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

Case No: CHG101270109

Sitting remotely using
Microsoft Teams on
27 April 2026

Date: 26 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 Rating List Appeal: warehouse and premises; removal of end allowances in dispute; Lotus & Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; *Lamb v Minards (VO) [1974] RA383; Barnard v Barnard v Walker (VO) [1974]* RA 383; *appeal allowed.*

Before:

MISS AC GRIFFITHS
MS TM BLADES

Between:

PYM & WILDSMITH (METAL FINISHERS) LIMITED **Appellant**

- and -

LUCY FORMELA-OSBORNE (VALUATION OFFICER) **Respondent**

Regarding:

UNITS 17B 17F--H AND 20A, BRAMSHALL INDUSTRIAL ESTATE, UTTOXETER ST14 8TD
(the "subject property")

Mr M Iles from Ryan Property Tax Services (as advocate and expert witness on behalf of the appellant)
Mr M Adepoju (as advocate and expert witness on behalf of the respondent)

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed.

2. The Tribunal confirms the rateable value (RV) of £67,500 with effect from 1 April 2023

STATEMENT OF REASONS

Introduction

3. This appeal had been brought in respect of Units 17B 17F-H and 20A, Bramhall Industrial Estate, Uttoxeter ST14 8TD (the subject property), which was entered in the 2023 Rating List as 'warehouse and premises' at an RV of £89,000 which was later reduced to £71,000 effective from 1 April 2023.

4. The appellant's Challenge was submitted by their representative on 18 September 2024 and sought a reduction in the RV to £67,500 with effect from 1 April 2023. The appeal to this Tribunal was made on 18 November 2025, following the Valuation Officer's (VO) Decision Notice of 28 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 subject property is on Bramshall Estate and was a detached warehouse/industrial unit with five bays the majority of which were built between 1999 and 2004. It is a semi-rural location to the west of Uttoxeter. The estate has a high degree of vacancies and many of the properties are owner occupied. It has a total significant area (TSA) of 3,100.97m^2.

7. Mr Iles 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 Iles 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 original challenge included a submission that the base price should be reduced from £37.50/m^2 to £30/m^2. This was agreed between the parties prior to the hearing at £30/m^2 and so was no longer in dispute.

12. The issue for the panel to make a finding on was whether the VO had acted correctly in removing the end allowance of 5% for lack of insulation previously applied to the valuation of the appeal property in the 2017 rating list.

Relevant Law

13. 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.

14. 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).

15. 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

16. 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.

17. 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 were that the subject property is always the starting basis. This was however to be measured against how closely the circumstances of that lease was to the statutory requirements contained in the definition of gross value in section 19(6) of the General Rate

Act 1967. (These statutory requirements are now contained in Schedule 6, Para 2 (1) Local Government Finance Act 1988 (as amended by the Rating (Valuation) Act 1999). The closer the circumstances are the more weight the lease should be given.

18. The panel was aware that while each rating list was considered afresh, the fact remained that the end allowance had been agreed previously in respect of the 2017 list but had not been carried over to the 2023 compiled list. With reference to *Barnard & Barnard v Walker*, the VO was required to evidence that there were exceptional circumstances which led the panel to consider that the allowance was no longer warranted. The panel found that in the case before it there was no such evidence provided by the VO and put weight on this argument.

19. The panel also considered the case of *Lamb v Minards (VO) [1974]* RA 153 where it was established that:

> "Although superseded valuation list assessments are of no direct assistance in arriving at correct values in the new list, there is a presumption that the relative values of different properties in it were correctly expressed in accordance with statutory provisions, and such relativities may therefore help in determining assessments in the new list, subject to explanation by the valuation officer."

20. The panel turned to the appellant's comparable property:

(1) Buildings 316-317 & 318g, Fauld Industrial Estate. The appellant submitted that this industrial estate was a good comparable to Bramshall the estate the subject property was located on. This comparable property demonstrated that there had been no increase in rent between the two lists leading to an RV of £53,500 in both lists. It had an insulation allowance in the 2017 rating list which had been carried onto the 2023 rating list.
(2) Building 17 Marchington Industrial Estate and Units 127 & 128 Fauld Industrial Estate had a TSA of 1,454.95m^2 and 2,595.66m^2 and were valued at £31.20/m^2 and £30/m^2 and so supported a tone of £30/m^2 for the subject property.
(3) Units 6 and 8 Bramshall Industrial Estate had a TSA of 376.18m^2 and as such was significantly smaller than the subject property with a rent of £9,600 which analysed to £32.62/m^2 and was between connected parties.
(4) Unit 18, Bramshall Industrial Estate which had a TSA of 1,464m^2. This was based on a rent review with a nil increase on an adjusted rent of £48,250 which analysed to £33.59/m^2 and was effective from 1 July 2020. After the VTE hearing on this property *Chase Hardware Limited v Lucy Formela (VO) [2025]* CHG101107483 the panel found that the correct unadjusted rate for the subject property was £30/m^2. This property had already had the 5% allowance reinstated and the VO in that case accepted that the removal of the allowance had been made in error. In the proposed RV presented to that panel the allowance had not been included in the proposed RV and steps were currently being taken to reinstate the allowance as it had been omitted due to a clerical error.

21. The panel noted that the rental evidence in connection with Buildings 316-317 & 318g, Fauld Industrial Estate supported that there had been no rental growth between the lists. Despite that the RV on the subject property had been increased from £67,500 to £71,000 as a result of the removal of the 5% end allowance. The appellant submitted if that were the case then a unit with insulation would have the same rental value as one without. The panel put weight on this argument.

22. The panel found that Building 17 Marchington Industrial Estate and Units 127 & 128 Fauld Industrial Estate supported a tone of £30/m^2 for the subject property. They were however agreements between connected parties and were considerably smaller than the subject property and so the panel put little weight on this evidence.

23. The panel took account that the rental evidence in connection with Units 6 and 8 Bramshall Industrial Estate was not an open market rent and was between connected parties. Further it commenced in October 1983 which was too remote from the AVD for the panel to put weight on. The panel found that although the comparable property Unit 18, Bramshall Industrial Estate was smaller than the subject property it was located on the same industrial estate. The panel found that it supported a tone of £30/m^2 and that the allowance should still be applied. The panel put weight on this evidence.

24. The panel then considered the comparable properties introduced into evidence by the VO which were:

    (1) Unit 7A Bramshall Industrial Estate with a TSA of 166.26m^2 and was fully insulated. It had a rent at a rent review that analysed to £44.03/m^2 with an effective date of 1 April 2020.
    (2) Unit 3 Boulton Building which had a TSA of 244.8m^2. It had no insulation and no allowance had been made. The rent analysed to £61.09/m^2 with an effective date of 1 January 2022.
    (3) 17B Bramshall Industrial Estate had a TSA of 1,483.50m^2 and was insulated and at a rent review date 1 September 2021 had a rent that analysed to £41.56/m^2.

25. The panel noted that these comparable properties were significantly smaller than the subject property and on different industrial estates. The rental evidence was not from open market rents close to the AVD they were from lease renewals, new lettings post the AVD or agreements between connected parties. The panel also found that they did not demonstrate that a tone had been established as the analysed rents varied between £44.03/m^2 and £61.09/m^2. The panel therefore put little weight on this evidence.

26. The panel then considered Mr Adepoju's submission that the valuation approach adopted in the 2023 rating list differed from that applied in the 2017 rating list. He contended that, under the 2023 approach, uninsulated properties on the Bramshall Industrial Estate were assessed at a tone of £30/m^2, as evidenced by Unit 18. Mr Adepoju submitted that this tone already reflected the uninsulated nature of such properties and that no further end allowance should be applied. To do so, he argued, would amount to double counting. He further explained that the percentage adjustment for lack of insulation had been incorporated within the adopted tone, and therefore no additional allowance was required in the 2023 rating list. The panel placed weight on the comparable evidence of Unit 18, which is situated on the same industrial estate and was assessed at a tone of £30/m^2. However, it noted that, notwithstanding this, a 5% end allowance had still been applied in that case. In light of this, the panel found that an end allowance remained applicable and should be applied in determining the rateable value of the subject property.

27. The panel found that with reference to *Barnard & Barnard v Walker*, there were no exceptional circumstances demonstrated by the VO which led the panel to consider that the allowance was no longer warranted. The panel found that the best comparable property was Unit 18, Bramshall Estate as it was on the same industrial estate. It had a tone of £30/m^2 and

an end allowance of 5% in both the 2017 rating list and the 2023 rating list. This the panel found supported an end allowance of 5% for the subject property.

28. The panel concluded that the appellant's representative had successfully demonstrated that the valuation of the hereditament was unreasonable, and therefore the appeal was allowed.

Conclusion

29. In view of the above findings and conclusions, the Tribunal is satisfied that the correct RV of £67,500 with effect from 1 April 2023 allowed the appeal.

30. Accordingly, we order the Valuation Officer to reduce the 2023 rating list entry to £67,500 RV with effect from 1 April 2023, within two weeks of the date of this Order.

31. A refund of the paid fee will now be arranged (Regulation 13E of the NDR Alteration of Lists & Appeals Regs) provided there is no review of the Tribunal's decision. The refund will take around six weeks to process

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/.

Miss AC Griffiths, Senior Member (Chair)
Ms TM Blades, Senior Member

Miss F Willson
Clerk to the Tribunal
Date issued to the parties: 26 May 2026