IN THE VALUATION TRIBUNAL FOR ENGLAND
IN THE MATTER OF A 2017 RATING LIST APPEAL

Case No: CHG100766994

Sitting remotely using Microsoft Teams

Date: 2 October 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating appeal; 2017 Rating list; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141; Offices and premises; Proposal seeking a lower £ p/m^2; Appeal Allowed in part.

Before:
Mr A Hussain
Ms S Kinsella

Between:

SES Group Limited **Appellant**

- and -

The Valuation Officer **Respondent**

Regarding:
Pitney Bowes Plc, The Barrow, Roydon Road, Harlow, Essex CM19 5BL
(the 'subject property')

Appearances:
Mr C Cates, of Ryan Property Tax Services UK Ltd, as Advocate for the Appellant
Mr O Plumley, of Ryan Property Tax Services UK Ltd, as Expert Witness for the Appellant
Mr C Cole, as Advocate for the Respondent

Hearing date: 9 September 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed in part.

2. The panel determined that the rateable value (RV) of the subject property should be altered to £80,500 with effect from 1 April 2017.

Introduction and background

3. This decision and statement of reasons is not a contemporaneous or verbatim record of the proceedings.

4. The subject property entered the 2017 rating list with effect from 1 April 2017 as “offices and premises” covering some 1096.5m^2 with a RV of £87,000. It is located upon the Pinnacles Industrial Estate in the west of Harlow Town with prominent frontage onto Roydon Road and is positioned between Roydon and Harlow Town railway stations with good access to the M11 motorway. Stansted International Airport is approximately ten miles away. The subject property consists of a two storey building and a linked single storey building. The Appellant stated that the two storey building had been built sometime between 1919 and 1939 whilst the Respondent stated that it had been converted to provide office accommodation until somewhere between 1955 and 1964. The Appellant further stated that the single storey building had been built in the 1980’s whilst the Valuation Officer stated that it was built in the 1990’s.

5. A Challenge was submitted to the Respondent in accordance with the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 on the grounds that its RV was unreasonable and should be reduced to £49,500, based upon a revised unadopted rate (UAR) of £40 per m^2. The Valuation Officer found that whilst the Challenge was not well-founded, the RV of £87,000 was unreasonable, and the RV was reduced to £85,500, based upon a UAR of £80 per m^2. On 5 July 2023, the Appellant submitted an appeal to the Tribunal and, at that time, a revised RV of £60,500 was sought, based upon a UAR of £55 per m^2. On 8 September 2025 (the day before the remote hearing), the Appellant revised the RV being sought for a third time to £70,500, this time based upon a UAR of £65 per m^2. Factual matters were not in dispute.

6. Mr Cates appeared as advocate and Mr Plumley appeared as expert witness for the Appellant whilst Mr Cole appeared as advocate for the Respondent. Mr Cates declared that Ryan Property Tax Services UK Ltd were representing the Appellant on a contingency fee basis and Mr Plumley acknowledged and accepted that when presenting evidence as expert witnesses his duty was to the Tribunal irrespective of whether his evidence supported his argument. Mindful of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 253 (LC), the panel accepted the expert witness evidence on this basis as the appeal was not considered to be complex and 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 concerning admissibility of evidence (regulation 17(2)(a) where the Tribunal can admit evidence whether or not it would be admissible in a civil trial). It was therefore appropriate for the panel to consider the expert evidence and assess what weight, if any, to give it in the context of the issues before it.

7. Prior to the remote hearing, both parties submitted photographs depicting the subject property and of properties put forward as being comparable. Whilst photographs were not considered new evidence, they were accepted on the understanding they depicted the

properties as they appeared on the material day (and no contrary argument was put forward by either party). The panel also accepted the Appellant's revised valuation of £70,500 that was now being sought, a copy of which had been sent by email to Mr Cole the day before the remote hearing.

Discussion

8. This was an appeal against the subject property's entry in the 2017 rating list and so the rental levels are taken as those passing at the antecedent valuation date (AVD) of 1 April 2015. This is in accordance with the Rating Lists (Valuation Date) (England) Order 2014. The material day (the date by which physical factors must be taken into account) was provided by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992. The material day in respect of the subject property is 1 April 2017.

9. Paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988 provides that the RV 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 based upon three assumptions. These assumptions are well known to the parties and so the panel did not consider it necessary to set them out in this decision notice.

10. The subject property was held by the Appellant on a freehold basis and so there was no passing rent. The Respondent highlighted a sale of it in December 2014 for £1,300,000 which, when applying the Respondent's standard decapitalisation rate of 7% for office assessments, produced an estimated rental value of £91,00 per annum. This, it was argued (prior to the reduction to £85,500) should carry some weight in demonstrating that a RV of £87,000 is not unreasonable. The panel found that it could not give this estimate of rental value any significant weight because no evidence had been provided to show that the sale in 2014 was an open market transaction.

11. The Appellant had, within its written submission, argued that the subject property was in an incorrect scheme. However, this argument was not advanced during the remote hearing. Instead, the Appellant argued that the RV of the subject property was not in line with others in the locality. It had also been argued within the written submission that a revised UAR of £65 per m^2 should be adopted before adjustments are made; 10% to reflect the lack of air-conditioning and a 5% to reflect the lack of raised floors. However, it was argued during the remote hearing that the proposed UAR of £65 per m^2 include these adjustments.

12. The comparable assessments referred to by the Appellant in Sandringham Business Park and Hounslow Business Park, which had been reduced from £95 per m^2 to £80 per m^2, were purpose built offices and it was argued that a hypothetical tenant would not be willing to pay the same rent for the subject property which was of lesser quality. There had been a differential of £15 per m^2 between the subject property and the Sandringham and Hounslow assessments when the 2017 rating list was compiled and the Appellant considered it reasonable to maintain this differential. The Respondent argued that agreements to reduce the UAR's of the Sandringham and Hounslow assessments was done to correct their RVs and that it did not necessarily follow that the UAR of the subject property should be reduced in line with them. It was also argued that the Appellant's position took no account of a hypothetical tenant who might prefer an older period property.

13. The Respondent argued that a UAR of £80 per m^2 for the subject property was reasonable. The older, converted, part of it fronted Roydon Road which represented approximately 20%

of the overall space with the remaining 80% being newer and to the rear. The Respondent also suggested that the Appellant's shift in position, eventually settling upon a revised UAR of £65 per m^2, demonstrated that the Appellant did not have a coherent opinion as to what the UAR of the subject property should actually be.

14. It was agreed that the subject property did not have raised floors but some cassettes were attached to the exterior of the subject property which suggested that it did benefit from air-conditioning. During questioning, the Appellant stated that the subject property did not benefit from a full air-conditioning system and the cassettes were actually air-cooling cassettes. Whilst neither party were able to confirm with any degree of certainty, the panel concluded from the photographs that an air-cooling system had been fitted rather than full air-conditioning. Unfortunately, neither party was aware of the extent of the air-cooling system's coverage within the subject property.

15. The Respondent had provided rental evidence in respect of other office assessments in the locality in support of the current UAR of £80 per m^2 for the subject property and that the best evidence was drawn from Warwick House (with rents analysing from £87.92 to £99.63 per m^2 depending on size) and International Lamps Ltd to show that £80 per m^2 was reasonable. The Appellant argued that these were superior to the subject property and would command a higher rent.

Determination

16. The panel determined from the evidence and submissions before it, that a revised UAR of £65 per m^2 for the subject property was not supported. However, when taking into account the differences in the overall quality of the subject property when compared with the assessments put forward by the parties, the rental evidence from the Respondent together with the lack of a fully functioning air-conditioning system (but offset to some degree by the presence of an air-cooling system) and the lack of raised floors, the panel concluded that a hypothetical tenant would be willing to pay no more than £75 per m^2.

17. Therefore, the panel determined the RV of the subject property to be £80,500 based upon a UAR of £75 per m^2. The calculation is set out below:

	M^2	£ per M^2	Value
Ground floor office	51.8	75.00	3,885
Ground floor internal storage	6	52.50	315
Ground floor office	768.5	75.00	57,638
Ground floor office	98.5	71.25	7,018
First floor office	120.5	71.25	8,586
Ground floor internal storage	8.8	49.88	439
Basement floor internal storage	26.2	24.94	653
Ground floor external storage	16.2	7.13	115
	1096.5		78,649
+ 41 car parking spaces (£150 each)			6,150
- 5% allowance for divided or split unit			4,240
			80,559
		RV SAY:	**80,500**

Order

18. In accordance with regulations 38(4) and 38(9) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, this Tribunal orders the Valuation Officer to alter the valuation list within two weeks of the date of this order to show the entry in the rating list for the subject property at £80,500 RV with effect from 1 April 2017.

Refund of appeal fee

19. The Appellant is entitled to a refund of the appeal fee in accordance with regulation 13E of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009. This will be refunded as soon as possible.

Right of further appeal

20. Any party who is aggrieved at the Tribunal's decision, and who appeared or was represented at the hearing, has a statutory right of further appeal to the Upper Tribunal (Lands Chamber) pursuant to Regulation 42 of the Tribunal Procedure Regulations. A party does not require permission to appeal from the Tribunal. Any appeal must be made directly to the Upper Tribunal (Lands Chamber) within **four weeks** of the date this decision and statement of reasons is issued.

21. Further information regarding this statutory right of further appeal, and the parties' other rights, is contained in the guidance booklet "*A guide to tribunal decisions"* available on the Tribunal's website at www.valuationtribunal.gov.uk/guidance-booklets/.

Mr A Hussain, Presiding Senior Member
Ms S Kinsella, Senior Member

Mr A Johnson
Clerk to the Tribunal

Date issued to the parties: 2 October 2025