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

Case No: CHG101207784

Sitting remotely using Microsoft Teams on 23 February 2026

Date: 10 March 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — tone of the rating list – rental evidence - Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council [1976] RA 141

Before:

MR A N BACKWAY
MS N PATEL and MRS V LLOYD

Between:

J H LEEKE & SON — **Appellant**

- and -

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

Regarding:

UNIT 1A AND 1B EASTGATE CENTRE, BRISTOL BS5 6XX
(the "subject property")

Mr H Jones of Cook and Arkwright, for the Appellant.
Mr S T A Gedara, for the Respondent.

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds that the existing entry in the 2023 Rating List is reasonable, and it is confirmed at £219,000.

STATEMENT OF REASONS

Introduction

3. The appellant's representative made a proposal on 17 April 2024 to challenge the entry in the 2023 Rating List at £219,000 with effect from 1 April 2023. The valuation was based on £120/m^2. The appellant's representative sought a reduction to £70/m^2, resulting in a revised valuation of £131,000. The Valuation Officer (VO) did not find the proposal to be well founded, and a Challenge decision to that effect was issued on 22 May 2025. The appeal against the decision notice was received by the Tribunal on 22 September 2025.

4. Considering the judgment in *Gardiner & Theobold LLP v Jackson (VO)* [2018] UKUT 0253 (LC), Mr Jones stated that he was appearing before the Tribunal in a dual role as both advocate and expert witness. He confirmed that he was instructed on a contingency fee basis. In giving expert evidence, 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 his client's case.

5. 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 Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 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). It was therefore appropriate for the panel hearing the evidence to consider the 'expert' evidence and assess what weight, if any, to give it in the context of the matters in issue before it.

6. Mr Gedara declared he was also appearing as both advocate and expert witness, having previously inspected the subject property.

7. The hereditament is valued as a retail warehouse and premises within a retail park accommodating several major retail brands. It consists of ground floor retail space and a mezzanine floor. The survey data was not in dispute, with the hereditament measured at a total area of 1759.6m^2 in terms of main space.

8. The material day on which to consider the property and its locality was 1 April 2023, as this was a challenge to the compiled list entry. The property must be considered with regard to values on the antecedent valuation date (AVD) of 1 April 2021.

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

Relevant Law

10. The subject property must be valued by the statutory assumptions set out in Schedule 6 to the Local Government Finance Act 1988 as follows:

"(1) 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."

11. The panel had regard to the Lands Tribunal judgment of *Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council* [1976] RA 141, mentioned by both parties in their evidence, which provided guidance on the weight to be attached to different forms of evidence.

Discussion

12. In accordance with *Lotus & Delta*, the panel found that the starting point of any valuation must be the rent passing on the subject property. In this case, the subject property was occupied by the appellant company under a ten-year lease commencing 7 December 2020 for £183,590 per annum. The lease included a rent free period. Mr Jones submitted that this rent, agreed just four months prior to the AVD, was the best evidence and his analysis produced a unit price of £70/m^2.

13. Mr Gedara, for the VO, submitted that the subject property's rent was an outlier and considered it out of kilter with the rents passing on similar hereditaments in the locality. He referred the panel to a number of comparable properties and invited it to confirm the existing valuation.

14. The panel noted the comments from both parties and found that it was correct to begin with the rent agreed on the subject property. However, in determining how much weight to attach to that transaction, the panel had regard to stage three of the hierarchy in *Lotus & Delta* –

"Where rents of similar properties were available they too are properly to be looked at through the eye of the Valuer in order to confirm or otherwise the level of value indicated by the actual rent; and assessments of such comparables were also relevant, indicating as they did the valuation officer's opinion of comparative values"

15. The VO's examples included another unit in the Eastgate Centre, Unit K. This property is a similar size to the subject property, at 1584.30m^2 and in the same location. It was the subject of a new letting from May 2022, which analysed to £206.83/m^2 and was valued at £145/m^2. While the panel initially considered this a strong comparable property, Mr Jones highlighted that the entry in the rating list for Unit K described it as a leisure centre and premises. While

Mr Gedara initially resisted this, he checked the list online and confirmed the description had been updated. The panel concluded that Unit K was a different mode and category of occupation and therefore this meant the rent carried less weight.

16. The VO's other comparable properties were located in Aldermoor Way and Avonmeads, which Mr Jones submitted were between 3.7 miles and 5.4 miles away from the subject property. Although the panel noted this point, it found that the rents presented by the VO were all close to the AVD and therefore provided useful evidence of rents passing on similar hereditaments in the locality. If there was a lack of AVD rents on comparable units in the Eastgate Centre, then it may be necessary to cast the net a little wider to illustrate the market.

17. Mr Jones highlighted another change in mode and category of use for one of the VO's examples. Lidl, Unit 1A Aldermoor Way, measures 1972.83m^2 and was subject to a new letting from July 2020 which analysed to £153.05/m^2 and was valued at £180/m^2. Under questioning Mr Gedara accepted that the rating list entry for this hereditament had also been updated and it was now shown as a Large Food Store and premises. The panel was disappointed that the updates for both Unit K Eastgate Centre and the Lidl unit in Aldermoor Way were not up to date in the VO's submissions. It found that less weight could be attributed to the new lettings on these properties when they were not valued as retail warehouses.

18. This left the panel with two examples from the VO. Firstly, a new letting from July 2020 was presented on Smyths Toys, Unit 1B Aldermoor Way, which analysed to £180/m^2 and was valued at that level. Secondly, Unit 1 Avonmeads illustrated a lease renewal from March 2021 which analysed to £142.60/m^2 and was valued at £125/m^2. The panel noted Mr Jones' point that these two units are smaller than the subject property but found them to be not so different in size as to be excluded for comparison and the rents were useful evidence.

19. Even after excluding Unit K and the Lidl unit, the panel noted that none of the examples relied on by the VO were as low as the £70/m^2 contended for by Mr Jones. The lowest was Unit 1 Avonmeads at £125/m^2 and this was still higher than the subject property's valuation. This suggested to the panel that the subject property's existing valuation at £120/m^2 was not excessive.

20. In addition to the rental evidence, the VO's submission included an example of a settled case on a retail warehouse. Home Bargains, Petherbridge Way, Bristol is a very similar sized unit to the subject property, at 1738.44m^2. It is an older unit, built in 1986 compared to the 1995 build subject property, and the VO submitted it is located just one mile away. The valuation of the Home Bargains unit was agreed with a professional rating agent at £125/m^2.

21. While Mr Jones contended that the subject property was marketed for twelve months prior to the appellant taking the lease, the panel found that the rent seemed low in comparison to other similar units in the area. It held that the starting point for the valuation must be the rent agreed on the subject property, but that rent cannot be considered in isolation. In accordance with *Lotus & Delta*, the rent must be tested against comparable units in the locality, where rents and settlements are available. This exercise showed the subject rent to be out of kilter with other retail warehouse assessments. When considering the basket of rental evidence, the panel found that there was no evidence from the appellant's representative to show another similar hereditament valued anywhere close to £70/m^2 in the locality. The subject property was already valued at the lower end of the range of values in the basket of rents

and the panel found the agreement at £125/m^2 on the Home Bargains unit, just a mile away on an older unit, persuasive.

22. In appeals of this nature, the burden of proof rests with the appellant's representative to prove his case and show that the existing valuation is unreasonable. On the evidence available, the panel was not persuaded that this had been successfully demonstrated, and it found that the existing valuation at £120/m^2 was not excessive.

Conclusion

23. In view of the above findings and conclusions, the Tribunal is satisfied that the existing valuation at £219,000 from 1 April 2023 is reasonable. The appeal is therefore dismissed.

Right of further appeal

24. 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.

25. 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 A N Backway, Senior Member (Chair)
Ms N Patel, Senior Member
Mrs V Lloyd, Member
10 March 2026

Mrs A Sloan
Clerk to the Tribunal
Date issued to the parties: 10 March 2026