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

Case No: CHG101206731

Sitting remotely using Microsoft Teams on 1 May 2026

Date: 22 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-Domestic Rating Appeal; 2023 Rating List; Warehouse and Premises; Accuracy of compiled list entry; rental evidence; comparable evidence; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141; Appeal dismissed.

Before:

MRS WJ BRIGGS
MR M MIAH

Between:

FERRARIS PISTON SERVICE LTD — **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) — **Respondent**

Regarding:

9 EASTER PARK, AXIAL WAY, COLCHESTER, CO4 5WY
(the “subject property”)

Mr B Porter of Ryan Property Tax Services (UK) Ltd, representing the Appellant
Ms N Awoyokun, representing the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds a tone of value of £85.00 per m² for the subject hereditament was reasonable and confirmed the rateable value (RV) at £145,000 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This was a 2023 Rating List appeal. The subject property had been entered in the 2023 rating list as ‘Factory and Premises’ at a RV of £145,000 with effect from 1 April 2023.

4. The subject property is a purpose-built warehouse constructed in 2009 as part of Easter Park, located along Axial Way in Colchester. The warehouse has eaves height of 7 metres and its roof and walls are insulated. The building extends to a total of 1,670m^2 in terms of mains space (ITMS) is fully heated and partially air conditioned.

5. The challenge proposal was submitted by Ryan on behalf of the Appellant and was received by the Valuation Officer on 15 April 2024. A reduction in the rate applied to the main space from £85.00 per m^2 to £75.00 per m^2 was sought resulting in a revised RV of £130,000 with effect from 1 April 2023.

6. The Valuation Officer issued a challenge case decision notice on 14 October 2025, which stated that based upon the evidence and information available, the rating list entry of £145,000 was considered reasonable.

7. 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 received by the Tribunal on 27 November 2025.

8. Mr Porter appeared on behalf of the Appellant as expert witness. In view of the Upper Tribunal’s judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), he declared that he was instructed under a conditional 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 bodies regardless of whether or not the evidence supported the client’s case.

9. The panel accepted this expert witness evidence on the above basis as the appeal was not 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 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.

10. Ms Awoyokun appeared for the respondent in a dual capacity as both advocate and expert witness. Her statement of truth confirmed that she was not instructed under any conditional or other success-based fee arrangement.

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

Relevant Law

12. The term 'rateable value' is 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".

13. 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).

14. The material day (the date by which physical factors have to be taken into account) was provided by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject appeal, the material day is 1 April 2023.

Discussion

15. In line with *Lotus & Delta Ltd v Culverwell (VO) & Leicester City Council [1976] RA 141*, the most relevant evidence is that which reflects open market conditions close to the AVD. The subject lease commenced on 23 October 2019 with a headline rent of £128,600 per annum (pa). The Appellant had analysed this rent to £74.59 per m^2 which he considered supported a revised rate of £75 per m^2 for the subject property. In the Challenge Decision Notice, the Respondent had cited this rent as £99,000 pa which analysed at £67.10 per m^2. Ms Awoyokun stated that she had subsequently been informed by the Appellant's representative of the correct rent of £128,600, and she requested that the panel accept her revised analysis of the subject rent of £84.49 per m^2.

16. The panel queried why the Respondent's analysis of the same rent had provided a higher figure than the Appellant's. The Respondent explained that the price per m^2 is obtained by dividing the effective rent by the area (ITMS – in terms of main space) of the hereditament for which that rent is paid. In this case, she stated that the Appellant had installed the mezzanine floor area, and therefore rent was not payable for the area of the mezzanine floor. Excluding the area of the mezzanine floor, and adjusting the relativity of the area under the floor resulted in the area (ITMS) of 1,475m^2 for which the rent was actually being paid. The panel was satisfied that the tenant would not pay rent to the landlord for its own improvements, and whilst these improvements are rateable, they must be excluded from the rental analysis.

17. The panel therefore preferred the Analysis of the subject rent, agreed in October 2019, at £84.49 per m^2, which it considered was supportive of the current assessment of £85 per m^2.

18. Both of the parties had also referred to rents and assessments of the other nine units on Easter Park, which consisted of ten industrial units with eaves height of between 6 and 8 metres, and area ITMS of between $524m^2$ and $2,805m^2$.

19. Mr Porter referred to the rent on 4 Easter Park, agreed with effect from 24 November 2021 at £48,650 pa, which he had analysed at £66.01 per m^2. He considered this rent had been agreed close to the AVD and strongly supported a reduction for the larger subject property. He also considered that the rent agreed for Axis Two, Brunel Way, a similar sized unit on the neighbouring estate, was supportive of a reduction in the rate for the subject property. The rent agreed for this unit on 20 August 2020 had been analysed by the Appellant to £49.92 per m^2.

20. Ms Awoyokun was of the opinion that the rent agreed on 4 Easter Park was an outlier when considering the rents agreed on similar units in Easter Park - in particular for Units 1 and 3. 1 Easter Park had a rent review agreed from 1 May 2019 at £225,000 pa which based on its size of $2,011m^2$ ITMS had analysed at £88 per m^2. Ms Awoyokun stated that the rental market for industrial premises had remained strong during COVID and had increased between mid-2019 and the AVD. She had provided copies of reports from Knight Frank and Cluttons to demonstrate this trend. Mr Porter conceded that rents on industrial premises had grown during this period but stated it was not possible to quantify this. The panel was satisfied that the rent on 1 Easter Park would have equated to at least £88 per m^2 at the AVD, supporting its assessment at £85 per m^2.

21. Unit 3 Easter Park was very similar in size to the subject property ($1,703m^2$ ITMS) and its rent had been agreed on a new lease from 1 July 2017 at £132,000 pa and at the end of its initial five year term, on an upwards only review at £185,000 pa from 1 July 2022. The panel noted that the analysis of the 2022 rent review was £101.55 per m^2.

22. With regard to Axis Two, Brunel Way, the panel noted that this property was constructed in 1993 and is sixteen years older than the subject property. The Respondent stated this property is assessed at £70 per m^2 based on a different valuation scheme to the properties in Easter Park. The panel considered that this property was less comparable than the properties on Easter Park and assigned low weight to this evidence.

23. The closest transaction to the AVD was that of 7 Easter Park, for which a new lease had been agreed with effect from 1 March 2021 at a rent of £55,000 pa for a 2 year term. Based on its size of $524.49m^2$ (ITMS) the rent analysed to £113.80 per m^2. Due to the short term of this lease, the panel gave reduced weight to this evidence, but considered that it, along with rents on other units in Easter Park demonstrated that the rent on Unit 4 was an outlier.

24. Having considered the rent passing on the subject property, and those of comparable properties on Easter Park, the panel was satisfied that the rate of £85.00 per m^2 applied to the subject property was not excessive.

Conclusion

25. In view of the above findings and conclusions, the Tribunal is satisfied that the subject property's current RV of £145,000 is reasonable and was not persuaded otherwise by the Appellant's evidence. The appeal is therefore 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 WJ Briggs, Senior Member (Chair)
Mr M Miah, Senior Member
22 May 2026

Mr James Massey

Clerk to the Tribunal
Date issued to the parties: 22 May 2026