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

Case No: CHG101285115

Sitting remotely using
Microsoft Teams on
4 September 2026

Date: 28 September 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — offices and premises; price per m^2 in dispute; rental evidence; comparable assessments; appeal dismissed.

Before:

MRS N CARMAN
MR C MOYS
Between:

MORTON & EDEN LTD **Appellant**

- and -

NICOLA JOHNSON
(VALUATION OFFICER) **Respondent**

Regarding:

BST NASH HOUSE, 39-41A, MADDOX STREET, LONDON, W1S 2PR
(the "subject property")

Mr M Evans from Ryan Property Tax Services UK Limited representing the Appellant
Mr K Abbaas for the Respondent

DECISION AND STATEMENT OF REASONS

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DECISION

1. The appeal is dismissed.

2. The Tribunal found that the entry in the 2023 list was not reasonable, and confirmed the rateable value (RV) of £59,500 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This is a 2023 rating list appeal. Bst Nash House, 39-41A Maddox Street, London, W1S 2PR (the subject property) had been entered in the 2023 rating list as 'offices and premises' with an RV of £62,500 with effect from 1 April 2023. This was based upon an unadjusted price of £950 per m^2.

4. The challenge proposal was submitted by Ryan Property Tax Services UK Limited on behalf of Morton and Eden Ltd and was received by the Valuation Officer on 31 October 2024. It had been made on the grounds that the RV shown in the rating list on 1 April 2023 was inaccurate.

5. The Valuation Officer issued a challenge case decision notice on 3 March 2026, which stated that, based upon the evidence and information available, the rating list entry was unreasonable, but disagreed with the entry proposed. A revised list entry at £59,500 RV was confirmed which reflected the removal of an uplift attributable to raised access flooring.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeal to this Tribunal has been made on the grounds that the valuation for the hereditament is not reasonable. The appeal was received by the Tribunal on 15 April 2026, in which the appellant's representative sought a revised RV of £37,500, based on an unadjusted main space price of £600 per m^2.

7. Mr Evans appeared on behalf of the appellant as both advocate and expert witness. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), he declared that he was instructed on a contingency based fee, and that he understood and accepted that his duty was to the Tribunal in giving his evidence, and that 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 was not 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 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. The panel therefore considered the "expert" evidence and attached such weight to it as it saw fit.

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

Preliminary issue

11. Prior to the hearing, the appellant's representative requested the introduction of late settlement evidence into the proceedings. As the Valuation Officer raised no objection, the panel confirmed that the settlement evidence in respect of 2nd Flr Prince Frederick House was admissible.

Relevant Law

12. Rateable value is to be determined in accordance with paragraph 2(1) of Schedule 6 to the Local Government Finance Act 1988, which provides:

"(1) 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.

(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.

13. In respect of an appeal against an entry in the 2023 rating list, the rental levels are to be taken as those passing at the antecedent valuation date (AVD) of 1 April 2021, in accordance with the Rating Lists (Valuation Date) (England) Order 2020. As this was a compiled list appeal, the material day (the date by which physical factors must be taken into account) was 1 April 2023.

Discussion

14. The subject property comprises the basement of 30-41A Maddox Street, a prominent corner location in the heart of Mayfair. The upper floors of the building were refurbished in 2019, however the subject property and ground floor retail area were not part of the refurbishment. The subject property is presently assessed at an unadjusted main space price of £950 per m^2, subject to the standard adjusted of 50% for a basement area. A further adjustment of 5% has been made to reflect the absence of raised access flooring, which results in an adopted price of £451.25 per m^2.

15. The subject property is held on a 10 year lease effective from June 2022. Mr Evans analysed the rent at £705 per m^2, which he highlighted was below the adopted tone of £950 per m^2. When toned back to the AVD based on market reports, he arrived at £602 per m^2. For the Valuation Officer, Mr Abbaas analysed the subject rent at £697 per m^2. He highlighted that it is post AVD, does not reflect an uplift for tenant fit out, and is in excess of the proposed £600 per m^2.

16. The case for the appellant is that the Valuation Officer is incorrect to adopt a main space price of £950 per m^2 in line with the refurbished upper floors. Mr Evans proposed an unadjusted main space price of £600 per m^2, based on analysis of the subject rent and relevant comparable properties.

17. Mr Evans submitted that Prince Frederick House, 37 Maddox Street, is the most closely related comparable as an unrefurbished 1980s build. He provided photographs in support of his contention that the offices were more comparable in specification to the subject property. Originally assessed at a main space price of £550 per m^2, there had been an agreement at challenge to revise to £450 per m^2.

18. 11 Albermarle Street, London W1S 4HH was also cited by Mr Evans as a comparable 1980s office with a 2010/2013 refurbishment similar to the subject property. This had been agreed at £700 per m^2, but he acknowledged that it was further removed from the subject.

19. Mr Evans disputed the Valuation Officer's reliance on evidence derived from modern offices of a superior specification, and submitted that the present valuation remained anchored to an inappropriate modern office tone. On that basis, he submitted that the unrefurbished basement should be uncoupled from the refurbished upper floor values. He acknowledged that the subject property has a new entrance and reception and the price adopted would need to be higher than that for Prince Fredrick House. Based on his analysis of the subject rent toned to AVD, he submitted that an unadjusted main space price of £600 per m^2 fairly reflected the rating hypothesis, the nature and quality of the accommodation, and market conditions at the AVD.

20. The case for the Valuation Officer is that the present unadjusted main space price of £950 per m^2 is reasonable. Mr Abbaas submitted that Mr Evans had not established why there should be a reduction from £950 to £600 per m^2 before further adjustments were made, and had appeared to rely solely on his analysis of the subject rent toned back to the AVD. Mr Abbaas cited the Upper Tribunal decision in the case of *Lotus Group Limited v Johnson (Valuation Officer)* [2026] UKUT 185 (LC), as authority for considering all of the evidence in the round.

21. Mr Abbaas submitted that the post AVD subject rent should be weighed alongside the comparable evidence. He referred to lettings closer to the AVD in respect of 14-15 Conduit Street which devalued at £1,001 per m^2 (1st Flr) and £872 per m^2 (4th Flr). The adopted list assessments are £825 and £850 per m^2 respectively, which Mr Abbaas contended represented the established modern office tone within the Maddox/Conduit Street locality. With reference to Prince Frederick House, Mr Abbaas stated that it is an inferior building assessed on a basic office tone.

22. It was not disputed by Mr Abbaas that the upper floors of the subject building are superior to the basement. He referred to an analogy of "the worst house in the best street"; while the inferior aspect requires an allowance to be made, that does not mean that the basement should be detached from the value environment of the building.

23. Mr Abbaas highlighted that the existing valuation of the subject property does not apply £950 per m^2, but rather the adjusted price of £451.25 per m^2. He submitted that this sits logically between the adopted basic and modern office levels and is materially below the effective subject rent.

24. The issue to be determined by the panel was whether the appellant's representative had demonstrated that the existing valuation is excessive and that £600 per m^2 is the correct replacement tone. While it was acknowledged by all parties that the basement is inferior to the upper floors, the panel was not persuaded by Mr Evans' argument that the subject property should be uncoupled. The panel considered that the subject property remains within a prime Mayfair building and should share in that value environment.

25. The panel found that in his proposed unadjusted price of £600 per m^2, Mr Evans had attached significant weight to the subject rent, which, although of relevance, was post AVD. He had also relied on the agreed tone of £450 per m^2 for Prince Frederick House, which Mr Abbaas was able to distinguish as an inferior building.

26. It was significant to the panel that the analysed rent was in excess of the adopted price of £451.25 per m^2. The panel found that Mr Evans' approach in applying a 50% reduction to the analysis of the subject rent resulted in double counting of the basement discount.

27. The panel was satisfied that the Valuation Officer had demonstrated that the unadjusted main space price of £950 per m^2 is consistent with the hierarchy of offices in the locality. In the absence of any compelling evidence to the contrary, the panel held that the inferior nature of the subject property is sufficiently reflected by the existing adjustments.

Conclusion

28. In view of the above findings and conclusions, the Tribunal confirmed the present assessment of the subject property at £59,500 RV with effect from 1 April 2023 and dismissed the appeal.

Right of further appeal

29. 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.

30. 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 N Carman, Senior Member (Chair)
Mr C Moys, Senior Member
28 September 2026

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 28 September 2026