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

Case Nos: CHG101138894 (appeal 1),
CHG101138978 (appeal 2),
CHG101139064 (appeal 3),
CHG101139132 (appeal 4), and
CHG101139110 (appeal 5)

Sitting remotely using Microsoft Teams

Date: 9 January 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — FC Brown Steel Equipment Ltd v *Karl Hopkins* (VO) [2022] UKUT 51 (LC) *— end allowance for disabilities — appeals 1 and 4 dismissed — appeals 2, 3 and 5 allowed in part*

Before:
MR I LONSDALE, MRS N MANZOOR AND MR C DERRICK

Between:

THE HUT.COM LIMITED AND THE HUT GROUP **Appellant**

- and -

AMANDA HITCHINGS (VALUATION OFFICER) **Respondent**

Regarding:
THE HUT GROUP, ICON, SUNBANK LANE, MANCHESTER WA15 0TP
(the "subject property")

Mr Mark Hayes for **CBRE** for the **Appellant**
Mr David Lewis for the **Respondent**

Hearing date: 10 December 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. Appeals 1 and 4 are dismissed. Appeals 2, 3 and 5 were allowed in part

2. The Tribunal finds that for appeal 4, the subject hereditament in relation to the appeal no CHG101139132 no longer existed and had been removed from the 2017 rating list by way of supersession.

3. The Tribunal finds that an allowance should not be granted for appeal 1 and that an allowance of 2.5% should be allowed for appeals 2, 3 and 5 and the rateable values (RV) are:

   Appeal 2 – appeal number CHG101138978 – RV £1,920,000 effective from 16 August 2021;
   Appeal 3 – appeal number CHG101139064 – RV £2,920,000 effective from 23 August 2021; and
   Appeal 5 – appeal number CHG101139110 – RV £4,370,000 effective from 25 August 2021

STATEMENT OF REASONS

Introduction

4. The Appellant had made a number of challenges against the accuracy of the compiled list assessments in the 2017 Rating List, by way of proposals that he served on the Valuation Officer (VO) on 29 September 2023.

5. After considering the proposals and evidence submitted during the challenge period, the VO decided that the proposals were not well founded for appeals 1, 2, 3. However, the VO had agreed to reduce the RV for appeals 4 and 5, albeit the RV for appeal 4 was superseded. Decision notices to this effect were served on the Appellant on 24 March 2025. Their representative then appealed the VO's decisions to the Tribunal on 24 July 2025 and 25 July 2025, on the grounds that the current valuations for the hereditament was not reasonable, under regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

6. The RVs and the effective dates are as follows:

   (1) CHG101138894 (appeal 1) RV £1,080,000 effective from 26 October 2020 as a result of Icon Units 3 and 4 being included in the assessment;
   (2) CHG101138978 (appeal 2) RV £1,830,00 effective from 16 August 2021 as a result of Offices being added to Icon Units 3 and 4;
   (3) CHG101139064 (appeal 3) RV £3,000,000 effective from 23 August 2021 as a result of Studio being added to Offices and Icon Units 3 and 4;
   (4) CHG101139132 (appeal 4) RV £3,000,000 effective from 20 September 2021; and
   (5) CHG101139110 (appeal 5) RV £4,480,000 effective from 25 August 2021 as a result of Icon 2 being added, so the assessment comprised of Units 2, 3, 4, studio and Office.

7. Both parties were in agreement for the appeals to be heard together as the evidence and arguments were the same for all of the appeals. The only difference is the RV of the subject property due to the changes to the hereditament over the course of the rating list.

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

Background

9. The subject property was initially just valued as a warehouse and premises but is now described as warehouse, office and premises. The hereditament comprised of a headquarter type office block, a large warehouse with three smaller warehouses either side. One of the warehouses was used as a studio for filming. There was car parking either side of the large warehouse, which was accessed by a barrier and limited fencing between the warehouses and office block.

10. It was located adjacent to Manchester Airport and had good connections to motorways. The appellant was seeking an allowance for a split site of 7.5% from the first RV as the hereditament only included two units. He then sought a 10% allowance for the subsequent entries due to it being a larger hereditament and the perceived disadvantages would be greater.

11. As Mr Hayes appeared on behalf of the Appellant as both advocate and expert witness, the clerk asked if there was a success related fee involved and if so whether its existence was compatible with his 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).

12. He declared that he was instructed under a success related fee. However, Mr Hayes confirmed that he understood and accepted that his duty was to the Tribunal in giving his evidence and he 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.

13. The panel 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 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).

14. Mr Lewis confirmed that he was representing the VO as advocate and expert witness.

15. The only issue in dispute before the panel was whether an end allowance due a split site should be applied to the subject property.

16. The evidence bundle before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties' skeleton arguments; a map of the locality; a plan and photographs of the subject property; the current valuations and the revised valuations, the Upper Tribunal judgment of *FC Brown Steel Equipment Ltd v Karl Hopkins (VO)* [2022] UKUT 51 (LC) dated 8 February 2022; photographs of other assessments where an allowance has been granted and a number of Valuation Tribunal decisions: *Lassic Limited v J Moore (VO)* appeal number CHG100894836 dated 6 January 2025 and *Molecular Products Limited v Valuation Officer* appeal number CHG100818530 dated 18 August 2025.

17. The VO wanted to introduce a recent Valuation Tribunal decision *Domino's Pizza Group Ltd v Andrew Mouland (VO)* appeal number CHG101094240 dated 3 November 2025. This decision related to an appeal that a previous Tribunal had dismissed where the appellant was seeking an end allowance of 10% for a split site comprising a headquarter office and

warehouse. Taking all factors into consideration the panel agreed to the VO's request and admitted this decision. There was a short adjournment for the panel to read the decision.

Preliminary issue

18. Mr Lewis raised a preliminary issue as appeal 4 (CHG101139132) had been superseded by a revised RV of £4,480,000 effective from 25 August 2021.

19. Mr Hayes was not prepared to withdraw the appeal as he had paid a fee which he would lose if he were to withdraw the appeal.

20. The VO had referred to the decision of *The Hut.com Limited v Hitchings* Appeal number CHG101075551 dated 15 October 2025 in which the appeal was dismissed as the entry was superseded. Although Mr Hayes had been referred to this decision, he argued that the circumstances for the appeal in dispute was different.

21. However, the panel concluded from that decision that once an appeal is superseded by a revised assessment, that original assessment no longer existed and as such the RV cannot be appealed. Whilst the panel understood that by Mr Hayes withdrawing the appeal that he would lose the fee, ultimately, the panel had to dismiss the appeal as the assessment the appellant appealed against, no longer existed.

Relevant Law

22. 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; and
>
> 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

23. Mr Hayes argued that a 7.5% and then a 10% allowance should be granted due to the subject property being on a split site. He submitted that with a split site, this resulted in additional costs for an occupier as additional equipment such as forklifts are required, there were additional toilets and kitchen areas which required additional cleaning staff, additional

security was needed and there was the additional time taken for staff to walk from one building to another.

24. As the subject property was owned by the appellant, there was no rental evidence. However, to support his argument, Mr Hayes referred to a number of other properties, such as McCormick UK, 138 Whitlees Road, Littleborough had been granted a 10% allowance for a split site; Units 6, 9 and 10, Yew Tree Way, Stone Cross Park, Golborne, Warrington where a 7.5% split site allowance had been granted; Ispen Biopharm, Wrexham which he contended was a strong comparable to the subject property as it had a total area of 16,000m^2 and Aspect Court which had been owned by the same appellant. The VOA had agreed a 5% allowance for a split site even though it comprised of two small buildings which were substantially smaller than the appeal property.

25. To further support his argument, Mr Hayes provided a list of a substantial number of hereditaments where allowances of between 10% to 25% had been granted. Mr Hayes had opted to go for an allowance towards the lower end of this list as he could not justify a higher allowance. However, the panel applied little weight to this list as Mr Hayes did not provide any additional information for these properties such as photographs, maps or plans to demonstrate the reasons for the allowance and how severe the split site was.

26. To further support his argument, Mr Hayes referred to, the Upper Tribunal judgment of *FC Brown Steel Equipment Ltd v Karl Hopkins (VO)* in which an allowance of 7.5% had been granted. This was his main comparable property and he used this decision, as a basis to argue that a 10% allowance should be granted for the subject property.

27. Although the panel noted that it was decided a 7.5% allowance was granted in this UT decision, from the photographs of that property, the panel concluded that the circumstances relating to the subject property were not as severe as the property referred to in *FC Brown Steel Equipment Ltd v Karl Hopkins (VO).* In this judgment it had a public road going in between the two sites. Whilst they were connected by a conveyor, any physical access was for the use of maintenance staff, the two sites had metal fencing surrounding them and photographs showed there were delivery lorries on both sites which suggested that there were deliveries to both sites and implied that goods may had to be moved between the site sites, which appeared to be a greater distance that those on the subject property.

28. Although there was a road that went past the subject property, unlike the UT judgment of *FC Brown Steel Equipment Ltd v Karl Hopkins (VO),* the road did not split the subject property. The road gave access to the car parking, which was located in between the units that comprised the subject property. There was some wooden fencing and barriers separating the through road and the car parking. During questioning Mr Hayes confirmed that the through road led to a country lane. He provided no evidence that the road adjacent to the subject property was just as busy as the one that split the site in *FC Brown Steel Equipment Ltd v Karl Hopkins (VO).*

29. Whilst a large number of previous Valuation Tribunal decisions were provided, some of them were via links. The Tribunal does not expect or even allow panel members to access decisions or evidence via links. Furthermore, none of the Tribunal decisions appeared to involve headquarter type offices together with warehouses and the panel was not bound by other decisions of this Tribunal.

30. Although these decisions did suggest that an allowance for a split site should be granted, without further details in respect of these properties, the panel was unable to determine if an allowance of 10%, as sought by Mr Hayes, could be justified.

31. The panel also applied some weight to the VO's contention that the site did not justify an allowance. Mr Lewis contended that it would not be totally unusual and indeed potentially advantages for a headquarters office to be located away from a main warehouse due to disturbances from noise etc. Furthermore, there was a lack of evidence to demonstrate that the split site caused disruption to the activities of the subject property or additional costs to the appellant.

32. Mr Lewis also provided the Tribunal decision of *Domino's Pizza Group Ltd v Andrew Mouland (VO)* where it was decided that no allowance for a split site should be granted. Although the panel was aware that it was not bound by another decision of this Tribunal, it did appear to the panel that the hereditament in respect of this decision was more comparable to the subject property (rather than other Tribunal decisions that had been presented), as it was a headquarters office and warehouse completed in two phases. However, the panel was mindful that the subject property consisted of more buildings which were separate and therefore not a true 'like for like' comparable, but, nonetheless, it was broadly similar to the subject property.

33. Given the above, the panel understood that there could be disadvantages to a split site. However, it also concluded that there could be a number of advantages for a split site which would offset any disadvantages. For example, the studio that was used for filming would be better located away from a large warehouse due to disturbances such as noise. During questioning, the clerk gave an example of a chemical works, where there could be explosive material being used or manufactured. In circumstances like that, a split site would be better for safety reasons.

34. However, the panel did conclude that an allowance of 2.5% should be granted as it was mindful that there would be some inconvenience and additional expense to an occupier such as the costs of additional security and additional expense due to the movement of goods and some of the staff.

35. In coming to this decision, the panel had regard to the Upper Tribunal judgment of *FC Brown Steel Equipment Ltd v Karl Hopkins (VO).* However, given the reasons outlined above, the panel concluded that the subject property was not split as severely as the property in that judgment and that it would not justify an allowance of 7.5% as per this judgment. It therefore concluded that the allowance should be 2.5% as the panel concluded that it would be better for a headquarter office to be separate from the rest of the subject property and this conclusion was supported by the Tribunal decision of *Domino's Pizza Group Ltd v Andrew Mouland (VO)* and, there could be advantages to an occupier to having a split site. If Mr Hayes had provided specific costs to his examples of where there would be additional costs for the split site, the panel may have been persuaded that the allowance should be greater than 2.5%. However, that panel also concluded that this allowance should only be effective from 16 August 2021 when the assessment included more than the initial two smaller warehouses. The panel was not persuaded that there would be any significant disadvantage to the appellant when the subject property consisted of just the two warehouses. They were located next to each other with only car parking separating them.

Conclusion

36. In view of the above findings and conclusions, the Tribunal is satisfied that an allowance of 2.5% for a split site should be granted, effective from 16 August 2021.

37. As there were no other arguments in respect of the valuation, the revised RV's are below:

Appeal Number	Effective Date	Current RV (before addition for plant and machinery, car parking and rounding)	Less 2.5% allowance	New RV (after split site allowance and addition for plant and machinery)
CHG101138978	16 August 2021	1,830,834	45,771	1,925,834
CHG101139064	23 August 2021	2,992,244	74,806	2,925,391
CHG101139110	25 August 2021	4,467,645	111,691	4,373,730

Order

38. 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 reduce the entry in the rating list to the following rateable values (rounded down):

CHG101138978 – RV £1,920,000 effective from 16 August 2021;
CHG101139064 – RV £2,920,000 effective from 23 August 2021; and
CHG101139110 – RV £4,370,000 effective from 25 August 2021

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

Refund of appeal fees

40. As the grounds of the appeal have partially been made out, a refund of the paid fees for appeals 2, 3 and 5 will now be arranged (Regulation 13E of the NDR Alteration of Lists & Appeals Regs) provided there is no review of the Tribunal's decision.

Right of further appeal

41. 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.

42. 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 I Lonsdale, Senior Member (Chair)
Mrs N Manzoor, Senior Member
Mr C Derrick, Senior Member
9 January 2026

Mr Richard Gath IRRV (Hons)
Clerk to the Tribunal
Date issued to the parties: 9 January 2026