IN THE VALUATION TRIBUNAL FOR ENGLAND
IN THE MATTER OF A 2017 RATING LIST APPEAL

Case No: CHG101094030

Sitting remotely using Microsoft Teams on 11 May 2026

Date: 8 June 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating; 2017 list appeal; Local Government Finance Act 1988; shop and premises; comparable properties; physical disadvantages unique to subject property; appeal allowed in part.

Before:

MS S BAINS
MRS A GRAHAM

Between:

MATALAN RETAIL LIMITED **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) **Respondent**

Regarding:

20 HUMBERSTONE GATE, LEICESTER LE1 3PH
(the "subject property")

Appearances:

Mr G Garnett and Mr S Bicknell of GL Hearn, for the Appellant

Mr D Cureton, for the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed in part.

2. The Tribunal finds that the rateable value was unreasonable and confirmed a reduction to £130/m^2 with effect from 6 September 2019.

STATEMENT OF REASONS

Introduction

3. This appeal has been brought in respect of the following: 20 Humberstone Gate, Leicester LE1 3PH which is shown in the 2017 Rating List as 'shop and premises' at £400,000 rateable value (RV) effective from 6 September 2019.

4. A challenge was submitted on 20 July 2023 which disputed the determination of the RV. The RV under challenge was £400,000, assessed using the zoning method at £1,450 per m² (Zone A equivalent). Following the challenge, the decision revised the assessment and, adopting the overall method rather than zoning, applied a rate of £160/m², resulting in a revised RV of £382,500.

5. The appellant considers this reduction to be insufficient and consequently appealed the challenge decision. The appellant contends that a rate of £110/m^2 is more appropriate which produces an RV of £262,500

6. Mr Cureton, for the respondent appeared in dual role of advocate and expert witness. For the appellant, Mr Garnett appeared as advocate and Mr Bicknell as expert witness. It was declared that the appellant's representatives were not instructed on a success related free basis.

7. This statement of reasons is not and does not purport to be a verbatim record of proceedings.

Relevant Law

8. The issue between the parties concerned the RV of the subject property, specifically the rate per m² that should apply.

9. The term 'rateable value' as defined in paragraph 2(1), Schedule 6 to the Local Government Finance Act 1988 (as amended):

> "The rateable value of a non-domestic hereditament (none of which consists of domestic property and none of which is exempt from local 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."

10. The antecedent valuation date (AVD) for 2017 list rating appeals is 1 April 2015. The material day is 6 September 2019.

11. The panel had regard to the Lands Tribunal judgment of *Lotus & Delta v Culverwell and Leicester City Council (*LVC/376/1975). This case had established six propositions, which gave clear guidance to be followed when assessing rateable value.

Discussion

12. The subject property is situated on Humberstone Gate and forms part of the Haymarket Shopping centre. 20 Humberstone Gate previously comprised a ground floor and second floor area. Matalan then moved into the premises and took a large additional area at first floor level. The reconstitution of these areas led to the creation of the hereditament that comprises the subject property.

13. It was agreed between the parties that, having regard to its floor area of approximately 2,405.75 m², that the subject falls to be treated as a 'large shop' and is therefore appropriately valued on the overall method rather than the zoning method. The panel accepted this position.

14. The panel considered the respondent's valuation, which adopted a rate of £160/m². This was derived primarily from the tone established by the assessment of Primark at 36–38 Humberstone Gate as this was next door to the subject property and therefore deemed by the respondent the best comparable. Primark was valued at £130/m^2 and the respondent applied a series of upward adjustments to reflect differences in size and position, noting that the subject property is smaller. The respondent also referred to other large retail units in Leicester, including Boots, Sports Direct and Marks & Spencer, to support the general tone of values.

15. The appellant contended for a rate of £110/m², placing reliance on properties of a similar size, in particular WH Smith at 39 Gallowtree Gate, which had been agreed at £110/m^2. The appellant also referred to a wider schedule of large shop assessments across Leicester city centre, arguing that these demonstrated a lower range of values. Further submissions were made regarding the subject property's layout, configuration, and overall retail quality, which were said to be inferior to those of the respondent's principal comparable.

16. The panel has had regard to the wider range of large shop assessments within Leicester city centre. A table was provided which demonstrated a range of end-of-list values broadly between £70/m² and £130/m². However, the panel found that there was a number of inconsistencies. The properties differ significantly in size, location, layout, and quality, and

some are valued using different methods. The figures do not show a consistent pattern. The panel noted the inconsistency and Zone A values across the locality and found that caution must be exercised in placing reliance on location relativities derived solely from zoning patterns where inconsistencies are evident.

17. The panel found that the Primark store provides a useful starting point, given its proximity to the subject property and its location on the same retail parade. However, the panel is not persuaded that the subject property is directly comparable to Primark. Primark, at approximately 5,832 m², operates in a different size bracket and represents a substantially larger retail offering. Its configuration, prominence, and overall retail presence are materially superior to that of the subject property.

18. In contrast, the panel found that WH Smith provides a closer comparison in terms of size. However, it is located on Gallowtree Gate, which the respondent contends is inferior. The panel noted the appellant's argument that Humberstone Gate is not inferior and may in fact be the stronger location. The panel found that location differences remain relevant and that an unadjusted adoption of the WH Smith figure is not appropriate.

19. The panel also considered the physical characteristics of the subject property. The evidence indicates that it is a relatively basic large shop. The ground floor is narrow and partly affected by staircase access, while the larger first floor is reduced in usefulness by circulation areas such as lifts and stairs. There is also an area of 412.75m^2 at second floor level that can only be used for storage. It has no direct access from the first-floor sales area and can only be accessed through staff corridors. Taken together, these factors reduce the overall efficiency and rental appeal of the property.

20. The panel also had regard to the passing rent of £195,000 agreed in July 2019. Whilst this post-dates the AVD and is not determinative, it provides a helpful check against the valuation evidence and does not support the higher level contended for by the respondent.

21. Having regard to the totality of the evidence brought before it, the panel found that the respondent's adopted rate of £160/m² does not adequately reflect the subject property's inferiority in terms of size, layout, and overall retail quality when compared to Primark. Equally, the panel does not consider that the appellant has justified a rate as low as £110/m², given the subject property's location on Humberstone Gate and its overall scale.

22. The panel concluded that a rate of £130/m² represents a fair balance, reflecting the subject property's characteristics, its location, and the general level of values evidenced for comparable large shops within the locality.

Description	**Area m²/unit**	**£ per m²/unit**	**Value**
Ground Floor	681.33	130	88,573
First Floor	1307.83	130	170,018
Second Floor	412.75	130	53,658
		Total	312,248
		RV	**310,000**

Conclusion

23. In view of the above findings, the Tribunal is satisfied that the RV is unreasonable and finds that a rate of £130/m^2 should be adopted. Accordingly, the appeal is allowed in part.

24. Accordingly, under the provisions of regulations 38(4) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Tribunal for England orders the Valuation Officer to reduce the entry in the rating list in respect of the subject property to £310,000 with effect from 6 September 2019.

25. Under regulation 38(9), the Valuation Officer must comply with this order within two weeks of the date of its making.

26. A refund of the paid fee will now be arranged (Regulation 13E of the NDR Alteration of Lists & Appeals Regs) provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Right of further appeal

27. Any party who is aggrieved at the Tribunal's decision, and who appeared or was represented at the hearing, has a statutory right of further appeal to the Upper Tribunal (Lands Chamber) pursuant to Regulation 42 of the Tribunal Procedure Regulations. A party does not require permission to appeal from the Tribunal. Any appeal must be made directly to the Upper Tribunal (Lands Chamber) using Form T385 (Notice of appeal) within **four weeks** of the date this decision and statement of reasons was issued.

28. Further information regarding this statutory right of further appeal, and the parties' other rights, is contained in the guidance booklet "*A guide to tribunal decisions"* available on the Tribunal's website at www.valuationtribunal.gov.uk/guidance-booklets/.

Ms S Bains, Senior Member (Chair)
Mrs A Graham, Senior Member
8 June 2026

Mrs C McAvoy
Clerk to the Tribunal
Date issued to the parties: 8 June 2026