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

Case No: CHG101394371

Sitting remotely using Microsoft Teams on 12/06/2026 10:00

Date: 7 July 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-Domestic Rating Appeal; 2023 Rating List; Studio and Premises; Accuracy of compiled list entry; Valued on overall basis; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141; comparable evidence in same complex; Appeal dismissed.

Before:

MR HS DHAMI
MR R CHERIYAN

Between:

MAKING CHANGE STUDIOS LTD — **Appellant**

- and -

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

Regarding:

WHARFSIDE LEISURE COMPLEX,13 LIFFORD LANE,BIRMINGHAM,B30 3JH
(the “subject property”)

Mr A Broomfield representing the Appellant
Mr G Ofuani representing the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds a tone of value of £90.00 per m² for the subject hereditament was reasonable and confirmed the rateable value (RV) at £16,750 with effect from 1 February 2024.

STATEMENT OF REASONS

Introduction

3. This was a 2023 Rating List appeal. The subject property had been entered in the 2023 rating list as ‘Studio and Premises’ at a RV of £16,750 with effect from 1 February 2024.

4. The subject property is one of ten units in Wharfside Leisure Complex, a refurbished industrial building in Stirchley, Birmingham. The subject property measures a total of 188.05m^2 internally and has been valued on an overall basis in line with valuation scheme 698303 at a base rate of £90.00 per m^2.

5. The challenge proposal was submitted by the Appellant company and was received by the Valuation Officer on 15 August 2025. The proposal sought a reduction in the rate for the subject property to £70.00 per m^2 for the main warehouse element, and a rate of £26.00 per m^2 for all other areas, resulting in a reduced RV of £10,043.

6. The Valuation Officer issued a challenge case decision notice on 7 December 2025, which stated that based upon the evidence and information available, the rating list entry of £16,750 was considered reasonable.

7. Mr Ofuani appeared for the Respondent in a dual capacity as both advocate and expert witness. He confirmed that he was not instructed under any conditional or other success-based fee arrangement.

8. As Mr Broomfield was not a professional representative, with the agreement of the parties the panel varied the procedure outlined in the Consolidated Practice Statement PS8- Model Procedure and requested the Respondent to present his evidence first.

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

Relevant Law

10. The term ‘rateable value’ is defined in paragraph 2(1), 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".

11. 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, in accordance with the Rating Lists (Valuation Date) (England) Order 2020 (SI 2020 No. 832).

12. 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 February 2024.

Discussion

13. In summary of the above, the rateable value of a property represents the estimated rent it would achieve on the open market at the valuation date (AVD) of 1 April 2021, assuming the property is in reasonable repair and that the tenant pays all taxes and insurance. Therefore, in line with *Lotus & Delta Ltd v Culverwell (VO) & Leicester City Council* [1976] RA 141, the most relevant evidence is that which reflects open market conditions close to the AVD.

14. The Respondent had provided a schedule of rental evidence, which included the rent agreed for the subject property of £23,778 per annum from 1 February 2024. Dividing this rent by the total area of 188.05m^2 valued the subject property at £126.45 per m^2, however the panel placed less weight on this rent as it had been agreed nearly three years after the AVD.

15. The closest rents to the AVD were those relating to 5 Wharfside Close and 11 Wharfside Close. They had been agreed on 1 March 2020 and 1 December 2022 and analysed to £85.34 per m^2 and £99.67 per m^2 respectively.

16. Rents for 13 Wharfside Close and 17 Wharfside Close were also provided by the Respondent. They were agreed on 1 June 2023 and 1 February 2024 and had been analysed at £86.67 per m^2 and £111.00 per m^2 respectively.

17. The Respondent explained that as a result of the rental evidence available for properties on Wharfside Leisure Complex, it became evident that the scheme into which some of the properties had been placed, 626814 (applicable to industrial properties aged 1971–1980 situated within the wider B30 locality) was no longer appropriate, and the current scheme for the complex was created (698303). This scheme valued all properties in the complex on an overall basis at £90 per m^2 on the assumption that they were fully heated but had no air conditioning. The panel was satisfied that the rate applied within this scheme was reasonable based on the rental evidence provided by the Respondent. It understood that where some properties had air conditioning or did not have heating, this rate was adjusted upwards or downwards accordingly.

18. The Appellant referred to the assessments of three properties, within 1 mile of the subject property which had been valued on different schemes to the subject property. 1 & 2 Avery

Dell Trading Estate, B30 3DZ was valued on a base rate of £64,86 and 7 Avery Dell Trading Estate, B30 3DZ was valued on a base rate of £57.53. The panel was able to place less weight on these properties as they were in a different location, and of a different character to the subject properties.

19. The Appellant considered that other properties in the locality were valued differently than the subject property, with lower rates applied to areas such as toilets, mezzanine floors and kitchens. The Respondent explained that this method, uses what are known as 'relativities', to place lower or higher values on different elements of a building to ensure that different value areas are taken into account when devising an overall valuation for a property. However, it was considered that in the circumstances of the Wharfside Leisure Complex, the rental evidence indicated that an overall approach, where all areas have the same value, is appropriate.

20. The panel noted that when deriving the price per m^2 for the scheme applied to the subject property, the rents for each property had been divided by their total area to derive an analysed rent for each. The panel considered that if a relative method was used, the rents would be divided by the ITMS (in terms of main space) area rather than total area. If some of the elements had a relativity of less than 1.0, the ITMS area would be less than the total area, which would result in the price per m^2 being higher. Therefore, in this case, the panel did not consider that valuing on a relative basis would benefit the Appellant.

21. The Appellant asserted that the nature of his business, which provides vital services to the local community and support for local people should be taken into account when assessing the subject property's rateable value. The panel found that the nature of the occupier's business was not a relevant factor as rateable value is based on notional rent paid by a hypothetical tenant for the subject property as described above. Any reliefs which may be applicable due to the charitable status of a property are administered by the council, and the panel would urge the Appellant to contact the council to make enquiries in this regards.

22. The appellant had also commented on the fact that the subject premises was not prominently positioned on a high street and there was little or no passing trade. The panel was satisfied that the subject property was similar to the other units within the complex, which would suffer similar locational disadvantages. These disadvantages would have been known to the tenants when negotiating their rents and therefore reflected in the rents agreed, for the subject property and the other units in the complex.

Conclusion

23. In view of the above findings and conclusions, the Tribunal is satisfied that the subject property's current RV of £16,750 is reasonable and was not persuaded otherwise by the Appellant's evidence. The appeal is therefore dismissed.

Right of further appeal

24. 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.

25. 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 HS Dhami, Senior Member (Chair)
Mr R Cheriyan, Senior Member
7 July 2026

Clerk to the Tribunal
Date issued to the parties: 7 July 2026