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

Case No: CHG101182356

Sitting remotely using
Microsoft Teams on
30 April 2026

Date: 21 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — appeal against the accuracy of the rateable value for the hereditament; restaurant and premises; appeal allowed-in-part

Before:

MS A KALU
MS K PETRECZKY

Between:

CANARY WHARF MANAGEMENT LTD — **Appellant**

- and -

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

Regarding:

10 NEWFOUNDLAND PLACE, LONDON, E14 4BH
(the "subject property")

Ms Celia Bond (instructed by CBRE Limited) for the **Appellant**
Mr G Singh for the **Respondent**

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is allowed-in-part.

2. The Tribunal panel determined a revised rateable value (RV) of £367,500 in respect of 10 Newfoundland Place, London E14 4BH with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal has been made to this Tribunal on the grounds that the rateable value (RV) for the appeal property is not reasonable.

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

Background

5. The subject property comprises a restaurant located on the first floor of a multi-storey residential building at 10 Newfoundland Place, London E14 4BH, within the Canary Wharf estate. The property is currently vacant, as the tenant has vacated. The internal area in terms of main space (ITMS) is 855.80m².

6. The RV for the hereditament with effect from 1 April 2023 was £570,000, which was based on a rate of £660/m^2.

7. The Appellant sought a reduction to an RV of £188,000 based on a rate of £213/m^2.

8. The evidence submission before the panel comprised all the evidence disclosed and exchanged during challenge which included comparable rental evidence and its analysis, plans and photographs.

9. Ms Bond appeared for the Appellant, acting as advocate and expert witness. She confirmed that her remuneration was on an hourly basis and was not contingent upon the outcome of the appeal.

10. Mr Singh appeared on behalf of the Respondent as advocate only.

Relevant Law

11. The term “rateable value” is defined in Schedule 6 to the Local Government Finance Act 1988 (as amended). The value was required to reflect an annual rent on the property, assuming a new letting with the tenant responsible for all rates, taxes, repairs and insurance. In respect of the 2023 rating list, the Rating Lists (Valuation Date) (England) Order 2020 requires the rental levels to be taken on 1 April 2021. In respect of the subject appeal, the material day is 1 April 2023.

Discussion

12. The panel considered the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141

13. The starting point was the actual rent passing on the subject property, which was £507,660 per annum from 1 July 2021, subject to a rent review at year five. The lease included a turnover rent provision of an additional 10% if turnover exceeded the base rent; however, this threshold was never reached. Ms Bond analysed the rent to the first review, adjusting for a 19-month rent-free period which she had analysed to £405.39/m^2. Ms Bond stated that although the tenant was not in occupation at the time of the first review, having already vacated, this was the most appropriate approach.

14. The Respondent argued that the rent was unreliable. The lease, dated 19 April 2023, was retrospective to 1 July 2021 and referenced both the subject restaurant and a ground-floor café at 5 Newfoundland Place, leased to the same tenant. The lease also indicated the passing rent was 80% of market level, implying a market rent of £609,192. The Valuation Officer further referred to a superior landlord, with the lease being an underlease. He further argued that the turnover rent provision would have influenced negotiations regardless of whether it was triggered. Additionally, a 10–20% adjustment for tenant fit-out costs was suggested, referencing *Bunyan v Acenden Ltd* [2023] UKUT 17 (LC). However, the panel noted no alternative calculation was provided. At the hearing, Mr Singh stated that this was because no Form of Return (FOR) date was available.

15. Ms Bond stated that such lease structures are standard at Canary Wharf and should be treated as effectively direct lettings. At the hearing, she stated that the 80% market rent issue had not been raised with her before, however the panel noted that it was referenced in the decision notice. While she acknowledged the reference to 80% of market rent, she indicated this was typical practice within the Canary Wharf estate. She also noted that, acting for the landlord, she had no detailed knowledge of fit-out costs but suggested these are tenant-specific and would not necessarily enhance rental value.

16. Ms Bond argued that the subject property was in an isolated pitch away from the established parade of shops on the edge of the estate, within a residential building with limited footfall. Access to the station would require crossing the water or travelling via Bank Street, and the only other retail leisure use in the locality is 5 Newfoundland Place. However, Mr Singh characterised this as a sit-down restaurant with a fully licensed bar, benefiting from strong evening and weekend trade, and argued that its location was not necessarily inferior.

17. The Appellant's representative relied on the ground-floor café as supporting evidence. This smaller unit (120m^2) was let to the same tenant at the same time as 10 Newfoundland Place, at a rent of £37,525 per annum from 1 July 2021, on a 15-year lease. The lease included a 19-month rent-free period and a 10% turnover top-up provision, which had not been triggered. The rent was analysed to the first review at year five producing a rate of £213.70/m^2. Following a Challenge on this assessment, the café's RV was reduced from £660/m^2 to £425/m^2 in 2024. Ms Bond argued this reflected its inferior location and should logically apply to the subject property. Although £425/m^2 was accepted for that unit, she maintained it remained too high.

18. The Appellant's analysis accounted for rent-free incentives but did not include adjustments for fit-out costs. The Valuation Officer maintained that an upward adjustment of 10-20% should still be applied.

19. The VO gave limited weight to the café evidence, noting its smaller size, different use, and the fact that both properties were leased to the same tenant, potentially influencing terms.

20. The panel accepted that some uplift from £405.39/m² was appropriate but considered the subject rent to be more reliable than the café evidence, given differences in scale and use.

21. The Appellant also referred to three additional properties which, whilst not directly comparable, were presented to demonstrate that the subject property should not, in her view, exceed their assessed levels. The analysed rents for these properties ranged between £377.44/m² and £719.28/m², whereas their corresponding 2023 Rating List values fell between £265/m² and £335/m². The properties varied in size from 200.20m² to 386.50m² (ITMS).

22. The first property, 6–8 Mackenzie Walk, was subject to a rent review, with a rent of £144,000 effective from 1 April 2020. This analysed to approximately £715/m², although it was assessed at £335/m² in the rating list.

23. The second property, 18–20 Mackenzie Walk, comprised a new letting for a term of 14 years, with rent effective from 1 April 2019. This analysed to £545.23/m², with a corresponding list rate of £290/m².

24. The third property, Café Rouge, had a rent of £260,000 effective from 1 July 2021, which analysed to £672.20/m², and was assessed at £265/m² in the rating list

25. Ms Bond highlighted location differences and argued that the subject should not exceed nearby parade properties already assessed at lower levels despite superior positioning.

26. The VO preferred evidence from 6 Chancellor Passage (365.5m^2), which was a new let for a term of 20 years. It was let at £280,000 per annum from 1 January 2021, which he had analysed to £820.75, with a list price of £425/m^2.

27. Aside from the properties considered within the rental evidence, no additional comparable assessment evidence was relied upon. Mr Singh accepted that rents for such properties typically analyse in the range of £600–£700/m², while the corresponding list values are lower. He suggested this disparity may be attributable to the timing of evidence and the information available at the date of compilation of the rating list. He argued that correctness should take precedence over uniformity.

28. The panel observed that only the subject property and the café had originally been assessed at £660/m², and the café had since been reduced to £425/m², with no justification for maintaining a higher rate for the subject.

29. The panel found it difficult to justify the subject's higher assessment, particularly given the reduction agreed for 5 Newfoundland Place and the absence of supporting evidence for a higher tone, and the rental evidence for 6 Chancellor Passage, which was also assessed at £425/m^2.

30. Having regard to all the evidence, the panel was persuaded that the existing RV was excessive. It placed significant reliance on the passing rent, finding that even after adjustment it supported a lower tone than that adopted in the list. The Respondent's criticisms were not backed by a coherent alternative analysis, and insufficient evidence justified retaining the higher value.

31. The panel concluded that a rate of £425/m² represented a fair and reasonable level, reflecting the property's secondary location, limited footfall, and residential setting.

Conclusion

32. In view of the above findings and conclusions, the Tribunal panel determined that the RV in respect of the subject hereditament was unreasonable, and that an RV of £367,500 more accurately reflected the appeal property. This equated to a price of £425/m^2. The panel calculated the revised valuations as shown below.

Valuation	**Base / Adopted Rate**	£ 425.00

Item	**Description**	**Area m2**	**Relativity**	**£/m2**	**Value**
1	Restaurant	855.80	1.00	£ 425.00	£363,715.00
				Subtotal	**£363,715.00**
Item	**Adjustments**		**Area m2**	**Price £/m2**	
2	Air conditioning		856.00	£ 7.00	£5,992.00
				Total	**£369,707.00**

Say RV **£367,500**

33. As a consequence of the above decision, the Tribunal panel orders the Valuation Officer to reduce the 2023 Rating List entry in respect of 10 Newfoundland Place, London E14 4BH to £367,500 RV with effect from 1 April 2023. The Valuation Officer must comply with this Order within two weeks of the date of its making.

34. The Appellant is entitled to a full refund of the fee paid in respect of the subject hereditament in accordance with regulation 13E(a)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended).

Right of further appeal

35. 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.

36. 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/.

Ms A Kalu, Senior Member (Chair)
Ms K Petreczky, Member
21 May 2026

Mrs K Edhouse-Thomas
Clerk to the Tribunal
Date issued to the parties: 21 May 2026