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

Case No: CHG101297717

Sitting remotely using Microsoft Teams on 29 May 2026

Date: 16 June 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141 — Futures (London) Ltd v Stratford (VO) [2005] RA 75 — Workshop and premises — main space price — appeal dismissed

Before:

MRS M CHAGGAR
MISS E CROSS
MR S GILL
Between:

FUTURE GARMENTS LTD — **Appellant**

- and -

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

Regarding:

AQUA HOUSE, BUTTRESS WAY, SMETHWICK B66 3DL
(the "subject property")

Mr Thomas Hogg for **Ryan Property Tax Services** for the Appellant
Mr Mohammed Nafis for the **Respondent**

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds that the rateable value (RV) for the subject property was not unreasonable.

STATEMENT OF REASONS

Introduction

3. The appellant company had made a challenge against the accuracy of the compiled list assessment for the subject property in the 2023 Rating List, by way of a proposal that was served on the Valuation Officer (VO) on 4 December 2024. After considering the proposal and evidence submitted during the challenge period, the VO decided that a revision was warranted and the Rateable Value for the subject property should be reduced to RV £69,000 effective from 1 April 2023.

4. A Decision notice to this effect was served on the appellant company on 28 October 2025. The appellant company then appealed the VO's decision to the Tribunal on 23 December 2025, on the grounds that the current valuation for the hereditament was not reasonable, under regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

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

Background

6. The subject property was a Warehouse and Premises with an agreed total area of 2,726.63m². It was built in the late 1960s and had been refurbished in 1994. It was owned by the appellant company. The RV was £69,000 and had been valued based on a main space price of £36/m². Mr Hogg was seeking a RV of £57,750 based on a main space price of £30/m2. The subject property had previously had an uplift of 10% due to the refurbishment, however, the VO decided to remove this uplift as a result of the challenge.

7. The evidence bundle before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties' comparable assessments, skeleton arguments, external and internal photographs of the subject property and external photographs of Mr Hoggs' comparable properties.

8. As Mr Hogg appeared on behalf of the appellant as both advocate and expert witness, the clerk asked 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) dated 3 August 2018.

9. He declared that he was instructed under a contingency fee arrangement in his role as both advocate and expert witness. Mr Hogg confirmed that he understood and accepted that his duty was to the Tribunal in giving his evidence and 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.

10. The panel 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 Procedure regulations[1] 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).

11. Mr Nafis confirmed that he was representing the VO as advocate and expert witness.

12. For 2023 rating list appeals the Antecedent Valuation Date (AVD) is 1 April 2021. The material date for the subject properties was 1 April 2023.

Relevant Law

13. 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; and*
>
> *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

14. In the appeal under consideration, firstly, the panel analysed the competing evidence having regard to the authoritative guidance in Lotus & Delta v Culverwell (VO) and Leicester City Council [1976] RA141 dated 20 May 1976. The rent on the subject property is considered to be the correct starting point but, where available, rents on similar properties are also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence can then be weighted.

15. However, it was accepted the subject property was rented through connected parties and therefore no weight could be applied to the rent.

16. Mr Hogg had argued that there had been a number of settlements in the locality where the assessments had been agreed at a tone of £30/m2 and that this demonstrated that a tone

[1] The Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 [SI 2009 No2269]

had been established at £30/m2. During questioning Mr Hogg was unable to say how many assessments had been challenged or what the percentage of these four assessments represented in terms of assessments in the VO's scheme.

17. However, the panel applied less weight to theses settlements as they were in a different scheme and postcode area of B70, whereas the subject property had a postcode of B66.

18. Mr Hogg had also provided a number of comparable properties Some of them were similar in size, such as Unit 11 Waterfall Trading Estate; Jameson Seating Ltd, Kelvin Way; 3 & 5 Hainge Road and he had analysed the rents to between £23.82/m² to £35.50/m². However, the panel could not apply any significant weight to most of the rents for these properties as the leases had commenced between June 2018 to August 2020. The two later rents that had commenced in 2020 did support a main space price of £30/m² as the rents had been analysed at less than that, no evidence had been presented to suggest that the analysis had reflected any change in the rents between the start date of the leases and the AV, they, were for properties in the B70 postcode area.

19. Turning to the VO's evidence, Mr Nafis contended that the main space price of £36/m² was correct, based on the rental evidence in the locality. Although some of the leases were renewals, the VO had produced seven new leases for properties that varied in size from 858.70m2 to 8,972.90m2. However, the panel could only apply limited weight to those units that were either smaller or larger due to quantum allowance. There were some that were similar in size such as 2 Summit Crescent, which was 3,140.20m2. Unit 4 Summit Crescent was also a similar size at 3,239.96m2 although the lease commenced in 2019 which was too far from the AVD to be reliable.

20. Although 130 Roebuck Street had an area of 2,536.45m2, it was located in the B70 postcode area, which was the same postcode area as Mr Hogg's tonal evidence which the panel had applied less weight to for being in a different postcode area. Therefore, the panel could not apply much weight to the rent for this property, even though it was broadly similar in size to the subject property.

21. The VO had analysed the rents for 2 Summit Crescent to £38.64/m2 which supported the main space price of the appeal property at £36/m².

22. Having applied less weight to most of the VO's comparable assessment where they had new leases, the panel the considered the assessments with lease renewals. Again they most of the assessments were smaller and therefore they did not assist the panel. However, the panel noted that 4-5 Charles Street was similar in size but it was also located in the B70 postcode area. Unit 3 Heath Street had been analysed at £46.72/m² although the lease was between connected parties.

23. Given the above, the panel noted that there was a dearth of reliable evidence. A lot of the properties were not the same size as the subject property, they were in a different postcode area, or the leases were too far from the AVD to be reliable. However, as the panel applied little weight to Mr Hogg's main argument that a tone had been established at £30/m² and it was for the appellant to prove that the RV was unreasonable, the panel concluded that Mr Hogg had not provided any reliable evidence to demonstrate that the RV was unreasonable. However, the VO had produced some evidence, albeit rather limited evidence, to demonstrate that the main space of £36/m² was reasonable.

Conclusion

24. In view of the above findings and conclusions, the Tribunal is satisfied that the RV was not unreasonable and it dismissed the appeal.

Right of further appeal

25. 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.

26. 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 M Chaggar, Senior Member
Miss E Cross, Member
Mr S Gill, Member
16 June 2026

Mr Richard Gath IRRV (Hons)
Clerk to the Tribunal
Date issued to the parties: 16 June 2026