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

Case No: CHG101059415

Sitting remotely using Microsoft Teams

Date: 24 September 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Offices and premises — Rental evidence — Assessment evidence — Appeal dismissed.

Before:
MR AMRAN HUSSAIN
MS TM BLADES

Between:

DOUGHTY STREET CHAMBERS (REPRESENTED BY RYAN PROPERTY TAX SERVICES UK LIMITED) — **Appellant**

- and -

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

Regarding:
53 -54 DOUGHTY STREET, LONDON, WC1N 2LS
(the “subject property”)

MR T BOSLEY FOR THE APPELLANT
MS O WADE-GLEDHILL FOR THE RESPONDENT

Hearing date: 7 August 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The Tribunal Panel confirmed the rateable value (RV) of the subject property at £219,000 with effect from 1 April 2017.

Introduction

3. This was a 2017 rating list appeal. The subject property had been entered in the 2017 rating list as “Office and Premises” at an RV of £219,000 with effect from 1 April 2017. This was based on an unadjusted base rate of £350 per square metre (psm).

4. The challenge proposal was submitted by Ryan Property Tax Services UK Limited on behalf of Doughty Street Chambers and was received by the Valuation Officer (VO) on 9 May 2023. It had been made on the grounds that the RV shown in the 2017 rating list was wrong and proposed a revised RV of £203,000 based on an unadjusted base rate of £325 psm.

5. The VO disagreed with the proposed alteration to the valuation list, and a challenge case decision notice was issued on 23 February 2024 to this effect.

6. Mr Bosley 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 Bosley declared that he was instructed under a conditional fee arrangement.

7. Mr Bosley understood and accepted that his duty was to the Tribunal in giving his evidence and he would comply with this regardless of whether or not the evidence supported his client’s case.

8. Ms Wade-Gledhill was appearing for the respondent as advocate and expert witness and was not acting on a conditional fee arrangement.

9. The Tribunal 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.

__Background__

12. The subject property was office accommodation located on the basement to first floors of a converted grade II listed Georgian terraced property. The total area of the subject property was $664m^2$.

Relevant Law

The Local Government Finance Act 1988

13. Schedule 6 of the Act provides that:

    2(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.

14. 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.

15. 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 appeal, the material day is 1 April 2017.

Discussion

16. The leading judgment of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, set out six propositions to be followed when considering the weighting of evidence:

    1. Where the hereditament which is the subject of consideration is actually let that rent should be taken as the starting point.
    2. The more closely the circumstances under which the rent was agreed both as to time, subject matter and conditions relate to the statutory requirements contained in the definition of gross value in s.19(6) of the General Rate Act 1967 the more weight should be attached to it.
    3. Where rents of similar properties are available, they too are to be properly looked at through the eye of the valuer in order to confirm or otherwise the level of value indicated by the actual rent of the subject property.
    4. Assessments of other comparable properties are relevant. When a valuation list is prepared these assessments are to be taken as indicating comparative values estimated by the Valuation Officer. In subsequent proceedings on that list therefore they can properly be referred to as giving an indication of that opinion.
    5. In light of all the evidence an opinion can then be formed of the differing types of evidence depending on the one hand the nature of the actual rent and on the other hand, on the degree of comparability found in other properties.

6. In those cases where there are no rents available of comparable properties a review of other assessments may be helpful but, in such circumstances, it would be clearly more difficult to reject the evidence of the actual rent.

17. Mr Bosley referred to the Lands Tribunal decision *O'Brien v Harwood (Valuation Officer)* [2003] RA 244 and argued that as the 2017 list was closed, more weight should be given to settlement evidence which creates a tone in the area. The panel considered the judgment; however, it noted that the decision was arrived at having followed the propositions set out in *Lotus and Delta.* In the *O'Brien* case there were fifteen assessments, and it was for that reason that it was considered a tone had been established.

18. The panel heard that there was a rent on the subject property effective from 1 February 2014. This was a new lease for a term of ten years with six months' rent free for £223,000 per annum. Ms Wade-Gledhill had analysed this to £345.93 psm. Mr Bosley argued that the rent was between connected parties and therefore should not be considered. Ms Wade-Gledhill agreed that it was between connected parties, however, the form of return (FOR) stated the rent was open market value. She had not completely disregarded the rent but gave it lower weight.

19. Ms Wade-Gledhill had provided rents on four other properties that she considered to be comparable to the subject property. 10 & 11 Doughty Street was a lease renewal effective from 1 August 2015 that had been analysed to £443.86 psm. 1st Flr 1 Doughty Street was a lease renewal effective from 1 June 2015 that had been analysed to £366.08 psm. Gnd-3rd Flrs, 9 John Street was a lease renewal effective from 1 April 2014 that had been analysed to £440.19 psm. These three assessments were in the list at £350 psm. Bst & Gnd Flrs 1 Doughty Street was a rent review with a nil increase, effective from 29 April 2015. This was in the rating list at £325 psm.

20. Mr Bosley relied on Bst & Gnd Flrs 1 Doughty Street which had been reduced from £350 psm to £325 psm on agreement following a challenge in 2022. He argued that the subject property was similar in age and appearance to this comparable. He also put forward 1st Flr 4 Roger Street which had a passing rent of £127,270 with effect from 10 January 2015, which he had adjusted and then analysed to £307 psm. This property had been reduced from £350 psm to £307 psm and was determined by a previous Valuation Tribunal decision. It was Mr Bosley's contention that these two properties demonstrated that the subject property was valued too high.

21. The panel considered all of the evidence and arguments before it. Whilst it accepted Mr Bosley's contention that settlement evidence could create a tone in the locality and this could provide better evidence than rents in certain circumstances, the panel did not find that this was one of those circumstances. Only two properties were relied on to demonstrate a tone, and it was the panel's opinion that a tone was not set with such limited evidence. In addition, no evidence was provided for the reduction to £325 psm of Bst & Gnd Flrs 1 Doughty Street, which the panel considered to be an anomaly when looking at the basket of evidence, which included an assessment in the same building at £350 psm.

22. The panel did not consider 1st Flr 4 Roger Street to be truly comparable to the subject property as it was a converted warehouse compared to converted period properties. The panel placed more weight on the evidence of similar converted Georgian properties.

23. The panel placed the most weight on 10-11 Doughty Street, the reasons for this were threefold. The panel found that in terms of style, age, appearance and location, 10-11 Doughty

Street was the most comparable to the subject property. There was rental evidence within four months of the AVD which analysed to £443.86 psm, and finally it was in the rating list at £350 psm. It was the panel's opinion that this demonstrated £350 psm for the subject property was not unreasonable.

24. When considering the basket of evidence as a whole, the panel found that the rents of 1st Flr 1 Doughty Street and Gnd-3rd Flrs 9 John Street supported this view. Whilst the rent at the subject property was between connected parties, the panel noted that it was not out of kilter with these three comparable rents.

Determination

25. In view of the above findings and conclusions, the Tribunal Panel is satisfied that the RV of £219,000 with effect from 1 April 2017 is reasonable. Therefore, the appeal is dismissed.

Right of further appeal

26. 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.

27. 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 Amran Hussain, Senior Member (Presiding)

Ms TM Blades, Senior Member

24 September 2025

Mrs S Hodgson
Clerk to the Tribunal
Date issued to the parties: 24 September 2025