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

Case No: CHG101247596

Sitting remotely using Microsoft Teams

Date: 21 July 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — offices and premises; price per m^2 in dispute; rental evidence; comparable assessments; appeal dismissed.

Before:

MR P BLYTHE-BARTRAM
Between:

XAAR JET LTD **Appellant**

- and -

KAREN GILES (VALUATION OFFICER) **Respondent**

Regarding:
THE CUBE, MAYLANDS AVENUE, HEMEL HEMPSTEAD, HP2 7DF
(the "subject property")

Mr H Tann from Ryan, representing the Appellant
Mrs N Awoyokun for the Respondent>>

Hearing date: 8 July 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. I found that the entry in the 2023 rating list is not unreasonable, and confirmed the rateable value (RV) of £370,000 with effect from 1 April 2023.

Introduction

3. This is a 2023 rating list appeal. The Cube, Maylands Avenue, Hemel Hempstead, HP2 7DF (the ‘subject property’) had been entered in the 2023 rating list as ‘offices and premises’ at £370,000 RV with effect from 1 April 2023. The RV reflected an adopted price of £150 per m^2.

4. A challenge proposal was submitted by Altus Group (now Ryan) on behalf of Xaar Jet Ltd, and was received by the Valuation Officer on 18 July 2024. It had been made on the grounds that the RV was inaccurate. A reduced price of £112.50 per m^2 was initially proposed, however during challenge discussions, this was revised to £140 per m^2.

5. The Valuation Officer issued a challenge case decision notice on 16 November 2024, which disagreed with the proposed alteration of the list, and stated that the current rating list entry was reasonable based on the evidence and information available.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal to this Tribunal has been made on the grounds that the valuation for the hereditament is not reasonable. The appeal was received by the Tribunal on 14 February 2025.

7. This appeal was heard by a Senior Member sitting alone as the other panel member was unable to attend the hearing, as permitted by the Tribunal’s business arrangements.

8. Mr Tann appeared on behalf of the appellant 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 declared that he was instructed on a contingency based fee, and 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.

9. The expert witness evidence was accepted 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).

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

Relevant Law

11. Rateable value is to be determined in accordance with paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988, which provides:

(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.

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 in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841).

12. 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

13. The subject property is a detached, purpose-built, three-storey office building, located to the north end of Maylands industrial estate. It was built in 1987 and had been refurbished in 2013. The property has a total area of 2,649.89m^2, or 2,475.30m^2 in terms of main space (ITMS).

14. On behalf of the appellant, Mr Tann sought a revised RV of £345,000, based upon his adopted price of £140 per m^2. In support, he referred to the assessments of comparable properties. Mr Tann disputed the large increase in the 2023 list price per m^2, which was as a result of the Valuation Officer assessing 1980s buildings at the same level as more modern offices.

15. For the Valuation Officer, Mrs Awoyokun defended the present £150 per m^2 with reference to rental evidence and comparable assessments.

16. Both parties referred to the leading judgment in the Lands Tribunal case of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141. This case set out the six propositions to have regard to when considering the weighting of evidence and expert opinion. These are:

   (i) Where the property which is the subject of consideration is actually let, that rent should be taken as the starting point.

   (ii) The more closely the circumstances under which the rent agreed both as to time, subject matter and conditions relate to the statutory requirements, the more weight should be attached to it.

(iii) 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 appeal property.

(iv) 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.

(v) 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.

17. 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. Taking the subject rent as the starting point, it was agreed by the parties that as a connected party rent, little weight could be attached to it. I therefore turned to the available rental evidence, which had been scheduled by the Valuation Officer:

2 The Willows, Mark Road, Hemel Hempstead, HP2 7NB

Offices, warehouse and premises of 2,135.3m^2 (1,877.96 m^2 ITMS), a rent renewal effective from 1 April 2020 analysed at £140.73 per m^2.

3 The Willows, Mark Road, Hemel Hempstead, HP2 7NB

Offices and premises of 1,192.53m^2, a lease renewal effective from 2 October 2020 analysed at £150.94 per m^2, based on the Valuation Officer's ITMS of 1,172.96m^2.

Mr Tann's analysis of £239.00 per m^2 was derived from an ITMS of 755.87m^2.

During the hearing, Mrs Awoyokun referred to the records held for 2 The Willows, and confirmed an ITMS of 814.70m^2; this was before relativities, and therefore closer to the figure provided by Mr Tann.

19. The Valuation Officer contended that the rent for 3 The Willows is a more reliable reflection of market realities as it is closer to the AVD. Although smaller than the subject property, it had been built in 1986 and refurbished in 2001. In contrast, 2 The Willows had not been refurbished.

20. Mr Tann submitted that 2 The Willows is the most comparable in size and quality to the subject property; while 2 The Willows had not been refurbished, he considered that it was similar in quality to the subject property.

21. I was not persuaded by Mr Tann's contention that 2 The Willows was the most comparable in terms of quality, as the subject property had been refurbished. Regardless of any differences,

I noted that both 2 and 3 The Willows had been assessed at £150 per m^2. I then turned to the available comparable assessments.

22. Mr Tann's main contention was that the subject property had seen a sharp rise in value, following the 2023 revaluation, as the Valuation Officer had included the 1980s buildings with the more modern offices in Hemel Hempstead at a blanket £150 per m^2. This was in line with more desirable offices such as CAE House, Maylands Avenue and The Maylands Building.

23. While Mr Tann had sought to compare percentage increases between the 2017 and 2023 lists, highlighting the 67% increase for the subject property, I considered that each list should be considered afresh, based upon relevant evidence from the AVD.

24. With reference to the scheduled comparable assessments, I found support for the subject property at £150 per m^2, in line with the following 1980s offices assessed at £150 per m^2:
    - Vanarama, Maylands Avenue, built in 1988 and refurbished in 2015.
    - 1st Floor Unit 2, Eaton Court, Maylands Avenue, built in 1989 and refurbished in 2013.
    - 2 The Willows, Mark Road, built in 1986 and refurbished in 2001.
    - 1 The Willows, Mark Road, built in 1987.
    - Sopra Steria, Three Cherry Trees Lane, built in 1982.
    - Unit 1 Eaton Court, built in 1989.
    - Maxted House, 13 Maxted Road, built in 1987 and refurbished in 2006.

25. It was clear from the photographs provided that CAE House, Maylands Avenue and The Maylands Building were more modern desirable properties. However, Mrs Awoyokun confirmed that both properties required to be reviewed, as their refurbishments had not been reflected in the present adopted price of £150 per m^2.

26. In full consideration of all of the evidence and submissions, I was not persuaded that the appellant's representative had demonstrated that the present price of £150 per m^2 was unreasonable.

Determination

27. In view of the above findings and conclusions, I am satisfied that the RV of £370,000, based upon £150 per m^2 is not unreasonable, and therefore the appeal is dismissed.

Right of further appeal

28. 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.

29. 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 Blythe-Bartram, Senior Member
21 July 2025

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 21 July 2025