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

Case No: CHG101199270
and CHG101189343

Sitting remotely using
Microsoft Teams

Date: 15 January 2026

**SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988**

*RATING — Local Government Finance Act 1988 — Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council [1976] RA 141- tone of the rating list – office and premises*

**Before:**
**MRS B DHOOFER-SAGOO**
**MRS O O ROBSON**

**Between:**

**DAFFERNS LLP**
**and**
**SUN HYDRAULICS LTD** — **Appellants**

**- and -**

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

**Regarding:**
**1 EASTWOOD BUSINESS VILLAGE, HARRY WESTON ROAD, COVENTRY CV3 2UB**
**and**
**3 EASTWOOD BUSINESS VILLAGE, HARRY WESTON ROAD, COVENTRY CV3 2UB**
(the “subject properties”)

Mr M Iles of Ryan Property Tax Services UK Limited, for the Appellants.
Mr M Adepoju, for the Respondent.

Hearing date: 18 December 2025

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**DECISION AND STATEMENT OF REASONS**

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## DECISION

1. The appeals are dismissed.

2. The Tribunal finds that the valuations for the subject properties in the 2023 Rating List are reasonable.

## STATEMENT OF REASONS

### Introduction

3. The appellants' representative made proposals on 25 March 2024 and 4 March 2024 to challenge the entries in the 2023 Rating List for each of the subject properties. For 1 Eastwood Business Centre the valuation was £107,000 with effect from 1 April 2023, and for 3 Eastwood Business Centre the valuation was £63,000 from the same date. Both valuations are based on £150/m$^2$. The proposals sought a reduction to £127.50/m$^2$. The Valuation Officer (VO) did not find the proposals to be well founded, and a Challenge decision was issued for each property on 12 June 2025, upholding the existing entry in the list. The appeals against the decision notices were received by the Tribunal on 9 July 2025.

4. As the evidence filed for these appeals was very similar and the parties to each appeal were the same, the Tribunal decided to hear the appeals together to avoid duplication. There was no objection to this from either party.

5. Prior to the hearing, both parties submitted additional information to the Tribunal. Mr Adepoju provided an updated rental evidence table and revised his analysis on one property. Mr Iles provided a copy of the marketing brochure for Orchard Court 1. Neither party had any objection to the inclusion of these additional documents, so the panel decided to admit them and proceed with hearing the appeals.

6. Mr Adepoju stated that he was appearing as both Advocate and Expert Witness for the respondent.

7. In view of the Upper Tribunal's judgment in *Gardiner & Theobold LLP v Jackson (VO)* [2018] UKUT 0253 (LC), Mr Iles declared that he was also appearing for the appellants in a dual role as Advocate and Expert Witness. He confirmed that his firm was instructed under a conditional or other success-based fee arrangement, but he understood his duty was to the Tribunal, regardless of whether the evidence supported his client's case.

8. The panel accepted this expert witness evidence on the above basis as the appeals are 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). 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.

9. The hereditaments are valued as offices and premises with accommodation over two floors. There was no dispute on the survey data, with 1 Eastwood Business Village recorded at 746.15m$^2$ and 3 Eastwood Business Village recorded at 420.75m$^2$. The sole issue in dispute

was the correct unit price per $m^2$ to be applied to the valuation. The existing valuation was based on £150/$m^2$, which was defended by Mr Adepoju, and the appellants' representative, Mr Iles, revised his valuation from that in the proposal and sought a reduction for both offices to £140/$m^2$.

10. The material day on which to consider the properties and their locality was 1 April 2023, as this was a challenge to the compiled list entries. The properties must be considered with regard to values on the antecedent valuation date (AVD) of 1 April 2021.

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

**Relevant Law**

12. The subject properties must be valued by the statutory assumptions set out in Schedule 6 to the Local Government Finance Act 1988 as follows:

*"(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."*

13. The panel had regard to the Lands Tribunal judgment of *Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council* [1976] RA 141, mentioned in the parties' submissions, which provided guidance on the weight to be attached to different forms of evidence.

**Discussion**

14. In accordance with *Lotus & Delta*, the panel found that the starting point for the valuations must be any rent passing on the subject properties. 1 Eastwood Business Village had a lease renewal on 1 July 2022 at £125,000, which the VO analysed to £176.79/$m^2$. The panel placed little weight on this rent as it was not a new letting and the rent agreed at renewal may be influenced by other factors, such as the tenant being reluctant to move premises and willing to pay a higher rent to continue occupation. Equally a landlord may agree more favourable terms to secure continued occupation by a good tenant. The panel also noted that the landlord and tenant for this office were connected parties, which suggested any rent agreed was not necessarily an open market transaction.

15. There was a new letting on 3 Eastwood Business Village from 1 August 2022 at £56,000, which the VO analysed to £132.47/$m^2$. Although this was a new letting, which would usually carry more weight than a renewal, the VO submitted that this was also an agreement

between connected parties. As this rent was also agreed more than a year after the AVD, the panel treated this lease with caution. It therefore turned to the rents presented by the parties on similar office assessments in the locality for comparison purposes.

16. Two new lettings were presented by Mr Iles in his Challenge proposal, on Ground Floor West, 2M Siskin Drive, Coventry and Unit D1 Brandon Court, Leofric Business Park, Binley Woods, Coventry. These lettings occurred from 1 April 2019 (Siskin Drive) and 1 January 2022 (Brandon Court) and the rents analysed to £153.26/m$^2$ and £106.01/m$^2$, respectively. The panel noted that neither rent was particularly close to the AVD and the properties were located some distance from the subject hereditaments. At the hearing Mr Iles did not place much weight on these examples and both parties focused their submissions on rents from the Harry Weston Road area, which was the same location as the subject properties. The panel therefore excluded the Siskin Drive and Brandon Court properties from the basket of evidence as being less useful.

17. The offices in the locality covered a range of sizes but the parties submitted at the hearing that there was no quantum effect in this area. Mr Iles placed most weight on three examples. Part Ground Floor Right and 1$^{ST}$ Floor Eastwood Business Village had a new letting from 1 May 2021 at £107,000. The VO initially analysed this rent to £135.10/m$^2$, but Mr Adepoju provided a revised valuation shortly before the hearing at £141.94 and this was accepted by Mr Iles.

18. Unit 1 Orchard Court had a new letting from 1 July 2021 at £72,216, which Mr Iles analysed to £144.88/m$^2$ and Mr Adepoju analysed to £150.64/m$^2$. There was some discussion around the correct way to analyse this rent as the appellant's representative had analysed to the tenant's break option in the third year of the lease, whereas the VO had analysed over the full five-year lease, as he submitted the break clause had not been utilised. At the hearing Mr Adepoju provided his analysis of the rent on this property and submitted that, even analysing three different ways, the rent produced a range from £149.36/m$^2$ to £152.50/m$^2$ which supported the existing tone of £150/m$^2$.

19. Mr Iles also placed weight on Orchard Court 3 with a new letting from 19 May 2021 at £76,594. He analysed this rent to £126.90/m$^{2,}$ and the VO analysed to £142.55/m$^2$. The panel found this rent less helpful due to the differences in the parties' analysis. Mr Iles submitted that the rents on these three examples at £141/m$^2$, £144/m$^2$, and £142/m$^2$, supported a reduction to £140/m$^2$ for the two subject properties.

20. Mr Adepoju relied on Unit 1 Orchard Court as he felt his analysis supported the existing tone. The panel noted that Mr Iles analysed this same rent to £144.88/m$^2$ and, as the parties were not agreed on the correct analysis, it treated this rent with caution. Certainly, the VO's analysis supported the existing tone of £150/m$^2$ and even Mr Iles' analysis produced a unit price above the £140/m$^2$ he sought. As there were multiple other rents from around the AVD to consider, the panel decided to place less weight on this example.

21. Mr Adepoju also placed weight on Part Ground Floor Right and 1$^{ST}$ Floor Eastwood Business Village, which the parties agreed analysed to £141.94/m$^2$. The panel noted that this rent from May 2021 was close to the AVD and a new letting.

22. A lease renewal on 5 Eastwood Business Village from 1 July 2020 at £90,000 was presented by the VO. Mr Adepoju submitted that this rent analysed to £177.31/m$^2$, suggesting the existing tone of £150/m$^2$ was not excessive. He stated that the property market at the AVD, coming out of the global pandemic, was picking up at a slow pace and was not static. He

therefore suggested that a rent agreed in 2020 would likely be lower than at the AVD. The panel noted Mr Adepoju's comments on this property but placed less weight on the rent as it was a renewal and not a new letting. As previously mentioned, a renewal may be influenced by other factors and is not as helpful as a new open market letting.

23. The panel found the most useful rent was that of Ground Floor Concept House, 9 Orchard Court presented by Mr Adepoju. This was a new letting on the AVD, 1 April 2021, at £38,420, which the VO analysed to £183.34/m$^2$. Mr Iles submitted that less weight should be placed on this rent because the term of the lease was for just one year and ten months and there were unusual lease terms, making it unreliable. At the hearing he contended that the rating hypothesis requires consideration of a yearly rent with a reasonable prospect of continuance. It was suggested that such short leases are often agreed when a tenant has relocated from another property with the same landlord and there may be particular terms agreed to reflect that. While the panel noted Mr Iles' comments, it found them to be speculative and there was no evidence before the Tribunal that this lease could not be renewed after the initial term or that it contained any unusual terms. As this office was in the same locality as the subject properties, with a new letting agreed on 1 April 2021, the panel found this to be the rent that would most closely reflect the opinion of a new tenant fresh to the scene on the AVD in this locality. While it was noted that this office is smaller than both subject properties, the parties had submitted that quantum was not an issue in this area and therefore the panel found it to be a comparable hereditament.

24. After considering all the evidence presented, the panel was not persuaded that Mr Iles had discharged the burden of proof in evidencing the existing valuations were unreasonable in these appeals. It found the most useful rent to be that of the Concept House office, agreed on the AVD and analysing far in excess of £150/m$^2$. The parties could not agree on the analysis of the rent on Unit 1 Orchard Court from 1 July 2021, but Mr Adepoju's various analysis all produced figures supporting the existing tone and Mr Iles own analysis produced a sum over the £140/m$^2$ sought. Orchard Court 3 had a new letting close to the AVD, but the parties' analysis took a differing approach to the rent-free period and the stepped rent, meaning they could not agree on a unit price. On this basis, the panel found the cleanest rent and the closest to the AVD was that of the office at Concept House and this example carried the most weight. On balance, the panel was satisfied that the existing valuations were reasonable and supported by the rents in the locality.

## Conclusion

25. In view of the above findings and conclusions, the Tribunal is satisfied that the entries in the 2023 Rating List based on £150/m$^2$ are reasonable and the appeals are dismissed.

## Right of further appeal

26. 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.

27. 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 B Dhoofer-Sagoo, Senior Member (Chair)
Mrs O O Robson, Senior Member
15 January 2026

Mrs A Sloan
Clerk to the Tribunal
**Date issued to the parties:** 15 January 2026