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

Case No. CHG101154699
Sitting remotely using Microsoft Teams

Date: 6 January 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-domestic rating; 2017 list appeal; Local Government Finance Act 1988; Café and premises; Lotus & Delta Ltd v Culverwell (VO) [1976] RA 141; Relativities; Kitchen on mezzanine floor; Comparable properties; Appeal allowed.

Before:
MR PJ HICKSON
MR K EVERETT

Between:

COFFEE AND JAM (WATERLOO) LTD — **Appellant**

- and -

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

Regarding:

17 CASSON SQUARE, LONDON SE1 7BQ
(The appeal property)

Mr Robert Clifford of Newmark HDH Limited for the appellant,
Ms Aruba Mariah Abbas for the respondent.

Hearing date: 08 December 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal was allowed. The panel found that the kitchen in the appeal property should be valued at a relativity of 25% of the main unadjusted rate of £425/m^2. The Rateable Value (RV) is therefore reduced to £37,750 with effect from 10 January 2020.

Statement of reasons

2. This appeal had been brought in respect of the appeal property 17 Casson Square, London SE1 7BQ shown in the 2017 Rating List as 'Cafe and premises'.

3. The appeal property was a retail space built in 2019, occupied by the Coffee and Jam company operating as a restaurant. The RV was £51,000 with effect from 10 January 2020 valued at a rate of £500/m^2.

4. A challenge was submitted on 14 November 2023 to reduce the rate to £425/m^2 and the kitchen relativity to 25% of the main rate as it was on a mezzanine floor, resulting in an RV of £37,750.

5. The respondent considered that the rating list entry was unreasonable based on the evidence and information available but disagreed with the proposal. The VO reduced the rate to £425/m^2 giving an RV of £43,750 but did not lower the kitchen relativity. The appeal is therefore now only against the relativity of 70% for the kitchen and the appellant appealed to the Tribunal on 10 July 2025.

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

Relevant Law

7. The panel had regard to the Lands Tribunal judgment of *Lotus & Delta Ltd v Culverwell (VO)* [1976] RA 141. This case had established six propositions, which gave clear guidance to be followed when assessing rateable value, 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 is 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 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.

8. The antecedent valuation date (AVD) for 2017 list rating appeals is 1 April 2015. The material day for this appeal is 10 January 2020.

Discussion

9. The appellant's representative stated that he sought a reduction of the relativity of the mezzanine kitchen from 70% to 25% as it was common practice for restaurants to have their ancillary parts valued at half the main rate. Further, that upper floor or basement restaurants were valued at 50% of the ground floor rate with 50% of that rate for its ancillary parts, a total of 25% of the first floor restaurant rate. This was the case with restaurants on Leake Street with a mezzanine floor that were valued at 50% of the ground floor and 25% for their ancillary accommodation. The mezzanine kitchen of the appeal property should also therefore be valued at 25%.

10. He further submitted that the VO had not provided any comparable properties where a mezzanine kitchen had been valued at 70%. For these reasons he contended that the RV of the appeal property should be reduced to £37,750.

11. On questioning he stated that he did not have an example of where a mezzanine kitchen was valued at 25% of the main rate.

12. The VO's representative stated that he had inspected the appeal property with the appellant's representative on 25 November 2025 where it was agreed that the unadjusted rate should be reduced to £425/m^2. In respect of the Leake Street restaurants he submitted that he had reviewed these properties but found that none of them had a kitchen on a mezzanine floor. In any case, these properties were valued on a different scheme to the appeal property and were in a different locality. The valuation scheme for the appeal property was applicable to shops, showrooms and restaurants in Lambeth where the relativity for kitchens was 70% based on rental evidence and market data, however, when questioned stated that there were no other properties in the scheme valued as such.

13. The panel found that the VO had not provided any evidence of a 70% relativity within the appeal property scheme or otherwise.

14. However, the panel found that the appellant's representative had demonstrated that it was common practice when valuing restaurants to adopt half the rate (50%) for ancillary parts but also 50% for first floor restaurants with half of that rate for ancillary accommodation. The appeal property kitchen was on a mezzanine floor and the panel found that this should therefore be valued at 25% of the main rate.

Decision

15. In view of the above findings and conclusions, the panel allowed the appeal.

Description	Area m^2/unit	£ per m^2/unit	Value
Ground floor ground floor sales	79.17	£425.00	£33,647

Mezzanine floor kitchen	32.48	£106.25	£3,451
Air conditioning system	111.64	£7.00	£781
		Total value	£37,880
		Rateable value (rounded down)	£37,750

Order

16. Under the provisions of regulation 38(4) of the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009, the respondent is ordered to amend the entry in the 2017 rating list with effect from 10 January 2020 to £37,750. Under regulation 38(9), the respondent must comply with this order within two weeks of the date of its making.

17. As the grounds of the appeal has been made out, the appeal fee is to be refunded in full. This will take approximately six weeks to process.

Right of further appeal

18. 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.

19. 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 PJ Hickson, Senior Member (Chair)
Mr K Everett, Senior Member
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Mr D Adamson
Clerk to the Tribunal
Date issued to the parties: 6 January 2026