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

Case No: CHG101068411

Sitting remotely using Microsoft Teams

Date: 19 September 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Land used for storage and premises — Rental evidence — Assessment evidence — Appeal dismissed.

Before:
MRS NC YANG
MR AMRAN HUSSAIN

Between:

THE SALVAGE STUDIO **<u>Appellant</u>**

- and -

LUCY FORMELA-OSBOURNE (VALUATION OFFICER) **<u>Respondent</u>**

Regarding:
AIRFIELD STORAGE, SNITTERFIELD ROAD, STRATFORD UPON AVON, CV37 0EX
(the “subject property”)

MR L FRANKLIN FOR THE APPELLANT
MR T SIMANGO FOR THE RESPONDENT

Hearing date: 19 August 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The Tribunal Panel confirmed the rateable value (RV) of the subject property at £25,250 with effect from 1 January 2022.

Introduction

3. This was a 2017 rating list appeal. The subject property had been entered in the 2017 rating list as “land used for storage and premises” at an RV of £25,250 with effect from 1 January 2022. This was based on an unadjusted base rate of £4.50 per square metre (psm).

4. The challenge proposal was submitted by Leigh Franklin on behalf of The Salvage Studio and was received by the Valuation Officer (VO) on 30 May 2023. It had been made on the grounds that the RV shown in the 2017 rating list was wrong and proposed a revised RV of £8,750 based on an adjusted base rate of £0.75 psm.

5. Following the exchange of evidence and discussions throughout the challenge period, Mr Franklin revised his valuation and requested an RV of £17,000 with effect from 1 January 2022, based on an unadjusted base rate of £1.50 psm with no additional adjustments. The VO disagreed with the proposed alteration to the valuation list, and a challenge case decision notice was issued on 5 October 2023 to this effect.

6. Mr Franklin appeared on behalf of the appellant as both advocate and expert witness. In view of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Franklin declared that he was instructed under a conditional fee arrangement.

7. Mr Franklin understood and accepted that his duty was to the Tribunal in giving his evidence and he would comply with this regardless of whether or not the evidence supported his client’s case.

8. The Tribunal 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).

9. The Panel therefore considered the expert evidence and attached such weight to it as it saw fit.

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

Background

11. The subject property was land and storage located in Stratford-Upon-Avon. It had a total area of 11,128m^2 and consisted of unsurfaced, unfenced land and storage container accommodation.

Relevant Law

The Local Government Finance Act 1988

12. Schedule 6 of the Act provides that:

> 2(1) 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.

13. 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.

14. The material day (the date by which physical factors have to be taken into account) was provided 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 is 1 January 2022.

Discussion

15. The panel heard from Mr Franklin that the subject property was owner occupied. However, prior to the purchase, the appellant company occupied part of hereditament totalling 3,200m^2 on licence. The licence happened in two transactions, the first for part of the hereditament in 2013, and then an additional 700m^2 was added with effect from 15 December 2014.

16. Mr Franklin stated that the original licence in 2013 was not open market, however the addition of 700m^2 was open market. It was his contention that as the licence for 700m^2 was agreed four months pre-AVD, it was the best evidence available for the subject property.

17. The licence was for £1,000 per annum with effect from 15 December 2014. Mr Franklin analysed this to £1.43 psm. He then explained he added 40% to this figure on the basis that the agreement was a licence and not a lease, and then decreased the figure by 25% for quantum, arriving at £1.50 psm. Mr Franklin advised that the 40% was based on his professional opinion and a figure he adopted himself.

18. Mr Simango did not consider the licence to be good evidence as it was only for 700m^2 compared to the hereditament at 11,128m^2 and he considered the approach taken by Mr Franklin to be flawed due to there being no evidence for increasing the value by 40%, and the reduction by 25% was used by the VOA for much larger properties, in excess of 2,400m^2. Mr

Simango argued that the licence had no security of tenure and no exclusive occupation and was not in line with the definition of rateable value.

19. Mr Simango had provided two pieces of rental evidence from Stratford-Upon-Avon and three pieces of rental evidence from Birmingham. He stated he had looked further afield as the analysed rental values at Long Marston were higher than the £4.50psm they were in the list at, and so he was looking to corroborate and support the base rates.

20. Land P at Long Marston Storage had a total size of 10,810m^2 and a passing rent of £102,490 per annum. This was a new letting over five years on a full repairs and insurance (FRI) basis effective from 3 March 2014. Land J7 & J10 at Long Marston Storage had a total area of 22,620m^2 and had a passing rent £520,000 per annum. This was a new letting over ten years on an FRI basis effective from 1 December 2016. Mr Simango had analysed the rents to £18.96 psm and £24.25 psm respectively and both were in the valuation list at £4.50 psm.

21. The three assessments in Birmingham had rents effective between 1 January 2013 and 1 June 2016. O'Donnell Developments and Small Heath Rail Head were both five-year terms on an FRI basis. Mr Simango had analysed the rent to £7.34 psm and £9.93 psm and they were in the valuation list between £7 and £10 psm.

22. Mr Franklin did not consider the Birmingham properties to be comparable to the subject property in rural Warwickshire. Mr Simango agreed that Birmingham was a superior location, however he stated he had accounted for this by adopting a rate 50% less than Birmingham. He contended that Long Marston was valued the same as the subject property at £4.50 psm.

23. The panel considered all of the evidence before it and placed less weight on the licence evidence of Mr Franklin. The licence was short term for only a small portion of the overall site. It was the panel's opinion that the rent needed too much adjustment and there was no reasoning, other than opinion, on the uplift of 40% to the analysed figure.

24. The panel accepted that Birmingham was a superior location, however it noted that the subject property was valued at 50% of these values and were provided to demonstrate that the RV of the subject property was not unreasonable.

25. The Long Marston evidence was in the same scheme as the subject property, in the locality, and were valued at £4.50 psm. It was the panel's opinion that based on the assessment evidence, the RV of the subject property was not unreasonable, and the evidence provided by Mr Franklin did not demonstrate otherwise.

Determination

26. In view of the above findings and conclusions, the Tribunal Panel is satisfied that the RV of £25,250 with effect from 1 January 2022 was reasonable. Therefore, the appeal is dismissed.

Right of further appeal

27. 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.

28. 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 NC Yang, Senior Member (Presiding)

Mr Amran Hussain, Senior Member

19 September 2025

Mrs S Hodgson
Clerk to the Tribunal
Date issued to the parties: 19 September 2025