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

Case No: CHG101251526

Sitting remotely using
Microsoft Teams on
14 April 202

Date: 11 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 Rating List Appeal: challenge against compiled list entry; factory and premises; accuracy of rateable value; Lotus & Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; *appeal dismissed.*

Before:

MR C BUSST
MS K PETRECZKY

Between:

G & M TEX LTD **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) **Respondent**

Regarding:

UNIT 69, CLAYDON BUSINESS PARK, IPSWICH IP6 0NL
(the "subject property")

Mr S Penny of Ryan Property Tax Services (as advocate and expert witness on behalf of the appellant)
Ms M Tamlyn (as advocate and expert witness on behalf of the respondent)

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal confirms the rateable value (RV) of £78,000 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This appeal had been brought in respect of unit 69, Claydon Business Park, Ipswich IP6 0NL (the subject property), which was entered in the 2023 Rating List as ‘factory and premises’ at an RV of £78,000 effective from 1 April 2023.

4. The appellant’s Challenge was submitted by their representative on 25 July 2024 and sought a reduction in the RV to £64,500 with effect from 1 April 2023. The appeal to this Tribunal was made on 13 November 2025, following the Valuation Officer’s (VO) Decision Notice of 24 October 2025 in respect of the subject property.

5. 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.

6. The panel was aware that the VO had used the measurement of total significant area (TSA) and the appellant’s agent had used property in terms of main space (ITMS). Mr Penny conceded in the hearing that the correct measurement for the purposes of calculating an RV was TSA. The panel found that the results of the calculation of size were almost identical and they would not affect the analysis of the rent or the calculation of the RV. The panel therefore found that it was not a matter at issue and it was content to hear the case allowing both sides to use their chosen method of measurement.

7. After the hearing it was noted that the proposed RV put forward by Mr Penny was calculated using the VO’s TSA measurements. The panel therefore accepted that the appellant’s proposed RV was in line with the measuring code of TSA.

8. The subject property was a steel portal unit located on the Claydon Business Park which was only a short distance from the A14 and five miles north of Ipswich. It was built in 2017 and had a TSA of 1,397.74m^2 and an eaves height of 8m. It consisted of office and workshop space on the ground floor and office space on the first floor. It had partial air conditioning and heating.

9. Mr Penny appeared on behalf of the appellant as both 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 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). Mr Penny confirmed that he was instructed under a contingency fee and 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 his client’s case.

10. 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.

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

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

Issue

13. The issue for the panel to make a finding on is the adopted value for the subject property which is presently £49/m^2 with a RV of £78,000. The appellant submits that the rate is too high and that an adopted value of £40/m^2 is reasonable giving an RV of £64,500.

Relevant Law

14. In arriving at a decision, the panel is governed by rating legislation laid down by Parliament where Schedule 6 to the Local Government Finance Act 1988 as amended by the Rating (Valuation) Act 1999, 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, in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841).

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 date is 1 April 2023 being the commencement date the 2023 rating list.

Discussion

17. The appeal hereditament must be valued for the purpose of non-domestic rating on the basis of the rent at which it 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.

18. The panel turned to the six propositions set down in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141 which was binding on this panel. The first two propositions are:

    (1)Where the hereditament which is the subject of consideration is actually let, that rent should be taken as the starting basis.

    (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 section 19(6) of the General Rate Act 1967 the more weight should be attached to it. (These statutory requirements now contained in Schedule 6, Para 2 (1) Local Government Finance Act 1988 (as amended by the Rating (Valuation) Act 1999)).

19. The panel noted that the subject property had been occupied by the appellant since 1 July 2017 and was held under a lease. This lease had an upward only rent review on 30 June 2022 which was agreed at £116,000 per annum. Mr Penny submitted that the rent analysed to £44/m^2 and supported the proposed tone of £40/m^2. The panel however noted that in line with the hierarchy of evidence this was not an open market rent and was only a starting point with further rental evidence required to form a basket of evidence in line with *Lotus and Delta*.

20. The panel therefore looked to the comparable properties provided by both parties. The third and fourth propositions set out in *Lotus and Delta* were considered by the panel in regard to the comparable properties put into evidence by both parties:

    (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 be properly be referred to as giving an indication of that opinion.

21. The comparable properties put into evidence on behalf of the appellant were:

    (1) Units 13 and 14 Claydon Business Park were smaller and significantly older than the subject property so a degree of quantum should be applied. The rent was based on a lease renewal dated 1 July 2021 with the appellant's analysed rent being £38.59/m^2 and the VO's analysed rent being £43.25/m^2. The UAR was £44.10/m^2. The panel found that not only was this unit smaller but it was a much older build from 1960's compared to the subject property which was built in 2017. The panel noted that the value of the unit had not changed since 2016. The rental evidence was based on a lease renewal between connected parties and so the panel was able to place little weight on it.
    (2) Unit 99 Claydon Business Park had a TSA of 857.34m^2 and had a new lease dated 31 May 2022. The rent was analysed by the appellant at £50.59/m^2 and the VO at £57.50/m^2 with a UAR of £57.50/m^2. The panel found that the rent was not based on a formal lease and was between connected parties and it therefore placed little weight on this evidence.

(3) Unit 109A Claydon Business Park had a TSA of 1,927.90m^2 and was a new lease dated 5 June 2023. It had a rent that was analysed by the appellant at £40.08/m^2 and the VO at £45/m^2 with a UAR of £45/m^2. The VO explained that there was also a new lease on this property in October 2020. The 2020 lease had a one year rent free period for fit out. The VO analysed the rent on the 2020 lease with nine months of the rent free period ignored to £98.96/m^2 but a UAR of £45/m^2 was applied to the RV. The panel found that this evidence supported the present RV on the subject property.

(4) Unit 101 Claydon Business Park had a TSA of 626.48m^2 and had a new lease dated 1 July 2021 with a rent that was analysed by the appellant at £50.12/m^2 and the VO at £576.26/m^2 the rental evidence was from a new lease. The panel found that it supported the existing UAR on the subject property.

(5) Unit 105 Claydon Business Park had a TSA of 727.81m^2 and the rental evidence was based on a rent review dated 26 February 2022. The rent was analysed by the appellant at £50.41/m^2 and the VO at £57.50/m^2. It had a UAR of £57.50/m^2. The panel found that this unit was significantly smaller than the subject property and was based on a rent review with a rent which had remained unchanged since 2010. The panel therefore put less weight on this evidence.

(6) Units 34, 34a and 35 Claydon Business Park had a TSA of 2,483.81m^2 and the rental evidence was based on a lease renewal which was between connected parties. It was dated 13 May 2023 but had been set five years prior. The lease also contained the landlord's responsibility for external repairs and had a six month rent free period. The rent was analysed by the appellant at £29.19/m^2 and the VO at £35/m^2 and it had a UAR of £35/m^2. The panel noted that this was a larger and older unit which fell into a different lower valued scheme. On this basis the panel found that it was not comparable with the subject property and therefore placed little weight on it. Further a proposal had recently been settled on this property by withdrawal at the Challenge stage.

22. The panel then considered the comparable properties relied upon by the VO. The VO referred to Units 99, 101 and 109A Claydon Business Park, which were also relied upon by the appellant. In relation to Unit 99, the panel noted that the rental evidence derived from a lease renewal on an open-ended agreement. As a result, the panel attached limited weight to this evidence. The panel placed weight on Unit 101, notwithstanding that it is smaller as the rent was agreed on the grant of a new lease close to the AVD. The UAR was consistent with that applied to the subject property. In respect of Unit 109A, the panel found that the rent agreed under the new lease dated October 2020 produced a UAR consistent with that of the subject property. The panel therefore attached weight to this evidence.

23. In addition, the VO also included two other comparable properties. Ms Tamlyn referred the panel to Unit 100 Claydon Business Park. This rental evidence was based on a new lease dated 1 August 2020 which was close to the AVD. It was very similar in size as it had a TSA of 1,324.40m^2 compared to the subject property's TSA of 1,397.74m^2. The rent analysed to £51.08/m^2 and it had a UAR of £49/m^2 the same as the UAR for the subject property. The panel put weight on this comparable property.

24. The second comparable property Ms Tamlyn referred to was CJ Frost Transport which was not on the Claydon Business Park. It was in a more rural isolated location and was further from the road links than the Claydon Business Park. The rental evidence was based on a new lease with an open-ended agreement dated 1 April 2021 and it had a TSA of 865m^2. The panel found that as the rental evidence was based on an open-ended agreement it was only able to place limited weight on this comparable property.

25. The panel now turned to the fifth and sixth propositions from *Lotus and Delta*, namely:

(5)In light of all the evidence an opinion can then be formed of the value of the appeal hereditament, the weight to be attached to 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 each circumstance, it would be difficult to reject the evidence of the actual rent.

26. The panel found the totality of evidence submitted by the VO was more persuasive. The panel put weight on the comparable properties Units 100 and 101 Claydon Business Park which were similar in size and were new leases close to the AVD. Therefore, in line with the fifth and sixth propositions in *Lotus and Delta* the panel found the basket of evidence supported the unadjusted rate of £49/m^2 for the subject property.

27. In appeals of this nature, the burden of proof rests with the appellant to establish that the RV of the subject property is unreasonable. The panel found that the appellant had failed to discharge this burden. The panel considered that the comparable evidence advanced by the appellant’s agent comprised properties that were materially different in size from the subject property, thereby limiting their usefulness. Furthermore, the rental evidence relied upon was of limited weight within the hierarchy of evidence, as it was derived from open-ended agreements or leases between connected parties. In the circumstances, the panel was satisfied that the existing assessment of the subject property is reasonable and should be upheld.

Conclusion

28. In view of the above findings and conclusions, the Tribunal is satisfied that the current RV of £78,000 with effect from 1 April 2023 and dismissed the appeal.

Right of further appeal

29. 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.

30. 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 C Busst, Senior Member (Chair)
Ms K Petreczky, Member
11 May 2026

Miss F Willson
Clerk to the Tribunal
Date issued to the parties: 11 May 2026