VALUATION TRIBUNAL FOR ENGLAND

2017 Rating List Appeal: Local Government Finance Act 1988; Proposal seeking merger of two assessments; brewery and premises; pipeline, borehole and appurtenances; Woolway (VO) v Mazars [2015] UKSC 53; geographic test; functional test; held to be a single hereditament; Contractor's basis; Dawkins (VO) v *Royal Leamington Spa Corporation [1961] 8 RRC 241; 178 EG 293; Appeal allowed.*

APPEAL NUMBER: CHG100434646

RE:
(1) Bedford Brewery, Havelock Street, Bedford, MK40 4J; and
(2) Pipeline, Park Road North to Charles Wells, Havelock Street, Bedford, MK40 4JL

BETWEEN:	Marstons Plc	Appellant
	and	
	Dawn Bunyan (Valuation Officer)	Respondent

SITTING: *remotely using Microsoft Teams*

ON: 17 March 2025

BEFORE: Gary Garland (President)
Miss Lola Moses (Vice President)

CLERK: David Slater (Registrar and Chief Clerk)

APPEARANCES: Laurence Hatchwell from Colliers International (Appellant's representative)
Mr Peter Gould from Colliers International (Appellant's Expert Witness)
Ms Julia Smyth from Landmark Chambers (Valuation Officer's Counsel)
Allan Stripp (Valuation Officer's Expert Witness)

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal was allowed as the panel determined that the brewery and the pipeline formed a single hereditament with effect from 1 April 2017.

2. With regard to its assessment, the panel determined a valuation of £738,000 Rateable Value with effect from 1 April 2017.

Introduction

3. The appeal arose following a proposal served on the Valuation Officer on 28 October 2020. The proposal sought the merger of two existing entries into one with effect from 1 April 2017. The first entry was described in the 2017 Rating List as a “Brewery and Premises”, Charles Wells, Havelock Street, Bedford MK40 4JL. When the proposal was served on the Valuation Officer, the then existing entry was £700,000 Rateable Value with effect from 1 April 2017. The second entry was described as “Pipeline, Borehole and Appurtenances”, Park Road North to Charles Wells Brewery, Havelock Street, Bedford MK40 4JL. The then existing entry was £51,000 Rateable Value with effect from 1 April 2017.

4. Having considered the merits of the proposal, the Valuation Officer rejected the Appellant’s proposal as not well founded, as she determined that it was inappropriate to merge the assessments. However, following a Challenge decision notice that was issued on 1 July 2022, the Valuation Officer decided to reduce the entry for the Brewery and Premises hereditament to £680,000 Rateable Value with effect from 1 April 2017. The Appellant’s appeal against the Valuation Officer’s decision notice was received by the tribunal on 27 October 2022.

5. The appeal to the tribunal under Regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 was made on two grounds;

   (a) the valuation for the hereditament is not reasonable;

   (b) the list is inaccurate in relation to the hereditament (other than in relation to the valuation).

6. For the purposes of this appeal, the material date and the effective date was 1 April 2017.

7. Following an earlier hearing held on 29 April 2024, the panel upheld the Appellant’s case for a merger of the two list entries. It determined that the brewery and the pipeline formed a single hereditament with effect from 1 April 2017. The panel’s interim decision on the preliminary issue was released to the parties on 8 May 2024. As the parties were unable to agree a valuation for the new single hereditament, another hearing to determine the substantive valuation issue was required.

8. At this hearing, Mr Gould appeared on behalf of the Appellant as an expert witness. In view of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Gould advised the Tribunal that he was instructed under an incentivised fee arrangement.

9. Mr Gould declared that he understood and accepted that his duty was to the Tribunal in giving his evidence and he would comply with this as well as the requirements of his professional body (RICS) regardless of whether or not the evidence supported his client’s case.

10. The panel accepted this expert witness evidence on the above basis, as to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure

regulations and was allowable due to the Tribunal's rules on admissibility of evidence (regulation 17(2)(a) where the Tribunal can admit evidence whether or not it would be admissible in a civil trial in England).

11. The panel therefore, considered the "expert" evidence and attached such weight to it as it saw fit.

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

Agreed facts

13. The brewery was purpose-built, initially constructed in 1976, with various alterations and additions made up to 2004. It was situated in Havelock Street, close to Bedford town centre and Bedford Station, adjacent to the Great Ouse River.

14. The borehole site consisted of a brick-built water tower, a shed housing the borehole, car parking and grassed areas. It was surrounded by fencing and hedging and had a steel gated entrance.

15. The brewery occupied a site of approximately 6.6 hectares. The borehole site was approximately 0.072ha. The borehole site, via the route of the pipeline, was approximately 2.7 kilometres from the brewery.

16. The brewery comprised a mix of buildings of various ages and uses these buildings along with other rateable assets, which were listed in the parties' respective valuations. Similarly, the rateable assets at the borehole site were listed in the respective valuations.

17. At the antecedent valuation date, 1 April 2015, and the material date 1 April 2017, the appeal hereditament was owned and occupied by Charles Wells Brewery Limited (formerly The Wells and Youngs Brewing Company Ltd). Some of the assets of this company, including the brewery, were acquired by the Bedford Canning Company Ltd, a subsidiary of the Appellant, Marstons Plc, in June 2017.

18. Marstons Plc subsequently changed the name of the brewery to the Eagle Brewery.

19. In December 2022, the brewery, borehole and pipeline were sold to the Spanish brewer Damm.

20. The filed accounts 2013 -2015 for Charles Wells Brewery Limited (formerly The Wells and Youngs Brewing Company Ltd.) record that the principal activities of the company were: "brewing, bottling, canning and processing beer for sale and wholesale trading in beer, wines spirits, cider, mineral waters and cordials."

21. Damm beers have been processed, packaged, and distributed from the brewery since 2009, with sales and distribution rights owned originally by The Wells and Youngs Brewing Company Ltd and later the Appellants, Marstons Plc.

Issues in dispute

22. The parties had greatly assisted the panel by reaching agreement on nearly all of the component line entries in their respective valuations using the Contractor's basis. As a

result, there were only two valuation issues in dispute for the panel to determine. These were as follows:

(1) Whether an allowance in the valuation of the brewery should be made for superfluity/overcapacity, and if so the size of the allowance.

(2) Whether a value should be ascribed to the pipeline that links the borehole to the brewery within the valuation of the hereditament, and if so, the cost to be ascribed to the pipeline, and the allowance to be made for age/obsolescence.

23. The Appellant's proposed valuation was £385,000 Rateable Value, whilst the Respondent's was £750,000, both effective from 1 April 2017.

Relevant Law

24. The term 'rateable value' was defined in paragraph 2(1), Schedule 6 to the Local Government Finance Act 1988 (the "1988 Act")(as amended):

> The rateable value of a non-domestic hereditament (none of which consists of domestic property and none of which is exempt from local 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.

25. In respect of an appeal against an entry in the 2017 rating list, the rental levels are to be taken as those passing at the antecedent valuation date (AVD) of 1 April 2015, in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841). Each appeal hereditament had to be valued, having regard to factual matters at the relevant material day, in accordance with paragraphs 2 (6) and (7) of Schedule 6 to the 1988 Act.

> (6) Where the rateable value is determined with a view to making an alteration to a list which has been compiled (whether or not it is still in force) the matters mentioned in sub-paragraph (7) below shall be taken to be as they are assumed to be on the material day.
>
> (7) The matters are—

(a) matters affecting the physical state or physical enjoyment of the hereditament,
(b) the mode or category of occupation of the hereditament,
(c) the quantity of minerals or other substances in or extracted from the hereditament,
(cc) the quantity of refuse or waste material which is brought onto and permanently deposited on the hereditament,
(d) matters affecting the physical state of the locality in which the hereditament is situated or which, though not affecting the physical state of the locality, are nonetheless physically manifest there, and
(e) the use or occupation of other premises situated in the locality of the hereditament.

Discussion

26. The panel was extremely grateful to the parties for assisting it by reaching agreement on the component parts of the contractor's basis valuation, subject to the two remaining issues in dispute which required determination. Although the contractor's basis was often referred to as a valuation method of last resort, both parties agreed that it was the most appropriate method to be used in this case.

27. The classic explanation of the contractor's basis of valuation was given by Sir Jocelyn Simon QC, when Solicitor General, before the lands tribunal in *Dawkins (VO)* v *Royal Leamington Spa Corporation* [1961] 8 RRC 241; 178 EG 293, namely:

> As I understand it, the argument is that the hypothetical tenant has an alternative to leasing the hereditament and paying rent for it; he can build a precisely similar building himself. He could borrow the money, on which he would have to pay interest; or use his own capital on which he would have to forgo interest to put up a similar building for his owner-occupation rather than rent it, and he will do that rather than pay what he would regard as an excessive rent — that is, a rent which is greater than the interest he forgoes by using his own capital to build the building himself. The argument is that he will therefore be unwilling to pay more as an annual rent for a hereditament than it would cost him in the way of annual interest on the capital sum necessary to build a similar hereditament. On the other hand, if the annual rent demanded is fixed marginally below what it would cost him in the way of annual interest on the capital sum necessary to build a similar hereditament, it will be in his interest to rent the hereditament rather than build it.

28. The above explanation was approved, adopted and added to by Lord Denning in the Court of Appeal in *Cardiff City Council v Williams (VO)* [1973] RA 46; (1973) 226 EG 613; the additional qualification in essence being that the annual rent (resulting from the application of the method) 'must not be fixed so as to be only marginally below the interest charge. It must be fixed much below it', because, in terms, an owner/occupier, unlike a yearly tenant, has the benefit of any appreciation in capital value arising from monetary inflation and all other factors.

29. A contractor's test basis valuation usually had five stages, these were as follows;

(1) Estimated replacement cost

(2) Adjusted replacement cost
(3) Value of land
(4) Decapitalisation rate
(5) Stand back and look

The Superfluidity issue

30. Prior to the Appellant's acquisition of the brewery, the appeal property was occupied by Charles Wells Brewery Limited and its occupation was heavily reliant on contract brewing. In 2013, Charles Wells lost the contracts to brew Red Stripe and Cobra beers. The loss of these contracts began to have an impact on the previous ratepayer's business with effect from 13 July 2024, which was well before the antecedent valuation date of 1 April 2015. Prior to the loss of contracts, according to Mr Gould, the brewery was capable of a maximum of 3,450 brews per annum but in 2015 its output reduced to 1943 brews, which equated to 56% of its brewing capacity. Therefore, in simple terms, the Appellant's case was that the brewery was too large for its needs, as it had overcapacity and therefore a superfluidity allowance of 44% was sought.

31. Mr Gould had deducted the 44% superfluidity allowance sought at stage 5 of his valuation.

32. For the respondent, in his expert report, Mr Stripp had made no allowance in his valuation for superfluidity. In Mr Stripp's expert opinion, Mr Gould was wrong to make any allowance at stage 5. The Appellant had failed to produce any evidence to show what parts of the brewery were under utilised or how it would differ from a modern substitute. Mr Stripp also stated that Mr Gould's valuation approach was fundamentally flawed because a brewery seldom operates at maximum capacity and output figures were variable and influenced by various factors, including varying demand at different times, routine maintenance, cleaning and repair issues. Therefore, Mr Gould was wrong to look at one set of figures in isolation.

33. In his report, Mr Stripp also alluded to the fact that when Damm acquired the brewery from Marstons, it utilised the property just for bottling purposes. However, more recently, it had made a business decision to brew all of its products on site for nationwide distribution, because of the brewery's convenient geographical location.

34. On behalf of the Appellant, Mr Hatchwell submitted that the Valuation Officer had conceded superfluidity allowances in respect of the Molson Coors Brewery at Burton upon Trent and the Stag Brewery in London. The Appellant also referred to an earlier VTE panel decision, in relation to Daniels Thwaites Plc, Star Brewery in Blackburn. This case was heard in 2013. In its decision, the panel increased the 10% allowance that the Valuation Officer was prepared to concede to 30% to reflect unused areas, technical and functional allowances.

35. In response to the Appellant's comparable evidence, Mr Stripp stated that the revised valuation of the Molson Coors brewery reflected the brewing capacity of a modern substitute. In contrast, the appeal property was fully occupied on the antecedent valuation date with no planned closures and no alternative valuation based on what a modern substitute brewery would comprise, reflecting any perceived superfluidity had been put forward.

36. With regard to the Stag brewery, Mr Stripp explained that it was a much older brewery, in comparison to the appeal property, which had areas within it which were unused. As a result, there was an inherent level of superfluidity. The Stag brewery closed in 2014 and

therefore its 2017 Rating List assessment reflected the allowances conceded in the 2010 list which were carried forward.

37. In her cross examination of Mr Gould, Ms Smyth asked him if he had had regard to the published accounts of Wells & Young Brewery Limited from September 2013, which Charles Wells Brewery Limited was formerly known as) and the latter's accounts from September 2015 to which Mr Gould replied he had not. In referring to the accounts, Ms Smyth highlighted the fact that the published accounts showed that Charles Wells was operating at a profit.

38. Although the respondent was not relying on a full receipts and expenditure valuation, Mr Stripp's analysis of the published accounts showed that Charles Wells' business was increasing in profitability between 2013 and 2015 and the level of profitability would, in his opinion, more than support the Valuation Officer's proposed valuation.

39. Having considered the parties' competing arguments and submissions, the panel determined that the appellant's case on the superfluidity issue lacked merit. Going back to basics, the appeal property had to be valued on the basis that it was vacant and to let. The fact that the actual occupier on the antecedent valuation date had lost the contracts to brew Red Stripe and Cobra was not valuation significant because a different brewer may have been more successful in retaining those contracts or would have utilised the brewery in a different manner, for instance for bottling purposes.

40. In any event, commercial businesses were often reliant on contracted work. If a factory lost a contract and as a result its output declined, it did not automatically follow that its rating assessment would be reduced *pro rata* to reflect its reduced output. Especially, if the lost contract had been picked up by another factory. Similarly, the successful factory would not then have its assessment increased to reflect that it was producing more at the antecedent valuation date.

41. In the case of Red Stripe and Cobra, the panel understood that the contracts were transferred to the Molson Coors Brewery in Burton upon Trent.

42. Despite being given every opportunity to do so, the Appellant was unable to identify any areas within the brewery that were out of use or superfluous to requirements. Mr Hatchwell argued that superfluidity could still exist even in cases where rateable plant, machinery and buildings were not in use or were only partially used. However, the panel rejected this argument because again it was looking at the brewery on the basis that it was vacant and to let. Even if Charles Wells had not made full use of all of the brewery, a different brewer may well have.

43. There was still a market for this brewery as indicated by its subsequent sale to the Appellant and eventually to Damm.

44. Even if a superfluidity allowance had been justified, it was not appropriate to make a deduction at stage 5, as the appropriate adjustments should have, if required, been made at stage 2. In addition, had an allowance for superfluidity or overcapacity been appropriate, the allowance should only have been made in respect of those areas where brewing was normally undertaken. By taking a blanket approach of deducting 44% at stage 5, Mr Gould's valuation was artificially low. Moreover, when it came to the stand back and look or overall consideration at stage 5, it was important for the valuer to make a sense check and look to

see whether the calculation arrived represented a reasonable rent that a tenant would have been willing to pay for that type of property and its use as a brewery.

45. The published accounts of Charles Wells Brewery Limited clearly indicated that its use of the brewery was profitable and ability to pay was not a factor. Having regard to Mr Stripp's analysis, had the appeal property been valued by the full receipts and expenditure method, it would have had a significantly higher assessment than £750,000 RV. However, both parties were in agreement that it was more appropriate to value by the contractor's basis.

46. In closing submissions, Mr Hatchwell made the point that profitability had not been considered elsewhere. Even if he was correct, the panel determined that profitability was a relevant consideration. Affordability was a relevant consideration and was arguably the main reason why museums were no longer valued by the Contractor's basis. Instead, following recent Upper Tribunal judgments, the valuation method now employed in the valuation of museums was the full receipts and expenditure method. In paragraph 272 of *Hughes and Exeter City Council* [2020] UKUT 0007 (LC), the Upper Tribunal stated;

> Furthermore, it is clear from the evidence of the Council's accounts that the General Fund from which RAMM was subsidised was persistently under severe strain. We are satisfied that the Council as the hypothetical tenant could not have afforded to pay a significant rent of the order suggested by the CB method to stage 4, even if one assumes the higher level of income adopted in the parties' R & E valuation. It was already spending a substantial proportion of its budget on the deficit and we accept that it would not have been reasonable to expect it to afford, nor would it have been able to afford, a further £690,000 by way of rent (see [72-3], [137] and [239-240] above).

47. During cross-examination by Ms Smith, Mr Gould appeared to be metaphorically drowning in beer, when the size of his adopted superfluidity allowance was questioned, having regard to the profitability of the previous brewer's occupation. Mr Gould appeared oblivious to the need to have regard to the accounts, even though as the Museum related authorities had shown ability to pay and affordability was a relevant consideration.

48. Given the picture painted by the accounts, Mr Gould was asked if he would like to stick or twist and revise his valuation but he chose to stick, which somewhat undermined his credibility as an expert witness. From the questions put to him, he must have known that his proposed valuation could not be supported but he stuck steadfastly to it, when he may have better served conceding some ground and acknowledging the error of disregarding the accounts.

49. The object of the rating valuation exercise was to ascertain the hypothetical rental value of the property to be valued to the potential tenant, having regard to its mode or category of use. In this case, it was a brewery to be valued and in making their rental bid, a potential tenant, if they were exercising due diligence, would have had regard to whether the previous tenant's occupation was profitable before formulating their rental bid.

50. The panel did not find the Appellant's comparable evidence to be either reliable or helpful. The fact that adjustments or allowances were conceded for the Molson Coors and Stag breweries were fact specific to those properties. Similarly, no weight was attached to the historic lay panel decision which was again fact specific.

51. After rejecting the Appellant's argument for a superfluidity allowance, the panel turned its attention to the pipeline issue.

The pipeline issue

52. A rating valuation undertaken by the utilisation of the Contractor's basis was a fiction because in reality the hypothetical tenant would not borrow the necessary capital to build its own brewery. However, the appeal hereditament to be valued was real. The Appellant invited the panel to disregard reality by arguing that, because the brewery had to source its water from a distance of 2.7 kilometres away, it meant that any value attributable to the pipeline fell to be disregarded. The Appellant argued that the pipeline rather than adding value to the hereditament detracted from it, as it placed additional maintenance costs on the hypothetical tenant. In his expert report, Mr Gould suggested that the Valuation Officer's approach led to absurdity. He also pointed out that other breweries, like the Park Brewery in Wolverhampton and the Albion Brewery in Burton upon Trent have their boreholes within their respective curtilage.

53. However, the panel determined that it was the Appellant's own valuation approach which led to absurdity. In this case, the valuation exercise involved firstly establishing the estimated replacement cost for the "actual" hereditament before adjusting for such matters as age and obsolescence. Both parties had adopted this approach and had reached agreement on all component parts, except when it came to the pipeline. The Appellant's approach was to imagine it was not there because, in their alternative reality, the borehole had been magically transferred from its current location to within the confines of the brewery, so the 2.7 kilometres worth of pipeline no longer existed. Unfortunately, for the Appellant, a valuation undertaken by the Contractor's basis was not a pick and mix exercise, which allowed a party to decide what rateable items fall to be included within the hereditament and which ones they can conveniently choose to ignore. Rating valuations do not work like that. Hereditaments, unless they are brand new and in perfect condition, fall to be valued warts and all, subject of course to the statutory assumptions. Otherwise, what was the purpose of the exercise, if it was permissible to disregard values of component parts to arrive at an outcome that suits.

54. The panel was mindful that at the preliminary hearing, the Appellant argued that the pipeline together with the borehole was functionally essential to the brewery because without an independent water supply, it could not function without physical alterations being made to the brewery. This was because if mains water was used for brewing beer, the brewery would require more storage tanks to extract salts and other undesirable substances from mains water.

55. Moreover, the panel was informed by the Appellant that it was preferable for borehole water to be used in beer production, as opposed to mains supplied water, because of its reliability in ensuring consistency of taste.

56. In response to the argument that the pipeline had no value, the Valuation Officer argued that the Appellant's valuation approach was wrong in principle and was a departure from reality. The borehole was remote from the brewery and therefore the pipeline had to have a value.

57. It was abundantly clear to the panel that the Appellant's argument that the pipeline had no value had no merit. Given the location of the borehole, which was remote from the brewery, it was obvious that the pipeline would be a valuable asset to any occupier of the brewery,

who would therefore be prepared to pay more in the way of rent for the right to use it. Otherwise, the brewery would have been reliant on mains water.

58. Alternatively, if the matter is looked at from the hypothetical landlord's perspective, if he installed the pipe that the linked the two sites he would expect to see a return on his investment, in the form of an increase in rent.

59. Both parties accepted that pipelines were rateable in accordance with Class 3 (g) of the Valuation for Rating (Plant and Machinery) Regulations 2000. However, just because it was rateable, Mr Gould did not believe it contributed any value to the hereditament. The panel, for the reasons stated above, did not agree with Mr Gould's view.

60. Mr Stripp's valuation of the pipeline was criticised by Mr Gould because the respondent had assumed that the pipeline was laid in 1976. This was because that was when the brewery opened. However, Mr Gould said his client had told him that part of the pipeline was laid within a disused gas main which would mean that part of it would have been considerably older. He conceded that full knowledge of the history of the pipeline was not available but nevertheless maintained that the respondent's concession of a 15½% allowance for age/obsolescence was insufficient. In the Respondent's decision notice the allowance conceded was 30% and Mr Gould argued this would be a reasonable allowance if cost of the pipeline were to be treated as of any significance in the valuation of the merged hereditament.

61. Mr Gould also drew the panel's attention to the fact that the respondent had removed a 20% allowance on the pipeline which was previously conceded. The remarks included in the respondent's original valuation indicated that the allowance was made for 'PVC' pipe. Mr Gould had no knowledge its specification as it was subterranean but argued that if it was laid on the antecedent valuation date it would have been made of PVC and therefore cheaper than steel and, being lighter, more easily installed and perfectly adequate for conveying water. Mr Gould understood that the cost adopted by the Respondent was for a steel pipe. Therefore, an allowance for the cheaper PVC would certainly be warranted if the cost of the pipeline needed to be reflected in the valuation of the merged hereditament.

62. The panel noted that, in the Valuation Officer's challenge decision notice, the respondent had conceded an age allowance of 30% for the 1700 metres of pipe that was believed to date back to 1902. The remainder of the pipeline, which measured 900m, recorded in the original assessment was believed to have been installed in 1976 for which a 15½% age allowance was conceded. Mr Gould was correct in his observation that the respondent had conceded another allowance of 20% for the recorded older section of pipe and in the remarks section it was stated PVC.

63. In contrast, the respondent's valuation that was presented before the panel showed that the pipeline measured 2700 metres or 2.7 km and was laid in 1976. In this valuation a 15½ allowance was conceded.

64. When it came to the valuation of the pipeline, the difficulty for the panel was that neither of the two experts that appeared before it knew the age of the pipeline or its specification. In the absence of such information, there was no evidence to support Mr Gould's argument that the age allowance should be increased from 15½ to 30%. However, Mr Gould's other argument that had the pipeline been laid, at the antecedent valuation date, it would have been made entirely of PVC specification had merit. Therefore, the panel decided to apply

an allowance of 20% for the length of the pipeline. As a result, the valuation of the pipeline (including the borehole site) element was reduced from £67,989 to £55,605 Rateable Value.

65. From the Appellant's point of view, it was unfortunate that the valuation exercise for valuing the appeal property as a single hereditament had resulted in a higher combined valuation, in comparison to the figures shown in the Rating List when it was valued as two separate hereditaments. However, that was the way this case had transpired, one of the reasons being that the pipeline was longer at 2.7 Kilometres than was originally thought 2.6 kilometres. So, whilst the appeal was allowed because the Appellant's case that the appeal property comprised a single hereditament was upheld, when it came to the substantive valuation issue, a slightly higher combined assessment was the end result.

Disposal

66. In view of the above findings and conclusions, the appeal was allowed, as the appeal property constitutes a single hereditament with an assessment of £738,000 Rateable Value with effect from 1 April 2017. The Tribunal's valuation is appended in the schedule to this decision.

Order

67. Under the provisions of regulation 38(4) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Tribunal for England orders the Valuation Officer—

(1) to delete the following entries from the 2017 non-domestic rating list:

(a) Bedford Brewery, Havelock Street, Bedford MK40 4JL - £680,000 Rateable Value with effect from 1 April 2017, and
(b) Pipeline, Borehole and Appurtenances, Park Road North to Charles Wells Brewery, Havelock Street, Bedford MK40 4JL - £51,000 Rateable Value with effect from 1 April 2017; and

(2) Replace those two entries deleted with the following single entry:

(i) Bedford Brewery, Pipeline, Borehole and Appurtenances, Havelock Street, Bedford MK40 4JL - £738,000 Rateable Value with effect from 1 April 2017

68. Under regulation 38(9), the Valuation Officer must comply with this order within two weeks of the date of its making.

Refund of appeal fees

69. As one of the grounds of the appeal have been made out, a refund of the fees paid will now be arranged (Regulation 13E of the NDR Alteration of Lists & Appeals Regs) provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Right of further appeal

70. Any party aggrieved with the Tribunal's decision, and who was present at (or represented at) the hearings of this appeal, has a statutory right of appeal to the Upper Tribunal (Lands Chamber) pursuant to Regulation 42 of the Tribunal Procedure Regulations. Any such

appeal must be filed directly with the Upper Tribunal within four weeks of the date of this decision and statement of reasons.

PRESIDENT

VICE PRESIDENT

Date authorised for issue: 31 March 2025
Date issued to parties: 2 April 2025

SCHEDULE: The tribunal’s valuation of the appeal hereditament

Site Ref.	Description	Year Built	Adjusted ARC	Rateable Value
1	Offices	1976	£884,829	£38,932
1	Penthouse	1976	£53,143	£2,338
1	Office Extn.	1991	£287,410	£12,646
002A	Loading Area	1976	£141,466	£6,224
002B	Warehouse & Bottling	1976	£1,520,718	£66,912
002B	Warehouse & Bottling Ch. Plate Walkway	1976	£55,714	£2,451
002B	Warehouse & Bottling 2 Storey Int Offices	1976	£10,110	£445
002C	Brewhouse	1976	£390,814	£17,196
002C	Brewhouse Internal Accom. G Floor	1976	£101,117	£4,449
002C	Brewhouse-Former Wort Area	1976	£54,590	£2,402
002C	Brewhouse Conc F/Floor Over Wort	1976	£14,372	£632
002C	Brewhouse F/Floor Old Wort Int. Office/Stores	1976	£18,820	£828
002C	Brewhouse F/Floor C Plate Mezzanine	1976	£3,865	£170
002C	Brewhouse Compressors	1995	£31,673	£1,394
002C	Brewhouse Compressor	2003	£12,951	£570
002C	Brewhouse Compressor	1996	£8,260	£363
002C	Brewhouse Compressors Conc Settings	1995	£3,146	£138
002C	Brewhouse Compressors S/Steelwork	1995	£8,134	£358
002C	Brewhouse Air Receiver	1965	£1,818	£80
002C	Brewhouse Air Receiver	1980	£1,873	£82
002C	Brewhouse Con Settings/Plinths	1995	£1,593	£70
002D	Brewhouse 2 Storey Block G Floor	1976	£187,020	£8,229
002D	Brewhouse 2 Storey Block F Floor Offices	1976	£158,294	£6,965
002D	Brewhouse 2 Storey Block F Floor Walkway	1976	£15,636	£688
002D	Brewhouse External Conc Setting	1988	£40,602	£1,786
002D	Brewhouse External Mesh W/Ways	1988	£15,297	£673
002F	Fermentation Block	1991	£75,817	£3,336
002F	Fermentation Block	1976	£125,373	£5,516
002F	Fermentation Block Ch. Plate Upper Floors	1976	£40,181	£1,768
002F	Fermentation Block S/Steelwork To Vessels	1976	£46,330	£2,039
002F	Fermentation Block External Mesh Floors	1976	£86,953	£3,826
002G	Brewhouse Extn. F. Floor Suspended	1991	£55,939	£2,461
002G	Working Platforms	1991	£22,724	£1,000
002G	Stairs	1991	£5,963	£262

002G	Supporting Steelwork	1991	£6,854	£302
002G	Control Room	1991	£28,413	£1,250
002G	Mezzanine Ch. Plate	1991	£16,620	£731
002H	Wine Warehouse	1976	£316,994	£13,948
002H	Offices/Staffrooms	1976	£39,694	£1,747
002H	Loading Bay	1976	£7,634	£336
002H	Sprinklers	1976	£12,470	£549
002L	Bonded Warehse Gf	1976	£160,399	£7,058
002L	Bonded Warehse Ff Office	1976	£34,489	£1,518
002L	Mezzanine	1976	£6,505	£286
3	Filtration Room	1976	£132,239	£5,819
3	Internal Office	1976	£3,877	£171
003A	Tank Compound	1988	£17,602	£775
003A	Armco Barriers	1998	£1,965	£86
003A	Mesh Fencing	1988	£380	£17
003A	Mesh Walkways	1988	£14,609	£643
003B	Pipe Rack	1988	£5,889	£259
003B	Concrete Settings	1988	£1,922	£85
003C	Loading Canopy	1995	£53,956	£2,374
003D	Conditioning Room	1988	£115,326	£5,074
003D	Conditioning Room External Platform	1988	£15,297	£673
6	Plant Rooms	1988	£113,571	£4,997
6	Labs Ff	1988	£203,811	£8,968
6	Offices Sf	1988	£255,542	£11,244
6	Yeast Room Ext'N	1998	£16,696	£735
7	Malt Silo	1988	£50,910	£2,240
7	Malt Silo Stairwell	1988	£8,414	£370
7	Malt Silo Timber Floor	1988	£5,037	£222
7	Malt Silo Pit	1988	£5,864	£258
7	Malt Silo Supporting Steelwork	1988	£14,012	£617
7	Malt Silo Blower	1988	£5,617	£247
7	Conc Settings To Rear External.	1988	£9,825	£432
7	Supporting Steel To Rear External.	1988	£1,247	£55
008A	Kegging Hall - Warehouse	1988	£1,114,031	£49,017
008A	Kegging Hall - Chequer Plate Platform	1988	£29,065	£1,279
008B	Loading Bay	1988	£378,225	£16,642
008C	Unloading - Canopy	1988	£77,974	£3,431
008D	Offices Gf	1988	£27,005	£1,188
008D	Offices Ff	1988	£27,005	£1,188
008D(I)	Offices Gf	2004	£25,475	£1,121
008D(I)	Offices Ff	2004	£25,475	£1,121
008D(Ii)	Plant Rooms	1988	£33,421	£1,471
008D(Ii)	Valve Room	1988	£2,848	£125
008D(Iii)	Nitrogen/Co2 Concrete Pad	1988	£1,933	£85
008D(Iii)	Nitrogen/Co2 Supporting Steelwork	1988	£1,648	£73
008E	Mess Room/Toilets/Offices	1988	£45,571	£2,005
008E	Mess Room Extension	2002	£20,924	£921

008E	Portakabin	1995	£10,706	£471
008F	Cold Store - Warehouse Extension	1999	£214,987	£9,459
009A	Warehouse Grd Floor	1998	£117,105	£5,153
009A	Internal Office Grd Floor	1998	£13,380	£589
009A	Internal Office 1St Floor	1998	£13,986	£615
009B	Eagle Building G/F	2003	£452,414	£19,906
009B	Eagle Building F/F	2003	£412,409	£18,146
009D	Cycle Shelter	2003	£9,464	£416
009E	Gatehouse	2001	£5,468	£241
10	Garage/Workshop	1976	£82,445	£3,628
10	Internal Office/Staff	1976	£21,685	£954
010A	Compressor House	1976	£3,721	£164
010A	Compressor	1980	£2,019	£89
010A	Bund Walls	1976	£2,815	£124
11	Boiler House	1976	£42,325	£1,862
11	Boiler House Extension	1990	£33,098	£1,456
11	Water Treatment Room	1976	£33,552	£1,476
11	Generator Room	1976	£7,048	£310
11	Generator	1976	£9,035	£398
11	Chimney	1976	£24,586	£1,082
11	Chimney	1990	£30,733	£1,352
11	Store	1976	£834	£37
11	Garages	1976	£11,673	£514
011A	Water Tanks Bund Wall	1976	£2,362	£104
011A	Water Tanks Concrete Base	1976	£3,415	£150
011B	Brewery Water Bund Wall	1976	£2,172	£96
011B	Brewery Water Concrete Base	1976	£1,959	£86
011C	Fuel Tank Bund Wall	1976	£3,865	£170
011C	Fuel Tank Bund Base	1976	£817	£36
011D	Pipe Gantry	1976	£18,437	£811
011E	Substation	1976	£17,763	£782
011E	Compound Walls	1976	£7,550	£332
011E	Compound Base	1976	£1,079	£47
011E	Transformer	1967	£8,044	£354
011E	Transformer	1965	£8,044	£354
011E	Transformer	1982	£8,446	£372
011E	Transformer	1997	£12,870	£566
011E	Electrical Switches	1976	£44,508	£1,958
011E	Electrical Switches	1976	£8,009	£352
011E	Electrical Switches	1976	£11,865	£522
12	Distribution Warehouse	1993	£1,309,631	£57,624
12	Internal Office	1993	£13,209	£581
12	Canopy	1993	£141,268	£6,216
013A/B	Paint And Welding Shop	1950	£18,721	£824
013A/B	Paint And Welding Shop Mezz	1950	£899	£40
013C	Store Open Fronted	1950	£4,172	£184
013D/E	Garage	1950	£14,280	£628
013F	Canopy	1950	£7,029	£309
013G	Timber Stores	1950	£3,863	£170

013H	Store	1950	£2,039	£90
14	Gantry	1993	£98,956	£4,354
14	Support Steelwork	1993	£30,762	£1,354
15	Conditioning Tank Steelwork	1998	£59,843	£2,633
15	Concrete Pads	1998	£69,698	£3,067
15	Staircase	1998	£11,196	£493
15	Walkways	1998	£40,306	£1,773
015A	Refridgeration Room	1998	£78,102	£3,436
015B	Central Corridor Tiled Floor	1998	£63,096	£2,776
015C	Dry Powder Store	2003	£44,184	£1,944
015D	Weighbridge Office	1998	£3,359	£148
015D	Weighbridge Pit	1998	£8,542	£376
16	F. V. Steel Supports Original	1991	£33,071	£1,455
16	F. V. Concrete Pads Original	1991	£86,487	£3,805
16	F. V. Steel Supports Extension	1995	£17,778	£782
16	F. V. Concrete Pads Extension	1995	£46,290	£2,037
16	Walkway Original	1991	£14,709	£647
16	Walkway Extension	1995	£7,654	£337
016A	Central Corridor Original Tiled Floor	1991	£48,549	£2,136
016A	Central Corridor Extension Tiled Floor	1995	£25,558	£1,125
016B	North End Building Tiled Floor	1991	£25,708	£1,131
016C	Store Extension	1995	£3,311	£146
017A	Pipe Rack Between F.V. And B/House	1991	£8,980	£395
017B	Pipe Rack Between F.V. And C.T	1998	£8,286	£365
017B	Concrete Settings To Pipe Rack	1991	£2,605	£115
017C	Supporting Steelwork To Tanks	1991	£10,966	£483
017C	Concrete Settings	1991	£3,580	£158
18	Former Football Stand	1965	£62,582	£2,754
18	Technical Centre	1965	£68,287	£3,005
19	Effluent Treat. Tank Conc Pad	1994	£12,036	£530
19	Tank Base	1994	£2,429	£107
19	Concrete Slab To Stairwell	1994	£1,371	£60
19	Stairwell Galvanised	1994	£8,353	£368
19	Armco Barrier	1995	£599	£26
019A	Control Hut	2000	£5,228	£230
019A	Control Hut Concrete Slab	2000	£840	£37
019B	Open Fronted Store	1985	£3,744	£165
20	Store	1976	£21,303	£937
20	Canopy	1976	£2,648	£116
	Fencing Conc Post	1976	£4,652	£205
	Fencing Conc Post	1976	£24,135	£1,062
	Fencing Palisade	1976	£19,316	£850
	Site Security	1976	£6,400	£282
Misc	Concrete Roads/Standing	1976	£951,994	£41,888
	New Car Park- Floor Of Demolished Building	1950	£16,374	£720
	Site Costs	1976	£156,083	£6,868

	Land	1976	£232,617	£10,235
	Land	1976	£3,572,312	£157,182
			£17,233,507	**£758,274**
	End Allowance access via residential streets/flooding risk		10%	£75,827
				£682,447
	Pumphouse, borehole Pipeline		£55,605	**£55,605**
	Total			**£738,052**
			Say RV WEF 01-APR-2017	**£738,000**