IN THE VALUATION TRIBUNAL FOR ENGLAND
IN THE MATTER OF A 2023 RATING LIST APPEAL

Case No: CHG101126924

Sitting remotely using
Microsoft Teams on
20 May 2026

Date: 10 June 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — 2023 rating list appeal; 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 M MIAH
MISS Z HUNDLEY

Between:

TRUSTID **Appellant**

- and -

ANDREW MOULAND
(VALUATION OFFICER) **Respondent**

Regarding:

PT 7TH FLOOR THE BLADE, ABBEY STREET, READING RG1 3BA
(the "appeal property")

Mr J Banbury of Allsop (Appellant's Representative)
Mr J Reene (Respondent's Representative)

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds that the current assessment of £170,000 Rateable Value (RV), with effect from 1 April 2023 was reasonable.

STATEMENT OF REASONS

Introduction

3. The challenge proposal was submitted by the appellant's representative and was received by the Valuation Officer (VO) on 12 September 2023. It had been made on the grounds that the RV shown in the rating list of £170,000 on 1 April 2023 was inaccurate. A revised RV of £132,000 was proposed with effect from 1 April 2023, based upon a reduced unadjusted rate from £325/m^2 to £250/m^2. The VO issued a challenge decision notice on 28 April 2025.

4. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal to this Tribunal has been made on the grounds that the valuation for the hereditament is not reasonable. The appeal was lodged by the appellant's representative on behalf of the appellant and received by the Tribunal on 29 August 2025.

5. Mr Banbury appeared on behalf of the appellant as both advocate and expert witness and declared that he was employed on a success related fee. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Scorer understood and accepted that his duty is to the Tribunal in giving his evidence and he will comply with this as well as the requirements of his professional body regardless of whether or not the evidence supports his client's case.

6. The panel accepted this expert witness evidence on the above basis as the appeal is not complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions – general) of the Procedure regulations and is 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).

7. The panel hearing the evidence considered the "expert" evidence and assessed what weight, if any, it should give to it in the context of the matters in issue before it.

8. Mr Reene was representing the VO in the dual role of advocate and expert witness.

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

Background

The appeal property was an office located in central Reading considered to be at Grade A condition (best quality).

Relevant Law

10. The issue before the panel was to determine the correct valuation for the subject property with effect from 1 April 2023. In respect of an appeal against an entry in the 2023 rating list, the rental levels are to be taken as those passing at the antecedent valuation date (AVD) of 1 April 2021.

11. 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 1992/556) as amended. In respect of the subject appeal, the material day is 1 April 2023.

12. The subject property must be valued for the purpose of non-domestic rating on the basis of the rent at which it might reasonably be expected to let from year to year on a number of assumptions (see paragraph 2(1) of Schedule 6 of the Local Government Finance Act 1988).

13. The panel was aware of the Lands Tribunal judgment of *Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council* [1976] RA 141 cited by the parties. This case had established six propositions, which gave clear guidance to be followed, namely:

    (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 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 1976 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 value of the appeal hereditament, the weight to be attributed to the differing types of evidence depending on the one hand on 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.’

Discussion

14. Mr Banbury referred to a previous Tribunal decision in relation to Part 13th Floor, The Blade (CHG101129418), in particular paragraph 33.

    “The crux of this dispute related to whether the evidence regarding the three aforementioned comparable properties submitted by the appellant could be relied upon to

demonstrate rent of similar properties let in category B condition, or whether, as maintained by the respondent, the rental evidence was not in respect of properties let in category B condition, and therefore would require adjustment, if it were to be relied upon."

15. The appeal related to whether the evidence submitted by the appellant was a true category B condition or whether maintained by the VO, the rental evidence was more akin to second-hand tired space. Mr Banbury stated that the rating agents on this previous case did not have access to photographs of the space when it was let so they were unable to evidence that the tenants did no fitting out work.

16. In support of the appeal, Mr Banbury argued that the appellant took the premises in good repair with the landlord's standard fit out and made no changes. The landlord bought the property in 2017 but did not refurbish all of the space as some of it was in good condition. The 7th floor in particular had just been vacated in December 2017 and had been used very little since then. It was then let by the appellant almost as it was, with very little wear and tear almost in a category B condition.

17. To evidence this, he had provided photographs and plans of the 6th and 7th Floor which showed the partitioning, carpets and furniture had not changed. Mr Banbury was unable to inspect the 5th floor, but, had provided photographs from the entrance and again argued that nothing had changed.

18. The three main comparable properties all had furniture included as an incentive to take the leases. A deduction from the value should be removed from the comparable transactions to allow for the furniture. Mr Banbury confirmed that he did not have a breakdown of costs for the furniture but had provided a general guide, and, although he confirmed that he was not placing much weight on it, he argued that a deduction of £50/psm should be granted.

19. However, after questioning by the VO, pointing out the case of Bunyan (VO) v Acenden Ltd [2023] UKUT 17 (LC) (acenden case) in which an addition of £46/psm was reasonable to be added to the analysis of the rent, the VO asked if it was reasonable that Mr Banbury was applying that second hand furniture in 2021 was effectively worth as much as all the things talked about in the Acenden case, such as air conditioning, partitioning, all rateable elements. In response Mr Banbury agreed with the VO that his valuation of the furniture was overvalued, however, the value was not zero, he therefore adopted a value of £25/psm.

20. Mr Banbury turned to the VO's evidence and argued that their comparable properties were situated next to the station and therefore more superior.

21. In response, the VO referred to the photographs on the 5th Floor pointing out the difference such as the photographs in the lease showed only one row of strip lighting compared to the photographs taken by Mr Banbury showing two strips, indicating that there had indeed been changes. He had also indicated there had been some reconfiguration of the kitchen.

22. He also referred to an email from Northwood Real Estate Limited who was employed by the landlord and had confirmed that it was all existing fit out that was repurposed for the new occupiers. The VO argued that the landlord has admitted that they did not undertake the first fit for the current occupier. Therefore, the rent passing on that floor is for second hand space and cannot represent the open market value to a hypothetical tenant. The landlord has benefitted from a fit out paid for not by himself, but rather the previous tenant.

23. The VO stated that the panel was being asked to look at the value of grade A offices in Reading in the Blade. The Acenden case established that an addition is to be made with the 2017 values in the region of £47/m^2. However, taking into account for inflation, it suggests that for the 2023 list that value would likely have risen. In the case of Hitchings (VO) v. Shoosmiths LLP and Mando Group Ltd [2025] UTUK 224 (LC) (Shoosmiths decision) it confirmed that the idea that the value of second hand fit is not indicative of the true value to the occupier. Therefore, the VO argued that the analysed figures provided by Mr Banbury were not a reflection of the true value of the property to a hypothetical rateable occupier.

24. The VO argued that the Blade was acquired in 2018 with a refurbishment in 2024 suggesting that any new lettings post 2018 and pre 2024 are likely to be either to a refurbished category A condition with renewals or reviews or potentially older stock in a tired or second-hand grade B condition. The VO argued that any analysis still required an uplift to reflect an open market valuer for the hypothetical occupier in line with the Shoosmiths decision and the decision related to the 13th Floor. The appellant's analysis of the rent on the 5th Floor is said to be a representative of a category B fitted out letting, but there was no evidence to support this. The VO argued that there was no evidence to show that these offices were let plug and play or fully fitted at the expense of the landlord, not proving that the lettings are to a category B condition.

25. The VO argued that the Acenden and Shoosmiths cases effectively rules out second hand space evidence, meaning that we were left with the principle that there must be an uplift from the analysed rent.

26. The VO argued that the rents passing at the Blade from 2019 and 2021 supported £325/m^2. Furthermore, the appeal on 13th Floor also was dismissed as it had not been evidenced that the rate was excessive, specifically the VO relied upon paragraphs 28 to 32 of that decision which set out the evidence as follows:

> *"28. The respondent added that further investigation revealed that some Category B lettings cited were for fit outs which did not reflect true market value, contending that such premises would require additional investment to meet modern standards. The VO asserted that the rental evidence supports applying an unadjusted base rate of £325/m² for Grade A office space in Central Reading, inclusive of appropriate adjustments for fit-out costs.*
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> *29. The appellant, making reference to the Acenden decision argued that the Upper Tribunal in arriving at its valuation concluded that the comparative method should not be abandoned and one should be very wary of "arithmetic" as regards individual transactions over such. In reaching a fair and reasonable valuation, the appellant stated that the panel needed to factor in the economic climate affecting the appeal properties at the AVD, which were claimed not to have been adequately reflected within the statutory scheme, as well as taking a 'stand back and look' approach to the totality of the evidence available.*
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> *30. The two subject properties are assessed within Valuation Scheme 590346, which was applicable to "offices in Reading that have recently been constructed or refurbished to a grade A specification which are in close proximity to Reading railway station.". The appellant's submission advised that these two properties were part of extensive challenge discussions on Grade A offices in Reading within scheme 590346, with a significant amount of rental evidence having been exchanged between the parties. In accordance with the hierarchy of evidence referred to in Lotus v Delta, the appellant had submitted rental evidence for several properties, which the panel had regard to. During verbal submissions, when reference was made by Mr Carter and Looser to the two subject properties,*

information was provided about the following three comparable properties, all situated within the Blade office building on Abbey Street:

Part 7th Floor, The Blade, Abbey Street
This was a ten -year new letting with effect from 1 August 2022. There was a twelve month rent free period. The appellant analysed this rent to £255.18/m2.

Part 7th Floor, The Blade, Abbey Street
This was a five-year new letting with effect from 23 March 2020. There was a seven month rent free period. The appellant analysed this rent to £287.30/m2.

Dts 5th Floor Pt The Blade, Abbey Street
This was a five-year new letting with effect from 1 June 2020. There was a six month rent free period. The appellant analysed this rent to £270.80/m2.

31. The panel were advised that the above three comparable properties were all lettings considered to be in a Category B condition. Taking an average of the analysed rent figures for these properties, which equated to £271.09/m2, the appellant stated that this supported the request for the subject properties' unadjusted base rates to be reduced to £275/m2.

32. There was no information or evidence submitted in respect of the rent for Part 13th Floor, The Blade, Abbey Street, however there was rental evidence for the other subject property, 1st Floor, South Aquis House, Blagrave Street. This was a five-year new letting with effect from 12 February 2020. There was a fourteen-month rent free period, with the appellant having analysed this rent to £235.71/m2. The appellant argued that this rent could not be relied upon, as this letting related to a property in Category A condition, with the panel having to determine the rent for a property in Category B condition."

27. Having regard to the evidence presented the panel were not persuaded that the RV was excessive. The panel had regard to the Shoosmith decision and held that second hand space evidence was ruled out. The email from the landlord's management agent confirmed that it was indeed second hand space. The panel also had regard to the photographs provided and agreed with the VO had some work had been undertaken as it appeared there were additional strip lights added and a reconfiguration of the kitchen.

28. The panel concluded that having regard to the evidence presented, and the tribunal decision on the 13th Floor, that the appellant had not met the evidential burden, and dismissed the appeal.

Conclusion

29. In view of the above findings, the panel held that the unadjusted rate was not excessive and the appeal was dismissed.

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/.

Mr M Miah, Senior Member (Chair)
Miss Z Hundley, Senior Member
17 June 2026

Miss K Hendry
Clerk to the Tribunal
Date issued to the parties: 17 June 2026