



VALUATION TRIBUNAL FOR ENGLAND

2017 Rating List Appeal: Local Government Finance Act 1988; subject property held freehold, rental evidence, comparable hereditaments, settlement details, appeal allowed in part

APPEAL NUMBER: CHG101044274

RE: bst-6th Flrs, 63 Lincoln's Inn Fields, London, WC2A 3LW
(the "subject property")

BETWEEN: The Royal College of Radiologists Appellant
and

Andrew Ricketts Respondent
(Valuation Officer)

SITTING: *remotely using Microsoft Teams*

ON: Thursday 27 March 2025

BEFORE: Mrs S Sohota (Presiding Senior Member)
Mr M Nwosu (Member)

CLERK: Mr A Jolly

APPEARANCES: Mr A Izett of Daniel Watney LLP representing the appellant
Mr C Cates representing the respondent

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed-in-part. The panel confirmed RV £530,000, based on an unadjusted price per m² of £450 plus a 10% uplift for air conditioning, with effect from 1 April 2017.

Introduction

2. This appeal has been brought in respect of the following: an appeal was lodged by the Daniel Watney LLP on behalf of the occupier The Royal College of Radiologists on 20 September 2024 against the Valuation Officer's Decision of 22 May 2024.

3. Mr Izett 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 Izett's declaration of truth included a statement that he was instructed under a conditional fee arrangement.
4. Mr Izett 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. This statement of reasons is not and does not purport to be a full verbatim record of the proceedings.
8. Mr Cates representing the respondent was appearing as advocate.

Preliminary Issue

9. Mr Izett, on 13 February 2025, provided a schedule of settlements within the locality which had been settled since the challenge was lodged. Mr Cates raised no objection to the inclusion of the new information and accordingly the panel admitted the information.

Issue

10. The issue before the panel concerned the unadjusted price per m² that should be adopted with effect from 1 April 2017. The appellant's representative had sought a reduction from £560,000 based on a price of £475 per m² (unadjusted) to RV £485,000 based on a price of £410 per m² (unadjusted). Both parties accepted that there was a 10% uplift for the addition of air conditioning.
11. The subject property was located within Lincoln's Inn Fields which was one of the most prestigious public squares. It sits at the end of the western side of the square at its junctions with Gate Street and Remnant Street in a predominantly commercial area with strong links with the legal profession. The area is well served with several underground stations close-by and also close to Tottenham Court Road Station.
12. The subject property was built in 1886 and was one of the first reinforced concrete buildings in London. The subject property consists of a basement, ground floor and six upper floors and had an overall area of 1,135.83 m² which equated in terms of main space area of 1,079.67 m². Each floor benefits from air conditioning, perimeter trunking and solid floor.

Decision and reasons

13. Mr Izett stated that he was seeking an unadjusted price per m² of £410 per m² in line with agreements within the locality and that the unadjusted price per m² of £475 was not

supported by rental evidence. As the subject property was freehold there was no rents passing and therefore had to consider other evidence.

14. 65 Lincoln's Inn Fields had been reduced from an unadjusted price per m² of £465 to £410. He considered it was a comparable property and was held on a 11 and half year lease from 25 June 2008 with a rent review on 29 September 2014 at £77,500 which he analysed to £316 per m² but having regards to the rental market between the rent review and the antecedent valuation date (AVD) he considered the price per m² would be £300.
15. 66 Lincoln's Inn Fields which he stated that the Valuation Officer considered was directly comparable was held on an eight and half year lease from 1 July 2011 with a rent review on 1 July 2016 at a rent of £430,750 per annum. This rent analysed to a price per m² of £431. He stated that central London rents had, between the AVD and July 2016, risen considerably and therefore he considered the price per m² would be £370 per m² at the AVD which supported the reduction from the unadjusted price per m² of £465 to £410.
16. Imperial Building, 45-48 Kingsway was located within Lincoln's Inn Fields and was held on a 11 and half year lease from 2 April 2008 with a rent review on 1 July 2015 with a rent of £935,500 which equated to £409 per m². This property had also had its assessment reduced from £465 per m² to £410 per m². Being the closest to the AVD he considered this supported his contention that the subject property should be reduced to an unadjusted rate of £410 per m².
17. Mr Izett stated that 65 and 66 Lincoln's Inn Fields and Imperial Buildings were merged as one hereditament and that a 12.5% allowance was given for fragmentation.
18. Mr Izett also referred to the rent for 1st Floor West, Queens House, 55-56 Lincoln's Inn Fields which was in a different scheme and had been valued at £600 per m² but this property had since been removed from the rating list and the remainder of the building was value at £475 per m². The property had been let on a five year lease from 27 July 2015 at £168,075 per annum with a two and half month rent free period. Mr Izett had analysed the rent allowing for a two month fitting out period to £485 per m² but accounting for the rental market period the AVD and July 2015 he considered the price per m² would be £467 per m².
19. Mr Izett also referred to 5th floor, 67-69 Lincoln's Inn Fields which had been let on a 10 year lease from 4 October 2016 with a 12 month rent free period at the beginning of the lease and a further seven and a half month rent free period granted on 25 March 2021 when the break clause had not been exercised. He analysed this rent to £428 per m² but considered that at the AVD this would have been £374 per m². The unadjusted rate for this property was £470 per m².
20. Mr Izett then referred to Africa House, 70 Kingsway which was a grade II listed building and sat within the Kingsway Conservation area. Whilst built in 1921 it was refurbished in 2014 with a reconstructed at the rear and extended upward to add an eight floor and roof terraces. The property had a high specification and, in his opinion, far superior to the subject property but had recently been agreed at £502.20 per m² (unadjusted and adjusted price). He stated that having spoken with the representative that agreed the reduced assessment the issue of quantum had not been raised within their discussions.
21. Mr Izett also referred to 280 High Holborn which was a purpose built building with views over Lincoln's Inn Fields which had been agreed from £500 per m² to £470 per m². He did not

consider it reasonable that Africa House and 280 High Holborn, which he considered where superior were valued at a lower price per m².

22. Mr Izett then referred to the 2010 Rating List entries and that the subject property had been valued lower than the neighbouring 65/66 Lincoln's Inn Fields. He referred to the Lands Tribunal decision of *Barnard and Barnard v Walker* [1975] LVC/231/1975 which held that previous lists may be relevant when no evidence is provided to prevent same relativities to apply.
23. Mr Izett requested the panel allow the appeal and confirm RV £485,000 based on an unadjusted value to £410 per m².
24. Mr Cates, whilst appearing as an advocate, stated that he had many years of experience dealing with general rating matters and was familiar with the locality.
25. Mr Cates stated that whilst there was no rent on the subject property due to it being held freehold he must have regard to rental evidence within the locality. He considered that 67-69 Lincoln's Inn Fields was not comparable to the subject property as it was one floor and was in a heavily mansard roof whereas the subject property was a whole building.
26. Mr Cates referred to the analysed rents for different floors within 20-23 Lincoln's Inn Fields ranging from £453.68 to £466.43 per m² all commencing 1 November 2016. In the decision notice the analysed rents were adjusted back to the AVD at between £450 per m² and £461 per m² with fitting out costs the average was £485 per m². He considered that this supported the price per m² applied to the subject property and that the hypothetical landlord would look to that property rental evidence to support £475 per m². He did not consider 65-66 Lincoln's Inn Fields was truly comparable as it was three buildings with one of which not located on Lincoln's Inn Fields.
27. Mr Cates considered that Bedford Row was not the same as the subject property and therefore not comparable. He then considered that Africa House being 11,000 m² was not truly comparable as it was 10 times larger than the subject property. If comparing a floor within Africa House then he considered it would be a different matter.
28. Mr Cates did not consider the comparable hereditaments cited by the appellant's representative and his rational behind rejection of the Valuation Officer's comparable hereditaments held sufficient weight and not compelling. He requested that the appeal be dismissed.
29. The panel first considered 65/66 Lincoln's Inn Fields and Imperial Place. Whilst 65/66 Lincoln's Inn Fields had presence within Lincoln's Inn Fields it considered that as the three hereditaments were considered as one hereditament with Imperial Place having no presence on Lincoln's Inn Fields and therefore would have an effect on the value and accordingly the panel gave lesser weight to this evidence.
30. The panel then considered the 5th Floor 67-69 Lincoln's Inn Fields. This was on the top floor of the building in a heavily mansard roof which the panel considered would influence the value and therefore did not consider this to be truly comparable to the subject property.
31. The panel then considered Africa House. Whilst this hereditament maybe superior in specification it was located in Kingsway and not Lincoln's Inn Field which may have an effect

on the value. Also, the panel considered that due to the great difference in size it was not truly comparable to the subject property.

32. The panel considered the best evidence was the rental evidence for 20-23 Lincoln's Inn Field which analysed to £453 to £466 per m² from November 2016. It considered that as these were 19 months after the AVD the price per m² would be lower. The panel considered that the value would be around £450 per m² as per the respondent's calculation. The panel therefore consider that the unadjusted price per m² for the subject property should be £450 per m².
33. The panel having considered all the evidence had not been persuaded by Mr Izett that £410 per m² should be adopted but it had also not been persuaded that £475 per m² was correct. The panel allow the appeal in part confirming RV £530,000, based on an unadjusted price per m² of £450 with a 10% uplift for air conditioning.

Order

34. As a consequence of the above decision, the Valuation Officer is ordered to reduce the 2017 Rating List entry to £530,000 with effect from 1 April 2017 within two weeks of the date of this order.

Valuation

	Floor	Description	area (m ²)	adjusted price per m ²	value
1	basement	office	112.33	£ 247.50	£ 27,801.68
	ground	office	121.00	£ 495.00	£ 59,895.00
	first	office	154.00	£ 495.00	£ 76,230.00
	second	office	152.60	£ 495.00	£ 75,537.00
	third	office	153.30	£ 495.00	£ 75,883.50
	fourth	office	154.20	£ 495.00	£ 76,329.00
	fifth	office	154.20	£ 495.00	£ 76,329.00
	sixth	office	134.20	£ 495.00	£ 66,429.00
					£ 534,434.18
				RV	£530,000

Date issued to parties: 24 April 2025

Right of further appeal

Any party who is aggrieved by the Tribunal's decision, and who appeared or was represented at the hearing, has the right of appeal to the Upper Tribunal (Lands Chamber). Any such appeal should be made within four weeks of the date of this decision notice.