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

Case No: CHG101314685

Sitting remotely using Microsoft Teams on 23 April 2026

Date: 12 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — 2023 rating list appeal; Office and premises; Compiled List Entry; Price per square metre; assessment of comparable properties; Lotus and Delta v Culverwell (VO) & Leicester City Council [1976] RA 141; Appeal dismissed.

Before:

MR M MIAH
MRS C BRIDGLAND

Between:

IPAC GLOBAL LTD — **Appellant**

- and -

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

Regarding:

SECOND FLOOR, 23 GOLDEN SQUARE, LONDON W1F 9JP
(the "appeal property")

Mr A Bacon of JMA Chartered Surveyors (Appellant's Representative)
Mr N Pearce (Respondent's Representative)

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds that the current assessment of £21,000 Rateable Value (RV), with effect from 1 April 2023 was reasonable.

STATEMENT OF REASONS

Introduction

3. The challenge proposal was submitted by the appellant's representative and was received by the Valuation Officer (VO) on 4 February 2025. It had been made on the grounds that the RV shown in the rating list of £32,750 on 1 April 2023 was inaccurate. A revised RV of £12,250 was proposed with effect from 1 April 2023.

4. The VO issued a decision notice on 31 July 2025 reducing the RV from £32,750 to £21,000 with effect from 1 April 2023. The list was updated on 31 July 2025.

5. 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 lodged by the appellant's representative on behalf of the appellant and received by the Tribunal on 29 November 2025.

6. Mr Bacon appeared on behalf of the appellant as both advocate and expert witness and declared that he was employed on a contingency fee basis. In view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC), Mr Bacon understood and accepted that his duty is to the Tribunal in giving his evidence and he will comply with this as well as the requirements of his professional body regardless of whether or not the evidence supports his client's case.

7. 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).

8. The panel hearing the evidence considered the "expert" evidence and assessed what weight, if any, it should give to it in the context of the matters in issue before it.

9. Mr Pearce was representing the VO as an advocate.

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

Background

11. The appeal property was a five-storey period property that was residential but had now been repurposed to offer a gallery and flexible working space on the ground floor and good quality office accommodation on the upper levels.

12. The appeal property comprises offices on the second floor of the building.

13. The building was located in a prime position overlooking Golden Square which was one of Soho's most prestigious office locations. It is home to high-profile occupiers such as Sony Pictures Entertainment, M&C Saatchi and Paramount.

Relevant Law

14. The issue before the panel was to determine the correct valuation for the subject property with effect from 1 April 2023. 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.

15. 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 1992/556) as amended. In respect of the subject appeal, the material day is 1 April 2023.

16. 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 (see paragraph 2(1) of Schedule 6 of the Local Government Finance Act 1988).

17. The panel was aware of the Lands Tribunal judgment of *Lotus & Delta Ltd v Culverwell (VO) and Leicester City Council* [1976] RA 141 cited by the parties. This case had established six propositions, which gave clear guidance to be followed, namely:

    (1) 'Where the hereditament which is the subject of consideration is actually let that rent should be taken as the starting point.

    (2) The more closely the circumstances under which the rent agreed both as to time, subject matter and conditions relate to the statutory requirements contained in the definition of Gross Value in s.19(6) of the General Rate Act 1976 the more weight should be attached to it.

    (3) Where rents of similar properties are available, they too are to be properly looked at through the eye of the valuer in order to confirm or otherwise the level of value indicated by the actual rent of the subject property.

    (4) Assessments of other comparable properties are relevant. When a valuation list is prepared these assessments are to be taken as indicating comparative values estimated by the Valuation Officer. In subsequent proceedings on that list therefore they can properly be referred to as giving an indication of that opinion.

    (5) In light of all the evidence an opinion can then be formed of the value of the appeal hereditament, the weight to be attributed to the differing types of evidence depending on the one hand on the nature of the actual rent and on the other hand, on the degree of comparability found in other properties.

    (6) In those cases where there are no rents available of comparable properties a review of other assessments may be helpful but, in such circumstances, it would be clearly more difficult to reject the evidence of the actual rent.'

Discussion

18. Mr Bacon was seeking a reduction in the base price to £215/m^2. It was originally £600/m^2 but was reduced by the VO to £385/m^2.

19. He had referred to a settlement at 11 Argyll Street for £313.50/m^2. He considered this property to be better than the appeal property so therefore the rate for the appeal property should be lower. Having regard to his comparables and the evidence, he considered the correct rate sat in the range of £225/m^2 to £275/m^2 and sought a reduction to £250/m^2 resulting in a revised RV of £13,680. This reflected the appeal properties age, condition and facilities.

20. The VO had regard to the rent on the appeal property which was a new letting from 1 January 2021 on a five-year term with no rent free or incentives. It analysed to £424/m^2. However, this rent included the ground, first floor and second floor which represented a mixed-use (gallery/retail and office) configuration.

21. To just value the office, the VO argued that it was necessary to strip out the gallery/retail elements. To do this the VO had regard to the comparable property, 17-18 Golden Square known as Frith Gallery. This had been valued on an overall retail rate of £450/m^2. Therefore, the VO applied this rate to the ground floor gallery which retail area was 46.70m^2 equating to a total of £21,015. As the total rent for the appeal property was £65,300, subtracting the retail element of £21,015 totalled £44,285. The remaining office area of the first and second floors was 115m^2, dividing this this by the adjusted rent gave a value of £385/m^2.

22. Mr Bacon disagreed with the rate of £450/m^2 as he believed this was based on an office value having regard to the summary valuation which had been coded as CO, meaning offices. However, the VO stated that rate was for the retail and not office.

23. Having regard to the evidence presented, the panel were not persuaded that the current RV reduced by the VO following the challenge to be excessive. They held that the best comparable evidence was that of the gallery situated next door to the appeal property at 17-18 Golden Square. The panel accepted that this had been valued on an overall retail basis and not an office basis and therefore it was appropriate to apply the same adopted value of £450/m^2 to subtract the area from the appeal property rent to be left with a value for the office.

24. The panel placed lesser weight on the agreement for 11 Argyll Street as this was in a different location and not situated on the Golden Square.

25. Therefore, the panel accepted that £385/m^2 was reasonable and dismissed the appeal.

Conclusion

In view of the above findings, the panel held that the unadjusted rate was not excessive and the appeal was dismissed.

Right of further appeal

26. 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.

27. 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 M Miah, Senior Member (Chair)
Mrs C Bridgland, Member
18 May 2026

Miss K Hendry
Clerk to the Tribunal
Date issued to the parties: 18 May 2026