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

Case No: CHG101204261

Sitting remotely using Microsoft Teams

Date: 1 October 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

Non-Domestic Rating Appeal; 2023 Rating List; Local Government Finance Act 1988; Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; *Shop and premises; zone A value; appeal allowed in part.*

Before:
MR A HUSSAIN
MISS S STAPLETON

Between:

NINECOURT LTD — **Appellant**

- and -

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

Regarding:
INC PT BST 18 BST & GND F 16, HIGH HOLBORN, LONDON WC1V 6BR
(the "subject property")

Mr S Walters and Mr C Macinnes from Foreview for the Appellant
Mr M Buckingham for the Respondent

Hearing date: 8 September 2025

DECISION AND STATEMENT OF REASONS

Decision

1. The appeal was allowed in part.

2. The Tribunal found that the main space price for Inc Pt Bst 18 Bst & Gnd F 16, High Holborn, London WC1V 6BR (hereafter, known as the subject property) should be reduced to a Zone A value of £1,350 per m². The resultant Rateable Value (RV) was £131,000 with effect from 1 April 2023.

Introduction

3. A Challenge had been submitted against the accuracy of the compiled list assessment in the 2023 Rating List, by way of a proposal that was served on the Valuation Officer (VO) on 4 April 2024. 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 that effect was served on 19 December 2024. An appeal was submitted to this Tribunal against the VO's decision on 15 April 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. Both Mr Walters and Mr Macinnes for the Appellant and Mr Buckingham for the Respondent appeared in a dual role as Advocate and Expert Witness. Mr Walters and Mr Macinnes declared that they were employed on a contingency fee basis. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), both Mr Walters and Mr Macinnes understood and accepted that their duty was to the Tribunal in giving their evidence and that they would comply with this as well as the requirements of their professional body regardless of whether or not the evidence supports their client's case.

5. 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).

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

Background

7. The appeal property was valued as a shop and premises and entered the 2023 Rating List with an assessment of £179,000 RV with effect from 1 April 2023. However, the RV was reduced to £174,000 with effect from 1 April 2023 following an adjustment to the floor areas following the Check stage.

8. The subject property had a total net internal area (NIA) of 395.53 m², with 100.95 m² assessed as Zone A (ITZA). It was valued at a Zone A rate of £1,800 per m² and comprised ground and basement levels. An additional £1,626 was included for air conditioning, and a 5% overall reduction was applied due to the irregular shape of the premises. The property also benefited from its proximity to Chancery Lane and Holborn underground stations.

9. Initially, Mr. Walters considered the RV to be excessive after reviewing rental evidence for the subject property and comparable premises in the area. Based on this analysis, he proposed a revised RV of £75,000, effective from 1 April 2023.

10. Subsequently, Mr. Buckingham, taking into account comparable property data, adjusted the Zone A rate to £1,600 per m², resulting in a revised RV of £154,000 from 1 April 2023. He deemed this valuation to be fair and reasonable.

11. Upon further review, Mr. Walters reassessed the valuation and concluded that an RV of £116,000, effective from 1 April 2023, would be more appropriate. This figure was derived using a Zone A rate of £1,200 per m², with an additional £1,626 attributed to air conditioning, and a 5% adjustment to reflect the irregular shape of the property.

Relevant Law

12. The term "Rateable Value" is defined in paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988 (the "1988 Act"):

13. 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 various assumptions.

14. Each appeal hereditament had to be valued, having regard to factual matters the relevant material day, in accordance with paragraphs 2 (6) and (7) of Schedule 6 to the 1988 Act, as amended.

    (6) Where the "Rateable Value" is determined with a view to making an alteration to a list which has been compiled (whether or not it is still in force) the matters mentioned in sub-paragraph (7) below shall be taken to be as they are assumed to be on the material day.

    (7) The matters are –

    (a) matters affecting the physical state of the hereditament,
    (aa) matters affecting the physical enjoyment of the hereditament,
    (b) the mode or category of occupation of the hereditament,
    (c) the quantity of minerals or other substances in or extracted from the hereditament,
    (cc) the quantity of refuse or waste material which is brought onto and permanently deposited on the hereditament,
    (d) matters affecting the physical state of the locality in which the hereditament is situated,
    (da) matters which, though not affecting the physical state of the locality in which the hereditament is situated, are nonetheless physically manifest there, and
    (e) the use or occupation of other premises situated in the locality of the hereditament.

15. The antecedent valuation date (AVD) for 2023 list rating appeals was 1 April 2021. The material day was 1 April 2023, this being the date the subject property entered the valuation list.

16. *Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141* was referred to by both parties:

Discussion

17. 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 was 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.

18. Mr Walters stated that the property had remained vacant since January 2021, with only one offer received during the marketing period up to October 2023. This offer, made in May 2023, proposed a 15-year lease with five-year break clauses, at an annual rent of £80,000, including a three-month rent-free period. The appellant declined the offer, considering it too low, as the property had been marketed with a headline rent of £210,000 per annum, and an expected rental value in the range of £100,000 to £110,000 per annum, excluding incentives.

19. The subject property was let in October 2023 on a one-year lease at an annual rent of £70,000, which equated to £693 per m² Zone A. However, the panel placed limited weight on this rental evidence due to the short lease term, the inclusion of a two-month rent-free period for fit-out, and the fact that the agreement was made more than two years after the AVD, which reduced its reliability for valuation purposes. The panel also noted that the lease on the subject property had been agreed on the basis that S24-28 of the Landlord and Tenant Act 1954 was excluded. This also made the details of the rental agreement unreliable.

20. Acting in his capacity as expert witness, Mr Macinnes referred to rental evidence from several properties within the same parade as the subject property. These included units at 6, 14, 24–28, 71, 79–80, 314, and 315 High Holborn, with overall areas which ranged from 68.94 m² to 482.77 m², and ITMS measured areas between 38.6 m² and 121.09 m². The panel noted that the lease dates spanned from March 2021 to May 2023, with all being lease renewals, except for 14 and 24–28 High Holborn, which were new lettings that had commenced in November 2022 and May 2023 respectively. 24-28 High Holborn was of a similar size to the subject premises, with a total area of 482.77 m², and was located adjacent to the subject property. This comparable property's Zone A value was £1,239 per m². 14 High Holborn was much smaller in size with an overall area of 93 m² but was situated next door to the subject property and had an Zone A value of £1,500 per m². Mr Walters advised the panel that a 10% adjustment to the rental value of 14 High Holborn would be appropriate to reflect market conditions at the AVD in relation to the subject property.

21. Mr Macinnes advised the panel that, in his expert opinion, the retail market conditions around the AVD were notably poor, as no new lettings had taken place within the local area during that period.

22. The panel observed a clear distinction in rental values between larger retail units along High Holborn and those under 100 m². Smaller units typically showed Zone A values ranging from £1,400 to £1,500 per m², whereas the three larger units were assessed at approximately £1,200 per m². Consequently, the panel placed greatest weight on the rental evidence from these larger comparable properties when determining the appropriate valuation.

23. The panel then considered the evidence presented by Mr. Buckingham, who referred to details of comparable rental transactions. However, the panel noted that these specific

details were absent from the submitted evidence bundle. As both parties confirmed during the hearing that the comparables had been discussed, the panel permitted Mr. Buckingham to elaborate on the omitted information. It was further noted that the comparables referenced were identical to those discussed by Mr. Macinnes, and therefore, the panel concluded that no prejudice had occurred as a result of the omission.

24. Mr. Buckingham informed the panel that he had analysed the Zone A value for 6 and 14 High Holborn, concluding them to be £1,512 per m² and £1,584 per m² respectively. He also referenced 24–28 High Holborn, a double unit, which he assessed at a Zone A value of £1,200 per m². However, Mr. Buckingham did not have the Form of Return, and the lease details remained unverified. The panel further noted that half of the unit at 24–28 High Holborn was vacant, and as such, placed limited weight on this particular comparable property.

25. Mr Buckingham stated that, having considered all the available evidence, it was his professional opinion that the current assessment of the subject property was reasonable. While he had not conducted an internal inspection of the premises, he confirmed that he had visited High Holborn to observe the retail market conditions. This market visit provided him with valuable context regarding the local trading environment and supported his view that the valuation was appropriate.

26. Mr Buckingham acknowledged that the property's size and basement configuration warranted an allowance when compared to 6 and 14 High Holborn and confirmed that a 5% adjustment for shape had already been applied. He further noted that no substantive evidence had been presented to justify any additional allowance or a further reduction in the Zone A value.

Determination

27. Based on the evidence presented, the panel referred to 14 High Holborn, which had a new lease commencing in November 2022. As there was already a 5% reduction due to shape, the panel did not consider that a further reduction for this was applicable. The panel, however, accepted that a 10% tone adjustment from November 2022 to the AVD was appropriate, reducing the Zone A rate from £1,500 to £1,350 per m².

28. As a result, the appeal was allowed in part.

29. The valuation of the subject property is shown as:

Floor	Description	Area m²	£ per m²	Value (£)
Ground	Office	7.9	135.00	1,067
Ground	Ancillary Office	6.2	135.00	837
Basement	Internal Storage	132.25	67.50	8,927
Ground	Retail Zone B	48.33	675.00	32,623
Ground	Remaining Retail Zone	81.6	168.75	13,770
Ground	Retail Zone A	42.84	1,350.00	57,834
Basement	Kitchen	16.91	67.50	1,141
Ground	Retail Zone C	59.5	337.50	20,081
Additional Features of the Property included within the Valuation				
	Air Conditioning System	232.27	7.00	1,626
Adjustments made to the Sub Total				

Shape	-5%	-6,895
Total Value		131,010
Say RV		£131,000

Order

30. 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 £131,000 with effect from 1 April 2023.

31. 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

32. The Appellant is also entitled to a full refund of the fee paid in accordance with regulation 13E(1)(a) of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended).

Right of further appeal

33. 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.

34. 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 Hussain, Senior Member (Presiding)

Miss S Stapleton, Senior Member

1 October 2025

Ms R Muller
Clerk to the Tribunal
Date issued to the parties: 1 October 2025