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

Case No: CHG101123058

Sitting remotely using Microsoft Teams on 11 August 2026

Date: 8 September 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141 — Allowance for quantum — Office and premises — appeal allowed in part

Before:

MR A HETHERTON
MR APS CRAWFORD

Between:

TJX UK **Appellant**

- and -

KAREN GILES
(VALUATION OFFICER) **Respondent**

Regarding:

73 - 77 & 64, CLARENDON ROAD, WATFORD WD17 1TX
(the "subject property")

Mr Fotis Emmanouil for **Deloitte** for the **Appellant**
Mr Lee Stevens for the **Respondent**

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed-in-part.

2. The Tribunal finds that the main space price of £165/m² should be reduced by 5% to reflect the quantum allowance. The resultant rateable value (RV) was 3,100,000.

STATEMENT OF REASONS

Introduction

3. The appellant had made a challenge against the accuracy of the compiled list assessment in the 2017 Rating List, by way of a proposal that he served on the Valuation Officer (VO) on 7 September 2023. After considering the proposal and evidence submitted during the challenge period, the VO decided that the proposal was not well founded. A decision notice to this effect was served on the appellant on 9 October 2024. His representatives then appealed the VO's decision to the Tribunal on 7 February 2025, on the grounds that the current valuation for the hereditament was not reasonable, under regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

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

Background

5. The issue in dispute before the panel was the correct tone of value to be applied to the appeal property.

6. The subject property had been entered into the 2017 rating list effective from 24 July 2021 as Offices and Premises with an agreed total area of 19,985m². It was built for the appellant as their headquarters and comprised of two office blocks connected via a bridge over a road.

7. The RV was £3,260,000 and had been valued based on an unadjusted main space price of £165/m². Mr Emmanouil was seeking a RV of £2,770,000 based on a main space price of £165/m², but with a 15% end allowance for quantum. The VO had already awarded an allowance of 1% to reflect the split site.

8. However, Mr Stevens defended the VO's assessment of £3,260,000 RV based on a tone of value of £165/m².

9. The evidence bundle before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties' comparable assessments, skeleton arguments, location maps and internal photographs of the appeal property and the appellant's comparable properties.

10. As Mr Emmanouil was representing the appellant as advocate.

11. Mr Stevens confirmed that he was representing the VO as advocate and expert witness.

12. For 2017 rating list appeals the Antecedent Valuation Date (AVD) is 1 April 2015. The material date for the subject property was 24 July 2021, being the date the subject property was entered into the rating list.

Relevant Law

13. The term ‘rateable value’ is defined in Schedule 6 to the Local Government Finance Act 1988 (as amended):

> *“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; and*
>
> *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”.*

Discussion

14. In the case under consideration, the panel had analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA141. The rent on the subject property is considered to be the correct starting point but, where available, rents on similar properties are also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence can then be weighted.

15. However, as the subject property was owned by the appellant company, there was no rental evidence for the subject property.

16. A quantum allowance is applied where a larger property, which would usually be harder to let, would command a lower relative market value, than a smaller property.

17. The initial challenge submission had been submitted by Colliers. They had provided two properties to demonstrate that a 15% quantum allowance should be awarded. However, the panel applied little weight to these as they were located in London (E20) and therefore they did not demonstrate that a quantum allowance should be allowed for a property in Watford.

18. To support his argument that the main space price of £165/m^2 was incorrect and should be reduced by 15%, Mr Emmanouil had produced a number of properties in the locality that ranged in size from 105m^2 to 8,458m^2. The rents for these properties analysed to between £173/m^2 to £224/m^2.

19. However, a quantum allowance is only granted where there was clear market evidence that properties of a larger size would command a lower relative value and Mr Emmanouil's evidence did not demonstrate this, especially as the subject property was substantially larger than his comparable properties and the main space prices were either the same or higher than the subject property.

20. Mr Stevens had produced two comparable properties, although one of them, 58 Clarendon Road, the appellant had also referred to in his evidence bundle. Whilst they had main space prices of £165/m^2 and £140/m^2, the properties had areas of 8,237m^2 and 6,641m^2. Furthermore, the VO had submitted that these two properties had been built in the 1990s and were therefore not comparable in terms of age.

21. But, Mr Stevens contended that the VO had refused to award a quantum allowance as there was no market evidence to demonstrate that it should be awarded for properties in the locality. However, in the initial challenge documents, Colliers had referred to 300 Capability Green, Luton. It had an area of 18,114m^2 and therefore it was similar in size to the subject property and a 5% quantum allowance. The panel had also noticed that it had been valued with a main space price of £120/m^2.

22. Given the above, the panel was disappointed that both parties had not produced any reliable evidence to support their respective arguments. However, given that 300 Capability Green was comparable in size and broadly similar location, and had been allowed a 5% quantum allowance, the panel concluded that a 5% allowance should also be granted for the subject property.

Conclusion

23. In view of the above findings and conclusions, the Tribunal is satisfied that the main space price should be reduced by 5% to reflect the quantum allowance with the resultant RV of £3,090,000 rounded down. The appeal was therefore allowed in part.

24. As the 1% allowance to reflect the split site was not disputed and had already been adopted by the VO, the panel was satisfied that it should continue to be adopted in the valuation, after the award of the 5% quantum allowance. The revised valuation is in the appendix on page six of this decision.

Order

25. Under the provisions of regulation 38(4) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the Valuation Tribunal for England orders the Valuation Officer to reduce the entry in the rating list to rateable value £3,100,000 with effect from 24 July 2021.

26. Under regulation 38(9), the Valuation Officer must comply with this order within two weeks of the date of its making.

Refund of appeal fees

27. As the grounds of the appeals have been made out, a refund of the paid fee will now be arranged (Regulation 13E of the NDR Alteration of Lists & Appeals Regs) provided there is no review of the Tribunal's decision.

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) using Form T385 (Notice of appeal) within **four weeks** of the date this decision and statement of reasons was 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 A Hetherton, Presiding Senior Member
Mr APS Crawford, Senior Member
8 September 2026

Mr Richard Gath IRRV (Hons)
Clerk to the Tribunal
Date issued to the parties: 8 September 2026

Appendix: Tribunal's valuation

73 - 77 & 64, Clarendon Road, Watford WD17 1TX

Floor	**Description**	**Area M^2**	**Rate/£**	**Value**
Ground	Office	726.00	165	119,790
First	Office	1,863.00	165	307,395
Second	Office	1,916.00	165	316,140
Third	Office	1,863.00	165	307,395
Fourth	Office	1,525.00	165	251,625
Fifth	Office	1,569.00	165	258,885
Sixth	Office	1,569.00	165	258,885
Seventh	Office	850.00	165	140,250
Eighth	Office	826.00	165	136,290
Nineth	Office	826.00	165	136,290
Tenth	Office	362.00	165	59,730
Ground	Office	1,142.90	165	188,759
First	Office	1,184.00	165	195,360
Second	Office	1,267.30	165	209,105
Third	Office	901.20	165	148,698
Fourth	Office	1,230.60	165	203,049
Fifth	Office	364.78	165	60,189
			Sub total	3,297,655
Less allowance for quantum			5%	164,883
Less allowance for divided or split site			1%	31,328
			total	3,101,444
			Rateable value say	3,100,000