**IN THE VALUATION TRIBUNAL FOR ENGLAND**
**IN THE MATTER OF A 2023 RATING LIST APPEAL**

Case No: CHG101132940
CHG101079801

Sitting remotely using
Microsoft Teams

Date: 10 June 2025

**SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988**

*2023 Rating List Appeals: Local Government Finance Act 1988; factory and premises; warehouse and premises; Valuation Schemes; correct main space rate to be applied; appeals dismissed.*

**Before:**
**MS JL HADLEY**
**MRS N MANZOOR**

**Between:**

**BIG WEB WAREHOUSE LIMITED**
**SAFAPAC LIMITED** — **Appellants**

**- and -**

**KAREN GILES**
**(VALUATION OFFICER)** — **Respondent**

**Regarding:**
**UNIT A HARRIER INDUSTRIAL PARK,SOUTHGATE WAY,PETERBOROUGH,PE2 6YG**
**1-5, STAPLEDON ROAD,ORTON SOUTHGATE,PETERBOROUGH,PE2 6TB**
(the “subject properties )

**Mr D Johnson**, from Ryan Property Tax Services Ltd representing the Appellant
**Mr W Cockhill** representing the Valuation Officer

Hearing date: 13 May 2025

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**DECISION AND STATEMENT OF REASONS**

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## Decision

1. The appeals are dismissed.

2. The Tribunal Panel decided that the existing assessments for the subject properties of £287,500 and £267,500 Rateable Value (RV) with effect from 1 April 2023 were not unreasonable.

## Introduction

1. The appeals had been brought in respect of the following:
   - Unit A, Harrier Industrial Park, Southgate Way, Peterborough, PE2 6YG which was entered in the 2023 Rating List as Warehouse and Premises at £287,500 Rateable Value (RV), with effect from 1 April 2023.
   - 1-5, Stapledon Road, Orton Southgate, Peterborough, PE2 6TB which was entered in the 2023 Rating List as Factory and Premises at £265,000 Rateable Value (RV), with effect from 1 April 2023.

   The Appellant's challenges to the Valuation Officer (VO) were made in June and September 2023. The appeals to this Tribunal were made on 13 and 17 December 2024, following the VO's decision notices of 29 November 2024, reducing the subject properties assessments from £360,000 to £287,500 and from £330,000 to £265,000 Rateable Value, respectively.

2. Mr Johnson was appearing on behalf of the appellant as advocate and expert witness. Therefore, it was important to ascertain if there was a success related fee involved and if so whether its existence was compatible with his obligations to the tribunal as an expert. This question was raised in view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC). He confirmed that he was not representing the appellant at the hearing on a contingency fee basis, also declaring that he understood and accepted that his duty was 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 or not the evidence supported his client's case.

3. The panel have accepted this on the above basis as the appeal is not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations and is 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.

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

## Preliminary issue

5. Prior to hearing the substantive issues of these appeals, the Respondent advised the panel that following an inspection of 1-5, Stapledon Road, Orton Southgate, Peterborough, PE2 6TB, a survey change had been identified. This resulted in the RV of this property being changed to £267,500 from £265,000. This revised valuation was that being defended by the Respondent.

6. The unadjusted rate (UAR) of £50/$m^2$ on which the £267,500 rateable value had been calculated by the Respondent remained the same, as did the £44/$m^2$ UAR sought by the Appellant. With no objections raised, it was fair and right to determine the valuation of this property using the correct survey unit details. The parties were not prejudiced by this, such that it did not affect the key issue to be determined in these appeals, that the UAR's applied to the valuations of each property was excessive.

**Background**

7. Prior to the hearing, the clerk had contacted the representatives for both partes, with it agreed that the appeals be heard together at the hearing. The Appellant had submitted a combined bundle containing information and evidence pertaining to both subject properties. The Respondent had submitted separate bundles in respect of each property.

**Unit A, Harrier Industrial Park, Southgate Way, Peterborough, PE2 6YG**:
This property was stated to be a standard industrial unit constructed in 1991 with an area of 5,707.64$m^2$, located in the main industrial estate in Orton Southgate, benefitting from good road links to the A1(M).

**1-5, Stapledon Road, Orton Southgate, Peterborough, PE2 6TB**
This property was stated to comprise five adjacent units constructed in 1983 with an area of 6035.08$m^2$ and an eaves height of 5.4m. The unit is also located in the main industrial estate in Orton Southgate, benefitting from good road links to the A1(M).

8. The appellant sought a reduction in the RV of both subject properties, on the basis that the unadjusted rate (UAR) of £50.00/$m^2$, which was applicable to both, was excessive and that it should be reduced to £43.00/$m^2$ in respect of Unit A, Harrier Industrial Park, and to £44.00/$m^2$ in respect of 1-5, Stapledon Road.

**Relevant Law**

9. When arriving at its decision, the panel is governed by rating legislation laid down by Parliament. Schedule 6 to the Local Government Finance Act 1988, as amended by section 1(2) of the Rating (Valuation) Act 1999, defines the Rateable Value of a non-domestic property as the amount equal to the rent at which it is estimated the property might reasonably be expected to let on a year to year basis 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 the 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.

10. In respect of an appeal against an entry in the 2023 Rating List, the rental levels are to be taken as those passing at the antecedent valuation date (AVD) of 1 April 2021, in accordance with the Rating Lists (Valuation Date) (England) Order 2020 (SI 2020 No. 832). In respect of both appeals, the material day is 1 April 2023.

**Discussion**

11. The panel was aware that the Lands Tribunal judgment in *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141 provided authoritative guidance on the weight to be attached to rental and assessment evidence. This case had established six propositions that gave clear guidance to be followed when assessing rateable value. Bearing these six propositions in mind, the panel acknowledged that the rent on the subject property, where available, was considered to be the correct starting point and consideration to how that rent compared to the statutory definition of rateable value. The rents on similar properties were also considered and assessments on other comparable properties may also be relevant. All of the evidence could then be weighted.

12. The passing rent for Unit A, Harrier Industrial Park was £360,000 effective from 15 May 2006. The Appellant stated that this was an intercompany rent and was not an open market rent. Contrary to this, in respect of 1-5, Stapledon Road, he stated that the passing rent of £297,000 effective from 22 March 2023 should be afforded significant weight, as it was only two year post AVD and analysed at £48.15/m$^2$, which Mr Johnson said did not support the £50.00/m$^2$ UAR. The Respondent stated that no weight should be placed on the passing rent of Unit A, Harrier Industrial Park, whereas medium weight should be placed on the passing rent of 1-5, Stapledon Road.

13. The Appellants representative drew the panel's attention to the Valuation Scheme in which the two subject properties were placed. For the 2023 Rating List, both properties were in the same scheme, 614939, which he informed the panel was a Cambridge wide scheme applicable to *"industrials over 5,000m$^2$ to 10,000m$^2$ in Cambridgeshire built from 1971 up to and including 1999*." He pointed out that in the 2017 Rating List, Unit A, Harrier Industrial Park was valued at a UAR of £36/00m$^2$ and assessed in Scheme 400666 which was applicable to "*industrial properties built prior 1999 in the Orton Southgate area of Peterborough. Any size or construction*" and that in the 2017 Rating List, 1-5, Stapledon Road was valued at a UAR of £32.00/m$^2$ and assessed in Scheme 400815 which was applicable to ""*industrial properties built by the former Commission for the New Towns at Orton Southgate, Peterborough in Holkham Road, Manasty Road, Stapledon Road and Tresham Road, size over 300m$^2$, any age or construction*." With regard to the current Scheme in which both subject properties were included, Mr Johnson stated that this Scheme was fraught with issues, with properties included of differing ages, from differing locations, as well as including properties of larger national companies. Moreover, he added that this scheme operated in such a way that the figures adopted would increase where sizes increased, in effect having a reverse quantum effect.

14. Following the comments of the Respondent about the passing rent of each property, in support of its case, comparable rental evidence was submitted. The panel considered the rents of five comparable properties referred to in these appeals, noting that one of the five comparable properties was one of the subject property's, 1-5, Stapledon Road. With regard to the other four comparable properties, their rents analysed at values between £50.11/m$^2$ and £55.43/m$^2$, with their UAR values at £43.75/m$^2$, £44,00/m$^2$, £50.00/m$^2$ and £62.50/m$^2$. The two higher UAR values were in respect of the comparable properties larger than the subject properties, whereas the two properties with the lesser UAR values were smaller in size than the subject properties.

15. The Appellant had submitted tonal comparable evidence to support the case that the current UAR of £50.00/m$^2$ for both subject properties was excessive. This was comprised of comparable properties that were in the same Scheme as each subject property in the 2017

Rating List, with details provided of two properties with UAR's of £40.00/$m^2$ and two at £44.00/$m^2$, in support of Unit A, Harrier Industrial Park and 1-5, Stapledon Road, respectively. Each of these four comparable properties were smaller in size than the subject properties, with the difference in size being more significant in relation to those used as comparable properties in respect of Unit A, Harrier Industrial Park.

16. In addition, information showing the UAR's for properties neighbouring the two subject properties was submitted. The UAR value of Unit B, at 3267$m^2$, the largest of Units B to F, was £40.00/$m^2$. Units C to F had areas between 1,000$m^2$ to 2,000$m^2$, with UAR values ranging from £46.00/$m^2$ to £54.38/$m^2$. The neighbouring properties at 6, 7 and 8 Stapledon Road all had areas less than 1,000$m^2$, with UAR values at either £50.00/$m^2$ or £52.00/$m^2$.

17. The panel gave regard to and deliberated about the submissions and evidence presented by both parties, In arriving at a decision, the rental evidence in respect of each subject property was not helpful in its own right, resulting in other comparable property evidence being considered to determine the two appeals. In turning to this, the panel found that the most convincing comparable was that of Unit 1, The Links, Bakewell Road, which had a new letting effective from 1 April 2021, in which the rent analysed to £50.11/$m^2$, with a UAR of £50.00/$m^2$.

18. It was not the role of the Respondent to justify the Rateable Value and the UAR's used, with the onus on the appellant to evidentially demonstrate that the Rateable Values for the subject properties were excessive, such that it necessitated a reduction. The totality of the evidence presented did not show this and the panel did not deem that there should be any alteration made to the existing entries in the Rating List.

**Determination**

19. In view of the above findings and conclusions, the panel was satisfied that the current assessments in the 2023 Rating List from 1 April 2017 at a Rateable Value of £287,500 for Unit A, Harrier Industrial Park, Southgate Way, Peterborough, PE2 6YG and £267,500 for 1-5, Stapledon Road, Orton Southgate, Peterborough, PE2 6TB were not unreasonable. Accordingly, the appeals were dismissed.

**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/.

Ms JL Hadley, Senior Member (Presiding)

Mrs N Manzoor, Senior Member

10 June 2025

Mr R Patel
Clerk to the Tribunal
**Date issued to the parties:** 10 June 2025