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

Case No: CHG101094292

Sitting remotely using Microsoft Teams

Date: 9 December 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — warehouse and premises; price per m^2 in dispute; rental evidence; comparable assessments; appeal dismissed.

Before:
MISS K MARSDEN
MR P JENNINGS
MR A HETHERTON

Between:

CREATIVE DISTRIBUTION LTD — **Appellant**

- and -

ANDREW MOULAND (VALUATION OFFICER) — **Respondent**

Regarding:
UNITS 1 & 2, 119-123 BEDDINGTON LANE, CROYDON, CR0 4TD
(the "subject property")

Mr M Saxby from Colliers International representing the Appellant
Mr A Aubrey for the Respondent

Hearing date: 24 November 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal found that the entry in the 2017 rating list is not unreasonable, and confirmed the rateable value of £204,000 with effect from 25 February 2018.

STATEMENT OF REASONS

Introduction

3. This is a 2017 rating list appeal. Units 1 & 2, 119-123 Beddington Lane, Croydon, CR0 4TD (the ‘subject property’) had been entered in the 2017 rating list as ‘warehouse and premises’ at a RV of £215,000 with effect from 28 February 2018, based on an adopted price of £67.50 per m^2.

4. A challenge proposal was submitted by Colliers International on behalf of Creative Distribution Ltd and was received by the Valuation Officer on 21 July 2023. It had been made on the grounds that the RV was inaccurate. A revised RV of £183,000 was proposed, based on an adopted price of £60 per m^2, and a 5% end allowance to reflect poor access between the two warehouses.

5. The Valuation Officer issued a challenge case decision notice on 24 July 2024, which disagreed with the proposed alteration of the list, but stated that the current rating list entry was unreasonable. A revised RV of £204,000 with effect from 28 February 2018 was confirmed, to reflect a 5% end allowance for a divided or split unit.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal to this Tribunal has been made on the grounds that the valuation for the hereditament at £204,000 RV is not reasonable. The appeal was received by the Tribunal on 22 November 2024.

7. Mr Saxby 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), he declared that he was instructed on a conditional fee basis, and that he understood and accepted that his duty was to the Tribunal in giving his evidence, and that he would comply with this as well as the requirements of his professional body, regardless of whether or not 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).

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.

Preliminary issue

11. In his appeal submission Mr Saxby objected to three schedules of evidence included in the Valuation Officer's Decision Notice. As they had not been included within the challenge discussions, he submitted that he had not been able to respond to them prior to the issue of the Decision Notice. He therefore requested that they were not included in the appeal proceedings.

12. In response, Mr Aubrey confirmed that in his initial response to the challenge on 1 July 2024, he discussed the relevance of all purpose-built industrial units. The information contained in the schedules was a summary of that evidence. Mr Aubrey submitted that Mr Saxby had four months from the service of the Decision Notice to provide a rebuttal with his appeal, however, he had not done so.

13. After a brief adjournment, the panel confirmed that the schedules would be admitted into the proceedings. The panel was satisfied that no prejudice had been caused as Mr Saxby had the opportunity to rebut the evidence in his appeal submission, and also to inspect the rental evidence.

Relevant Law

14. Rateable value is to be determined in accordance with paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988, which provides:

    (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.

15. 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, in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841).

16. 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 28 February 2018.

17. Both parties referred to the leading judgment in the Lands Tribunal case of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141. This case set out the six

propositions to have regard to when considering the weighting of evidence and expert opinion.

Discussion

18. The subject property comprises two warehouse buildings constructed in the 1970's, located in a large industrial estate on the outskirts of Croydon. The total area of the property is 3,336.99m^2.

19. The remaining issue in dispute was the price to be adopted in the valuation. The appellant's representative argued that £67.50 per m^2 was excessive in view of comparable assessment evidence. The Valuation Officer defended the present £67.50 per m^2 with reference to rental evidence, comparable assessments and settlement evidence.

20. Mr Saxby contended that the best available evidence was derived from two superior comparable properties in the locality:

97-99 Beddington Lane, Croydon, CR0 4TD

A stand-alone warehouse located 0.5 miles from the subject property, built in the 1970s and refurbished in 2013. It was assessed at a lower price of £62.50 per m^2. In response to the Valuation Officer's contention that this property was under-assessed in view of the 2019 rent, Mr Saxby highlighted that the Valuation Officer had not taken any action to increase the assessment and therefore could not rely on that rent. In line with *Jafton Properties Ltd v Prisk (VO)* 1997 RA 137 , the tone of the list had been established.

37-39 Imperial Way, Croydon, CR0 4RR

A 1970s built warehouse of 4,098.07m^2 which had been refurbished in 2016. The assessment had been reduced to £0 RV during the works, but had remained at £60 per m^2 when it re-entered the list. The assessment had been reviewed again in 2018, but the tone remained at £60 per m^2. Mr Saxby considered that the Valuation Officer was impugning the list by asserting that the property was under assessed, having failed to correct the assessment on two occasions.

21. Mr Saxby submitted that the Valuation Officer's argument that the comparable properties were underassessed contradicted the established case of *Jafton Properties Ltd v Prisk (VO)* [1997] RA 137, in which the Land Tribunal fully considered legal points on when a tone of the list was established must be determined at the date of the hearing and not the material day. The panel was mindful of the recent case of *Robert Dyas Holdings Limited v Moore (VO)* [2025] UKUT 163 (LC) which upheld the appellant's argument that the key rental evidence had not been subsumed into the tone as the check challenge and appeal process had led to a lack of a co-ordinated approach amongst ratepayers. The conclusion drawn was that the stages set out in *Futures London Limited v Stratford (VO)* [2005] RA 75 were now less easily defined and establishment of a tone is less clear cut.

22. In paragraph 23 of *Robert Dyas Holdings Limited v Moore*, the Upper Tribunal identified the following issues which assisted the panel in the consideration of the subject appeal:
    - Selection and weighting of evidence.
    - Analysis of the rent for the subject property and rental comparables.
    - Whether a tone of the list existed.

23. On behalf of the Valuation Officer, Mr Aubrey submitted that the basket of evidence supported the current adopted price of £67.50 per m^2. In line with *Lotus and Delta,* Mr Aubrey cited the subject rent as the starting point. The rent of £251,000 effective from 1 April 2014 analysed at £79.58 per m^2. The appellant had confirmed a rent of £389,350 effective from 24 April 2019, however, this included the addition of Unit 2B at 117 Beddington Lane.

24. In addition to the subject rent, Mr Aubrey provided a schedule of comparable rental evidence:

97-99 Beddington Lane, Croydon, CR0 4TD

A property of 4,054.13m^2, the rent of £336,412 effective from 1 June 2014 analysed at £73.70 per m^2. At £62.50 per m^2, the Valuation Officer considered that the property was under-assessed. In response to the rental information received in 2019, Mr Aubrey commented that rental evidence which is submitted mid-way through a rating list is unlikely to be used in a scheme review unless there is reason to do so. As the 2017 list was now closed, no action could be taken to correct the assessment, however, for the 2023 list, the property has been valued on a larger valuation scheme for properties over 4,000m^2.

37-39 Imperial Way, Croydon, CR0 4PR

A property of 4,090.07m^2, the rent of £400,000 effective from 28 June 2016 analysed at £99.69 per m^2. At £60 per m^2, Mr Aubrey considered that the property was under assessed, and acknowledged that action had not been taken to reflect the improvement works. While the 2017 list was closed, the assessment could be reviewed in the 2023 list.

Units 10 & 11, Swift Centre, 41 Imperial Way, Croydon, CR0 4RR

A property of 2,402.60m^2, the rent of £145,000 effective from 1 August 2014 analysed at £57.50 per m^2. As this was a 1960s build, it was assessed at £62.50 per m^2 on a scheme for older units in the location.

25. The second schedule of evidence provided by the Valuation Officer detailed 20 comparable properties, similar in size, age and location. The values adopted ranged from £60 per m^2 to £80 per m^2.

26. The third schedule contained four pieces of settlement evidence which the Valuation Officer submitted had established the tone of £67.50 per m^2 in the locality:

Unit 2A at 115 & Unit 2B at 117 Beddington Lane, Croydon, CR0 4TD

A 1975 built warehouse of 4,304.48 m^2 assessed at £67.50 per m^2 had been subject to a challenge, but had not been appealed.

36-40 Factory Lane, Croydon, CR0 4YY

A 1981 built warehouse of 3,231.43m^2 assessed at £72.50 per m^2 had been subject to a challenge, and reduced by agreement to £70 per m^2.

108A Beddington Lane, Croydon, CR0 4YY

A 1989 built workshop of 3,516.61m^2 assessed at £67.50 per m^2 had been subject to a challenge, but had not been appealed.

Unit 10 Pegasus Road, Croydon, CR0 4RN

A 2013 built warehouse of 2,263.89 m^2 assessed at £80 per m^2. A less comparable property but in a similar location, it had been subject to a challenge, but had not been appealed.

27. After full consideration of the parties' evidence and submissions, the panel determined that the present adopted price of £67.50 per m^2 was not unreasonable. The panel was not persuaded that significant weight could be attached to the two comparable properties relied upon by Mr Saxby in support of his adopted price of £60 per m^2.

28. The panel was aware that the Valuation Officer is under a statutory duty to maintain a fair and correct list and is therefore required to correct any error as soon as it is discovered. This was the correct course of action as established in *Ladies Hosiery & Underwear Ltd v Middlesex Assessment Committee* [1932] CA, rather than reducing a property in line with an error to maintain consistency.

29. In respect of 97-99 Beddington Lane, as the 2017 list was now closed, the Valuation Officer was unable to correct the assessment. The panel also noted that there was a difference in opinion regarding the age of the property. Mr Saxby described the property as being built in the 1970s and refurbished in 2013, whereas the Valuation Officer referred to this as being built in 1988. The panel acknowledged Mr Saxby's concerns regarding the Valuation Officer's failure to review the assessment of 37-39 Imperial Way on two occasions, however, this did not alter the fact that the list was now closed. Mr Saxby's reliance on two properties which appeared to be under-assessed did not provide compelling evidence in support of his proposed £60 per m^2.

30. The panel considered that significant weight should be attached to the subject rent, which analysed at £79.58 per m^2 one year prior to the AVD. When viewed alongside the other scheduled rents for similar aged properties, this demonstrated to the panel that an adopted price of £67.50 per m^2 was not unreasonable.

31. The panel found further support for £67.50 per m^2 for the subject property with reference to the schedule of comparable assessments and settlement evidence provided by the Valuation Officer. Mr Aubrey had drawn attention to Unit 2A at 115 & Unit 2B at 117 Beddington Lane, a neighbouring property similar in age to the subject property assessed at £67.50 per m^2 which had been subject to challenge, but not appealed.

Conclusion

32. In view of the above findings, the panel concluded that the appellant's representative had failed to demonstrate that the adopted price of £67.50 per m^2 was excessive. The panel was satisfied that the Valuation Officer had supported the assessment of the subject property with reference to rental evidence, comparable assessments and settlement evidence. The panel confirmed the RV of £204,000 with effect from 25 February 2018 and dismissed the appeal.

Right of further appeal

33. 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) using Form T385 (Notice of appeal) within **four weeks** of the date this decision and statement of reasons was issued.

34. 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/.

Miss K Marsden, Senior Member (Chair)
Mr P Jennings, Senior Member
Mr A Hetherton, Senior Member
9 December 2025

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 9 December 2025