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

Case No: CHG101061280

Sitting remotely using Microsoft Teams

Date: 20 October 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — car showroom and premises; appeal against the accuracy of the rateable value of the hereditament; appeal allowed.

Before:
MR S C KAMALAN
MR A SHETH

Between:

VERTU MOTORS PLC **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) **Respondent**

Regarding:
BRISTOL STREET MOTORS, CAR DEALERSHIP CORNER OF QUORN ROAD, NOTTINGHAM, NG5 1EA
(the "subject property")

Mr W Secrett (instructed by Knight Frank LLP) for the **Appellant**
Mrs P Bailey for the **Respondent**

Hearing date: 23 September 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed.

2. The Tribunal panel determined a revised rateable value (RV) of £174,000 in respect of Bristol Street Motors, Car dealership corner of Quorn Road, Nottingham NG5 1EA with effect from 1 April 2017.

Introduction

3. This appeal has been brought in respect of Bristol Street Motors, Car dealership corner of Quorn Road, Nottingham, NG5 1EA, which entered the 2017 rating list as 'car showroom and premises', at £239,000 Rateable Value (RV) with effect from 1 April 2017.

4. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal has been made to this Tribunal on the grounds that the rateable value for the appeal property is not reasonable.

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

Background

6. The subject property is a purpose-built car showroom, constructed in 2003, with an area of 2918m^2 and 91 display spaces.

7. The RV for the hereditament with effect from 1 April 2017 was £239,000 RV. This was assessed using a price of £115/m^2.

8. In the proposal, the Appellant sought a reduction to £170,000 RV with effect from 1 April 2017, which was based on a price of £80/m^2. This figure has been revised to £174,000 RV including the plant and machinery element, and accounting for rounding.

9. The evidence submission before the panel comprised all the evidence disclosed and exchanged during the challenge which included comparable assessment evidence and photographs. A copy of the lease agreement had also been submitted to the Tribunal.

10. Mr Secrett appeared on behalf of the Appellant, in a dual capacity as both advocate and expert witness. He confirmed that although the firm was on a fixed fee, as an individual he was on a conditional fee arrangement. He acknowledged that, in providing expert evidence, his primary duty was to the Tribunal.

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

12. Mrs Bailey also appeared on behalf of the Valuation Officer in the dual role of advocate and expert witness.

Relevant Law

13. The term “rateable value” was defined in Schedule 6 to the Local Government Finance Act 1988 (as amended). The value was required to reflect an annual rent on the property, assuming a new letting with the tenant responsible for all rates, taxes, repairs and insurance. In respect of the 2017 rating list, the Rating Lists (Valuation Date) (England) Order 2014 requires the rental levels to be taken on 1 April 2015, the antecedent valuation date (AVD). In respect of the subject appeal, the material day is 1 April 2017.

Discussion

14. The issue for the panel to determine was the appropriate price/m^2 for the subject property. The parties were in agreement that the property’s location was outside Nottingham’s prime car showroom area, known as the Lenton Lane Cluster, which was valued at £130/m^2. The Appellant contended that the rate should be reduced from £115/m^2 to £80/m^2 based on the rent on the subject property.

15. In the case under consideration, the panel analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141.

16. The starting point, and main issue in contention was the actual rent passing on the appeal hereditament. At the time of the initial challenge submission, the lease had not been provided to the Valuation Officer. However, it was later submitted during the appeal process and reviewed by Mrs Bailey. The property was formerly a Co-op car dealership, later acquired by Nottingham College. The college retained part of the premises for its own use, specifically an office and workshop, and leased the remaining ground floor and part of the mezzanine to Vertu Motors. A new lease was signed on 21 October 2014, with an annual rent of £170,000 effective from 22 October 2014, for a 15-year term. Mr Secrett analysed this rent to £78.42/m^2. He argued that open market rental evidence for car showrooms was scarce, making this lease the most reliable indicator, especially given its proximity to the AVD.

17. Regarding the rent for the subject property, Mrs Bailey considered that this evidence should be given limited weight because the tenant did not have exclusive use of the site, as the landlord retained shared access to parts of the property, including the kitchen. In her view, the rent reflected these limitations, and indirect rental evidence suggested that the agreed rent was an outlier. However, Mr Secrett contended that the property constituted a single hereditament, with no shared space with the college and a separate entrance for college use. The panel was not convinced that any evidence had been presented to show that these perceived disadvantages had influenced the rental level.

18. Both parties acknowledged that indirect rental evidence was limited. The Valuation Officer relied on rental data from seven properties located in Nottingham. Mrs Bailey considered the most relevant comparable properties were those situated closest in proximity to the subject property. One such example was a new lease for 75 Mansfield Road (Skoda), effective from 1 September 2014. This 15-year lease was agreed at £90,000 per annum, which analysed to £117.74/m^2. The property, originally built in 1971 and refurbished in 1999, was deemed by Mrs Bailey to be inferior to the subject property due to its smaller sales space. Despite this, it had been valued at the same rate of £115/m^2. Another example was a rent review for 503 Valley Road (Volvo), with a rent of £120,000 per annum, effective from 12 February 2015. this analysed to £126.79/m^2, with a unit value of £130/m^2.

19. The final two properties were located in Mansfield Road. Mrs Bailey described 375 Mansfield Road (Peugeot) as an older building situated on a cramped site, requiring access across a bus lane. A lease renewal for this property took effect on 29 May 2013, with the rent analysed to £216.11/m^2, although an adopted rate of £100.00/m^2 was applied. Mrs Bailey argued that this supported a rate of £115.00/m^2 for the subject property. The final property, 199 Mansfield Road was identified through Forms of Return (FOR) data as a new letting. The lease commenced on 29 November 2013 with an annual rent of £250,000, which was analysed to £145.36/m^2. The adopted unit value for this property was £120/m^2.

20. In respect of the rental evidence Mr Secrett argued that the rent in respect of five of these properties was effective from 2013 and were too far removed from the AVD. Mr Secrett further argued that 199 Mansfield Road was in a superior area, with more frontage and on a corner of a junction. Whilst the Valuation Officer had stated that the rent in respect of 75 Mansfield Road was a new letting, Mr Secrett argued that it was actually a lease renewal. He argued that Skoda had properties on both sides of the road, and that it was possible that the lease renewal in 2012 had been over bid. However, the panel noted that no evidence had been submitted to demonstrate this.

21. In relation to the comparable assessment evidence, Mr Secrett referred to seven properties with assessed values ranging from £80/m^2 to £120/m^2. Two of these were assessed at £80/m^2. The first was the Toyota dealership at 1 Vernon Road, which Mr Secrett described as being of basic quality and inferior to other dealerships on Mansfield Road. The second was the Suzuki/Mitsubishi site at 431-436 Nottingham Road, located near 503 Valley Road. Built in the 1990s, this property featured rear display areas and a front showroom.

22. Mr Secrett also referenced the assessment at 375 Mansfield Road (Peugeot Robin & Day), which was valued at £100/m^2. Although it had access issues, he argued that it was located in a more favourable area than the subject property and featured a much smaller showroom of similar basic specification. Another example, the Subaru showroom at 363-365 Haydn Road, was assessed at the same rate of £115/m^2. This property was visibly more modern, having been redeveloped in 2016 with a double-height structure and a more contemporary specification, but again had a smaller showroom space. Mr Secrett also referred to Speeds of Nottingham on Nuttall Road, a property rented by the Appellant, which had been assessed at £120/m^2. The Appellant had challenged the rateable value, seeking a reduction to £110/m^2. He argued that outside the main dealership cluster, assessment rates varied depending on proximity to junctions, and that individual rental agreements provided the most reliable indicators of value.

23. Mr Secrett argued that the subject property was not situated within the main cluster of prime car showrooms, but rather in a secondary or even tertiary location. He also highlighted that the showrooms of the comparable properties were all smaller, ranging in size from 168.5m^2 and 744.33m^2, whereas the subject property had a significantly larger showroom size of 1,156.5m^2. This was 55% larger than the next biggest example. He argued that an adjustment should be made to reflect the larger floor area.

24. The panel acknowledged that the subject property was not located within the superior Lenton Lane cluster. Whilst the Valuation Officer maintained that the lower RV already reflected the property's inferior location, the panel found the Appellant's argument more persuasive. Specifically, the panel agreed that the RV should reflect the rent as at the AVD, and noted that the rent agreed on the subject property, which was effective six months prior to the AVD was not an outlier and provided a more accurate indication of value as at 1 April 2015.

Furthermore, the panel considered the subject property to be more comparable with the properties assessed at £80/m^2.

Determination

25. In view of the above findings and conclusions, the Tribunal panel determined that the RV in respect of the subject hereditament was unreasonable, and that a price of £80/m^2 more accurately reflected the appeal property, and the appeal was allowed. The panel calculated the revised valuations as shown below.

<table>
<tr><td colspan="6">Hereditament Address</td></tr>
<tr><td colspan="6">BRISTOL STREET MOTORS, CAR DEALERSHIP CORNER OF QUORN ROAD, NOTTINGHAM NG5 1EA</td></tr>
<tr><th>Ref</th><th>Floor</th><th>Description</th><th>Area (m^2)</th><th>Price (£/m^2)</th><th>Value (£)</th></tr>
<tr><td>1</td><td>Ground</td><td>Showroom</td><td>1,156.50</td><td>£80.00</td><td>£92,520</td></tr>
<tr><td>2</td><td>Ground</td><td>Mess/Staff Room</td><td>117.90</td><td>£40.00</td><td>£4,716</td></tr>
<tr><td>3</td><td>Ground</td><td>Garage</td><td>1,098.52</td><td>£36.00</td><td>£39,546</td></tr>
<tr><td>4</td><td>Ground</td><td>Area Under Supported Floor</td><td>248.30</td><td>£25.20</td><td>£6,257</td></tr>
<tr><td>5</td><td>Ground</td><td>Office</td><td>40.80</td><td>£48.00</td><td>£1,958</td></tr>
<tr><td>6</td><td>Mezzanine</td><td>Internal Storage</td><td>248.30</td><td>£18.00</td><td>£4,469</td></tr>
<tr><td>7</td><td>Ground</td><td>Portable Building</td><td>8.25</td><td>£36.00</td><td>£297</td></tr>
<tr><td colspan="2">Total Area:</td><td colspan="2">2,918.57</td><td colspan="2"></td></tr>
<tr><td colspan="3">Subtotal:</td><td colspan="3">£149,763</td></tr>
<tr><td>Car Parking</td><td>Spaces</td><td></td><td>Value (£)</td><td colspan="2"></td></tr>
<tr><td></td><td>Display Spaces</td><td>41</td><td>£200</td><td colspan="2">£8,200</td></tr>
<tr><td></td><td>Display Spaces</td><td>50</td><td>£300</td><td colspan="2">£15,000</td></tr>
<tr><td>Additional</td><td></td><td></td><td></td><td colspan="2"></td></tr>
<tr><td></td><td>Plant and Machinery</td><td></td><td></td><td colspan="2">£1,240</td></tr>
<tr><td colspan="3">Total Value:</td><td colspan="3">£174,204</td></tr>
<tr><td colspan="3">Rateable Value:</td><td colspan="3">£174,000</td></tr>
<tr><td colspan="6">With effect from 1 April 2017</td></tr>
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26. As a consequence of the above decision, the Tribunal panel orders the Valuation Officer to reduce the 2017 Rating List entry in respect of Bristol Street Motors, Car dealership corner of Quorn Road, Nottingham NG5 1EA to £174,000 RV with effect from 1 April 2017. The Valuation Officer must comply with this Order within two weeks of the date of its making.

27. The Appellant is entitled to a full refund of the fee paid in respect of the subject hereditament in accordance with regulation 13E(a)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended).

Right of further appeal

28. 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.

29. 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/.

30. Amended decision in accordance with 39 – Clerical mistakes and accidental slips or omissions, of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009. The plant and machinery element of the valuation was mistakenly omitted from the valuation. The rateable value has been revised from £170,000 to £174,000 RV.

Mr S C Kamalan, Senior Member (Presiding)

Mr A Sheth, Senior Member

Mrs K Edhouse-Thomas
Clerk to the Tribunal
Date issued to the parties: 20 October 2025 (reissued on 23 October 2025)