation it is stated that:-

"The review aims to provide a system which is easier to navigate, particularly for small businesses or unrepresented rate payers".

In the answers given to the questions raised we will show how the proposed regulations will have the opposite effect. Without transparency from the Valuation Officer in respect of how the valuation is arrived at, in particular the unit prices and evidence from which they have been derived there will be no confidence in the accuracy of the Rateable Values and certain proposals will ensure that the system is seen to be seriously unbalanced against the interests of the Taxpayer".

The Reformed System

Q1. Do you agree that the draft Regulations put in practice the agreed policy intention as set out in the Government policy statement?

A1. We do not agree that the draft Regulation put into practice the agreed policy intention for the following reason:

1. Under the current system initiating the appeal process by way of a proposal is simple for any unrepresented ratepayer or professional representative. The ratepayer need not provide any evidence, or detailed argument prior to having a discussion of their grievance with the Valuation Officer. The new 3 step process is slower, more difficult to navigate and understand and weighted in favour of the Valuation Officer. Professor Zellick made the following comments after retiring from his post as President of the Valuation Tribunal for England.

"The ratepayer is never given the full explanation for the valuation. As a result, every time there is a new rating list, ratepayers initiate a challenge – partly to protect their position but chiefly to "flush out" more information.

Unless information is given up front, the system will remain defective and unsatisfactory and unjust. I don't know any other tax that can be levied where the taxpayer doesn't understand in full down to the last detail the basis on which the taxman has calculated the tax due. It's unprecedented, it's unique and it's wrong."

In addition the recent case heard by the Upper Tribunal of E L S International Lawyers LLP and Edmond Prekopp (VO) RA/59/2105, raised the issues of a lack of clear evidence being provided by the Valuation Office, which would have avoided the need for the appeal. Mr Martin Rodger QC Deputy President of the Lands Chamber said in his decision:-

“I consider that” [the appellant’s Expert] “Mr Moon’s criticisms of both the FoR’s and the summary valuations shown on the VOA website have some merit. The wording of the FoR’s invite ambiguity, as the evidence in this case has shown. I can also entirely understand Mr Moon’s frustration at the lack of transparency on the VOA website, which appears to show assessments valued at say £330 per sqm, whereas the “real” value was at £360 per sqm less allowances. This opacity, which Mr Prekopp accepted was a shortcoming, puts ratepayers and their agents at a disadvantage in negotiations and may lead to fruitless appeals. It is to be hoped that the new regime of Check Challenge and Appeal, coupled with the impending rating revaluation, will adopt a clearer way of presenting evidence to ratepayers.”

Nothing in the proposed regulations has addressed these fundamental points, if anything the emphasis on the ratepayer having to produce all of the evidence at the outset and the Valuation Officer only having to respond in a limited fashion will make the current situation worse.

2. The introduction of further Civil Penalties will discourage unrepresented ratepayers and small business from challenging appeals due to a fear that inadvertently providing inaccurate information will result in a fine. Property law in general is not a simple area readily accessible to the layman, rating law is especially difficult to navigate. If the intention is to dissuade unrepresented ratepayers then the Civil Penalty provision and daunting requirements of the new system will be effective, but this is contrary to the stated aim.
3. Regulation 6 removes the right of appeal for relevant authorities. That right is already severely limited and as the Local Authorities are the intended recipients of the tax (either directly by retention or indirectly by support grant) the removal of this right appears unnecessary and inappropriate. However it does ensure that only the Valuation Officer is seen as the protagonist.
4. Regulation 7 is in effect of little or no value to the ratepayers. For the majority of properties the Valuation Officer’s website includes all of the facts in terms of floor areas and effective dates, needed to check the accuracy of the Valuation Officer’s record. If these facts are not in dispute then the check process is simply a delay in moving towards an appeal. The majority of appeals relate to the level of value applied to the property and not the factual accuracy regarding floor areas. In addition there is no effective control over the actions of the Valuation Officer for instance:-
 - i) The information provided is only what the Valuation Officer deems reasonable having regard to the ground of appeal in Regulation 4 Non Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 (the Appeal Regulations). The primary concern of most if not all ratepayers is the Rateable Value, and the unit price used to arrive at the Rateable Value. Therefore the Valuation Officer’s response will not in most cases progress the disclosure of information or assist in resolving the dispute.
 - ii) As there is no time limit on the Valuation Officer’s response to the initial request nor a time limit for the ratepayer to reply, then the 12 month time limit for the Valuation Officer to make a determination is open ended.
 - iii) If the Valuation Officer acknowledges that there are factual inaccuracies there is no stated mechanism for how these will be agreed or otherwise resolved. Based

on the current drafting the Valuation Officer could: refuse to discuss the inaccuracies; unilaterally act to correct the inaccuracies, and amend the Rating List or; seek to agree facts. However as already noted only in rare cases will this resolve the grievance of the ratepayer.

- iv) Allowing for a reasonable time period between the Valuation Officer receiving the request, checking facts and producing a response, and for the ratepayer to check the details and then provide a written confirmation of what is agreed and what is considered inaccurate, plus a 12 month period, this stage of the new procedure is likely to take as long as the entirety of a typical appeal under the current system in the period 1st April 2010 to 31st March 2017.
5. Regulation 8 of the draft regulations makes changes to Regulation 6 of the Appeal Regulations which are weighted in the Valuation Officer's favour against the ratepayer and to the extreme disadvantage of unrepresented ratepayers and small business. In effect the proposal now required will replicate the Statement of Case required by the Valuation Tribunal for England in accordance with their Practice Statement A7. The detailed reasons for the above comments are:-
- i) Other than requiring a proposal be made in writing the Valuation Officer should not be enabled to determine the method of transmission of the proposal. In view of the detailed requirement for the proposal, the Valuation Officer should not be given the authority to curtail the content or transmission of the proposal by setting out standard formats for electronic submissions. The proposed Regulation 6 (2) would do just that. The current proposal forms (which do not conform to Regulation 4) restrict the scope of the proposal which can be made, the online proposal forms being the most restrictive. It is therefore, at times, necessary to make proposals in letter format under the current appeal system which sets a much lower requirement on the ratepayer. In addition, the on-line Requests for Information, which ratepayers are required to complete, providing rental details, restrict the answers available and thereby compound underlying assumptions made by the Valuation Office. Please refer to the quote from the Upper Tribunal (Lands Chamber) above in respect of the ambiguity of the information on these forms. Based on these examples enabling the Valuation Officer to determine the format and method of transmission of proposals would be detrimental.
 - ii) Regulation 6 (3) of the Appeal Regulations will, as noted above, require the ratepayer in effect to produce a Statement of Case rather than a simple generic proposal. The current Statements of Case are produced after the expiry of a discussion period during which time the parties should have exchanged views and information. The ratepayer is now being required to produce his full argument against the Valuation Officer's opinion without any information from the Valuation Officer. Unrepresented ratepayers are required to provide evidence that they will not have access to and to provide detailed argument based on the evidence which is beyond their competence as unrepresented ratepayers. For example ratepayers will rarely have information regarding settled cases or any knowledge of where such information can be obtained, creating a further barrier to an effective appeal on their part.
 - iii) The ratepayer or the ratepayer's representative is therefore placed at an immediate disadvantage to the Valuation Officer who holds far more evidence than the ratepayer can gain access to and allows the Valuation Officer to withhold that evidence by ensuring that he does not have to enter into negotiations at an early stage or to be transparent about the basis of his valuation, he merely needs to rebut, or ignore, the ratepayers contentions.

6. Regulation 9 substitutes the Invalid Proposal procedure in the current regulations with a new Incomplete Proposal procedure. This proposal procedure is biased and unfair for the following reasons:-
 - i) There is no time limit on the Valuation Officer's response to the proposal and therefore a fresh proposal may become time barred as being more than 4 months after completion of the check process. The current Invalidity arrangements allow the ratepayer a 28 day grace period from the Valuation Officer's Notice of Invalidity which is now denied to the ratepayer; at the very least a similar grace period should apply to this new procedure.
 - ii) In view of i) above the decision period of 4 months allowed to the ratepayer is removed by this provision as the ratepayer will need to respond immediately to reduce the prospect of being time barred due to a late response from the Valuation Officer.
 - iii) There is no recourse to appeal against the Valuation Officer's decision to reject a proposal. In many cases the Valuation Officer's current decisions on Invalidity are overturned and the error is not with the proposal but with the information held by the Valuation Officer or the quality of the decision making process within the Valuation Office Agency. As an example if the ratepayer contends that there is no rent payable, but the Valuation Officer believes there is then the proposal will be rejected as incomplete. Under the present system this matter can be brought to the Valuation Tribunal England to determine the correct interpretation. There is no such check on the Valuation Officer in these new regulations.
7. Regulation 10 of the draft regulations replaces the existing Regulation 9 with a new Regulation 9. Unlike the Incomplete Proposal provisions there is a 6 week deadline for the Valuation Officer to serve a copy of the proposal on the ratepayer (if not the proposer) and on the relevant authority.
8. Under the provisions of the proposed regulation 9(3), the Valuation Officer need only respond to particulars of the grounds of appeal and only to the extent that the Valuation Officer considers reasonable, this does not therefore cover the major concerns of the ratepayer's i.e. the evidence upon which the Valuation Officer's assessment is based. The Valuation Officer is in effect given absolute discretion on whether to respond in any meaningful manner or not. Under the current appeal system the Valuation Officer will often simply respond by stating that the appellant has failed to prove his case and then provide no further information until the matter is Listed for a hearing before the Valuation Tribunal, thereby increasing the number of hearings required to "flush out" (as Professor Zellick stated) the evidence on which the Valuation Officer has based his valuation. The proposed regulations will exacerbate the situation that they are said to be intended to rectify.
9. The ratepayer is allowed to provide further evidence in response to the Valuation Officer's reply to the proposal which is welcomed, but as the Valuation Officer's reply is often very limited in its scope this is of limited benefit to the ratepayer. The wording of the Regulation is precise. The Valuation Officer will provide information if he considers it reasonable to do so, the proposer has to provide evidence. At no point is the Valuation Officer required to provide evidence. It is noted that the Relevant Authority for certain notified classes may provide evidence to both parties. The regulations are unfair for the following reasons:-
 - i) As already noted there is no requirement for the Valuation Officer to provide any evidence.

- ii) Where the ratepayer seeks to introduce further evidence, which is not fresh to them, nor in response to any information provided by the Valuation Office (definition of both being at the discretion of the Valuation Office) then the ratepayer requires the written agreement of the Valuation Officer.
- iii) There is no time constraint on the Valuation Officer to respond meaningfully to the ratepayer's proposal, other than an 18 month period on the expiry of which the proposer may appeal.

Therefore it is in the Valuation Officer's interest to fail to respond forcing the ratepayer to appeal to Tribunal without any disclosure of information by the Valuation Officer.

10. Regulation 11 introduces new Penalty procedures. As noted above these penalties may act as a deterrent, especially to unrepresented ratepayers and small businesses, preventing the making of legitimate appeals. Statements made in a proposal may be considered to be appropriate by the ratepayer but then deemed to be false. For example if a ratepayer challenges a floor area due to not being conversant with the Code of Measuring Practice the area is false information and would be deemed to be carelessly provided because the ratepayer did not look up the appropriate definitions. This is a far remove from a fraudulent statement deliberately intended to mislead, which is already punishable under other regimes, and would not materially impact on the Valuation Officer's ability to undertake his duty but would nevertheless cost the ratepayer a £500 fine, or incur the need to defend himself by appealing to Valuation Tribunal incurring the costs of his time if not actual costs of professional representation which would outweigh the amount of the penalty. Alternatively if a representative has been provided with incorrect information by his client which is then held to be "false" the representative may be fined despite the fact that there was no intent to deceive, and again face the costs of either a penalty, or an appeal. This is a draconian measure which will not benefit either the ratepayer or the Valuation Officer.
11. The substituted Regulation 10 in the Appeal Regulation is welcomed. However this does not specify the action to be taken by the Valuation Officer if an alteration to the list is required after the check stage.
12. The proposed alterations to Regulation 12 of the Appeal Regulations are minor and in most cases are of no effect on the appeal process.
13. The proposed new Regulation 13 makes reference for the first time to the Valuation Officer being required to provide evidence used to make a decision, which is welcomed.
14. The proposed regulation 13A does not allow the appeal to introduce evidence or information exchanged between the parties after the submission of the proposal. As the scope of the dispute may have been reduced by either party having accepted part of the other party's argument, or by an agreed compromise, this information should be permitted to be included in the appeal to the Valuation Tribunal for England, without the Valuation Officer's agreement.
15. Proposed regulations 13B and 13C deal with the charging of fees which are the subject of a separate question which is answered below.
16. On balance therefore the proposed amendments to the Appeal Regulation will create a slower and more complex system, which will be seen to be biased against ratepayers,

especially unrepresented ratepayers, and therefore is the converse of the stated aims of the changes to the appeal system.

Q2. We would welcome your views on the approach to implementing fees for the appeal stage.

A2. Our observations and views are set out below.

1. The stated aim of the fee provision (paragraph 15 of the consultation document refers) is to increase the incentive for early and full engagement. The fees are only payable by the appellant and therefore provide no incentive for full and early engagement by the Valuation Officer and in fact merely provide a disincentive for ratepayers to pursue legitimate claims for reductions in their assessments and incentive for the Valuation Officer to delay in the hope that the proposer will simply walk away from the process.
2. This is compounded by the fact that if the Valuation Officer belatedly accepts that the appeal is well founded, in whole or in part, and settles the appeal by agreement before a hearing takes place the appellant will receive only a partial refund of the fee and the Valuation Officer suffers no penalty.
3. Fees should therefore be fully refundable if a reduction in the Rateable Value is agreed between the parties prior to a hearing. As an incentive for early engagement by the Valuation Officer, the Valuation Officer should be required to pay the appeal fee for appeals made under proposed regulations 13A (1) (c) and should be required to pay the fee in full for all cases where either the appeal is settled by agreement prior to a hearing or the Valuation Tribunal for England order an alteration to the Rating List requiring a reduction in the Rateable Value, or such other change, such as effective date which has a material benefit to the rates liability of the Appellant.

Q3. We would welcome your views on the approach to implementing penalties for false information.

A3. Our observations and views are set out below.

1. Whilst it is agreed that fraudulently provided information intended to deceive should be punished that is not the purpose of these penalties.
2. It is acknowledged in the consultation that the Rateable Value is an opinion of value set by the Valuation Officer, therefore none of the information provided at the check or challenge stage which is thought by the Valuation Officer to be false, or determined during discussions to be incorrect and therefore by definition false, i.e. not true, has any impact on the Valuation Officer's decision making and so no impact on the level of liability. This is completely different to the situation with all other taxes which are based on disclosed information from the taxpayer or the taxpayer's employer and not on the opinion of the tax officials.
3. The penalties will therefore serve no purpose other than to confirm that this system of taxation is unfair and to discourage genuine questioning, especially by unrepresented ratepayers, of the basis of their liability.

Q4. We would welcome your views on the approach to implementing the package

for small businesses and small organisations.

A4. Our observations and views are set out below.

1. Direct experience of unrepresented ratepayers shows that they are not well served by the current system and the failings of the system are because the unrepresented ratepayers are not equipped to challenge the Valuation Officer.
2. We have appended 2 case studies which highlight this problem. However we would also draw your attention to the speech in the House of Lords on 25th November 2015 by Lord Mendelsohn which is recorded in Hansard. The noble Lord sets out his own experience of dealing with the Valuation Office, which does not give comfort to any unrepresented ratepayers. Hansard quotes him as saying:-

“I also declare an interest and an experience. Recently, at the business that I set up and where I spend a lot of time, surprised that our rates were significantly in excess of our rent, we decided that we would try to see why that was and what the situation was. I had never really dealt with this issue in any of my other businesses, and I did not know the answer. So we tried to find out what it was. We were given short shrift by pretty much everybody and were set the challenge that we would not find anything until we appealed. So we were invited to appeal by the very agency that is not happy about the level of appeals, because that was the only way we could find out information. We thought about whether we should do it. The hurdles were considerable – I do not think anyone does it particularly lightly in the first place – and we took the view that we had better things to do and that a full calculation of time and value would probably show that it was not worth it. So we left it”.

Lord Mendelsohn then goes on to explain that he did subsequently make an appeal through an agent but at the date of his speech it had not been resolved.

3. Small ratepayers should therefore be encouraged to obtain professional advice from properly qualified advisors rather than discouraged.
4. There is also an issue that the outcomes for unrepresented ratepayers are not only unsatisfactory but are also detrimental to others as their settlements or withdrawals are used as evidence to support incorrect levels of assessment in the Rating List leading to greater levels of dispute and more Valuation Tribunal hearings.
5. We do however welcome the lower barriers in terms of penalties and fees for small businesses. The current definition of small business for the purpose of Small Business Rate Relief may be inappropriate as the vast majority of these occupiers will be below the threshold for liability and so will not be challenging their Rateable Values and in the main will not be involved in the appeal process. A more appropriate measure may be the new £51,000 RV threshold for paying the lower multiplier. Thereby any business occupying property or properties with an aggregate Rateable Value of less than £51,000 should be defined as “smaller proposers” within the Appeal Regulations.

Q5. We would welcome your views on the approach to dealing with Material Changes in Circumstances.

A5. Our observations and views are set out below.

1. As noted in paragraph 25 of the consultation document there is often a difficulty in obtaining evidence of the effect of an MCC within a short time from the date of the MCC. An extended period before making a challenge to enable the relevant evidence to be provided in the proposal is welcomed.
2. Most often the best evidence is that of the accounts for the occupiers, however there may also be other relevant evidence such as higher vacancy rates or reduced rents. In our opinion the 16 month period may still be inadequate and therefore we would recommend a 24 month minimum period be allowed. This period should be capable of extension if both parties agree in writing.
3. It is not clear however how the check process will fix the “material day”. The question of the Material Day is not set out in the Appeal Regulations but in the Non Domestic Rating (Material Day for List Alterations) Regulation 1992, as amended. Therefore to give effect to this proposed fixing of the material day the appropriate regulations will need to be amended removing reference to the “proposal” and substituting reference to a check made in accordance with Regulation 4A of the Appeal Regulations.

Q6. We would welcome your views on the amended approach to determining appeals against valuations.

A6. Our observations and views are set out below.

1. The proposed introduction of a “professional judgement” element to rating appeals is considered to be both inappropriate and unfair. The test being considered is the equivalent of a test of negligence. In the normal course of settling rents, at review or lease renewal, it is usual for there to be the potential to refer disputes to a qualified third party, either acting as arbitrator or Independent Expert. It is rarely the case that either party’s expert will be held to have been negligent in their valuations, no matter the degree of the dispute. It is the role of the third party to determine, on the available evidence, the appropriate rent, and not the negligence or level of competence of the Experts presenting evidence. The Arbitrator is required to be impartial and to arrive at a definite figure, not to determine whether the landlord has been excessive in his claim for rent by more than the bounds of reasonable professional judgement. This has been the role of the Valuation Tribunals since their inception and the role of their predecessor bodies. What is now being proposed is a departure from this tradition to the extreme detriment of the ratepayers.
2. In matters of rent, the determination is undertaken by professionally qualified individuals whereas the Valuation Tribunal is made up, with the exception of the Vice Presidents and President, of lay members. Therefore requiring lay members to make a professional judgement is inappropriate.
3. The margin for errors within negligence cases can be quite generous, depending on the nature of the property and its locality. This proposal effectively accepts that ratepayers should agree to paying excessive levels of rates simply because the Valuation Officer’s opinion is not in the realms of negligence. The consultation gives no indication of what a reasonable margin of error would be. Negligence cases on this point have produced widely different outcomes depending on the circumstances of the case. A single statutory percentage would be inappropriate in most cases. It would in effect sanction the Valuation Office to over-estimate values by a set amount. If the percentage is left to the discretion of the Valuation Tribunal the acceptable

range of “judgement” will become a large element of any cases presented to the Tribunal increasing the scope and complexity of the dispute and potential for further litigation.

4. If the aim is to have a transparent and fair tax which is acceptable to the majority of ratepayers this is a highly retrograde proposal which will destroy any confidence in both the Valuation Officer's integrity and the Valuation Tribunal's impartiality. It would be considered unacceptable for an income tax demand to be upheld if the income on which it was based was incorrect by a margin of say $\pm 10\%$. The taxpayer would not agree a payment of tax on that basis, and nor would HMRC consider receiving only 90% of the tax due as acceptable. Similarly, ratepayers would be rightly aggrieved if the evidence indicated a lower value but the Valuation Officer's opinion is upheld on the grounds that it was a near miss. The Valuation Tribunal would be seen to be partially in favour of the Valuation Officer to an even greater degree than is currently the case.
5. As it is acknowledged that the liability for rates is based on the judgement of a civil servant and not on a factual basis then any benefit of the doubt should be given to the taxpayer who bears the financial burden of the tax. Introduction of a permitted margin of error will give further encouragement to the Valuation Office to withhold evidence and not fully engage in discussions if they believe that they can argue that their valuation is within an acceptable margin of error. Therefore, rather than encouraging early discussions and disclosure of evidence, this provision will have the opposite effect and allow the Valuation Officer to discourage legitimate appeals, especially from unrepresented ratepayers. Please refer to the Case Studies attached and Lord Mendelsohn's comments referred to above.
6. There are further concerns with regard to the provision of evidence. Regulation 17 of the Valuation Tribunal for England (Council Tax and Rating Appeals)(Procedure) Regulations 2009, which is not being amended by the proposed draft Regulations places restrictions on the Valuation Office using certain sources of evidence without providing prior Notice of that evidence. Regulation 17 also enables the proposer to examine the documents referred to by the Valuation Officer and to request further evidence from the same sources. Regulations 17(4) requires only 2 weeks notice be given before a hearing this is therefore too late for the ratepayer to exercise his rights to examine evidence before having been required to provide his full case in writing to the Tribunal. Therefore by withholding evidence and not providing a Notice the Valuation Officer can prevent the ratepayer from discovering evidence relevant to their appeal, which would normally lead to an early settlement of dispute. Regulation 17 should be amended so that the Notice accompanies the Valuation Officer's response to the proposal at the challenge stage or even earlier at the check stage. In this manner the proposer will be able to give proper consideration to the evidence in discussions with the Valuation Officer and will be enabled to obtain further information held by the Valuation Officer. As observed by Professor Zellick disclosure of evidence and transparency is often the key to avoiding unnecessary appeals. The proposed regulations do nothing to address this problem and will act to prevent full disclosure of evidence to the ratepayer and to the Tribunal.

Q7. We would welcome your views on the role of local authorities in the reformed system.

A7. Our observations and views are set out below.

1. The local authorities have two sets of concern with regard to business rates. The first is to ensure that their income is maximised and stable. The second is to ensure that this taxation does not harm the viability of the business community in their areas. They therefore have a vested interest in the correct levels of value being set, and in the identification of all rateable hereditaments.
2. Therefore from the viewpoint of the ratepayer the involvement of the local authority, as envisaged in the proposals is to be welcomed. Ratepayers are equally concerned that: there should be no unfair advantages to their competitors, by either having no liability, or, inadequate liability, and; they are also concerned that their own liability should be fair.
3. However there should be stringent controls on any information passed from the Valuation Office Agency to the local authorities and that information should only be available to the business rate department and not to any other regulatory or other departments within the local authority.

Case Study 1

Ratepayer: Fashion at Work Ltd

Property: Unit 3C, Midland Court, Barlborough

The property was originally valued at £11,000 in the 2010 Rating List. The Valuation Officer increased the value to £20,500 from the 16th January 2015 due to a perceived error in the initial valuation.

Ms Ward, the owner of Fashion at Work, submitted an appeal and was repeatedly assured that her workshop unit was now correctly assessed by reference to office values on a science park. Midland Court is part of a larger industrial estate. Ms Ward produced a Statement of Case for Valuation Tribunal requesting a return to £11,000 and at that point instructed LSH to advise her as the Valuation Office would not respond in a meaningful manner. The Valuation Office produced a Statement of Case defending the entry at £20,500.

After the appointment of LSH, the Valuation Office reconsidered their position, a revised Statement of Case was provided for Fashion at Work by LSH requesting a reduction to £14,250. The Valuation Officer provided a revised Statement of Case requesting a reduction to £16,250. The appeal was not agreed and was heard by the Valuation Tribunal for England on the 31st August 2015. At the hearing, the Valuation Officer requested a decision at £15,750. The Tribunal found in favour of the ratepayer at £14,250.

Case Study 2

Ratepayer: NHD Ltd

Property: Sycamore Lodge, Woodhouse Cliff, Leeds

The property is an old detached house which had been converted to offices and formed part of a larger complex. Sycamore Lodge was sold as surplus to the office requirement and the new owner converted it to a day nursery.

The Valuation Office created a new entry in the Rating List from the 5th August 2014 with a description of Day Nursery and Premises and at Rateable Value £57,000. The owner appealed and when no offers were forthcoming from the Valuation Officer attended Valuation Tribunal on the 22nd January 2016. The Tribunal dismissed the appeal.

LSH are retained advisers to the National Day Nursery Association and noted an unrepresented nursery operator had had his appeal at Valuation Tribunal dismissed. We were asked to advise on the possibility of an appeal and following receipt of instructions submitted an appeal on behalf of the ratepayer to the Upper Tribunal (Lands Chamber). On inspection, it was found that the Valuation Officer's floor areas were incorrect and despite the change of use, the ground floor of the property was still valued as offices.

Settlement of the appeal to the UTLC was agreed by Consent Order at Rateable Value £35,000.