**IN THE VALUATION TRIBUNAL FOR ENGLAND**
**IN THE MATTER OF A 2017 RATING LIST APPEAL**

Case No: CHG101332500

Sitting remotely using
Microsoft Teams on
Monday 20 April 2026

Date: 29 June 2026

**SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988**

*RATING — Local Government Finance Act 1988 — Section 51 and Schedule 5: Exemptions — Paragraph 11: Places of religious worship etc. — Foyer, coffee shop and kitchen — independent enterprise — appeal allowed-in-part.*

**Before:**

**MR FJ STUART, VICE PRESIDENT**
**MR SC KAMALAN, SENIOR MEMBER**

**Between:**

**KING'S ARMS TRUST (BEDFORD)** **Appellant**

**- and -**

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

**Regarding:**

**KINGS HOUSE, 245 AMPTHILL ROAD, BEDFORD MK42 9AZ**
(the "subject hereditament")

**Mr L Hatchwell MRICS** of Colliers International for **the Appellant**
**Mr C Cole MRICS** of HMRC Valuation Office for **the Respondent**

---

**DECISION AND STATEMENT OF REASONS**

---

## DECISION

1. The appeal is allowed-in-part.

2. We find that—

   (1) the areas of the subject hereditament known as the foyer, coffee shop and kitchen are not exempt under paragraph 11 of schedule 5 to the Local Government Finance Act 1988 (the "1988 Act"); and therefore

   (2) the subject hereditament should be shown in the 2017 non-domestic rating list with a description of "Church Centre, Café and Premises (Part Exempt)" with a rateable value of £30,000.

## STATEMENT OF REASONS

### Introduction

3. This appeal concerns the partial derating of the subject hereditament on the grounds that it is mostly exempt as a place of religious worship. The appeal ultimately turns on whether parts of the hereditament—namely the foyer, coffee shop and kitchen—fall within the scope of the exemptions in paragraph 11 of Schedule 5 to the 1988 Act.

4. This statement of reasons is not a full verbatim record of proceedings.

*Background*

5. The subject hereditament is owned and occupied by King's Arms Trust (Bedford) (hereafter "the Trust"). The Trust is incorporated and is a registered charity with the principal objectives of the advancement of the Christian religion in the United Kingdom and overseas, the advancement for the public benefit of religious and other education, and the relief of the aged, poor, sick and disabled. The Trust is a member of the Evangelical Alliance and is affiliated with Newfrontiers, a worldwide family of churches. The King's Arm's Church has a total congregation of approximately 1,000 people worshiping at the subject hereditament and another location.

6. The Trust acquired the subject hereditament in 2009 to be a home and place of religious worship for the King's Arms Church. It has been adapted from its previous use as a factory, that had produced Crayola Crayons. It consists of a two-storey office block, a 550-seat auditorium, a large foyer, a kitchen and serving counter, toilets, a workshop and various halls and meeting rooms, some of which are used as office space by the Trust.

7. The Trust has established a profit-making subsidiary, KA Facilities (Bedford) Limited (hereafter "KAF"). It is responsible for the day-to-day operation of the coffee shop and kitchen, and for the arrangement and facilitation of booked events for the auditorium and various halls and meeting rooms at the subject hereditament, including the provision of catering services and the employment of staff. KAF operates on a commercial footing, employing staff and generating income from café operations, catering, and room hire. The relationship between the Trust and KAF was set out in a collaboration agreement which was before us.

8. On 21 February 2011, the ground floor of the subject hereditament (which contains the auditorium, foyer, kitchen and serving counter, three meeting halls, and the workshop) was certified as a place for religious worship pursuant to the Places of Worship Registration Act 1855.

9. On 31 January 2024, the subject hereditament (excluding the first floor) was entered into the 2017 non-domestic rating list as “Conference Centre, Kings House 245, Ampthill Road, Bedford, MK42 9AZ”. It was described as “Offices and Premises” with a rateable value of £178,000 effective from 1 April 2017.

10. On 19 March 2025, Colliers International, on behalf of the Trust, submitted a proposal (also now known as a “challenge”) to the Respondent Valuation Officer on the following three grounds at Regulation 4(1) of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 [SI 2009 No 2268] (the “NDR Regulations”)—

    (d) that the rateable value shown in the list for the subject hereditament by reason of an alteration made by the valuation officer was inaccurate, and that the rateable value should be reduced to £5,600;

    (n) that the description of the hereditament is inaccurate and should be altered to “Church, Halls, Offices and Premises”; and

    (o) that a statement required to be made about the subject hereditament under section 42(3) of the 1988 Act has been omitted, namely that “part exempt” should appear at the end of the description.

11. On 15 September 2025, the Respondent Valuation Officer issued its decision in response to the proposal. In short, the Respondent Valuation Officer decided that the proposal was not well-founded.

12. On 8 October 2025, Colliers International, on behalf of the Trust, filed with the Tribunal a notice of appeal against the Respondent Valuation Officer’s decision of 15 September 2026.

<u>*Appearances*</u>

13. At the remote hearing of the appeal the Trust was represented by Mr L Hatchwell MRICS of Colliers International. He appeared for the Trust in the dual role as advocate and expert witness. Mr Hatchwell declared that he is on a success-related fee, but that he was aware that in giving expert evidence his first duty was to the Tribunal, rather than his client. Notwithstanding the Upper Tribunal’s distaste of expert witnesses giving evidence whilst they, or their firm, are to receive a success-related fee (for example in *Gardiner & Theobold LLP v Jackson (Valuation Officer)* [2018] UKUT 0253 (LC)) we are satisfied that, in order to facilitate access to justice at this first-instance hearing, Mr Hatchwell’s expert evidence can be, and is, admitted. We can then apply weight to the evidence as we consider appropriate.

14. Mr C Cole MRICS appeared as advocate and expert witness on behalf of the Respondent Valuation Officer. Mr Cole filed a statement of truth, confirming his first duty in giving expert evidence was to the Tribunal, rather than his employer. Mr Cole confirmed he had not inspected the subject hereditament.

15. Additionally, Mr Hatchwell called Mr R Loveley, a trustee of the Trust and an Elder of King’s Arms Church, who gave evidence as a witness of fact.

*Agreed facts and issues*

16. To the credit of both Mr Hatchwell and Mr Cole, the parties have narrowed the outstanding issues in dispute considerably. Prior to the hearing, the parties filed a statement of agreed facts and issues.

17. Importantly from that statement, the parties are agreed that—

    (1) the subject hereditament is part exempt;

    (2) the workshop area (shown as “store” on the floorplan) is not used as a place of public worship (and thus is not exempt);

    (3) excluding the areas known as the foyer, the coffee shop and kitchen, and the workshop, the remainder of the subject hereditament is exempt;

    (4) In the event the Tribunal finds that the foyer, coffee shop and kitchen are—

        (a) exempt, only two car parking spaces should be attributed to the non-exempt areas, and the rateable value of the subject hereditament should be £6,200 with effect from 1 April 2017 (Mr Hatchwell’s valuation); or

        (b) not exempt, 11 car parking spaces should be attributed to the non-exempt areas, and the rateable value of the subject hereditament should be £30,000 with effect from 1 April 2017 (Mr Cole’s valuation).

18. It follows that the sole issue for determination is whether the foyer, coffee shop and kitchen fall within either limb of paragraph 11 of Schedule 5 to the 1988 Act.

**Relevant Law**

*Non-domestic rating and exemptions*

19. Part III of the 1988 Act makes provision for billing authorities to levy a rate on non-domestic hereditaments within their administrative areas. Under that Part, valuation officers compile and maintain “rating lists” upon which liability to the non-domestic rate is determined.

20. Relevant to these proceedings, section 51 and schedule 5 to the 1988 Act makes provision for determining the extent (if any) to which a hereditament, or part of a hereditament, is exempt from local non-domestic rating. So far as is relevant to this appeal, paragraph 11 of schedule 5 provides—

> ***Places of religious worship etc***
>
> **11**
>
> (1) A hereditament is exempt to the extent that it consists of any of the following—
>
> (a) a place of public religious worship which belongs to the Church of England … or is for the time being certified as required by law as a place of religious worship;

> (b) a church hall, chapel hall or similar building used in connection with a place falling within paragraph (a) above for the purposes of the organisation responsible for the conduct of public religious worship in that place.
>
> ...

21. We were referred to the judgment of the Lands Tribunal (The President, Mr George Bartlett QC) in *Gallagher v The Church of Jesus Christ of Latter-Day Saints* [2006] RA 1, where at [47] the President stated (with Mr Hatchwell's *emphasis*)—

> "47. The words "to the extent that" also appear in other exemption provisions in Schedule 5 of the 1988 Act and they seem to me to be a useful, fair and practical addition to the provisions of the earlier legislation. Depending on the context in which they appear they are capable of bearing either a physical or temporal meaning or both (see Ryde D[617]-D[627]), and both parties in the present case agreed that this was so. The exemption in sub-paragraph (1) is given to the extent that the hereditament "consists of" a place of public religious worship or a church hall etc. The qualification here, in my judgment, is a purely physical one, so that those parts of a hereditament that are neither a place of public religious worship nor a church hall etc are excluded from the exemption. *But the fact that, for instance, a church is used from time to time for secular concerts or a church hall is let out for functions unconnected with the church would not lead to reduction in the relief that is accorded. The church would still be a church and the church hall would still be a church hall and, to the extent that a hereditament physically comprised one or other or both of these, it would "consist" of it or them for the purposes of the exemption*. The qualification as it applies in sub-paragraph (2), on the other hand, in my view operates in terms of both space and time. That is because exemption is conferred to the extent that the hereditament is occupied by an organisation of the sort specified and used as specified in (a) or (b), and a use can be viewed both in terms of time and the space to which it relates."

22. In practical effect, *Gallagher* establishes that the exemption is concerned primarily with the physical character of the hereditament.

23. On appeal to the Court of Appeal, in *Gallagher (Valuation Officer) v The Church of Jesus Christ of Latter-Day Saints* [2006] EWCA Civ 1598, Neuberger LJ (as he then was), stated at [33] and [34] (referring to the appealed judgment)—

> "33. So far as paragraph 11(1)(b) is concerned, I consider that it cannot fairly be said that the use of a building primarily for training missionaries can be said to satisfy two of the three limbs of paragraph 11(1)(b). First, it does not seem to me that the use of such a building can fairly be said to fall within the ambit of the expression "a church hall, chapel hall or similar building" Mr Bartlett said this about that expression:
>
> > "without … attempting a complete definition, I think that in essence a church [hall] or chapel hall is a hall, often with other rooms and ancillary accommodation, which is used for

> functions and meetings by the congregation, and at times also by others, for the conduct of church business and sometimes for wider community purposes that reflect the nature and purposes of the ecclesiastical body that is in occupation. It is not itself a place of worship."

> "34. … it seems to me that his formulation is pretty satisfactory, save that it may be a little too restrictive so far as the words which follow "wider community purposes" are concerned. The uses for which a church or chapel hall will, in many cases, be let out from time to time are pretty wide, and (probably) provided such uses do not positively conflict with those of the church or chapel, it seems to me that they would not prevent the use being consistent with that of a church or chapel hall. …"

24. We were also referred to the judgment of the Upper Tribunal in *The Church of Scientology Religious Education College Inc v Ricketts (Valuation Officer)* [2023] UKUT 00001 (LC). At [126], the Upper Tribunal (Martin Rodger KC, Deputy Chamber President, and Mark Higgin FRICS) stated—

> "126. In the context of an exemption which is intended to be available to all denominations, it is appropriate to consider usage of space in fairly general terms and to ask whether the activity for which the space is used is the sort of activity one would expect to find in a church hall or other social or community space associated with a place of worship. The range of activities sheltered by the exemption is therefore likely to be "pretty wide" or "multifarious" (expressions used by Neuberger LJ in *Gallagher*). They are likely to include private reading and the study of religious texts in a library or reading area, discussion groups, one to one or group tuition related to the Church's teachings, meetings of members of the congregation for purely social or secular purposes such as dances or film clubs, public meetings or social activities unconnected to the Church itself, the preparation and service of food, sports and recreational activities, and meetings of organised groups such as youth clubs. None of these activities would be out of place in a church hall or similar building."

25. This emphasises the breadth of activities capable of falling within a church hall, but within recognisable limits.

26. In *Ebury v The Church Council of the Central Methodist Church* [2009] 138 (LC), the Lands Tribunal (The President, Mr George Bartlett QC) considered whether a coffee shop and book shop within part of a church building was part of a church hall. The President stated—

> "27. The VO's contention is that the use of the appeal premises is not ancillary to the church and is outside the range of activities that could realistically be described as church hall activities. I do not agree. Leaving aside for the moment those activities that take place outside the hours when Cornerstone is open to the public, I am satisfied on the facts that the underlying purpose of the coffee shop and bookshop is to promote both the Christian religion as practised by Methodism and attendance at the church itself and involvement in its activities. That is clear, it seems to me, from what the Church hopes "ultimately to offer"

those who come to Cornerstone (see paragraph 14 above) and from other quite minor indications such as the juxtaposition of the moveable coffee shop sign and the church notice board, and the notice boards on the walls inside the coffee shop that detail the activities of Church groups and give information and details of various counselling and similar services. It is strongly supported by the Minister's evidence as to the purpose of the use and its close association with the other activities of the church in the building. Physically the shop is part of the church and church hall building and it is never shut off from it internally. Its use in my judgment is ancillary to the church just as much as the other parts of the church hall are and it is not outside."

27. The case illustrates that a commercial-looking activity may nonetheless fall within the exemption where it is truly ancillary to the church's purposes.

*The "end of day provision"*

28. Section 67 of the Act makes miscellaneous provisions relevant to the levying of the non-domestic rate. For these proceedings, paragraph (5) of that section provides—

**67 Interpretation: other provisions**

…

(5) For the purpose of deciding the extent (if any) to which a hereditament consists of domestic property on a particular day, or is exempt from local non-domestic rating on a particular day, or is a Crown hereditament on a particular day, the state of affairs existing immediately before the day ends shall be treated as having existed throughout the day.

*Appeal to the Tribunal*

29. Regulation 13A of the NDR Regulations makes provision for an appeal against the Respondent Valuation Officer's decision to this Tribunal. So far as is relevant, it provides –

**13A Making an appeal to the [Valuation Tribunal for England]**

(1) A proposer may appeal to the [Valuation Tribunal for England] on either or both of the grounds set out in paragraph (2) if—

(a) the [Valuation Officer] has decided under regulation 13 not to alter the list;

…

(2) The grounds are—

(a) the valuation of the hereditament is not reasonable;

(b) the list is inaccurate in relation to the hereditament (other than in relation to valuation).

30. Following a decision on an appeal by the Tribunal, the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 [SI 2009 No 2269] (the "Tribunal Procedure Regulations") provides the Tribunal with the power to order an alteration a rating list. So far as is relevant, Regulation 38 of the Tribunal Procedure Regulations provides—

> **38 Orders other than consent orders**
>
> …
>
> (3) After dealing with a NDR appeal, the [Valuation Tribunal for England] may … by order require the [Valuation Officer] to alter a list in accordance with any provision made by or under the 1988 Act.
>
> …
>
> (9) … the [Valuation Officer] … must comply with an order under this regulation within two weeks of the day of its making.

**Discussion**

31. Given Mr Cole’s significant concession, this appeal was always going to be at least allowed-in-part, what remained to be decided was the extent to which we must allow the appeal. Remaining for us to decide are two points relating to the foyer, coffee shop and kitchen.

32. Firstly, there is the question of whether the foyer is exempt as a place of public religious worship by virtue of paragraph 11(1)(a) of Schedule 5 to the 1988 Act. Second, we are asked whether the foyer, coffee shop and kitchen are akin to a “church hall” and thus exempt from rating by virtue of paragraph 11(1)(b) of Schedule 5 to the 1988 Act. We shall approach these questions in that order.

33. However, before doing so, we consider it prudent to set out our overall findings of fact regarding the foyer, the coffee shop and kitchen.

*Findings: the foyer, the coffee shop and the kitchen*

34. The areas of the foyer and coffee shop are intermingled. There is no clear delineation between an area that is the coffee shop and an area that can be identified as the foyer. The foyer is ordinarily set up with tables and chairs for customers who have purchased food and drink at the coffee shop. The coffee shop is open Monday to Fridays between the hours of 8:30am and 3:30pm, serving a variety of both hot and cold food, including serving off-site customers through delivery services Just Eat and Deliveroo. In practical terms, the foyer functions as the primary seating area for the coffee shop during its opening hours.

35. During the coffee shop’s opening hours, it is staffed by KAF’s employees. The coffee shop is advertised under a separate brand of Ground Floor Coffee with a banner outside the subject hereditament stating, “coffee shop open to all” (albeit this is in the same colours as the main King’s House branding on the permanent sign behind it). The coffee shop also has its own domain name and logo, which is owned by the Trust.

36. Outside of the coffee shop opening hours, when religious services occur in the auditorium (for example Sunday service) or other events are booked in the foyer, Mr Lovely stated that chairs and tables may be moved away to make space.

37. There is nothing before us to suggest that any religious services occur within the foyer itself. However, Mr Lovely's evidence regarding the bookings of the foyer space (outside of the coffee shop opening hours) are, in the main, related to activities he determined to involve a "spiritual" element or "internal" bookings. He referred to two reports included in evidence; there is minimal detail to assist us in our own independent verification these categorisations (although we have no reason to doubt Mr Lovely's oral testimony). From what we can see, between 1 April 2017 and 30 June 2017 (91 days) there were 41 bookings of the foyer, of which 34 (82.9%) were described as "internal". The internal bookings were further broken down with 25 described as "spiritual", 8 as "community", and 1 as "business". Mr Loveley explained that other uses of the foyer was often for weddings or other celebrations, or for conferences.

38. Instead, it is plain to us that, at least for most of the time, the foyer operates as a seating area for the coffee shop, indeed as a part of the coffee shop.

39. Mr Loveley explained that outside of the opening times, the serving counter and kitchen may be used by volunteers of the church to provide refreshments for church events within the foyer, for example by providing a basic free offering of tea and coffee (hot water urns and cups) on Sundays, before the congregation meets in the auditorium for services, or when there might be other significant church functions. Whilst there is other access through to the auditorium (via one of the meeting halls), Mr Loveley's evidence was that this was rare and would only ever happen if there was a booking in the foyer. He stated that whilst those external doors to the meeting halls could provide access, they are rarely used. Access to the building is almost always through the foyer.

40. In addition to being used for church purposes, outside of the coffee shop opening hours the foyer area is also available commercially for bookings by external third parties. All bookings are handled by KAF on behalf of the Trust. Mr Loveley's evidence was that around 83% of any "bookings" for the foyer space would be related in some way to church activities, for example the Alpha course, pastoral support and counselling, or other meetings. External bookings were predominantly weddings or celebrations on evenings and Saturday, and the subject hereditament was licenced for the serving of alcohol and entertainment. KAF also offer a variety of catering options for any bookings.

41. These findings inform both the analysis of whether the foyer constitutes part of a place of public religious worship (paragraph 11(1)(a) of Schedule 5) and whether the relevant areas fall within the concept of a church hall (paragraph 11(1)(b) of Schedule 5).

*Is the foyer exempt as a place of public religious worship?*

42. It is a matter of fact that the whole of the ground floor at the subject hereditament, including the foyer, is certified as a place of religious worship. The question for us becomes whether the foyer is part of the hereditament that "*consists of*" a "place of public religious worship".

43. Ordinarily, we would have no issue in finding that a "foyer", or an entrance hall or lobby, at a hereditament certified as a place of religious worship would also be exempt; it would typically solely be a space through which people pass to access the place of worship. The fact that the ground floor, including the foyer, has been certified as a place of religious worship is

relevant but not determinative. The statutory question under paragraph 11(1)(a) is whether the hereditament (or part thereof) *consists of* a place of public religious worship. Certification cannot convert a space whose ordinary and substantive use is for non-worship activity into one that satisfies that test.

44. The complication for the subject hereditament turns on the presence of the coffee shop and use of the foyer for that purpose. Indeed, this point is clearly acknowledged by Mr Hatchwell's contentions as he does not seek to argue that the coffee shop and kitchen should also be exempt as a place of worship under paragraph 11(1)(a) of schedule 5 to the 1988 Act.

45. In determining whether the foyer "consists of" a place of public religious worship, we must consider the primary character of the space as a matter of fact. As set out in our findings above, the foyer is, for most of the time, laid out with tables and chairs and operates as the seating area for the coffee shop, which is open daily to the public and actively marketed as such.

46. Although the space is reconfigured outside those hours and may be used for activities connected with the Church, including internal or "spiritual" bookings, and may serve as the principal point of access to the auditorium, there was no evidence that acts of public religious worship themselves take place in the foyer.

47. Applying the approach in Gallagher, the exemption turns on the physical character of the relevant part of the hereditament. Where a space is physically arranged and predominantly used for a separate, non-worship function, it cannot properly be said to "consist of" a place of public religious worship merely because it provides access to, or is capable of ancillary use in connection with, such worship.

48. This is not a case of a foyer functioning merely as a circulation space ancillary or a conduit to the worship area. Rather, the foyer has been adapted and is habitually used as a destination in its own right for commercial hospitality purposes. We therefore conclude that, notwithstanding certification and occasional religious or church-related uses, the foyer does not, as a matter of fact and degree, "*consist of*" a place of public religious worship within paragraph 11(1)(a).

<u>*Are the foyer, coffee shop and kitchen exempt as a church hall?*</u>

49. For the Trust, Mr Hatchwell submits that the foyer, coffee shop and kitchen together fall within the scope of paragraph 11(1)(b) as a "church hall, chapel hall or similar building", relying in particular on the decision of the Lands Tribunal in *Ebury*. For the Respondent, Mr Cole contends that the nature and extent of the commercial activities carried on in these areas take them outside that concept.

50. We approach this issue by reference to the character of the relevant parts of the hereditament, having regard both to the range of activities carried on and to their overall function. As explained in *Gallagher* and subsequent endorsed in *The Church of Scientology*, a "church hall" is typically a building, or part of a building, used for meetings, functions and activities connected with the life of the church community, and sometimes also for wider community purposes, provided such uses do not conflict with the purposes of the church. The range of activities capable of falling within that description is wide and may include social, educational and community functions, including the preparation and service of food.

51. However, the question remains one of fact and degree in each case: whether the relevant space is properly to be characterised as a church hall (or similar building), or whether it is something else.

52. On the basis of our findings above, we are satisfied that the foyer, coffee shop and kitchen together operate as a single functional unit. The foyer is not merely ancillary circulation space, but is ordinarily laid out with tables and chairs and serves as the principal seating area for the coffee shop. The coffee shop operates during weekday opening hours, is staffed by employees of KAF, and is marketed to the public at large under a distinct brand, including through online delivery platforms. The kitchen supports that operation and also provides catering services.

53. We accept that outside of the coffee shop's opening hours the foyer may be used for a range of activities, including events and meetings connected with the Church, and that a significant proportion of such bookings are internal or church related. We also accept that the Trust retains a degree of control over bookings and may refuse those inconsistent with its beliefs. Nevertheless, those factors do not determine the character of the use.

54. In our judgment, the present case is materially distinguishable from *Ebury*. In that case, the Lands Tribunal found that the coffee shop and bookshop were ancillary to the purposes of the church, and that their primary function was to promote the Christian religion and encourage engagement with church activities. By contrast, in the present case there was no persuasive evidence that the primary purpose of the coffee shop and associated areas is to advance or promote the religious activities of the Trust in that way. Rather, the evidence demonstrates that:

- the coffee shop is operated through a separate corporate vehicle established to run commercial activities;
- it is staffed, branded and promoted as a café open to the public at large;
- it actively seeks custom beyond the congregation, including through takeaway and delivery services; and
- the foyer is arranged and used primarily to support that commercial operation.

55. While any profits generated may ultimately be applied for the purposes of the Trust, that does not alter the character of the use itself. The statutory question concerns the nature of the activities carried on in the hereditament, not the destination of any surplus.

56. We recognise, consistently with the observations of the Upper Tribunal in *The Church of Scientology*, that the activities capable of taking place in a church hall are "pretty wide" and may include the provision of food and hospitality. However, there remains a distinction between activities of a kind one would expect to find in a church hall, and the operation of what is, in substance, an ongoing commercial café business. In our view, the latter goes beyond the scope of paragraph 11(1)(b).

57. We also bear in mind the guidance in *Gallagher* that the question is one of the physical and functional character of the relevant part of the hereditament. The fact that the foyer is used for church-related events outside the coffee shop's opening hours does not alter its essential character. Rather than being a church hall occasionally used for commercial or external

purposes, the position here is the reverse: the space is, in substance, a café and catering facility which is from time to time used for church-related activities.

58. Taking these matters together, we consider that the determinative feature is that the foyer, coffee shop and kitchen are operated as an independent commercial enterprise, albeit located within a building otherwise used for the purposes of public religious worship. That enterprise is not merely incidental or ancillary to the use of a church hall but constitutes a distinct use in its own right.

59. Accordingly, we are not satisfied that the foyer, coffee shop and kitchen are properly to be characterised as a “church hall, chapel hall or similar building” within paragraph 11(1)(b) of Schedule 5 to the 1988 Act. It follows that those areas are not exempt on that basis.

*The impact of the “end of day provision”*

60. For completeness, we must also deal with Mr Hatchwell’s contentions regarding the impact of section 67(5) of the Act, more commonly known as the “end of day provision.”

61. For the Trust, Mr Hatchwell contends that section 67(5) of the Act requires the Tribunal to effectively disregard the use of the foyer, coffee shop and kitchen during the day because it closed at 3:30pm and any external bookings, if there were any, would have ceased before midnight.

62. Mr Cole gave no submissions on this point, but it was nonetheless, in our view, an overly literal interpretation of the provision. We prefer a more purposive approach to statutory interpretation, Take a street market for example. Potentially, it is rateable even if all of the stalls are packed for the night. A street market does not cease to be rateable just because no trading takes place after marketing hours.

63. In the present case before us, immediately before the end of the day the state of affairs that existed at the subject hereditament were in short those we have found above: the foyer, coffee shop, and kitchen were used as a café, not as place of public worship or a church hall (or similar). It might have been closed for the night, but that does not, in our view, alter what was physically there, and how it was used or would be used the next day.

*Description of the subject hereditament*

64. Lastly, and again for completeness, it is necessary to record that at the conclusion of the proceedings Mr Hatchwell agreed to Mr Cole’s proposed description of the subject hereditament to be shown in the rating list. We agree with the proposed description.

**Conclusion**

65. In view of the above findings and conclusions, we are satisfied that—

(1) with the exception of the areas known as the foyer, coffee shop and kitchen, the subject hereditament is exempt under paragraph 11 of schedule 5 to the Act; and therefore

(2) the subject hereditament should be shown in the 2017 non-domestic rating list with a description of “Church Centre, Café and Premises (Part Exempt)” with a rateable value of £30,000.

66. Accordingly, pursuant to Regulation 38(4) and (9) of the Tribunal Procedure Regulations, **IT IS ORDERED—**

(1) the Respondent Valuation Officer shall alter the subject property's entry in the 2017 non-domestic rating list from 1 April 2017 to be shown—

(a) with a rateable value of £30,000 (calculated the appended valuation), and

(b) with a description of "Church Centre, Café and Premises (Part Exempt)"; and

(2) the Respondent Valuation Officer shall comply with this order within two weeks.

## RIGHT OF FURTHER APPEAL

67. 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.

68. 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 FJ Stuart, Vice President

SC Kamalan

Mr SC Kamalan, Senior Member
29 June 2026

Mr WJ Hamilton, Deputy Registrar
Clerk to the Tribunal
**Date issued to the parties:** 29 June 2026

**TRIBUNAL'S VALUATION**
**OF**
**245 AMPTHILL ROAD, BEDFORD, MK42 9AZ**
**(CHURCH CENTRE, CAFÉ AND PREMISES (PART EXEMPT))**
**FOR THE 2017 NON-DOMESTIC RATING LIST**
**WITH EFFECT FROM 1 APRIL 2017**

| Ref | Floor | Description | Area $m^2$/unit | £ per $m^2$/unit | Value (£) |
|---|---|---|---|---|---|
| *Component parts of the subject property* | | | | | |
| 1.1 | Ground | Ground floor sales | 243.37 | £75.00 | £18,253 |
| 1.2 | Ground | Kitchen | 53.30 | £52.50 | £2,798 |
| 2.1 | Ground | Workshop | 143.70 | £39.38 | £5,659 |
| *Additional features included to be included in the valuation* | | | | | |
| | | Surfaced open car parking spaces | 11 | £300.00 | £3,300 |
| | | | | Valuation subtotal | £30,010 |
| | | | | **SAY RV** | **£30,000** |