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

Case No: CHG101063079

Sitting remotely using
Microsoft Teams

Date: 12 August 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating; 2017 rating list; shop and premises; rental evidence; comparable properties; appeal allowed in part.

Before:
MR MS HUSSAIN
MS CJ JONES

Between:

BOOTS THE CHEMIST — **Appellant**

- and -

AMANDA HITCHINGS (VALUATION OFFICER) — **Respondent**

Regarding:
BOOTS THE CHEMIST HOTSPUR WAY, NEWCASTLE UPON TYNE, NE1 7XE
(the “subject property”)

Mr G Garnett and Ms H Bowkitt on behalf of the appellant
Ms R McAllister for the **Respondent**

Hearing date: 14 July 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed-in-part.

2. The rateable value (RV) is confirmed at £1,140,000 based upon an unadjusted rate of £160/m2 with effect from 1 April 2017.

Introduction

3. This is a 2017 rating list appeal. The subject property had been entered into the 2017 rating list as ‘shop and premises’ at an RV of £1,320,000 with effect from 1 April 2017.

4. The challenge proposal was submitted on behalf of the appellant and was received by the Valuation Officer on 17 May 2023. A revised RV of £1,070,000 was proposed with effect from 1 April 2017 based upon an unadjusted rate of £150/m2.

5. The respondent issued a challenge case decision notice on 17 October 2024, which stated that based on the evidence available, the existing rating list entry of £1,320,000 RV was unreasonable and determined a revised entry of £1,220,000 RV with effect from 1 April 2017. The revised RV accounted for a reduction in unadjusted rate to £170/m2. The appellant’s representative appealed that decision to this Tribunal on 13 February 2025 on the grounds that the valuation for the subject hereditament remained unreasonable.

6. The subject property was a large shop located within Eldon Square shopping centre. It had a Gross Internal Area (GIA) of 7,184m^2.

7. Mr Garnett and Ms Bowkitt appeared on behalf of the appellant as advocates as expert witnesses. In view of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Garnett and Ms Bowkitt explained that they were not instructed on a conditional fee basis and declared that they understood and accepted their duty to the Tribunal in giving his evidence and he would comply with this as well as the requirements of his professional body, regardless of whether the evidence supported the client’s case.

8. The panel accepted this expert witness evidence on the above basis as the appeal was not 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 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). The panel therefore considered the expert evidence and attached such weight to it as it saw fit.

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

<u>*Preliminary Issue*</u>

10. Five days prior to the hearing a three-page document was submitted Ms Bowkitt with details regarding the valuation of large shops, including extracts from the Valuation Office Rating Manual. Ms McAllister objected to this document being included due to it being late evidence.

11. The panel could understand the reasons for Ms McAllister's objection and that the document could have been provided prior to the date it was. However, having regard to the document provided the panel did not consider it contained any new evidence and as such admitted it into proceedings.

Relevant Law

12. The subject hereditament must be valued for the purpose of non-domestic rating on the basis of the rent at which it might reasonably be expected to let from year to year on a number of assumptions (see paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988).

13. In accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841), the date of the hypothetical rent was 1 April 2015, the antecedent valuation date (AVD). This common date was used to ensure that every property was treated in a consistent way.

14. Matters that affected the physical state or enjoyment of the property or the locality were to be taken at the material day, as outlined by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject appeal, the material day was 1 April 2017 when the assessment had been entered into the 2017 rating list.

Discussion

15. The panel had regard to *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141. The panel was aware that this was a leading judgment which had set out six propositions to be followed when considering the weighting of evidence. The starting point was the subject rent. Consideration of how the time, subject matter and conditions related to the statutory requirements was required in order to determine how much weight should be attached to the subject rent. The remaining propositions required consideration of the rents of similar properties and comparable assessments. In light of all the evidence an opinion could then be formed.

16. With regards to the subject property, it was held on a sixty-year lease which had commenced with effect from 24 June 1976. There was a rent review dated 24 June 2011 at which the rent was increased to £1,210,000 with effect from 14 June 2011, which analysed to £168/m2. The panel noted that this rent review was dated nearly four years prior to the AVD and therefore considered it to be of limited assistance.

17. No rental details of comparable properties had been submitted by either party, however both relied on assessments which they considered to be comparable. For the appellant, Mr Garnett contended that the most comparable assessment was Boots in Victoria Centre, Nottingham. Like, the subject property this was located within a shopping centre. It had a GIA of 6,998m^2 and an unadjusted rate of £150/m2, which was the unadjusted rate sought in respect of the subject property. However, Mr Garnett submitted that an unadjusted rate of £140/m2 had been proposed in respect of Boots Nottingham but not agreed and he had been instructed to proceed to appeal with this.

18. The panel considered Boots Victoria Centre a good comparator due to its size and location within a shopping centre. However, it noted that it occupied a less prominent position, with one entrance from the street and another at the far end of the centre, rather than the main mall.

The panel also acknowledged the appellant's submission, which stated that Nottingham Boots was considered slightly inferior to Newcastle Boots, albeit by a narrow margin.

19. Ms Mc Allister referred to a PROMIS report which showed that Eldon Square was ranked 31st out of 100 shopping centres in the country and Victoria Centre 42nd and which she contended demonstrated that Eldon Square was a superior location, supporting the subject property having a higher unadjusted rate than Boots, Victoria Centre. The panel also noted within the documentation submitted by the appellant's representative that it refined the localities of shopping centres within England, with Newcastle being defined as a major City location and Nottingham as a relatively buoyant city. The panel considered this demonstrated that there were differences between the two localities with Newcastle being viewed as a more key location.

20. Ms McAllister had provided details of two settlements within Eldon Square, with Topshop being agreed at £300m/2 and Next at £210/m2. The panel noted both of these properties were substantially smaller than the subject property with Topshop measuring 3,144m^2 and Next measuring 5,644m^2. As such it attached little weight to these comparables.

21. Due to the limited number of comparable properties within Eldon Square Ms McAllister also referred to two properties she considered to be comparable located within Leeds. Harvey Nicola had a GIA of 7,150m^2 and had been agreed at £175/m2. Primark, Trinity Leeds had a GIA of 9,946m^2 and had been agreed at £165/m2. Ms McAllister submitted that Leeds was comparable in terms of locality to Newcastle and that these settlements supported the current unadjusted rate of £170/m2 in respect of the subject property.

22. Mr Garnett submitted that he did not consider Leeds to be comparable in terms of locality to Newcastle, being more affluent and that the properties referred to were also situated within more prominent position than the subject property. During questions, the panel asked Ms McAllister if she was aware as to where Leeds fell for shopping on the PROMIS report previously referred to, however she confirmed she did not know. The panel noted that Harvey Nicolls was also not situated within a shopping centre and therefore did not consider this to be the best comparator,

23. Taking into consideration the evidence and submissions of both parties the panel considered that the best comparator was Boots, Victoria Centre. This was most similar in terms of size and situation within a shopping centre and based upon this assessment, the panel considered the current unadjusted rate of £170/m2 at the subject property to be excessive. However, taking into account the information submitted by both parties regarding the differences in locality between Newcastle and Nottingham the panel did not consider the proposed £150/m2, which was applicable at Boots Nottingham, to be appropriate in respect of the subject property. Instead, it determined that an unadjusted rate of £160/m2 was reasonable.

Determination

24. In view of the above findings and conclusions, the panel concluded that the unadjusted rate be reduced to £160/m2 from 1 April 2017. The panel calculated the revised valuation as shown below:

COMPONENT PARTS OF THE PROPERTY

Ref	Floor	Description	Area m2/unit	£ per m2/unit	Value (£)
1.1	Lower Ground	All Main Areas	1661.90	160.00	265,904
1.2	Ground	All Main Areas	2344.60	160.00	375,136
1.3	First	All Main Areas	2573.20	160.00	411,712
1.4	Second	All Main Areas	605.00	160.00	96,800
				Valuation sub-total	1,149,552

Say, £1,140,000 RV

25. 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 to reduce the entry in the rating list with respect of the subject property to £1,140,000 RV with effect from 1 April 2017.

Right of further appeal

26. 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.

27. 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 MS Hussain, Senior Member (Presiding)

Ms CJ Jones, Senior Member

12 August 2025

Clerk to the Tribunal
Date issued to the parties: 14 August 2025