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

Case No: CHG101150863

Sitting remotely using Microsoft Teams

Date: 20 November 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — shop and premises — end allowances — main space price — appeal allowed in part

Before:
MR WJ READ
MRS PA CROWTHER-NEWMAN

Between:

URBN UK LTD **Appellant**

- and -

NICOLA JOHNSON (VALUATION OFFICER) **Respondent**

Regarding:
GROUND FLOOR TO THIRD FLOOR, 200 OXFORD STREET, LONDON W1D 1NU
(the "subject property")

Mr Simon Tivey for **Simon Tivey Rating** on behalf of the Appellant
Mr Kalidd Abbass for the **Respondent**

Hearing date: 22 October 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal is allowed-in-part.

2. The Tribunal finds that the main space price should be reduced to an unadjusted rate of £650/m^2. However, it was not persuaded that there should be any addition for additional access. The resultant rateable value (RV) was £1,940,000.

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 2 November 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 4 February 2025 and his representatives then appealed the VO's decision to the Tribunal on 22 May 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. As part of their induction training, a new member of the Tribunal and a new Tribunal Clerk observed proceedings. It was explained to the parties that it was the panel's intention to invite the new member and Clerk to accompany it to the retiring room. The parties were assured that neither the new member or Clerk would not participate in the decision making exercise but would simply observe as part of their training. Neither party had any issues or objections to this.

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

<u>Background</u>

6. The subject property was a shop and premises and had been built in the early 1900s. It was located 100m east of Oxford Circus. It consists of basement, ground, first and second floor retail areas and third floor offices. It had an area of 2,533.24m^2. The VO agreed to reduce the RV to £2,050,000 was based on an unadjusted main space price of £6,500/m^2. Mr Tivey was seeking a revised RV of £1,920,000, based on an unadjusted main space price of £6,500/m^2 and was also seeking a removal of the 15% uplift for having rear access.

7. As Mr Tivey appeared on behalf of the Appellant as both advocate and expert witness, the clerk asked if there was a success related fee involved and if so whether its existence was compatible with his obligations to the tribunal as an expert. This question was raised in view of the Upper Tribunal's judgment in Gardiner & Theobald LLP v David Jackson (VO) [2018] UKUT 0253 (LC).

8. He declared that he was instructed under a contingency fee basis. However, Mr Tivey confirmed 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.

9. 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).

10. Mr Abbass confirmed that he was representing the VO as advocate and expert witness.

11. The issues in dispute before the panel was the unadjusted main space price of the subject property and if an uplift should be added due to rear access.

12. The evidence bundle before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties comparable assessments, skeleton arguments and a photograph of the appeal property.

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. Mr Tivey submitted that the subject property should be valued at a Zone A rate of £6,500/m^2 as this value had been determined for that specific area of Oxford Street by a Group Pre-Challenge Review (GPCR).

15. Mr Tivey's revised valuation showed a Zone A rate of £6,825/m^2 and he confirmed that there were a number of adjustments to the Zone A rate, which were:
    (1) 10% uplift for lifts;
    (2) 5% uplift for air-conditioning;
    (3) 15% uplift for rear access; and
    (4) 5% for return frontage

16. Mr Abbass contended that the revised RV had been based on a Zone A rate of £6,500/m^2 and therefore it had followed the GPCR. This was supported by the valuation that had been provided which states "Base rate £6,500". The GPCR had also agreed to removed the uplift

for air-conditioning. However, Mr Tivey argued it was the other adjustments that resulted in a Zone A rate of £6,825/m^2 such as the 15% uplift for rear access.

17. Turning to the 15% uplift for the rear access, Mr Abbass contended that it had been applied to the valuation on previous rating lists. Although Mr Tivey had submitted an appeal in respect of the 2010 rating list assessment, he had withdrawn it and therefore Mr Abbass further contended that the uplift was agreed through lack of challenge. He also referred to *Barnard & Barnard v Walker (VO)* 1975 RA 383 which stated that adjustments should continue to the next rating list. He also argued that as Oxford Street was pedestrianised, rear access for service and deliveries would make a property more valuable.

18. Mr Abbass also argued that the uplift should continue as it brought the RV in line with the rent which was £2,200,000 effective from 1 March 2014. However, the panel applied less weight to this argument as the subject property had been occupied by the appellant since 2003 and therefore the 2014 rent would be a rent review and not a tenant coming fresh to the scene which is one of the rating hypothesise.

19. Through questioning, the panel established that the rear access was only for deliveries and that there was no public access.

20. Whilst the panel understood Mr Abbass' argument that the uplift should continue, ultimately, no evidence had been presented by the VO to demonstrate that the same uplift had been applied to other properties in the locality. Whilst the burden of proof was on Mr Tivey to demonstrate that the uplift should not apply and he too could have supplied evidence to demonstrate if uplifts had or had not been applied to other properties in the locality, the panel applied significant weight to Mr Tivey's argument that he was not aware that there was an uplift on previous rating lists. Furthermore, the VO did suggest in emails between the previous VO representative and Mr Tivey, that it had been applied erroneously.

21. Given the above, the panel therefore concluded that the 15% uplift for access should be removed from the valuation as the VO had stated that it had been applied erroneously and that Mr Tivey was not aware of the uplift in previous valuations.

22. Turning to the Zone A base rate, the valuation provided by Mr Tivey confirmed that the subject property had been valued at an unadjusted base rate of £6,500/m^2 which was in line with the GPCR.

23. Mr Tivey had only argued that the 15% uplift for rear access should be removed, which the panel had agreed to remove. Therefore, the only other adjustments to be made to the base rate was the 5% addition for return frontage and a 5% allowance for layout (£6,500 + 5% = £6,825, then – 5% = £6,483.75)

24. There was no argument from Mr Tivey that any other adjustments should be removed apart from the 15% uplift for rear access. Therefore, the panel concluded that the subject property should be valued on a Zone A main space price of £6,484/m^2, which was calculated by including the 5% uplift for return frontage and then by applying the 5% allowance for layout.

25. Although Mr Tivey's valuation had the 5% layout allowance at the end of the valuation and that it was usual to do that, the panel concluded that the allowance would also apply to the third floor office, and no evidence was presented by Mr Tivey to demonstrate that the office justified a layout allowance.

26. However, the panel kept the 10% uplift for the lift, together with the 5% allowance for layout albeit just for the retail areas. The relativities were not in dispute.

27. Turning to value of the third floor offices Mr Tivey also argued that the third floor offices should be valued at £312.50/m^2 in line with the HSBC bank, that was located next to the subject property. That property was also located on the third floor with retail units underneath and was therefore in a very similar location.

28. However, Mr Abbass contended that HSBC bank had been valued at an unadjusted rate of £350/m^2 which was in line with the subject property although there was a 10% uplift. Although the VO had allowed a 5% hybrid allowance, Mr Abbass had offered to reduce the unadjusted value of the offices to £327.25/m^2 by increasing the hybrid allowance to 15%. (£350/m^2 + 10% uplift – less and allowance for reason unknown – less a hybrid allowance of 15% = £327.25/m^2.

29. Although Mr Tivey had argued that he was seeking a value of £312.50/m^2, it was clear that the main space price of £327.25/m^2 was lower than his comparable property and he presented no evidence to demonstrate how he was seeking a value of £312.50/m^2 other than applying a 5% layout allowance to his valuation which the panel already addressed.

30. However, as Mr Abbass had offered to reduce the £327.25/m^2 by increasing the hybrid allowance to 15%, the panel concluded that the office should be valued on that basis.

Determination

31. In view of the above findings and conclusions, and, given the lack of alternative evidence, the Tribunal is satisfied that the main space price of the subject property should be valued at an unadjusted rate of £6,500/m^2 which was in line with the GPCR, although the uplift for the rear access was to be removed. It also concluded that the unadjusted rate for the third floor office should be £327.25/m^2.

32. The valuation is as follows:

Floor	Description	Area	Rate/£	Value
Sub-basement	Internal Storage	229.20	194.27	44,527
Sub-basement	Ancillary Office	57.14	194.27	11,101
Sub-basement	Mess/Staff Room	51.96	194.27	10,094
Basement	Retail	428.84	452.38	193,999
Basement	Internal Storage	6.42	226.20	1,452
Ground	Retail – Zone A	125.14	6,483.75	811,377
Ground	Retail – Zone B	74.59	3,241.88	241,812
Ground	Retail – Zone C	19.90	1,620.94	32,257
First	Retail	533.75	452.38	241,458
Second	Retail	413.08	387.85	160,213
Third	Office	593.22	327.25	194,131
			Sub Total	1,942,421
			Rateable value say	1,940,000

Order

33. 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 £1,940,000 with effect from 1 April 2017.

34. 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

35. As the grounds of the appeal 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

36. 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.

37. 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 WJ Read, Senior Member (Presiding)
Mrs PA Crowther-Newman, Senior Member

20 November 2025

Mr Richard Gath IRRV (Hons)
Clerk to the Tribunal
Date issued to the parties: 20 November 2025