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

Case No: CHG101106099

Sitting remotely using Microsoft Teams

Date: 29 October 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2017 Rating List Appeal: Local Government Finance Act 1988; Warehouse and Premises; Correct main space rate to be applied; Disputed areas; Relativities applied; Appeal allowed in part.

Before:
MRS AE FIELDER
MS S KINSELLA

Between:

WILLIAM JACKSON FOOD GROUP LIMITED **Appellant**

- and -

ANDREW MOULAND
(VALUATION OFFICER) **Respondent**

Regarding:
UNITS 25-26 BOUNDARY BUSINESS COURT, 92-94 CHURCH ROAD, MITCHAM, CR4 3TD
(the "subject property")

Mr S Booton, from Jones, Lang, Lasalle representing the Appellant
Mr J Short, representing the Respondent

Hearing date: 2 October 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed-in-part.

2. The Tribunal Panel determined the subject property's existing assessment of £117,000 Rateable Value (RV) was unreasonable and reduced it to £113,000, with effect from 4 July 2017.

Introduction

3. This appeal had been brought in respect of the following: Units 25-26 Boundary Business Court, 92-94 Church Road, Mitcham, CR4 3TD which was entered in the 2017 Rating List as Warehouse and Premises at £117,000 Rateable Value (RV), with effect from 4 July 2017.

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

5. The appellant's challenge to the Valuation Officer (VO) was made on 5 August 2023. The appeal to this Tribunal was made on 6 May 2025, following the VO's decision notice of 8 January 2025, that the subject property's Rateable Value would remain unaltered. The material day in this appeal is 4 July 2017.

6. Mr Short stated that he was appearing in a dual role as both advocate and expert witness for the respondent.

7. Mr Booton 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 Mr Booton's 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 representing the appellant at the hearing on a contingency fee basis, declaring that he understood and accepted that his duty was to the Tribunal in giving his evidence and 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 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.

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

Background

10. The subject property is a warehouse and premises, stated by the respondent to comprise a brick walled building constructed with a portal frame arranged in two bays with profile sheet metal roofing and translucent skylights. At each wing of the building there is an office entrance, beyond which there is a staircase leading to first floor level office accommodation. It is stated these offices do not extend across the whole frontage and are not interconnected.

11. The appellant sought a reduction in the RV of the subject property. The issues for the panel to determine, as requested by the appellant, were as follows:

    i. Whether to allow the reduction sought to the main space rate from £75/m^2 to £65/m^2.

    ii. Whether to allow a revision with regard to the assessment and inclusion of certain areas of the subject property, as well as the relativities applied to certain areas of the assessment, which were also in dispute.

12. The respondent maintained that the £117,000 RV was correct, with the appellant requesting at the hearing, a reduction in RV to £96,000, which differed from the £94,500 RV sought when the challenge was submitted and from the £93,000 RV sought in the appellant's case submission, exchanged between the parties and provided to the Tribunal prior to the hearing.

Preliminary issue

13. Prior to the hearing, in the evening of 1 October 2025, the appellant's representative forwarded to the respondent and the clerk, an email to which was attached a two page document titled 'Statement of Facts'. Mr Booton stated this document was a short statement of facts relating to the documents he had sent the Valuation Officer, at his request. In addition, Mr Booton stated it was his intention that the Tribunal should have the benefit of knowing the pertinent facts relating to the leases and assignment of the appeal hereditament, however, to keep the case as simple as possible, he saw no need to submit large leases and other documents to read, when the valuation aspects of these are quite limited. Therefore, in this statement he summarised what he considered to be the relevant and useful facts.

14. Mr Short confirmed that he had no objections to the inclusion of this document, which the clerk had sent to the panel, to be included as evidence in this appeal. With there being no apparent disadvantage for this document to be included as evidence, the panel considered it fair and reasonable to allow both parties to refer to this document, if they saw fit, with the breach of late evidence not regarded as serious or significant.

15. Before dealing with the substantive issues of this appeal, Mr Short verbally commented as a preliminary matter about both the change to the RV sought by the appellant and the floor areas in the assessment and their associated relativities, which differed from the information submitted in the appellant's challenge document and had previously been confirmed by the appellant's representative. Mr Booton stated that the appeal was based on the RV being incorrect and excessive, with the panel required to decide if this was the case, and if so, then determining, based on the evidence and accurate information about the subject property, what the RV should be. In light of the Upper Tribunal's judgment in *Simpsons Malt Ltd v Jones (VOs)* [2017] UKUT 460 (LC) having regard to *Denton v TH White Ltd* [2014] EWCA Civ 906 the panel did not regard this breach as serious or significant. It was in the interests of justice to allow both parties to submit their evidence, as well as having the opportunity for cross examination. The panel found this to be a fair and reasonable approach.

Relevant Law

16. The subject hereditament must be valued for the purpose of non-domestic rating on the basis of the rent at which it might reasonably be expected to let from year to year on a number of assumptions (see paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988).

17. In accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841), the date of the hypothetical rent was 1 April 2015 (the AVD). This common date was used to ensure that every property was treated in a consistent way.

18. Matters that affected the physical state or enjoyment of the property or the locality were to be taken at the material day, as outlined by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject property in this appeal, the material day is 4 July 2017 when the rateable value for the subject hereditament had been entered into the Rating List at £117,000.

Discussion

19. In arriving at its decision, the panel turned to each issue in dispute. Firstly, addressing whether the main space rate applied to the subject property's assessment was unreasonable. Mr Booton sought a reduction from the existing rate of £75/m^2 to £65/m^2.

20. The panel was aware that the Lands Tribunal judgment in *Lotus and Delta Ltd 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, with consideration to how that rent compared to the statutory definition of rateable value. The rents on similar properties could also be considered and assessments on other comparable properties may also be relevant. All of the evidence could then be weighted.

21. There was a lease for the subject property, with rent payable effective from 16 May 2014 of £138,550 per annum. The respondent stated the term of this lease was four years and 5 months, with no rent reviews in this time. Additionally, it was stated that a premium of £175,000 was paid to the tenant at the start of the lease, and that warehouse and kitchen fit out costs amounted to £610,000. According to the respondent, the rent analysed to £98.05/m^2 if the premium and fit out costs were disregarded. Alternatively, the rent analysed to £163/m^2 if the premium and fit out costs were taken into account.

22. There was also a rent for the subject property of £168,866 per annum, with a rent payable start date of 22 June 2019, which was stated to analyse at £124.80/m^2.

23. With regard to the earlier of these two leases, the appellant stated that this was an assignment of a fifteen year lease dated 28 November 2003 between two different parties, at an initial rent of £130,000 per annum. Mr Booton's 'Statement of Facts' document added that there was a licence dated 27 June 2014 agreed between the owners and two limited companies, with the lease dated 22 March 2019 also agreed between the owners and two limited companies. In both instances the limited companies to whom the licence and lease were assigned, named on these agreements, were the 'parent' appellant company, and two of its subsidiary parent companies.

24. The 'Statement of Facts' document stated that the lease purchased by the ratepayer in 2014 was not a 'new' lease but rather an assignment of the lease granted to a Luxury Vehicle Manufacturer, who occupied the subject property prior to the appellant, when the description for the subject property in the Rating List was 'Vehicle Repair Workshop and Premises'.

25. The appellant contended that the Valuation Officer had conflated the value of the fit out costs, in arriving at its rent analysis calculation. Mr Booton stated that the fit out costs related to the total amount shown in the company's accounts for set up costs, with most of these costs unrelated to rating and valuation, arguing that it was incorrect to relate the fit out costs to the 2014 rent. He offered a different approach, referring to rental and assessment evidence of units that he regarded to be comparable in Boundary Business Court, and most useful in this appeal.

26. The subject property was stated to have the highest main space rate value of all the industrial units on the estate. The appellant expressed that usually smaller units would have a higher unit price, which the appellant stated was demonstrated by units 23-24, the most comparable in size to the subject property, which was said to have the lowest main space price on the estate. Furthermore, the rents of units 18, 21, and 22, the next largest industrial units in the development, had rents agreed in 2019, all close to the 2019 rent agreed for the subject property, which analysed between £135.80/m^2 and £160.17/m^2. However, the main space rate for each of these three units was £55/m^2. Furthermore, the appellant had provided information about the recent rating history of all the hereditaments in Boundary Business Court, which showed that most of the industrial units are valued by applying a main space rate of £55/m^2, whilst also acknowledging that the smallest workshops in the centre of the development, significantly smaller than the subject property, are valued at £78.43/m^2. Mr Booton sought a reduction in the main space rate to £65/m^2, asserting that £75/m^2 was too high and that his suggested figure was a fair compromise rate.

27. The panel, in reaching a decision about this first issue, found the most compelling and reliable evidence to be the rent of the subject property agreed in 2014. This was agreed within one year of the AVD, unlike the subject and comparable property rents agreed in 2019, approximately four years after the AVD. Whilst not a 'new' rent, it had been agreed between the parties to it, including the appellant. The rent analysed at £98.05/m^2 if the premium and fit out costs were disregarded. The premium and fit out costs were considered relevant, and whilst the analysis of this rent at £163/m^2, to fully account for these matters, could be viewed as an upper limit, both analysed rent figures were significantly in excess of the existing main space rate of £75/m^2. Whilst the panel did not attach significant weight to the 2019 rent, it was also noted that the 2019 rent for the subject property analysed at £124.80/m^2.

28. In addition to the fact that the 2019 rents for the comparable properties relied upon by the appellant were remote from the AVD, these properties were also different in terms of construction and age in comparison to the subject property, which was built more recently, to a better standard, as well as benefitting from a secure yard. It was plausible that the comparable properties may have been undervalued. However, the issue in this appeal was to determine the appropriate main space rate for the subject property, rather than the comparable properties. The panel was more persuaded by the respondent and was not convinced that the available evidence was sufficient to justify a change in the existing main space rate.

29. The dispute with regard to the issue of areas to constitute the subject property's assessment and their appropriate relativities was next examined. The respondent's challenge decision notice referred to relativities applied to the line entries in the assessment pertaining to the cold store, canopy, and loading bay. Both parties had provided details of their respective valuations, which clearly showed the parties had different descriptions, sizes, and relativities, for the subject property. A plan of the subject property dated 4 August 2023, was available, which had been drawn up by Mr Booton further to his inspection of the property on that day.

Mr Short confirmed he was happy to accept the information on this plan, having inspected the property himself on 10 September 2025.

30. During the hearing, the parties agreed the relativities for the office entrances, the food preparation area, and the warehouse area for a lack of heating. Moreover, the respondent agreed that the area which had been referred to as ‘cold store’ was more akin to a chiller, also agreeing with the relativity suggested to be applied by the appellant for this area.

31. This left the panel to decide about the values applied to two external areas, these being the canopy and the loading bay, which the appellant referred to as a ramp. Based on the evidence presented by the parties, the panel was not convinced by the appellant that the existing rates applied to these line entries in the assessment were excessive and required change.

Determination

32. In view of the above findings and conclusions, the panel decided that the current assessment was unreasonable. The panel determined that an assessment of £113,000 RV more accurately reflected the appeal property. A breakdown of the assessment is shown below. The appeal is allowed in part.

Ref	Floor	Description	Area m^2	£/m^2	Relativity	Price Adopted	Value (£)
1.1	Ground	Warehouse	426.20	75.00	0.975	73.125	31,165.875
1.2	Ground	Chiller	482.50	75.00	1.15	86.25	41,615.625
1.3	Ground	Office Entrances	54.6	75.00	1.2	90.00	4,914.00
1.4	Ground	No. 25: ancillary/ basic office	53.3	75.00	1.1	82.5	4,397.25
1.5	Ground	No.26: Food prep/ staff / kitchen	74.1	75.00	1.1	82.5	6,113.25
1.6	Ground	Lost warehouse	31.2	-	-	-	-
2.1	First	Offices	165.9	75.00	1.2	90.00	14,931.00
Additional features of the property included in the valuation							
	Loading Bay		146.5			35.00	5,127.50
	Canopy		57.8			20.00	1,156
	Surfaced Open Spaces		13			300	3,900
					Valuation Total		113,320.50
	Say £113,000 Rateable Value, with effect from 4 July 2017						

Order

33. In accordance with Regulation 38 (4) and (9) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Officer is ordered to alter the list entry for the appeal property to £113,000 RV with effect from 4 July 2017. The Valuation Officer must comply with this Order within 2 weeks of its making.

34. The Appellant is also entitled to a full refund of the fee paid in accordance with regulation 13E(1)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended).

Right of further appeal

35. 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.

36. 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 AE Fielder, Senior Member (Presiding)
Ms S Kinsella, Senior Member

29 October 2025

Mr R Patel
Clerk to the Tribunal
Date issued to the parties: 29 October 2025