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

Case No: CHG101220067
CHG101216812
CHG101220078

Sitting remotely using
Microsoft Teams on
Tuesday 28 April 2026

Date: 18 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — 2023 Rating List appeals; Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council [1976], *correct zone A rate; shop and premises; rents passing on the comparable properties demonstrated to the panel that the current assessments were not unreasonable; appeals dismissed.*

Before:

MR SW CHAPPELL
MR P BARBER

Between:

PEARL CHEMIST LTD (appeal 1)
J H LORIMER LTD (appeal 2)
KAPRE LOUNGE LTD (appeal 3)

Appellants

- and -

ANDREW MOULAND
(VALUATION OFFICER)

Respondent

Regarding:

30 HIGH STREET, BANSTEAD SM7 2LS (appeal 1)
46 HIGH STREET, BANSTEAD SM7 2LX (appeal 2)
111, HIGH STREET, BANSTEAD SM7 2NL (appeal 3)
(the “subject properties”)

Miss I Gathercole of Ryan Property Tax Services UK Limited on behalf of **the Appellants** as Advocate and Expert Witness
Miss O Brennan of the Valuation Office for the **Respondent** as Advocate and Expert Witness

---

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeals are dismissed.

2. The Tribunal finds that the subject properties' existing assessments, which were based on a zone A rate of £500/m^2 were not unreasonable.

STATEMENT OF REASONS

Introduction

3. These appeals have been brought in respect of:

   i) 30 High Street, Banstead SM7 2LS (appeal 1), which was entered in the 2023 rating list as 'shop and premises' at £33,000 Rateable Value (RV), effective from 1 April 2023.

   ii) 46 High Street, Banstead SM7 2LX (appeal 2), which was entered in the 2023 rating list as 'shop and premises' at £65,500 RV, effective from 1 April 2023.

   iii) 111 High Street, Banstead SM7 2NL (appeal 3), which was entered in the 2023 rating list as 'shop and premises' at £23,250 RV, effective from 1 April 2023.

4. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, these appeals were made to the Valuation Tribunal for England (VTE) on behalf of the respective Appellants. The appeals were made because the Appellants did not agree with the Valuation Officer's decisions not to alter the subject properties' 2023 rating list entries following the respective challenges. The Appellants sought the following reductions:

   i) (appeal1) £33,000 RV to £29,750 RV, with effect from 1 April 2023.
   ii) (appeal 2) £65,500 RV to £59,000 RV, with effect from 1 April 2023.
   iii) (appeal3) £23,250 RV to £21,000 RV, with effect from 1 April 2023.

5. Miss Gathercole was appearing on behalf of the Appellants as advocate and expert witness. Therefore, it was important to ascertain if there was a success related fee involved and if so whether its existence was compatible with her obligations to the tribunal as an expert. This question was raised in view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC).

6. Miss Gathercole explained that she was representing the Appellants in these appeals on a contingency fee basis. However, she declared that she understood and accepted that her duty was to the Tribunal in giving her evidence and she would comply with this as well as the requirements of her professional body regardless of whether or not the evidence supports her client's case.

7. The panel have accepted this expert witness evidence on the above basis as the appeals are not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the VTE (Council Tax and Rating Appeals) (Procedure) Regulations 2009 (SI No 2009/2269) 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). The panel therefore considered the “expert” evidence and attached such weight to it as it saw fit.

8. The panel agreed to consolidate the hearing of these three appeals.

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

Background

10. The subject properties are shops and premises located on the High Steet in Banstead. 30 and 111 High Street were located on the ground floor, with residential accommodation above (this was not part of the rating assessments). 46 High Street provided accommodation over the ground and 1st floors. The properties were of traditional brick construction with a glazed shopfront. The subject properties measured 147.35m^2, 459.72m^2 and 79.87m^2, respectively.

11. The subject properties were all currently valued at a zone A rate of £500/m^2, which Miss Brennan was defending. Whereas, Miss Gathercole sought a reduction to £450/m^2.

Preliminary issue

12. On 23 April 2026, Miss Brennan forwarded two emails to the clerk. The first email served at 11:43, contained updated rental analysis for the comparable property 77 High Street. This email corrected a minor error that had been found in the Valuation Officer’s Decision Notice. The second email served at 17:18, contained a further re-analysis for the rent on 77 High Street and also that for a further comparable property, 95 High Street.

13. At the hearing, Miss Brennan asked the panel to disregard the email served at 17:18 on 23 April 2026. Miss Gathercole had no objections to the first email served at 11:43, comprising the re-analysis of the rent on 77 High Street. As such, the panel proceeded to hear the appeal having regard to the evidence exchanged during the challenge process, together with Miss Brennan’s first email of 23 April 2026 served at 11:43.

Relevant Law

14. The subject hereditaments must be valued for the purpose of non-domestic rating on the basis of the rents that they might reasonably be expected to let from year to year on a number of assumptions (see paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988). The date of the hypothetical rent was 1 April 2021, the Antecedent Valuation Date (AVD). Matters that affect the physical state or enjoyment of the property or the locality were to be taken as at 1 April 2023 (the material date).

Discussion

15. The panel acknowledged that the sole issue in dispute was the correct zone A rate to be applied to the subject properties’ assessments. The existing assessments were valued at a zone A rate of £500/m^2, which was being defended by Miss Brennan. In contrast Miss Gathercole sought a reduced zone A rate of £450/m^2.

16. In deciding the issue in dispute, the panel had regard to the Lands Tribunal judgment of _Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council_ [1976], as referred to in the

Valuation Officer's Decision Notices. This case had established six propositions that gave clear guidance to be followed when assessing rateable value. Bearing these six propositions in mind, the panel acknowledged that the correct starting point was the actual rent passing on the subject properties and consideration as to how those rents compared to the statutory definition of rateable value.

17. The panel noted that the respective Appellants owed the freehold interest for both 30 and 46 High Street, as such there were no rents available on those two properties. 111 High Street was let on a five-year lease that had been set on 17 July 2023. The rent was £32,500 and there had been a six-month rent-free period. Neither party placed significant weight on this rent; Miss Gathercole pointed out that there had been a nil increase at the 2023 rent review. Miss Brennan confirmed the nil increase and also pointed out that it was a stepped rent. As the rent required a degree of adjustment to bring it into line with the statutory definition of rateable value, the panel placed less weight on it.

18. Therefore, the panel went on to examine the third and fourth propositions outlined in *Lotus and Delta* and had regard to the rents and assessments placed on comparable properties. As such, the panel turned to the schedule that detailed both parties' rental evidence. The following three rents were provided:

i) 95 High Street measured 86.95m^2. There was a new 15-year lease on this property, with a four-month rent free period and a further four-month period at half rent. The rent was £30,000 with effect from 8 December 2021. Miss Gathercole considered this the best rent and had analysed it to £483/m^2, whereas Miss Brennan had analysed the rent to £514.99/m^2 and considered her analysis supported the existing zone A rate.

ii) 65 High Street measured 62.34m^2. There was a rent passing on this property at £20,250, which had been set on 1 July 2021. Miss Brennan had analysed this rent to £494.19/m^2. This was an open-ended agreement, which Miss Gathercole contended could inflate the rent due to the lack of uncertainty. In contrast, Miss Brennan considered that the open-ended agreement could result in a lower rent.

iii) 77 High Street measured 86.30m^2. There was a rent passing on this property of £38,000, which had been set on 1 August 2021. Miss Brennan had analysed this rent to £526.41/m^2. Miss Gathercole placed less weight on this rent as it included residential accommodation above the property. Miss Brennan explained that her rental analysis of this property has reflected the residential accommodation.

19. The panel noted that Miss Gathercole's main evidence was the rent passing on 95 High Street, which she had analysed to £483/m^2. When questioned on how this analysed rent supported a lower zone A rate of £450/m^2, Miss Gathercole explained that she had reflected the market conditions as a whole, plus the Covid-19 pandemic. Furthermore, it would demonstrate a nil increase from the zone A rate applied to the 2017 rating list assessments.

20. The panel noted that the parties differed on their respective rental analysis of 95 High Street. Miss Gathercole analysed the rent to £483/m^2, whereas Miss Brennan analysed it to £514.99/m^2. Having heard both parties' arguments, the panel was more persuaded by Miss Brennan's analysis. The panel noted that there was a four-month rent free period, followed by a further four-month period at half rent. Miss Gathercole had taken all this period as an incentive and had not accounted for fit out, stating it was a small shop with fit out likely to complete in one to two weeks. However, Miss Brennan explained that the Form of Return had stated that the rent-free period was for fit out and should be treated as such. In her

analysis, she had assumed the market norm at three months' rent free. Furthermore, the panel noted that Miss Gathercole had assumed the rent was paid annually in arrears, whereas Miss Brennan had assumed it was quarterly in advance, which was in line with the lease and RICS guidance.

21. The panel then had regard to the three rents in the basket, that analysed to between £494.19/m^2 and £526.41/m^2. Whilst the panel appreciated that none of the rents were perfect; it was the only rents provided in this appeal. Having regard to the basket of rents, the panel found that the current zone A rate applied to the subject properties of £500/m^2 was not unreasonable. The panel further noted that the three subject properties, together with the three comparable properties had all been consistently valued at a zone A rate of £500/m^2.

Conclusion

22. In view of the above findings and conclusions, the Tribunal is satisfied that the subject properties' respective current assessments at £33,000 RV (appeal 1), £65,500 RV (appeal 2) and £23,250 RV (appeal 3) were not unreasonable.

23. Accordingly, the panel dismissed the appeals.

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 SW Chappell, Senior Member (Chair)
Mr P Barber, Member
18 May 2026

Mrs Rachel James
Clerk to the Tribunal
Date issued to the parties: 18 May 2026