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

Case No: CHG101121744

Sitting remotely using
Microsoft Teams

Date: 6 August 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — 2023 Rating List — Restaurant and premises — Rental evidence — Unadjusted base rate — Appeal dismissed

Before:
MRS AE FIELDER
MR AMRAN HUSSAIN
MS R SHARMA

Between:

COLIN TAYLOR **Appellant**

- and -

ANDREW MOULAND
(VALUATION OFFICER) **Respondent**

Regarding:
3-5 BOLTON ROAD, EASTBOURNE, BN21 3JU
(the “subject property”)

The Appellant
Mr R Das for the Respondent

Hearing date: 7 July 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The Tribunal Panel confirmed the rateable value (RV) of the subject property at £60,000 with effect from 1 April 2023.

Introduction

3. This was a 2023 rating list appeal. The subject property had been entered in the 2023 rating list as “Restaurant and Premises” at an RV of £65,500 with effect from 1 April 2023. This was based on an unadjusted base rate of £275 per square meter (psm).

4. The challenge proposal was received by the Valuation Officer (VO) on 6 September 2023. It had been made on the grounds that the RV shown in the 2023 rating list was wrong and proposed a revised RV of £40,000 based on an unadjusted base rate of £165 psm.

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

Background

6. The subject property was a restaurant located in Eastbourne town centre within walking distance of the train station through a pedestrianised area. The subject property was air conditioned and had a total area of 352.36m^2 incorporating a ground floor sales and kitchen area, and a basement level for internal storage and offices. Following the exchange of evidence and discussions throughout the challenge period, the VO reduced the RV of the subject property to £60,000 based on an unadjusted base rate of £250 psm.

Relevant Law

The Local Government Finance Act 1988

7. Schedule 6 of the Act 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.

8. 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.

9. 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 1 April 2023.

Discussion

10. The leading judgment of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, set out six propositions to be followed when considering the weighting of evidence:

    1. Where the hereditament which is the subject of consideration is actually let that rent should be taken as the starting point.
    2. The more closely the circumstances under which the rent agreed both as to time, subject matter and conditions relate to the statutory requirements contained in the definition of gross value in s.19(6) of the General Rate Act 1967 the more weight should be attached to it.
    3. Where rents of similar properties are available, they too are to be properly looked at through the eye of the valuer in order to confirm or otherwise the level of value indicated by the actual rent of the subject property.
    4. Assessments of other comparable properties are relevant. When a valuation list is prepared these assessments are to be taken as indicating comparative values estimated by the Valuation Officer. In subsequent proceedings on that list therefore they can properly be referred to as giving an indication of that opinion.
    5. In light of all the evidence an opinion can then be formed of the differing types of evidence depending on the one hand the nature of the actual rent and on the other hand, on the degree of comparability found in other properties.
    6. In those cases where there are no rents available of comparable properties a review of other assessments may be helpful but, in such circumstances, it would be clearly more difficult to reject the evidence of the actual rent.

11. The panel heard from Mr Taylor that the subject property was owned and had been rented to his daughter since September 2021 and his son since December 2023. He stated both leases were made for ten years for £40,000 per annum. However he had received no rental payments due to the losses made.

12. Mr Taylor stated that when he purchased the subject property in 1984 the area was busy and Bolton Road was the main road into the city centre. Starting in 2016 the council had rerouted traffic and pedestrianised areas with the enlargement of the mall, the Beacon Centre. Following these changes the main entrance to the mall was relocated to be opposite the train station on the far side of the mall. Bus stops were also relocated, and parking charges were increased. Following covid-19, Mr Taylor's tenant vacated, and he renovated the subject property. Since then, he has been unable to secure a tenant other than his children.

13. Mr Taylor relied on marketing material for the subject property dated March 2023 which advertised the property for rent at £45,000 per annum. In February 2023 an offer was received on the subject property for a fifteen-year term with rent of £30,000 in year 1, £35,000 in year 2, and £45,000 from year 3 onwards. This offer did not complete.

14. Mr Taylor contended that the RV of a property reflected the rental value of the premises, and he was unable to find a tenant to pay £40,000 per annum, let alone £60,000 per annum. He

argued that the RV was too high and unaffordable, and it was hindering the ability to be able to find a tenant.

15. Mr Das provided rental evidence of the restaurant next door to the subject property, 1 Bolton Road. This was a lease renewal with effect from 1 October 2021 for £35,000 per annum. 1 Bolton Road was smaller than the subject property at 228.50m^2 and Mr Das analysed the rent to £247.44 psm.

16. In addition to the rental evidence, assessment evidence had been provided of 4 and 8 Bolton Road which were located opposite the subject property and in the rating list at £250 psm. 143-145 and 153 Terminus Road were referred to which were in the rating list at £290 psm and £210 psm.

17. The panel placed less weight on the Terminus Road comparable properties as they were in slightly different locations and 153 was much larger than the subject property. It was noted that 143-145 Terminus Road was valued £40 psm higher than the subject property though, which would account for its location.

18. The panel placed no weight on the lettings to Mr Taylor's children as these were connected rents and no documentation had been provided. The panel also did not consider the rental offer from February 2023 to be good evidence as it was two years post-AVD and did not materialise.

19. The panel found that the best evidence was that of 1 Bolton Road which was a rent agreed six months post-AVD and was supported by the tone on 4 and 8 Bolton Road, all of which were £250 psm. The panel found that no evidence had been provided to support a reduction in the current RV or to demonstrate that it was unreasonable.

Determination

20. In view of the above findings and conclusions, the Tribunal Panel was satisfied that the RV of £60,000 with effect from 1 April 2023 was reasonable. Therefore, the appeal was dismissed.

Right of further appeal

21. 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.

22. 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)
Mr Amran Hussain, Senior Member
Ms R Sharma, Senior Member
6 August 2025

Mrs S Hodgson
Clerk to the Tribunal
Date issued to the parties: 6 August 2025