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

Case No: CHG101322773

Sitting remotely using
Microsoft Teams on
20 August 2026

Date: 10 September 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141 — Office and premises — main space price — appeal dismissed

Before:

MR WJ READ
MR PJ HICKSON

Between:

NPLUS SINGER ADVISORY LLP **Appellant**

- and -

NICOLA JOHNSON
(VALUATION OFFICER) **Respondent**

Regarding:

5th FLOOR, 1 BARTHOLOMEW LANE, LONDON EC2N 2AX
(the “subject property”)

Mr Richard Gibala for **Ryan Property Tax Services**, for the Appellant
Mr Samuel Keig for the **Respondent**

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeal is dismissed.

2. The Tribunal finds that the current rateable value (RV) was reasonable

STATEMENT OF REASONS

Introduction

3. The appellant had made a challenge against the accuracy of the compiled list assessment in the 2023 Rating List, by way of a proposal that he served on the Valuation Officer (VO) on 20 February 2025. After considering the proposal and evidence submitted during the challenge period, the VO decided that the proposal was not well founded. A decision notice to this effect was served on the appellant on 22 January 2026. His representatives then appealed the VO's decision to the Tribunal on 6 March 2026, on the grounds that the current valuation for the hereditament was not reasonable, under regulation 13A of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009.

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

Background

5. The subject property was an Office and Premises with an agreed total area of 758.83m². The RV was £390,000 and had been valued based on an unadjusted main space price of £550/m². Mr Gibala was seeking a RV of £355,000 based on a main space price of £469.20/m^2. An allowance of 6% had already been granted and therefore the VO's valuation already reflected this adjustment. Mr Gibala's revised valuation did not reflect the allowance. There were no disputes in respect of this allowance.

6. The subject property had been built in 1972 and had been reconstructed in 2010. It was located 0.1 miles from Bank Underground station.

7. The evidence bundles before the panel comprised all of the evidence disclosed and exchanged during challenge which included the parties' comparable assessments, skeleton arguments, an external photograph of the subject property and Mr Gibala's revised valuation.

8. As Mr Gibala appeared on behalf of the appellant as both advocate and expert witness, the clerk asked if there was a success related fee involved and if so whether its existence was compatible with his obligations to the tribunal as an expert. This question was raised in view of the Upper Tribunal's judgment in *Gardiner & Theobald LLP v David Jackson (VO)* [2018] UKUT 0253 (LC) dated 3 August 2018.

9. He declared that he was employed by the appellant company. However, Mr Gibala confirmed that he understood and accepted that his duty was to the Tribunal in giving his evidence and 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.

10. 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[1] 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).

11. Mr Keig confirmed that he was representing the VO as advocate and expert witness. He was not on a contingency fee and confirmed his first duty was to the Tribunal.

12. For 2023 rating list appeals the Antecedent Valuation Date (AVD) is 1 April 2021. The material date for the subject properties was 1 April 2023.

Relevant Law

13. The term 'rateable value' is defined in Schedule 6 to the Local Government Finance Act 1988 (as amended) (LGFA 1988):

> *"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; and*
>
> *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".*

Discussion

14. In the case under consideration, the panel had analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA141 dated 20 May 1976. The rent on the subject property is considered to be the correct starting point but, where available, rents on similar properties are also to be taken into account. The assessments on other comparable properties may also be relevant. All of the evidence can then be weighted.

15. In terms of rental evidence, the passing rent for the subject property was £486,480 effective from 9 August 2022 which had been analysed to £510.79/m^2 by Mr Gibala and reflected the incentive of two years half rent.

16. As the rent commenced after the AVD, Mr Gibala had further analysed the rent to £469.20/m^2 by toning this back by 0.5% per month. Although this was based on rental growth in "City prime rents", Mr Gibala failed to support this with any specific market reports. He also argued that no allowance for fit out should be added, as the subject property was reconstructed in

[1] The Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009 [SI 2009 No2269]

2010 and there had not been any fit out over the previous 10 years and, in his opinion, no evidence had been presented to prove that the fit out added value to the subject property.

17. The VO had initially referred to the rents for two properties at 1 Bartholomew Lane (Ground Floor and Third Floor). However, on reflection Mr Keig decided to reply purely on the rent for the Third Floor. It was very similar in size to the subject property with a passing rent of £516,750 per year. He analysed the rent to £682.48/m^2, which was more than the main space price of £550/m^2.

18. Turning to the rent for the subject property, Mr Keig argued that there should be an addition of £50/m^2 to the main space price for the fit out. Although he understood that the subject property had been fitted out 10 years ago, he contended that there had been a refresh of the subject property which would add value. Although the fit out addition increased the main space price to £566.75/m^2, Mr Keig was satisfied that a tone of £550/m^2 had been established for the office block and that the subject property should be valued using the main space price of £550/m^2.

19. In the absence of any actual costs of the refresh, Mr Keig had used the costs based on the Upper Tribunal judgment of *Dawn Bunyan (VO) v Acenden Limited* [2023] UKUT 17 (LC) dated 25 January 2023 which determined that £50/m² should be added to reflect the additional value added as a result of an office fit out. However, that judgment referred to properties in Maidenhead (Berkshire), which was a different location than the subject property, being in central London.

20. The Upper Tribunal judgment of *Hitchings (VO) v Shoosmiths LLP and another company* [2025] UKUT 224 (LC) dated 9 July 2025 had added £30/m² to reflect the addition for fit out for properties in Liverpool and Manchester.

21. During questioning, Mr Keig had accepted that these two Upper Tribunal judgments referred to the 2017 rating list and therefore the fit out costs for the 2023 rating list would be substantially more, to reflect the additional costs of labour and materials. In his opinion, the cost of a refresh would not be as significant as a grade A to B full fit out, and therefore he contended that the addition of £50/m² would reflect the less significant work required for a refresh, but also the increased costs of the work since the above Upper Tribunal judgments.

Conclusion

22. There was a dearth of reliable evidence. The VO had only presented the rent for the subject property and relied on one other property to support the main space price, having decided that he wanted to drop the tonal evidence for the Third Floor.

23. Mr Gibala was just replying on his own analysis of the rent for the subject property and presented no evidence to support his calculation of the main space price such as market reports to demonstrate the change to the rental market from the AVD (1 April 2021) to the commencement of the rent, or any other comparable properties to support his main space price.

24. However, given the above, the panel found the VO's evidence was more reliable. There was no argument that the subject property underwent a refresh, which the panel determined would add value. In the absence of any specific costs presented by Mr Gibala, the panel was satisfied with Mr Keig's explanation for him adding £50/m² to the main space price and that £550/m^2 was reasonable.

25. This was also supported by the rent for Third Floor which had been analysed to £682.48/m^2 which further demonstrated to the panel that the main space price of £550/m^2 was reasonable and, given that both properties were in the rating list with a main space price of £550/m^2, suggested to the panel that a tone of value of £550/m^2 had been established and it dismissed the appeal.

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 WJ Read, Presiding Senior Member
Mr PJ Hickson, Senior Member
10 September 2026

Mr Richard Gath IRRV (Hons)
Clerk to the Tribunal
Date issued to the parties: 10 September 2026