

TRIBIWNLYS PRISIO CYMRU - VALUATION TRIBUNAL FOR WALES

Appeal Number:	6915101279551/285NV23/3
Appellant:	Iceland Foods Limited
Appeal Property:	Iceland, Unit 2 Llynfi Road, Maesteg, Bridgend, CF34 9DS
Matter Appealed Against:	2023 Non-Domestic Rating List
Hearing Date:	20 th March 2026
Appearances:	Mr D Johnstone of Colliers (Appellant) Mr J Lees on behalf of the Valuation Officer (VO)
Decision and its date:	Appeal Dismissed – 30 th April 2026
Tribunal Members:	Miss C Cobert (Chairperson) Mr M Dugdale Mr G Nechvatal
Tribunal Clerk:	Mr M Keylock

Introduction - Issues in Dispute

1. A Challenge was proposed by the ratepayer's representative (appellant) against the appeal property's Rateable Value (RV) of £52,000 in the 2023 Non-Domestic Rates Valuation List. During the challenge, the assessment was amended to a RV of £45,500 based on a price of £70/m², which the appellant continued to consider excessive. The Appellant wished to pursue the original appeal and proposed an alternative RV of £22,750 with a price of £35/m².
2. 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 (as amended)
- The Non Domestic Rating (Alteration of Lists and Appeals) (Wales) Regulations 2023
- The Non Domestic Rating (Material Day for List Alterations) Regulation 1992, as amended
- Ladies Hosiery and Underwear LTD v West Middlesex Assessment committee [1932] 2 KB 679
- Lotus and Delta v Culverwell (VO) & Leicester City Council [1976]
- Jafton Properties Ltd v Prisk (VO) [1997] LT RA 137

The Appellants Submission

3. The appellant stated that the appeal property comprised a 650m² retail warehouse on a small scheme in Maesteg and that, in such a small town, comparable evidence was limited. He stated the valuation issue in dispute concerned the appropriate value per m². The subject had originally been valued by the VO at £80/m², whereas the appellant had sought £35/m² and continued to rely on that figure. In written submissions Maesteg was described as having a population of circa 20,000 which the appellant relied upon to support the contention of a limited catchment area and limited comparable evidence. The appellant also referred to local socio-economic conditions and stated that deprivation levels affected disposable income and therefore the level of rent a hypothetical tenant would bid.
4. He stated that the appeal property had a lease dated 29th September 1996 and had experienced numerous rent review nil increase, and that he had applied no weight to the passing rent for the purposes of a 1st April 2021 valuation.
5. The appellant relied primarily on the rental and challenge settlement relating to The Original Factory Shop (occupied by 'Poundland'), Castle Street, Maesteg, Bridgend, CF34 9UN, which was located approximately 0.25 miles walking distance from the appeal property and approximately 570 m² in size.
6. He stated that The Old Factory Shop had been let on a new lease from 15th October 2020 at £20,000 per annum with 3 months' rent free, which analysed to £31/m², and that this provided excellent evidence close to the 1st April 2021 Antecedent Valuation Date (AVD) for what a tenant would have bid for a large shop/retail warehouse.
7. The appellant stated that, at compilation for the 2023 List, both The Old Factory Shop and the appeal property had been valued at £80/m², which he relied upon to suggest the VO had regarded them as broadly comparable at that time. As agent he had challenged The Old Factory Shop assessment and agreed a reduction in RV from £47,250 to £20,000 and moved from £80/m² to £31/m². He submitted that it was not reasonable for the appeal property to be determined at £70/m² when The Old Factory Shop had been agreed at £31/m², describing this as creating a disparity of approximately 225%–226% between the two. The appellant stated it did not make sense in the context of a small local market.
8. The appellant agreed with the VO that there was no other nearby rent close to the AVD of comparable utility for a property of this type and size. The proposed £35/m² was derived from the £31/m² for The Old Factory Shop evidence, with a 'slight addition' to reflect the additional footfall arising from the appeal property being located on a small retail parade/scheme. He criticised the VO's reliance on smaller shops in Maesteg, stating that three of four rental items referenced were far too small to compare to a 650 m² retail warehouse, citing 28 Llynfi Road (64 m²), 5 Talbot Street (58 m²), and Ground Floor Market Buildings (126 m²).
9. The appellant also referred to 138 Commercial Street as the only item in the VO's basket of evidence of any comparable size, and he stated that when analysed on an overall basis it equated to £38.15/m², which he said was consistent with his contention.

10. He also questioned the VO's reliance on the letting to B&M at the former Wilkinsons unit, stating it was set in June 2023, well after the AVD, and in a market "without the effects of Covid", whereas the valuation date concerned 1st April 2021 during national lockdown conditions. The appellant stated it was not comparing like with like and that minimal weight should be applied. He submitted that each rating list started afresh and stated that the VO's references to the fall from the 2017 to 2023 lists were not relevant.
11. The appellant further argued that some smaller comparables could be benefitting from 100% small business rate relief, allowing higher rental bids, and stated that the VO's offer in valuing the subject at £70/m² against The Old Factory Shop at £31/m², as too large a gap.
12. The appellant maintained that the purpose of the valuation was to determine what a prospective tenant would have paid for the appeal property as of 1st April 2021 and concluded that £35/m² remained the correct figure, based on the October 2020 'Poundland' rent plus a slight uplift for the subject's surrounding footfall.
13. In summing up, the appellant maintained that the October 2020 'Poundland' rent was the best evidence close to AVD. He maintained that the Wilkinsons/B&M rent was too remote from the AVD and concerned a much larger unit and the price of £35/m² and a RV of £22,750 was correct.
14. In cross-examination the VO put that The Old Factory Shop had no natural footfall and no parking. The appellant disagreed as to footfall and stated that the appeal property benefited from an ASDA next door. As to parking, he stated that customers could park at the ASDA car park for two hours free and that he had used that arrangement during his inspections. He accepted that the appeal property had direct on-site parking but stated, in his view, both properties had sufficient parking provision/time for shopping.
15. The Tribunal questioned the practicality of using ASDA parking for 'Poundland' shopping, including with a trolley, and the appellant stated that ASDA and the appeal property were next to each other and estimated around a three-minute walk between them.
16. The VO questioned the frontage of The Old Factory Shop property which the appellant accepted that it had a concrete frontage and that the appeal property had a glazed frontage. He accepted that The Old Factory Shop was not purpose-built and was a former nightclub.
17. The VO put that the appellant's "slight addition" (from £31/m² to £35/m²) did not sufficiently reflect differences in the footfall, direct parking, frontage, age/obsolescence and purpose-built status. The appellant accepted the appeal property was better but maintained that there was no rental evidence to justify an uplift to the level advanced by the VO.
18. The VO also raised the principle derived from *Ladies Hosiery*, suggesting the Tribunal should not replicate an error on one assessment by aligning another. The appellant responded that the compiled list assessment of The Old Factory Shop had been wrong because the rent had not been available at compilation and had emerged during the Challenge.

The VO's Submission

19. The VO described the appeal property as a purpose-built retail warehouse, built in 1996 on a retail park in Maesteg, measuring 650m² and benefiting from good footfall and customer parking. Having reviewed the challenge evidence, a revised valuation of £70/m² was proposed, resulting in a RV of £45,500 effective from 1st April 2023.
20. The VO stated that the retail park included other national occupiers such as Argos, B&M, and Aldi, and that the wider site also benefited from a pharmacy and a medical surgery.
21. He stated that the appellant's principal comparable property 'The Old Factory Shop, occupied by 'Poundland', was let on 5th October 2020 at £20,000 on an FRI basis but noted that the appellant had acknowledged the appeal property benefited from footfall from Aldi and B&M, a good-sized car park and had accepted the comparable was in a "slightly worse location". He stated that the appellant had applied a circa 15% uplift (referencing a 15.6% difference in 2017 list assessments) to reach £35/m².
22. The VO contended that the comparable The Old Factory Shop was an inferior building, stating it had very little glass frontage compared with the appeal property, was built in the 1930s, and had been repurposed from a nightclub into a retail unit in 2015. It was in a significantly worse location, had no customer parking, and that nearby streets had double yellow lines or resident permit restrictions. He also stated that although an Asda was nearby, along with its parking, it was set back and would not necessarily generate footfall for this comparable.
23. The VO maintained that it was understood that The Original Factory Shop vacated after 3 years of a 10-year lease in 2018, and that the unit had remained vacant until 'Poundland' leased it in October 2020. He relied on this lease history as confirming inferiority and weaker market appeal concluding that the appellant's comparable was therefore not directly comparable and that a 15% uplift did not adequately reflect the differences in location and building quality. It was noted in oral evidence that 'Poundland' had vacated in 2025, and when questioned by the Tribunal the VO stated that this was part of wider national store closures and not necessarily specific to Maesteg.
24. The VO referred to a Challenge settlement for Home Bargains, Monnow Street, Monmouth, NP25 3EN, described as built in 1985, reduced from £90.00 to £85.00/m², and measured 1,630.88 m². He stated it was in a better location and that it supported the reasonableness of £70.00/m² for the appeal property. The VO confirmed that this comparable was 59 miles away.
25. The VO stated that, due to no relevant rents near the AVD on the subject site, it had considered rental trends on the same retail park, including Wilkinsons which was purpose-built in 1975 and measured 1,453.24 m². He stated B&M took it over in June 2023 at a rent of £79,800, analysing to £54.92/m², and that the later June 2024 opening indicated refurbishment and a potentially below-market starting rent.
26. He said this information indicated that an adopted rate of £60.00/m² for Wilkinsons would have been reasonable at the AVD, when assuming reasonable repair, and that £70.00/m² for the smaller, newer subject was reasonable and not excessive.

27. The VO stated that the appeal property had a rate of £92.50/m² in the 2017 list, which was reduced to £80.00/m² in the 2023 list, indicating a 13.5% decrease. He stated that revaluation analysis identified an average decline of about 10%–12.5% between lists for retail units in South Wales, and that the subject's current rate already assumed an above-average decline for Maesteg
28. In his evidence, the VO advised that he had reviewed pre- and post-pandemic rental evidence for Maesteg including the following:
- 138 Commercial Street, Maesteg, Bridgend, CF34 9DW: £25,000 (2012) to £35,000 (2022) (lease renewal: 28.58% increase).
 - 28 Llynfi Road, Maesteg, Bridgend, CF34 9DS: £9,999 (2018) to £7,200 (2021) (new lease: 28% decrease).
 - 5 Talbot Street, Maesteg, Bridgend, CF34 9BT: £12,000 (2010) to £11,250 (2020) (new lease: 6.25% decrease).
 - Ground Floor Market Buildings, Talbot Street, Maesteg, Bridgend, CF34 9DA: £6,300 (2017) to £5,000 (July 2020) (rent review: 20.64% decrease)
29. The VO stated that this basket of evidence suggested an above-average decline in local retail rental values and therefore maintained that a 25% reduction from the 2017 figure of £92.50/m² was appropriate, producing about £70.00/m² and a RV of £45,500.
30. The VO referred to the forthcoming 2026 Rating List and stated that the appeal property was to be entered at around £88/m²; he used this to argue that the appellant's proposed £35/m² would imply excessive percentage movements between lists.
31. He concluded that, although the earlier RV of £60,000 was excessive, the appellant's proposed reduction to £22,750 was disproportionate, and he requested that the appeal be dismissed and requested that the Tribunal confirm a RV of £45,500 RV.
32. During cross examination, the appellant challenged the robustness of the VO's "basket" of pre- and post-pandemic rents on the basis that the starting dates varied hugely. The VO accepted methodological weaknesses but stated he used what information was available.
33. The Tribunal asked how far Wilkinsons was from the appeal property, and the VO stated it was directly opposite on the same retail park, on the other side of the car park. The Tribunal also asked whether Wilkinsons benefited from customer parking and glass frontage, and the VO confirmed that it did.
34. When asked by a Tribunal member to explain how £70/m² had been derived, rather than a mid-point between £35/m² and £70/m², the VO stated that he had looked at local pre- and post-Covid rents and wider revaluation trends, and that in his opinion, once reasonable adjustments were made to The Old Factory Shop for differences including car parking, frontage and age/obsolescence, it was more than fair to say a hypothetical tenant would pay an additional £30–£40/m² for a significantly superior property.
35. The Tribunal questioned the relevance of the 2026 list in an appeal concerning a 2021 AVD, and the VO stated he relied on relativities between lists as informing reasonableness but left the relevance of that point to the Tribunal's judgment.

36. The Tribunal asked about the practicality of using the ASDA car park for shopping, and the appellant estimated that ASDA and The Old Factory Shop were next to each other and around a three-minute walk between them.

Decision and Reasons

37. In arriving at its decision, the Tribunal determined the appeal under the provisions of the Local Government Finance Act 1988 (as amended) 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 AVD, the 1st 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.
38. The issue for the Tribunal was whether the RV determined by the VO, namely a RV of £45,500 at £70/m², with effect from 1st April 2023, was shown to be unreasonable such that the list should be altered to the appellant's proposed assessment RV of £22,750 RV at £35/m².
39. The Tribunal was aware that the burden rested on the appellant to establish, on the balance of probabilities, that the existing list entry was incorrect. It accepted that there was limited rental evidence for large retail warehouse units in the immediate locality close to the AVD.
40. The Tribunal approached the matter as a valuation judgment to be reached from the best evidence available as at the AVD. It had regard to the authorities cited by the parties, including *Ladies Hosiery and Underwear Ltd v West Middlesex Assessment Committee* [1932] 2 KB 679, *Lotus and Delta Ltd v Culverwell (VO) & Leicester City Council* [1976], and *Jafton Properties Ltd v Prisk (VO)* [1997] LT RA 137, in so far as they reflected established principles that valuation is a matter of judgment founded upon evidence, and that list accuracy is not achieved by mechanically aligning assessments without proper regard to comparability and the statutory hypothesis.
41. The Tribunal accepted that The Old Factory Shop letting evidence was relevant and close to the AVD and therefore carried weight. However, the Tribunal did not accept that it could be treated as directly interchangeable with the appeal property at only a small uplift. The Tribunal placed more weight on the VO's evidence of The Old Factory Shop unit being materially inferior in location and physical characteristics, including parking arrangements and frontage, and that these factors were capable of having a substantial effect on rental value.
42. The Tribunal accepted that some evidence carried limitations, including differences in size and, in the case of the Wilkinsons/B&M letting, remoteness from the AVD. Nonetheless, the Tribunal considered that this supporting material assisted in testing the reasonableness of the tone and the scale of the reduction contended for by the appellant.
43. The Tribunal considered that the 2026 list mentioned by the VO did not determine the 2023 list appeal, but it formed part of the context advanced by the VO in addressing relativity and reasonableness. The Tribunal placed limited weight on that point in comparison with the direct evidence relating to the AVD.

44. Having considered the evidence, the Tribunal was satisfied that the VO's adopted unit rate of £70/m² (RV £45,500) was reasonable for the appeal property at the AVD, and the Tribunal was not satisfied that the appellant had demonstrated that the assessment should be reduced to £35/m² (RV £22,750). In particular, the Tribunal was persuaded that the appellant's principal comparable, The Original Factory Shop unit, was materially inferior to the appeal property, including being in a worse location with poorer trading characteristics, lacking dedicated customer parking, experiencing reduced footfall due to its location, and lacking a glazed frontage, such that it did not support the appellant's proposed valuation outcome.
45. In arriving at its decision and for the reasons set out, the Tribunal dismissed the appeal and confirmed the 2023 Rating List entry for Iceland, Unit 2 Llynfi Road, Maesteg, Bridgend, CF34 9DS at a RV of £45,500, with effect from 1st April 2023.