

TRIBIWNLYS PRISIO CYMRU - VALUATION TRIBUNAL FOR WALES

Appeal Number:	6815101258259/285NV23/2
Appellant:	V12 Retail Finance Limited
Appeal Property:	Units 25 & 26. Neptune Court, Vanguard Way, Splott, Cardiff, CF24 5PJ
Matter Appealed Against:	2023 Non-Domestic Rating List
Hearing Date:	11 December 2025
Appearances:	Mr A Sharkie of Ryan (Appellant) and Mr K Sloan on behalf of the Valuation Officer (VO)
Decision and its date:	Appeal Dismissed – 19 December 2025
Tribunal Members:	Mrs L M Thomas (Chairperson) Mr R Henley Ms E Jones
Tribunal Clerks:	Mr S Kember and Miss E Rowlands

Introduction - Issues in Dispute

1. A Challenge was proposed by the appellant against the appeal property's Rateable Value (RV) of £94,000 in the 2023 Non-Domestic Rates Valuation List. During the course of the challenge, the assessment was amended to £75,000 RV with an unadjusted rate price (UAR) of £80/m² effective from 1 April 2023. The ratepayer's representative challenged and appealed this valuation and in doing so proposed an alternative valuation of £65,000 RV with a UAR price of £70/m².
2. The appellant also sought a reduction from 5% to 2.5% to the allowance for a comfort cooling system.
3. In accordance with Regulation 50 of the relevant legislation, a preliminary matter was attended to by the Tribunal regarding the VO's objection to additional evidence contained in the appellant's appeal documentation. Having considered the statements presented by both parties, the Tribunal admitted the additional evidence in relation to two comparable assessments.
4. The following was a summary of the cases presented and was not intended to be an exhaustive record of the proceedings. However, the parties can be assured that all evidence, both written and oral, 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.

Legislation and Case Law

- Local Government Finance Act 1988 – *the 1988 Act*
- The Non-Domestic Rating (Alteration of Lists and Appeals) (Wales) Regulations 2023 – *the 2023 regulations*
- The Non-domestic Rating (Material Day for List Alterations) Regulation 1992, as amended
- Lotus and Delta v Culverwell (VO) & Leicester City Council [1976]

Evidence and Submissions

5. Following the agreed facts at Challenge stage, the appellant reported the issue that remained outstanding was the unadjusted rate/m² for the appeal property, and the percentage allowance for the comfort cooling system located at the appeal property.
6. In support of his case and in addition to his oral presentation, the appellant provided a written Supporting Evidence Statement, which contained the proposal, a summary of the comparable assessments, rental evidence, location plans, maps, relevant legislation and case law. New evidence had also been submitted, by the appellant and had been agreed between the parties within the statutory timeframe for such evidence, prior to the hearing.
7. The appeal property was described as a two-storey office building located approximately ½ mile south of Cardiff City centre. It had a total area In Terms of Main Space (ITMS) 850.69m² and 28 car parking spaces.
8. It was clarified during proceedings that the car parking spaces were contiguous to the hereditament, as such they were valued at £250 per space. The appellant confirmed that the tenant occupied the whole of the appeal property and, as such they were included in the valuation. Where comparable properties had non-contiguous car parking, these were assessed separately and taken as £265 per space and not the £250 value that had been quoted in the submissions.
9. In turning to his rental evidence, from his basket of evidence, the appellant highlighted four comparable hereditaments, with known rents around the Antecedent Valuation Date (AVD) of 1 April 2021, which he contended were key pieces of information to support his case.
10. The rent for 1st Flr Unit 2, Trident Court, CF24 5TD was stated as £15,847 and commenced 17 February 2021. It had an ITMS area of 191.52m². In his analysis, the appellant argued that the rent for this hereditament was devalued to £68.10/m² which he stated had also been suggested by the VO in their decision notice.
11. In reference to 1st Flr Unit 1 Regents Court, CF24 5JQ (ITMS 143.18m²), the appellant believed that the VO had incorrect rental information for this property. The actual rent provided by the letting agent commenced on 27 April 2021 and was stated as £12,600 as opposed to £13,659 used by the VO in their analysis. This he stated provided a UAR of £66.52/m².
12. In addition, rental information around AVD was provided for Units 13/14 Neptune Court, CF24 5PJ, (ITMS 643.53m²) which was quoted as £57,978 and

commenced 1 May 2021, he said this analysed the UAR to £80/m² and for First Floor Towergate House, Neptune Court, CF24 5PJ (ITMS 210.00m²) commenced 7 June 2021, analysed the UAR to £85/m².

13. The rents closest to AVD he argued, showed the UAR as £66/m² and £68/m² and should be the starting point when considering value. He accepted that the UAR's of £80/m² and £85/m² may pull the analysis upwards, as such he believed an analysis of £70/m² was a fair value based on the basket rents available.
14. The second issue related to the 5% uplift applied by the VO regarding the cooling system located at the appeal hereditament, which he said the VO had deemed to be an air conditioning system.
15. The appellant referred the Tribunal to internal photographs of the appeal property, which showed air filtration cassettes in the ceiling and radiators on the walls of the office space.
16. The appellant accepted that a full air conditioning system would attract a 5% uplift. He stated an air conditioning system would heat and cool the air, in addition to filtering and treatment of the air within the hereditament. He argued that a system of this type would not require radiators.
17. The appellant referenced comparable properties introduced as a preliminary matter to these proceedings, in addition to evidence that had been agreed between the parties under Regulation 50 of the 2023 regulations.
18. The appellant stated an agreement was made in the 2017 valuation list to reduce the uplift for comfort cooling systems to 2.5%, in respect of two comparable properties located in Cardiff. These were Chartered Trust Pt Gnd Flr, Brunel House, Cardiff, CF24 0EB and Suite B The Warehouse, Cardiff, CF10 1FH.
19. Similarly, it was stated that an agreement had also been made in August 2025, for Venture Court & 1st Flt Unit 3 Ty'r Llyn, Clos Llyn Cwm, Swansea, SA6 8AH where a 5% uplift had been reduced to 2.5% following a challenge to the 2023 valuation list entry.
20. The appellant stated that as the size band range for the scheme had been confirmed as between 100m² and 1000m² that all rents mentioned were applicable. He requested that following the agreements made to the 2017 and 2023 valuation lists, a 2.5% uplift be applied together with a revised rate of £70/m² for the appeal property and a revised RV £65,000 be accepted by the Tribunal.
21. In addition to the submitted evidence, the VO provided an oral submission and statement of truth. It was also confirmed that the VO's Challenge Decision Notice had been prepared by another officer of the Valuation Office Agency (VOA).
22. The VO confirmed the property's size and description and had been valued within the VOA's scheme for offices and premises within the size band range of between 100m² and 1000m². He also stated their records showed the property as having a full air conditioning system.
23. Information regarding the appeal property was said to have been collected during an inspection of the hereditament in 2010. The VO had requested an inspection on 24 November 2025, and as this was considered short notice, an appointment

had been made to arrange a date for the inspection to take place. It was stated no further contact was received and the VO was unable to inspect the property.

24. The VO provided a background to the appeal and confirmed following the agreed facts at the challenge stage, the appellant had proposed that the UAR was reduced to £70/m² and a reduction to the uplift allowance for air conditioning to 2.5% had also been proposed. At the time of the challenge the VO confirmed the UAR was stated as £102.50/m², and the uplift allowance was 5%.
25. During the challenge stage and following a review of the available evidence, the VO had adjusted the UAR down to £80/m². The VO stated that having reviewed the photographic evidence, further evidence to confirm the type of cooling system had been requested. As this had not been provided the uplift of 5% remained.
26. The VO explained that he did not hold a form of return (FOR) for the appeal property regarding rental evidence. Accordingly, he stated he accepted the information put forward by the appellant. This confirmed the rent was between connected parties with no formal agreement in place and had been unchanged since 2016. The VO therefore stated he placed little weight to this evidence.
27. The VO referred to the rental evidence of the comparable properties, which he said were new lettings close to the AVD 1 April 2021. When analysed within the scheme these properties ranged in value of between £69/m² and £117/m².
28. The VO stated that Unit 13/14 Neptune Court, CF24 5PJ, was the largest of the hereditaments within the key rental evidence and more comparable to the appeal property. The rent had commenced on 1 May 2021, one month post AVD on a full repair and insurance (FRI) basis. The rent had been analysed to £81/m².
29. In referring to the smaller assessments within the scheme, the VO stated that 1st Flr Unit 1 Regents Court, CF24 5JQ was reported as a new FRI lease, sixteen days post AVD which analysed to £74/m². The lease for 1st Flr Unit 2, Trident Court, CF24 5TD, commenced in February 2021. He considered this to be too much prior to the AVD to add weight to, and confirmed the rate was analysed to £69/m².
30. For the larger assessments, the VO cited First Floor, Towergate House, Neptune Court, CF24 5PJ had analysed to £86/m² as it had a stepped rent with the landlord responsible for insurance. The lease commenced 1 June 2021.
31. With regard to Unit 21 Neptune Court, CF24 5PJ (309.40m² ITMS) the VO stated that although the lease for this property commenced 9-months post AVD, and he placed the least amount of weight to the evidence, he explained that it was useful as it was a new lease on FRI basis. The analysed rate was stated as £117/m².
32. The VO opined that there was no clear evidence of quantum allowance in place within the evidence presented. He contended rents for the smaller hereditaments were analysed into lower figures and the larger rents for the larger hereditaments were more reflected in terms of their size. Therefore, he contended that as the appeal property sat within the upper portion of the scheme, the adopted rate of £80/m² was appropriate.
33. In addressing the second contention regarding the cooling system. The VO said he placed little weight on the evidence for properties from the previous valuation

list and in relation to the evidence for the adjustment made to comparable property in the 2023 list, he stated that his records showed that an appropriate certificate had been provided for that case.

34. The VO stated the alternative value had been adjusted from RV £94,000, to better reflect the available evidence. He requested that the 5% uplift for the cooling system, the current UAR of £80/m² and rateable value of £75,000 be maintained and for the Tribunal to dismiss the appeal.
35. The appellant sought clarification in relation to quantum not being applied when adjusting the rents between the smaller and larger hereditaments. The VO explained that typically in a size-based matrix a smaller property would attract a higher price/m² and a larger property would attract a smaller price/m². The VO stated that it was reasonable that the value for the largest comparable rent was more akin to what the value would be for the subject hereditament, especially as the rents were close to AVD.
36. The appellant questioned the weight applied to evidence in relation to the comparable hereditament Unit 21 Neptune Court. The VO explained that whilst he considered it was an example of a good rent, the VO applied little weight to the evidence when conducting an analysis.
37. In relation to the 2023 list comparable evidence for the comfort cooling system located at Venture Court & 1st Flr Unit 3 Ty'r Llyn, Clos Llyn Cwm, Swansea, SA6 8AH, the appellant stated that he had inspected the hereditament and perceived that an agreement to reduce the percentage allowance had been made on that basis. Regarding the appeal property, he stated there was no documentation provided to him by his client, upon request and surmised that the VO may have approached the occupier directly. The VO contended that his records showed a certificate had been received, however he stated he would review this to confirm.
38. The Tribunal sought clarity in relation to the agreement that had taken place and the circumstances relating to which property had been inspected. The appellant clarified that he had inspected the appeal property, and as an agreement had taken place on a similar issue following his inspection at that address, he perceived an agreement may also apply in this case. He stated the client informed him there was no air conditioning at the appeal property and was also unable to provide documentation relating to the cooling system.
39. The Tribunal also requested clarity regarding the air filtration ceiling cassettes and whether the windows at the appeal property were sealed, which would provide an indication as to the type of system in situ. The VO assumed in an air conditioning system the windows would be sealed and would provide both heating and cooling. Without a site visit or confirmation of the type of system he was unable to verify the details of the system in place.

Decision and Reasons

40. In arriving at its decision, the Tribunal had regard to legislation contained within The Local Government Finance Act 1988 and The Non-Domestic Rating (Alteration of Lists and Appeals) (Wales) Regulations 2023, which stipulates that the appeal hereditament must be valued having regard to values achieved as at

the Antecedent Valuation Date, the 1 April 2021, whilst looking at the physical circumstances of the assessment as at the Material Day, the Compiled List entry date of the 1 April 2023.

41. It was also aware that case law provided judicial precedent with regard to rating.
42. The Tribunal was mindful that the best evidence available would be that of an open market value rent passing on the appeal hereditament as at the 1 April 2021.
43. In accordance with the principles outlined in *Lotus and Delta v Culverwell (VO) & Leicester City Council*, the passing rent on the appeal hereditament should ordinarily serve as the starting point for determining the rateable value. However, in this case, the rent that exists for the appeal hereditament was too far removed from the AVD. Consequently, and in line with the *Culverwell* decision, the appropriate approach is to rely on comparison with similar properties as a valid method of valuation.
44. The appellant challenged the current rateable value by comparing the appeal hereditament to several other properties within the local rating scheme for offices of this type. These properties fell within a size range of between 100m and 1000m and were shown to have a rate/m² of between £68/m² and £117/m².
45. The Tribunal was aware that less weight would be applied to the comparable hereditaments where rents were considered as being further from the Antecedent Valuation Date, either prior to or post 1 April 2021.
46. In considering all the evidence presented, the Tribunal found that 1st Flr Unit 2, Trident Court, CF24 5TD (ITMS 191.52m²), and 1st Flr Unit 1 Regents Court, CF24 5JQ (ITMS 143.18m²), both considered key comparable hereditaments to the appellant's argument, were towards the lower end of the size range. These properties as stated by the appellant analysed to £68/m² and £66/m². The Tribunal noted that the VO currently has an analysis of £74/m² in relation to 1st Flr Unit 1 Regents Court.
47. The Tribunal placed less weight to the rent passing on 1 February 2021 for 1st Flr Unit 2, as this was considered to be further prior to the AVD. However, the Tribunal did place more weight to the rent passing on 17 April 2021 for 1st Flr Unit 1 Regents Court, as this was considered to be closer to the AVD.
48. Towards the higher end of the size band, the Tribunal acknowledged that Unit 13/14 Neptune Court, CF24 5PJ (ITMS 643.53m²) had a passing rent 1 month post AVD and had been analysed to £80/m².
49. With the appeal property's size ITMS being 850.69m² the Tribunal found it was able to place more weight on rents close to AVD for larger properties within the scheme. The Tribunal therefore found that the rate/m² of £80/m² that had been adopted by the VO to be reasonable with regard to the appeal property.
50. Turning to the uplift allowance in regard to the cooling system. The Tribunal acknowledged that the appellant had taken the client's comments in good faith when he inspected the appeal hereditament and that no documents confirming the type of system in place had been provided to the VO. The Tribunal also acknowledged that had the VO inspected the hereditament earlier in the process they may have been able to confirm the type of cooling system in situ.

51. The Tribunal was also aware that it was for the appellant to demonstrate that the appeal hereditament's existing assessment was incorrect and not for the Valuation Officer to prove otherwise. However, it was also aware the Valuation Officer was required to provide comprehensive, impartial evidence to achieve a correct assessment.
52. In arriving at its decision and having regard to the full range of evidence presented, the Tribunal was persuaded that the current unit rate of £80/m² adopted by the Valuation Officer in respect of the appeal hereditament was fair and reasonable. It did not accept the appellant's contention that the appeal hereditament's unit rate should be lowered to £70.00/m² in line with the combined comparable assessments.
53. With regard to the uplift allowance, the Tribunal found that without relevant documentation to confirm the type of system in place, or a site visit to verify the details, the Tribunal was not persuaded to order a reduction and found the current allowance of 5% to be maintained.
54. Accordingly, the Tribunal confirms the existing assessment of the appeal hereditament at RV £75,000 in the 2023 Non-Domestic Rates Valuation List.
55. Appeal dismissed.