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

Case No: CHG101267077

Sitting remotely using Microsoft Teams

Date: 4 July 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — warehouse and premises; price per m^2 in dispute; rental evidence; comparable assessments; Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; appeal dismissed

Before:
MRS A FIELDER
MR A HUSSAIN

Between:

GAB SUPPLIES LTD — **Appellant**

- and -

ANDREW MOULAND (VALUATION OFFICER) — **Respondent**

Regarding:
4 THORNTON CHASE, LINFORD WOOD, MILTON KEYNES, MK14 6FD
(the "subject property")

Mr M Evans from Ryan, representing the appellant
Mr J Reene for the Respondent

Hearing date: 18 June 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The Tribunal finds that the entry in the 2023 rating list is not unreasonable, and confirms the rateable value (RV) of £57,000 with effect from 1 April 2023.

Introduction

3. This is a 2023 rating list appeal. 4 Thornton Chase, Linford Wood, Milton Keynes, MK14 6FD (the ‘subject property’) had been entered in the 2023 rating list as ‘warehouse and premises’ with an RV of £57,000 with effect from 1 April 2023. This was based upon an adopted price of £90.00 per m^2.

4. The challenge proposal was submitted by Altus Group (now Ryan) on behalf of GAB Supplies Ltd, and was received by the Valuation Officer on 10 September 2024. It had been made on the grounds that the RV shown in the rating list on 1 April 2023 was inaccurate. A revised RV of £51,000, based upon £80.00 per m^2 was proposed with effect from 1 April 2023.

5. The Valuation Officer issued a challenge case decision notice on 19 November 2024, which stated that, based upon the evidence and information available, the rating list entry was reasonable and there would be no change.

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 10 January 2025.

7. Mr Evans 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.

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.

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.

12. 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 2020. As this was a compiled list appeal, the material day (the date by which physical factors must be taken into account) was 1 April 2023.

Discussion

13. The subject property is an industrial unit located in Linford Wood, Milton Keynes. It was built in 2011 and has a total area of 617.70m^2, or 642.26m^2 in terms of main space (ITMS). The issue in dispute is the price per m^2 to be adopted in the valuation of the subject property.

14. On behalf of the appellant, Mr Evans contends that the present £90 per m^2 is excessive, in view of the available rental and comparable evidence. For the Valuation Officer, Mr Reene defends the present £90 per m^2 with reference to rental evidence in respect of similar sized properties.

15. 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.

(vi) 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.

16. Mr Evans referred to the rental transactions for the subject property before and after the AVD, in support of his contention that £90 per m^2 is excessive:

- A lease renewal agreed on 20 November 2019 for a stepped rent of £25,134 per annum, rising to £50,278 per annum, analysed at £76.74 per m^2.
- A rent review of £57,851 per annum agreed on 20 November 2024, analysed at £90.07 per m^2. This was three years post AVD in a rising market.

17. The Valuation Officer submitted that little weight should be attached to the subject rental evidence as it was too far from the AVD.

18. The panel found that both transactions did not reflect the rental value as at 1 April 2021, and therefore turned to the available rental evidence which was closer to the AVD.

19. Mr Evans provided details of four rental transactions in respect of comparable properties located close to the subject:

3 Thornton Chase

A unit of 955.51m^2 (1,012.7m^2 ITMS), the rent of £75,000 effective from 20 June 2018 analysed at £74.06 per m^2.

6 Thornton Chase

A unit of 1,108.93m^2 (1,219.02m^2 ITMS), the rent of £100,000 effective from 6 December 2021 analysed at £82.03 per m^2.

7 Thornton Chase

A unit of 1,078.08m^2 (1,159.64m^2 ITMS), the rent of £99,084 effective from 1 September 2021 analysed at £80.49 per m^2.

8 Thornton Chase

A unit of 1,756.64m^2 (1,762.73m^2 ITMS), a stepped rent effective from 1 November 2021 analysed at £79.24 per m^2.

20. Mr Evans contended that the rental evidence did not demonstrate quantum on this estate, and therefore the subject property should be assessed at £80 per m^2.

21. Mr Reene argued that the comparable properties presented by Mr Evans are significantly larger than the subject property, which accounts for their lower unit area rate (6 Thornton Chase at £85 per m^2, 7 and 8 Thornton Chase at £70 per m^2). In support of £90 per m^2, he referred to the following rents in respect of similar size units:

5 Thornton Chase

A unit of 593.84m^2 (593.84m^2 ITMS), the rent of £55,300 effective from 1 July 2020 analysed at £90.47 per m^2.

Most weight had been attached to this rent, as a new FRI lease.

1 Thornton Chase

A unit of 568.24m^2 (568.24m^2 ITMS), the rent of £54,680 effective from 1 January 2019 analysed at £90.26 per m^2.

Although two years prior to the AVD, Mr Reene attached high weight to this transaction, as this was a new letting of a unit similar in size to the subject.

Unit 2, Blackhill Drive, Wolverton Mill, MK12 5TS

A unit of 645.52m^2 (645.52m^2 ITMS), the rent of £54,911 effective from 1 October 2021 analysed at £67.71 per m^2.

Medium weight had been attached to this rent, as it had not been agreed at open market value; an open market rent would analyse at £90.28 per m^2.

22. Mr Evans highlighted that the new five year lease agreed for 5 Thornton Chase contained a three year break clause. He submitted that as the rent had been agreed on favourable terms, it should be disregarded.

23. In consideration of the parties' evidence and submissions, the panel decided to attach most weight to properties which were similar in size to the subject. Of the four properties presented by Mr Reene, only 3 Thornton Chase fell within the same size range as the subject, for properties between 500m^2 and 1,000m^2 which had an adopted price of £90 per m^2. The panel noted that the rent for 3 Thornton Chase analysed below £90 per m^2, however, the effective date was 20 June 2018, almost three years prior to the AVD. The panel considered that it was reasonable to assume that it would have achieved a rent closer to £90 per m^2 at the AVD. Mr Evans had commented that the market had risen between the two rental transactions for the subject.

24. While Mr Evans contended that the rent for 5 Thornton Chase should be disregarded as it had been agreed on favourable terms, he provided no alternative analysis to the Valuation Officer's figure of £90.47 per m^2. The panel found that this was the closest rental transaction

to the AVD in respect of a property similar in size to the subject, and it provided support for the present adopted price of £90 per m^2.

25. The panel found further support for £90 per m^2 for the subject property with reference to 1Thornton Chase. Although further from the AVD, the analysed rent of £90.26 effective from 1 January 2019 demonstrated that £90 per m^2 for units between 500 and 1,000m^2 was not excessive.

26. In his reliance on the subject rent pre and post AVD, and rents of significantly larger properties, the panel concluded that the appellant's representative had failed to demonstrate that the present price of £90 per m^2 was excessive for the subject property.

Determination

27. The panel was satisfied that the rateable value of the subject property was not unreasonable, and therefore the appeal was 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/.

Mrs A Fielder, Senior Member (Presiding)

Mr A Hussain, Senior Member

4 July 2025

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 4 July 2025