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

Case No: CHG101258669

Sitting remotely using
Microsoft Teams on
16 October 2026

Date: 9 November 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — appeal against the accuracy of the rateable value for the hereditament; car showroom and premises; appeal allowed.

Before:

MR A HETHERTON
MR S GILL

Between:

STEVEN EAGELL LTD **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) **Respondent**

Regarding:

LANCASTER TOYOTA, COLCHESTER ROAD, CHELMSFORD, ESSEX, CM2 5PF
(the "subject property")

Mr M Clayton he Appellant of Ryan Property Tax Services UK Limited for the **Appellant**
Mrs N Awoyokun for the **Respondent**

DECISION AND STATEMENT OF REASONS

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DECISION

1. The appeal is allowed.

2. The Tribunal panel determined a revised rateable value (RV) of £225,000 in respect of Lancaster Toyota, Colchester Road, Chelmsford, Essex, CM2 5PF, with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal has been made to this Tribunal on the grounds that the rateable value for the appeal property is not reasonable.

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

Background

5. The appeal concerned Lancaster Toyota, a car showroom and premises built in 2014, situated within Hedgerows Business Park on Colchester Road in Springfield, Chelmsford. The property includes a showroom, vehicle servicing and testing facilities, and external areas for vehicle display and customer parking. It is located in an established commercial area with other car dealerships nearby and access to the A12 and A130.

6. The rateable value of Lancaster Toyota, Colchester Road, Chelmsford, Essex, CM2 5PF, with effect from 1 April 2023 was £275,000, based on a base rate of £275/m^2.

7. The proposal sought a reduction in the rateable value to £208,000, based on a base rate of £200/m^2 and a reduction in the rate for car display spaces from £700 to £600 per space.

8. Following the challenge, the Valuation Officer reduced the rateable value to £255,000, based on a base rate of £250/m^2. The rate for car display spaces remained unchanged at £700 per space.

9. Before the hearing, the Appellant revised the rateable value sought to £225,000, based on a base rate of £215/m^2. The Appellant no longer sought a reduction in the rate for car display spaces. Mr Clayton provided a revised proposed valuation reflecting this position.

10. The evidence submission before the panel comprised all the evidence disclosed and exchanged during challenge which included rental evidence and its analysis, and

comparable assessment evidence. Mr Clayton also advised the Tribunal that, since the challenge decision, the assessment of 3 White Hart Lane, one of the comparable properties relied on by the Valuation Officer, had been reduced by agreement to a base rate of £225/m^2. Mrs Awoyokun had no objection to the inclusion of this information.

11. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v Jackson (VO)* [2018] UKUT 0253 (LC), Mr Clayton declared that he was appearing for the Appellant as both advocate and expert witness and was instructed under a conditional or other success-based fee arrangement. He confirmed that he understood his duty was to the Tribunal, regardless of whether the evidence supported his client's case. However, he did not provide the Tribunal with a copy of his statement of truth.

12. Mrs Awoyokun, for the Valuation Officer, also appeared in a dual role of advocate and expert witness. She had provided a statement of truth in advance of the hearing.

13. 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 Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 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). It was therefore appropriate for the panel hearing the evidence to consider the 'expert' evidence and assess what weight, if any, to give it in the context of the matters in issue before it.

14. The parties are reminded that the Royal Institution of Chartered Surveyors' practice statement, *Surveyors acting as expert witnesses* (4th edition, amended February 2023), requires members acting as expert witnesses to include a signed statement of truth and the required declarations in their written expert reports. These should therefore be provided with the expert evidence submitted in advance of the hearing. This is particularly important where a party revises its valuation in advance of the hearing, so that the statement of truth and declarations clearly relate to the revised valuation and the evidence supporting it. The parties' attention is also drawn to the updated fifth edition, which takes effect on 30 November 2026.

Relevant Law

15. The term "rateable value" was defined in Schedule 6 to the Local Government Finance Act 1988 (as amended). The value was required to reflect an annual rent on the property, assuming a new letting with the tenant responsible for all rates, taxes, repairs and insurance. In respect of the 2023 rating list, the Rating Lists (Valuation Date) (England) Order 2020 (SI 2020 No.832) requires the rental levels to be taken on 1 April 2021. In respect of the subject appeals, the material day is 1 April 2023.

Discussion

16. Mr Clayton sought a reduction in the rateable value to £225,000, based on a base rate of £215/m^2. Having accepted the rate of £700 per vehicle display space, he confirmed that the only remaining issue was the base rate applied to the buildings.

17. In the case under consideration, the panel analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141.

18. The starting point was the rent on the subject property. Mr Clayton placed limited weight on this because the 2020 rent review was index-linked rather than agreed on the open market. Mrs Awoyokun agreed that it was not reliable evidence of the open market rental level.

19. Mr Clayton relied principally on the nearby car showrooms at 1 and 3 White Hart Lane, occupied by Mercedes Benz and Tesla, both of which were assessed at a base rate of £225/m^2 following the agreed reduction at 3 White Hart Lane. He considered these to be the most relevant comparable properties because of their proximity to the subject property. Both parties accepted that the rent for 1 White Hart Lane provided the best rental evidence. The new lease, effective from 8 June 2020, analysed to £232.05/m^2.

20. Mr Clayton contended that the White Hart Lane properties occupied a better position on a busy roundabout near Sainsbury's, Starbucks, KFC and Mini car showroom, benefiting from greater prominence and passing trade. Although he accepted that the subject property also attracted passing traffic, he considered its location inferior. He submitted that this difference had been recognised in previous rating lists, when a lower base rate had been agreed for the subject property.

21. He argued that there had been no material change in the relative locations to justify reversing that relationship in the 2023 rating list. He relied on the previous agreements as evidence of the appropriate relationship between the properties and proposed a base rate of £215/m^2, £10 below the agreed rate for the White Hart Lane properties. In his view, the subject property's more modern construction did not justify the higher rate adopted by the Valuation Officer.

22. In relation to the Chelmsford Audi evidence, Mr Clayton stated that he found this less persuasive because its lease dated from 1 October 2018, was two and a half years before the valuation date, and its assessment had not been tested by agreement. Furthermore, the Audi showroom was in a different location, approximately half a mile away from the cluster of three car showrooms. He maintained that the rental and agreed assessment evidence for the White Hart Lane properties provided a stronger basis for determining the appeal.

23. Mrs Awoyokun asked the panel to dismiss the appeal and confirm the rateable value of £255,000, based on a base rate of £250/m^2. She submitted that the valuation should reflect all the property's advantages and disadvantages, including its location, age, design and specification.

24. She considered the subject property to be a modern, high-specification dealership. Built in 2014, it was newer than 1 White Hart Lane, built in 1998, and 3 White Hart Lane, built in 2005. She relied on its modern design, double-height glazing and presentation, arguing that

these features would influence the rent a prospective tenant would pay. She also considered that the age difference could affect anticipated repair costs.

25. Mrs Awoyokun acknowledged that 1 White Hart Lane benefited from its proximity to Sainsbury's. However, she argued that the subject property also occupied an established commercial location, with passing traffic generated by nearby businesses, shops and other car dealerships. In her view, the location advantage enjoyed by White Hart Lane did not outweigh the subject property's more modern construction and superior specification.

26. She also stated that the rent for 3 White Hart Lane had been agreed in advance as part of a stepped arrangement and was not a reliable indication of market value at the valuation date. Its assessment had therefore been reduced to the same base rate as 1 White Hart Lane. She regarded the rent for 1 White Hart Lane, analysed to £232.05/m^2, as the best rental evidence, but considered that the subject property's advantages justified a higher base rate.

27. Mrs Awoyokun also referred to Chelmsford Audi, where the 1 October 2018 rent analysed to £298.35/m^2 and the assessment adopted a base rate of £275/m^2. When questioned about its greater size, she maintained that a size adjustment was not automatic and that the available rental evidence did not demonstrate a need for one. She also considered the property's 2019 refurbishment relevant to its rental value.

28. She did not dispute that the subject property had previously been assessed at a lower base rate than the White Hart Lane properties. However, she submitted that each rating list had to be considered on its own evidence and that an earlier relationship should not be carried forward where the current evidence supported a different result. She maintained that a base rate of £250/m^2 reasonably reflected the subject property's characteristics and the available rental and assessment evidence.

29. The panel acknowledged that there were other car showrooms in the locality but gave greater weight to 1 and 3 White Hart Lane, which both parties accepted were the most comparable properties. The panel preferred Mr Clayton's argument because the rental evidence for 1 White Hart Lane, accepted by both parties as the best available, supported the base rate of £225/m² adopted for both White Hart Lane properties. The panel accepted that those properties occupied a more prominent location and that the subject property's newer construction and specification did not outweigh its locational disadvantage. Although previous agreements did not determine the valuation for the current list, they remained relevant because the Valuation Officer accepted that there had been no material change in the relative locations. The panel therefore found that Mr Clayton's proposed base rate of £215/m², £10 below the White Hart Lane properties, appropriately reflected that disadvantage.

Conclusion

30. The Tribunal panel determined that a price of £215/m^2 in respect of Lancaster Toyota was more appropriate, and that an assessment of £225,000 RV more accurately reflected the appeal property. The panel calculated the revised valuation as shown below:

Valuation Lancaster Toyota, Colchester Road, Chelmsford CM2 5PF				**Base / Adopted Rate**	£ 215.00
Item	**Description**	**Area m2**	**Relativity**	**£/m2**	**Value**
1.1	Ground Area Under Supported Floor	23.52	0.32	£ 67.73	£1,592.89
1.2	Ground Workshop	524.00	0.45	£ 96.75	£50,697.00
1.3	Ground Public Toilets	48.92	1.00	£ 215.00	£10,517.80
1.4	Ground Office	116.15	0.60	£ 129.00	£14,983.35
1.5	Ground Showroom	336.43	1.05	£ 225.75	£75,949.07
1.6	First Office	85.32	0.63	£ 135.45	£11,556.59
1.7	Mezzanine Store	72.76	0.23	£ 48.38	£3,519.77
1.8	First Canteen	22.56	0.60	£ 129.00	£2,910.24
1.9	First Staff Toilets	36.31	0.30	£ 64.50	£2,342.00
1.10	First Staff Toilets	39.20	0.30	£ 64.50	£2,528.40
1.11	Ground Store	29.87	0.45	£ 96.75	£2,889.92
				Subtotal	**£179,487.03**
Item	**Adjustments**	**Number**		**£/m2**	
	Vehicle Display Spaces	49.00	1.00	£ 700.00	£34,300.00
	Surfaced Open Spaces	80.00	1.00	£ 150.00	£12,000.00
				Total	**£225,787.03**
				Say RV	**£225,000**

31. As a consequence of the above decision, the Tribunal panel orders the Valuation Officer to revise the 2023 Rating List entry in respect of Lancaster Toyota, Colchester Road, Chelmsford, CM3 5PF to £225,000 RV, with effect from 1 April 2023, within two weeks of the date of this Order.

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) using Form T385 (Notice of appeal) within **four weeks** of the date this decision and statement of reasons was 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 A Hetherton, Senior Member (Chair)
Mr S Gill, Member
9 November 2026

Mrs K Edhouse-Thomas
Clerk to the Tribunal
Date issued to the parties: 9 November 2026