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

Case No: CHG100308811

Sitting remotely using Microsoft Teams

Date: 4 September 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — price per m² to be adopted, whether or not allowance that appeared in 2010 Rating List be re-instated in 2017 Rating List, settled tone comparable hereditaments – weighting of evidence – appeal allowed in part

Before:
MR N DE FREITAS
MR SC KAMALAN

Between:

THE MOVING PICTURE COMPANY LIMITED **Appellant**

- and -

(VALUATION OFFICER) **Respondent**

Regarding:
28-32 LEXINGTON STREET, LONDON, W1F 0LF
(the "subject property")

Mr A Coupe of Savills UK Ltd for the Appellant
Mr K Abbaas for the Respondent

Hearing date: Thursday 13 August 2025

DECISION AND STATEMENT OF REASONS

Correction of error

The VTE may at any time correct any clerical mistake or other accidental slip or omission in a decision, direction, order or any document produced by it, by—

(a) sending notification of the amended decision, direction or order, or a copy of the amended document, to all parties; and
(b) making any necessary amendment to any information published in relation to the decision, direction, order or document.

This decision has been re-issued due to the incorrect effective date given in the determination and order when originally issued. The date had been given as 1 April 2023 and has now been corrected to 1 April 2017.

Decision

1. The appeal is allowed-in-part. The panel confirm rateable value (RV) £605,000 based on a price per m² of £550. The panel did not apply an allowance for inferior quality of the offices.

Introduction

2. This appeal has been brought in respect of the following: an appeal was lodged by Savills Uk Ltd on behalf of The Moving Picture Company on 14 June 2022 against the Valuation Officer's (VO) decision of 23 February 2022.

3. Mr Coupe appeared on behalf of the appellant as both Advocate and expert witness. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Coupe's declaration of truth included a statement that he was instructed under any conditional fee arrangement.

4. Mr Coupe 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 the client's case.

5. The panel accepted this expert witness evidence on the above basis as the appeal was not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations and was 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).

6. The panel therefore considered the "expert" evidence and attached such weight to it as it saw fit.

7. Mr Abbas appeared before the panel in the dual role of advocate and expert witness.

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

Preliminary Issue

9. Both parties provided the panel with summaries of their cases within two days of the hearing date. The summaries did not provide any new evidence but just summaries of the key

points. Neither party objected to the other's summary and therefore the panel admitted the summaries.

Issue

10. The issue before the panel concerned the price per m² to be applied and whether or not an allowance should be applied for inferior quality of the subject property. It had entered into the 2017 Rating List at RV £750,000. Following the check/challenge the RV was reduced to £660,000. In the appeal the appellant's representative sought a reduction to £500 per m² and that the allowance of 8.7% for inferior quality, that had applied in the 2010 Rating List, be reapplied. At the hearing the appellant's representative sought a reduction to £525 per m² and still sought the allowance of 8.7%. The respondent considered that the current price per m² of £570 per m².

11. The antecedent valuation date was 1 April 2015, and the material date was 1 April 2017.

12. The subject property was constructed in 1850 and renovated in 2008. It comprised offices from the basement to the fifth floor.

Decision and reasons

13. Mr Coupe stated that the rent passing on the subject property was excluded from the protection of Section 24-28 of the Landlord and Tenant Act 1954 in that they had no right to extend the lease upon expiry and therefore he considered the rent should carry minimal weight.

14. In support of a reduction to £525 per m² Mr Coupe provided rental evidence paying greater attention to rents in Lexington Street and Great Pulteney Street, a street running parrel with Lexington Street. He considered many were superior to the subject property due to age or when refurbished and that values in Great Pulteney should be greater as it was a superior location with wider road and less crime. The price per m² adopted for his comparable hereditaments ranged from £375 per m² to £600 per m². He considered the subject property to be inferior to his comparable hereditaments as it had steps up to the building, wooden entry door, single height reception, low height ceilings, one passenger lift and no service lift and was, in the main, single glazed and had an energy performance rating of G.

15. Mr Coupe stated that in the 2010 Rating List and when the subject property was first entered into the 2017 Rating List it had an allowance of 8.7% due to it being an inferior building. When the reduction in the price per m2 was given, following the check and challenge, the allowance was removed. He considered that the allowance should be reinstated.

16. Mr Abbaas stated that as the 2017 rating list was now close the greatest weight should be on the settled appeals as per *O'Brien* v *Harwood (VO)* RA22/2002. Also, he referred to *Dawkins* v *Ash Brothers & Heaton Ltd* [1969] 2 AC 366 concerning rating seeking a standard not seeking the true value. He stated that all evidence was admissible, but it was for the panel to weight that evidence.

17. In support of his contention that £570 per m² was reasonable Mr Abbaas referred to three properties where the price per m² adopted was between £450 to £650. He also referred to Front of 7-11 Lexington Street which had been valued at £500 per m² but this was removed from the rating list with effect from 1 April 2017 and therefore does not reflect the tone. He considered the best evidence was that of 7-11 Lexington Street which was similar in age and

was refurbished in 2008 or 2014. He accepted that 12-26 Lexington Street was a newer property but considered still supported £570 per m² adopted.

18. Mr Abbaas stated that in the 2010 Rating List the allowance of 8.7% had been added to the assessment but the allowance was a tone adjustment to align with the rent and was not an allowance for the property being an inferior property to others.

19. In questions it was established that the price per m² for 12-26 Lexington Street was £577 but the parties had arrived at the value differently. Mr Coupe stated that the starting rent was £550 per m² and uplifted to £577 whereas Mr Abbaas stated that the starting point was £550 uplifted to £605 per m² due to refurbishment in 2013 and then adjusted to £577 per m² due to inferior air conditioning.

20. The panel had been provided with considerable assessment evidence from both parties. It considered the best evidence was that of properties within Lexington Street being that was the location of the subject property.

21. The Panel discounted Front of 7-11 Lexington Street as this assessment, whilst appearing in the 2017 Rating List, had subsequently been deleted from that list with effect 1 April 2017.

22. The tonal evidence of properties within Lexington Street ranged from £450 per m² to £600. It considered that the best evidence was 12-26 Lexington Street which was similar in age and size but had been refurbished in 2013 whereas the subject property had been refurbished in 2008. 12-26 Lexington Street starting rate per m² was £550 but had been adjusted to £577 per m² due to refurbishment but reflecting a poor air conditioning system. This property was slightly superior to the subject property. The panel therefore considered that the subject property would have a lower value than £577 per m².

23. It noted that the respondent was defending £570 per m² but the panel considered that this was not sufficient difference from 12-26 Lexington Street which was £577 per m². The panel therefore had been persuaded by the appellant that the current RV was not reasonable. However, it also did not consider that £525 per m², sought by the appellant's representative, was reasonable as was a considerable difference from the price per m² adopted for 12-26 Lexington Street.

24. The panel considered that £550 per m² was reasonable, having reviewed the evidence and noting that this figure was the starting point for 12–26 Lexington Street. The panel also found that this rate adequately reflected the differences between the two hereditaments. Furthermore, it represented the unadjusted price from which the rate for 12–26 Lexington Street was derived, having been uplifted to account for its refurbishment.

25. The panel then considered the issue of the allowance which had been given in the 2010 Rating List. The appellant's representative considered that the allowance was for the poor quality of the building such as low ceilings and shape whereas the respondent has stated that it was an adjustment, so the tone and the rent aligned. The panel had not been persuaded by the appellant that the allowance was for the quality of the subject property and that the allowance should not be reapplied. The panel considered that £550 per m² would reflect the quality of the building when compared with others in the road.

Determination

26. In view of the above findings and conclusions, the Tribunal is satisfied that the RV should be £605,000 with effect from 1 April 2017, based on a price of £550 per m² and no allowance.

Valuation

Line	Floor	description	area(m²)	price (£/m²)	Value
1	basement	office	172.15	£ 275.00	£ 47,341.25
2	GF	office	195.93	£ 522.50	£ 102,373.43
3	first floor	office	172.98	£ 522.50	£ 90,382.05
4	second	office	111.51	£ 522.50	£ 58,263.98
5	second	office with raised floor	65.3	£ 550.00	£ 35,915.00
6	third	office	151.82	£ 522.50	£ 79,325.95
7	third	office with raised floor	24.18	£ 550.00	£ 13,299.00
8	fourth	office	148.22	£ 522.50	£ 77,444.95
9	fourth	office with raised floor	28.59	£ 550.00	£ 15,724.50
10	fifth	office	167.13	£ 522.50	£ 87,325.43
					£ 607,395.53
		say RV			£ 605,000.00

27. Accordingly, we order that the entry in the 2017 Rating List be amended to £605,000 with effect from 1 April 2017 within two weeks of the date of this order.

Right of further appeal

28. 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) within **four weeks** of the date this decision and statement of reasons is issued.

29. 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 N De Freitas, Senior Member (Presiding)

Mr SC Kamalan, Senior Member

4 September 2025

Mr A Jolly
Clerk to the Tribunal
Date issued to the parties: 4 September 2025