IN THE VALUATION TRIBUNAL FOR ENGLAND
IN THE MATTER OF TWO 2017 RATING LIST APPEALS

Case Nos: CHG100112253 (appeal 1) and CHG100112254 (appeal 2)

Sitting remotely using Microsoft Teams on 5 June 2026

Date: 1 July 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141 — Futures (London) Ltd v Stratford (VO) [2005] RA 75 — Office and premises — appeal 2 allowed in part — appeal 1 dismissed

Before:

DR T GLEDHILL
MRS H GHUMAN

Between:

TRAINLINE LTD — **Appellant**

- and -

NICOLA JOHNSON (VALUATION OFFICER) — **Respondent**

Regarding:

2ND FLOOR AND 3RD FLOOR, 120 HOLBORN, LONDON EC1N 2TD
(the “subject properties”)

Mr Michael Hampton-Riddington for **Clutton** for the **Appellant**
Mr Adam Powell for the **Respondent**

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal for appeal number CHG100112253 (2nd Floor, 120 Holborn, London EC1N 2TD – Appeal 1) is dismissed. The appeal for appeal number CHG100112254 (3rd Floor, 120 Holborn, London EC1N 2TD - Appeal 2) is allowed-in-part.

2. The Tribunal finds the rateable value (RV) for the 2nd Floor, 120 Holborn, London EC1N 2TD (appeal 1) was not unreasonable. However, the entry for the Third Floor (Appeal 2) is reduced to Rateable Value (RV) £820,000 from 1 April 2017.

STATEMENT OF REASONS

Introduction

3. The appellant made challenges against the accuracy of the compiled list assessments in the 2017 Rating List, by way of proposals that he served on the Valuation Officer (VO) 18 July 2019. After considering the proposals and evidence submitted during the challenge period, the VO decided that revisions were warranted and the RV for the subject properties should be reduced to RV £880,000 for both assessments. Decision notices to this effect were served on the appellant on 2 October 2020. His representatives then appealed the VO's decisions to the Tribunal on 29 January 2021, on the grounds that the current valuations for the hereditaments were not reasonable, under regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

4. As the appellant and the evidence was the same for both appeals, the parties agreed that the appeals could be heard together.

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

Background

6. The issue for determination was the rateable value of the subject properties.

7. The subject properties were 'Offices and Premises' with agreed total areas of 1,763m² (appeal 1 and 1,641m² (appeal 2) respectively. They were purpose built offices originally built in 1979 although they had been refurbished in 2015. The appeal properties were held on two leases at passing rents of £1,143,060 for the Second Floor and £1,092,480 for the Third Floor. They both commenced in 2018, which were three years after the Antecedent Valuation Date (AVD).

8. As Mr Hampton-Riddington appeared on behalf of the appellant as both advocate and expert witness, the clerk asked if there was a success related fee involved and if so whether its existence was compatible with his obligations to the tribunal as an expert. This question was raised in view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC) dated 3 August 2018.

9. He verbally declared that he was instructed under a contingency fee arrangement in his role as both advocate and expert witness. Mr Hampton-Riddington confirmed 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 the client's case.

10. The panel accepted this expert witness evidence on the above basis as the appeals are not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions - general) of the Procedure regulations[1] 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).

11. Mr Powell confirmed that he was representing the VO as advocate and expert witness.

12. The issue in dispute before the panel was the correct tone of value to be applied to the subject properties. Mr Hampton-Riddington originally sought reduced entries of £790,000 RV from 1 April 2017 based on an unadjusted value of £450/m². However, on reflection, he thought that revised entries of £827,500 RV and £770,000 RV respectively, based on an unadjusted value of £470/m² were more realistic. It should be noted that after the appeal had been submitted, the parties agreed that the floor area for the Third Floor was less than the parties originally thought and therefore, Mr Hampton-Riddington had revised his valuation for that property.

13. Mr Powell defended the VO's assessments of £881,500 and £820,000 RV based on a tone of value of £500/m².

14. The evidence bundles before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties' comparable assessments, skeleton arguments, an external photograph of the subject property and Mr Hampton-Riddington's revised valuations.

Relevant Law

15. The term 'rateable value' is defined in 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; and*
>
> *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".*

[1] The Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 [SI 2009 No2269]

Discussion

16. In the appeals under consideration, firstly, the panel analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA141 dated 20 May 1976. Rent on the subject properties are considered to be the correct starting point but, where available, rents on similar properties are also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence can then be weighted.

17. However, as the rents for the subject properties commenced sometime after the AVD, little weight could be applied to them.

18. In the absence of any reliable rental evidence for the subject properties, Mr Hampton-Riddington referred to 280 High Holborn which the VO had well founded the challenge and agreed to reduce the main space price to £470/m^2.

19. He argued that this set a tone of value for offices in the locality. In respect of the tone, the judgment of *Futures (London) Ltd v Stratford (VO)* [2005] RA 75 dated 2 December 2005, in particular paragraph 25, the Lands Tribunal member referred to the stages leading to the establishment of a 'tone of the list':

> *"At first when a new rating list is put on deposit assessments will carry relatively little weight: they are opinions of value by the valuation officer as yet unchallenged and agreed or determined by a Valuation Tribunal or this Tribunal or accepted by lack of challenge. Finally, a stage will be reached when enough assessments have been agreed or determined or are unchallenged to establish a pattern of values, a tone of the list"*

20. Mr Hampton-Riddington had argued that this was an appeal in respect of the 2017 rating list. As we are now at the start of the 2026 rating list and, given the length of time that has elapsed since the 2017 rating list, he was satisfied that enough time had passed and the stage has been reached where a tone of the list has been established.

21. Mr Powell contended that the rents for the other floors in the building were more reliable than the tone of list for a different property.

22. The VO had analysed the rents to between £451/m^2 to £588/m^2. However, all of the rents commenced after the AVD and, they required a number of adjustments for the rent free periods, incentives, service charge clawbacks and an 8% adjustment for fit out. The more adjustments that the rents require, the less reliable they become.

23. Furthermore, the judgments of *Specialeyes Plc v Felgate (VO)* RA/387/1992 dated 15 July 1994 and *Flight Centre (UK) limited v Ricketts (VO)* [2021] UKUT 0315 (LC) dated 19 October 2021 little weight was applied to post AVD rents.

24. However, Mr Powell contended that due to the refurbishment of the building in 2015, which was the AVD, the rents for the building were always going to be post AVD. But, he contended that the rents for the same building were reliable, following the refurbishment.

25. Mr Powell had also argued that a tone of £500/m^2 had been established as an appeal for another floor was withdrawn in April 2025 and another floor had been agreed at £500/m^2. Therefore, if the main space price for the subject properties was reduced to what Mr

Hampton-Riddington was seeking, then the main space price of those floors would be out of kilter with the remainder of the building.

26. The panel was disappointed as there was a dearth of reliable evidence, although it appeared that both parties accepted that the evidence presented was not very persuasive. Mr Hampton-Riddington was arguing that a tone had been established but had only presented one property (280 High Holborn) to support a tone of value. The VO had used post AVD rents for the subject property, which the Upper Tribunal has rejected. Furthermore, the rents required adjustments, which made them even less reliable.

27. However, the panel did find Mr Powell's settlement evidence most persuasive. Although it was not necessarily a tone, as only two properties were referred to, the panel was mindful that an appeal against the main space price for the Fourth Floor had been withdrawn. In *Pointer v Norwich Assessment Committee* (1922) 2 KB 471 it was held that *"a settled tone over a period of time by agreement with, or a lack of challenge against the Valuation Officer's tone".* The panel therefore concluded with an appeal withdrawn, and an appeal settled for another floor at £500/m^2 this demonstrated to the panel that the RV for the subject property was not unreasonable.

28. The panel was therefore satisfied that the subject properties should be valued using a main space price of £500/m^2 and it dismissed appeal 1.

29. However, as the area of the Third Floor (appeal 2) has been amended, the panel had to amend the valuation, which is as follows:

Floor	Description	Area	Rate/£	Value
Third	Office	1,641.12	500	820,560
			total	820,500
			Rateable value say	820,000

Order

30. Under the provisions of regulation 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 to rateable value £820,000 for Third Floor, 120 Holborn, London EC1N 2TD with effect from 1 April 2017.

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

Refund of appeal fees

32. As the grounds of one the appeals has been made out, 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.

Right of further appeal

33. 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.

34. 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/.

Dr T Gledhill, Presiding Senior Member
Mrs H Ghuman, Senior Member
1 July 2026

Mr Richard Gath IRRV (Hons)
Clerk to the Tribunal
Date issued to the parties: 1 July 2026