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

Case No: CHG101359014

Sitting remotely using Microsoft Teams on 16 April 2026

Date: 13 May 2026

SCHEDULE 11 TO THE LOCAL GOVERNMENT FINANCE ACT 1988

RATING — Local Government Finance Act 1988 — restaurant and premises; price per m² and relativity applied to kitchen in dispute; rental evidence; Lotus and Delta v Culverwell (VO) and Leicester City Council [1976] RA 141; appeal dismissed.

Before:

MRS A FIELDER
MS E MILLER
Between:

DIVERSE DINING LTD **Appellant**

- and -

NICOLA JOHNSON (VALUATION OFFICER) **Respondent**

Regarding:

80 NEW OXFORD STREET, LONDON, WC1A 1HB
(the "subject property")

Mr R Clifford from Newmark HDH Ltd, representing the Appellant
Miss T Adeyemi 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 rating list was not unreasonable, and confirmed the rateable value (RV) of £183,000 with effect from 1 April 2023.

STATEMENT OF REASONS

Introduction

3. This is a 2023 rating list appeal. 80 New Oxford Street, London, WC1A 1HB (the subject property) had been entered in the 2023 rating list as ‘restaurant and premises’ at £183,000 RV with effect from 1 April 2023. This had been based on an adopted price of £925 per m^2.

4. The challenge proposal was submitted by Newmark HDH Ltd on behalf of Diverse Dining Ltd, and was received by the Valuation Officer on 28 May 2025. It had been made on the grounds that the RV shown in the rating list on 1 April 2023 was inaccurate. A revised RV of £150,000 was proposed with effect from 1 April 2023.

5. The Valuation Officer issued a challenge case decision notice on 7 August 2025, which stated that, based upon the evidence and information available, the rating list entry was reasonable and there would be no change.

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 28 November 2025.

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

Relevant Law

8. 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.

9. 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

10. The subject property is a ground floor retail unit with basement accommodation, located on New Oxford Street, close to the junction with Tottenham Court Road. The total area of the property is 221.31m^2.

11. Both parties referred to the leading judgment in the Lands Tribunal case of *Lotus and Delta v Culverwell (VO) and Leicester City Council* [1976] RA 141. This case set out the six propositions to have regard to when considering the weighting of evidence and expert opinion. These are:

   (i) Where the property which is the subject of consideration is actually let, that rent should be taken as the starting point.

   (ii) The more closely the circumstances under which the rent agreed both as to time, subject matter and conditions relate to the statutory requirements, the more weight should be attached to it.

   (iii) 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 appeal property.

   (iv) 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.

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

12. The subject property was occupied under a 15 year lease effective from 21 September 2015 at a rent of £150,000, with a 7 month rent free period. The rent was reviewed on 21 December 2020 to £175,000, with a 9 month rent free period.

13. Based on the Valuation Officer’s 2023 relativities, Mr Clifford analysed the subject rent effective from 21 December 2020 at £755 per m^2. The Valuation Officer analysed the rent at £796 per m^2, or £875.4 per m^2 including 10% for fit out.

14. In his challenge submission, Mr Clifford highlighted that there had been a change to the way the Valuation Officer values ground floor kitchens in the 2023 rating list. In the 2017 rating list, kitchens had been valued at 50%, however for the 2023 rating list they were valued at 100%. Mr Clifford had submitted a valuation at £150,000 RV based on an adopted price of £949 per m^2, and a relativity of 50% for the kitchen. In response to the panel's request for clarification, Mr Clifford provided a revised valuation in which he conceded 100% for the kitchen relativity, and adopted £755 per m^2 to arrive at the same proposed valuation of £150,000 RV.

15. Mr Clifford submitted that the subject rent was significant, as it predated the AVD by three months, and in the absence of any other restaurant rents, it was the most relevant transaction.

16. The Valuation Officer agreed that the subject rent was within good proximity to the AVD, however as it had been agreed as a rent review, it sat under new lettings and lease renewals in the hierarchy. On that basis, moderate to good weight had been attached. In line with *Lotus and Delta*, the Valuation Officer sought to test the subject rent against comparable properties; only one rental transaction was found in the locality close to the AVD:

Bst-Gnd Floors 52-54 New Oxford Street, London, WC1A 1ES

A restaurant and premises of 107.60m^2, subject to a new 10 year letting effective from 5 March 2022. Subject to an incentive structure, the rent analysed at £1,072 per m^2.

17. The Valuation Officer applied fair weight to this transaction on the basis that the rent exists as a new letting within good proximity to the subject property and reasonable proximity to the AVD. In further support, reference was made to the CoStar Camden retail submarket which showed an increase in market asking rents of 1.35% from Q2 2021-Q1 2022 and 0.75% growth in regard to Westminster.

18. Mr Clifford submitted that low weight should be attached to this transaction on the basis that the rent had been set at the outset for ten years; the tenant would have been willing to pay a higher rent to have certainty of occupation, and the landlord would require a higher rent as they would be foregoing an open market rent in the following years.

19. It had been stated in the Valuation Officer's Decision Notice that in the initial response to the challenge, a revised rate of £900 per m^2 had been offered subject to confirmation of the rent review terms, however, nothing had been returned. The panel heard that Mr Clifford had sent an email confirming the rental details to the Valuation Officer in the days before the hearing, however, Miss Adeyemi stated that this was not the rent review memorandum requested, and therefore her position on the weight to be attached to the rent had not changed.

20. Mr Clifford's main argument appeared to be that while the price per m^2 for the 2023 list at £925 per m^2 was lower than that agreed for the 2017 list at £950 per m^2, the RV for the 2023 list had increased. He considered that the Valuation Officer's approach to kitchen relativities had changed, however, the panel heard from Miss Adeyemi that a kitchen should only be valued at 50% if it was located behind a structural wall. She stated that the 50% relativity applied to the subject property's 2017 list assessment was incorrect, as the kitchen was not behind a structural wall.

21. Having conceded the Valuation Officer's relativity for the kitchen, the panel noted that Mr Clifford sought a reduction from £925 per m^2 to £755 per m^2, solely based on his analysis

on the subject rent. However, the guidance from *Lotus and Delta* required consideration of all of the available evidence, not just the subject rent. The panel acknowledged that there was limited rental evidence available in the locality close to the AVD, but noted that there were no other properties presented in the locality to support £755 per m^2. The panel was mindful of Mr Clifford's contentions regarding the rent in respect of Bst-Gnd Floors 52-54 New Oxford Street, however, even if considered to be higher than a normal rent, it did not show that £925 per m^2 for the subject property was excessive.

22. The panel concluded that Mr Clifford had failed to demonstrate that the present adopted price of £925 per m^2 was unreasonable.

Conclusion

23. In view of the above findings, the Tribunal confirmed the assessment of the subject property at £183,000 with effect from 1 April 2023 and dismissed the appeal.

Right of further appeal

24. 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.

25. 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 A Fielder, Senior Member
Ms E Miller, Member
13 May 2026

Mrs L Horne
Clerk to the Tribunal
Date issued to the parties: 13 May 2026