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

Case No: CHG101139337

Sitting remotely using Microsoft Teams

Date: 27 May 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 Rating List Appeal: Local Government Finance Act 1988; accuracy of the rateable value in the list as at 1 April 2023; workshop and premises; rental evidence; comparable assessments; appeal dismissed

Before:
MS AG COLE ROBERTS
DR S PENNI

Between:

PIPER TOUGHENED GLASS LIMITED — **Appellant**

- and -

MS L DYER — **Respondent**

Regarding:
Unit 5, Spring Valley Business Centre, Porters Wood, St Albans, AL3 6PD
(the "subject property")

Mr C Strong of Ryan Group, representing the **Appellant**
Mrs N Awoyocun for the **Respondent**

Hearing date: 30 April 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The assessment was confirmed at rateable value (RV) £88,500 with effect from 1 April 2023.

Introduction

3. This appeal has been brought in respect of Unit 5, Spring Valley Business Centre, Porters Wood, St Albans, AL3 6PD (the “subject property”), which was entered in the 2023 rating list as ‘workshop and premises’ at RV £90,000, 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 Piper Toughened Glass Limited. The appeal was made because the appellant did not agree with the Valuation Officer’s decision to reduce the RV to £88,500 in the 2023 rating list following the challenge. The appellant sought a reduction to RV £71,000 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 an end terrace warehouse built in 1987. It is located on Spring Valley Business Centre and consists of a ground floor and first floor with a total significant floor area of 935.44m^2. (889.51m^2 in terms of main space (ITMS)).

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 £100.00/m^2, however, the appellant’s representative sought a reduction to £80.00/m^2 in his analysis which resulted in a rateable value of £71,500.

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. This 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. The panel noted that in this appeal the subject property was held freehold, it had been purchased for £1,750,000 on 25 April 2018.

15. Mr Strong referred to several comparable properties in his submission which he contended supported his argument that a base rate of £80.00/m^2 and RV of £71,000 were fair and reasonable. In particular he referred to the following:

- 28, Soothouse Spring, St Albans, which has an ITMS of 597.31 m^2, this was a lease renewal at £50,000 per annum with effect from 1 May 2021. Mr strong had analysed this to £76.00/m^2.
- Unit 2 35, Soothouse Spring, St Albans, has an ITMS of 379m^2, this is a lease renewal at £39,398 per annum with effect from 1 September 2021 which Mr Strong had analysed to £83.00/m^2.

16. Mr Strong stated on questioning that he believed that 28, Soothouse Spring, and Unit 2 35, Soothouse Spring, were the strongest comparable properties as they were 2021 rent renewals. He also stated on questioning that the rent for 28, Soothouse Spring, St Albans, was effective from 14 March 2021 according to the lease rather than May as had been stated on the form of return (FOR), the panel noted that Mr Strong confirmed that this lease had not been submitted in evidence as far as he could remember. The panel was also aware that

these properties were older than the subject property with a lower eaves height and it noted that these were rent renewals rather than new open market lettings, and it therefore attached moderate weight to this evidence.

17. Mrs Awoyokun referred to the following:

    - Unit 1 35, Soothouse Spring, St Albans, which had an ITMS of $526m^2$, this was a new lease at £71,254 per annum with effect from 1 November 2020 which had been analysed to £118.84/m^2, a six month rent free period was granted and £10,000 was paid to the landlord which was added to the rent. Mr Strong had argued that an element of the rent was for land and this property should be analysed to £107/m^2. Mrs Awoyokun explained that the land element had already been removed from the assessment. Whilst Mrs Awoyokun noted that this property had been refurbished after a fire, she was of the opinion that it still supported a base rate of £100/m^2 for the subject property which also had the benefit of full central heating and an eaves height of 6.16 metres.
    - 1 Beech Industrial Centre, Porters Wood, St Albans, this was also a new lease it was agreed on 1 March 2020 a time when Mrs Awoyokun argued the economy would have been worse than at the AVD as it was around the time of the COVID pandemic, at £86,539 per annum and analysed to £79.61/m^2. Mrs Awoyokun stated this property has a low eaves height of only 3.59m, as compared to 6.16m for the subject, which would support £100/m^2 for the subject property.

18. The panel noted that Unit 2 Spring Valley Business Centre, Porters Wood, St Albans, which was a lease renewal at £72,181 per annum, effective 1 August 2021 which analysed to £164.53/m^2 was agreed by both parties to be an outlier.

19. The panel had regard to the full basket of evidence placed before it found that on balance the evidence of new lettings referred to by Mrs Awoyokun to be the most persuasive evidence.

20. The panel was aware that in cases of this nature the burden of proof is on the appellant to satisfy the Tribunal that the appeal should be allowed. In this case the panel was not persuaded by the evidence and arguments put forward by the appellant's representative that a reduction in the assessment to RV £71,000 was warranted and it found the RV of £88,500 with effect from 1 April 2023 to be fair and reasonable.

Determination

21. In view of the above findings and conclusions, the appeal was dismissed.

Right of further appeal

22. 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.

23. 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/.

Ms AG Cole Roberts, Senior Member (Presiding)

Dr S Penni, Senior Member

27 May 2025

Mrs H Beresford
Clerk to the Tribunal
Date issued to the parties: 27 May 2025