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

Sitting remotely using Microsoft Teams on 26 June 2026

Date: 20 July 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — offices and premises; price per m^2 in dispute; rental evidence; comparable assessments; appeals dismissed.

Before:

MRS N CARMAN
MS A URSPRUNG
Between:

SEE ATTACHED SCHEDULE **Appellant**
- and -

NICOLA JOHNSON
(VALUATION OFFICER) **Respondent**

Regarding:

SEE ATTACHED SCHEDULE
(the "subject properties")

Mr C Morrow from Montagu Evans
Mr S Berkley from Knight Frank
Mr T Lodeiro from Dalton Warner Davis
Mr J McCarthy from Graham + Sibbald
Mr O Dowty from Colliers International
Mr A McKillop for the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeals are dismissed.

2. The Tribunal found that the entries in the 2017 rating list for the subject properties were not unreasonable, and confirmed the unadjusted price of £550 per m^2.

STATEMENT OF REASONS

Introduction

3. These are 2017 rating list appeals in respect of offices and premises at 60 Ludgate Hill, London, EC4M 7AW (the subject properties).

4. Challenge proposals had been submitted by Montagu Evans, Knight Frank, Dalton Warner Davis, Graham + Sibbald and Colliers International on behalf of the appellants. They had been made on the grounds that the list entries were inaccurate as a result of the unadjusted price adopted by the Valuation Officer at £550 per m^2.

5. The Valuation Officer issued challenge case decision notices which disagreed with the proposed alterations and confirmed that the rating list entries would remain unaltered.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeals to this Tribunal have been made on the grounds that the valuations for the hereditaments are not reasonable.

7. In advance of the hearing, it was agreed that Mr Morrow from Montagu Evans would be presenting CHG101079278 (1st and 2nd Flrs) and CHG101078712 (1st & (Exc North) Pt 2nd Flr) as lead appeals on behalf of the appellants.

8. Mr Morrow appeared 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), he declared that he was instructed under a conditional fee arrangement. Mr Morrow understood and accepted his duty was to the Tribunal in giving his evidence and he would comply with this regardless of whether or not the evidence supported the appellants' case.

9. 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).

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

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

Preliminary issues

12. The day before the hearing, Mr Morrow confirmed that following appeal stage discussions with the Valuation Officer, the appellants' opinion of value had altered. A revised price of £535 per m^2 was now proposed for each of the subject properties.

13. The Valuation Officer confirmed that there was no objection to the appellants' request to introduce into proceedings a Valuation Tribunal decision in respect of 20 Old Bailey, London.

Relevant Law

14. Rateable value is to be determined in accordance with paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988, which provides:

    (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.

15. In respect of an appeal against an entry in the 2017 rating list, the rental levels are to be taken as those passing at the antecedent valuation date (AVD) of 1 April 2015, in accordance with the Rating Lists (Valuation Date) (England) Order 2014 (SI 2014 No. 2841).

16. The material day (the date by which physical factors have to be taken into account) was provided by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject appeals, the material day is 1 April 2017, with the exception of CHG101078712, the material day is 19 November 2019.

Discussion

17. The subject properties are located within 60 Ludgate Hill, also known as One New Ludgate, a nine-storey mixed use building constructed in 2015. The building is situated on the north side of Ludgate Hill, close to the junction with Farringdon Street.

18. The challenge in respect of 1st and 2nd Floors (CHG101079728) resulted from a reconstitution/merger effective from 1 April 2017. The challenge in respect of 1st & (Exc North) Pt 2nd Floor related to a subletting effective from 1 November 2019.

19. The issue to be determined by the panel was the price per m^2 to be adopted for the subject properties. The appellants sought a reduction to £535 per m^2, based on rental evidence within 60 Ludgate Hill and comparable assessments. The Valuation Officer submitted that the

present adopted price of £550 per m^2 was supported by the rental evidence from within the subject building, and therefore it was not necessary to consider comparable assessments.

20. The parties were in agreement that there should be an addition of £25 per m^2 to reflect the value of CAT B fit out, and that rental evidence should be toned to the AVD by 1.1% per calendar month 12 months either side of the AVD.

21. Both parties had referred to the leading judgment of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, which set out six propositions to be followed when considering the weighting of evidence. The rent on the subject property was considered to be the correct starting point but, where available, rents on similar properties were also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence could then be weighted.

22. The subject properties were held under two separate leases, each granted for a term of 15 years from 24 June 2015 with an initial rent free period of two years and four months. The parties agreed that the subject rent carried significant weight and were close in their analysis at £504 per m^2 (Valuation Officer) and £506 per m^2 (Mr Morrow).

23. The parties also referred to the following rental evidence from within 60 Ludgate Hill:

3rd & 4th Floors

A new 20 year lease effective from 18 March 2015, the rent analysed at £519 per m^2.

Pt 6th Floor

A new 10 year lease effective from June 2016, the rent analysed at £707.50 per m^2.
Mr Morrow attached little to no weight to this transaction as it was 12 months post AVD.

8th Floor

A new 10 year lease effective from 31 July 2015, the rent analysed at £630 per m^2.
Mr Morrow submitted that this rent should be treated with caution as it was out of kilter with the other AVD rents. The Valuation Officer considered that there was no reason to set this rent aside.

9th Floor

A new 10 year lease effective from 27 April 2025 agreed with 22 months rent free. The parties differed in their analysis due to the adjustment made for the rent free period:
Mr Morrow at £546.93 per m^2, taken over 5 years, the Valuation Officer at £650 per m^2 taken over 10 years.

With reference to guidance from RICS, Mr McKillop submitted that there was not a right or wrong approach. By way of compromise, he suggested a midpoint of £600 per m^2.

24. Looking beyond the direct rental evidence, Mr Morrow referred to the following assessments of local modern comparable office buildings:

Santander House, 100 Ludgate Hill

Constructed in 1992 and substantially refurbished in 2008, this was assessed at £460 per m^2. Mr Morrow stated that the subject building being newly constructed would attract a higher price per m^2.

6th Flr 10 Fleet Place

Constructed in 1992 and substantially refurbished in 2008, this had been agreed at challenge at £455 per m^2. Mr Morrow stated that the subject building being newly constructed would attract a higher price per m^2.

10 Old Bailey

Constructed in 2009, this was originally assessed at £500 per m^2, but had now been agreed at £480 per m^2. Mr Morrow acknowledged that the value of the subject property would be higher.

20 Old Bailey

Constructed in 1991 and refurbished in 2018, a Valuation Tribunal had determined a price of £500 per m^2. Mr Morrow accepted that the subject property should be valued higher.

25. The other parties present were invited to provide any additional comments. Mr Berkley stated that he supported Mr Morrow's approach of analysing the rent free period over five years. Mr Dowty submitted that most weight should be attached to Mr Morrow's evidence and that less assistance was derived from the Valuation Officer's evidence.

26. In the Valuation Officer's Decision Notice, it was stated that office blocks in the City of London are valued individually so that the value reflects the value significant features of the office being valued. Rental evidence from the office block being valued is the best evidence of value, and assessment evidence is only considered when there is insufficient rental evidence for an office block. For the subject appeals, the panel considered that there was sufficient rental evidence available, and therefore the panel was not assisted by reference to the appellants' comparable assessments.

27. The panel noted that the new letting rental evidence from within 60 Ludgate Hill ranged from £504 to £707.50 per m^2. This included transactions one year pre and post AVD. The rental evidence highlighted by the parties which was closest to the AVD was in respect of the subject properties and the 8th and 9th Floors. Mr Morrow submitted that the analysis of the 8th Floor at £629 per m^2 should be treated with caution, however, the panel upheld the Valuation Officer's view that there was no reason why it should not be considered within the basket of evidence. In respect of the 9th Floor, the panel preferred the Valuation Officer's approach to analyse the significant rent free period of 22 months over 10 years at £649 per m^2, but was also mindful of his compromise at £600 per m^2.

28. In summarising the rental analysis, the panel noted that two of the rents analysed below the adopted price of £550 per m^2 (£504 and £519) and two analysed above (£629 and £600). The panel therefore concluded that at £550 per m^2, the present adopted price was not unreasonable.

Conclusion

29. In view of the above findings, the Tribunal confirmed the assessments of the subject properties based on an unadjusted price of £550 per m^2.

Right of further appeal

30. 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.

31. 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/.

Mrs N Carman, Senior Member (Chair)
Ms A Ursprung, Senior Member
20 July 2026

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 20 July 2026

Schedule of appeals at 60 Ludgate Hill, London EC4M 7AW

Lead appeals:

Appeal number	Address	Appellant	RV
CHG101079278	1st and 2nd Flrs	Commonwealth Bank of Australia	£2,230,000 1 April 2017
CHG101078712	1st & (Exc North) Pt 2nd Flr	Commonwealth Bank of Australia	£2,070,000 1 November 2019

Other appeals:

Appeal number	Address	Appellant	RV – 1 April 2017
CHG100560581	Pt 6th Flr	Equistone Partners Europe Limited	£407,500
CHG100695864	9th Flr	Petronas Energy Trading Limited	£675,000
CHG100695951	4th Flr	Ropes & Gray International LLP	£1,130,000
CHG100695967	3rd Flr	Ropes & Gray International LLP	£1,130,000
CHG100700758	5th Flr	Ropes & Gray International LLP	£337,500
CHG101243804	7th Flr	Hitachi Rail Ltd	£645,000