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

Case Nos: CHG101328032
CHG101297504
Sitting remotely using
Microsoft Teams on
27 August 2026
Date: 21 September 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

2023 Rating List Appeals; challenges against compiled list entries; offices and premises; accuracy of rateable value; unadjusted rate; rental evidence; comparable assessments; Lotus & Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; appeals allowed.

Before:

MR SP WOOD
MR SM HOOBERMAN

Between:

SALAMANCA GROUP HOLDINGS (UK) LIMITED
INSPIRED FINCO HOLDINGS LIMITED
Appellants

- and -

NICOLA JOHNSON
(VALUATION OFFICER)
Respondent

Regarding:

4TH FLOOR EAST 3-5, BURLINGTON GARDENS, LONDON W1S 3EP
6TH FLOOR 3-5, BURLINGTON GARDENS, LONDON W1S 3EP
(the “subject properties”)

Mr C Cates (Ryan Property Tax Services UK Ltd), Representative for the Appellants.
Mr K Abbaas, Representative for the Respondent

DECISION AND STATEMENT OF REASONS

DECISION

1. The appeals were allowed.

2. The panel determined a revised rateable value (RV) of £249,000 for 4th Floor East, 3-5 Burlington Gardens, London W1S 3EP with effect from 1 April 2023 and a revised RV of £437,000 for 6th Floor, 3-5 Burlington Gardens, London, W1S 3EP with effect from 1 April 2023.

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 to this Tribunal have each been made on the grounds that the valuation for the hereditament is not reasonable.

4. With the agreement of the parties, the appeals were consolidated and heard together.

5. Each of the appeal properties were entered in the 2023 rating list as “offices and premises”. A brief history of each list entry and the parties’ respective positions is summarised as follows:

Salamanca Group Holdings (UK) Limited
4th Floor East, 3-5 Burlington Gardens, London W1S 3EP

- Compiled List entry £285,000 RV from 1 April 2023
- Proposal sought a reduction to £242,000 RV from the same date.

Inspired Finco Holdings Limited

6th Floor, 3-5 Burlington Gardens, London, W1S 3EP

- Compiled List entry £497,500 RV from 1 April 2023
- Proposal sought a reduction to £422,500 RV from the same date.

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

<u>Background</u>

7. The subject properties were located on part of the fourth floor and the whole of the sixth floor respectively within an office building in Burlington Gardens, Mayfair. The building was located close to Piccadilly Circus Underground Station and had a restaurant on the ground floor.

8. The rating assessments of the subject properties were based on an unadjusted rate of £1,000/m². The Appellants sought a reduction based on an unadjusted rate of £850/m² for each assessment.

9. The evidence submission before the panel comprised all the evidence disclosed and exchanged during challenge which included rental evidence and its analysis, and comparable assessment evidence. In addition, to assist the panel, the parties had provided documents containing agreed supporting evidence, which were relied on by both parties.

10. Mr Cates, 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.

11. Mr K Abbaas, for the valuation officer, also appeared in a dual role of advocate and expert witness.

12. The dual role was permissible in this Tribunal's proceedings having regard to the Valuation Tribunal for England (Council Tax and Rating Appeals) (Procedure) Regulations 2009) (regulation 3 (Discharge of VTE functions – general) and rules regarding admissibility of evidence (regulation 17(2)(a)). However, it was necessary to consider the "expert" evidence and assess what weight, if any, to give it in the context of the matters in issue.

Remote Hearing

13. During the hearing, the clerk briefly lost connection. Proceedings were halted until the clerk was able to rejoin. The panel was satisfied that this interruption had no material impact upon the hearing and as anything missed by the clerk during the loss of connection was repeated for her benefit.

Preliminary issue

14. On 24 July 2026, a colleague of Mr Cates from Ryan provided new evidence in the form of further comparable evidence of other office premises in the area. This had been disclosed to the Valuation Officer, who had no objection to its admission into proceedings.

Relevant Law

15. In arriving at its decision, the panel was governed by rating legislation laid down by Parliament. Schedule 6 to the Local Government Finance Act 1988, as amended by the Rating (Valuation) Act 1999, provides that:

> 2(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.

16. 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.

17. 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 these appeals, the material day was 1 April 2023, being the commencement date of the 2023 rating list.

Issue

18. The issue for the panel was the correct unadjusted rate to be adopted for the subject properties. The existing assessments were based on an unadjusted rate of £1,000/m². The Appellants' representative contended that this was excessive and sought a reduction to £850/m².

Discussion

19. In these appeals, the panel analysed the competing evidence having regard to the authoritative guidance in *Lotus & Delta v Culverwell (VO) and Leicester City Council* [1976] RA141.

20. The 4th Floor East office at 3-5 Burlington Gardens had been the subject of lease renewal for ten years from 29 July 2023 and the annual rent was £212,410 whilst the 6th Floor, 3-5 Burlington Gardens had also had its lease renewed for ten years from 6 June 2024 and the annual rent was £347,287. Both rents were considered by the parties to be too remote from the AVD to provide reliable evidence of rental value at that date. The panel therefore examined the indirect rental evidence provided by both parties and found that the lettings of the second floor and fifth floor at 28 Savile Row provided the most reliable comparable evidence, as those leases were granted in close proximity to the AVD. The panel noted that none of the rents included any uplift for tenant fit out.

21. The rental evidence which had been provided in the evidence pack was examined by the panel. The analysed rents relied upon by the Appellants for similar office accommodation in Mayfair ranged from £790.82/m² to £868.04/m². Four of the leases relied upon were granted in October 2020 or during 2021, close to the AVD. The rental evidence relied upon by the Valuation Officer analysed to values ranging from £918/m² to £1,099/m² which according to Mr K Abbaas supported the assessment of the subject properties at 1,000/m^2.

22. The panel also had regard to the tone of value applied to other comparable offices in the vicinity of the subject properties. Both parties accepted that the office accommodation at 28 Savile Row provided the most persuasive comparable evidence. Evidence had been provided which showed that the tone for those offices had been reduced from £1,000/m² to £875/m². The offices at 28 Savile Row were near the subject properties and were of a similar standard of office accommodation.

23. Mr Cates, representing the Appellants stated at the hearing that the subject properties had a restaurant on the ground floor rather than the whole building being office accommodation. This would, in his opinion, make the office accommodation on the upper floors less desirable because of potential disturbance arising from noise, odours and servicing activity associated with the restaurant. Mr K Abbaas, representing the Valuation Office stated that this would not affect the rateable value of the offices as office accommodation in Mayfair commanded premium rental levels and the locality remained highly sought after.

24. Mr Cates stated that the offices at Savile Row were in a building which was solely office accommodation. As the subject properties were above a ground floor restaurant, he contended that a further reduction should be made from the £875/m² tone evidenced at 28 Savile Row to £850/m² to reflect the disadvantage of having a restaurant on the ground floor of the subject building.

25. The panel noted that the subject properties had a ground floor restaurant. However, no valuation evidence had been provided to support the Appellants' claim that offices within buildings with ground floor restaurants had a lower rental value, in comparison to other offices without this alleged nuisance.

26. The panel considered all the tone of the list evidence supplied by both parties. It was clear from the documentation provided that there had been numerous reductions in assessment for offices in the general Mayfair area. However, the range of decreases had varied significantly from 5.41% to 26.32%, and the range of unadjusted rates was between £700/m^2 to £1,050/m^2.

27. The panel also considered the additional settlement evidence submitted by the Appellants in July 2026. Whilst that evidence demonstrated that a number of assessments within the wider Mayfair area had been reduced during the life of the 2023 List, the panel recognised that the level of reduction varied considerably between properties. The panel found that the additional settlement evidence was consistent with the trend identified in the other comparable evidence and provided further support for a reduction below £1,000/m².

28. The panel determined that the Burlington Gardens and Savile Row office locations should have similar values, such was their close proximity to one another. This was why particular weight was attached to the evidence relating to 28 Savile Row.

29. The panel found that 28 Savile Row provided the most persuasive comparable evidence as the relevant leases were granted during 2021 close the AVD and the fact that the Valuation Officer had decided to reduce the tone of value to £875/m² for that hereditament was compelling. The fact that the Valuation Officer had agreed a tone of value of £875, when the limited rental evidence he had disclosed at challenge devalued to a higher rate, suggested that there was other rental evidence at the Respondent's disposal which had not been disclosed. If that was not the case, it begged the question as to why the Respondent would have been willingly prepared to alter the basis of assessment of the Savile Row offices to £875/m².

30. Ultimately, the panel found that the revised tone of £875/m² for Savile Row provided the best indication of rental value for the subject properties.

31. That said, the panel was not satisfied that the Appellants had demonstrated that a further reduction to £850/m² was justified to reflect the disability of having a restaurant on the ground floor of the building. As previously explained, no evidence was provided in support of such a reduction. Any allowance for this feature must be evidence based. Although the Appellants had asserted that there should be an allowance, they had failed to prove it.

32. In view of the above findings, the panel concluded that an unadjusted rate of £875/m² most accurately reflected the rental value of the subject properties at the AVD.

Conclusion

33. Having considered the rental evidence, settlement evidence and comparable assessments, the panel concluded that the existing unadjusted rate of £1,000/m² was excessive. The panel found that an unadjusted rate of £875/m² most accurately reflected the rental value of the subject properties at the AVD. Accordingly, the appeals were allowed.

34. The panel's valuations were as follows:

Hereditament Address					
4th Floor East, 3-5 Burlington Gardens, London W1S 3EP					
Floor	Description	Area (m^2)	Relativity	Price (£/m^2)	Value (£)
Four Floor East	Office	285.00	1	£875.00	£249,375
	Total	285.00		Subtotal	£249,375
			Rateable Value say		£249,000
			Effective Date		1 April 2023

Hereditament Address					
6th Floor, 3-5 Burlington Gardens, London, W1S 3EP					
Floor	Description	Area (m^2)	Relativity	Price (£/m^2)	Value (£)
Sixth	Office	476.11	1.05	£918.75	£437,426
				Subtotal	£437,426
			Rateable Value		£437,000
			Effective Date		1 April 2023

Order

35. As a consequence of the above decision, the Valuation Officer is ordered to reduce the 2023 Rating List entries for 4th Floor East, 3-5 Burlington Gardens, London W1S 3EP to £249,000 RV, and 6th Floor, 3-5 Burlington Gardens, London, W1S 3EP to £437,000 RV respectively with effect from 1 April 2023 within two weeks of the date of this Order.

Refund of fees

36. The appellant is also entitled to a full refund of the fees paid in respect of the subject properties in accordance with regulation 13E of the Non-Domestic Rating (Alterations of Lists and Appeals) (England) Regulations 2009 (as amended).

Right of further appeal

37. 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.

38. 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 SP Wood, Senior Member (Chair)
Mr SM Hooberman, Member
21 September 2026

Mrs J Monks
Clerk to the Tribunal
Date issued to the parties: 21 September 2026