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

Case No: CHG101231330

Sitting remotely using Microsoft Teams on 30 March 2026

Date: 29 April 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — factory and premises; price per m² in dispute; rental evidence; comparable assessments; appeal allowed.

Before:

MR P JENNINGS
MISS N CLARKE
MSC GLEESON

Between:

A.V.A. LIMITED **Appellant**

- and -

ANDREW MOULAND (VALUATION OFFICER) **Respondent**

Regarding:

1, MONKTON PARK, FARNHAM TRADING ESTATE, FARNHAM GU9 9PA
(the "subject property")

Mr A Hair from Ryan Property Tax Services UK Limited for the Appellant
Mrs P Rowntree for the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed.

2. The Tribunal determined a Rateable Value (RV) of £94,500 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This was a 2023 Rating List appeal. The subject property had been entered into the 2023 Rating List as ‘Factory and premises’ at an RV of £106,000 with effect from 1 April 2023. This was based on an unadjusted base rate of £115 per m².

4. The Challenge proposal was submitted by Ryan Property Tax Services UK Limited and was received by the Valuation Officer (VO) on 17 June 2024. It had been made on the grounds that the RV shown in the 2023 Rating List was incorrect and proposed a revised RV of £94,500 based on an unadjusted base rate of £102.50 per m².

5. The VO issued a Challenge case decision notice on 18 September 2025. The VO’s decision was to treat the appellant’s Challenge as not well-founded and proposed no change to the Rating List.

6. Both Mr Hair on behalf of the appellant and Mrs Rowntree on behalf of the Respondent 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), Mr Hair declared that he was instructed on a continency fee basis.

7. Mr Hair understood and accepted that his duty was to the Tribunal in giving his evidence and he would comply with his regardless of whether or not the evidence supported his client’s case.

8. The Tribunal 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).

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

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

<u>*Background*</u>

11. The subject property was an industrial unit built in the 1980’s, located on Farnham Trading Estate in Farnham. The property had a total area of 1,144.03 m² of which 766.51 m² was considered the significant area for valuation purposes. The assessment of £106,000 RV did not include any adjustments for parking, plant or machinery.

12. The issue in dispute was the tone for the subject property.

Relevant Law

13. *The Local Government Finance Act 1988*

14. Schedule 6 of the Act provides that:

> 2(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.

15. 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.

16. The material day (the date by which physical factors have to be taken into account) was provided by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject appeal, the material day is 1 April 2023.

Discussion

17. The leading judgment of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, referred to by both parties, set out six propositions to be followed when considering the weighting of evidence:

    1. Where the hereditament which is the subject of consideration is actually let that rent should be taken as the starting point.
    2. The more closely the circumstances under which the rent agreed both as to time, subject matter and conditions relate to the statutory requirements contained in the definition of gross value in s.19(6) of the General Rate Act 1967 the more weight should be attached to it.
    3. Where rents of similar properties are available, they too are to be properly looked at through the eye of the valuer in order to confirm or otherwise the level of value indicated by the actual rent of the subject property.
    4. Assessments of other comparable properties are relevant. When a valuation list is prepared these assessments are to be taken as indicating comparative values estimated by the Valuation Officer. In subsequent proceedings on that list therefore they can properly be referred to as giving an indication of that opinion.

5. In light of all the evidence an opinion can then be formed of the differing types of evidence depending on the one hand the nature of the actual rent and on the other hand, on the degree of comparability found in other properties.
6. In those cases where there are no rents available of comparable properties a review of other assessments may be helpful but, in such circumstances, it would be clearly more difficult to reject the evidence of the actual rent.

18. The panel heard from the parties concerning the rental details of the subject property. The panel noted that the rent of the subject property, had been reviewed in December 2018 at £82,450 per annum, which had been analysed to £89.13 per m². However, the lease of the subject property had been renewed in December 2023 where the rent was set at £115,000 per annum and had analysed to £117.24 per m².

19. Mr Hair stated that based on the two rental transactions for the subject property, if the rents were adjusted to consider what the rent would have been at the AVD of 1 April 2021, it would have analysed to £102.25 per m². Due to the comparable properties and the rental evidence that had been provided, Mr Hair was of the opinion that a base rate of £102.50 per m² was reasonable for the subject property. Therefore, he requested that the panel determine a proposed RV of £94,500 with effect from 1 April 2023.

20. Mrs Rowntree stated that the current RV of the subject property of £106,000 was reasonable and fair. She provided the panel with comparable hereditaments in support of her statement. The panel referred to the comparable hereditaments provided by Mrs Rowntree where rental evidence had been provided. The panel noted that both 2 and 3 Bridge Court, Wrecclesham were described in the 2023 Rating List as ‘business unit and premises’ where new lettings had taken place on 1 October 2019 and 1 October 2020 respectively. The rents achieved had been £36,000 and £31,365 per annum respectively.

21. The panel noted that both properties were much smaller in size to the subject hereditament with total areas of 272.92 m² and 258.70 m² respectively. Both had been valued at the same base rate as the subject hereditament of £115 per m², which produced RV’s of £35,750 and £32,500 respectively. Mr Hair informed the panel that as these two properties were much different in size, they would attract a different type of occupier and therefore were not comparable to the subject hereditament.

22. The panel referred to 4 & 4A Bourne Mill Business Park, Guildford Road, which was described in the 2023 Rating List as ‘warehouse and premises’. This hereditament had a total area of 920.77 m², again smaller in size than the subject hereditament. It had a new ten year lease, which had been set on 1 July 2022 with an agreed rent of £82,000 per annum. The adopted base rate for this comparable property had been £115 per m².

23. Mr Hair informed the panel that the comparable property of 4 & 4A Bourne Mill Business Park was situated on a superior estate, as it backed onto the A31 Farnham bypass with access via the Shepherd & Flock roundabout, which offered access to Guildford via the A3, whereas the subject hereditament’s estate would have to navigate the roundabout.

24. The panel noted that Mrs Rowntree had provided other comparable properties in support of her contention that the current base rate for the subject hereditament was correct. The panel noted that the comparable properties had a variety of mixed uses, from offices, business units and warehouses, with sizes that ranged from 275.41 m² to 920.77 m². The panel found that the comparable properties that were described as ‘business units’ and ‘offices’ were not truly comparable as they were not within the same market as the subject hereditament.

25. The panel noted that comparable properties of 3 and 4 Monkton Park, Farnham Trading Estate, the same estate where the subject hereditament was situated were both described within the 2023 Rating List as ‘warehouse and premises’. These comparable properties had overall sizes of 641.45 m² and 920.77 m², again both smaller in size than the subject hereditament. Both had an adopted base rate of £115 per m² with RV’s of £81,500 and £84,500.

26. The panel agreed that there was a consistent tone within the area for industrial units, as found by the comparable properties of 4 Monkton Park, Farnham Trading Estate and 4 & 4A Bourne Mill Business Park. However, it was the panel’s opinion that taking into account, the size and location of the subject hereditament when compared to the comparable properties, there was no evidence to support that the current value of £115 per m² was reasonable for the subject hereditament.

27. However, due to the size of the subject hereditament and the analysis of the rent when compared to the comparable properties, the panel held that a quantum allowance should be applied to the subject hereditament. Therefore, the panel accepted the base rate proposed by Mr Hair and determined an assessment of £94,500 RV as shown below.

Conclusion

28. In view of the above findings and conclusions, the Tribunal panel was satisfied that the RV of the subject hereditament was unreasonable and determined an RV of £94,500 with effect from 1 April 2023, based on an unadjusted base rate of £102.50 per m². Therefore, the appeal was allowed.

Floor	Description	Area (m²)	Relativity	Price (£/m²)	Value (£)
Ground	Workshop	272.54	1	£102.50	£27,935
Ground	Area under supported floor	377.52	0.7	£71.75	£27,087
Ground	Office	73.08	1.2	£123.00	£8,989
Mezzanine	Store	271.31	0.5	£51.25	£13,905
Mezzanine	Canteen	39.86	1	£102.50	£4,086
Mezzanine	Office	66.35	1.1	£112.75	£7,481
First	Office	43.37	1.2	£123.00	£5,335
	Total	1144.03		Subtotal	£94,817
				RV say	£94,500

Order

29. In accordance with Regulation 38 (4) and (9) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Officer is ordered to alter the list entry for the appeal property to £94,500 RV with effect from 1 April 2023. The Valuation Officer must comply with this Order within 2 weeks of its making.

Refund of appeal fee

30. The Appellant is also entitled to a full refund of the fee paid in accordance with regulation 13E(1)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England)

Right of further appeal

31. 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.

32. 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 PA Jennings, Senior Member (Chair)
Miss N Clarke, Senior Member
Ms C Gleeson, Senior Member
29 April 2026

Ms R Muller
Clerk to the Tribunal
Date issued to the parties: 29 April 2026