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

Case No: CHG101293036

Sitting remotely using Microsoft Teams on 08/07/2026

Date: 14 August 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Offices and premises — Unadjusted base rate — Appeal dismissed.

Before:

MRS N CRAWSHAW
MR C DERRICK
MR A HETHERTON

Between:

CARVILL AND JOHNSON SOLICITORS LIMITED (REPRESENTED BY CORPORATE COMMERCIAL SURVEYORS LTD) — **Appellant**

- and -

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

Regarding:

966-972 BRISTOL ROAD SOUTH, BIRMINGHAM, B31 2PE
(the “subject property”)

Ms K Breen for the Appellant
Mr T Simango for the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal Panel confirmed the rateable value (RV) of the subject property at £18,250 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 “Shop and Premises” at an RV of £17,000 with effect from 1 April 2023. This was based on an unadjusted base rate of £165 per square meter (psm).

4. The challenge proposal was submitted by Corporate Commercial Surveyors Ltd on behalf of Carvell and Johnson Solicitors Limited and was received by the Valuation Officer (VO) on 20 November 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 £10,500 based on an unadjusted base rate of £100 psm.

5. Following a joint inspection to the subject property, the VO issued a challenge case decision notice. The VO’s decision was to treat the appellant’s challenge as not well-founded, however the RV was increased to £18,250 due to discrepancies with the size of the subject property that were identified at the inspection. The rating list description was also amended to ‘Offices and Premises’. The size of the subject property was not in dispute at the hearing.

6. Following the exchange of evidence and discussions throughout the challenge period, including a revoked offer of agreement, Ms Breen revised her proposed valuation to £12,750 RV based on £115 psm.

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

Background

8. The subject property was an office located at the end of a parade of shops in Birmingham. It was based on the ground floor of a three-storey building and comprised office accommodation, staff kitchen and staff toilets, and internal storage. It measured 112.24m^2

Relevant Law

The Local Government Finance Act 1988

9. 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.

10. 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.

11. 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

12. The parties referred to case law to support their respective arguments. Central to the appeal was *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141 and *O'Brien v Harwood (Valuation Officer)* [2003] RA 244.

13. *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.

14. *O'Brien v Harwood (Valuation Officer) [2003] RA 244* examined the weight of rental evidence and the tone of the list. Ms Breen relied on the judgement in relation to the stages of establishing a tone of the list. As the appeal for the subject property was made towards the end of the 2023 rating list, it was her contention that assessment evidence carried more weight. In addition, she argued that all of the comparable rental evidence provided analysed higher than what the properties were valued at in the rating list, and the subject property should similarly be valued using the established tone.

15. Mr Simango viewed the case law from a different perspective. He agreed that *O'Brien v Harwood* referred to the establishment of a tone of the list, however he contended that in that case fifteen assessments were considered, and of those, thirteen had been agreed. He referred to paragraphs 32-38 of the judgment which considered rental evidence of the appeal property and of comparable properties. He stated that the overall outcome was that the basket of evidence had been considered, as he was doing with this appeal. In his opinion the assessment evidence submitted by Ms Breen had not been agreed or challenged and he placed little weight on it.

16. The subject property had a passing rent of £22,056 per annum. This was originally a three-year lease with effect from 1 May 2018. Correspondence provided by Ms Breen showed that the lease continued from 1 August 2021 at the same rent. Ms Breen had analysed the rent to £188.88 psm.

17. Mr Simango had provided five additional pieces of rental evidence of offices on Bristol Road South. The analysed rents ranged between £149.29 psm and £184.17 psm. The panel noted that the properties were in the rating list at £115 psm and were smaller than the subject property.

18. The panel considered all of the evidence before it. There was no longer a dispute between the parties on how the subject property should be valued. It was valued as an office and the panel was satisfied that this was correct as it was set back from the parade of shops, was detached from the parade and was built at a different time with a different frontage.

19. It was the panel's opinion that the comparable evidence provided did show there was a trend of £115 psm, however it did not find this was an established tone. None of the assessments had been agreed or even challenged. It accepted Ms Breen's point that there was no need for the occupiers to challenge the RV's as they were under the threshold for small business rates relief, but the case law supported the need for settlements to demonstrate a tone had been established.

20. The panel noted that the rent of the subject property was reviewed close to the AVD and was higher than the original RV in the list and the current RV in the list, both based on £165 psm. The panel had regard for the rental evidence and attributed higher weight to this due to the statutory basis of rateable value as outlined in the 'relevant law' section above.

21. The panel found that Ms Breen had not proven that the current RV of the subject property was unreasonable. There were no settlements or agreements to support a reduction in the base rate for the subject property, or to overturn strong rental evidence which did support £165 psm for the subject property.

Conclusion

22. In view of the above findings and conclusions, the Tribunal Panel is satisfied that the RV of £18,250 with effect from 1 April 2023 is reasonable. Therefore, the appeal is dismissed.

Right of further appeal

23. 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.

24. 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 N Crawshaw, Senior Member (Chair)
Mr C Derrick, Senior Member
Mr A Hetherton, Senior Member
14 August 2026

Mrs S Hodgson
Clerk to the Tribunal
Date issued to the parties: 14 August 2026