IN THE VALUATION TRIBUNAL FOR ENGLAND
IN THE MATTER OF A 2023 RATING LIST APPEAL

Case No: CHG101215906

Sitting remotely using Microsoft Teams on 8 May 2026

Date: 28 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — shop and premises – rental evidence – comparable properties - Lotus and Delta Ltd v Culverwell (VO) [1976] RA 141.

Before:

MS L A OWUSU-AFRIYIE
MISS E MCKAY-LEWIS

Between:

SKY UK **Appellant**

- and -

KAREN GILES (VALUATION OFFICER) **Respondent**

Regarding:

318 TRINITY LEEDS, ALBION STREET, LEEDS LS1 5AT
(the “subject property”)

Mr A Pilkington of Ryan Property Tax Services UK Limited, for the Appellant.
Mr C Kazembe, for the Respondent.

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds that the current entry in the 2023 Rating List is reasonable and confirms the Rateable Value (RV) at £184,000 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. The appellant's representative made a proposal on 6 May 2024 to challenge the entry in the 2023 Rating List at £184,000 with effect from 1 April 2023. The valuation was based on a Zone A price of £1,500/m^2. The appellant's representative sought a reduction to £1,250/m^2, resulting in a revised valuation of £154,000. The Valuation Officer (VO) did not find the proposal to be well founded, and a Challenge decision to that effect was issued on 22 September 2025. The appeal against the decision notice was received by the Tribunal on 18 December 2025.

4. In light of the judgment in *Gardiner & Theobold LLP v Jackson (VO)* [2018] UKUT 0253 (LC), Mr Pilkington stated that he was appearing before the Tribunal in a dual role as both advocate and expert witness. He confirmed that he was instructed on a contingency fee basis. In giving expert evidence, he declared that he understood and accepted that his duty was to the Tribunal in giving his evidence and he would comply with this as well as the requirements of his professional body regardless of whether or not the evidence supported his client's case.

5. The panel accepted this expert witness evidence on the above basis as the appeal is not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 and is allowable due to the Tribunal's rules on admissibility of evidence (regulation 17(2)(a) where the Tribunal can admit evidence whether or not it would be admissible in a civil trial). It was therefore appropriate for the panel hearing the evidence to consider the 'expert' evidence and assess what weight, if any, to give it in the context of the matters in issue before it.

6. Mr Kazembe declared he was also appearing as both advocate and expert witness.

7. The hereditament is valued as a retail unit in the Trinity Shopping Centre in Leeds. There was no dispute around the survey data, 283.86m^2, and the only issue to be decided was the correct Zone A price to be applied to the valuation.

8. The material day on which to consider the property and its locality was 1 April 2023, as this was a challenge to the compiled list entry. The property must be considered with regard to values on the antecedent valuation date (AVD) of 1 April 2021.

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

Issue and Relevant Law

10. The subject property must be valued by the statutory assumptions set out in Schedule 6 to the Local Government Finance Act 1988 as follows:

"(1) 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."*

11. The panel had regard to the Lands Tribunal judgment of *Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council* [1976] RA 141, mentioned by both parties in their evidence, which provided guidance on the weight to be attached to different forms of evidence.

Discussion

12. In accordance with *Lotus & Delta*, the panel found that the starting point of any valuation must be the rent passing on the subject property. In this case, the appellant company occupied the unit under a ten-year lease from 22 February 2021 at £185,000 per annum. There was a twelve-month rent-free period and Mr Kazembe submitted that the rent was outside the Landlord and Tenant Act 1954. Ignoring three months of the rent-free period as standard, he analysed this rent to £1,251.01/m^2 Zone A and Mr Pilkington arrived at a similar analysis of £1,209.50/m^2 when making the Challenge proposal. This was revised in the appeal to £1,253.38/m^2. It was clear this analysis demonstrated a value below the £1,500/m^2 Zone A price in the current valuation.

13. However, Mr Kazembe submitted that the subject property is in a prime retail location and the rent was unreliable as it offers no security of tenure, being outside the 1954 Act. He considered that rents on other units in the Trinity shopping centre suggested the subject property's rent is an outlier and should carry less weight.

14. The panel found that the subject rent should not be considered in isolation and it should be weighed along with the basket of rental evidence available in the locality. It concluded that the best rental evidence for comparison would come from inside the same shopping centre and therefore focused on those units. There was much discussion at the hearing on the different values attributed to the ground floor of the centre (where the subject property is situated) and the lower ground floor. The first-floor level was considered irrelevant to this appeal. Mr Kazembe contended the ground floor is more valuable than the lower ground floor and the subject unit is in a prime location, whereas those units on the lower ground floor or further inside the centre, being less visible, were not as valuable.

15. It was highlighted that other rents on the ground floor should be treated with caution as they were turnover rents, agreements around Company Voluntary Arrangements (CVAs) or short-

term lettings. Mr Pilkington pointed out that the subject property's rent was referenced in discussions resulting in an agreement on Unit 224 Trinity Centre reducing that unit from £1,500/m^2 to £1,370/m^2. The panel understood from Mr Kazembe that the VO agreed a reduction on Unit 22 because it was supported by rents and accepted that the subject property was in a more valuable position within the centre.

16. The panel noted that the subject property is situated close to the entrance to the centre and opposite an anchor store, Marks & Spencer. Mr Kazembe submitted that the unit is visible from Commercial Street and the route into the centre has many accessible shops. He drew comparison with the entrances to the lower ground floor via Boar Lane and Briggate. Highlighting the steep flight of stairs from Boar Lane and lack of access to other shops along the tunnel- like route from Briggate, Mr Kazembe contented the subject property is much better located for passing trade.

17. The panel noted that the subject property was valued at £2,300/m^2 Zone A in the 2017 rating list, compared to £2,000/m^2 Zone A for Unit 224 on the lower ground floor. While appreciating that each list is compiled from rental evidence on a new AVD, the panel concluded that the relativities in value between locations was unlikely to have changed. Mr Kazembe submitted that the only other rents available on the ground floor were for Units 303 and 337, which he considered were inferior positions compared to the subject property and these units were valued at £1,400/m^2 and £1,650/m^2 Zone A in the 2017 list. In support of this argument, he referred the panel to *Lamb v Minards (VO)* [LVC/345/1973] where the Lands Tribunal found that relativities between properties in a previous list may be relevant.

18. Rents from the lower ground floor and ground floor of the Trinity centre were provided for the panel's consideration. It noted that the rents were from 2020 and 2021 and therefore close to the AVD, but many were not reliable. On the ground floor, Units 308 and 319 were turnover rents which the panel found would require too many adjustments. Unit 302 was occupied on a lease from June 2021 as a new letting but for only a one-year term. The panel concluded that this was a temporary lease and there was not necessarily a prospect of continued occupation. Unit 303 had a lease renewal from February 2021, which analysed to £954/m^2, but Mr Kazembe submitted this reinforced its less valuable location compared to the subject property, as in the 2017 list. Unit 337 was subject to a new ten-year lease from September 2021, but Mr Kazembe submitted this was also agreed on a turnover basis.

19. On the lower ground floor, the panel found that there were a number of useful rents. Unit 225 was a new ten-year letting from June 2021 and its rent analysed to £1,489/m^2, valued at £1,500/m^2. Units 209, 212, and 221 analysed between £1,000/m^2 and £1,726/m^2 and all three were valued at £1,500/m^2. Unit 224 had been agreed at £1,370/m^2 and the panel was persuaded from the evidence that the subject property was in a superior location to any of these shops and therefore was correctly valued at £1,500/m^2. Mr Kazembe submitted there had been no other challenges in the centre, suggesting the tone was accepted.

20. After considering all the evidence, the panel was not persuaded it supported a reduction for the subject property. Its passing rent analysed below the £1,500/m^2 in the current valuation, but the lease had no security of tenure, being outside the 1954 Act, and there was a long rent-free period as incentive. Compared with other rents in the centre, the subject rent appeared somewhat out of kilter and the basket of rental evidence supported £1,500/m^2. As rents supporting this tone were available on the lower ground floor from close to the AVD and the panel accepted the subject property was in a prime location, it found that the existing valuation was reasonable.

Conclusion

21. In view of the above findings and conclusions, the Tribunal is satisfied that the appellant's representative had not evidenced a reduction was justified and the appeal was dismissed.

Right of further appeal

22. 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.

23. 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 L A Owusu-Afriyie, Senior Member (Chair)
Miss E McKay-Lewis, Member
28 May 2026

Mrs A Sloan
Clerk to the Tribunal
Date issued to the parties: 28 May 2026