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

Case No: CHG101220784

Sitting remotely using Microsoft Teams

Date: 22 October 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-Domestic rating; Local Government Finance Act 1988; Lotus and Delta v Culverwell (VO) [1976] RA 141; Comparable Properties; Rate; Appeal dismissed.

Before:

MR P WARD
MRS M CHAGGAR

Between:

REDCO LTD **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) **Respondent**

Regarding:

11-14, BURTON CLOSE, NORWICH NR6 6AZ
(the appeal property)

Mr Simon Penny of Ryan Property Tax Services UK Limited for the appellant
Ms Katharine Cockhill for the respondent

Hearing date: 30 September 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal was dismissed. The panel found that a rate of £42/m^2 was reasonable for the appeal property giving a rateable value (RV) of £96,500 with effect from 15 December 2023 with the 2016 warehouse assessed at the higher base rate of £67.50/m^2.

Introduction

2. The appellant sought a reduction in the 2023 rating list RV from £96,500 to £81,500 with effect from 15 December 2023 based on reducing the rate/m^2 from £42 to £40 with the 2016 built warehouse being valued at the same rate rather than the current £67.50/m^2.

3. A challenge was submitted on 20 May 2024 based on rental evidence from nearby comparable properties.

4. The respondent considered the challenge but found that the rating list entry was reasonable based on the evidence and information available and disagreed with the challenge.

5. The appeal property was an industrial unit within the mixed age Vulcan Road Industrial Estate. The main building was of brick construction built in the 1950's and there was an additional warehouse and storage space unit built in 2016.

6. The appellant was represented by Mr Simon Penny of Ryan Property Tax Services Limited who appeared 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) he confirmed that he was instructed under a conditional fee arrangement. He declared that he understood and accepted that his duty was to the Tribunal in giving his evidence and that 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.

7. 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).

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

9. This hearing was adjourned at 10:38am to allow the respondent's representative time to consider two items of new evidence submitted by the appellant's representative in respect of Check, Challenge Appeal decisions of Walston House and Radiophone. The hearing was reconvened at 11am when the respondent's representative declared that she was happy for the items to be included. The panel proceeded with the appeal.

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

Relevant Law

11. Local Government Finance Act (LGFA) 1988.

12. *Lotus and Delta v Culverwell (VO)* [1976] RA 141

Discussion

13. The panel was aware that rateable value should be assessed in accordance with The Local Government Finance1988 Schedule 6, paragraph 2 (1).

14. "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….."

15. Further, in respect of an appeal against an entry in the 2023 rating list, the rental levels are to be taken as those passing at the antecedent valuation date (AVD) of 1 April 2021. The material day, the date by which physical factors have to be taken into account in respect of this appeal, was 15 December 2023.

16. The panel was also aware that the leading case law in non-domestic property valuation was *Lotus and Delta v Culverwell (VO)* [1976] RA 141 which sets out the manner by which a property should be valued. This judgment provided authoritative guidance on the weight to be attached to rental and assessment evidence. The rent on the subject property was considered to be the correct starting point and then rents and assessments on other comparable properties. All of the evidence could then be weighted.

17. As the property was held freehold the panel referred to comparable properties submitted by both parties.

18. The appellant's representative had submitted that Speedy Hire on Vulcan Road South, which was in the same locality and assessment scheme as the appeal property, had been let on a lease with effect from 3 June 2021 on a rent of £22,500 p.a. which he had analysed to £43.18/m^2. Compared to the tone within the scheme of £45/m^2, the current assessment was excessive.

19. However, the respondent's representative submitted that the lease was a nil increase renewal and the panel found that as it was not an open market letting it was not very useful evidence and placed little weight on it.

20. The appellant's representative had submitted a similar argument in respect of Bay 3A, Diamond Road, let 1 July 2020 for £27,200 p.a. which he had analysed to £42.80/m^2, again, an amount less than the scheme tone of £45/m^2.

21. The panel noted that the letting was an open ended stepped rent lease, a tenancy at will, and understood that such leases provided no security of tenure to the landlord or the tenant. It also did not mention insurance and repairs responsibilities. The panel found that this was not very useful evidence and therefore gave it little weight.

22. Radiophone, Vulcan Road North was let on a lease with effect from 25 December 2018 for £185,000 which analysed to £39.79/m^2, an amount well under the tone of £50/m^2. This supported the tone being over assessed.

23. The panel noted that this letting was nearly three years prior to the AVD and that the property was twice the size of the appeal property. For these reasons, the panel afforded this evidence little weight.

24. The panel referred to the schedule of rental evidence submitted by the respondent's representative.

25. 1 & 2 Spar Road was let on 1 January 2021 for £48,000 p.a. which had been analysed to £59.20/m^2. The panel noted that this was a rate well above the appeal property rate and that the property was half the size of the appeal property, however, it was a new letting just three months prior to the AVD on a Full Repairs and Insurance (FRI) basis. The panel found that this was good evidence not to reduce the appeal property rate and gave it high weight.

26. Similarly, Blackburn (London) Ltd, Burton Road had been let on 1 September 2020, just six months prior to the AVD, for £27,000 p.a. which analysed to £53.58/m^2. Again, this property was considerably smaller than the appeal property but had been let on the basis of open market value although actually being a rent renewal. The rate on this property was also well above the appeal property rate and the panel found that it was also good evidence not to reduce the appeal property rate but gave it less weight.

27. In respect of the higher rate for the 2016 built warehouse unit, the respondent's representative submitted the property at Unit 17, Diamond Point 31, Vulcan Road North. This property was built in 2022 and its letting on 1 January 2022 for £180,000 p.a. analysed to £92.69/m^2. It was of a very similar size to the appeal property. The panel referred to the internal and external photographs of the main property and the 2016 unit and found that it was clear that the 2016 unit was a much more modern building compared to the main parts that were built nearly seventy years ago. It could be let for a higher value and therefore should be valued at a higher rate. The panel also noted that the appellant's representative had not provided any evidence in support of a lower valuation for the 2016 unit.

28. The appellant's representative had referred to two properties in the Bowthorpe Employment Area and the fact that their lettings analysed to values less than £40/m^2. He had referred to them as providing little weight but useful when considered as part of a basket of evidence.

29. The panel found that, for reasons including their location, size and lease agreements, these were not very useful in the valuation of the appeal property and afforded them little weight.

Determination

30. In view of the above findings and conclusions, the panel found that a rate of £42/m^2 was reasonable for the appeal property giving an RV of £96,500. This included the 2016 built unit at the higher rate of £67.50/m^2.

31. The appeal was therefore dismissed.

Right of further appeal

32. 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.

33. 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 P Ward, Senior Member (Presiding)
Mrs M Chaggar, Senior Member
22 October 2025

Mr D Adamson
Clerk to the Tribunal
Date issued to the parties: 22 October 2025