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

Case No: CHG101187886

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 appeal; 2017 rating list; material change in circumstances; Schedule 6 to the Local Government Finance Act 1988; redevelopment works in locality; comparable properties; appeals allowed in part.

Before:

MS S BAINS
MRS A GRAHAM

Between:

GL HEARN — **Appellant**

- and -

KAREN GILES (VALUATION OFFICER) — **Respondent**

Regarding:

25 BIRCHERLEY GREEN, HERTFORD SG14 1BN
(the "subject property")

Appearances:
Mr H Bowie & Mr A Waller of GL Hearn, for the appellant
Ms W Cole, for the respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed-in-part. The panel found that the subject property should be granted a temporary allowance of 15% for the material change in circumstances.

Introduction

2. 25 Bircherley Green, Hertford, SG14 1BN is a retail unit which was shown in the 2017 Rating List at £50,000 rateable value (RV) effective from 1 April 2017. A challenge was submitted on 28 February 2023 this disputed the RV on the grounds that there had been a material change in circumstances (MCC) with the locality. The appellant proposed a 40% allowance due to the adjacent building works.

3. The challenge decision allowed an allowance of 7.5%, resulting in a reduced RV of £46,500 with effect from 2 January 2019.

4. The appellant considered the 7.5% allowance to be insufficient and appealed the decision, maintaining that 40% allowance was more appropriate which results in a RV of £30,000.

5. Ms Cole, for the respondent appeared in dual role of advocate and expert witness. Mr Bowie appeared as advocate and Mr Waller as expert witness, for the appellant. It was declared that the appellant's representative was not instructed on a success related free basis.

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

Preliminary issue

7. At the outset of the hearing, the panel was invited to determine a preliminary issue concerning the admissibility of material contained at page 4 of the appellant's appeal bundle, headed "Appendix 1".

8. The respondent submitted that this material constituted new evidence which had not been provided during the process leading to the issuance of the decision notice. On that basis, the respondent's representative asked the Tribunal to disregard the document.

9. On behalf of the appellant, it was submitted that although the information at page 4 was not formally considered at the challenge stage, it had been mentioned to the respondent during discussions on 13 August 2025 and contended that the respondent had been afforded the opportunity to review the material with the Valuation Officer at that time, but elected instead to proceed to issue the decision notice without undertaking that review.

10. The appellant further submitted that the evidence was included within the appeal lodged on 12 December 2025, and that the respondent had therefore had a substantial period consider its contents.

11. The panel noted that the respondent did not raise any objection to the inclusion of this material within the appeal documents within the four-week period following the lodging of the appeal, in accordance with the Tribunal's rules, and that the objection was made only three days prior to the hearing.

12. Having considered the submissions of both parties, the panel found that the respondent had sufficient opportunity to review the material in question and any objection should have been raised sooner. The panel further noted that the subject matter of the evidence had been discussed between the parties previously, albeit not in documentary form.

13. In those circumstances, the panel is not satisfied that any prejudice would be caused to the respondent by the admission of the material.

14. Accordingly, the panel determined that the document at page 4 of the Appellant's bundle shall be admitted into evidence, and the hearing proceeded on that basis. However, the panel noted that the weight to be afforded to this evidence would be considered in the context of its overall decision.

Issue & Relevant Law

15. This issue concerned the RV of the subject property and, specifically, the extent to which the assessment was affected by the MCC.

16. Matters which constitute a MCC are defined in paragraph 2(7) of Schedule 6 to the Local Government Finance Act 1988:

> (7) The matters are—
>
> (a) matters affecting the physical state or physical enjoyment of the hereditament,
>
> …….
>
> [(d) matters affecting the physical state of the locality in which the hereditament is situated,
>
> (da) matters which, though not affecting the physical state of the locality in which the hereditament is situated, are nonetheless physically manifest there, and]
>
> …..'

17. When valuing having regard to the material day, the valuation arrived to has to conform with the rateable value definition provided in paragraph 2(1) to Schedule 6 to the Local Government Finance Act 1988 as amended by the Rating (Valuation) Act 1999:

> "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.

Discussion

18. It was contended that the rental value of the subject property had been adversely affected by the major redevelopment works that have taken place at Bircherley Green, Hertford. The works included the demolition of many retail units that occupied the centre including the units that originally shared a party wall with the subject property. The works started on 30 April 2018 as evidenced by the deletion of units in the shopping centre and in 2019 the shopping centre and multi-storey car park closed.

19. In reaching its decision, the panel considered, would the MCC affect the hypothetical tenants bid? In doing so, economic factors must be considered as at the antecedent valuation date of 1 April 2015, whereas the physical factors are as they existed on the material day. The material day for this appeal was 14 December 2022.

20. The panel considered the parties' respective positions as to the effect of the redevelopment works at Bircherley Green on the rental value of the subject property. It was common ground that the works constituted a MCC, but the extent of any allowance remained in dispute.

21. The respondent's case was that, by the material day, the principal phases of demolition works had been completed, with demolition having occurred between 2018 and early 2021. It was submitted that there was no substantive evidence of ongoing building works causing disturbance at the material day. However, the respondent accepted that the closure of the shopping centre and multi-storey car park from 2 January 2019 had an ongoing detrimental impact on footfall and trading conditions, which justified a 7.5% allowance. Reliance was placed on agreed settlements for comparable properties within Bircherley Green where that level of allowance had been applied.

22. The appellant's case was that the impact of the redevelopment works was more severe and prolonged. It was submitted that the subject property was particularly adversely affected due to its position directly adjoining the development site and its reduced visibility, effectively being located at the end of a cul-de-sac following the closure of the shopping centre.

23. The appellant also placed significant weight on a rent agreed on lease renewal in 2021 at £30,000, representing a reduction of approximately 40% from the rateable value at the compilation date. It was contended that, as general rental levels in Hertford had remained broadly stable between the 2017 and 2023 rating lists, the reduction in rental value should be attributed primarily to the effects of the redevelopment.

24. In addition, the appellant referred to other hereditaments within Bircherley Green and to examples from outside the locality where higher allowances had been applied for disruption caused by major building works. It was argued that these demonstrated that a significantly higher allowance was appropriate in the present case.

25. The panel accepted that the subject property was impacted not only by the physical works themselves, during their active phases, but more significantly by the closure of the shopping centre and associated loss of footfall, which persisted at the material day. The panel also accepted that the subject property's position, adjoining the development site and with reduced visibility, resulted in a greater degree of impact than for some other units in the locality.

26. However, the panel does not accept that the appellant has demonstrated that an allowance as high as 40% is appropriate. By the material day, the most disruptive phases of demolition had concluded, and while the effects of the redevelopment persisted, they were of a different character to active construction disturbance.

27. The panel placed some weight on the agreed settlements for other hereditaments within Bircherley Green, as these provide a useful guide to the level of impact experienced across the locality. However, it recognises that the subject property is in a somewhat inferior position compared to those benefiting from a 7.5% allowance, due to its closer proximity to the development site and reduced prominence. It also noted that, compared to WHSmith, which is located opposite the subject property and had been granted a 7.5% allowance, the subject property had been more significantly impacted, having lost its rear loading bay access. The panel further noted that Specsavers at 28 Bircherley Green had been granted a 15% allowance, which was said to reflect reduced trade associated with the closure of Waitrose rather than the building works. The panel was mindful that, as at the material day, units remained closed, and that the hypothetical bidder would take into account the current condition of the locality and the likelihood that reopening would not occur until completion of the new development in 2024.

28. The panel also considered the appellant's wider comparable evidence relating to other locations. Whilst these provide contextual illustration, the panel placed limited weight on such examples, given differences in location, property characteristics, and the nature and extent of the works in those cases.

29. The panel had regard to the appellant's table of trade. However, it placed limited weight on this evidence. The data provided was of a relatively basic and granular nature and was not supported by sufficient contextual information to enable a reliable assessment of its significance. In the absence of fuller detail as to trading patterns, external influences, and how the figures compared with broader market trends, the panel concluded that this evidence provided only limited assistance in determining the extent of the impact on rental value.

30. The agreed rent on the 2021 lease renewal is a relevant factor, however, the panel was cautious in placing determinative weight upon a single transaction, particularly where the terms and wider market context are not fully evidenced.

31. Taking all of these matters into account, the panel was satisfied that an allowance greater than that adopted by the respondent is justified, but that the extent of the impact falls materially short of that contended for by the appellant.

32. The panel concluded that the redevelopment of Bircherley Green and the associated closure of the shopping centre and car park constituted a material change in circumstances affecting the subject property from 2 January 2019. It found that as at the material day of 14 December 2022, the ongoing impact on the subject property arose primarily from reduced

footfall and its relatively disadvantaged position adjoining the development site. It also noted that the subject property had lost its rear loading bay access.

33. Taking account of the subject property's specific characteristics and position and having regard to comparable settlements within the locality and the agreed lease terms, the panel found that an allowance of 15% most appropriately reflects the effect of the MCC on the rental value of the hereditament.

34. Accordingly, the appeal is allowed to the extent set out above. The rateable value shall be amended to reflect a 15% allowance with effect from 2 January 2019 which produces a RV as follows:

Shop floor areas

Description	**Area m²/unit**	**£ per m²/unit**	**Value**
Ground floor retail zone a	55.44	£550.00	£30,492
Ground floor retail zone b	50.6	£275.00	£13,915
Ground floor retail zone c	7.2	£137.50	£990
Ground floor internal storage	18.4	£55.00	£1,012
First floor office	49.7	£27.50	£1,367
First floor office	14.2	£27.50	£391
First floor office	35.4	£27.50	£974
First floor kitchen	10.5	£27.50	£289
First floor internal storage	4.9	£27.50	£135
Total	**246.34**		**£49,565**

Additional details

Description	**Area m²/unit**	**£ per m²/unit**	**Value**
Air conditioning system	113.24	£7.00	£793
Total			**£793**

Adjustments made to property

Description			**Adjustment**
Temporary disadvantage	-15.00%		-15.00%
Total	**-£7,554**		**-£7,554**

Valuation

Total value	**£42,804**
Rateable value (rounded down)	**£42,500**

Conclusion

35. In view of the above findings and conclusions, the Tribunal is satisfied that a greater allowance should be granted and finds a temporary allowance of 15% to be appropriate. The appeal is therefore allowed in part.

36. 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 £42,500 with effect from 2 January 2019.

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

38. 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

39. 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.

40. 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