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

Case No: CHG101104824

Sitting remotely using Microsoft Teams

Date: 26 March 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2017 Rating List: challenge against compiled list entry; warehouse and premises; end allowances in dispute; Andrew Wilkinson (VO) v Edmunson Electrical Ltd [2017] UKUT 0390 (LC) RA 75; accuracy of ratable value; allowed in part.

Before:
MR AN BACKWAY
MR P PATEL

Between:

NISSAN MOTOR PARTS CENTRE BV — **Appellant**

- and -

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

Regarding:
PLOT 1300, HUNTER BOULEVARD, LUTTERWORTH LE17 4XN
(the “subject property”)

Mr A Chapman of FHP Property Consultants (as advocate and expert witness for the appellant)
Ms E Lowe (as advocate and expert witness for the respondent)

Hearing date: 27 October 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed-in-part.

2. The Tribunal finds a revised rateable value (RV) of £1,730,000 with effect from 1 April 2017.

STATEMENT OF REASONS

Introduction

3. This appeal had been brought in respect of Plot 1300, Hunter Boulevard, Lutterworth LE17 4XN (the subject property), which was entered in the 2017 Rating List as ‘warehouse and premises’ at an RV of £1,850,000 effective from 1 April 2017 which was reduced to £1,840,000 during the course of the challenge.

4. The appellant’s Challenge was submitted on 3 August 2023 and sought a reduction in the RV to £1,470,000 with effect from 1 April which was increased to £1,500,000. The appeal to this Tribunal was made on 29 May 2025, following the valuation officer’s (VO’s) Decision Notice of 30 January 2025 in respect of the subject property.

5. 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 is not reasonable.

6. The subject property was a large distribution warehouse of 32,539.06m^2 which had been built in 1989 with a second part built in 2001. It had an eaves height of 9.95m with some areas having a lower eaves height than others. It had sprinklers and some air conditioned office areas. The two buildings were interconnected for operational purposes. It also had mezzanine levels and there is a two storey office block to the Northern elevation. There was staff parking to the front and there were loading bays/canopies to both sides with HGV access around three sides of the hereditament. It is located on Hunter Boulevard with good access to the M1, M6 and A14.

7. Mr Chapman 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).

8. Mr Chapman had confirmed that he was not representing the appellant in this appeal on a contingency fee basis.

9. 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 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.

10. Mr Chapman introduced photographs and plans of the subject property which Ms Lowe did not object to being included in the hearing.

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

Relevant Law

12. In arriving at a decision, the panel is governed by rating legislation laid down by Parliament where Schedule 6 to the Local Government Finance Act 1988 as amended by the Rating (Valuation) Act 1999, 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, in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841).

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 date is 1 April 2017 being the date the commencement date of the 2017 rating list.

Discussion

15. The unadjusted rate of £52.50/m^2 was the one applied to all the properties at Magna Park and had been agreed between the parties as the correct one for the subject property. The panel also noted that the addition for sprinklers had been agreed by the parties at 2.5%. The remaining issues for the panel to determine were whether the following should be applied to the subject property:

(1) An allowance of 11% for low eaves heights in parts of the subject property.
(2) The mezzanine floors to be removed from the RV due to them being the tenants chattels and therefore not rateable.
(3) A 10% allowance for layout of the subject property being two interconnecting warehouses and to take into account the shared access

16. The panel first considered the appellant's submission in relation to the low eaves height. The panel noted that Mr Chapman submitted that the subject property had a low eaves height of 9.95m. Mr Chapman submitted that the VO had adopted a basic price of £52.50/m^2 and 4% less for the eaves height plus 2.5% for sprinklers. He believed that this did not take into consideration the severe restrictions posed to the appellant by the low eaves. He submitted that a deduction of 11% was more appropriate with an addition of 2.5% for the sprinklers. The panel took into consideration that there is an assumption that the subject property would have an eaves height of 12-14m which is the standard height for a distribution warehouse. This was then adjusted by 2% for every meter or part of a meter under that height.

17. Mr Chapman explained that this did not take into account the difference in ages of the two parts of the subject property. He referred the panel to the comparable properties of Hydro and Solar which were also on Magna Park. Hydro had an eaves height of 15m and had a gross internal area (GIA) of 40,381.4m^2. Solar had an eaves height of 12m and a GIA of 25,838.1m^2 which was significantly smaller than the subject property. This supported that the larger subject property with a GIA of 38,633.56m^2 should have had higher eaves. Mr Chapman submitted that as a distribution warehouse these comparable properties supported an eaves height of between 14m and 15m for the subject property. Considering the allowance of 2% per meter from the eaves height of 9.59m this led to a reduction of 11%. This he submitted would after making an addition of 2.5% for sprinklers leave a net deduction of 7%. The panel found that there had been insufficient evidence to support an adopted eaves height of 14-15m and so used the standard eaves height as proposed by the VO of 12m. The panel placed weight on the appellants eaves height of 9.95m and therefore adopting the VO's standard eaves height of 12m the correct deduction was 6% with an addition of 2.5% for sprinklers.

18. The panel then turned to the appellants submission that the mezzanine floors were not rateable and should therefore not be included in the RV. This was except for the concrete mezzanine floors in the original warehouse. Mr Chapman referred the panel to the Upper Tribunal case of *Andrew Wilkinson (VO) v Edmunson Electrical Ltd [2017] UKUT 0390 (LC) RA 75.* In that case the mezzanine floor was an adaptation off the racking and it was therefore not capable of being weight bearing if the racking was removed. It was held that the mezzanine in each case must be considered on its own merits and dependent on its construction. If a mezzanine was chipboard resting on and adapted from the racking then it would be plant employed by the tenant and so would not be rateable.

19. The panel noted that if the mezzanine floors were more substantial and were capable of being weight bearing once the racking had been removed then they should be included in the RV. Mr Chapman submitted that on that basis the mezzanines in the subject property were plant and should not be considered rateable. The panel noted the various photographs of the mezzanine floors entered into evidence by Mr Chapman. In the photographs the panel observed that the mezzanine floors in the subject property were on top of the racking and only tied into the steel portal frame. The mezzanine floors were in places bolted into the racking or rested on large steel joists which were bolted into the shelving. The panel noted that the structure of the steel portal frame and the mezzanine floor were abutting each other but were not connected . The panel put weight on this evidence.

20. The panel considered the submission of Ms Lowe that the current RV already contained adjustments for the stacked mezzanines and had been adjusted for the headroom between the levels. Ms Lowe argued that most mezzanine floors were constructed out of chipboard and that alone was not sufficient to make the mezzanines in the subject property not rateable. She argued that in the case of *Edmunson* the mezzanine floors were mainly

supported by wooden joists on the racking system which was not the case in the subject property. The mezzanine floors in the subject property were in her opinion a substantial structure with self-supporting beams bolted to the floor and they were not part of the racking system. The panel noted that the current RV did include an adjustment to each line for the mezzanine floors by a factor of 0.2913 which results in a rate of £4.73/m^2 on the appropriate lines. The panel found that in the case of the subject property the mezzanines would not be weight bearing if the racking was removed and so as in the binding case of *Edmunson Electricals* tenants they were plant and therefore not rateable.

21. Mr Chapman then turned to his submission concerning the layout of the subject property. He explained that the two warehouses which made up the subject property were built at different times. The original warehouse was already in existence when Renault and Nissan decided to have a global alliance. As they already had the older warehouse they decided to build another warehouse on the same site. This led to there being a narrow alleyway between the two units the usability of which was restricted by the steel frame of the original warehouse The dividing wall was punctured in various places to allow flow between the two units. The panel noted that the subject property had a shared access with a third party who rented part of the subject property. The appellants could not move goods from one space to another or move the goods into and out of the warehouses quickly which was vital Mr Chapman argued. The panel noted that it was difficult to have extensive racking and there was a limit on volume movement which led to congestion and pinch points within the subject property.

22. The panel then considered the loading bays in the part of the property occupied by Nissan which could not accommodate roll cages. For roll cages a warehouse required dock level operations so an HGV could back right up to them. Instead they needed mobile ramps or a tail lift. The enclosed part of the subject property could only manage incoming goods but not those going out. The panel found that a tenant new to the scene wanting a large distribution warehouse would prefer the comparable properties Hydro and Solar as they already had a good layout and the ability to house extensive racking and wired drive system robots. The subject property did not have the ability for these as it did not have a constructed floor.

23. In relation to the loading bays Ms Lowe submitted that it was a matter of choice as to which loading bays were best for an occupier of a warehouse it was not therefore a negative. She referred the panel to the comparable property Plot 4300 which was occupied by Disney. This warehouse had an end allowance for layout of 14%. She explained that this was an allowance specific to that property and did not support an extra allowance on the subject property. It had a problem with the structured floor which repeatedly cracked and this was not relevant to the subject property. The panel found that there had been no evidence that supported the subject property having an end allowance for layout and access in connection with the loading bays and put weight on this.

24. The panel then turned to the submission made by Ms Lowe that a 10% allowance for layout and shared access was not required. The second warehouse was bespoke as it was built for the appellant. It contained suitable openings between the two for the free movement of goods between the two sections without exiting into the yard. The panel noted that there had not been an allowance on the previous list for layout or shared access. It found that there was no evidence that the situation in relation to layout or shared access had worsened between lists. The panel was aware that most older warehouses have a “main route” for the passage of goods from one section to another as in the subject property. The subject property did not have any layout problems which were particular to it compared to other warehouses of a similar age. The panel therefore found that an end allowance for layout and shared access was not appropriate in the case of the subject property .

25. The panel found that the RV on the subject property is based on an unadjusted rate of £52.50 less 6% for eaves height and plus 2.5% for sprinklers which resulted in a price of £50.58/m^2 :

Floor	Description	Area m^2	Adopted Factor	Price /m^2	Line Value
GF	Warehouse	9,066.45	1	50.58	458,581
GF	Area under Supported floor	2,085.20	0.7	35.41	73,837
MEZ	Internal storage	2,085.20	0.5	25.29	52,735
GF	Works office	57.30	1.1	55.64	3,188
GF	Warehouse (Battery charge area)	686.17	1	50.58	34,706
GF	External storage	140.25	0.713	36.06	5,057
GF	Warehouse (loading/unloading)	2,120.29	0.7313	36.99	78,429
GF	Office	1,319.60	1.2	60.70	80,099
FF	Office	731.80	1.26	63.73	46,637
FF	Office	587.80	1.2	60.73	35,697
GF	Gatehouse	29.07	1.0725	54.25	1,577
GF	Warehouse	14,621.22	1	50.58	739,541
	Area under supported floor	726.32	0.7	35.41	25,719
	Supported floor level 1 (under level 2)	633.16	0.4	20.23	12,809
	Level 1 works office	30.00	0.75	37.93	1,138
	Supported floor level 2	483.16	0.28	14.16	6,841
	Level 2 works office	92.35	0.6825	34.52	3,188
	Level 2 works office	30.00	0.6825	34.52	1,036
	Level 1 works office	63.46	0.75	37.93	2,407
	Level 2 works office	64.32	0.65	32.88	2,115
GF	Canopy	3,975.59	0.2438	12.33	49,019
GF	External storage (flammable goods)	401.00	0.7313	36.99	14,833
	Total	**40,029.71**			**1,729,189**
	Plant and machinery				2,310
	Total				**1,731,499**
	Say RV				**£1,730,000**

Conclusion

26. In view of the above findings and conclusions, the Tribunal is satisfied that the correct RV for the subject property is £1,730,000 with effect from 1 April 2017.

Order

27. Accordingly, we order that 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 alter the entry in the rating list to rateable value £1,730,000 with effect from 1 April 2017.

Right of further appeal

28. 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.

29. 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 AN Backway, Senior Member (Chair)
Mr P Patel, Senior Member
26 March 2026

Miss F Willson
Clerk to the Tribunal
Date issued to the parties: 24 November 2025 (re-issued on 26 March 2026)

Amended decision in accordance with Regulation 39 of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 due to a clerical error. Paragraph 25 is amended to substitute "49,019" for "49.019". The substitution of "1,729,189" for "1,680,219", "1,730,000" for "1,680,529" and "£1,730,000" for "£1,680,000".
Paragraphs 2, 26 and 27 the substitution of "£1,730,000" for "£1,680,000".