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

Case No: CHG101259942

Sitting remotely using
Microsoft Teams on
11 September 2026

Date: 9 October 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating; 2023 list appeal; Local Government Finance Act 1988; Factory and premises; Lotus & Delta Ltd v Culverwell (VO) [1976] RA 141; Comparable properties; Appeal dismissed.

Before:

MR JP PERCIVAL
MRS N CARMAN

Between:

CREATION FINISHING LTD — **Appellant**

- and -

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

Regarding:

2A, NEW STAR ROAD, LEICESTER LE4 9LP
(the "subject property")

Mr Andrew Simons for the appellant,
Mr Benjamin Hyland for the respondent

DECISION AND STATEMENT OF REASONS

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DECISION

1. The appeal is dismissed.

2. The panel found that the rateable value (RV) of RV £110,000 with effect from 1 April 2023 was reasonable for the subject property, 2A New Star Road, Leicester LE4 9JD.

STATEMENT OF REASONS

Introduction

3. This appeal had been brought in respect of the subject property 2A New Star Road, Leicester LE4 9JD shown in the 2023 rating list as "Factory and Premises" with an RV of £110,000 with effect from 1 April 2023.

4. The appellant, Creation Finishing Ltd, had made a proposal to challenge the rating list entry to reduce the unadjusted rate of £37.85/m^2 to £34/m^2. This would reduce the RV to £99,000.

5. The respondent considered that the proposal was not well-founded and disagreed with the proposed alteration of the list. The valuation officer (VO) considered the rating list entry was reasonable based on the evidence and information available and disagreed with the challenge.

6. The subject property was a large factory and premises with an area of 2,827m^2 built in 1983 situated on an industrial estate in North East Leicester.

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

Relevant Law

8. The panel referred to the Local Government Finance Act 1988 in respect of the definition of rateable value in paragraph 2(1), Schedule 6 to the Act (as amended). The rateable value of any hereditament is to be taken to be the amount, determined in accordance with the statutory assumptions, equal to the rent at which it is estimated the hereditament might reasonably be expected to let from year to year, on 1 April 2021 the "antecedent valuation date" (AVD). The material day for this appeal was 1 April 2023.

9. *Case Law - Lotus & Delta Ltd v Culverwell (VO)* [1976] RA 141

Discussion

10. The appellants' representative stated that the subject property was valued in the same Valuation Office scheme, 612220, as 19 and 21 New Star Road and 23 New Star Road, two Tribunal appeals heard prior to this case. The only issue contested was that of the unadjusted rate being excessive and out of line with comparable assessments.

11. He referred to the rent on the subject property in accordance with the hierarchy as outlined in the *Lotus and Delta v Culverwell* case.

12. It was held on a lease agreed 30 September 2023, however, as this was two and a half years after the AVD he gave this evidence little weight. As this rent was not appropriate, he referred to other rental evidence.

13. 19 and 21 New Star Road was let on a lease on 1 March 2022, eleven months after the AVD, for £70,000 per annum. Using an ITMS of 2,080.15m^2 and, including the current 5% end allowance, he had analysed this to £35.42/m^2. He felt that this suggested that the current rate of £37.85/m^2 was incorrect and unreasonable and that this was the best evidence for a reduction in the rate on the subject property.

14. He also provided a number of assessments between 4,043m^2 to 9,449m^2 in area that were valued at a lower rate than the subject property in Scheme 612220 to support a reduction on the subject property. He also referred to a reduction on a smaller unit within the scheme at Forward House, 185 Thurncourt Road, Leicester with an area of 412m^2 where the VO had reduced the rate from £55/m^2 to £40/m^2.

15. In respect of the comparable properties submitted by the VO's representative he stated that many were older than the subject property, were either smaller or larger and others had rental circumstances involving connected parties or stepped rents. None of them fell within scheme 612220 and he gave them little weight.

16. For these reasons, he felt that the appropriate rate on the subject property should be £34/m^2 giving a reduced RV of £99,000.

17. The VO's representative referred to the subject property rent of £119,323 per annum from 30 September 2023 and considered that it was a reasonable starting point for the determination of the subject property. He had analysed the rent of £114,389, after adjustments, to £41.13/m^2. He also referred to the subject property rent from 31 March 2014, a new letting on an open market, which he had analysed the adjusted rent of £102,600 to £36.90/m^2. As these two analysed rents spanned a period over the AVD, he considered that the current rate of £37.85/m^2 was a reasonable reflection of an open market rent at the AVD.

18. In respect of the 19 and 21 New Star Road rental evidence the VO's representative stated that the subject property was 581.2m^2 larger and its analysed rent did not substantiate the appellants proposed valuation of £34/m^2. Given that the rent was 11 months post AVD and the lack of size comparability additional comparable evidence was required if any reduction was to be considered.

19. In accordance with the *Lotus and Delta* case he referred to other rental evidence.

20. 10 – 12 &16 Lunsford Road was 1.4 miles from the subject property and within a similar aged industrial location. Whilst the form of return stated that the rent review was between connected parties it was determined at open-market value by an independent expert five months prior to the AVD. The rent analysed to £65.81/m^2 and he felt this was a reasonable comparable.

21. The property Sign Fab, Byford Road which was considerably older than the subject property in an older location and smaller by 722.08m^2 had been let on a lease renewal three months prior to the AVD. The rent analysed to £44.29/m^2 and was therefore supportive of the current rate on the subject property.

22. 11 Uxbridge Road was older than the subject property and 856.45m^2 larger. It was let on a lease renewal from 1 November 2020 on a stepped rent. He had analysed the rent to £41.57/m^2 which supported the subject property valuation.

23. 1 New Star Road was a newer property built in 2020 and 1,080.87m^2 larger than the subject property. It was let on a new letting on the AVD and the rent analysed to £44.35/m^2 thus supporting the subject property valuation.

24. 108 Cannock Street was an older property located in an older industrial location close to the subject property. It was let on a lease renewal at the AVD and the rent analysed to £33.64/m^2. Given that the subject property was smaller and newer this supported its valuation.

25. Overall, the panel found that there was a wide variety of evidence submitted with allowances to be made for properties of slightly different sizes, in different localities and of rents not always at or around the AVD.

26. In respect of the rent on 19 and 21 New Star Road the panel found that it seemed to be an outlier and was not persuaded that it had significant weight as further details of the rent in 2022 had not been submitted. The panel therefore found that it was required to look at the wider evidence.

27. The panel found that the subject rents provided the starting point of its valuation and were supportive of its current valuation but were some distance from the AVD.

28. The panel also found that the VO's rental evidence was good evidence in support of the subject property valuation as their analysed rents were mostly substantially above the proposed rate although there were a variety of adjustments required.

29. The panel noted that the appellants representative had further relied on a recent 2023 challenge settlement on the property at Forward House, 185 Thurncoat Road, an industrial unit where the rate of £55/m^2 was reduced to £40/m^2. This property was significantly smaller than 2A New Star Road at only roughly a quarter of the size and was not similar in appearance or locality. The panel found that it was not comparable and gave it little weight. Further, the four properties in areas up to 9,449m^2 submitted by the appellants' representative were significantly larger than the subject property and valued with respect to quantum and so were not supportive of a reduced valuation of the subject property and the panel gave them little weight.

30. Overall, the panel found that the appellants' representative was reliant on the rental evidence at 19 and 21 New Star Road, which the panel did not find compelling and on Forward House and four larger properties that were not very comparable at all.

31. The onus was on the appellant to persuade the panel that a reduction in the rate was reasonable however, no evidence for such a reduction had been submitted.

Decision

32. In conclusion, the panel found that a rate of £37.85/m^2 was reasonable for the subject property.

33. The appeal was therefore dismissed.

Right of further appeal

34. 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.

35. 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/.

Mr JP Percival, Senior Member (Chair)
Mrs N Carman, Senior Member
9 October 2026

Mr D Adamson
Clerk to the Tribunal
Date issued to the parties: 9 October 2026