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

Case No: CHG101236619

Sitting remotely using Microsoft Teams

Date: 3 June 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141 — Warehouse and premises — main space price — appeal dismissed

Before:
MRS MJ COLE
MR A IQBAL

Between:

INSURANCE CLAIMS ACCOMMODATION BUREAU LIMITED **Appellant**

- and -

ANDREW MOULAND (VALUATION OFFICER) **Respondent**

Regarding:
53, POTTERS LANE, KILN FARM, MILTON KEYNES MK11 3HQ
(the “appeal property”)

Mr Ben Porter for Ryan Property Services for the appellant
Mr Kieran Chamba for the Respondent

Hearing date: 14 May 2025 11:30

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The Tribunal finds that the rateable value was not unreasonable

Introduction

3. The appellant had made a challenge against the accuracy of the compiled list assessment in the 2023 Rating List, by way of a proposal that he served on the Valuation Officer (VO) on 1 July 2024. After considering the proposal and evidence submitted during the challenge period, the VO decided that the proposal was not well founded and refused to alter the existing assessment of £43,500 RV effective from 1 April 2023. A decision notice to this effect was served on the appellant on 30 October 2024 and his representatives then appealed the VO's decision to the Tribunal on 17 December 2024, on the grounds that the current valuation for the hereditament was not reasonable, under regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

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

Background

5. The appeal property was a warehouse and premises with an agreed total area of 655.61m², built in the 1980s, located just off the A5 and approximately seven miles from the M1.

6. As Mr Porter appeared on behalf of the appellant as both advocate and expert witness, the clerk asked if there was a success related fee involved and if so whether its existence was compatible with his 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).

7. He declared that he was instructed under a contingency fee arrangement. Mr Porter confirmed 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.

8. The panel accepted this expert witness evidence on the above basis as the appeal is not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations 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).

9. Mr Chamba confirmed that he was representing the VO as advocate and expert witness.

10. The issue in dispute before the panel was the correct tone of value to be applied to the appeal property. Mr Porter sought a reduced entry of £36,750 RV based on an unadjusted of value of £55/m².

11. However, Mr Chamba defended the VO's assessment of £43,500 RV on a tone of value of £65/m².

12. The evidence bundles before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties comparable assessments, skeleton

arguments, Mr Porte's revised assessment, location maps and a photograph of the appeal property.

Relevant Law

13. The term 'rateable value' is defined in Schedule 6 to the Local Government Finance Act 1988 (as amended):

> "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; and
>
> 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".

Discussion

14. In the case under consideration, the panel had analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA141. The rent on the subject property is considered to be the correct starting point but, where available, rents on similar properties are also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence can then be weighted.

15. Mr Porter argued that the appeal property should not be placed in the same scheme as other assessments that were located in Milton Keynes and ultimately close to the M1.

16. In terms of rental evidence, the appeal rent for the appeal property analysed to £68.81/m^2. The lease commenced on 1 January 2019 which was just over two years from the Antecedent Valuation Date (AVD) which Mr Porter submitted was too far from the AVD to be reliable although the panel was not persuaded by this argument. The panel noted that the rent analysed to £68.81/m^2 which was slightly more than the main space price of £65/m^2. The rent was £47,000 per annum and the RV was £43,500. No evidence had been presented to the panel to prove that rental values in the locality reduced from 2019 to 2021. However, to determine if the main space price was in line with other assessments, the panel then referred to Mr Porter's comparable properties.

17. His comparable assessments ranged in size from 249m^2 to 1,181m^2. He analysed the rents to between £53.76/m^2 to £79.89/m^2. However, he suggested that the 18 Carters Lane was the most comparable in terms of size and age. The rent had been analysed to £60/m^2 and

was a new lease effective from February 2021, just two months before the AVD. However, the panel noted that tenant had been in occupation for 30 years and therefore, it was not a new tenant coming fresh to the scene as per the rating hypothesise.

18. The panel also applied less weight to some of Mr Porters' other comparable properties. The lease for 45 Burners Lane was between connected parties although it was broadly similar in size to the appeal property and Unit 2, Chesney Wold was 1,181m^2 which was nearly twice the size as the appeal property.

19. Turning to the VO's comparable properties, the panel was most persuaded by 1 Potters Lane. It was just slightly larger than the appeal property with an area of 767m^2 and had a similar eaves height. Although it was a lease renewal, the rent was effective from 1 April 2021 which was at the AVD. The rent analysed to £65/m^2.

20. Both parties had referred to other comparable properties: 31 Potters Lane; Unit 37 Alston Drive; 57 Alston Drive and 36 Carters Lane were all approximately 400m^2 smaller and 46 Burners Lane was 300m^2 smaller. The rents analysed to between £69/m^2 to £79/m^2 although the VO analysed the rent for 31 Potters Lane to £84/m^2. The panel was aware that a larger property would benefit from a quantum allowance and therefore it concluded that the values of all of these properties supported the main space price of £65/m^2. No substantial evidence had been presented to the panel to prove that a quantum allowance for the appeal property would have the effect of reducing the main space price any lower than £65/m^2. This further suggested to the panel that the main space price and the RV was correct and in line with the rent for the appeal property.

21. Although Mr Porter had argued that the appeal property was too far from the M1 to be valued at £65/m^2, the majority of both parties' comparable properties were in the same locations, such as Potters Lane, Burners Lane and Carter Lane and no persuasive evidence had been presented to the panel to prove that the value of these properties was less than those closer to the M1.

Determination

22. In view of the above findings and conclusions, the Tribunal panel was satisfied that main space price of £65/m^2 and the resultant RV of £43,500 was reasonable. The panel dismissed the appeal.

Right of further appeal

23. 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.

24. 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/.

Mrs MJ Cole, Senior Member (Presiding)

Mr A Iqbal, Senior Member

3 June 2025

Clerk to the Tribunal
Date issued to the parties: 3 June 2025