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

Case No: CHG101203580

Sitting remotely using Microsoft Teams

Date: 10 December 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Non-domestic rating appeal; 2023 rating list; Challenge against Compiled List entry; Workshop and premises; accuracy of rateable value; found that weight of evidence did not support a reduction in the assessment of the subject property; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141. Decision: Dismissed.

Before:
MR W READ
MRS F CORTESE
MRS V HOLLENDER

Between:

MICHELDEVER TYRE SERVICES LTD — **Appellant**

- and -

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

Regarding:
CHEMIX AUTOCENTRES, AUDNAM, STOURBRIDGE DY8 4AE
(the "subject property")

Mr M Iles from Ryan Property Tax Services UK Limited for the Appellant
Mr P Grundy for the Respondent

Hearing date: 26 November 2025

DECISION AND STATEMENT OF REASONS

© CROWN COPYRIGHT 2025

DECISION

1. The appeal was dismissed.

2. The Tribunal determined the Rateable Value (RV) of Chemix Autocentres, Audnam, Stourbridge DY8 4AE (hereafter, known as the “subject property”) at £33,750 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This appeal related to the 2023 Rating List. The subject property was entered in the list as “Workshop and Premises” with an RV of £50,000, effective from 1 April 2023. As this was a compiled list appeal, the material day was 1 April 2023.

4. The Valuation Officer (VO) received the challenge proposal on 5 April 2024. The proposal argued that the RV shown in the rating list as at 1 April 2023 was incorrect and suggested a revised RV of £29,000, effective from the same date. In response, the VO amended the subject property’s RV to £33,750, based on reducing the original unadjusted base rate from £104 per m² to £70 per m².

5. As the assessment had not been altered in the manner sought in the proposal, an appeal was made to the Valuation Tribunal on 20 June 2025 on the grounds that the valuation for the subject property was not reasonable.

6. Both Mr Iles for the appellant and Mr Grundy for the respondent, presented in a dual role capacity as both advocate and expert witness. In view of the Upper Tribunal’s judgment in Gardiner & Theobald LLP v David Jackson (VO) [2018] UKUT 0253 (LC), Mr Iles confirmed that he was instructed under a contingency fee arrangement. 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 the evidence supported the client’s case.

7. The panel 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 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).

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 built between 1965 and 1970 and was refurbished in 2006 and had been placed within the scheme 627901. Its total main space of 563.49 m² consisted of ground floor workshops, with an office on the ground and first floor areas. There was also a mezzanine store within the subject property.

10. The issues between the parties concerned the RV of the subject property, specifically, the rate per m² that should apply. Originally, Mr Iles for the appellant, sought a reduction to £29,000. However, after the Challenge decision notice had been issued with a reduced RV of £33,750, he proposed a revised RV of £28,750 based on an unadjusted rate of £60 per m². as this rate had been agreed with regards to the 2017 Rating List.

11. Mr Grundy for the respondent, defended the revised assessment of £33,750 RV, which was based on the revised unadjusted rate of £70 per m².

12. The day prior to the hearing, Mr Iles provided an email with additional information, which contained details of two case law:

    (a) *Lamb v Minards (VO)* [1974] R.A. 153; and

    (b) *Barnard & Barnard v Walker (VO)* [1975] RA 383

13. Mr. Iles submitted a new piece of evidence, an agreement or a rating assessment relating to Formula One Autocentres in Stourbridge. This case had previously been discussed alongside the subject property challenge; however, an agreement for that property had not been finalized until after the decision on the subject challenge had been issued. Mr. Grundy raised no objections to including this agreement as part of the appellant's submission.

Relevant Law

14. The term "Rateable Value" is defined in paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988 (the "1988 Act"):

15. The RV 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 various assumptions.

16. Each appeal hereditament had to be valued, having regard to factual matters the relevant material day, in accordance with paragraphs 2 (6) and (7) of Schedule 6 to the 1988 Act, as amended.

    (6) Where the "Rateable Value" is determined with a view to making an alteration to a list which has been compiled (whether or not it is still in force) the matters mentioned in sub-paragraph (7) below shall be taken to be as they are assumed to be on the material day.

    (7) The matters are –

    (a) matters affecting the physical state of the hereditament,
    (aa) matters affecting the physical enjoyment of the hereditament,
    (b) the mode or category of occupation of the hereditament,
    (c) the quantity of minerals or other substances in or extracted from the hereditament,
    (cc) the quantity of refuse or waste material which is brought onto and permanently deposited on the hereditament,
    (d) matters affecting the physical state of the locality in which the hereditament is situated,
    (da) matters which, though not affecting the physical state of the locality in which the hereditament is situated, are nonetheless physically manifest there, and

(e) the use or occupation of other premises situated in the locality of the hereditament.

17. The antecedent valuation date (AVD) for 2023 list rating appeals was 1 April 2021. The material day was 1 April 2023, this being the date the subject property entered the valuation list.

18. The following case law had been mentioned within the evidence packs:

    a) *Bunyan (VO) v Acenden Ltd* [2023] UKUT 17 (LC)
    b) *Fir Mill Ltd v Royston UDC* (1960) 53 R & IT 389,
    c) *Williams (VO) v Scottish & Newcastle Retail Ltd* [2001] RA 41
    d) *Lamb (VO) v Go Outdoors Ltd* [2015] UKUT 0366 (LC), UTLC RA/66/2013
    e) *Telereal Trillium (respondent) v Hewitt (VO)* [2019] UKSC 23
    f) *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141. 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 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 1976 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 subject property, 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

19. The panel acknowledged that, in line with the propositions outlined above, the rent for the subject property should serve as the starting point. It noted that the original letting by the appellant commenced in December 2014 at a headline rent of £30,000 for a 10-year term, where the rent could only be increased upwards at each rent review. However, this lease was considered too far removed from the AVD of 1 April 2021 to be of assistance. The panel also observed that a rent review took place on 25 December 2023, resulting in an annual rent of £36,000. Again, this was deemed too distant from the AVD to provide meaningful guidance.

20. Mr. Iles informed the panel that the rate of £60 per m² had previously been agreed for the subject property within the 2017 Rating List. In his view, since there was neither an increase nor a decrease up until the rent review in December 2023, the same rate should continue to apply to the subject property within the 2023 Rating List.

21. The panel noted that Mr Iles had referred to the case of *Barnard & Barnard v. Walker* (VO) [1976], *'the level of value in the old list is of no help in determining values in the new list, but when it comes to a consideration of differentials in the old valuation list, it seems to me that there must be a presumption that those differentials were correct. Such a presumption can be rebutted by evidence for example a valid reason may be put forward by a valuation officer for applying a different differential in the new list, but it is not sufficient for him simply to allege that the old list assessment is irrelevant'.*

22. The panel considered the details of *Barnard & Barnard v. Walker (VO)* [1976], noting that each valuation list must be assessed independently. However, the quotation provided by Mr. Iles makes it clear that *"the level of value in the old list is of no help in determining values in the new list."* What may be relevant, though, is the consideration of differentials in the old valuation list, particularly where the new list also incorporates similar differentials in its assessments.

23. The panel reviewed the details of the comparable properties submitted by both parties, including the rental information provided. These properties were also listed under the same scheme (627901) as the subject property.

    a) Formula One Auto Centres Ltd, located at Mears Coppice, Dudley Road, Stourbridge DY9 8EL, underwent a rent review on 23 May 2021, resulting in an agreed annual rent of £60,000, which represented no increase from the original rent agreed in 2016. The panel noted that an agreement had also been reached on a rate of £70 per m² within the 2017 Rating List. However, in the 2023 Rating List, the applied rate had increased to £90 per m². The panel further observed that this property was slightly larger than the subject property, and Mr Grundy considered it superior, citing its better location as the reason for the higher agreed rate in the 2017 Rating List.

    b) Kwik Fit GB Ltd, located at Mill Race Lane, Stourbridge DY8 1JN, renewed its lease on 25 March 2021 with an agreed stepped rent structure. The first year's rent was set at £25,000, increasing to £33,350 per annum for the remaining term. The panel noted that the rate applied within the 2017 Rating List was £80 per m², while in the 2023 Rating List it had reduced to £75 per m². Mr Iles argued that this reduction between the two Rating Lists indicated a declining market, supporting the adoption of a similar approach for the subject property's valuation. The panel observed that this comparable property was smaller in size and that the rent had decreased upon lease renewal, having originally been set at £39,168 when agreed in 2015. However, no supporting evidence had been provided to show why the rent had been reduced, other than an assumption that it was due to a declining market, the panel placed weight as it saw fit on the details of this comparable property.

    c) My Garage Stourbridge, located on Birmingham Street, Stourbridge DY8 1JE, renewed its lease on 1 January 2022, agreeing an annual rent of £60,000. The property had an unadjusted rate of £65 per m² and was similar in size to the subject property, with an area of 532.50 m². Built between 1965 and 1970, it is situated approximately 1.2 miles from the subject property, close to Stourbridge town centre. However, Mr Grundy stated that it lacked road appeal as it was positioned on a side street off the Stourbridge ring road. Both parties agreed that little weight should be attached to this comparable, as the rent applied covered multiple units and was agreed between connected parties. Consequently, the panel placed limited reliance on the details provided.

d) Nationwide Autocentres Ltd, located at Camp Hill, Stourbridge DY8 4AD, underwent a rent review on 28 December 2020, resulting in an agreed annual rent of £34,500, which represented no increase from the rent set in December 2015. This property was smaller than the subject property, with an area of 400.70 m². The panel noted that the unadjusted rate applied to this comparable was £123.50 per m². Although this property was submitted as a comparable by Mr Grundy, he attached minimal weight to the details provided. Therefore, the panel placed weight as it saw fit on the details provided.

e) Unit D Ad 1, Brettell Lane, Brierley Hill DY5 3JL was similar in size to the subject property and underwent a rent review on 23 February 2019, resulting in an annual rent of £46,739. Mr Grundy stated that this represented no increase from the original rent agreed in February 2014. The property had an unadjusted rate of £104 per m². However, as the rent review occurred in 2019, the panel considered it too far removed from the AVD to be of significant assistance.

24. The panel examined the unadjusted rates applied to the comparable properties, which ranged from £65 per m² to £123.50 per m². The only comparable with a lower base rate was My Garage Stourbridge; however, both parties agreed that its rental details were unreliable, as they related to multiple units and were agreed between connected parties. Accordingly, the panel attached little weight to this evidence.

25. The panel noted that the Kwik Fit comparable showed a reduced rent and a rent review that occurred close to the AVD in March 2021. However, no supporting evidence was provided to explain the reason for the rent reduction. The panel also observed that other rent reviews and lease renewals had resulted in nil increases. Given that the subject property's unadjusted rate had already been reduced to £70 per m², and that all of the comparable properties had higher unadjusted rates applied to their assessments, the panel concluded that a further reduction was not justified.

Conclusion

26. In view of the above findings and conclusions and from the basket of rental evidence provided, the panel was satisfied that the current assessment of the subject property at £70 per m^2 was reasonable and the appellant had not provided any evidence of rents or assessments to persuade the panel that it was excessive. It therefore confirmed the current entry in the list for the subject property at RV £33,750. The appeal, therefore, was dismissed.

Right of further appeal

27. 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.

28. 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 W Read, Senior Member (Chair)
Mrs F Cortese, Senior Member
Mrs V Hollender, Senior Member

10 December 2025

Ms R Muller
Clerk to the Tribunal
Date issued to the parties: 10 December 2025