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

Case No: CHG101110818

Sitting remotely using Microsoft Teams

Date: 21 July 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — factory and premises; appeal against the accuracy of the rateable value of the hereditament; appeal dismissed.

Before:
MRS M CHRISTOPHER
MR A IQBAL

Between:

JOHNSONS APPARELMASTER — **Appellant**

- and -

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

Regarding:
BOURNE TEXTILE SERVICES LTD, CHERRY HOLT ROAD, BOURNE, PE10 9LA
(the "subject property")

Mr S Hill (instructed by Newmark Group) for the **Appellant**
Mr R Hunter for the **Respondent**

Hearing date: 9 July 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The Tribunal panel made no change to the rating list entry in respect of the subject property.

Introduction

3. This appeal has been brought in respect of Bourne Textile Services Ltd, Cherry Holt Road, Bourne, PE10 9LA which entered into the 2017 rating list as ‘factory and premises’, at £219,000 rateable value (RV) with effect from 1 April 2017.

4. Following a Valuation Officer Notice issued on 8 December 2017 to reflect changes made at the site in April 2015, the RV for the hereditament with effect from the same date was increased to £275,000 RV.

5. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal has been made to this Tribunal on the grounds that the rateable value (RV) for the appeal property is not reasonable.

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

Background

7. The subject property is situated on Cherry Holt Road in Bourne, Lincolnshire. The property comprises of industrial buildings. It was constructed in 1995 and has a total area of 9,979.45m^2.

8. The RV for the hereditament with effect from 8 December 2017 was £275,00 RV. This was assessed using a base price ‘in terms of main space’ (ITMS) of £35.75/m^2 and an end allowance of 5% for access.

9. The Appellant’s representative was seeking a reduction to £252,500 RV based on an ITMS price of £33.50/m^2 and an increase in the end allowance to 7.5%.

10. The evidence submission before the panel comprised all the evidence disclosed and exchanged during the challenge which included comparable assessment evidence and photographs.

11. Mr Hill appeared on behalf of the Appellant as both advocate and expert witness. He stated that his company was being paid on a fixed fee basis but was aware that in giving expert evidence his responsibility was to the Tribunal.

12. The panel accepted this expert witness evidence on the above basis as 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 in England). The panel therefore considered the “expert” evidence and attached such weight to it as it saw fit.

13. Mr Hunter for the Valuation Officer, also appeared in the dual role of advocate and expert witness.

14. During his presentation, Mr Hill's camera froze. After a short break to try and restore use of the camera, Mr Hill rejoined without the camera being on. Mr Hunter stated that he had no objection to Mr Hill taking part in the hearing by audio only. Whilst there is an expectation for parties to appear on camera, it was clear to the panel that there was a technical difficulty and in the interests of justice, the panel decided to proceed with hearing the case.

Relevant Law

15. The term "rateable value" was defined in Schedule 6 to the Local Government Finance Act 1988 (as amended). The value was required to reflect an annual rent on the property, assuming a new letting with the tenant responsible for all rates, taxes, repairs and insurance. In respect of the 2017 rating list, the Rating Lists (Valuation Date) (England) Order 2014 requires the rental levels to be taken on 1 April 2015, the antecedent valuation date (AVD).

Discussion

16. In the case under consideration, the panel analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141.

17. The starting point for consideration was the actual rent passing on the appeal hereditament. In this case the passing rent on the subject property was £495,600 from 1 August 2013. However, as the rent was between connected parties, the parties were in agreement that little weight should be attached to this.

18. No indirect rental evidence was relied on by either party.

19. In terms of comparable assessment evidence, Mr Hill referred to five assessments which were in the same valuation scheme within Lincolnshire and had been challenged. The base prices ranged between £22.50/m^2 and £27.00/m^2 and allowances had been applied in respect of all of them. The sizes of the hereditaments ranged between 6,117.5m^2 and 9,126m^2. Mr Hill had provided the RVs for the assessments from the 2010 rating list and showed the comparison with the 2017 rating list. The RVs had reduced in all the assessments except for Wilcox Commercial Vehicles Ltd, which had increased from £252,500 RV to £295,000 RV between the two lists. Mr Hill contended that the other assessments demonstrated a rental fall between the two lists for similar size industrial units within the same valuation scheme. He argued that £33.50/m^2 had been adopted for the subject property for the 2010 list and this should be adopted for the 2017 rating list. Mr Hunter argued that Lincolnshire was a very large county with some very rural areas and whilst properties were in the same scheme they could not all be grouped together with the same level of increase.

20. Mr Hill described the site as having poor access for deliveries. Lorries were not able to reverse and unload. As a result of the challenge, he had identified that other assessments within the same scheme had greater end allowances and he considered that the allowance should be increased from 5% to 7.5%. At the hearing, Mr Hill stated that there had been no change to the access between the 2010 and 2017 rating lists.

21. The panel noted that the properties relied on by the Appellant had been built between 1971 and 1981 and were therefore less comparable with the subject property which had been built in 1995. The properties, with the exception of Sleaford Quality Foods Ltd, which measured 9,126m^2, were not similar in size or close in location. The closest comparable assessment was Greeen+ Ltd which was located a mile from the subject hereditament, however the other assessments were between 9 and 37 miles away. The Appellant was seeking an increase in the end allowance for access, however of the assessments relied on, 5% was the maximum allowance that had been applied in respect of access. Other allowances were in respect of different disadvantages, such as a sloping site, cramped site or layout. The panel was not persuaded that this evidence demonstrated that the RV for the subject property was unreasonable.

22. Mr Hunter referred to settlement comparable evidence in respect of two properties. Empire World Trade in Pinchbeck, Spalding was built in 1998 and had an area of 5,512m^2. A material change of circumstances challenge had been made in respect of this property. The base price of this assessment was £37.00/m^2 which had not been challenged and there was no end allowance for access. The second property was Univeg Katope Ltd, also in Pinchbeck. This property was built in 2000 and had an area of 8,826m^2. The base price of £37.50/m^2 had not been challenged but an end allowance of 2.5% for access and 2.5% for split layout had been agreed. The panel noted that these properties were approximately 11 miles away from the subject property.

23. The panel was more persuaded by the comparable settlement evidence relied on by the Valuation Officer. This demonstrated that a base price of £35.75/m^2 was not unreasonable for a hereditament of this size and age in this specific locality. The panel found the evidence in respect of Univeg Katope UK Ltd to be the best evidence as it was only built five years after the subject property and had a base price of £37.50/m^2. The panel considered that a base price of £35.75/m^2 for the larger appeal property which was slightly older was not unreasonable. The panel considered that any access issues had already been taken into consideration in the 5% end allowance and was not persuaded that a further allowance was warranted.

Determination

24. In view of the above findings and conclusions, the Tribunal was not satisfied that any reduction in the rating list was warranted. The appeal was therefore dismissed.

Right of further appeal

25. 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.

26. 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 M Christopher, Senior Member (Presiding)

Mr A Iqbal, Senior Member

21 July 2025

Mrs K Edhouse-Thomas
Clerk to the Tribunal
Date issued to the parties: 21 July 2025