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

Case Nos: 1. CHG101159086
2. CHG101274053
3. CHG101206935

Sitting remotely using
Microsoft Teams

Date: 3 June 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — appeals against the accuracy of the rateable value for the hereditaments; appeals allowed.

Before:
MRS L MCDERMOTT
MRS F DUGGAN

Between:

1. **DAVIS STANDARD EXTRUSION SYSTEMS**
2. **WOODALL FASTENING SYSTEMS**
3. **AUTO STYLING TRUCKMAN GROUP LTD**

Appellants

- and -

LUCY FORMELA-OSBOURNE
(VALUATION OFFICER)

Respondent

Regarding:
1. **UNIT 18A, NARROWBOAT WAY, HURST BUSINESS PARK, BRIERLEY HILL, DY5 1UF**
2. **UNIT 18B, NARROWBOAT WAY, HURST BUSINESS PARK, BRIERLEY HILL, DY5 1UF**
3. **UNITS 1A & 1B NAVIGATION DRIVE, HURST BUSINESS PARK, BRIERLEY HILL, DY5 1UT**

(the “subject properties”)

Mr M Iles (instructed by Ryan Property Tax Services UK Limited) for the **Appellant**
Mr M Adepoju for the **Respondent**

Hearing date: 20 May 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeals are allowed.

2. The Tribunal panel determined a revised rateable value (RV) of £60,000 in respect of Unit 18A Narrowboat Way. The Tribunal panel further determined a revised RV of £59,500 in respect of Unit B, Narrowboat Way, and a revised RV of £67,500 in respect of Units 1A & 1B, Navigation Drive, all with effect from 1 April 2023.

Introduction

3. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, three appeals have been made to this Tribunal on the grounds that the rateable value (RV) for the appeal properties are not reasonable.

4. The panel consolidated the hearing of the appeals, as the parties were using the same supporting evidence. Further, in each case the Appellants' representative was the same, as was the Valuation Officer's caseworker.

5. A brief history of each list entry and the parties' respective positions is summarised as follows:

Davis Standard Extrusion Systems
Unit 18A, Narrowboat Way, Hurst Business Park, Brierley Hill, DY5 1UF

- Workshop and premises.
- Original RV £63,500 effective from 1 April 2023.
- Proposal sought a reduction to £56,500 RV from the same date.
- Valuation Officer decided not to reduce the RV.
- Appellant sought a revised reduction to £60,000 RV.

Woodall Fastening Systems
Unit 18B, Narrowboat Way, Hurst Business Park, Brierley Hill, DY5 1UF

- Warehouse and premises.
- Original RV £97,000 effective from 1 April 2023.
- Proposal sought a reduction to £56,000 RV from the same date.
- Valuation Officer agreed to reduce the RV to £63,500 based on a price of £45/m^2.
- Appellant sought a revised reduction to £59,500 RV.

Auto Styling Truckman Group Ltd
Units 1A & 1B, Navigation Drive, Hurst Business Park, Brierley Hill, DY5 1UT

- Workshop and premises.
- Original RV £71,500 effective from 1 April 2023.
- Proposal sought a reduction to £63,500 RV from the same date.
- Valuation Officer decided not to reduce the RV.
- Appellant sought a revised reduction to £67,500 RV.

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

Background

7. The subject assessments were located in Narrowboat Way and Navigation Drive. The first property (Unit 18A) was a factory, which had been constructed in 1992 of portal frame construction. It had a total significant area (TSA) of 1379.50m^2 and was located on an industrial estate alongside Unit 18B Narrowboat Way, which was approximately 1.8 miles south west of Dudley town centre. Unit 18B was a warehouse and premises which had also been constructed in 1992, with a TSA of 1344.50m^2. Accommodation was situated over ground, first floor and mezzanine floors, and the property benefited from central heating. The final hereditament at Units 1A & 1B Navigation Drive was a warehouse and premises constructed in 1990. It had a TSA of 1410.20m^2. The accommodation was situated over ground and mezzanine floors. This property benefited from partial central heating.

8. In response to the Appellants' contention that the price should be reduced to £40/m^2, the Valuation Officer had reduced the RV in respect of Unit 18B Narrowboat Way from £97,000 to £63,500. The original RV was based on a price of £69/m^2. The revised RV was based on a price of £45/m^2, in line with the other two hereditaments.

9. The Appellants' representative was originally seeking a reduction based on a price of £40/m^2 but had revised this to £42.50/m^2.

10. The evidence submission before the panel comprised all the evidence disclosed and exchanged during challenge which included rental evidence and its analysis, and photographs of the hereditaments.

11. Mr Iles, as representative for the three Appellants, appeared in a dual role of advocate and expert witness. He stated that his company was being paid on a contingency fee basis but was aware that in giving expert evidence his responsibility was to the Tribunal.

12. Mr Adepoju, for the Valuation Officer, also appeared in a dual role of advocate and expert witness. He confirmed that he was not instructed under any conditional or other success-based fee arrangement.

13. The dual role is allowable in this Tribunal's proceedings having regard to the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 (regulation 3 (Discharge of VTE functions – general) and rules regarding admissibility of

evidence (regulation 17(2)(a)). However, it was necessary to consider the “expert” evidence and assess what weight, if any, to give it in the context of the matters in issue.

Relevant Law

14. The term “rateable value” was defined in Schedule 6 to the Local Government Finance Act 1988 (as amended). The value was required to reflect an annual rent on the property, assuming a new letting with the tenant responsible for all rates, taxes, repairs and insurance. In respect of the 2023 rating list, the Rating Lists (Valuation Date) (England) Order 2020 (SI 2020 No.832) requires the rental levels to be taken on 1 April 2021. In respect of the subject appeals, the material day is 1 April 2023.

Discussion

15. In the cases under consideration, the panel analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA141.

16. The starting point for consideration was the actual rent passing on the appeal hereditaments.

    - The rent passing on Unit 18A Narrowboat Way was £69,000 with the lease commencing on 25 May 2021 having been agreed on 25 December 2020. This rent had been analysed to £42.85/m^2 by the Valuation Officer and £42.60/m^2 by the Appellant. The lease was for a five-year term, with an initial rent free period of five months. There was a break clause after year two and year four. There was a further rent free period of six weeks if the second year break was untriggered.

    - The rent in respect of Unit 18B was a connected parties lease, and therefore both parties agreed that this rent was unreliable.

    - Units 1A & 1B were occupied at a rent of £109,936 with effect from 17 March 2023. As this was agreed two years after 1 April 2021, the panel placed less weight on this rent.

17. Both parties agreed that weight should be placed on the rent in respect of Unit 18A as it was agreed close to the antecedent valuation date (AVD) and was a new letting. However, the Valuation Officer argued that there were some unusual clauses, in particular the penalties incurred on the break dates, and on that basis, he considered that other rental evidence should be taken into account.

18. In terms of indirect rental evidence, the Valuation Officer referred to the rent in respect of two further hereditaments. The rent in respect of Unit 25, Navigation Drive had been agreed at £50,200 on 1 January 2019. This was a new lease for a 10-year period, with a rent review at year five. The Valuation Officer stated that this rent analysed to £48.52/m^2, with an adopted price of £50/m^2. The second rent was in respect of Unit 17 Narrowboat Way. This rent of £76,875 had been agreed at rent review on 1 May 2020. The Valuation Officer stated that this rent analysed to £39.49/m^2 with an adopted rate of £40/m^2. He argued that the rent on Unit 25 was more reliable than the rent on Unit 18A as it required less adjustment. At the hearing, Mr Adepoju argued that this was the strongest evidence.

19. In respect of Unit 25, Mr Iles argued that not only was this rent agreed almost two years before the AVD, it was a lease renewal for a property measuring 996m^2 in comparison to 1379.50m^2 for Unit 18A. He further argued that it was occupied by Voss, who also occupied the adjacent unit, which could have had an effect on the rent. In respect of Unit 17 he argued that this rent was also further from the AVD than the rent for Unit 18A and was therefore less reliable.

20. At the hearing, Mr Adepoju, was unable to assist the panel with information about what the market was doing at the time that the rent in respect of Unit 25 had been agreed.

21. The panel accepted that some adjustment was required in respect of the rent on the subject property Unit 18A, however both parties had come to a very similar adjusted rate of £42.85/m^2 and £42.60/m^2. This rent had been agreed much closer to the AVD than the hereditaments relied on by the Valuation Officer and were in respect of one of the subject hereditaments. The panel found this evidence more compelling. The sizes of the subject hereditaments were similar, and no evidence had been put forward by the Valuation Officer that the price per m^2 should differ, this persuaded the panel that £42.50/m^2 was reasonable for all three hereditaments.

22. No comparable assessment evidence was relied on by the parties.

23. Having considered all the evidence, the panel was more persuaded by the evidence presented by the Appellants' representative which was in respect of rent on the middle-sized appeal property close to the AVD. The Valuation Officer's representative was unable to say what was happening in the market in respect of the rent on one of the property's where the rent was agreed earlier than the AVD.

Determination

24. In view of the above findings and conclusions, the Tribunal panel determined that the RV in respect of the subject hereditaments was unreasonable, and that a price of £42.50 per m^2 more accurately reflected the appeal properties. The panel calculated the revised valuations as shown below.

Hereditament Address					
Unit 18A Narrowboat Way, Hurst Business Park, Brierley Hill, DY5 1UF					
Ref	**Floor**	**Description**	**Area (m^2)**	**Price (£/m^2)**	**Value (£)**
1.1	Ground	Workshop	1104.30	£42.50	£46,933
1.2	Ground	Office	71.30	£51.00	£3,636
1.3	Ground	Office	37.80	£51.43	£1,944
1.4	Ground	Toilets Etc	24.50	£46.75	£1,145
1.5	First	Office	79.40	£51.00	£4,049
1.6	First	Office	62.20	£42.50	£2,644
				Total Value	£60,351
				Rateable Value	£60,000
				Effective Date	1 April 2023

Hereditament Address					
Unit 18B Narrowboat Way, Hurst Business Park, Brierley Hill, DY5 1UF					
Ref	**Floor**	**Description**	**Area (m^2)**	**Price (£/m^2)**	**Value (£)**
1.1	Ground	Warehouse	951.60	£42.50	£40,443
1.2	Ground	Area Under Supported Floor	187.50	£29.75	£5,578
1.3	Ground	Office	71.30	£51.00	£3.636
1.4	Ground	Office	29.80	£46.75	£1,393
1.5	First	Office	71.30	£51.00	£3.636
1.6	First	Office	33.00	£46.75	£1,543
1.7	Mezzanine	Workshop/Store	177.10	£21.25	£3,763
				Total Value	£59,992
				Rateable Value	£59,500
				Effective Date	1 April 2023

Hereditament Address					
Units 1A & 1B, Navigation Drive, Brierley Hill, DY5 1UT					
Ref	**Floor**	**Description**	**Area (m^2)**	**Price (£/m^2)**	**Value (£)**
1.1	Ground	Workshop	41.40	£39.37	£1,630
1.2	Ground	Area Under Supported Floor	395.20	£27.55	£10,888
1.3	Ground	Office	31.20	£48.45	£1,512
1.4	Mezzanine	Store	411.30	£19.68	£8,094
1.5	Ground	Area Under Supported Floor	880.00	£27.55	£24,244
1.6	Ground	Office/Canteen/Toilets	62.40	£48.45	£3,023
1.7	Mezzanine	Internal Storage	927.80	£19.68	£18,259
				Total Value	£67,650
				Rateable Value	£67,500
				Effective Date	1 April 2023

25. As a consequence of the above decision, the Tribunal panel orders the Valuation Officer to reduce the 2023 Rating List entries in respect of Unit 18A Narrowboat Way to £60,000 RV. The entry in respect of Unit 18B Narrowboat Way to £59,500 RV and the entry in respect of Units 1A & 1B Navigation Drive to £67,500 RV, all with effect from 1 April 2023. The Valuation Officer must comply with this Order within two weeks of the date of its making.

26. The Appellants are entitled to a full refund of the fee paid in respect of the subject hereditaments in accordance with regulation 13E(a)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended).

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) within **four weeks** of the date this decision and statement of reasons is 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/.

Mrs L McDermott, Senior Member (Presiding)

Mrs F Duggan, Member

3 June 2025

Mrs K Edhouse-Thomas
Clerk to the Tribunal
Date issued to the parties: 3 June 2025