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

Case Nos: CHG101119254
CHG101119235
CHG101119193

Sitting remotely using Microsoft Teams on 16 June 2026

Date: 13 July 2026

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

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

**Before:**

**MRS A FIELDER**
**MRS V TUNNICLIFFE**
**Between:**

**INTU ELDON SQUARE LTD** **Appellant**

**- and -**

**AMANDA HITCHINGS**
**(VALUATION OFFICER)** **Respondent**

**Regarding:**

**10 DOUGLAS WAY, NEWCASTLE UPON TYNE, NE1 7XW**
**1B CHEVY CHASE, NEWCASTLE UPON TYNE, NE1 7XP**
**1-3 HOTSPUR WAY, NEWCASTLE UPON TYNE, NE1 7XR**
(the “subject properties”)

**Mr A Brooke from Dunlop Heywood, representing the Appellant**
**Mrs L Pearson for the Respondent**

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## DECISION AND STATEMENT OF REASONS

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## DECISION

1. The appeals are dismissed.

2. The Tribunal finds that the present unadjusted Zone A prices for the subject properties are reasonable.

## STATEMENT OF REASONS

### Introduction

3. These are 2023 rating list appeals. Each of the subject properties had been entered in the 2023 rating list as “shop and premises” and assessed at an unadjusted Zone A price at £1,400 per $m^2$:

   10 Douglas Way - £85,000 rateable value (RV) with effect from 1 April 2023.

   1B Chevy Chase - £97,000 RV with effect from 1 April 2023.

   1-3 Hotspur Way - £155,000 RV with effect from 1 April 2023.

4. The challenge proposals were submitted by Dunlop Heywood on behalf of the appellant, and had been made on the grounds that the RVs shown in the rating list on 1 April 2023 were inaccurate. Revised RVs were sought based on an adopted price of £700 per $m^2$ for 10 Douglas Way (£44,000 RV) and £850 per $m^2$ for 1B Chevy Chase (£59,000 RV) and 1-3 Hotspur Way (£99,000 RV).

5. The Valuation Officer issued challenge case decision notices on 27 November 2025 which disagreed with the proposed alterations, but considered that, based upon the evidence and information available, the rating list entries were unreasonable. The Zone A price per $m^2$ was revised to £950 per $m^2$ for each of the subject properties:

   10 Douglas Way - £57,500 RV with effect from 1 April 2023.

   1B Chevy Chase - £65,500 RV with effect from 1 April 2023.

   1-3 Hotspur Way - £105,000 RV with effect from 1 April 2023.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeals to this Tribunal have been made on the grounds that the valuations for the hereditaments are not reasonable. The appeals were received by the Tribunal in December 2025.

7. Mr Burke appeared on behalf of the appellant as both Advocate and expert witness. In view of the Upper Tribunal’s judgement in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), he declared that he was not instructed under any conditional fee arrangement.

8. The parties were in agreement that the hearing of the appeals should be consolidated.

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

**Relevant Law**

10. 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.

11. 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.

12. 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 appeals, the material day is 1 April 2023.

**Discussion**

13. The issue in dispute is the Zone A price per $m^2$ to be adopted for retail units located within Eldon Square Shopping Centre in Newcastle city centre. The centre opened in 1976 and comprises over 1,350,000 sq. ft. of retail space. There are over 100 shops, including anchor tenants John Lewis, Fenwick and Marks and Spencer, and over 20 restaurants and cafes. The centre is split into two malls, Upper and Lower, with the main restaurant area split between the two levels in the middle of the centre.

14. There had been extensive discussion between the parties in respect of the values to be adopted for the malls within Eldon Square. Based on detailed rental analysis, the following agreements had been reached:

    St Andrews Way – £875 per $m^2$ Zone A

    Blackettbridge –£950 per $m^2$ Zone A

    Eldon Way –£950 per $m^2$ Zone A

15. The panel was aware that the leading judgment of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, had set out six propositions to be followed when

considering the weighting of evidence. The rent on the subject property was considered to be the correct starting point but, where available, rents on similar properties are also to be taken into account. The assessments of other comparable properties may also be relevant. All of the evidence could then be weighted.

16. The panel turned to the rental evidence provided in respect of the subject properties:

*10 Douglas Way*

A new letting effective from 25 December 2021 at a rent of £50,000. Analysed at £731 per $m^2$ by the Valuation Officer, and £714 per $m^2$ by the appellant's representative.

This transaction was cited by both parties as a key piece of rental evidence.

*1B Chevy Chase*

A lease renewal effective from 24 June 2021 at a rent of £100,000 and a capital contribution of £44,166. The parties agreed that the rent analysed at £1,108 per $m^2$, but differed on the weight to be attached. The Valuation Officer attached medium weight as the rent was close to the AVD but required adjustments for the capital contribution and rent free period.

Mr Burke contended that this rent did not provide useful open market evidence as the components of the renewal were complicated due to the financial position the tenant found themselves in during Covid. The original lease was from 2011 for a 10 year term, however, due to the impact of Covid, the retailer was unable to pay rent for a period of time. Therefore, instead of a long rent free period being negotiated between the parties at renewal, the base rent under the previous lease was retrospectively reduced by 50% during the lockdown periods of March 2020, November 2020 and 5 January to 12 April 2021, or effectively seven months half rent. As at the date of the renewal, the tenant was still in a position of debt to the landlord for outstanding rent with this being factored into the new rent payable under the lease.

*1-3 Hotspur Way*

A lease renewal effective from 1 June 2021 at a rent of £113,376, analysed at £970 per $m^2$. The parties were in agreement that little weight could be attached to this transaction as the tenant was in occupation on a tenancy at will basis

17. In consideration of the other available rental evidence from Eldon Square, it was a point made by Mr Burke that there had been a rise of transactions subject to turnover (T/O) and total occupancy costs (TOC) deals. With reference to the agreed rate of £875 per $m^2$ for St Andrews Way, he submitted that where there is rental evidence to support a lower rate of value, this should be followed; in agreeing to this level of value, the Valuation Officer had recognised that T/O and TOC rent deals are clear evidence of the market at the AVD and cannot be ignored.

18. On behalf of the appellant, Mr Burke submitted that most weight should be attached to the basket of new letting evidence at the AVD. In the appeal submission, the following rents were highlighted as being the closest to the rating hypothesis:

*10 Douglas Way*

A new letting effective from 25 December 2021 at a rent of £50,000 per annum, which analysed at £714 per m$^2$.

*E7 Blackettbridge*

A new letting effective from 25 March 2021 at a stepped rent, which analysed at £784 per m$^2$.

*2B Eldon Way*

A new letting effective from 24 June 2021 at a rent of £45,000 per annum, which analysed at £661 per m$^2$.

19. During cross examination, Mrs Pearson asked why E7 Blackettbridge and 2B Eldon Way had been included by the appellant's representative as key rents, as those malls had been agreed at £950 per m$^2$. In response, Mr Burke explained that it was his colleague who had been involved in the negotiations and prepared the challenge. He acknowledged that the focus should remain on the evidence from Douglas Way, Chevy Chase and Hotspur Way.

20. In response to a question regarding which rents he attached most weight to, Mr Burke restated 10 Douglas Way, and referred to 9B Douglas Way and 2 Douglas Way:

*9B Douglas Way*

A new letting on a T/O basis effective from 25 March 2021 which analysed at £651 per m$^2$.

*2 Douglas Way*

A new letting on a TOC basis effective from 27 September 2021 which analysed at £0 per m$^2$, due to a negative net effective rent of -£35,937.

21. On behalf of the Valuation Officer, Mrs Pearson submitted that most weight should be attached to rents agreed on an open market value basis, as the T/O and TOC deals do not conform with the rating hypothesis. In defence of the present unadjusted Zone A price of £950 per m$^2$, she referred to the following rental evidence:

*12 Douglas Way*

A lease renewal effective from 21 December 2020 analysed at £1,280 per m$^2$.

*8 Douglas Way*

A lease renewal effective from 1 June 2021 at a rent of £35,000 with a turnover percentage of 10% analysed at £548 per m$^2$.

*1B Chevy Chase*

A lease renewal effective from 24 June 2021 analysed at £1,108 per m$^2$.

*10 Douglas Way*

A new letting effective from 25 December 2021 analysed at £731 per $m^2$.

22. Mrs Pearson highlighted that there were two rents in excess of the £700 and £850 per $m^2$ proposed, and that the sections either side of the subject properties had been agreed at £950 per $m^2$. Douglas Way, Chevy Chase, Hotspur Way, Blackettbridge and Eldon Way had always been valued at the same Zone A price per $m^2$ throughout the 2010 and 2017 rating lists. The subject properties were located in the central section of the centre, and she could see no reason why this part should be valued at a lower rate than the agreed main space prices on the two malls that lead directly into it.

23. In response to the rental evidence relied upon by the Valuation Officer, Mr Burke stated that three of the four transactions related to lease renewals which fall lower in the hierarchy of rental evidence. In respect of 12 Douglas Way, occupied by Vodafone, Mr Burke submitted that mobile phone operator rents are traditionally high and therefore unreliable.

24. In consideration of the available rental evidence, the panel decided to attach little weight to the T/O and TOC deals as they do not conform with the rating hypothesis. The rents agreed in accordance with the statutory definition of rateable value were wide ranging, from £714 per $m^2$ (10 Douglas Way) to £1,280 per $m^2$ (12 Douglas Way). While Mr Burke submitted that the rent for 12 Douglas Way was not reliable as this was for a mobile phone operator, the panel heard from the Valuation Officer that there was no evidence to support this view.

25. In recognition of the widespread rental analysis, the panel turned to the agreements which had been reached within Eldon Square. The panel was mindful that there had been a number of challenge proposals submitted which had led to extensive discussions between the parties. Based upon detailed rental analysis, agreements had been reached in respect of three sections of the centre. It was significant to the panel that the subject properties were all located within the central section, and that the malls either side had been agreed at £950 per $m^2$. With reference to the Goad plans provided, the panel noted the presence of anchor tenants in the central section, and had heard from Mrs Pearson that footfall is high in this area. She confirmed that an escalator leads directly to the subject location from the lower mall, which provides access to public transport and public toilet facilities.

26. The panel considered that the appellant's representative had not successfully demonstrated why the subject properties should attract a lower price per $m^2$, given their location in the central section. In adopting an unadjusted price of £950 per $m^2$, the panel considered that this was consistent with the malls leading into the subject location.

## Conclusion

27. In view of the above findings, the Tribunal concluded that the RVs of the subject properties were not unreasonable, and therefore the appeals were dismissed.

## 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/.

Mrs A Fielder, Senior Member (Chair)
Mrs V Tunnicliffe, Member
13 July 2026

Mrs L Horne
Clerk to the Tribunal
**Date issued to the parties:** 13 July 2026