

TRIBIWNLYS PRISIO CYMRU - VALUATION TRIBUNAL FOR WALES

Appeal Number:	6855101414171/285NV23/2
Appellant:	NCF Furnishings
Subject Property:	Unit 1A, Swansea Enterprise Park, Llansamlet, Swansea, SA7 9RF
Matter Appealed Against:	2023 Non-Domestic Rating List
Hearing Date:	9 th September 2026
Appearances:	Mr B Porter for Agent Ryan Property (on behalf of Appellant) Mr I Pierce on behalf of the Valuation Officer (VO)
Decision and its date:	Appeal Allowed 28 th September 2026
Tribunal Members:	Mr JK Lewis (Presiding Member) Mr AE Sangster Mr GE Jones
Tribunal Clerks:	Mr M Keylock Miss L Griffiths

Introduction - Issues in Dispute

1. The subject appeal arose from a proposal submitted by the appellant to the VO on 16th October 2025 challenging the appeal property's entry in the 2023 Non-Domestic Rating List. The subject property was entered in the Non-Domestic Rating List with a Rateable Value (RV) of £203,000 effective from 1st April 2023.
2. The Appellant's agent contended that the appeal property was over-assessed and sought a reduction to £105,000 with effect from 1st April 2023. However, an amended calculation was received one day before the hearing requesting a reduction to £154,000. It was contended that the unadjusted rate was unfairly assessed at £100 per square metre (/m²) and should be reduced to £90/m².
3. The following is a summary of the cases presented and is 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 Authorities

- Local Government Finance Act 1988
- Lotus and Delta v Culverwell (VO) & Leicester City Council [1976]
- Non-Domestic Rating (Alteration of Lists and Appeals) (Wales) Regulations 2023
- Non-Domestic Rating (Material Day for List Alterations) Regulations 1992

VO's Evidence:

4. The VO described the appeal property as a retail warehouse and premises situated within Swansea Enterprise Park, occupying a prominent position with good accessibility and visibility and confirmed that there was no dispute between the parties regarding the ground floor sales area of 1389.80m² adopted for rating purposes.
5. The VO submitted that the valuation should be determined having regard to the principles established in *Lotus and Delta v Culverwell (VO) & Leicester City Council*, namely that the rent passing on the hereditament under appeal should be treated as an important indicator of value and considered alongside other available rental and assessment evidence.
6. The VO referred to a new lease of the appeal property which commenced on 1st January 2022 and submitted that this provided the principal rental evidence from which the valuation exercise should proceed, subject to adjustments necessary to reflect the statutory rating hypothesis.
7. The VO stated that the lease required adjustment to reflect the terms upon which it had been agreed, including a 15-month rent-free period, a £90,000 break incentive and the inclusion of the mezzanine floor. Following those adjustments, the rent was analysed to £83.72/m². It was submitted that although the lease represented useful evidence, the extent of the adjustments required reduced the weight that could be attached to it when applying the second proposition in *Lotus and Delta*, which concerned the extent to which a rent reflected the statutory rating hypothesis.
8. Referring to the third proposition in *Lotus and Delta*, the VO submitted that comparable rental evidence should also be considered to evaluate the level of value indicated by the rent passing on the appeal property. However, there was a scarce amount of evidence to consider.
9. The VO referred to rental evidence relating to Unit 1B, Nantylffin North, which adjoined the appeal property and was slightly larger in size at 1496m². A lease renewal agreed in October 2024 analysed to £180/m². The VO submitted that this represented a vital component of the available evidence and should be afforded significant weight.
10. Reference was also made to a rent review at Unit 2, Nantylffin North. However, the VO considered that it carried little weight, as it reflected a nil increase rent review originating from an agreement made in 2014.
11. The VO further referred to the fourth proposition in *Lotus and Delta*, namely that assessments and agreements relating to comparable properties may provide an indication of value. Reliance was therefore placed upon agreed assessments at Phoenix Retail Park, including Unit 1A Phoenix Retail Park and Units 4 and 5 Phoenix Retail Park, where reductions of approximately 18% and 17.5% respectively had been agreed. The VO submitted that those properties were of a similar mode and category and occupied a neighbouring retail park.

12. The VO submitted that, consistent with the fifth proposition in Lotus and Delta, an opinion of value should be formed after consideration of all available evidence, with appropriate weight being attached to each item according to its reliability and comparability. It was contended that the scarcity of rental evidence within the retail park made it necessary to consider both the subject property rent and wider market evidence.
13. On that basis, the VO advanced a valuation comprising a ground floor sales area assessed at £100/m² together with additions for the mezzanine floor and air conditioning, producing a total valuation of £168,268, rounded to a RV of £168,000 with effect from 1st April 2023 and invited the Tribunal to dismiss the appeal.
14. When questioned by the Tribunal, the VO stated that whilst the analysed subject letting indicated a figure close to £90/m², he considered that the basket of evidence and observed valuation trends within the locality justified a higher assessment. He submitted that all available evidence should be considered collectively rather than placing sole reliance upon the subject rent.

Appellants Evidence:

15. In his email received on 7th September 2026, the day prior to the hearing, the Appellant amended the valuation sought. The Appellant explained that this revision followed a review of the VO 's evidence and discussions concerning the analysis of the subject letting. The Appellant stated that the original proposal seeking a tone of £55/m² and a RV of £105,000 was no longer considered appropriate and that a tone of £90/m², and a RV of £154,000 fairly reflected the evidence available. The Appellant apologised for the late amendment. This was noted by the Tribunal.
16. The Appellant agreed that adjustments should be made to the agreed rent to reflect the terms of the letting, and following those adjustments, both parties accepted that the rent analysed to £83.72/m². The Appellant further stated that, following discussions with the VO prior to the hearing, both parties had further agreed that the nationally adopted fit-out addition of £6/m² should be applied, producing an analysed figure of approximately £89.72/m².
17. The Appellant also relied upon settlement evidence relating to other retail warehouse properties within South Wales. Particular reliance was placed upon the agreed reduction at Units 4 and 5, Phoenix Retail Park, Swansea, where the compiled list assessment of £100/m² had been reduced to £82.50/m². The Appellant submitted that Phoenix Retail Park was located a short distance from the appeal property and represented the most relevant settlement evidence available.
18. Reference was also made to other agreed settlements, including Units 12 and 13, Parc Fforestfach, and Unit 1B, Parc Tawe Retail Park. The Appellant submitted that these assessments provided contextual evidence demonstrating that reductions had been agreed elsewhere within the retail warehouse market. However, the Appellant accepted that less reliance should be placed upon those properties than upon the evidence available within the immediate locality of the appeal property.
19. The Appellant submitted that, having regard to the subject letting, the agreed fit-out adjustment, the settlement evidence at Phoenix Retail Park and the wider basket of evidence, a tone of £90/m² represented a fair and reasonable assessment. It was contended that this approach recognised the slightly superior nature of the appeal property whilst giving greatest weight to the rent passing on the hereditament itself.

20. In support of the revised valuation, the Appellant adopted a tone of £90/m² applied to the ground floor sales accommodation. The Appellant's valuation comprised £125,082 attributed to the ground floor sales area, £27,248 attributed to the mezzanine floor and £2,040 in respect of air conditioning, producing a total Rateable Value of £154,000 with effect from the 1st April 2023.
21. In response to questions from the Tribunal, the Appellant stated that Phoenix Retail Park and the appeal property were comparable retail warehouse locations, although the appeal property occupied the newer of the two schemes. The Appellant submitted that the analysed rents suggested a narrower differential between the two locations than was reflected in the assessments adopted by the VO.

Decision and Reasons

22. In arriving at its decision, the Tribunal had regard to the statutory framework governing non-domestic rating in Wales, including the Local Government Finance Act 1988, the Non-Domestic Rating (Alteration of Lists and Appeals) (Wales) Regulations 2023, and the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992. Taken together, this framework requires the appeal hereditament to be valued by reference to rental values as at the Antecedent Valuation Date of 1st April 2021, whilst having regard to the physical circumstances of the assessment as at the material day, being the compiled list entry date of 1st April 2023.
23. Taking account of the statutory definition of Rateable Value and the judgment of the Lands Tribunal in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, the Tribunal considered that rental evidence agreed close to the antecedent valuation date and the rent passing at the subject property, by reason of its proximity in time to that date, was of particular relevance.
24. The Tribunal was satisfied that the circumstances in which the subject property rent was agreed were sufficiently consistent with the statutory valuation assumptions for that rent to attract significant weight. In reaching this view, the Tribunal also considered rental evidence from the other retail properties on Phoenix Retail Park. However, the Tribunal found that the analysed subject rent, having been adjusted to £89.72/m², represented the most direct evidence of value available. Whilst the Valuation Officer relied upon other assessments and agreed decisions within the locality, the Tribunal found no clear evidential basis explaining the movement from the analysed rent to an adopted valuation rate of £100/m² by reason of location, retail pitch, or any other quantifiable adjustment.
25. The Tribunal noted that the analysed rents, derived from the other properties considered, did not establish a clear or consistent level of value capable of supporting the adopted rate of £100/m². Whilst the Tribunal accepted that considerations of uniformity and consistency are relevant in rating valuation, it was not satisfied that the wider evidence provided a sufficiently clear basis for departing from the analysed rent of £89.72/m², derived from the subject property. In particular, the Tribunal found that no persuasive or quantifiable explanation had been advanced to justify the increase from the analysed rental evidence to the adopted assessment rate. The Tribunal therefore concluded that the evidential basis for the £100/m² rate had not been adequately demonstrated and that greater weight should be attached to the analysed rent passing on the appeal hereditament.

26. Having considered the submissions of both parties and the weight to be attached to the available evidence, the Tribunal concluded that the Appellant's valuation was more persuasive and better supported by the evidence. In particular, the Tribunal found that the analysed rent of £89.72/m² provided the most reliable indicator of value and that insufficient evidence had been produced to justify the adoption of a higher rate of £100/m².
27. Accordingly, the appeal was allowed. The Tribunal concluded that a unit rate of £90/m² was fair and reasonable and ordered the Valuation Officer to amend the 2023 Non-Domestic Rating List to reflect a Rateable Value of £154,000 with effect from 1st April 2023.