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

Case No: CHG101163133

Sitting remotely using Microsoft Teams

Date: 15 December 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 Rating List Appeal: challenge against compiled list entry; warehouse and premises; accuracy of rateable value; Lotus & Delta v Culverwell (VO) and Leicester City Council [1976] RA 141*; appeal dismissed*

Before:
MRS AE FIELDER
MR P BLYTHE-BARTRAM

Between:

PACIFIC LIFESTYLE LTD — **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) — **Respondent**

Regarding:

STAFFORD MILLS, GEORGE STREET, MILNSBRIDGE, HUDDERSFIELD HD3 4JH
(the “subject property”)

Mr J Abbott from Ryan Property Tax Services UK Ltd (as advocate and expert witness on behalf of the appellant)
Mr K Malik (as advocate and expert witness on behalf of the Respondent)

Hearing date: 17 November 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal confirms the rateable value (RV) of £295,000 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This appeal had been brought in respect of Stafford Mills, George Street, Milnsbridge, Huddersfield HD3 4JH (the subject property), which was entered in the 2023 Rating List as 'warehouse and premises' at an RV of £295,000 effective from 1 April 2023.

4. The appellant's Challenge was submitted on 6 December 2023 and sought a reduction in the RV to £240,000 with effect from 1 April 2023. The appeal to this Tribunal was made on 9 June 2025 following the Valuation Officer's (VO) Decision Notice of 30 April 2025 in respect of the subject property.

5. The subject property is a two storey former mill with a mezzanine and warehouse. It is situated on George Street, Huddersfield adjacent to other industrial buildings in a semi industrial semi residential area. It is located some distance from a trunk road and two and a half miles from the centre of Huddersfield in a tertiary location. The property consists of a pre 1900's building and a cellular office block both of which are in poor condition. It also has a steel and brick warehouse which was built in the 1980's to a basic spec. It is used for storage and has an area of 10,856.18m^2.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal to this Tribunal has been made on the grounds that the valuation for the hereditament is not reasonable.

7. Mr Abbott appeared on behalf of the appellant as both advocate and expert witness. Therefore, it was important to ascertain 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). Mr Abbott confirmed that he was instructed under a contingency fee and he declared that he 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 supported his client's case.

8. The panel accepted this expert witness evidence on the above basis as the appeal was not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations and was 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.

9. The panel therefore considered the expert evidence and attached such weight to it as it saw fit.

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

Relevant Law

11. In arriving at a decision, the panel is governed by rating legislation laid down by Parliament where Schedule 6 to the Local Government Finance Act 1988 as amended by the Rating (Valuation) Act 1999, 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.

12. 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, in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841).

13. 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 date is 1 April 2023 being the commencement date the 2023 rating list.

Discussion

14. The issue for the panel to make a finding on was the unadjusted rate for the subject property which was presently £32/m^2 with an RV of £295,000. The appellant submits that this was too high and that an unadjusted rate of £26/m^2 is reasonable giving an RV of £240,000. There was no dispute as to size.

15. The appeal hereditament must be valued for the purpose of non-domestic rating on the basis of the rent at which it might reasonably be expected to let from year to year on a number of assumptions (see paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988). The date of the hypothetical rent was 1 April 2021.

16. The panel turned to the six propositions set down in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141 which was binding on this panel. The first two propositions are:

    (1)Where the hereditament which is the subject of consideration is actually let, that rent should be taken as the starting basis.

(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 section 19(6) of the General Rate Act 1967 the more weight should be attached to it. (These statutory requirements now contained in Schedule 6, Para 2 (1) Local Government Finance Act 1988 (as amended by the Rating (Valuation) Act 1999)).

17. The panel noted that the subject property was held by the tenant under an open ended occupational lease and that the landlord and tenant had some common directors. The rent was reviewed annually based on a valuation carried out professionally by Sanderson Weatherall. It let for £240,000 on 1 January 2021 which was close to the AVD. Mr Abbott submitted that the rent reflected the landlords willingness to keep the current tenants as the subject property was a difficult building to let. He gave evidence that the agreement had no specified notice period and repairs were to be carried out by the tenant. If the repairs were significant however they were paid for after a discussion with the landlord. The appellant was responsible for the utility bills and insurance. The panel was aware that although the rent was applicable from 1 January 2021 it was agreed as at July 2022 being fifteen months after the AVD. This rent was determined in accordance with the independent rental valuation carried out by a professional third party valuer. The subject property was in an adverse position some distance from a major road in a semi industrial semi residential area. The panel took into account that the present RV already included a 7.5% survey unit adjustment for access and location. The panel noted that the rent of £240,000 analyses to a base price of £26/m^2. Mr Abbott submitted that in line with *Lotus and Delta* the occupational lease on the subject property should be given most weight.

18. The panel put weight on the rent not being an open market rent. The lease itself was not put into evidence so the panel was unable to consider the terms included in it. The valuation and the instructions to the valuer were also not put into evidence. The panel found that the details of the valuation and the evidence the valuer had relied upon were not available. It could not therefore assess how much weight to put on this valuation. It also noted that it was not carried out for rating purposes. The panel found that the rent had risen exponentially from 1 January 2020 to 1 January 2021 with an increase of £40,000 per annum and this was the rent the appellant was relying on. In the following year from 1 April 2021 to 1 April 2022 the increase was only £20,000 per annum. Mr Abbott was unable to explain why that was the case and the panel found this cast doubt on the rents set. The panel was aware that the level of increase could related to other factors. These rises therefore could include things which would not be taken into account for rating purposes.

19. The panel therefore looked to the comparable properties provided by both parties. The third and fourth propositions set out in *Lotus and Delta* were considered by the panel in regard to the comparable properties put into evidence by both parties:

(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 be properly be referred to as giving an indication of that opinion.

20. The panel then turned to the one comparable property put into evidence by the VO which was Newland Works, School Lane, Kirkheaton. Mr Malik submitted that this property was a good comparable property as it was also a former mill and was two miles from the A62 the nearest major road. Like the subject property it was a mixed age building and was 8,920.41m^2 approximately 1,000m^2 smaller than the subject property. The panel was aware that there was no evidence put forward to suggest quantum would be applicable in this case. Newland Works was held on an open market ten year lease on full FRI terms with a headline rent of £237,500 from 1 October 2021 close to the AVD. It had been in occupation by the same tenant since December 2005.

21. The panel noted that this property, unlike the subject property, was in a semi-rural area. The rental evidence was from a rent review and so the panel found that it carried less weight. The headline rent analysed to £32.70/m^2 with an adopted tone of £32/m^2. Mr Malik submitted this supported that the unadjusted rate of £26/m^2 on the subject property was reasonable. The panel found that there were no photographs of the comparable property so it was difficult to assess how comparable it was to the subject property.

22. The panel noted that this lease was between a long standing tenant and landlord under a rent review and not a new lease on the open market. The panel found that this meant it was not in line with the statutory assumptions and therefore carried less weight. The property was a recycling plant and not a warehouse like the subject property. The panel was aware that it would be inconvenient for the tenant to move and this would affect the rent the tenant would be willing to agree to. The tenant had obtained a change to the planning restrictions and had undertaken substantial works at the comparable property to convert it into a recycling plant. The panel was aware that a property had to be valued as vacant and to let but the amount of work which would be required to change this back to a warehouse was significant and so the panel placed little weight on this comparable property.

23. The panel took into consideration that this comparable property was almost five miles from the subject property in a different type of location. It was divided into two survey units with the first having a 5% access allowance and a 5% layout allowance. The second one had a 5% allowance for access and a 5% uplift for fire prevention. These allowances were different to those on the subject property and so the panel found that this would affect how comparable they were.

24. The panel now turned to the fifth and sixth propositions from *Lotus and Delta*, namely:

    (5)In light of all the evidence an opinion can then be formed of the value of the appeal hereditament, the weight to be attached to 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 each circumstance, it would be difficult to reject the evidence of the actual rent.

25. The comparable property was gated with a longer driveway, a two storey car park and the building was set back from the road. The panel found that although this property was in the same scheme as the subject property it was not a good comparable property due to the differences between them. The panel therefore put little weight on it.

26. The panel found that the appellant had not put any comparable properties into evidence. He had relied solely on the rental evidence of the subject property. In the case of *Lotus and Delta*

the judge found that the rent on the subject property was only the starting point when assessing a property for rating purposes. That rent must then be looked at alongside a basket of evidence to determine if a tone had been established for similar properties in the same locality. If this had been carried out it would have allowed the panel to determine the correct unadjusted rate for the subject property.

27. The panel then considered Mr Abbott's submission that the unadjusted base rate increased by 10% from the 2017 rating list to the 2023 rating list. He explained that in the 2017 rating list the VO had relied upon the rent on the subject property. However when compiling the 2023 rating list the VO had relied upon the comparable property Newland Works instead. Mr Abbott submitted to the panel that the rent on the subject property carried more weight and should again be the basis for the 2023 RV. The panel was aware that every rating list was 'de nuovo' with different AVD's and therefore in different markets with different baskets of evidence. It therefore put little weight on the appellant's comparison between the lists.

28. In appeals of this nature the burden of proof was on the appellant to provide evidence to demonstrate that the RV of the subject property was unreasonable. The panel found that the appellant had failed to discharge this burden. The panel found that the evidence put in by the appellant's agent was not persuasive. The panel therefore determined that the current assessment for the subject property was reasonable.

Conclusion

29. In view of the above findings and conclusions, the Tribunal is satisfied that the current RV of £295,000 with effect from 1 April 2023 and dismissed the appeal.

Right of further appeal

30. 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.

31. 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 (Chair)
Mr P Blythe-Bartram, Senior Member
15 December 2025

Miss F Willson
Clerk to the Tribunal
Date issued to the parties: 15 December 2025