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

Case No: CHG101121764

Sitting remotely using Microsoft Teams

Date: 31 July 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating appeal; 2023 Rating List; warehouse and premises; tone of value of main space; appeal allowed

Before:
MR AMRAN HUSSAIN
MR N DE FREITAS

Between:

FREEBRIGHTS LIMITED **Appellant**

- and -

ANDREW MOULAND (VALUATION OFFICER) **Respondent**

Regarding:
2 PARKSIDE, AVENUE 2, STATION LANE, WITNEY OX28 4YG
(the "subject property")

Mr H Seabrook of Ryan Group on behalf of **the Appellant**,
Miss P Rowntree for **the Respondent**

Hearing date: 11 July 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed.

2. The panel determined the rateable value (RV) of the subject hereditament to be £31,000 with effect from 1 April 2023.

Introduction

3. This appeal has been brought in respect of 2 Parkside, Avenue 2, Station Lane, Witney OX28 4YG (the "subject property"), which was entered in the 2023 rating list as 'warehouse and premises' at RV £41,250, effective from 1 April 2023.

4. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, Ryan Group made an appeal to the Valuation Tribunal for England (VTE) on behalf of Freebrights Limited. The appeal was made because the appellant did not agree with the Valuation Officer's decision not to alter the 2023 rating list following the challenge. The appellant sought a reduction to RV £31,000 with effect from 1 April 2023.

5. The appellant's representative, when appearing as expert witness, stated that he was on a conditional fee arrangement. However, he also stated that he understood and accepted that his first duty was to the VTE in giving his evidence, whether or not the evidence supported his client's case.

6. The panel has accepted this expert witness evidence 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 Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 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).

7. It was therefore appropriate for the panel hearing the evidence to consider the 'expert' evidence and assess what weight, if any, to give it in the context of the matters in issue before it.

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

Background

9. The subject property is located on an industrial estate in Witney, Oxfordshire, it operates as a bakery. The surrounding area consists of different aged industrial units. It has an area in terms of main space (ITMS) of 511.84m^2.

10. The appeal to the VTE was made on the grounds that the valuation for the subject property was not reasonable.

11. The base level of value adopted for the subject property was not agreed. The valuation officer had adopted £80.00/m^2, however, the appellant's representative sought a reduction to £60.00/m^2 in his analysis which resulted in a rateable value of £31,000.

Relevant Law

12. The term ‘rateable value’ is defined in Schedule 6 to the Local Government Finance Act 1988 (as amended):

“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”.

Discussion

13. The panel had to determine the rateable value for the subject property, which represented a rent that a hypothetical landlord and tenant would agree, as at the AVD, 1 April 2021. The common date was used to ensure that every property was treated in a consistent way.

14. The Lands Tribunal judgment in *Lotus and Delta* v *Culverwell (VO) and Leicester City Council* [1976] RA 141 provided authoritative guidance on the weight to be attached to rental and assessment evidence. The rent on the subject property was considered to be the correct starting point but, where available, rents on similar properties were also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence could then be weighted.

15. The panel noted that in this appeal the subject property is held on an open market lease effective from 9 April 2021 for a term of 10 years on a stepped rent arrangement as follows: 9 April 2021 to 8 April 2023 for £20,381.63 per annum and 9 April 2023 to 8 April 2026 for £40,736.25 per annum. Mr Seabrook had analysed this rent to £59.23/m^2 which resulted in a revised net effective rent of £31,417. The panel found this to be good evidence of an agreement virtually at the AVD and it attached weight to it accordingly.

16. Mr Seabrook had also referred to a comparable property; Unit 5, Wessex Industrial Estate, Avenue 3, Station Lane which was occupied by The Witney Motor Company and on an open market letting effective from 26 June 2020 for a fourteen year term with an annual rent of £26,000 per annum and a rent review in the fourth year. This property had an area ITMS of 509.30m^2 which was almost the same as the subject property and analysed to a rate of £51.05/m^2. Mr Seabrook argued that this property had a lower eaves height than the subject property which accounted for the difference.

17. Miss Rowntree had attached only moderate weight to the rent on the subject property as she stated it was a stepped rent/one year rent free period and had required adjustment there was

also no explanation as to why this incentive had been given and she suggested the property may have needed work to be carried out. Mr Seabrook had argued that it was more likely a one year rent free period split over two years. The panel noted that there was no evidence to suggest that work was required at the time of the rental agreement; the rent was an open market rent which appeared to reflect the market at the AVD.

18. Miss Rowntree referred the panel to Unit 4, Avenue 1, which had a rent of £35,850 with effect from 1 May 2021 for a lease renewal of 10 years. This property had an area ITMS of 401.33m^2 and the rent had analysed to £80/m^2. The panel noted that this was a lease renewal as opposed to an open market letting and the property was smaller than the subject property. Miss Rowntree also referred to Unit 5, Avenue 1, which had a rent of £45,900 and was a lease renewal with effect from 1 February 2021, 2 months before AVD. This property had an ITMS of 423.19 and the rent had also been analysed to £80/m^2. Miss Rowntree argued that these rents supported a tone of £80/m^2 for the subject property. She contended that they were clean rents which required no adjustment to conform with the definition of rateable value and, in particular, the rent on Unit 4, Avenue 1, should carry significant weight.

19. Having considered the evidence before it the panel found the evidence provided by Mr Seabrook to be the more persuasive. It found no reason to disregard the open market letting on the subject property, which was agreed at the AVD, and which supported a tone of £60/m^2 an RV of £31,000 as follows:

Line	Floor	Description	Area (m^2)	£/m^2	Value
1	Ground	Warehouse	391.16	£60.00	£23,470
2	Ground	Office	60.34	£66.00	£3,982
3	Mezzanine	Office	60.34	£61.00	£3,620
		TOTAL	511.84		£31,072
				Value	£31,072
			Rateable	**Value**	**£31,000**

Determination

20. In view of the above findings and conclusions, the appeal is allowed.

21. The Tribunal Panel orders 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 amend the entry in the rating list to show a revised assessment of £31,000 RV for the subject property, with effect from 1 April 2023.

22. Under regulation 38(9), the Valuation Officer must comply with this order within two weeks of the date of its making.

23. 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) provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Right of further appeal

24. 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.

25. 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 Amran Hussain, Senior Member (Presiding)

Mr N De Freitas, Senior Member

31 July 2025

Mrs H Beresford
Clerk to the Tribunal
Date issued to the parties: 31 July 2025