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

Case No: CHG101268313

Sitting remotely using Microsoft Teams

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-Domestic Rating; Local Government Finance Act 1988; Car Showroom and premises; Lotus and Delta v Culverwell (VO) [1976] RA 141; Comparable assessments; Appeal allowed.

Before:

MR A BACKWAY
MR B PROUDFOOT

Between:

PERTWEE AND BACK LTD **Appellant**

- and -

THE VALUATION OFFICER **Respondent**

Regarding:

GAPTON HALL ROAD, GREAT YARMOUTH, NORFOLK NR31 0NL

Mr Simon Penny of Ryan Property Tax Services Limited for the appellant,
Mr Darren Rigg for the respondent.

Hearing date: 23 JUNE 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal was allowed.

2. The Rateable Value (RV) of the appeal property was confirmed as £98,500 with effect from 1 April 2023 valued on a base rate of £90/m^2.

Introduction

3. This 2023 rating list appeal had been brought in respect of the following: the appellant was the non-domestic ratepayer of the appeal property Pertwee and Back Ltd, Gapton Hall Road, Great Yarmouth, Norfolk NR31 0NL.

4. The property had been entered in the 2023 rating list as Car Showroom and premises based on a rate of £105/m^2 giving an RV of £113,000 with effect from 1 April 2023.

5. A challenge proposal was submitted by the appellant's representative on 12 September 2024 to reduce the base rate to £90/m^2 to give an RV of £98,500.

6. The valuation officer (VO) issued a challenge decision notice on 20 November 2024 which stated that the rating list entry was reasonable based on the evidence and information available and therefore disagreed with the entry proposed in the submission.

7. The appeal property was a detached purpose-built Car showroom and premises constructed with block and metal frame. It was built in the 1980's and refurbished in 1992, was fully heated but had no air conditioning. It had a total area of 1,517.51$m^2$and a total area in terms of main space (ITMS) of 951.40m^2. It was owned Freehold by the occupiers Pertwee and Back Ltd and was located in an industrial estate with other car showroom premises and light industries.

8. The appellant was represented by Mr Simon Penny of Ryan Property Tax Services Limited who appeared 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 confirmed that he was instructed under a conditional fee arrangement. 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 the client's case.

9. 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).

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

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

Relevant Law

12. Local Government Finance Act 1988.

13. *Lotus and Delta v Culverwell (VO)* [1976] RA 141.

Issue

14. The issue in dispute was the RV of the appeal property.

Discussion

15. The bundle comprised all of the documents exchanged between the parties as part of the challenge process including the appellant's challenge submission, initial response to the challenge and the VO's challenge case decision notice.

16. The panel was aware that 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. The material day, the date by which physical factors have to be taken into account, in respect of this appeal was 1 April 2023.

17. The panel was aware that the leading case law in non-domestic property valuation was *Lotus and Delta v Culverwell (VO)* [1976] RA 141 which sets out the manner by which a property should be valued. This judgment provided authoritative guidance on the weight to be attached to rental and assessment evidence. The rent on the subject property was considered to be the correct starting point and then rents and assessments on other comparable properties. All of the evidence could then be weighted.

18. The appellant's representative stated that the appeal property was freehold owner / occupied and there was no direct rental evidence. Further, there was also very little comparable rental evidence as most car showrooms were owner occupied. However, he did reference four properties in Lowestoft where the base rate was £75/m^2. Although these properties were in a different valuation scheme he was of the opinion that customers would travel to both towns as they were less than 10 miles apart.

19. He stated that the appeal property base rate had increased from £90/m^2 in the 2017 rating list to £105/m^2 in the 2023 list, an increase of 16.67% which was out of kilter with other properties in the same VO valuation scheme 631854 that covered the whole of Norfolk.

20. The panel found that, out of 21 properties in Norfolk, the highest other increase, for six properties, was 5%, many were zero and 16.67% appeared to be out of line.

21. The appellant's representative then referred to a summary of comparable challenge agreements where the 2023 RV had been reduced to the 2017 value during 2024. He felt that this supported the reduction of the RV for the appeal property to its 2017 base rate value. He made reference to new evidence which was accepted by the respondent's representative and the panel therefore found that it could be considered. It related to 49 Bergen Way, King's Lynn where the 2023 base rate had recently been reduced to the 2017 value through the Check, Challenge, Appeal process.

22. In contrast, the VO's representative had provided rental evidence from comparable car showrooms within the same locality as the appeal property that were similar in age, quality and use as required by the second proposition of the Lotus case. He contended that these properties provided better comparability and were deserving of more weight.

23. Warwick Shubrook Ltd on Station Road, Great Yarmouth was a new letting of £114,577 per annum with effect from January 2021, just two months prior to the AVD. It was close to the appeal property and was very similar in size at 1,526.35m^2 and an ITMS of 951m^2. The rent devalued to £105.19/m^2 and therefore supported the £105/m^2 for the appeal property.

24. Wests 1-3, Scania Way in Norfolk had a rent review of £160,000 in September 2021 and this devalued to £142/m^2. It was currently valued at a base rate of £105/m^2.

25. Robinsons Autoservices in Norwich was let on a rent of £35,719 in September 2021 and this devalued to £105.85/m^2. This property was considerably smaller than the appeal property and the VO's representative therefore gave it less weight.

26. For these reasons, he was of the opinion that a base rate of £105/m^2 and RV of £113,000 was reasonable.

27. He was aware that the RV's of many car showrooms had been increased in the 2023 list but then been reduced on agreement / challenge, however, this evidence did not support that.

28. The panel found that the Warwick Shubrook property did indeed support £105/m^2 for the appeal property and was in line with the Lotus case, however, the VO's representative was almost entirely dependent upon it. He had not given any explanation in respect of the disproportionate increase between the 2017 and 2023 lists for the appeal property or for the reduction of 2023 values to those of 2017 following challenges. The panel noted that even recently the VO had reduced an RV to the 2017 value for Bergen Way.

29. The panel was aware of the principles laid out in the Lotus case and that rating lists valuations are not undertaken in comparison to earlier lists. The panel recognised that the 2023 RV reductions were national and there could be significant differences in areas, however, it was the VO that had agreed to the reductions and would have had access to the comparable information presented in this case.

Decision

30. The panel therefore found that the base rate for the appeal property was excessive in light of the basket of evidence presented and that £90/m^2 was reasonable. The appeal was therefore allowed.

Order

31. The Tribunal orders, pursuant to Regulation 38 of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, that the Valuation Officer, within two weeks of the date of this order, shall reduce the rateable value in the 2023 list in respect of Pertwee and Back Ltd, Gapton Hall Road, Great Yarmouth, Norfolk NR31 0NL to £98,500 valued on a base rate of £90/m^2 with effect from 1 April 2023.

32. A refund of the paid fee will now be arranged (Regulation 13E of the Non-Domestic Rating (Alteration of Lists & Appeals) (England) Regulations 2009. Provided there is no review of the Tribunal's decision the refund will take around six weeks to process.

Right of further appeal

33. 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.

34. 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 Backway, Senior Member (Presiding)
Mr B Proudfoot, Senior Member
21 July 2025

Mr D Adamson
Clerk to the Tribunal
Date issued to the parties: 21 July 2025 (reissued 15 August 2025)

Amended decision in accordance with Regulation 39 of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 due to a clerical error. Paragraph 31 is amended to substitute "£98,500" for "£95,500".