

Appeal Number:	691535792085/537NV17/8
Appellant:	Stone & Glass Group Ltd – Philip Birchall (Occupier)
Appeal Property:	Workshop & Premises, Stone and Glass Group, George Thomas Avenue, Brynmenyn Industrial Estate, Bridgend CF32 9SQ
Matter Appealed Against:	Valuation Officer's Notice - 2017 Rating List
Hearing Date:	10 April 2025
Appearances:	Mr P Birchall (Appellant) Mr M Allen for the respondent Valuation Officer (VO)
Decision and its date:	Appeal dismissed – 8 May 2025
Appeal Panel Members:	Mr N Edwards Mr R Harris Mrs K Thomas
Tribunal Clerk(s):	Mrs S Gwilliam

Introduction - Issues in Dispute

1. The appeal before the Tribunal followed a proposal received by the VO on the 20 January 2022 submitted by Mr Birchall in respect of Stone & Glass Group, George Thomas Avenue, Brynmenyn Industrial Estate, Bridgend. The proposal was submitted against a Valuation Officer Notice (VON) effective 30 April 2021 and sought that the entry in the 2017 Rating List be reduced from £27,750 Rateable Value (RV) to £21,500 RV on the following grounds –

“The rateable value is inaccurate because of an alteration made by the Valuation Officer.

The increase from the unit from when it was one now it is split the increase is too much.

These costs are too high for what the building is used for, and we cannot understand why the increase is so much.”

Legislation and Case Law

2. The valuation under consideration had been produced in accordance with Paragraph 2(1) Schedule 6 of the Local Government Finance Act 1988 which stated –

2(1) The rateable value of a non-domestic hereditament [none of which consists of domestic property and none of which is exempt from 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.*

3. Schedule 6 also provided for the Antecedent Valuation Date (AVD), the date by reference to which the rateable value of the hereditament was to be determined, this was 1st April 2015 for the 2017 Rating List.
4. An extract from The Valuation for Rating (Plant and Machinery) (Wales) Regulations 2000 was also provided by the VO.
5. Case Law referred to in the appeal –
 - Vines Ltd v de Mauny (Valuation Officer) [2010] UKUT 322 (LC)
 - Ladies Hosiery and Underwear Ltd v West Middlesex AC [1932] 2KB 679
 - Lotus and Delta v Culverwell (VO) [1976] RA 141
6. *This is a summary of the case and is not intended to be an exhaustive record of the proceedings. However, the parties can be assured that all the evidence was fully considered by the Tribunal when it arrived at its decision. Consequently, the absence of reference to any statement, or evidence, should not be construed as being overlooked.*
7. Since the appeal was against a VON, the VO was invited to present his case first.

Evidence and Submissions

8. Mr Allen explained that the appeal property is situated in the middle of Brynmenyn Industrial Estate, an area just north of junction 36 of the M4 motorway within the wider Bridgend area. It was constructed in 2007 of brick build to the lower part of the walls and insulated profile metal to the upper parts, comprising of a main warehouse area with ancillary stores and offices. A small glass fronted wing to the western elevation was used for storage on the ground floor and offices were situated on the first floor. The unit is semi-detached with an adjoining unit but retains its own access and site parking. Furthermore, there is a small, concreted yard to the west of the warehouse.
9. Unit 37 Aneurin Bevan Avenue originally measured 999.6m², in terms of main space (ITMS), was assessed at £35m² and entered in the 2017 Rating List at £36,500 RV with effect of the 1 April 2017. This unit was subsequently split into two separate units to create:

- Stone and Glass Group, George Thomas Avenue, Brynmenyn Industrial Estate CF32 9SQ assessed at £27,750 RV based upon 629.4m2 ITMS valued at £36.70m2. The Valuation for Rating (Plant and Machinery) (Wales) Regulations 2000 states that the traveller crane is required to be included within the assessment.
 - Unit 37 Aneurin Bevan Avenue, Brynmenyn Industrial Estate CF32 9SZ assessed at £23,250 based on 581m2 at £39.71m2 ITMS.
10. The VO reiterated the two main areas of dispute were the level of RV ascribed to the appeal property following the split, and the treatment of space below a traveller crane, which the appellant considered restricted the useable space.
 11. Mr Allen considered that the £m2 ascribed to the appeal property compared favourably with other levels of value which have been used to form a tone locally and in support he supplied an assessment summary which outlined settlements reached with national agents on other units on the site. He added that unit rates for smaller units were correspondingly higher, as a larger unit enjoyed the benefit of a quantum allowance reflected in the unit rate. Hence when the two units were rated as one the unit rate was slightly lower.
 12. Additionally, he stated that the only evidence he had received from the appellant was in relation to the other half of the unit which stated that the rent charge was £23,500 for one year, however, the VO was unclear when this rent was set or the terms of that lease, so as such he attached little weight to this information.
 13. In relation to the space underneath the traveller crane installed by the appellant, the VO clarified that in accordance with Class 3(b) of the Valuation for Rating (Plant and Machinery) (Wales) Regulations 2000, as a *lift, elevator, hoist, escalator and travelator*, it was required to be included for the purposes of the valuation.
 14. The VO had consulted with colleagues and was not aware of any instances where an allowance had been sought or adopted to reflect the reduced headroom below an item of plant and machinery, where an item was required to be valued. In addition, the appellant had not provided him with any examples of where such items were assessed, and an allowance made for the restricted headroom.
 15. Mr Birchall explained that a company of which he is one of the directors of, PB Holdings, purchased the appeal property and then let it to Stone and Glass Group at a rent of £25,000. The unit was already split; however, a wall has now been erected behind the original roller door.
 16. The rental figure was reached after discussing the rent with the occupier of the other part of the unit, research of the internet and discussions with the appellant's accountant.
 17. The appellant considered that the RV ascribed was excessive and considered that it should be circa £8,000-£10,000 based upon what he had been told was being paid for the whole of the original Unit 37.
 18. Furthermore, the crane was purchased by Stone and Glass Group Ltd and was installed within two days. The crane is freestanding and not attached to any part of the

structure of the unit. Space is required within the unit to load and unload lorries so Mr Birchall considered there should be an allowance for that area which was unable to be used.

19. In response to the appellant's answers, the VO considered that the rent agreed on the appeal hereditament was decided between connected parties.

Decision and Reasons

20. The Tribunal was mindful that Non-Domestic property must be valued in line with the statutory definition of Rateable Value, as contained within paragraph 2(1) of Schedule 6 of the Local Government Finance Act 1992 as amended by Section 1(2) of the Rating (Valuation) Act 1999.
21. It was also aware that the appeal hereditament must be assumed to be "vacant and to let" and cannot have regard to the actual trade of the occupier and that it was important to ascertain whether a tone of value had been established.
22. Referring to the statutory definition of Rateable Value and the Lands Tribunal judgement in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976], the Tribunal was mindful that the best evidence was provided by rents synonymous with the statutory definition, passing on the subject property and which required little or no adjustment. However, it was noted in this instance that the rent passing was between connected parties and was set some time after the antecedent valuation date, therefore, this rent was of little assistance.
23. The Tribunal was also conscious of the Upper Tribunal (Lands Chamber) case of *Vines Ltd v De Mauny (VO)* [2010] which provided guidance that it was for the appellant to demonstrate that the existing assessment was incorrect and not for the Valuation Officer to prove it was right.
24. In respect of the subject appeal, since the rent passing on the appeal hereditament was of little use, the Tribunal had to consider whether a tone of value had been set.
25. Whilst the Tribunal could understand the appellant's disappointment regarding the level of Rateable Value ascribed, the appellant did not provide any evidence to persuade the Tribunal that the unit rate of £36.70/m² was excessive and appeared to fit in with an established tone within the industrial estate. Whilst Mr Birchall referred to conversations he had; however, this was hearsay evidence and no factual evidence was provided in support.
26. In relation to the traveller crane being rateable, it was clear from Class 3(b) of the Valuation for Rating (Plant and Machinery) (Wales) Regulations 2000 that it should be included for the purposes of the valuation.
27. Consequently, the Tribunal dismissed the appeal.