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

Case No: CHG101180858

Sitting remotely using
Microsoft Teams

Date: 18 December 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 - 2023 Rating List appeal; Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council [1976], *correct base rate; warehouse and premises; rents passing on the subject and comparable properties demonstrated to the panel that the current assessment was not unreasonable; appeal dismissed.*

Before:
MR CM TAYLOR
MISS S AKHTAR

Between:

RAK CERAMICS UK LIMITED **Appellant**

- and -

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

Regarding:
UNIT 2 HURRICANE PARK, HEARTLANDS PARKWAY, BIRMINGHAM B7 5PJ
(the "subject property")

Mr T Hogg of Ryan Property Tax Services Limited on behalf of **the Appellant**
Mr M Muqbil for the **Respondent**

Hearing date: Tuesday 9 December 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds that the existing assessment of £377,500 Ratable Value (RV), with effect from 1 April 2023 was not unreasonable.

STATEMENT OF REASONS

Introduction

3. This appeal has been brought in respect of Unit 2 Hurricane Park, Heartlands Parkway, Birmingham B7 5PJ (the “subject property”), which was entered in the 2023 rating list as ‘warehouse and premises’ at RV £377,500, effective from 1 April 2023.

4. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, an appeal was made to the Valuation Tribunal for England (VTE) on behalf of Rak Ceramics UK Limited. The appeal was made because the appellant did not agree with the Valuation Officer’s decision not to alter the subject property’s 2023 rating list entry following the challenge. The appellant sought a reduction to £295,000 RV, with effect from 1 April 2023.

5. Mr Hogg was appearing on behalf of the appellant as 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).

6. Mr Hogg explained that he was representing the appellant in this appeal on a contingency fee basis. However, he declared 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 supports his client’s case.

7. The panel have 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 VTE (Council Tax and Rating Appeals) (Procedure) Regulations 2009 (SI No 2009/2269) 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). The panel therefore considered the “expert” evidence and attached such weight to it as it saw fit.

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 a warehouse and premises located on Hurricane Park within the B7 postcode area of Birmingham, just off Junction 6 of the M6 motorway. It had been built in 2003 of steel portal frame construction. It measured 5,399.25m^2 and had an eaves height of 11.4m. It also comprised office accommodation to both the ground and first floor.

10. The subject property was currently valued at the base rate of £70/m^2. Mr Hogg sought a reduction in the base rate to £55/m^2, which resulted in his revised assessment of £295,000 RV, with effect from 1 April 2023.

11. There was a rent set on the subject property of £408,097 per annum, which the VO had analysed to £72.96/m^2.

Preliminary issue

12. On 27 November 2025, Mr Hogg sought a postponement of the appeal. The reason for the request was that one of his comparable properties, Express Point, Wood Lane, Birmingham B24 9QL, had been the subject of a recent tribunal hearing and he considered that the tribunal's decision may have a bearing on this appeal. The application was refused as the reasons given were insufficient to warrant a postponement in line with the guidance provided in the VTE's Consolidated Practice Statements PS4 – Postponements and Adjournments.

13. At the start of the hearing, the clerk advised that the decision in question had been issued the day prior and was now available on the VTS website. A short adjournment was granted to allow both the parties and the panel to read the decision (Express Point, Wood Lane, Birmingham B24 9QL, VT appeal number CHG101234067, dated 8 December 2025).

14. After the brief adjournment both parties confirmed that they were ready to proceed.

Relevant Law

15. The subject hereditament must be valued for the purpose of non-domestic rating on the basis of the rent that 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, the Antecedent Valuation Date (AVD). Matters that affect the physical state or enjoyment of the property or the locality were to be taken as at 1 April 2023 (the material date).

Discussion

16. The panel acknowledged that the sole issue in dispute was the correct base rate to be applied to the subject property's assessment. The existing assessment was valued at a base rate of £70/m^2, which was being defended by Mr Muqbil. In contrast Mr Hogg sought a reduced base rate of £55/m^2.

17. In deciding the issue in dispute, the panel had regard to the Lands Tribunal judgment of *Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council* [1976], as referred to by Mr Hogg. This case had established six propositions that gave clear guidance to be followed when assessing rateable value. Bearing these six propositions in mind, the panel acknowledged that the correct starting point was the actual rent passing on the subject property and consideration as to how that rent compared to the statutory definition of rateable value.

18. There was a rent passing on the subject property of £408,097 per annum that had been set in January 2019. The VO had analysed the rent to £72.96/m^2. The panel found that the actual rent on the subject property did not suggest that the existing base rate of £70/m^2 was unreasonable. However, it appreciated Mr Hogg's view that the rent was somewhat removed from the AVD. Therefore, the panel went on to examine the third and fourth propositions

outlined in *Lotus and Delta* and had regard to the rents and assessments placed on comparable properties. As such, the panel turned to the schedule that detailed both parties' rental evidence.

19. Both parties provided a number of rental comparable properties. In particular, Mr Hogg placed weight on the following rents:

    i) 3 Pavillion Drive measuring 3,824.84m^2 had a rent of £226,400 that had been set on 14 April 2021. He had analysed the rent to £54.88/m^2. This property had been valued at a base rate of £65/m^2. Mr Hogg placed highest weight on this rent as it was a new letting. The lease was on a 10-year term, with one year rent free and six months at half rent.

    ii) Express Point measuring 9,840.70m^2 had a lease effective from 24 June 2020 at a rent of £658,500 across a 10-year term with a five-month rent free period. Mr Hogg had analysed this rent to £62.09/m^2. A recent VT decision had determined that the appealed base rate of £75/m^2 was excessive and reduced the assessment in line with a revised rate of £65/m^2.

    iii) Unit 12, Junction Six Industrial Park measuring 7,700.01m^2 had a rent of £483,000 that had been set on 15 February 2022. He had analysed this rent to £59.60/m^2. This assessment had been appealed. The VO's Decision Notice reduced the assessment in line with a base rate of £65/m^2, however the appellant in this appeal sought a further reduction to £60/m^2.

20. Mr Muqbil's placed weight on the following rental evidence:

    i) Matthew Clark Ltd, Holford Industrial Park measuring 5,866.95m^2 had a rent of £433,540 that had been set on 1 May 2021 at lease renewal. He had analysed this rent to £79.73/m^2. This property had been valued at a base rate of £53/m^2.

    ii) Unit 1 Hurricane Park which measured 4,373.84m^2 had a rent of £311,800 that had been set on 23 December 2019. He had analysed this rent to £70.58/m^2. This property had been valued at a base rate of £70/m^2.

    iii) Unit 3 Hurricane Park, which measured 7,078.90m^2 had a rent of £496,875 that had been set on 1 September 2019. He had analysed this rent to £70.61/m^2. This property had been valued at a base rate of £70/m^2.

21. The panel appreciated that the rents provided by Mr Hogg suggested that a reduction in the base rate might be warranted. However, in arriving at its decision, the panel was more persuaded by the rental evidence put forward by Mr Muqbil. The panel acknowledged that the comparable properties ranged vastly in size from 1,177.3m^2 to 9,840.7m^2. The panel appreciated Mr Hogg's comment that quantum did not appear to be present in warehouse and premises in this locality. However, the panel was more persuaded by the properties most comparable in size as they would be in the same market as the subject property.

22. The panel noted that Mr Hogg had placed greatest weight to 3 Pavillion Drive. The panel accepted that the rent on this property was the result of a new letting set within weeks of the AVD, so it should attract high weight. However, it noted that this rent had required

adjustments to bring it back in line with the statutory definition of rateable value as it allowed a 12-month rent free period followed by a further six months at half rent.

23. The panel placed greatest weight on the rent passing on Matthew Clark Ltd. It noted that at 5,866.95m^2, Matthew Clark was very similar in size to the subject property measuring 5,399.25m^2. This property had a rent set just one month after the AVD, which analysed to £79.73/m^2. The panel noted that whilst the rent on this property analysed to £79.73/m^2, it had been valued having regard to a base rate of £53/m^2. Mr Muqbil could not answer why there was such a discrepancy in the analysed rent and base rate applied. However ultimately, when making its decision, it was the analysed rent that the panel placed particular weight on given it had been agreed so close to the AVD.

24. Mr Hogg contended that the Matthew Clark property was superior to the subject property, being a self-contained unit with a substantial amount of parking and eight dock-loading areas. He contended that this factor had been acknowledged in the 2017 rating list when the subject property was valued at a lower base rate than the Matthew Clark property. Mr Hogg also believed that the rent on this property had been inflated due to the occupier's long-term presence on the estate, having occupied the unit for over 20 years. In addressing Mr Hogg's points, the panel noted that the records held by the VO on this rent, which had been inspected by Mr Hogg, stated that it had been set to open market value. Furthermore, from the aerial view photographs provided, the panel noted that the subject property also benefitted from ample parking and dock loading areas.

25. The panel also had regard to the rents set on the two neighbouring properties, namely Unit 1 and Unit 3 Hurricane Park, which had been set in December 2019 and September 2019, respectively. The rents on these properties both analysed to just over £70/m^2. The panel acknowledged that size of the subject property fell in the middle of Units 1 and 3 and its rent had also been set in 2019 and analysed to £72.96/m^2.

26. The panel appreciated that 2019 rents were not ideal; however, the rent on Unit 1 Hurricane Park had been set 16 months prior to the AVD. All three units had been valued at a base rate of £70/m^2 and that rate was supported by their analysed rents.

27. Mr Hogg had sought a revised base rate of £55/m^2, which was approximately £5/m^2 lower than the rental comparable assessments he had provided. The lower base rate for the subject had been proposed due to its inferior access, with the other comparable properties having better access to the M6. Access to the M6 from Hurricane Park was via a route under the motorway. There was no evidence to suggest that height was restricted. The panel appreciated Mr Hogg's argument that the units on Hurricane Park suffered a disadvantage of access to the M6 motorway. Whilst the subject property, together with Units 1 and 3 Hurricane Park were the closest to Junction 6 of the comparable properties put forward, they suffered issues that involved travelling on a large loop to gain access to the motorway. However, having said this, the panel where mindful that those access issues were present when both the subject rent and the rents on Units 1 and 3 had been set in 2019, with all agreeing rents above £70/m^2.

28. The panel had been provided with four rents on properties located at Junction Six Industrial Estate. However, the panel attached less weight to those as three of the four properties were somewhat smaller units measuring between 1,177.3m^2 to 2,318.88m^2. The panel preferred to attach weight to the neighbouring units on Hurricane Park, that were more similar in size and would have suffered similar access issues to the subject property.

29. The panel had read in full the recent VT decision on Express Point. However, it was aware that unlike judgments from the upper courts, former VT decisions were not binding. Whilst the panel found the decision interesting, it did not find it compelling given the size differential in Express Point and the subject property.

30. Having regard to the above conclusions, the panel determined that the existing base rate of £70/m^2 was not unreasonable. It was in line with the rents set on the subject property itself and two other units on Hurricane Park. The base rate of £70/m^2 was also not excessive having regard to the rent set just one month after the AVD on Matthew Clark Ltd, a very similar property.

Conclusion

31. In view of the above, the Tribunal is satisfied that the subject property's existing assessment of £377,500 RV, with effect from 1 April 2023 was not unreasonable. Accordingly, the panel dismissed the appeal.

Right of further appeal

32. 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.

33. 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 CM Taylor, Senior Member (Chair)
Miss S Akhtar, Member
18 December 2025

Mrs R James
Clerk to the Tribunal
Date issued to the parties: 18 December 2025