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

Case No: CHG101218442

Sitting remotely using Microsoft Teams

Date: 24 December 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 rating list appeal; Local Government Finance Act 1988; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141; £ p/m² in dispute; Appeal dismissed.

Before:
MR D HOGG
MR W READ

Between:

POUNDLAND **Appellant**

- and -

LUCY FORMELA-OSBORNE
(VALUATION OFFICER) **Respondent**

Regarding:
6, THE EXEBRIDGE CENTRE, COWICK STREET, EXETER EX4 1AH
(the 'subject property')

Appearances:
Mr D Johnstone of Colliers representing the Appellant
Mrs H Moffat and Mr S Harris, representing the Respondent

Hearing date: 17 December 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The adopted rate in respect of the subject property is £196.50 p/m^2. The rateable value (RV) is therefore £125,000.

STATEMENT OF REASONS

Introduction and background

3. This decision and statement of reasons is not a contemporaneous or verbatim record of the proceedings.

4. The subject property is a retail warehouse, one of six units that formed the Exebridge Centre in Cowick Street, Exeter.

5. The subject property entered the 2023 rating list with effect from 1 April 2023 with an RV of £173,000 (£280 p/m^2) with a recorded total area of 876.87m^2. A Challenge was submitted to the Respondent in accordance with the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009. The Appellant sought a revised RV of £75,500 (£115 p/m^2). The Respondent's subsequent decision notice found that whilst the Challenge was not well-founded, the RV of £173,000 was unreasonable. Consequently, the adopted rate was reduced to £200 p/m^2, which produced a revised RV of £126,000. An appeal was submitted to the Tribunal on 17 July 2025.

6. On 29 October 2025, the subject property was jointly inspected by the parties and the total area was agreed at 886.52m^2. As a consequence, the Respondent proposed a revised RV of £125,000 (£196.50 per p/m^2) whilst the Appellant revised the reduction he was seeking to £82,000 (£125 p/m^2).

7. The Appellant was represented by Mr Daniel Johnstone of Colliers who stated that he was representing the Appellant on a fixed fee basis only. The Respondent was represented by Mrs Helen Moffat and Mr S Harris. Mr Johnstone and Mrs Mofatt appeared in the dual roles of advocate and expert witness and they both acknowledged and accepted that when presenting evidence as an expert witness, their duty was to the tribunal irrespective of whether their evidence supported their case. Mindful of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT (LC), the panel accepted the expert witness evidence on this basis as the appeal was not considered to be complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions - general) of the Procedure Regulations. Furthermore, it was allowable due to the Tribunal's rules concerning 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 to consider the expert evidence and assess what weight, if any, to give it in the context of the issues before it. Mr Shaun Harris appeared as a witness of fact for the Respondent.

Relevant Law

8. The subject property must be valued for the purpose of non-domestic rating on the basis of the rent at which it might reasonably be expected to let from year to year on a number of assumptions (paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988). These are well known to the parties and so it is not considered necessary to set them out in

this decision and statement of reasons. The date of the hypothetical rent was 1 April 2021 and matters which affect the physical state or enjoyment of the property or the locality were to be taken as 1 April 2023 (the material day).

Discussion

9. There was one matter in dispute between the parties, the £ p/m^2 to be adopted for the subject property. Mr Johnstone was seeking a reduction to £125 p/m^2 (RV £82,000), whilst Mrs Moffat was defending £196.50 p/m^2 (RV of £125,000).

10. The panel noted that the subject property was part of a retail park which had “open consent”. When asked, Mr Johnstone explained that this meant that the units could be occupied for a range of uses and was not restricted to retail. The parties agreed that this had no influence upon the rental values.

11. The panel had regard to the Lands Tribunal case of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141 which sets out the six propositions when considering the weighting of evidence and expert opinion. As with the relevant legislation, these propositions are well known to the parties and so the panel did not consider it necessary to set them out in this decision and statement of reasons.

12. The starting point for consideration is the passing rent on the subject property. This was £203,546 per annum with effect from 28 August 2013. The forms of return held by the Respondent confirmed that there had been a nil increase at the five year review in July 2018, whilst the July 2023 review had resulted in a reduction to £118,000 per annum.

13. Mr Johnstone submitted that the most appropriate evidence to determine this appeal was the rental evidence of Unit 2 that was occupied by Next (1,449.64m^2 in area). The rent was a renewal, effective from December 2019 at £280,224 with an eighteen month free period which he had analysed to £128 p/m^2. The Respondent had analysed this rent to £127.33 p/m^2 but did not include a turnover rent of 7%. Mrs Mofatt argued that the landlord is likely to have agreed a lower base rent (estimated at 80%) in the anticipation of receiving additional rent from improved sales. Mr Johnstone submitted that the turnover rent had never been paid. Unit 2 had been valued at an adopted rate of £265 p/m^2.

14. Mr Johnstone also submitted that the rent in respect of Unit 3 that was occupied by TK Maxx (1,447,80m^2) supported his contention. The rent was the product of a lease renewal effective from September 2022 at £235,000 per annum which he had analysed to £162 p/m^2, whilst the Respondent had analysed it to £156.63 p/m^2. Unit 3 had also been valued at an adopted rate of £265 p/m^2.

15. Mrs Mofatt submitted that the best evidence to determine this appeal was the passing rent in respect of the subject property, which she had analysed to £196.65 p/m^2 when using the agreed area of 600.04m^2. This, Mrs Moffat argued, demonstrated that adopting £196.50 p/m^2 (a reduction of 30% from the 2017 rating list) was not unreasonable.

16. Mrs Moffat added that £196.50 p/m^2 for the subject property was supported by the tone reductions in respect of other retail warehouses located on Stone Lane (0.8 miles away) and Rydon Lane (4.1 miles away) which have been the subject of 23% and 30% reductions respectively between the 2017 and 2023 rating lists. It was also submitted that the evidence drawn from the other five retail warehouses on the Exebridge Centre development demonstrated that an adopted rate of £196.50 was fair and reasonable for the subject

property. Mrs Moffat added that the 55% reduction sought by the Appellant was not supported by any compelling evidence and was unreasonable.

Conclusion

17. The panel found that the most persuasive evidence was, the latest rent in respect of the subject property analysing at £196.65 p/m^2. Whilst this was more than two years after the AVD and a renewal, the panel found that it was reasonably in accordance with the *Lotus and Delta*. Support for this rate was found in the reductions to the rates of the retail warehouses in Stone Lane (23%) and Rydon Lane (30%).

18. Mr Johnstone had placed most weight on the rent of Unit 2 which had been agreed at £280,224 per annum in December 2019 and analysed by both parties to £128 p/m^2 (when rounding up). The adopted tone was £265 p/m^2. However, this unit was more than twice the size of the subject property and the panel found that it could not rely upon the agreed base rent because it included a turnover provision of 7%. Whilst the panel found no compelling evidence from the Respondent to demonstrate the accuracy of the base rent being at 80%, it had not been provided with any evidence to show what it actually was. The panel found that it was not unreasonable to expect the landlord to have reached the agreement he had in order to retain an established tenant in the hope/expectation of recouping lost rental income from increased sales. In the circumstances, this evidence was not persuasive.

19. Unit 3, at a rent of £235,000 per annum from September 2022 had been analysed by the Appellant to £162 p/m^2 and £157 p/m^2 by the Respondent. However, this unit was more than twice the size of the subject property with an adopted tone of £265 p/m^2. This evidence was not persuasive.

20. In view of the above findings, the panel found that £196.50 p/m^2 (and an RV of £125,000) was not unreasonable.

21. This appeal is therefore dismissed.

Right of further appeal

22. 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.

23. 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 D Hogg, Senior Member (Presiding)
Mr W Read, Senior Member

Mr A Johnson
Clerk to the Tribunal

Date issued to the parties: 24 December 2025