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

Case No: CHG101278981

Sitting remotely using Microsoft Teams

Date: 31 July 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 Rating List Appeal: Local Government Finance Act 1988; accuracy of the rateable value in the list as at 1 April 2023; shop and premises; rental evidence; comparable assessments; appeal allowed

Before:

MR N DE FREITAS

Between:

SPICERHAART GROUP LIMITED **Appellant**

- and -

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

Regarding:
55-57, EXETER STREET, PLYMOUTH PL4 0AH
(the "subject property")

Mr S Cronk of Ryan Group, representing the **Appellant**
Mr K Ng, for the **Respondent**

Hearing date: 11 July 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed.

2. The assessment was reduced to rateable value (RV) £18,500 with effect from 1 April 2023.

Introduction

3. This appeal has been brought in respect of 55-57, Exeter Street, Plymouth PL4 0AH (the "subject property"), which was entered in the 2023 rating list as 'shop and premises' at RV £28,750, effective from 1 April 2023.

4. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appellant has made an appeal to the Valuation Tribunal for England (VTE). The appeal was made because the appellant did not agree with the Valuation Officer's decision to reduce the RV to £24,000 in the 2023 rating list following the challenge. The appellant sought a reduction to RV £18,500 with effect from 1 April 2023.

5. The Tribunal Business Arrangements provide that a hearing will normally take place before a panel of two members of the Tribunal, including at least one Senior Member. However, paragraph 11 of those Arrangements also provides that a Senior Member may sit alone to avoid postponing the hearing where a second panel member is unable to sit for any reason. In respect of this hearing, a second panel member gave notice of unavailability within one working day of the hearing, and a replacement could not be found. In accordance with Paragraph 11 of the Tribunal Business Arrangements, I am satisfied that I am authorised to hear and determine this appeal alone.

6. The appellant's representative, when appearing as expert witness, stated that he was on a conditional fee arrangement. However, he also stated that he understood and accepted that his first duty was to the VTE in giving his evidence, whether or not the evidence supported his client's case.

7. I have accepted this expert witness evidence on the above basis as the appeal is not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 and is 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).

8. It was therefore appropriate for me to consider the 'expert' evidence and assess what weight, if any, to give it in the context of the matters in issue before me.

9. Mr Ng appeared as both expert witness and advocate.

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

Background

11. The subject property is a ground floor shop with a total area 277.53 m^2 it is a two storey building, which was built in 1965-1970. The subject property is described as 'Shop and

Premises' and is occupied by Haart Estate Agents. It is located in a short parade of shops along Exeter Street, which is situated to the eastern fringe of Plymouth City Centre.

12. The appellant's representative argued for a revised list entry of £18,500, based on a reduced tone of value for main space to £85.07/m^2. This was based on the rent for the subject property, and comparable properties in the locality.

13. The respondent valuation officer argued that there is ambiguity with the rent for the subject property due to missing rental information in the last six months and different information on the form of return (FOR). He stated that the comparable properties were situated too far from the subject property to be useful and contended that 47-49 Exeter Street, Plymouth, was a better comparable property which supported the newly adopted rate of £120/m^2.

Relevant Law

14. The term 'rateable value' is defined in Schedule 6 to the Local Government Finance Act 1988 (as amended):

"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."

Discussion

15. In accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI:2014 No.2841), I had to determine the rateable value for the appeal property, which represented a rent that a hypothetical landlord and tenant would agree, as at the AVD, 1 April 2021. This common date was used to ensure that every property was treated in a consistent way.

16. The Lands Tribunal judgment in *Lotus and Delta* v *Culverwell (VO) and Leicester City Council* [1976] RA 141 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 but, where available, rents on similar properties were also to be considered. The assessments on other comparable properties may also be relevant. All of the evidence could then be weighted.

17. I noted that the lease on the subject property was a new open market letting which had been agreed on 21 September 2021, six months post the AVD, for a period of five years with a break clause on 22 September 2024 which the appellant had chosen not to exercise. The

rent was agreed at six months' rent free from 21 September 2021, £12,500 from 22 March 2022 to 21 March 2023 and £25,000 from 22 March 2023 to 21 September 2026. Mr Cronk had analysed the rent to £85.07/m^2 in terms of zone A (ITZA) and argued that it supported an RV of £18,500. I found this to be good evidence, and I attached significant weight to it.

18. Mr Ng argued that there was ambiguity with the lease because there was information missing regarding the last six months of the rent and the information on the FOR appeared to him to be different. However, I noted Mr Cronk's explanation that the FOR was an electronic form and an explanation was given on the form at the time of completion as to why the figures appeared differently to the lease. With regard to the lease, I was aware that there had been an error when the lease was originally drawn up which had been rectified, and this was evidenced in Mr Cronk's submission. I did not consider that there was any ambiguity with the lease.

19. In the evidence pack Mr Cronk had referred to nine comparable properties which were situated in a prime location which he argued reflected the market conditions at AVD, however, I did not find this evidence helpful as the properties were situated in a different, and superior location.

20. Mr Ng argued that two rental agreements on his comparable property, 47-49 Exeter Street, Plymouth, which was situated close to the subject property to be more reliable than the rent on the subject property. There had been a rent review on 1 June 2019 this was a review of a ten year lease agreement which had been made in 2014. The effective rent was agreed at £31,396 per annum which the Valuation Officer had analysed to £124.43. Secondly, there was a lease renewal which had been agreed on 1 March 2024 with an effective rent of £32,434 which the Valuation Officer had analysed to £128.54. Mr NG contended that these two agreements supported the adopted rate of £120/m^2 for the subject property. I was aware that rent reviews and lease renewals carry less weight than an open market letting, I also noted that these agreements were somewhat remote from the AVD I could therefore attach only moderate weight to this evidence.

21. Mr Ng went on to argue that the reduction of the RV by 53% between the 2017 and 2023 rating list was out of kilter with other reductions in the locality. Mr Cronk had provided evidence of reductions which ranged from 29% to 42%, however, I was aware that the 2023 rating list was a new entity and that 2017 list values were not relevant.

22. Having considered the basket of evidence before me I found that the current RV was not reasonable. The best evidence was the new letting on the subject property close to the AVD and I determined that the tone should be reduced to £85.06/m^2 to reflect this rent. The RV was therefore reduced as follows:

Floor	**Description**	**Area (m2)**	**Relativity**	**Price (£/m2)**	**Value (£)**
Ground	Retail zone A	92.51	1	85.07	7,870
Ground	Retail zone B	107.09	0.5	42.54	4,555
Ground	Retail zone C	53.72	0.25	21.27	1,142
Ground	Office	11.38	0.125	10.63	121
Ground	Remaining retail zone	2.75	0.125	10.63	29
Ground	Kitchen	5.31	0.1	8.51	45

Ground	Office	4.77	0.125	10.63	51
	Total	277.53		Subtotal	13,813
	Car parking spaces	4			4,800
					18,613
				RV	18,500
			effective	01-Apr-23	

Determination

23. In view of the above findings and conclusions, the appeal was allowed.

24. I order under the provisions of regulation 38(4) of The Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Tribunal for England orders the Valuation Officer to amend the entry in the rating list to show a revised assessment of £18,500 RV for the appeal property, with effect from 1 April 2023

25. Under regulation 38(9), the Valuation Officer must comply with this order within two weeks of the date of its making.

26. The appellant is also entitled to a full refund of the fee paid in accordance with regulation 13E(1)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended) provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Right of further appeal

27. 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.

28. 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 N De Freitas, Senior Member

31 July 2025

Clerk to the Tribunal
Date issued to the parties: 31 July 2025