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

Case No: CHG101211262

Sitting remotely using Microsoft Teams

Date: 4 September 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — should an allowance for fragmentation that had been applied in previous lists be re-applied to the valuation in the 2023 Rating List - Barnard and Barnard v *Walker (Valuation Officer)* LVC/231/1975 and *Lamb* v *Minards* (VO) LVC/345/1973 – appeal allowed

Before:
MR AMRAN HUSSAIN
MRS M CHAGGAR

Between:

ULTRA TOUGH LIMITED — **Appellant**

- and -

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

Regarding:
CAPITAL CONNECT, TRAVELLERS LANE, NORTH MYMMS, HATFIELD, AL9 7EX
(the "subject property")

Mr M Clayton of Ryan for the Appellant
Mrs A Awoyokun for the respondent

Hearing date Friday 22 August 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed. The rateable value (RV) is confirmed at £487,500 having applied a 5% end allowance for fragmentation of the premises.

Introduction

2. This appeal has been brought in respect of the following: an appeal lodged by Ryan on behalf of the occupier, Ultra Tough Limited on 7 March 2025 against the Valuation Officer's (VO) decision of 27 February 2025.

3. Mr Clayton appeared on behalf of the appellant 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 Clayton's declaration of truth included a statement that he was instructed under a conditional fee arrangement.

4. Mr Clayton 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 or not the evidence supported the client's case.

5. 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).

6. The panel therefore considered the "expert" evidence and attached such weight to it as it saw fit.

7. Mrs Awoyokun was appearing in a dual role of advocate and expert witness.

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

Issue

9. The issue before the panel concerned whether or not an allowance should be applied to the subject property's assessment due to fragmentation of the site. The appellant sought the re-instatement of a 5% allowance which had been applied in previous Rating Lists. The respondent considered that the price per m² adopted when moving the property from one valuation scheme to another would take account of the issue of fragmentation.

10. The antecedent valuation date for 2023 Rating List appeals is 1 April 2021 and the material date in this appeal was 1 April 2023.

11. The subject property comprises three adjoining units constructed in 1976 of brick walls and concrete flat roof with an addition in 2018.

Decision and reasons

12. Mr Clayton stated that when the subject property was first entered into the 2023 Rating List a 5% allowance for fragmentation, which had been applied in previous Rating Lists including the 2005,2010 and 2017 Rating List, had been applied. The challenge saw the property being moved into a more appropriate valuation scheme, but the allowance had been removed from the valuation.

13. Mr Clayton referred to the Lands Tribunal decision of *Barnard and Barnard* v *Walker (Valuation Officer)* LVC/231/1975 where it was held that an allowance in a previous list should apply in a new list unless evidence rebutted that the allowance should continue. He stated that there had been no material change in the layout between the three units and therefore he considered that the allowance of 5% should be reinstated.

14. Mr Clayton stated that the respondent's comparable hereditament was located in Peterborough which was some 50 miles distant from the subject property and therefore he did not consider it to be comparable to the subject property.

15. In answer to a question Mr Clayton confirmed that it was his understanding that the three units were all occupied by the appellant and was not aware that one of the units may be now occupied by a different occupier.

16. Mrs Awoyokun stated that when the subject property first entered the 2023 Rating List the 5% allowance was still included within the valuation but following a challenge the subject property was moved into a more appropriate valuation scheme and the allowance was removed. She considered that as there were no other properties within the same scheme where an allowance had been given for fragmentation then no allowance should be given in this instance.

17. Mrs Awoyokun stated that the base rate of £50 per m² had been accepted and she accepted that the rent analysed to £41 per m² but the rent was from 2018. She stated that she did not believe a hypothetical landlord would accept a discount of £20,000 plus in rent payable for a tenant who took three units knowing they were separate. She considered that if the issue was such a nuisance, then the appellant had the option of moving.

18. Mrs Awoyokun stated that a temporary storage unit had been added in 2018 and if an allowance was given, she did not consider it should be given for the storage unit as it was a tenant's improvement. Also, she believed that one of the units was now in separate occupation which illustrated that the appellant had flexibility if a unit was no longer required. She did accept that the comparable hereditament she had provided in her decision notice was not relevant to the appeal as it used to support the price per m² adopted and not whether an allowance should be granted.

19. The panel was informed that an allowance for fragmentation had been applied in the 2005, 2010 and 2017 Rating Lists and the original entry in the 2023 Rating List the allowance had been applied but removed when the subject property was moved into a different valuation scheme.

20. Whilst the panel noted that there had been an addition with a temporary storage unit in 2018 but there had been no material change since the end of the 2017 Rating List and the start of the 2023 Rating List. As in the Lands Tribunal decision of *Barnard and Barnard* v *Walker (Valuation Officer)* LVC/231/1975 and and *Lamb* v *Minards* (VO) LVC/345/1973, as referred to in the Mr Clayton's appeal, the panel had to consider whether the allowance which had

been given in the previous Rating Lists should continue or had sufficient evidence been provided to illustrate that the allowance should no longer be applied.

21. The respondent considered that the allowance should no longer be applied as the subject property was in a different scheme and that the price per m² adopted would take account of the fragmentation. However, the panel noted that the rent analysed to a lower figure than the price per m² adopted. It therefore had not been persuaded by the respondent that the price per m² had already taken account of the fragmentation and that an allowance should be applied.

22. The panel noted that the respondent considered that there may be a new occupier in one of the units, but the panel had to consider the property as it stood on 1 April 2023 and at that time the appellant's representative was confident that there was only one occupier of the three units, which was the appellant.

23. The panel noted that the respondent stated that if an allowance was to be applied to the subject property for fragmentation it should not apply to the temporary storage unit as this was a tenant's improvement. However, the panel considered that the allowance should be applied as an end allowance which therefore would include the temporary storage unit.

Determination

24. In view of the above findings and conclusions, the Tribunal is satisfied that a 5% allowance for fragmentation should be applied and determined at RV £487,500 with effect from 1 April 2023. The panel accordingly allows the appeal.

Order

25. Accordingly, we order that the entry in the 2023 Rating List be amended to £487,500 with effect from 1 April 2023 within two weeks of the date of this order.

Valuation

Line	Floor	description	area(m²)	price (£/m²)	Value
1	ground	loading bay	98.1	£ 25.59	£ 2,510.38
2	ground	office	183.9	£ 69.30	£ 12,744.27
3	first	office	186	£ 69.30	£ 12,889.80
4	ground	warehouse	6076.7	£ 51.20	£ 311,127.04
5	ground	warehouse	3038.4	£ 51.20	£ 155,566.08
6	ground	store	10.7	£ 51.20	£ 547.84
					£ 495,385.41
		miscellaneous addition	750	£ 25.00	£ 18,750.00
					£ 514,135.41
		end allowance Fragmentation	5%		£ 25,706.77
					£ 488,428.64
				RV	£ 487,500.00

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

Mr Amran Hussain, Senior Member (Presiding)

Mrs M Chaggar, Senior Member

4 September 2025

Mr A Jolly
Clerk to the Tribunal
Date issued to the parties: 4 September 2025