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

Case No: CHG101193614

Sitting remotely using Microsoft Teams

Date: 11 February 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 Rating List Appeal: Local Government Finance Act 1988; Warehouse, Offices, and Premises; Request for Allowance for Division and Split; Appeal allowed

Before:
MRS S SOHOTA
MR OL ROBERTS

Between:

PRECISION CARD SERVICES LIMITED — **Appellant**

- and -

AMANDA HITCHINGS (VALUATION OFFICER) — **Respondent**

Regarding:
UNITS G2 - G4, REDWOOD COURT, MACCLESFIELD, SK10 2XA
(the "subject property")

Mr O Scorer, from Ryan Property Tax Services representing the Appellant
Mr A Glover, representing the Respondent

Hearing date: 15 January 2026

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed.

2. The Tribunal decided the subject property's existing assessment of £99,500 Rateable Value (RV) was unreasonable and reduced it to £94,500 RV, with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This appeal had been brought in respect of the following: Units G2 - G4, Redwood Court, Macclesfield, SK10 2XA, which was entered in the 2023 Rating List as 'Warehouse, Offices, and Premises' at £94,500 RV, effective from 1 April 2023.

4. The appellant's challenge to the Valuation Officer (VO) was made on 13 March 2024. The appeal to this Tribunal was made on 8 August 2025, following the VO's decision notice of 19 May 2025, in respect of the subject property.

5. 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. The appeal was lodged by Ryan Property Tax Services on behalf of the appellant.

6. Mr Scorer 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). He confirmed that he was representing the appellant at the hearing on a contingency fee basis. He also 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 supported his client's case.

7. The panel have accepted this 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). The panel therefore considered the "expert" evidence and attached such weight to it as it saw fit.

8. Mr Glover stated that he was appearing in a dual role as both advocate and expert witness for the respondent.

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

Background

10. The subject property is described as 'warehouse, office and premises' in the 2023 Rating List. It comprises three contiguous terraced industrial units G2, G3, and G4.

11. The appellant asserted that the subject property has a significant disadvantage and disability in that its three units are divided internally, with significant division between the units via a solid wall running the depth of the units. It was stated that there was no internal connection between units G4 and G3 at all. Between units G3 and G2 there is a similar solid wall dividing the two units, with an opening at the first floor level between the mezzanine and first floor areas, albeit the opening is stated to be only a single pedestrian door.

12. The subject property was initially entered into the 2023 Rating List at a rateable value of £99,500. The challenge submitted to the VO sought a reduction to £94,500 RV, arguing that a 5% allowance should be applied to reflect the divided and split configuration disability affecting the property. The appellant stated that, for the 2017 Rating List, an end allowance of 5% for the same split/divided characteristic had been awarded, however this allowance was removed without explanation in the 2023 Rating List. The appellant argued that this removal overlooked the principles established in Barnard & Barnard v Walker (VO) 1975 RA 383 and Lamb v Minards (VO) 1974 153, which state that allowances should be carried forward to subsequent lists unless there is clear evidence justifying their removal. These cases establish a presumption that differentials applied in earlier lists remain valid unless demonstrably rebutted.

13. Mr Scorer was of the opinion that the 5% allowance for division and split was appropriate for the property's 2023 Rating List entry, whereas Mr Glover maintained that based on the rent for the subject property, the RV of £99,500 was not excessive.

Relevant Law

14. When arriving at its decision, the panel is governed by rating legislation laid down by Parliament. Schedule 6 to the Local Government Finance Act 1988, as amended by section 1(2) of the Rating (Valuation) Act 1999, defines the Rateable Value of a non-domestic property as the amount equal to the rent at which it is estimated the property might reasonably be expected to let on a year to year basis 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 the 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.

15. 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 2020 (SI 2020 No. 832). In respect of this appeal the material day is 1 April 2023.

Discussion

16. There was no dispute about the layout of the subject property, with it accepted by both parties that there was a solid wall dividing units G3 and G4, with the connectivity between

units G2 and G3 via a single opening at first floor level between the mezzanine and first floor areas. The appellant's representative stated that besides this single opening, access between each of the units would be via the doors at the front of the subject property to access each separate unit. Additionally, there was no dispute that an allowance of 5% for division and split had been awarded in respect of the subject property's assessment in the 2017 Rating List.

17. Notwithstanding, the respondent's representative commented that he considered that to award an allowance of 5% on the same basis, for the 2023 Rating List, was unwarranted. Having contacted the appellant's representative to confirm the letting details of the property, finding the assessment to be occupied under three separate leases, all let to the same tenant, agreed by the same landlord and all with the same commencement date, of 30 January 2022, in valuing the property as it stands and analysing as a whole, the subject rent analysed to £64.92/m^2. This figure was stated to be based on the rent confirmed by the lease information provided by the appellant's representative. In comparison to the main space rate of £60/m^2 attributed to the property in the 2023 Rating List, this suggested to the VO, that the allowance is unjustified. The respondent states this situation is significantly different to the units being occupied under three separate leases to individual occupiers. In this appeal, the VO contended that as both parties understand the circumstances in relation to these units and the amount of space being taken, the assessment must be valued as it stands. The respondent contended that whilst the subject property had not changed since the 2017 Rating list challenge, the Valuation Office Agency did not have the rental evidence of the agreements that commenced on 30 January 2022, when the 2017 Rating List challenge was well-founded and on which the 2023 Rating List valuation was arrived at.

18. Acknowledging that the subject property is held on three separate leases, the appellant's case stated that the lease for each unit had individual break dates and that combining the rents did not reflect an open market rent for the subject property as a whole. Each lease reflected a unit one third of the size of the subject property, in a valuation scheme where quantum needed to be accounted for. The individual leases were stated not to reflect the disability of the split, division, and interconnectivity issues as they are solely for each unit and that combining the rents did not reflect an open market rent for the subject as a whole.

19. The appellant's representative also stated that the three leases were lease renewals, post AVD, in a rising market. The respondent's representative stated that the leases in respect of the subject property included an element of special purchaser as the appellant is also the occupier of Unit H6 Redwood Court, stated to be situated opposite the subject property on a non-coterminous lease. The VO's representative added any such consideration would be solely down to judgment however it could be argued that the landlord would give a better deal to a good tenant who already has units onsite.

20. According to the appellant, the VO's analysis at £64.92/m^2, (detailed as £64.96m/^{2}) showed the main space rate of £60/m^2 to be excessive when compared to main space rates of smaller units in the scheme between £67.50 and £70/m^2. During verbal submissions, both representatives did not take issue about each other's comments in respect of rental analysis and main space rates, with the panel noting the bundles submitted did not include any comparable rental or property evidence to verify the assertions made by the parties.

21. Fundamentally, the appellant maintained that there had been no change to the subject property since the 2017 list Challenge, where the respondent agreed a 5% end allowance. To the appellant, the subject property remains inferior to a unit of the same size and specification that is not disadvantaged by the internal divisions, with it stated that a

hypothetical occupier would adjust their rental bid accordingly. The agreed 5% in the 2017 rating list reflected this, with the appellant contending that the 5% divided and split allowance agreed on the 2017 list assessment be reinstated to the 2023 Rating List assessment.

22. Taking into account the parties' verbal testimony, the panel acknowledged that having three separate leases provided for greater flexibility than would be afforded by one single lease, with it easier to hand back properties or end occupation of properties that had no interconnectivity. The respondent's representative commented that the breeze block walls could be removed without compromising the property, adding that the lack of interconnection did not necessarily mean that the occupier was disadvantaged, providing examples of possible types of occupiers who would benefit from the separation of units. Any alteration to improve access between and within the subject property would however be a cost to the occupier and require permission possibly from the landlord, as well as the local authority in terms of building regulations. As such, this was not a simple or straightforward option.

23. In reaching a decision the panel was mindful that each Rating List stands on its own and reflects the market and economic circumstances appropriate to the AVD and physical circumstances at the compiled list date for that particular list, with the likelihood that relative values between properties and locations could change from one list to the other. The panel was mindful of the respondent's argument that separate rental evidence is reviewed for each Rating List, with RV's determined on the rental situation appropriate to each list. It was important that precedents were not set based on assessments that did not take into account the rental evidence, as this could lead to decisions being made in other assessments based on values arrived at, that did not take into account circumstances fully and accurately. Mr Glover stated that end allowances were something that he considered were used slavishly in assessments and that the assessment in the 2023 Rating List should not be reduced unless there was compelling evidence to show that it was overrated.

24. The subject property's RV in respect of the 2017 Rating List had been reduced via an allowance of 5% for division and split. The panel accepted the respondent's representatives statement that the VOA did not have the rental evidence dated 30 January 2022 when the 2023 Rating List assessment was made. The 2017 Rating List challenge did not impact the determination of the 2023 Rating List entry. Notwithstanding, the panel remained of the opinion that the split, division, and interconnectivity issues were detrimental and disadvantageous to the subject property. The panel decided that significant weight could not be attached to the rental evidence in respect of the subject property. The three agreements commenced on 30 January 2022, were post AVD. More significantly, they were separate agreements and combining their values was not a reliable way to determine the equivalent rental value for the subject property taking into account the disadvantages associated with its layout and composition. The combined rental analysis figure provided by the respondent could not be wholly relied upon to determine the assessment of the subject property, as it did not take into account the disadvantages affecting the subject property. Moreover, the aforementioned *Barnard & Barnard v Walker* and *Lamb v Minards* judgments supported the appellant's case. Taking all of the evidence into account, the panel determined that a 5% allowance for division and split issues was appropriate and correct.

Conclusion

25. In view of the above findings and conclusions, the panel decided that the current assessment was unreasonable. The panel determined that an assessment of £94,500 RV more accurately reflected the appeal property. A breakdown of the assessment is shown below. The appeal is allowed.

Ref	Floor	Description	Area m^2	£/m^2	Relativity	Value (£)
1	Ground	Office	67.40	140.00	1.170	4,731
2	Ground	Workshop	421.30	140.00	0.975	24,646
3	Ground	Office	41.50	140.00	1.170	2,913
4	First	Office	39.80	140.00	1.170	2,794
5	Ground	Area under Supported floor	464.00	140.00	0.682	19,001
6	Mezzanine	Office	221.11	140.00	1.180	15,652
7	Mezzanine	Workshop	216.72	140.00	0.536	6,974
8	Ground	Workshop	396.57	140.00	0.975	23,199
			Valuation Sub Total			99,910
	Less 5% allowance for divided/split unit					4,996
						£94,914
	Say £94,500,000 Rateable Value, with effect from 1 April 2023					

Order

26. In accordance with Regulation 38 (4) and (9) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Officer is ordered to alter the list entry for the appeal property to £94,500 RV with effect from 1 April 2023. The Valuation Officer must comply with this Order within 2 weeks of its making.

27. 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

28. 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.

29. 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 S Sohota, Senior Member (Chair)
Mr OL Roberts, Senior Member
11 February 2026

Mr R Patel
Clerk to the Tribunal
Date issued to the parties: 11 February 2026