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

Case No: CHG101098268

Sitting remotely using Microsoft Teams

Date: 26 September 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Office and premises; Compiled List Entry; Price per square metre; Rental evidence/assessment of comparable properties; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141; Appeal dismissed.

Before:
MR AMRAN HUSSAIN
MS LS MARSHALL

Between:

QUEEN MARY UNIVERSITY OF LONDON — **Appellant**

- and -

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

Regarding:
81 MILE END ROAD, LONDON E1 4TT
(the "appeal property")

Mr M Hampton-Riddington of Cluttons on behalf of the Appellant
Ms R Begum on behalf of the Respondent

Hearing date: 3 September 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is dismissed.

2. The panel finds that the entry in the 2017 rating list was reasonable and should remain at £1,630,000 rateable value with effect from 13 September 2021.

Introduction

3. The appellant made a proposal on 28 July 2023 to challenge the entry in the 2017 rating list of £1,630,000 with effect from 13 September 2021. The proposal sought a reduction to £990,000 to reflect a reduced unadjusted rate from £319.90/m^2 to £195/m^2.

4. The Valuation Officer (VO) did not find the proposal to be well founded, and a Challenge decision was issued on 24 January 2025 maintaining the existing entry in the rating list. An appeal against that decision was received by the Tribunal on 2 April 2025.

5. The day before the hearing, Mr Hampton-Riddington submitted a revised valuation. He was seeking a revised valuation of £1,530,000 based on £300/m^2.

6. The property was a 1920s Art Deco building arranged over basement to fourth floor. The basement and ground floor offer retail and office accommodation and the upper floors offer office accommodation. The property underwent a substantial refurbishment in 2014. The property fell within the Stepney Green Conservation area. It was situated on a corner site on Mile End Road, close to Whitechapel and Stepney Green underground stations.

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

Relevant Law

8. The subject property must be valued by the statutory assumptions set out in Schedule 6 to the Local Government Finance Act 1988 as follows:

   “(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.”

9. The material date on which to consider the physical state of the hereditament and its locality was 1 April 2017, when the entry was made in the rating list. The valuation date for the 2017 rating list is 1 April 2015, the antecedent valuation date (AVD).

10. The Lands Tribunal judgment in *Lotus and Delta* v *Culverwell* (VO) [1976] RA 141 provided authoritative guidance on the weight to be attached to rental and assessment 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.

Discussion

11. Mr Hampton-Riddington was seeking a reduction in the rate per square metre to £300. This was based on a rate of £275/m^2 with an additional £25 uplift for fit out. In support of a lower assessment, he referred to rental evidence.

12. The rent on the appeal property was a new letting with a 15 year term with five yearly rent reviews. It commenced on 14 August 2020 at £2,452,280 per annum. The rent start date was 28 November 2022. It had a rent free period of two years, three months and 14 days. He had analysed this to the AVD at £278.03, adding on the uplift equated to £303.03.

13. He then referred to a schedule of rents on five comparable properties. Of the five, he held that the best comparable rental evidence was that of 2nd Flr 129 Mile End Road had analysed at £276.40 and 33 Mile End Road at £269.10 as these two properties supported a lower rate for the appeal property. The others he considered to be outliers or in a superior location.

14. Mr Hampton-Riddington then turned to a schedule of comparable properties. Of the 11 properties provided he considered 3rd Flr 42 New Road to be comparable. It was close to the appeal property, only 0.7 miles away and had not been challenged. Also 81-91 Commercial Road which was situated 0.9 miles away and had been valued at £195/m^2.

15. In response the VO argued that the rent on the appeal property was five years post AVD and had therefore applied little weight to it. She argued that the appellant’s comparable properties were held to be inferior to the appeal property. 81 Commercial Road was built in 1982 and was last refurbished in 2014, however the refurbishment was not as extensive as the appeal property.

16. Ms Begum stated that she had analysed rental evidence on properties in close proximity to the appeal property and had given most weight to rents on offices at 81 Alie Street. Office 201 at 81 Alie Street was a new letting in January 2015 which analysed at the AVD to £350.81. Office 301 at 81 Alie Street was a new letting from November 2014 which at the AVD analysed to £940.75. 129 Mile End Road was a new letting from May 2016 which analysed back to AVD at £276.40. It was built in 1865 and was last refurbished in 2003.

17. Ms Begum stated that the appeal property had been valued taking into account the attributes of the building. It had an unadjusted rate of £285/m^2 and after applying quantum allowance this resulted in a price of £276.97/m^2. She had then applied a 10% uplift for full air conditioning and 5% for raised floors equating to an adopted rate of £319.90/m^2.

18. Having regard to the evidence presented, the panel held that the adopted rate was reasonable. The rent on the appeal property was five years post AVD and therefore little weight was applied to this. The panel held the best comparable was that of Office 201 at 81 Alie Street which the rent had been agreed close to the AVD in January 2015. This had analysed to £350.81/m^2 which was higher than the appeal property. The comparable properties in Mile End Road were considered to be slightly older and therefore supported a slightly lower rate.

Determination

19. In view of the above findings and conclusions, the Tribunal finds that the price per square metre should remain at £319.90/m^2. The appeal is dismissed.

Right of further appeal

20. 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.

21. 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 LS Marshall, Senior Member

26 September 2025

Miss K Hendry
Clerk to the Tribunal
Date issued to the parties: 26 September 2025