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

Case No: CHG101289912

Sitting remotely using Microsoft Teams

Date: 11 September 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-Domestic rating; Local Government Finance Act 1988; Lotus and Delta v Culverwell (VO) [1976] RA 141; Comparable Properties; Rate; Appeal allowed in part.

Before:

MRS S PATEL
MR PJ HICKSON

Between:

MOTION COMPONENTS LTD — **Appellant**

- and -

KAREN GILES (VALUATION OFFICER) — **Respondent**

Regarding:

UNIT 9 THE STERLING COMPLEX, SPROUGHTON INDUSTRIAL ESTATE, SPROUGHTON, IPSWICH IP1 5AP
(the appeal property)

Mr Ben Porter of Ryan Property Tax Services UK Limited for the appellant
Mr Lee Stevens for the respondent

Hearing date: 20 August 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed-in-part. The panel found that a rate of £50/m^2 was reasonable for the appeal property giving an RV of £33,500.

Introduction

2. The appellant sought a reduction in the 2023 rating list rateable value from £38,750 to £31,750 with effect from 1 April 2023 based on reducing the rate/m^2 from £57.50 to £47.50.

3. A challenge to the rateable value was submitted on 25 February 2025 based on rental evidence from nearby comparable properties that supported a reduction in the £/m^2.

4. The respondent considered the challenge but found that the rating list entry was reasonable based on the evidence and information available and disagreed with the challenge.

5. The appeal property was an industrial unit occupied by Motion Components Ltd. It was built in 1996 and was located within Sproughton Industrial Estate surrounded by other industrial units and estates. It was held freehold.

6. The appellant was represented by Mr Ben Porter 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.

7. 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).

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

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

Relevant Law

10. Local Government Finance Act (LGFA) 1988.

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

Discussion

12. The panel was aware that rateable value should be assessed in accordance with The Local Government Finance1988 Schedule 6, paragraph 2 (1).

13. "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….."

14. Further, 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.

15. The panel was also 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.

16. As the property was held freehold the panel referred to comparable properties submitted by both parties.

17. The rent on Units 9 & 10 Sovereign Centre of 29 October 2020, a new letting only five months before the AVD, was analysed by the appellant's representative to £40.19/m^2. The rent on Units 7 & 8 Farthing Road, a lease renewal agreed nine months before the AVD, analysed to £43.63/m^2. The VO's representative had analysed this to £48.81 by ignoring the 3 month period.

18. The panel found that these two rentals did provide evidence supporting a lower rate on the appeal property, however, being stepped rents and one of them being a renewal, reduced their weighting compared to open market lettings.

19. 11B Farthing Road was a new letting and its rent at 31 August 2021 analysed to £35.49/m^2.

20. The panel noted that this letting was after the AVD contrary to the previous two that were prior to the AVD and analysed at the lowest value when the current UAR in this valuation at £60/m^2 was the highest of the three. However, the three lettings were agreed at the height of the covid restrictions and the panel found that this may have had an effect on the letting market at that time particularly after the AVD as reflected in the 11B Farthing Road letting.

21. The VO's representative had submitted five lettings for comparability.

22. Unit 3 Whitegates was only 55.4m^2 and Unit 11 only 123.6m^2 in area compared to the appeal property at 629.26m^2. Their analysed rents were the highest of the submitted comparables, however, the panel found that neither were comparable as they were so much smaller. Similarly, Units 1A and 1B were 1996.54m^2, three and a half times larger than the appeal property and the panel found it not to be a useful comparable. The panel therefore afforded this evidence little weight.

23. Unit 1C, Farthing Road was similar in size to the appeal property and was a new let just three months after the AVD with its rent analysing to £56.84/m^2. Unit 9 Farthing Road, again similar in size to the appeal property, had been let on a new lease six months after the AVD on a stepped rent which analysed to £56.90/m^2.

24. The panel found that although these analyses were less than the current rate on the appeal property they did provide some evidential support for the higher current rate on the appeal property although less so for Unit 9 as it was a stepped rent.

25. The panel found that Unit 1C was superior to the appeal property and had better access which would therefore support a reduction in the appeal property rate to less than £56.84/m^2.

26. The panel found that the VO was very dependent on the evidence of Unit 1C whereas the appellant's representative had submitted a basket of evidence with leases close to the AVD on properties that were more similar in size to the appeal property. The panel found that a stepped rent, whilst clearly not as good evidence as a fixed rent, was still useful evidence and the panel noted that both parties had included stepped rents in their submission.

27. For these reasons, the panel found that the appeal property was overvalued and the evidence submitted by the appellant's representative more useful for valuing the appeal property.

28. The appellant's representative had referred to properties on Boss Road, however, the panel found that sufficient evidence had been produced to allow it to make its decision.

Determination

29. In view of the above findings and conclusions, the panel found that a rate of £50/m^2 was reasonable for the appeal property giving an RV of £33,500. The appeal was therefore allowed in part.

Description	Area m^2	£m^2	Value
First floor office	155.09	£60.00	£9,305
Ground floor office	60.64	£55.00	£3,335
Ground floor production area	64.76	£50.00	£3,238
Ground floor retail area	93.91	£60.00	£5,635
Ground floor warehouse	189.72	£48.75	£9,249
Mezzanine floor internal storage	65.14	£25.00	£1,629
Total	629.26		£32,391
Car Park spaces	8		£1,200
Total value			£33,591
Rateable value (rounded down)			**£33,500**

Order

30. 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 Unit 9, the Sterling Complex, Sproughton Industrial Estate, Sproughton, Ipswich IP1 5AP to £33,500 valued on a base rate of £50/m^2 with effect from 1 April 2023.

31. 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

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) within **four weeks** of the date this decision and statement of reasons is 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/.

Mrs S Patel, Senior Member (Presiding)
Mr PJ Hickson, Senior Member
11 September 2025

Mr D Adamson
Clerk to the Tribunal
Date issued to the parties: 11 September 2025