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

Case No: CHG101274625

Sitting remotely using Microsoft Teams on 24/06/2026 10:00

Date: 23 July 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Warehouse and premises — Unadjusted base rate — Appeal allowed-in-part.

Before:

MR PJ WARD
MS N AKHTER

Between:

JOHN NIXON LIMITED
(REPRESENTED BY RYAN PROPERTY TAX SERVICES UK LIMITED) **Appellant**

- and -

AMANDA HITCHINGS
(VALUATION OFFICER) **Respondent**

Regarding:

J NIXON LTD, PORTRACK GRANGE ROAD, STOCKTON-ON-TEES, TS18 2PH
(the "subject property")

Mr C Hodgkinson for the Appellant
Mr S Hutchinson for the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed-in-part.

2. The Tribunal Panel determined a rateable value (RV) of £45,750 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This was a 2023 rating list appeal. The subject property had been entered in the 2023 rating list as “Warehouse and Premises” at an RV of £68,000 with effect from 1 April 2023. This was based on an unadjusted base rate of £31.63 per square meter (psm).

4. The challenge proposal was submitted by Ryan Property Tax Services UK Limited on behalf of John Nixon Limited and was received by the Valuation Officer (VO) on 1 October 2024. It had been made on the grounds that the RV shown in the 2023 rating list was wrong and proposed a revised RV of £40,000 based on an unadjusted base rate of £17 psm.

5. The VO issued a challenge case decision notice. The VO’s decision was to treat the appellant’s challenge as not well-founded and proposed no change to the rating list.

6. Mr Hodgkinson 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), Mr Hodgkinson declared that he was instructed under a conditional fee arrangement.

7. Mr Hodgkinson understood and accepted that his duty was to the Tribunal in giving his evidence and he would comply with this regardless of whether or not the evidence supported his client’s case.

8. The Tribunal 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. Mr Hutchinson appeared as both advocate and expert witness.

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

Background

12. The subject property was an industrial unit constructed in 1978 and located in Stockton-on-Tees. It measured 1,850.7m^2 and comprised ground floor warehouse and office space and a mezzanine floor.

Preliminary issue

13. Mr Hutchinson sought to introduce new evidence which had been submitted to Mr Hodgkinson and the Tribunal on 15 June 2026. Mr Hutchinson stated that the new evidence was three additional rents on comparable properties and one agreement on a comparable property. He became aware of the information when he was reviewing the appeal documents before the hearing and believed the evidence would be informative for the panel. Through questioning he confirmed that the evidence should have been included with the challenge decision.

14. Mr Hodgkinson objected to the inclusion of the new evidence as it should have formed part of the challenge discussions if it was going to be relied on. He stated that providing the evidence the week before the hearing did not allow him time to consider, verify, and discuss the content of the evidence.

15. The panel considered Regulation 17A of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 (SI 2009/2269) which stated:

17A Admission of new evidence on NDR appeal

(1) On a NDR appeal, the VTE may only admit evidence that was not included in the notice of appeal or any document accompanying the notice of appeal ("new evidence") if—

(a) that evidence—

(i) is provided by a party to the appeal;
(ii) relates to the ground on which the proposal was made; and
(iii) was not known to the party and could not reasonably have been acquired by the party before the proposal was determined under Part 2 of the NDR Regulations; or

(b) all the parties to the appeal agree in writing to the party providing the new evidence.

11. As the evidence to be included by Mr Hutchinson would have been available during the challenge stage, and as no agreement had been reached between the parties for its inclusion, the panel considered that it failed the test to be applied and therefore the evidence should not be included.

Relevant Law

The Local Government Finance Act 1988

16. Schedule 6 of the Act 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.

17. 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.

18. 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 day is 1 April 2023.

Discussion

19. The leading judgment of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, referred to by both parties, set out six propositions to be followed when considering the weighting of evidence:

    1. Where the hereditament which is the subject of consideration is actually let that rent should be taken as the starting point.
    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 s.19(6) of the General Rate Act 1967 the more weight should be attached to it.
    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 properly be referred to as giving an indication of that opinion.
    5. 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.
    6. 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.

20. The subject property was held on a freehold basis. Due to this the parties looked elsewhere for rental and tone evidence. The panel heard from Mr Hodgkinson that the subject property was placed in a general scheme that included properties of a range of ages. He looked for evidence of comparable properties on age specific schemes which he considered were more akin to the subject property.

21. Five units on Royce Avenue were submitted for comparison which were in a scheme for properties built between 1971 and 1989. Mr Hodgkinson stated these properties were all of a similar age and quality to the subject property, were located within a few miles of the subject property, and were in the rating list at £17 psm.

22. In addition to the Royce Avenue properties, Mr Hodgkinson had provided details of five other comparable properties that were in the rating list between £24.75 psm and £30.25 psm. He made specific reference at the hearing to Topside House, Thomlinson Hall, and Geoffery Robinson Ltd which he contended were all superior to the subject property and were in the rating list at a lower rate.

23. Mr Hutchinson had referred to settlements of comparable properties and rental evidence of comparable properties. He placed most weight on the rent on 7 & 8 Raleigh Court which was the closest to the subject property in terms of location. It was let on a ten-year lease with effect from 1 July 2021 for £87,700 per annum. Mr Hutchinson had analysed this rent to £42 psm, and it was in the rating list at £31.30 psm. 7 & 8 Raleigh Court was built in 1989 and measured 2,195.59m^2.

24. Mr Hutchinson had submitted settlement evidence of five properties that were agreed between £32.81 psm and £44psm. 72 Jay Avenue was located five miles from the subject property and was built in 1990 and measured 2,091.93m^2. This was in the rating list at £44 psm.

25. The panel considered all of the evidence before it. It placed little weight on the rental evidence from County Durham which it considered too far away to be considered comparable to the subject property, when there was evidence significantly closer to its locality. The panel agreed with Mr Hodgknison that Geoffrey Robinson Ltd, Topside House and Thomlinson Hall were superior to the subject property based on the photographic evidence in the submission and Geoffrey Robinson Ltd was significantly newer than the subject property.

26. It was the panel's view that 7 & 8 Raleigh Court was also superior to the subject property. It was newer and larger; however, it was the closest to the subject property and the rental evidence was only three months post-AVD.

27. When considering the basket of evidence as a whole, the panel found that Mr Hodgkinson had demonstrated that the current RV of the subject property was unreasonable, however it did not consider that he had proven his case that it should be reduced to £17 psm.

28. It was the panel's view that the subject property was between the Royce Avenue properties at £17 psm and the newer built warehouses such as Geoffrey Robinson Ltd at £30.25. As the panel was of the opinion that Thomlinson Hall and Topside House were also superior to the subject property, the panel found that £20 psm was reasonable for the subject property.

Conclusion

29. In view of the above findings and conclusions, The Tribunal Panel is satisfied that the RV of the subject property was unreasonable and determined an RV of £45,750 with effect from 1 April 2023 based on an unadjusted base rate of £20 psm. Therefore, the appeal was allowed in part.

Floor	**Description**	**Area (m^2)**	**£/m^2**	**Value (£)**
Ground	Warehouse	375.00	19.50	7,313
Ground	Office	66.00	22.00	1,452
Ground	Workshop	731.70	20.00	14,634
Ground	Office	483.90	24.00	11,614
Ground	Works Office	131.80	20.00	2,636
Mezzanine	Internal Storage	62.30	10.00	623
	Subtotal			**38,272**
	Rough surfaced, fenced land	1462.5	1.20	1,755
	Hard surfaced, fenced land	1848.80	1.75	3,235
	Rough surfaced, fenced land	2273.00	1.20	2,728
	Total			**45,990**

30. The Tribunal Panel orders pursuant to Regulation 38 of the Valuation Tribunal for England (Council Tax and Rating Appeals) (England) Regulations 2009 [SI 2009 No 2269] that the respondent shall alter the 2023 list in respect of J Nixon Ltd, Portrack Grange Road, Stockton-on-Tees TS18 2PH within two weeks.

Right of further appeal

31. 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.

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 PJ Ward, Senior Member (Chair)
Ms N Akhter, Senior Member
23 July 2026

Mrs S Hodgson
Clerk to the Tribunal
Date issued to the parties: 23 July 2026