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

Case No: CHG101200220

Sitting remotely using Microsoft Teams

Date: 17 February 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating; 2023 list appeal; Local Government Finance Act 1988; shop and premises; Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council 1976; subject rent; rental evidence; comparable properties; zone A rate; appeal dismissed

Before:
MRS S SOHOTA
MISS S AKHTAR

Between:

THE WORKS STORES LTD — **Appellant**

- and -

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

Regarding:
THE WORKS STORES LTD, 43-44 CLOCK TOWERS SC, RUGBY CV21 2JR
(the "subject property")

Appearances:
D Bullimore of Lambert Smith Hampton, for the appellant
M Muqbil, for the respondent

Hearing date: 22 January 2026

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed

2. The Tribunal finds that the rateable value (RV) of £22,250 based on a rate of £225/m^2 in terms of zone A is reasonable.

Introduction

3. This appeal has been brought in respect of the following: The Works Stores Ltd, 43-44 Clock Towers SC, Rugby CV21 2JR which entered the 2023 rating list as 'shop and premises' at £34,000 with effect from 1 April 2023.

4. A challenge was submitted on 27 March 2024 which disputed the determination of the RV. The RV was assessed based on a rate of £350/m^2 in terms of zone A (ITZA). The appellant challenged this and requested a reduction to £150/m^2 ITZA. A challenge decision was issued which reduced the RV to £22,250 which was based on a rate of £225/m2 ITZA. The appellant considered this reduction to be insufficient and consequently, an appeal was lodged with this Tribunal.

5. Both Mr Muqbil, for the respondent, and Mr Bullimore, for the appellant, appeared in dual roles of advocate and expert witness. Mr Muqbil confirmed that he had not inspected the subject property but was appearing as expert witness based on his experience. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson* (VO) [2018] UKUT 0253 (LC), Mr Bullimore declared that he was instructed under a conditional fee and confirmed that he accepted and understood that their overriding duty was to the Tribunal.

6. The panel accepted the expert witness evidence on this basis as the appeal was not considered to be 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 Tribunals' rules concerning 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.

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

Relevant Law

8. The issue between the parties concerned the RV of the subject property, specifically the Zone A rate per m^2 that should apply.

9. The term 'rateable value' as defined in paragraph 2(1), Schedule 6 to the Local Government Finance Act 1988 (as amended):

> "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."

10. The antecedent valuation date (AVD) for 2023 list rating appeals is 1 April 2021. The material day is 1 April 2023.

11. The panel had regard to the Lands Tribunal judgment of *Lotus & Delta v Culverwell and Leicester City Council (*LVC/376/1975). This case had established six propositions, which gave clear guidance to be followed when assessing rateable value, namely:

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

(2) The more closely the circumstances under which the rent is agreed both as to time, subject matter and conditions relate to the statutory requirements contained in the definition of Gross Value in s.19(6) of the General Rate Act 1967 the more weight should be attached to it.

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

(5) In light of all the evidence an opinion can then be formed of the value of the appeal hereditament, the weight to be attributed to the differing types of evidence depending on the one hand on 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 such circumstances it would be clearly more difficult to reject the evidence of the actual rent.'

Discussion

12. The subject property is a shop unit situated within Clock Towers Shopping Centre in Rugby's central shopping district. It is arranged as retail on the ground floor and staff facilities and stores on the first floor.

13. In deciding this appeal, bearing the six propositions derived from *Lotus* in mind, the panel acknowledged that the starting point was the actual rent passing on the subject property. The subject property was agreed on a five year lease commencing from 25 July 2022 at a rent of £15,000 per annum. It was submitted that between August 2021 and July 2022, the tenant was holding over, as such, the lease was drafted but not signed until July 2022. The appellant had analysed the subject rent to £147/m^2 (ITZA) and submitted that this supported his valuation.

14. The panel considered that the rent was the starting point not necessarily the best evidence. It was mindful that the lease was drafted closer to the AVD but was signed some time later. It also noted that there had been no increase in rent from the 2017 and 2019 agreements, as both were at two year leases at £15,000 per annum. The panel found that the correct approach was to also examine the wider basket of evidence, having regard to *Lotus*, it started with the other rental evidence brought before it.

15. The appellant referred to wider rental evidence, and primarily relied on the rent on Claire's at Unit 9, Clock Towers SC, Market Mall, Rugby. It was submitted that this unit was inside the shopping centre on Market Mall so was comparable in terms of location. It was a three year lease renewal from October 2020 at £6,000 per annum. This had been analysed to £147/m^2 (ITZA). This was rated at £350/m^2 but the appellant submitted that this was subject to challenge. The appellant submitted that this, together with the subject rent, supported the proposed rate of £150/m^2. The respondent submitted that it did not hold details of this rent and had not received a copy of the lease in order to analyse this.

16. The respondent referred to a table of five rents which had been analysed to figures ranging from £187.56/m^2 to £379.40/m^2. They were assessed in the rating list from £220/m^2 to £350/m^2. It was the respondent's submission that it could not rely upon a single rent, and rather, the basket of rents should be considered. He stated that most of the rents analysed to significantly above the subject property and supported that the rate of £225/m^2 was reasonable. He submitted that he was placed most weight on 34a High Street as the rent was agreed on the AVD, 1 April 2021. This rent was a £13,500 per annum which had been analysed to £233.64/m^2. The panel noted the appellant's comments regarding the location as this was in the town as opposed to the shopping mall. Three of the five were for properties within the shopping centre which had rents agreed between April 2020 and April 2021. Unit 3 and Unit 31 were agreed closest to the AVD, which Unit 31 being agreed on 1 April 2021. They analysed to £187.56/m^2 and £379.40/m^2.

17. After considering the rents, as per proposition four in *Lotus*, the assessments of other comparable properties can also be relevant. The assessment list for Clock Towers Market Mall ranged from £95/m^2 to £350/m^2. It found when looking at the assessment evidence, the subject property seemed more than reasonable being one of the lower assessments. However, the panel was not presented with any settlements to show which assessments had been tested in the 2023 list, it therefore preferred the rental evidence.

18. The panel considered that the subject rent was agreed one year post AVD and it was a rent review which had had not increased since 2017. It was not persuaded to place most reliance on the one rent when there were rents available within the locality. It noted that it did appear low when looking at the basket. Similarly, the unit 9 assessment appeared low and the panel was aware that the lease had not been provided in order for the respondent to make

comment on the analysis. The panel accepted that 34A High Street was not within the shopping centre, however, it did find that this was still worth considering as it was a new lease agreed on AVD. This rent assisted with painting a picture of the market value of zoned properties within this locality as at AVD. When viewing this AVD rent together with the rental evidence for those within the clock tower shopping centre which were agreed closest to AVD (Unit 31 Clock Towers and Unit 3 Clock Towers), the panel found that it supported that the current rate per m^2 of the subject.

19. Ultimately, the panel found that it was not persuaded by the appellant's evidence. There were rents agreed closer to AVD available which could not be ignored. When viewing the totality of the evidence and the range of rents, it concluded that the subject property's valuation was reasonable. For the reasons stated, the panel confirmed £225/m^2 ITZA.

Conclusion

20. In view of the above findings and conclusions, the Tribunal is satisfied that the RV of £22,250 is fair and reasonable. The appeal is dismissed.

Right of further appeal

21. 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.

22. 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)
Miss S Akhtar, Member
17 February 2026

Mrs C McAvoy
Clerk to the Tribunal
Date issued to the parties: 17 February 2026