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

Case No: CHG101235968

Sitting remotely using Microsoft Teams on 13 May 2026

Date: 8 June 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 rating list appeal; Local Government Finance Act 1988; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141; £ per m^2 in dispute; Appeal dismissed.

Before:

MR P BECKHAM
MR A ASANTE

Between:

SCAPE UK MANAGEMENT LIMITED **Appellant**

- and -

NICOLA JOHNSON (VALUATION OFFICER) **Respondent**

Regarding:

PART 3RD FLR WEST, 1 NEWMAN STREET, LONDON W1T 1PB
(the “subject property”)

Appearances:
Mr Matthew Parvin of Ryan Property Tax Services Ltd, representing the Appellant
Mr Khalid Abbass, representing the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The panel made no change to the rateable value (RV) of the subject property, which remained at £400,000 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This decision and statement of reasons is not a contemporaneous or verbatim record of the proceedings.

4. The subject property was completed in 2021 and is located at the junction of Oxford Street and Newman Street in London. It covers 501.2m^2 (not 1,288.93m^2 as stated within the Appellant's appeal submission) and is entered in the 2023 rating list with effect from 1 April 2023 as 'Offices and premises'. The RV is £400,000 (£800 per m^2).

5. A Challenge was submitted to the Respondent in accordance with the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009 on the grounds the RV was unreasonable and should be reduced to £337,500 (£675 per m^2). The Respondent decided that the Challenge was not well-founded and a decision was issued to this effect. An appeal was subsequently submitted to the Tribunal.

6. Mr Parvin appeared on behalf of the Appellant and Mr Abbass appeared on behalf of the Respondent, as advocates and expert witnesses, with Mr Parvin declaring that he was representing the Appellant on a contingency fee basis. Mr Parvin and Mr Abbass both accepted that, when presenting evidence as expert witnesses, their duty was to the Tribunal irrespective of whether their evidence supported their respective arguments. Mindful of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT (LC), the panel accepted the expert witness evidence on this basis as the appeal was not considered to be complex and to do otherwise would be contrary to regulation 3 (Discharge of VTE functions - general) of the Procedure Regulations and was allowable due to the Tribunal's rules concerning admissibility of evidence (regulation 17(2)(a) where the Tribunal can admit evidence whether or not it would be admissible in a civil trial). It was therefore appropriate for the panel to consider the expert evidence and assess what weight, if any, to give it in the context of the issues before it.

Relevant Law

7. The subject property must be valued for the purpose of non-domestic rating on the basis of the rent at which it might reasonably be expected to let from year to year on a number of assumptions (paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988). The assumptions are well known to the parties and so it is not considered necessary to set them out in this decision and statement of reasons. The date of the hypothetical rent is 1 April 2021 and matters which affect the physical state or enjoyment of the property or the locality is to be taken as 1 April 2023.

8. The leading judgment in the Lands Tribunal case of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141 set out the six propositions to have regard to when considering the weighting of evidence and expert opinion. As with the aforementioned legislation, these propositions are well known to the parties representatives and so the panel did not consider it necessary to set them out in this decision and statement of reasons either.

Discussion

9. The single matter for the panel to determine was the £ per m^2 to be adopted in respect of the subject property.

10. The starting point is the passing rent in respect of the subject property. However, this was not before the panel because both parties had agreed that it was of no assistance and had, themselves, disregarded it.

11. In support of £675 per m^2, Mr Parvin referred the panel to the following properties: -

    - 18 Wells Road, W1T 3PG
      Described as a new build development comprising of Grade A office space. There was a new lease in respect of the third floor, with a rent from June 2020 of £60,825 per annum. A twelve month rent free period was included, eleven of which had been analysed by Mr Parvin as an incentive due to the small size of the property. Using the adjusted rent of £47,894 per annum and a main space of 75.3m^2, this analysed to £636 per m^2.

    - 1 Newman Street W1T 1PB
      Described as brand new Grade A office accommodation, a lease in respect of the fifth and sixth floors effective from July 2021 for a fifteen year term (with five yearly reviews) had been agreed. This letting included a thirty four month rent free period, thirty one of which had been analysed by Mr Parvin as an incentive with the other three months analysed as fit out. Using a yield of 8% and an ITMS of 2,651.75m^2, the rent had analysed over ten years to £716 per m^2.

    - 1 Fitzroy Place W1T 6DE
      Described as high specification Grade A office space, part of the first floor and part of the second floor was let for a term of thirteen years with a rent of £1,457,386 from December 2021 with reviews in January 2025 and January 2030. A twenty eight month rent free period was included, three of which had been assumed for fit out. Using the adjusted rent of £990,722 per annum and a main space of 1,611.82m^2, Mr Parvin had analysed the rent to £614 per m^2.

    - 3rd floor, 2 Fitzroy Place W1T 5HF
      Built in 2014, this property had been let in a Cat B state and so no adjustment was required for fit out. The adopted rate was £650 per m^2 and Mr Parvin argued that adding £25 per m^2 for the newer subject property reasonably took into account the seven year age difference.

    - Properties referred to as 5 and 70 Berners Street
      Agreed at £675 per m^2 and £668.25 per m^2 respectively.

12. In broad summary, Mr Parvin argued that it was necessary to consider the basket of evidence when determining the RV of a property, and he argued that the comparable properties he had identified demonstrated that an adopted rate of £675 per m^2 was reasonable.

13. Mr Abbass argued that the best and most persuasive evidence was found within the 1 Newman Street (the subject's building), which clearly demonstrated what a tenant was willing to pay to occupy it. Mr Abbass had analysed the rent in respect of the fifth and sixth floors to £909m^2 before applying an upward adjustment for fit out. This had been calculated by taking a straight line approach to the headline rent of £2,757,500 after allowing for a thirty three month fit out period and a notional five month fit out period (agreed, it was said, with the agent community). Mr Parvin asserted that the agreed standard was to allow a three month period for fit out.

14. Mr Abbass accepted that the basket of evidence must be considered. However, the best evidence must, he said, be drawn from 1 Newman Street itself. This showed that an adopted rate of £800 per m^2 was reasonable.

Determination

15. Whilst Mr Parvin argued that a wider basket of rental evidence should be considered (which it was), the rental evidence in respect of 1 Newman Street was persuasive in demonstrating its open market rental value relatively close to 1 April 2021. This was undoubtedly the best and most pivotal evidence in demonstrating the rental value of the subject property.

16. Whilst the parties disagreed as to how the analysis should be approached, the panel was most persuaded by the analysis from Mr Abbass. The dispute between the parties concerning a three or five month period for fit out was not found to be materially relevant given it would make little difference to the analysis which would still exceed £800 per m^2 before any adjustment is made to reflect the fit out. Mr Parvin had analysed the rent to the ten year break clause with no evidence to show the tenant intended to activate it and had analysed the rent to £732 per m^2 which, the panel noted, exceeded the £675 per m^2 he was seeking.

17. In conclusion, the panel found no compelling evidence to show that the adopted rate of £800 per m^2 was unreasonable and it dismissed this appeal.

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 P Beckham (Senior Member and Chair)
Mr A Asante (Member)

Mr A Johnson
Clerk to the Tribunal
Date issued to the parties: 8 June 2026