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

Case No: CHG101150972

Sitting remotely using Microsoft Teams

Date: 3 November 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating list; 2023 rating list appeal; Local Government Finance Act 1988; workshop and premises; rental and assessment evidence demonstrated that the appeal property's assessment was unreasonable; Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; *appeal allowed in part.*

Before:
MRS M CHAGGAR
MS T BLADES

Between:

E.L.C. (U.K.) LIMITED **Appellant**

- and -

LUCY FORMELA-OSBOURNE (VALUATION OFFICER) **Respondent**

Regarding:
SCA PACKAGING, LYNN LANE, SHENSTONE, LICHFIELD WS14 0DT
(the "subject property")

Mr M Iles from Ryan Property Tax Services UK Limited for the Appellant
Mr M Adepoju for the Respondent

Hearing date: 6 October 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal was allowed in part.

2. The Tribunal found that the subject property's assessment should be reduced to £147,000 rateable value (RV) with effect from 1 April 2023.

Introduction

3. A Challenge had been submitted against the accuracy of the compiled list assessment in the 2023 Rating List, by way of a proposal that was served on the Valuation Officer (VO) on 2 November 2023. After considering the proposal and evidence submitted during the challenge period, the VO decided that the proposal was not well founded. A decision notice to that effect was served on 10 February 2025. An appeal was submitted to this Tribunal against the VO's decision on 15 May 2025 on the grounds that the current valuation for the hereditament was not reasonable, under Regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

4. Both Mr Iles for the Appellant and Mr Adepoju for the Respondent appeared in a dual role as Advocate and Expert Witness. Mr Iles declared that he was instructed on a conditional fee basis. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Iles understood and accepted that his duty was to the Tribunal in giving his evidence and that he would comply with this as well as the requirements of his professional body regardless of whether or not the evidence supports his client's case.

5. 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).

6. As part of their induction training, a new member of the tribunal was observing proceedings. It was explained to the parties that it was the panel's intention to invite their colleague to accompany it to the retiring room. The parties were assured that the new member would not participate in the decision making exercise but would simply observe as part of their training. Neither party had any issues or objections to this.

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

Background

8. The subject property was entered into the 2023 rating list with a RV of £216,000, effective from 1 April 2023. It was a warehouse built in the 1960s and recorded in the 2023 rating list as "workshop and premises." The property had a total floor area of 5,395.41 m² and was located on the Shenstone Industrial Estate. It was occupied by the appellant on a freehold basis. There was a mezzanine space within the subject property that was not taken into account, which had resulted in a reduced ITMS measurement of 4,251.86 m² for the subject property.

9. The dispute concerned the appropriate main space rate to apply to the property's assessment. Mr Iles proposed an RV of £98,000, based on a base rate of £20 per m², while Mr Adepoju argued that a base rate of £43.98 per m², which had resulted in an RV of £216,000, was reasonable.

Relevant Law

10. The term "Rateable Value" is defined in paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988 (the "1988 Act"):

11. The RV 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 various assumptions.

12. Each appeal hereditament had to be valued, having regard to factual matters the relevant material day, in accordance with paragraphs 2 (6) and (7) of Schedule 6 to the 1988 Act, as amended.

> (6) Where the "Rateable Value" is determined with a view to making an alteration to a list which has been compiled (whether or not it is still in force) the matters mentioned in sub-paragraph (7) below shall be taken to be as they are assumed to be on the material day.
>
> (7) The matters are –
>
> (a) matters affecting the physical state of the hereditament,
> (aa) matters affecting the physical enjoyment of the hereditament,
> (b) the mode or category of occupation of the hereditament,
> (c) the quantity of minerals or other substances in or extracted from the hereditament,
> (cc) the quantity of refuse or waste material which is brought onto and permanently deposited on the hereditament,
> (d) matters affecting the physical state of the locality in which the hereditament is situated,
> (da) matters which, though not affecting the physical state of the locality in which the hereditament is situated, are nonetheless physically manifest there, and
> (e) the use or occupation of other premises situated in the locality of the hereditament.

13. The antecedent valuation date (AVD) for 2023 list rating appeals was 1 April 2021. The material day was 1 April 2023, this being the date the subject property entered the valuation list.

14. Both parties had referred to the following case law:

Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141. This Lands Tribunal judgment 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. *Lamb (VO) v Go Outdoors Ltd* [2015] UKUT 0366 (LC), UTLC Case Number: RA/66/2013. This judgment referred to the comparison between lists.

Discussion

16. As the subject property was held on a freehold basis, there was no passing rent for the panel to consider or use for comparison. To support his proposed rate, Mr Iles submitted details of comparable properties, including Unit 1, Unit 7, and UAV, all located on Lynn Lane, like the subject property. Each was classified as “warehouse and premises” and had total floor areas ranging from 243.33 m² to 1,556.7 m². These properties were constructed in the 1960s and were situated between 0.3 miles and 1.3 miles from the subject property.

17. The panel noted that the effective dates of the rents for these comparables ranged from 1 April 2017 to 1 December 2022, with annual rents between £16,833 and £99,585, with rates applied between £55 per m² and £85 per m². Mr Iles had analysed the rents to figures between £49.18 per m² and £66.75 per m². The panel also observed that these properties were significantly smaller than the subject property.

18. Mr Iles additionally referred to three further comparables of Michealdever Tyre Services Ltd; Offshore Stainless Supplies Limited and Craig & Derricot Ltd located between 4.2 miles and 9.7 miles away within the postcode areas of WS5, WS8 and WS9. They were described as either ‘warehouse and premises’ or ‘factory and premises’. The total areas ranged from 3,283.52 m² and 7,529.66 m² with rents that had commenced between 1 April 2018 and 14 November 2021.

19. The panel noted that Offshore was similar in size to the subject property with a total area of 4,416.71 m², with a difference of 978.7 m². This property had a rent that had commenced on 1 June 2021, which was a lease renewal, was only two months post AVD of 1 April 2021. The panel also noted that the rent achieved of £125,000 per annum had been analysed to £26 per m².

20. Mr Iles informed the panel that the comparable property of Michealdever was a superior property as it had a slightly better eaves height than the subject property. He also stated that the comparable property of Offshore was close to the M6, a slightly newer building and had a steel frame.

21. Mr Iles referred the panel to comparable properties in Lichfield within the postcode areas of WS13 and WS7 that showed no significant increase between the 2017 and 2023 rating lists. These properties, similar in age and quality to the subject property, ranged in size from 1,193 m² to 12,400 m². Their base rates in the 2023 list were between £29 per m² and £45 per m², compared to £25 per m² and £55 per m² in the 2017 list. He argued that this evidence indicates property values in Lichfield have remained broadly stable, which was consistent with the rental evidence he had also presented.

22. Mr Iles placed the greatest weight on Unitech House, WS7 0AU, located approximately five miles from the subject property. This property, similar in size at 6,968 m², had a base rate of £29 per m² in the 2023 rating list, compared to £30 per m² in the 2017 list, a decrease of 3.33% between the two lists. The parties referred to the judgment in *Lamb v Go Outdoors*, in which this judgment noted that comparisons between rating lists were not considered relevant or helpful in reaching a decision. Therefore, it placed less weight onto this part of Mr Iles argument.

23. To support his contention that the subject property’s base rate was correct, Mr Adepoju referred the panel to comparable properties including Unit 6, Lynn Lane, and Units 3, 13, and

25 on Birchbrook Industrial Park, Lynn Lane. These properties have total floor areas, which ranged from 90.99 m² to 433.84 m². The effective dates of these rents fell between 1 February 2021 and 1 October 2021, with annual rents, which ranged from £2,105 to £11,928. When analysed, these rents equate to between £99.40 per m² and £124.54 per m². The panel noted that these comparable properties were significantly smaller in size than the subject property.

24. Both parties had agreed that there were no comparable properties similar in size to the subject property within the local vicinity. Mr Adepoju had justified using the comparable properties he had provided as he had considered quantum. Mr Iles had used comparable properties further away from the subject property, in order to produce evidence of properties similar in size to the subject property, as well as smaller comparable properties within the local area.

25. After reviewing the rental evidence, the panel found the comparables for Offshore and Michealdever particularly useful. Offshore was closest in size to the subject property and had a lease renewal, which had commenced just two months after the AVD of 1 April 2021. This rent analysed to £26 per m², and the panel placed significant weight on this comparable.

26. However, as Offshore was located further away than the subject property, the panel also considered Unit 13 and 25, Birchbrook Industrial Estate. Although these units were substantially smaller at 90.00 m² and 116,36 m², Unit 25's rent was renewed on 1 February 2021, only two months prior to the AVD and Unit 13, which was a new rent, had commenced on 1 May 2021, only one month post AVD of 1 April 2021. The analysed rents for these properties were £97.15 per m² and £124.54.

27. After considering all the comparables, particularly Offshore, Michealdever, and the units at Birchbrook Industrial Estate, taking into account differences in size and location, the panel concluded that the existing base rate of £43.98 per m² for the subject property was excessive. Conversely, the proposed rate of £20 per m² put forward by Mr Iles was considered too low. Having reviewed all the evidence, the panel determined that a fair and reasonable base rate for the subject property should be £30 per m², which reduced its RV to £147,000 with effect from 1 April 2023.

Determination

28. In view of the above findings and conclusions, the Tribunal determined the following, based on the breakdown provided by Mr Iles, but reflective of a base rate of £30 per m²:

Floor	Description	Area (m²)	Price (£/m²)	Value (£)
Mezzanine	Office	811.66	33	26,785
Mezzanine	Office	35.72	30	1,072
Ground	Workshop	1,114	30	33,420
Ground	Area under supported floor	842.46	21	17,692
Ground	Workshop	517.47	30	15,524
Ground	Office	99.95	36	3,598
First	Office	99.95	36	3,598
Ground	Workshop	411.02	27.09	11,136
Ground	External storage	150.89	21.96	3.313
Ground	Warehouse	964.46	29.25	28,210
Ground	Works Office	124.89	30	3,747

First	Canteen	124.89	33	4,121
Ground	Office	98.05	33	3,236
		5,395.41		155,452
		Access	5%	-7,773
		Subtotal		£147,679
			RV say	£147,000

Order

29. Accordingly, the panel order the Valuation Officer to reduce the 2023 Rating List entry for SCA Packaging, Lynn Lane, Shenstone, Lichfield WS14 0DT to £147,000 RV with effect from 1 April 2023 within two weeks of the date of this order.

Amended decision in accordance with Regulation 39 of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 due to a clerical error. The RV is amended from £163,000 to £147,000 within the decision and the mention of ITZA has been amended to ITMS in paragraph 8.

Refund of appeal fee

30. 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).

Right of further appeal

31. 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.

32. 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 M Chaggar, Senior Member (Presiding)

Ms T Blades, Senior Member

3 November 2025

Ms R Muller
Clerk to the Tribunal
Date issued to the parties: 3 November 2025