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

Case No: CHG101265113

Sitting remotely using Microsoft Teams

Date: 31 December 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

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

Before:
MR SP WOOD
MR A SHETH

Between:

ANGLO GLOBAL PROPERTY LTD **Appellant**

- and -

AMANDA HITCHINGS (VALUATION OFFICER) **Respondent**

Regarding:
UNIT 4/5, PARK VIEW SHOPPING CENTRE, WHITLEY BAY NE26 1DG
(the "subject property")

Mr A Pilkington from Ryan Property Tax Services (as advocate and expert witness on behalf of the appellant)
Ms L Mayhew (as advocate and expert witness on behalf of the respondent)

Hearing date: 3 December 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal confirms the rateable value (RV) of £75,500 with effect from 1 April 2023

STATEMENT OF REASONS

Introduction

3. This appeal had been brought in respect of Unit 4/5, Park View Shopping Centre, Whitley Bay NE26 1DG (the subject property), which was entered in the 2023 Rating List as 'shop and premises' at an RV of £75,500 effective from 1 April 2023.

4. The appellant's Challenge was submitted on 4 September 2024 and sought a reduction in the RV to £45,000 with effect from 1 April 2023. The appeal to this Tribunal was made on 26 June 2025, following the Valuation Officer's (VO) Decision Notice of 26 March 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 was not reasonable.

6. The subject property was a shop unit within Park View Shopping Centre, Whitley Bay which is a covered shopping area and the subject property has an ITMS of 630.67m^2. The centre has a rooftop car park and there are some national retailers in the centre.

7. Mr Pilkington 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 Pilkington 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.

8. 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.

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.

Issue

11. The issue for the panel to make a finding on was the unadjusted rate for the subject property which is presently £120/m^2 with an RV of £75,500 is reasonable. The appellant submits that the rate is too high and that an unadopted rate of £71.50/m^2 was reasonable giving an RV of £45,000.

Relevant Law

12. 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.

13. 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).

14. 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 of the 2023 rating list.

Discussion

15. 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.

16. 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)).

17. The panel noted that the subject property was held on a five year lease with an initial rent of £45,000 effective from 22 November 2022 with a one month and twelve days rent free period which was granted as an incentive. Mr Pilkington explained that based on that rent and the area of 630.67m^2 the rent devalues to £71.35/m^2 which was as opposed to an unadjusted rate of £120/m^2. Mr Pilkington submitted that the rent on the subject property should be given less weight as it had been agreed in November 2022 when the property market was significantly stronger than at the AVD. The panel was aware that the rent on the subject property was nineteen months after the AVD in a very different market. The panel was unable to place much weight on this rent due to the fact it was some time after the AVD and in a very different market. The rent on a subject property is always the starting point for determining the correct unadjusted rate but it was then necessary to look at other rental evidence in line with the leading case of *Lotus v Delta*.

18. 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.

19. The panel took into account of the comparable properties put into evidence by the appellant:

    (1) 8 Fowler Street, South Shields which was approximately ten miles from the subject property and had an ITMS of 73.09m^2 . It had an unadjusted rate of £375/m^2 in the 2017 and £150/m^2 in the 2023 rating list. The panel noted that this property had been zoned and was the panel and therefore placed little weight on this evidence.
    (2) 43 Station Road North which was six miles away and was a convenience store. This property was on a high street and was 654.98m^2. It also had limited parking. It had an unadjusted rate of £135/m^2 in the 2017 rating list and £70/m^2 in the 2023 rating list. The panel found this property too distant and different to the subject property and placed little weight on this evidence.
    (3) Unit G1, Mallard Way, Silverlink Retail Park which was in another shopping centre five miles away. It had an unadjusted rate of £425/m^2 in the 2017 rating list and £285/m^2 in the 2023 rating list. It was however on a large retail park with free parking. The panel found that this property was in a different shopping area and placed little weight on it.

20. The panel noted that there were no photographs of these comparable properties and so it was difficult for the panel to be able to determine how comparable they were to the subject property. The panel therefore found they carried little weight especially when there were comparable properties in the same shopping centre as the subject property which would be more comparable.

21. Mr Pilkington explained that in the 2017 rating list Unit 16 was valued in connection with the subject property. Unit 16 was originally placed in the 2023 rating list at £180.00/m^2 and was reduced to £120/m^2. The panel noted that this was the same unadjusted rate as the subject property. Mr Pilkington explained that when that challenge was settled no rental evidence was discussed and so in his opinion the unadjusted rate on Unit 16 did not support the subject property unadjusted rate of £120/m^2. He drew the panel's attention to the rental evidence on the other comparable properties he had put into evidence which he submitted carried more weight than the settlement . The panel considered that the agreement reached was not an acceptance of value. The panel found that Unit 16 had been an outlier with Units 11/12 and 13/14 having an unadjusted rate of £120/m^2 in the 2023 rating list. The original unadjusted rate of £180/m^2 on Unit 16 was reduced to £120/m^2 to maintain parity with Unit 11/12. The panel put weight on the unadjusted rates of Unit 16 and Unit 11/12 which supported an unadjusted rate of £120/m^2 on the subject property.

22. The panel then turned to the comparable properties put into evidence by the VO:

(1) Unit 11/12 which had an area of 637.37m^2 and had an unadjusted rate in the 2017 rating list of £130/m^2. In the 2023 rating list the unadjusted rate was £120/m^2. The VO stated that this was the original property that the subject property had been valued against in both the 2017 and 2023 rating lists.
(2) Unit 16 which had an area of 492.03m^2 and had an unadjusted rate of £120/m^2 in the 2017 rating list and a settlement of an unadjusted rate of £120/m^2 in the 2023 rating list.
(3) Unit 13/14 which had an area of 368.65m^2 had an unadjusted rate of £180/m^2 in both the 2017 and 2023 rating lists.

23. The panel found that these comparable properties were in the same shopping centre as the subject property. They had an area of between 368.65m^2 and 637.37m^2. The subject property with an area of 641.67m^2 was larger than any of the comparable properties. Two of those comparable properties had an unadjusted rate of £120/m. The other property had a rate of £180/m^2. The panel found that Unit 13/14 was significantly smaller than the subject property and so had a higher unadjusted rate. This the panel found provided a basket of evidence which supported the present RV on the subject property. The panel put weight on this evidence.

24. 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.

25. The panel found the totality of evidence submitted in connection with comparable properties in the same shopping centre as the subject property were more persuasive. The panel put weight on them as they were very similar in size. Therefore, in line with the fifth and sixth propositions in *Lotus and Delta* the panel found the basket of evidence supported that a tone had been demonstrated and the established tone for the subject property supported the unadjusted rate of £120/m^2

26. In appeals of this nature the burden of proof was on the appellant to provide evidence to demonstrate that the RV of the subject property was unreasonable. The panel found that the appellant had failed to discharge this burden. The evidence put in by the appellant's agent was of comparable properties which were too far away or too different in type to the subject property to be given weight in the basket of evidence. The panel was therefore satisfied that the current assessment for the subject property was reasonable.

Conclusion

27. In view of the above findings and conclusions, the Tribunal is satisfied that the current RV of £75,500 with effect from 1 April 2023 is reasonable and dismissed the appeal.

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) using Form T385 (Notice of appeal) within **four weeks** of the date this decision and statement of reasons was 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 SP Wood, Senior Member (Chair)
Mr A Sheth, Senior Member
31 December 2025

Miss F Willson
Clerk to the Tribunal
Date issued to the parties: 31 December 2025