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

Case No: 1. CHG101190100
2. CHG101257271

Sitting remotely using Microsoft Teams on 9 April 2026

Date: 17 April 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 hereditaments; offices and premises; appeals dismissed.

Before:
MRS A E FIELDER
MRS A GRAHAM

Between:

1. **ZTE (UK) LTD**
2. **UNATRAC LIMITED**

Appellant

- and -

ANDREW MOULAND (VALUATION OFFICER)

Respondent

Regarding:

1. **2ND FLR, 252 BATH ROAD, SLOUGH, SL1 4DX**
2. **GND FLR OFFICE, 252 BATH ROAD, SLOUGH, SL1 4DX**

(the “subject properties”)

Mr A Hair (instructed by Ryan Property Tax Services UK Ltd) for the **Appellants**
Ms P Rowntree for the **Respondent**

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeals are dismissed.

2. The Tribunal made no change to the rating list entries in respect of the subject properties.

STATEMENT OF REASONS

Introduction

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

4. At the parties' request, the panel consolidated the appeals for hearing, as the same supporting evidence was relied upon in each case. In addition, the Appellants were represented by the same agent, and the Valuation Officer was represented by the same caseworker. Although the appeal relating to 2nd Floor had originally been listed for hearing on 15 April 2026, the parties agreed that it should be brought forward so that both appeals could be heard together.

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

Background

6. The subject assessments comprised office accommodation located on the ground and second floors of a purpose-built, self-contained office building constructed in 2003 and refurbished in 2015. The property is situated within an area known as Bath Road Central and forms part of Sergo's Slough Trading Estate. The building was described as providing modern, fitted office accommodation with excellent road connectivity, a frequent bus service, and good rail access to London via Slough railway station. The offices were broadly similar in size, with the second floor measuring 914m² and the ground floor measuring 906m².

7. The RV in respect of 2nd Floor, 252 Bath Road with effect from 1 April 2023 was £250,000 which was based on a price of £275/m^2.

8. The proposal sought a reduction to £182,000 based on a price of £200/m^2. The Appellant was now seeking a reduction to £205,000 based on a revised tone of £225/m^2.

9. The RV in respect of Ground Floor Office, 252 Bath Road with effect from 1 April 2023 was £249,000 which was based on a price of £275/m^2.

10. The proposal sought a reduction to £182,000 based on a price of £200/m^2. The Appellant was now seeking a reduction to £203,000 based on a revised tone of £225/m^2.

11. The evidence submission before the panel comprised all the evidence disclosed and exchanged during challenge which included rental evidence and its analysis.

12. Mr Hair, as representative for the two appellants, appeared in a dual role of advocate and expert witness. He stated that he was being paid on a contingency fee basis but was aware that in giving expert evidence his responsibility was to the Tribunal

13. The panel accepted this expert witness evidence on the above basis, as 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 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 in England). The panel, therefore, considered the "expert" evidence and attached such weight to it as it saw fit.

14. Ms Rowntree for the Valuation Officer, also appeared in a dual role of advocate and expert witness.

Relevant Law

15. The term "rateable value" was 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 (SI 2020 No.832) requires the rental levels to be taken on 1 April 2021. In respect of the subject appeals, the material day is 1 April 2023.

Discussion

16. In the case under consideration, the panel analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141.

17. The starting point was the actual rent passing on the appeal hereditaments, although the parties disagreed on the appropriate rental analysis. The Appellant analysed the rent for the Ground Floor at 252 Bath Road at £220/m², based on a 10-year lease from January 2023 at a headline rent of £291,600. Mr Hair reflected a nine-month rent-free period, analysed to the five-year break, and allowed for the inclusion of 35 car parking spaces, which he considered reduced the rent to £220/m². The landlord was responsible for insurance and external repairs.

18. Ms Rowntree referred to a Form of Return (FOR) showing that the incoming tenant had incurred £400,000 in fit-out works. She considered the rent-free period to be in lieu of those works rather than an incentive, and the Valuation Officer therefore treated this sum as rent paid and reflected it in the analysis, resulting in an analysed rent of £324/m^2.
She also stated that modern leases commonly recover both internal and external repairs via a service charge. The panel observed that no documentary detail had been provided in support of any service charges by either party.

19. Having considered the competing analyses, the panel was more persuaded by the Valuation Officer's position. This was primarily because the information relating to the £400,000 fit-out cost had been provided by the Appellant themselves through the Form of Return. The panel accepted Ms Rowntree's view that the rent-free period was more properly regarded as being in lieu of the fit-out works undertaken by the incoming tenant, rather than as a straightforward incentive to occupy.

20. While the panel noted that the Appellant was no longer able to supply further detail as to the nature or extent of those works, it considered that it could not disregard the tenant-supplied information contained within the FOR. In the panel's view, this information supported the Valuation Officer's approach of reflecting the fit-out cost within the rental analysis, and it therefore attached greater weight to the analysed rent of £324/m² than to the Appellant's discounted analysis.

21. The rent for the second floor commenced on 1 July 2017 and included an incentive of an 18-month rent-free period. Ms Rowntree analysed this rent at £274/m^2 and stated that, although it had been agreed almost four years prior to the antecedent valuation date (AVD), it was broadly consistent with the adopted rate of £275/m^2. The Appellant maintained that the rent had not increased since the start of the lease in 2017. However, the Valuation Officer referred to FORs completed by two different employees of the occupier, which stated that the rent had increased from £295,000 from 1 July 2017 to £369,000 with effect from 21 July 2022, and that works had also been undertaken. The Valuation Officer accepted that the latter rent post-dated the AVD but argued that it nevertheless demonstrated rental growth between 2017 and 2022. Mr Hair, on behalf of the Appellant, contended that the increase was not reflective of market rental value, but instead arose from an RPI-linked uplift prescribed by the lease, representing a formulaic adjustment rather than the outcome of an open market review.

22. The panel accepted Mr Hair's evidence on this point. It was satisfied that the increase recorded in 2022 resulted from a predetermined RPI-linked mechanism within the lease and did not reflect a review to open market rental value. As such, the panel did not consider the later rent to be a reliable indicator of market conditions or rental growth between the commencement of the lease and the AVD. However, the panel also noted and accepted the Valuation Officer's comment that the analysed 2017 rent, at £274/m², was very close to the adopted figure of £275/m², lending some support to the overall level of value contended for. Nonetheless, in the panel's view, the absence of a market-driven review meant that limited weight could be attached to the post-AVD rental figure, and it therefore declined to rely upon it in assessing the appropriate valuation evidence.

23. In relation to indirect rental evidence, the Appellant relied upon the passing rent at 240 Bath Road. However, the panel noted that this property was significantly larger than the subject hereditaments, with a total floor area of 2,802.67m². On that basis, the panel accepted the Valuation Officer's submission that the property was likely to operate within a different segment of the market and was therefore not directly comparable.

24. The panel also considered the Form of Return submitted by the occupier, Chrysler Fiat, which indicated a rental level of £760,000 that the Valuation Officer had analysed at £250/m², in contrast to the Appellant's analysed figure of £185/m². The lease in question was for a 10-year term commencing on 1 September 2019 and included a concession of two years at half rent following the rent-free period. The landlord was responsible for insurance. The Appellant's analysis reflected this incentive and the larger quantum to arrive at £185/m².

25. The panel considered that, given the substantial difference in size, the differing lease structure, and the level of adjustment required to align this evidence with the subject properties, limited reliance could be placed upon it. In the panel's view, the extent of adjustment necessary rendered the evidence insufficiently robust, and it therefore did not regard the rental evidence from 240 Bath Road as a reliable guide to the rental value of the appeal hereditaments.

26. The Appellant also relied upon the first-floor south accommodation at Quantum, 60 Norden Road, which was introduced at a later stage. This letting commenced on 1 April 2021 and comprised a Category B fit-out on a ten-year lease at an annual rent of £207,360, subject to a 15-month rent-free incentive, and included 23 car parking spaces. The property is smaller than the subject, with a floor area of 718.85 m². Mr Hair analysed the rent at £208/m² and, after applying a 10% locational adjustment, derived a figure of £225/m² for the subject properties, which he contended supported his adopted rate.

27. No Form of Return was submitted for this property, and the Valuation Officer confirmed that, while the main lease terms had been provided, no further documentation was supplied to evidence any additional agreements between landlord and tenant which may not have been covered in the head of lease terms. The Valuation Officer further stated that, although the property appeared broadly comparable to the subject in physical terms, its location differed materially, being situated on a residential street rather than within a business or trade environment, indicating a different market and rental level. While the Appellant suggested that a locational uplift should be applied, no evidence was provided to substantiate the extent of any such adjustment. At the hearing, Mr Hair stated that the property was approximately seven miles away, equating to a 15-minute journey time, and referred to *Bunyan (VO) v Acenden Limited* [2023] UKUT 17 (LC) case in which the best available evidence was located some 30 miles away. Mr Hair referred to *Acenden* and *Hitchings (VO) V Shoosmiths LLP & Mando Group Ltd* [2025] UKUT 224 (LC) in which he stated that the best evidence was Category B evidence. Mr Hair maintained that, notwithstanding its location in Maidenhead, this represented the best available Category B evidence.

28. The panel acknowledged that, while the assessments under consideration were broadly similar, locality remained a material factor in determining rental value. It was not persuaded that rents achieved in Maidenhead, particularly in a residential area, operated within the same market conditions as those prevailing along Bath Road, Slough, which it regarded as a distinct and more established office location. The panel noted that no substantive evidence had been provided to justify the application of a 10% upward locational adjustment, nor was there any supporting rental or assessment evidence from Maidenhead to demonstrate the relationship between that market and comparable office accommodation in Slough. In the absence of such corroborative evidence, the panel was unable to conclude that an uplift of 10% was appropriate. The panel considered whether the differential of £67/m² between the analysed figure of £208/m² at 60 Norden Road and the adopted rate of £275/m² for the subject properties was justified; however, in the absence of any evidential basis to support a lesser or alternative adjustment, it was unable to conclude that a different figure would be more appropriate.

29. At the hearing, Ms Rowntree presented rental analysis relating to 208 Bath Road and the first and second floors at 234 Bath Road, both of which had been listed within the table of comparable rental evidence contained in the decision notice. Following the presentation of this evidence, Mr Hair raised a formal objection to the panel’s consideration of these properties, submitting that they had not formed part of the earlier challenge discussions. Mr Hair confirmed that he had acted as the Appellant’s representative throughout the challenge process. Ms Rowntree explained that she had not been the caseworker at the challenge stage and, due to being unable to access the Valuation Office database at the time of the hearing, could not confirm whether these properties had been included in the Regulation 17 notice issued to the Appellant. She acknowledged that, if this evidence was being introduced for the first time at the hearing, the Appellant’s representative would have been placed at a disadvantage. The panel further observed that the decision notice contained no narrative commentary or analysis relating specifically to these properties. In the absence of

confirmation that the properties had been disclosed to, or discussed with, the Appellant during the challenge process, the panel concluded that it would be procedurally unfair to admit the evidence. Accordingly, in the interests of justice, the panel determined that the rental evidence relating to 208 Bath Road and 234 Bath Road should be excluded from consideration.

30. In closing submissions, Mr Hair referred to Pt 1st Floor East Rear and West Wing at 353 Buckingham Avenue, which appeared within the table of comparable rental evidence in the Valuation Officer's decision notice but had not been addressed by Ms Rowntree at the hearing. An FOR recorded a rent effective from 1 August 2020, analysed by the Valuation Officer at £261/m² with an unadjusted rate of £250/m². The property was substantially larger than the appeal hereditaments, extending to 1,812.89 m², which the panel considered supported the Valuation Officer's position that the smaller office units would be expected to command a higher rate. Mr Hair submitted that the letting was between connected parties and therefore did not represent a clean market rent; however, the panel noted that no specific or substantiating evidence had been provided in support of that assertion.

Conclusion

31. Having regard to all the valuation evidence, the Tribunal panel was not satisfied that the Appellant had demonstrated that the assessments adopted by the Valuation Officer were excessive or unreasonable. On that basis the appeals were dismissed without any change being made to the rating list.

32. Following the conclusion of the hearing, Ms Rowntree subsequently provided the panel with a chain of email correspondence exchanged during the challenge stage between the Appellant's representative and the Valuation Officer's caseworker. This correspondence included a copy of the Regulation 17 table of rental comparables, within which the two properties previously excluded at the hearing were listed. In response, Mr Hair stated that those properties had not been discussed within the email exchanges and suggested that he had not been provided with the table at the relevant time. The panel also observed that photographs of the same properties formed part of the Appellant's own supporting documentation submitted at the point when the appeals were registered.

33. The panel expressed disappointment that this issue had not been identified and raised at an earlier stage, as this would have afforded Ms Rowntree the opportunity to review the records fully in advance of the hearing and potentially resolve the matter. The panel considered that, in normal circumstances, the appropriate course would have been to reconvene the hearing to allow both parties the opportunity to make further submissions in respect of this evidence. However, given that the panel had already ruled in favour of the Appellant on the procedural point at the hearing and had excluded the evidence in question and the appeal was dismissed notwithstanding that exclusion, the panel concluded that reconvening the hearing would serve no practical purpose and was therefore unnecessary.

Right of further appeal

34. 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.

35. 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 A E Fielder, Senior Member (Chair)
Mrs A Graham, Senior Member
17 April 2026

Mrs K Edhouse-Thomas
Clerk to the Tribunal
Date issued to the parties: 17 April 2026