

Your Ref
Our Ref AF/John Lewis - Arnold
Date 25th February 2025

PRIVATE AND CONFIDENTIAL

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Dear Sir/Madam

NON-DOMESTIC RATES – PART OCCUPIED HEREDITAMENT
JOHN LEWIS PLC, BROOKFIELD ROAD, ARNOLD, NOTTINGHAM NG5 7ER
BA REFERENCE: 1487

I write with reference to the above-mentioned part occupied hereditament.

For the billing authority's information, Accurates (a division of Colliers International) are advising John Lewis PLC on its liability for Non-Domestic rating. The issue of non-domestic rating has arisen recently as a result of a review of the company's property portfolio.

I would, therefore, ask the billing authority to accept this letter as a formal request for the Council to consider rate relief for the Company in accordance with the provisions of Section 44a of the Local Government Finance Act 1988. I believe that such relief may be appropriate due to exceptional but short-term circumstances existing at this site.

For ease of reference, I have set out below details of the circumstances regarding the site.

Occupation at Brookfield Road, Arnold

The company is a commercial enterprise and subject to the same competitive pressures as other high street retailers and all UK businesses and to preserve its current position, the Company has to maintain a constant review of its operations in order to balance its planned future business needs with its current resources.

The operational review process involves re-evaluating and, in some instances, relocating operations within the Company's current resource portfolio with the ultimate aim increasing overall efficiency and effectiveness.

As a result of the review the Arnold site is experiencing a temporary period of partial occupation. The ground floor racking is currently out of use and is going to be dismantled. The area is undergoing refurbishment and is expected to complete by Q3 2025. It is expected that the Company will fully occupy this assessment within the next six months and Accurates will undertake to keep the Council informed of any changes as they occur.

Consequently, the Company is looking to take advantage of any form of assistance that may be available to help support its aim to continue to provide jobs for local people and to consolidate its role in contributing to a prosperous local economy and infrastructure.

Request for Relief 2024/25 and 2025/26

As a result of the short term, closed circumstances and the logistical and practical difficulties that are facing the Company, I would be grateful if the billing authority would agree to exercise its discretion under Section 44A of the Local Government Finance Act 1988 to allow rate relief from 6th January 2025.

With regard to the temporary partial occupation of the premises, for ease of reference, I enclose a plan showing the unoccupied areas within the vacant area, colour hatched accordingly. In addition, please find a separate second copy of the plan for the anticipated onward submission to the Valuation Office.

Unoccupied Parts Incapable of Forming a Separate Hereditament

Colliers International have previously discussed such incidents of part occupation under these circumstances with the Valuation Office Agency and are aware that a division of the rating assessment would not be appropriate for the following reasons;

- The temporary pattern of partial occupation does not presently lend itself to an exclusive occupation.
- The temporary pattern of partial occupation has existed or is likely to exist for a short period of time only.

The Company is currently therefore only able to obtain rate relief on the partially occupied areas of this hereditament from 6th January 2025 onwards via the provisions of Section 44A of the Local Government Finance Act 1988.

Published Guidance by the Department of Communities and Local Government (formerly The Office of the Deputy Prime Minister)

The Office of the Deputy Prime Minister takes the view that there is no restriction, express or implied, in the provisions of Section 44A of the Local Government Finance Act 1988 as to the type of property or circumstances in which relief may be given.

"It is our view that there is no restriction, express or implied, in the provisions of section 44A as to the type of property or circumstances in which relief may be given. Once an application is received,

the first questions an authority must consider are the factual ones. That is to say, is any part of the property unoccupied, and if so, again on the facts of the case, whether the non-occupation will only subsist, or has subsisted, for a short time.

If, you are of the view that these factors are present, then you are bound to consider whether or not to exercise your discretion in favour of the applicant and grant relief for apportionment under section 44A. In reaching your conclusion you must have regard to all the relevant facts."

It is our view, that given the present circumstances surrounding the hereditament, the billing authority would be perfectly entitled to adopt a flexible view in respect of the temporary pattern of the Company's initial occupation of the site.

Section 65 (5) of the Local Government Finance Act 1988 – Hereditaments not in Active Use

The Council should note that some of the unoccupied areas comprised within this claim will, for a certain amount of time contain items of plant, machinery, or equipment last used on the premises.

Section 65 (5) replicates the same provision contained within the former General Rate Act 1967 relating to hereditaments not in active use.

Sec 65 (5), Local Government Finance Act 1988.

A hereditament which is not in use shall be treated as unoccupied if (apart from this subsection) it would be treated as occupied by reason only of there being kept in or on the hereditament plant, machinery or equipment—

- (a) which was used in or on the hereditament when it was last in use, or*
- (b) which is intended for use in or on the hereditament.*

As such, I would ask the Council to make a determination in accordance with this provision that the items of plant, machinery, or equipment remaining present in the empty areas do not constitute rateable occupation.

Arrangements for Inspection of the Hereditament

Whilst plans have been enclosed, if you wish to inspect the property I should be grateful if any requests for an inspection are made through myself at the Colliers Office in Birmingham. As you will understand it is necessary to ensure a member of the Stanley Black and Decker team is available to show us around the areas.

I would ask the billing authority, before considering this submission, to note that all matters contained in it are commercially sensitive and should, therefore, be treated as highly confidential. The information supplied should only be released or made available to officers of the Council for the purposes of performing their official duties.



If you require any further information, please do not hesitate to contact me by telephone on 0121 265 7623 or by e-mail at [REDACTED]

Yours faithfully

[REDACTED]

[REDACTED]
RATING COMPLIANCE AND AUDIT MANAGER
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