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

Case No: CHG101207090

Sitting remotely using Microsoft Teams

Date: 3 June 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; — Offices and premises — main space price;

Before:
MRS MJ COLE
MR A IQBAL

Between:

PARKER THOMAS SOLICITORS **Appellant**

- and -

NICOLA JOHNSON (VALUATION OFFICER) **Respondent**

Regarding:
LOWER GROUND AND FIRST NORTH WEST QUEENS HOUSE 26 & 28, KINGSWAY, LONDON WC2B 6JR
(the "appeal property")

Mr Morrison for Altus Group
Mr Singh for the respondent

Hearing date: 14 May 2025 10:00

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 £450/m^2. The resultant rateable value (RV) was £51,000.

Introduction

3. The appellant had made a challenge against the accuracy of the compiled list assessment in the 2023 Rating List, by way of a proposal that he served on the Valuation Officer (VO) on 16 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 this effect was served on the appellant on 21 November 2024. His representatives then appealed the VO's decision to the Tribunal on 16 December 2024, 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. This statement of reasons is not and does not purport to be a full verbatim record of proceedings.

Background

5. The appeal property was offices and premises with a total area of 309.92m².

6. As Mr Morrison 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).

7. He declared that he was instructed under a contingency fee arrangement in his role as both advocate and expert witness. Mr Morrison 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.

8. 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).

9. Mr Singh confirmed that he was representing the VO as advocate.

10. The issue in dispute before the panel was the correct tone of value to be applied to the appeal property. Mr Morrison sought a reduced entry of £48,250 RV based on an unadjusted of value of £425/m².

11. However, Mr Singh defended the VO's assessment of £52,500 RV based on a tone of value of £465/m².

12. The evidence bundle before the panel comprised of all the evidence disclosed and exchanged during challenge which included the parties' comparable assessments, skeleton arguments and location maps.

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. In accordance with the authoritative guidance in Lotus & Delta v Culverwell (VO) and Leicester City Council [1976] RA141, the rent on the appeal property is 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.

15. The passing rent for the appeal property was at £35,800 per year, which was agreed in June 2000, which both parties accepted was too far from the Antecedent Valuation Date (AVD) to be reliable.

16. Mr Morrison referred to a number of passing rents on other properties which he analysed between £373/m² to £425/m². However, the panel applied less weight to most of these comparable properties as they were either smaller or larger than the appeal property as some, such as 6th Floor, 51 Lincolns Inn Fields had an area of 111m² whereas the Land Registry Building, 30-32 Lincolns Inn Fields had an area of 7,543m². Larger properties will benefit from a quantum allowance. Whilst one of the properties, 6th Floor East, Queens House was broadly similar in size with an area of 224m² and the rent had been analysed at £373/m², but, this was only one rent and the panel was not persuaded that one rent supported a tone of value especially as the VO had presented comparable properties with a higher value.

17. Turning to the VO’s comparable properties, Mr Singh presented a number of properties which he had analysed to between £585/m² to £698/m². Whilst one of them, 3rd Floor Rear, Chancery Lane was similar in size to the appeal property, and had been analysed to £585/m², the panel considered the rest of them were not comparable in size. They were 44m², 198m², 382m² and 2,421m² respectively. Again, the panel was not persuaded that just

one comparable property supported the VO's argument that the appeal property should be valued at £465/m².

18. There was a dearth of reliable evidence presented to the panel. However, the panel noted that Mr Singh had offered to settle the appeal using a main space price of £450/m^2. Mr Singh conceded that this was based on the evidence available to him and in his professional judgment. Mr Morrison had rejected this offer, however, as the panel applied little weight to most of both parties' comparable properties, the panel decided that the appeal property should be valued using a main space price of £450/m^2 because Mr Singh had offered to use this value as the main space price.

Determination

19. Given the above, the panel concluded that that appeal property should be valued using an unadjusted main space price £450/m^2. Although the panel understood that this was offered by the VO in an attempt to settle the appeal, nonetheless, the panel concluded that if Mr Singh was prepared to use the unadjusted main space price of £450/m^2 and this was based on his professional judgment then the RV should be calculated using that as the main space price. The appeal was therefore allowed in part.

20. The Valuation is as follows:

Floor	Description	Area	Rate/£	Value
Basement	Office	91.00	225.00	20,475.00
Basement	Office	28.25	225.00	6,356.25
Basement	Kitchen	8.02	225.00	1,804.50
Basement	Internal storage	16.63	149.85	2,492.01
Basement	Internal storage	54.27	149.85	8,132.36
Basement	Internal storage	16.09	112.50	1,810.13
Basement	Internal storage	38.40	56.25	2,160.00
Basement	Internal storage	42.80	149.85	6,413.58
Basement	Internal storage	14.46	112.50	1,626.75
			Sub total	51,270.57
			Rateable value say	51,000.00

Order

21. 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 £51,000 with effect from 1 April 2023.

22. Under regulation 38(9), the Valuation Officer must comply with this order within two weeks of the date of its making.

Right of further appeal

23. 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.

24. 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/.

Mrs MJ Cole, Senior Member (Presiding)

Mr A Iqbal, Senior Member

3 June 2025

Clerk to the Tribunal
Date issued to the parties: 3 June 2025