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

Case Nos: CHG101312860
CHG101275709

Sitting remotely using
Microsoft Teams

Date: 25 November 2025

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — offices and premises; price per m² in dispute; rental evidence; comparable assessments; appeals allowed.

Before:
MRS E NGOGA
MISS Z HUNDLEY
MRS A TAYLOR

Between:

INHABIT EUROPE LTD
MIRRIAD ADVERTISING PLC — **Appellant**

- and –

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

Regarding:
GND FL 96-108, GREAT SUFFOLK STREET, LONDON, SE1 0BE
2ND FL 96-108, GREAT SUFFOLK STREET, LONDON, SE1 0BE
(the "subject properties")

Mr M Morrison from Ryan Property Tax Services UK Limited representing the Appellant
Miss V Sivam for the Respondent

Hearing date: 7 November 2025

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeals are allowed.

2. The Tribunal found that the present adopted price of £400 per m^2 was not reasonable, and confirmed a revised price of £385 per m^2 for the subject properties.

STATEMENT OF REASONS

Introduction

3. These are 2023 rating list appeals. The subject properties had been entered in the 2023 rating list as “offices and premises” and assessed at an adopted price of £400 per m^2:

   Gnd Flr 96-108 Great Suffolk Street, London SE1 0BE - £175,000 rateable value (RV) with effect from 1 April 2023.

   2nd Flr 96-108 Great Suffolk Street, London SE1 0BE - £194,000 RV with effect from 1 April 2023.

4. The challenge proposals were submitted by Altus Group (now Ryan Property Tax Services UK Limited) on behalf of Inhabit Europe Ltd and Mirriad Advertising plc, and were received by the Valuation Officer on 29 January 2025 and 2 October 2024. They had been made on the grounds that the RVs shown in the rating list on 1 April 2023 were inaccurate. Revised RVs of £153,500 (Gnd Flr) and £160,000 (2nd Flr) were proposed, based on £350 per m^2.

5. The Valuation Officer issued challenge case decision notices on 17 and 18 April 2025 which stated that, based upon the evidence and information available, the rating list entries were reasonable and there would be no changes made.

6. In accordance with regulation 13A of the Non-Domestic Rating (Alteration of Lists and Appeals) (England) Regulations 2009, the appeals to this Tribunal have been made on the grounds that the valuations for the hereditaments are not reasonable. The appeals were received by the Tribunal on 9 June 2025 and 3 July 2025. The appellants’ representative sought RVs of £169,000 (Gnd Flr) and £186,000 (2nd Flr), based on a revised price of £385 per m^2.

7. Mr Morrison 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.

Relevant Law

11. 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.

12. 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.

13. The material day (the date by which physical factors have to be taken into account) was provided by the Non-Domestic Rating (Material Day for List Alterations) Regulations 1992 (SI 1992 No. 556) as amended. In respect of the subject appeals, the material day is 1 April 2023.

Discussion

14. The subject properties are situated within a four block complex of offices, warehouses and other buildings. The property was originally constructed in the 1960s as an industrial building and was part converted to an office building in 2016.

15. On behalf of the appellants, Mr Morrison submitted that the present adopted price of £400 per m^2 was excessive. He contended that the key rental evidence in support of his proposed price of £385 per m^2 was derived from two rents in the subject building:

Gnd Flr, 96-108 Great Suffolk Street

One of the subject properties, this was held under a new lease effective from 1 November 2011 at a headline rent of £192,880. Adjusting for a rent free period of eleven months, it was agreed by the parties that the rent analysed at £385 per m^2.

4th Flr, 96-108 Great Suffolk Street

A lease renewal from 31 August 2021 at a headline rent of £280,000. Adjusting for a rent free period of eight months, and 5% for a roof terrace premium, Mr Morrison analysed the rent at £385 per m^2.

16. In further support of his proposed price of £385 per m^2, Mr Morrison referred to comparable assessments on Great Suffolk Street which had changed by 8% (Gnd and 1st Flr Pegasus House, 90-94 Great Suffolk Street) and 18% (82 and 86-88 Great Suffolk Street) between the 2017 and 2023 rating lists, whereas the subject properties had increased by 23%. He confirmed that he had inspected those properties and found them to be directly comparable in terms of features and fit out. With Pegasus House assessed at £350 per m^2 and 82 and 86-88 Great Suffolk Street at £325 per m^2, Mr Morrison questioned why the subject properties were assessed at £400 per m^2, the highest level on the street.

17. On behalf of the Valuation Officer, Miss Sivam defended the present adopted price of £400 per m^2 with reference to rental evidence from the subject building and similar aged properties in the surrounding vicinity.

2nd Flr, 96-108 Great Suffolk Street

A lease effective from 21 May 2018 at a headline rent of £271,600. Taking into account a rent free period of ten months, the rent analysed at £559 per m^2.

4th Flr, 96-108 Great Suffolk Street

The Valuation Officer initially analysed the rent at £525 per m^2, but conceded that this did not reflect an adjustment for the rent free period. No adjustment was made for the roof terrace which resulted in an analysis of £405 per m^2.

The Modern House, St Alphege Hall, Kings Bench Street, SE1 0QX

Described as an A1 building of early construction which had been refurbished in 2019. A lease renewal effective from September 2020 analysed at £419 per m^2. The Valuation Officer attached low weight to this evidence as it was a lease renewal and not a new letting, agreed during the Covid pandemic.

Gnd Flr 40 Kings Street, SE1 0QX

A new letting agreed in November 2021 on a stepped rent basis, which analysed at £444 per m^2. The Valuation Officer attached the highest weight to this evidence as it was a new letting agreed seven months post AVD.

18. In response to the comparable properties provided by Mr Morrison, Miss Sivam stated that Pegasus House, 90-94 Great Suffolk Street is a purpose-built office constructed in 1999, with heating and air conditioning, but no raised floors. 82 and 86-88 Great Suffolk Street were built in 1895 and refurbished in 2009. They comprise a set of railway arches which have undergone significant redevelopment to provide office accommodation arranged as two self-contained office units each over ground and first floor. Miss Sivam described the subject hereditament as being fully refurbished to provide modern and efficient office space, with full heating and air conditioning, and raised flooring, which is reflected in the rents.

19. Both parties had referred to the leading judgment of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141, which set out six propositions to be followed when considering the weighting of evidence. 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 of other comparable properties may also be relevant. All of the evidence could then be weighted.

20. The starting point for the panel was therefore the available rental evidence for the subject properties. The panel decided that little weight could be attached to the rent for 2nd Floor 96-108 Great Suffolk Street, as it was effective from 2018, three years prior to the AVD. It was also noted that the analysis at £559 per m^2 was the highest of all the rents provided.

21. Both parties had agreed the rental analysis for Gnd Flr 96-108 Great Suffolk Street at £385 per m^2. The panel found this to be compelling evidence as a new letting just over a year from the AVD.

22. The panel noted that the parties' difference in opinion regarding the analysis of 4th Flr 96-108 Great Suffolk Street. Mr Morrison submitted that a 5% adjustment should be applied to reflect the added value of the roof terrace, whereas Miss Sivam stated that as a narrow walkway with limited functional use, there was no evidence that it warranted a premium. With reference to the photographs, the panel did not agree that the outside space represented a roof terrace, however, in the absence of evidence to the contrary, it was accepted that a 5% increase to reflect additional value for such space was not unreasonable.

23. In line with *Lotus and Delta*, it was necessary to consider the rents of similar properties. The Valuation Officer had scheduled two pieces of rental evidence in respect of The Modern House, St Alphege Hall and Gnd Flr 40 Kings Street. It was significant to the panel that the Valuation Officer had attached low weight to The Modern House, and the rent for Gnd Flr 40 Kings Street was a stepped rent which required adjustment to conform with the statutory definition of rateable value.

24. The panel heard from Miss Sivam that the subject properties were grouped in a valuation scheme which comprised offices constructed or refurbished between 2015 and 2019. It was usual for these properties to benefit from lifts, air conditioning and raised floors, but where they were missing, adjustments were made to the base rate. With such a wide variation in the age of construction and level of refurbishment, the panel considered that the most relevant rental evidence would be drawn from the subject hereditament. Mr Morrison had referred to the inherent disabilities of a 1960s industrial building which had been converted to office use, particularly highlighting the low ceiling height.

25. The panel next considered the comparable assessment evidence. The Valuation Officer provided a schedule of eleven comparable properties assessed at a base price of £400 per m^2, two of which were the subject properties. In the absence of further details, the panel was unable to determine the level of comparability with the subject properties. The panel had heard from Miss Sivam why she considered that Mr Morrison's comparable assessments were not relevant for comparison, however, it was noted that they had been cited to show the difference in the increases between the 2017 and 2023 rating lists. The panel was not minded to attach any weight to percentage increases between lists, and preferred to rely on the most relevant rental evidence.

Conclusion

26. Having found that the most relevant evidence was drawn from the rental analysis within the subject hereditament, Gnd Flr and 4th Flr at £385 per m^2, the panel concluded that the present price of £400 per m^2 was unreasonable. The panel determined a revised price of £385 per m^2 and therefore the appeals were allowed.

27. 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 alter the entries in the rating list as follows:

    Gnd Flr 96-108 Great Suffolk Street, London SE1 0BE - £169,000 RV with effect from 1 April 2023.

    2nd Flr 96-108 Great Suffolk Street, London SE1 0BE - £186,000 RV with effect from 1 April 2023.

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

29. A refund of the paid fee will now be arranged provided there is no review of the Tribunal's decision. The refund will take around six weeks to process.

Right of further appeal

30. 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.

31. 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 E Ngoga, Presiding Senior Member
Miss Z Hundley, Senior Member
Mrs A Taylor, Member
25 November 2025

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 25 November 2025