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

Case No: CHG101064250

Sitting remotely using Microsoft Teams

Date: 14 January 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — car showroom and premises — bypassed by changes to the local road network — Hindhead Tunnel — appeal allowed

Before:
MRS S PATEL
MR S MULDOON
MR P BECKHAM

Between:

GROUP1 AUTOMOTIVE LTD — Appellant

- and -

ANDREW MOULAND (VALUATION OFFICER) — Respondent

Regarding:
BARONS HINDHEAD LTD, BARONS OF HINDHEAD, HINDHEAD GU26 6AE
(the “appeal property”)

Mr W Secrett (Knight Frank) for the appellant
Mr S Forbes for the respondent

Hearing date: 12 January 2026

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed. The rateable value is reduced to £166,000 with effect from 1 April 2017.

STATEMENT OF REASONS

Introduction

2. The appeal property was entered in the 2017 rating list as “car showroom and premises”. The rateable value was initially £257,500 from 1 April 2017, but following a proposal to alter the rating list, the valuation officer (VO) decided to reduce this to rateable value £200,000 from the same date.

3. The appeal to the tribunal was then made on the grounds that the valuation for the appeal property was not reasonable. This was made in accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009. It sought rateable value £166,000 from 1 April 2017.

4. Both Mr Secrett and Mr Forbes appeared in a dual role of advocate and expert witness for the appellant and respondent, respectively. Both representatives confirmed that their primary duty was to the tribunal. In the case of Mr Secrett, he stated he was engaged on a conditional fee basis.

5. The dual role is allowable in this tribunal’s proceedings having regard to procedure regulations[1] and rules regarding admissibility of evidence[2]. However, it was necessary to consider the “expert” evidence and assess what weight, if any, to give it in the context of the matters in issue.

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

Relevant law

7. The term “rateable value” was defined in Schedule 6 to the Local Government Finance Act 1988. The value was required to reflect an annual rent on the property, assuming a new letting with the tenant being responsible for all rates, taxes, repairs and insurance.

8. In respect of all entries in 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).

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[1] Regulation 3 (Discharge of VTE functions – general) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009.
[2] Regulation 17(2)(a) (Evidence and submissions) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009.

9. Under regulation 3 of the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992, the material day to consider the appeal property and the locality was 1 April 2017.

Discussion

10. The appeal property was constructed in 1995 to BMW's specifications and refurbished at 10-15-year intervals in line with new branding. At the material day, it provided new and used car sales together with servicing and repairs. The site measured approximately 0.93 hectare. The buildings had an area of 2,728m^2. The showroom and offices were air-conditioned. There were 28 prime sales spaces and other sales spaces within fenced land measuring 2,660m^2.

11. There had been a major change to the locality. The Hindhead Tunnel (completed in July 2011) had resulted in the appeal property being bypassed. It was now on a dead-end road that was close to National Trust property and domestic housing.

12. The site was vacated in 2021 and demolished in January 2024 for residential development. The business moved to new larger double storey premises located on the A3 road.

13. There were two issues in dispute:

    i. The VO's revised valuation was based on £135/m^2 (reduced from £170/m^2) with a 15% end allowance for the lack of passing traffic, resulting in £114.75/m^2. However, the appellant's valuation was based on £100/m^2.

    ii. The appellant sought a 10% allowance for quantum, arguing that the site was too large for what was argued to be a secondary location. The VO had conceded a 5% end allowance for layout and this had been reflected in the revised rateable value of £200,000.

14. The appeal property had been owner-occupied so there was no rental evidence.

15. Neither party had provided any rental evidence in respect of other car showrooms from the locality.

16. Therefore, the panel based its decision on the rating assessments of other car showrooms referred to by the appellant's representative.

17. It was clear to the panel that the initial unit price of £170/m^2 appeared to be too high. While the panel appreciated that the VO had agreed £160/m^2 in the 2010 list, with a 15% allowance for the opening of the Hindhead Tunnel bypass, this appeared too high in relation to the more modern car showrooms on Moorfield Road, Guildford, which had the advantage of a cluster location and double height showrooms. They had been assessed at £170/m^2.

18. Similarly, showrooms near Guilford City Centre and the University of Surrey had also been valued at £170/m^2. The Land Rover, Jaguar and Porsche showrooms were stated by the

appellant's representative to be located in a prime location on the A25 opposite Ladymead Retail Park that contains B&Q, Sports Direct, Next and Currys.

19. By comparison, the appeal property was in Hindhead village in a dead-end location no longer visible from the main road.

20. The appellant's representative referred to car showrooms in secondary locations, which he believed were more like the appeal property. The Mazda showroom in Milford (which was single-height) and the Bentley showroom in Ripley (which was double-height) had been valued at £135/m². They were modern good quality showrooms of a similar quality to the appeal property. However, those car showrooms were located on main access roads for local traffic.

21. The panel placed greatest weight to the Citroen car showroom on Farnham Road, Sleaford, seven miles from the appeal property. It had been assessed at £100/m². While it was an older car showroom than the appeal property, it was located on a main road, adjacent to a petrol station, and near an out-of-town retail development.

22. The panel noted that the VO's representative had argued that the base price of the appeal property had been reduced in error by a colleague at challenge, by changing the category from type 2 to type 4. However, having regard to the full range of comparable evidence provided and the locality on the material day of 1 April 2017, the panel was persuaded that the reduction already conceded by the VO was insufficient. The panel adopted £100/m^2, mindful of Citroen and having regard to all of the comparable evidence, as well as the major change to the locality.

23. The final matter considered was the end allowance. The panel noted that the appeal property had never been marketed as a car showroom following its closure in 2021. It was not known if this was directly attributable to a lack of demand.

24. However, three tables of car showroom sizes were provided by the appellant's representative. It was argued that a typical main dealership in a prime location would be 2,500m² as the dealership was serving a large catchment area and would typically require a showroom to accommodate eight cars with the ancillary workshop accommodation to deal with servicing and aftercare. In the appellant's representative's opinion, an eight-car showroom with ancillary accommodation was financially unviable in a rural or secondary location.

25. The panel noted that the appeal property was more than four times larger than the Mitsubishi showroom, described as a secondary location, and three times larger than both the Mazda and Bentley dealerships, described as rural locations. This led the panel to the conclusion that the appeal property was too large for its location, and a 10% adjustment, as proposed by the appellant's representative, appeared to be reasonable.

Conclusion

26. In view of the above findings and conclusions, the panel decided to allow the appeal, accepting the valuation provided by the appellant's representative as follows:

Line	Floor	Description	Area m²	£/m²	Value £
1	Ground	Showroom	427.70	105.00	44,909
2	Ground	Office	39.70	60.00	2,382
3	Ground	Office	12.55	100.00	1,255
4	Ground	Workshop	387.54	45.00	17,439
5	Ground	Workshop	721.51	45.00	32,468
6	Ground	Internal Storage	32.30	45.00	1,454
7	Ground	Internal Storage	62.84	45.00	2,828
8	Ground	Office	31.99	60.00	1,919
9	Ground	Workshop	201.43	45.00	9,064
10	Ground	Office	209.92	60.00	12,595
11	Ground	Workshop	216.00	45.00	9,720
12	Ground	Internal Storage	67.40	45.00	3,033
13	Ground	Showroom	74.57	105.00	7,830
14	Ground	Workshop	143.33	45.00	6,450
15	Ground	Retail Area	52.00	100.00	5,200
16	Ground	Kitchen	3.13	60.00	188
Total Area:			2,728.91		
Subtotal:					158,734
Additional Items					
Unsurfaced, Fenced Land			2,660.00	5.60	+14,896
Car Parking		**Spaces**	**Area m²**	**Value £**	
Vehicle Display Spaces		28		400.00	+11,200
Total Before Adjustment					
					184,830
Adjustments Made					
Size				-10.0%	
					-18,483
Total Value:					166,347
ADOPTED RATEABLE VALUE					**£166,000**
					WEF 01 April 2017

Order

27. Under the provisions of regulation 38(4) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the VO is ordered to reduce the entry in the rating list to rateable value £166,000 with effect from 1 April 2017.

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

Refund of appeal fee

29. As the ground of the appeal has been made out, the appeal fee is to be refunded in full. This will take approximately six weeks to process.

Right of further appeal

30. 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 Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009. A party does not require permission to appeal from the Tribunal. Any appeal must be made directly to the Upper Tribunal (Lands Chamber) using Form T385 (Notice of appeal) within **four weeks** of the date this decision and statement of reasons was issued.

31. 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/.

Mrs S Patel, Senior Member (Chair)
Mr S Muldoon, Senior Member
Mr P Beckham, Senior Member
14 January 2026

Mr D Mulgrew
Clerk to the Tribunal
Date issued to the parties: 14 January 2026