

THE VALUATION TRIBUNAL FOR ENGLAND



*Council tax valuation appeal; composite property; interlinked holiday cottage; comparable evidence; sales transactions; appeal allowed.*

APPEAL NUMBER: VT00014077

BETWEEN: JB Appellant  
and  
Ms A Morley Respondent  
(Listing Officer)

RE: Ford Mill Farm, Woolsery, Bideford, EC39 5RF

PANEL: Mrs N Salh (Chair)  
Mr K Higgins

CLERK: Mrs K Edhouse-Thomas IRRV (Tech)

SITTING ON: Friday 7 July 2023

APPEARANCES: JB (appellant)  
AW (representative for the respondent)

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**Summary of decision**

1. Appeal allowed. The panel was persuaded by the evidence to alter the valuation list from band E (composite) to band D (composite) with effect from 27 June 2009.

**Introduction**

2. The appeal process began when the appellant served a proposal on the Listing Officer (LO) that there had been a decrease in the domestic use of Ford Mill Farm, Woolsery, Bideford (the appeal property). In making his

proposal, the appellant sought a reduction in the valuation list entry to band D (composite). After considering the merits of the proposal, the LO determined that it was not well founded and a decision notice to this effect was issued on 8 September 2022. The appeal made to this Tribunal is against that decision.

3. Under regulation 6 of the Council Tax (Situation and Valuation of Dwellings) Regulations 1992, each valuation band must represent a value that the dwelling might reasonably have been expected to realise if it had been sold in the open market by a willing vendor on 1 April 1991. The bands were set out in section 5(2) of the Local Government Finance Act 1992, with the relevant bands in this appeal being:
  - Band D – values greater than £68,000 but no more than £88,000
  - Band E – values greater than £88,000 but no more than £120,000
4. The hearing was held remotely on Microsoft Teams.
5. This document is not and does not purport to be a full verbatim record of proceedings.

## **Issue**

6. The panel was required to determine the correct council tax band for the domestic part of the appeal property, based on the amount it might reasonably have achieved if sold by a willing vendor on the open market on 1 April 1991. The appellant sought a reduction to band D (composite), but the LO maintained that band E (composite) was correct.

## **Evidence and submissions**

7. The LO provided a joint evidence bundle, which had contributions from both parties to the appeal. It included plans, photographs, details of comparable dwellings, sales transactions, the originating proposal, LO's decision and appeal form details.

## **Decision and reasons**

8. The parties agree that the relevant date to consider the size, layout and character of the appeal property and locality is 27 June 2009, which is the date of the reduction in size of the domestic part of the composite hereditament.
9. When the property entered the council tax list on 1 April 1993 in band E (composite), it was a detached house with attached outbuildings, and was constructed in approximately 1600. The accommodation was over two floors and comprised of three reception rooms, a kitchen, eight bedrooms, and four shower/bathrooms. There was also a double garage. The size of the accommodation was agreed to be 235m<sup>2</sup> and included land of over 100 acres.

10. A large proportion of the land was sold around 1993 or 1994, leaving the property with approximately eight acres.
11. The previous owner of the appeal property set up a pig farm and holiday cottage business in 2009. This resulted in the internal door from the main house to the holiday cottage being blocked up. On 27 June 2009 the holiday cottage, which was interlinked with the main property entered the non-domestic rating list. The council tax band of the appeal property was unchanged from band E (composite). It is usual practise for the council tax band on the domestic element to be reviewed at the time of a change of this nature, but the LO was unable to confirm if this review had been undertaken in 2009.
12. The parties agreed the reduced size of the domestic element as 184.2m<sup>2</sup> at the relevant date of 27 June 2009. The appeal property at this time had five bedrooms and was no longer a detached house. At a later stage, the appellant turned one of the bedrooms into an en-suite bathroom, however this could not be considered as it occurred after the relevant date.
13. The appellant identified negative factors created by the property being a composite hereditament, interlinked with the business premises. This included the fact that the driveway was shared with holiday guests. As at 27 June 2009, one of the bedrooms in the dwelling was directly over part of the holiday accommodation, meaning that the appellant and the holiday guests could hear each other. This nuisance was enough to result in the appellant changing the use of that room, so it was no longer a bedroom.
14. The appellant further argued that whilst the appeal property was not on a working farm, it still had nuisances associated with farming, because of the proximity to the neighbouring farm.
15. The statutory framework for deciding on how to value a composite hereditament is contained in regulation 7 of the Council Tax (Situation and Valuation of Dwellings) Regulations 1992:

#### 7 Valuation of dwellings: composite hereditaments

(1) In the case of a dwelling which is a composite hereditament or is part of a single property which is a composite hereditament, the value of the dwelling, for the purposes of valuations under section 21 of the Act, shall be taken to be that portion of the relevant amount which can reasonably be attributed to domestic use of the dwelling.

(2) In paragraph (1)-

“domestic use” has the same meaning as in section 24 of the Act; and

“relevant amount” means the amount which the composite hereditament might reasonably have been expected to realise on the assumptions mentioned in regulation 6, other than paragraph (2)(h) of that regulation, if for the references to the dwelling throughout paragraphs (2) to (6) of that regulation, there were substituted references to the composite hereditament.

16. In considering this appeal, a reasonable starting point was to look at the sale of the appeal property in 1994, but neither party could confirm whether the sale included the 100 or so acres that were sold off. The panel noted the sale but in view of this could not base its decision on that sale.
17. The next important consideration was that the appeal property had been in band E (composite) from 1 April 1993 before creating the ‘interlinked’ holiday accommodation. There was no evidence or argument presented to show that this band entry at 1 April 1993 was wrong. Since that date the following changes occurred:
  - (a) A large amount of land was sold off in approximately 1993 or 1994. The LO argued this adds value, but the Chartered Surveyor report for the appellant argued against that. Neither party had provided any valuation evidence to support their assertions. As it was the LO asserting an increase in value, the panel was not satisfied that this was the case.
  - (b) Interlinked holiday accommodation was created.
18. Having regard to the above, the panel was completely satisfied that the value of the appeal property would have fallen and turned to the comparable evidence to consider whether it remained in band E (composite) or should be in band D (composite).
19. The panel considered that the appellant’s comparable dwellings were more relevant because they were in the same vicinity. Best of all was Higher Ford Mill Farm, which is in band D (composite). This property is close in size at 183m<sup>2</sup>. It has four bedrooms, a detached integral double garage as well as its own grounds and separate entrance to the non-domestic element. It is also more modern than the appeal property. The appeal property also shared the farm nuisance, but the panel considered that the appeal property had additional nuisances to those of Higher Ford Mill House. Therefore, if anything, the appeal property’s value would have been less than Higher Ford Mill Farm.
20. The panel placed no weight on Ford Mill Bungalow, which was a detached bungalow in band C, measuring 91m<sup>2</sup>. This property was not like for like with the size or style of the appeal property.
21. The panel noted Higher Hole in band D (composite) was smaller at 129m<sup>2</sup>, but it indicated a tone of band D for houses in the locality.

22. The panel found that the LO comparables were generally less relevant with only one being a composite property. Gorrel Farm was the only composite property, but it was not as useful as a comparable because this property benefited from approximately forty acres of land, a private airstrip, an aircraft hangar, stabling, garaging and private parking.
23. The panel also considered Hyfield, which is similar in size at 184m<sup>2</sup>, and was in band D. It suffered from none of the nuisances associated with a composite hereditament. The panel noted that the LO had raised a report for the band to be reviewed, however at the time of the hearing, the panel had to consider this at band D.
24. The evidence provided by the LO for Ashmansworthy was clearly incorrect, so the panel placed no weight on this evidence.
25. In conclusion, having regard to all of the evidence the panel was satisfied that Band D (composite) was the correct band, in particular the evidence relating to Higher Ford Mill Farm. Therefore, the appeal was allowed.

### **Order**

26. Under the provisions of regulation 38(2) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Tribunal for England orders the Listing Officer to alter the valuation list from 27 June 2009 from band E (composite) to band D (composite).

**Date:** 9 August 2023

**Appeal number:** VT00014077

### **Right of 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.