

Recent Court Cases: United Kingdom

Recent Court Decisions • The Valuation Engineer

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Notice to readers. These summaries are the Journal's own descriptions of court decisions and legal instruments, written for valuation professionals. They are not legal advice. Where the understanding of a decision or a provision is critical to a matter, the reader should consult the official text and obtain advice from a lawyer qualified in the jurisdiction concerned. Many of the sources were written in languages other than English and were read in machine translation, which can be in error; each such item is marked, and its original-language source is linked so that it can be checked.



Jurisdictions surveyed in this installment are outlined and shaded.

The four constituent countries are named; the three legal jurisdictions are England & Wales (shared), Scotland, and Northern Ireland.

Scope and Sources

This installment concerns recent court decisions and legislation bearing on the valuation of interests in land — principally leasehold enfranchisement (a residential leaseholder's statutory right to buy the freehold or extend the lease) and the premium payable for it (the price paid for that right), together with damages for infringement of property rights and the allocation of building-safety remediation costs. For Scotland and Northern Ireland it concerns compulsory-purchase (in the United States, eminent domain or condemnation) compensation and statutory rating valuation (in the United States, property tax assessment).

This installment covers the United Kingdom of Great Britain and Northern Ireland — a single

sovereign state made up of four constituent parts: England, Wales and Scotland, which share the island of Great Britain, together with Northern Ireland. These parts are not themselves sovereign; the United Kingdom Parliament remains supreme. For the law that concerns us the United Kingdom comprises three jurisdictions — England and Wales, Scotland, and Northern Ireland — each with its own compulsory-purchase and valuation regime. Northern Ireland shares the island of Ireland with the Republic of Ireland, a separate sovereign state and a member of the European Union, whose valuation law is surveyed in the European Union installment of this issue, not here. The United Kingdom left the European Union in 2020; both the United Kingdom and the Republic of Ireland remain parties to the European Convention on Human Rights.

This installment incorporates material supplied by the editor and verified against primary sources. Issue 1’s “United Kingdom” coverage is superseded, for the United Kingdom, by this installment.

Every decision reported here was read in English, the language of the courts of these jurisdictions; no translation apparatus is therefore carried. Primary sources are legislation.gov.uk, caselaw.nationalarchives.gov.uk and the consultation pages of the United Kingdom government at gov.uk for England and Wales; for Scotland the Lands Tribunal for Scotland (lands-tribunal-scotland.org.uk) and the Scottish Government (gov.scot); for Northern Ireland the Judiciary NI decisions site (judiciaryni.uk) and Land & Property Services (finance-ni.gov.uk). Ireland is reported in the European Union installment of this issue. Facts resting on a single or secondary source are flagged at the point of use. Case citations should be verified against the official reports before any reliance for practice or for further publication.

Expropriation, Eminent Domain, and Condemnation

Including inverse condemnation. Just compensation, larger parcel, severance, project influence, stigma, and reasonably probable future use.

The United Kingdom produces a large body of published valuation case law, and it is distributed across all eight categories rather than concentrated in expropriation. The three jurisdictions are reported separately under this heading for compulsory purchase, and their decisions in other categories appear under the headings that govern them.

England and Wales

Valuation by formula — enacted, and not in force: Leasehold and Freehold Reform Act 2024. The Leasehold and Freehold Reform Act 2024 (c. 22) would replace the market-evidence valuation of leasehold enfranchisement premiums with a statutory formula. The valuation scheme is section 37 and Schedule 4. Part 5 of Schedule 4 sets out the “standard valuation method”: a term value found by capitalizing the rent, using a notional capped rent (the rent assumed for valuation, capped by statute — 0.1 percent of freehold value — regardless of the rent actually payable); a reversion value; and deferment and capitalization rates to be prescribed (the deferment rate being the discount rate used to value the landlord’s reversion — possession at the end of the lease). Paragraph 17 of Schedule 4 directs an assumption of no marriage value (the gain released by uniting the leasehold and freehold interests) and no hope value (value attributable to the prospect of releasing that gain in future).

None of the valuation provisions is in force. Only three commencement statutory instruments (SIs) exist: SI 2024/1018, which brought the building-safety sections 114–116 and 120 into force from 31 October 2024; SI 2025/57, which brought section 27 — abolition of the two-year ownership rule

— into force from 31 January 2025; and SI 2025/131, which brought the right-to-manage sections 49–52 and part of section 64 into force from 3 March 2025. No deferment or capitalization rates have been prescribed. The consultation of the Ministry of Housing, Communities and Local Government (MHCLG), “Leasehold enfranchisement valuation rates”, on the deferment and capitalization rates, opened on 15 July 2026 and, extended by four weeks on 7 September, closes on 21 October 2026 — open as this issue goes to press.

Implication for appraisers. This is the statutory replacement of market-evidence valuation by a formula — this department’s core subject — and everything about it remains prospective. If the valuation provisions were commenced with rates prescribed, the premium for an enfranchisement would follow from the prescribed deferment and capitalization rates rather than from transaction evidence, and the valuer’s (appraiser’s) work would shift from evidencing those rates to applying them. Until commencement, the present law continues to govern, and any report touching enfranchisement value should state which regime it assumes and that the timing of the change is unknown.

Source — legislation.gov.uk — the Act, <https://www.legislation.gov.uk/ukpga/2024/22>; the commencement SIs, <https://www.legislation.gov.uk/uksi/2024/1018>, <https://www.legislation.gov.uk/uksi/2025/57>, <https://www.legislation.gov.uk/uksi/2025/131>; and the MHCLG consultation page at gov.uk.

The Convention challenge dismissed at first instance: *R (ARC Time Freehold Income Authorised Fund Ltd)*. In *R (ARC Time Freehold Income Authorised Fund Ltd and others) v Secretary of State for Housing, Communities and Local Government* [2025] EWHC 2751 (Admin), the Divisional Court (Holgate LJ and Foxton J) gave judgment on 24 October 2025. Six claimant groups — including the Cadogan and Grosvenor estates, John Lyon’s Charity and the Portal Trust — challenged the 0.1 percent ground-rent cap in valuation, the abolition of marriage value, and the costs-recovery reform under the 2024 Act. All claims were dismissed: the court held the provisions compatible with Article 1 of Protocol 1 to the European Convention on Human Rights (A1P1), the Convention’s protection of property.

The Court of Appeal granted permission to appeal on 1 April 2026; the ground on which it did so is not reported. That fact rests on a secondary source — Leasehold Knowledge Partnership, 30 April 2026 — and is carried with that flag.

Implication for appraisers. The uncompensated removal of marriage value from the statutory scheme survived challenge at first instance, and the appeal is pending. For reversionary and ground-rent portfolios the litigation itself is a marketability fact: the value of the affected interests depends on legislation whose valuation provisions are not in force, whose rates are out to consultation, and whose compatibility with A1P1 is before the Court of Appeal. A report on such an interest that does not state those contingencies has not described the interest.

Source — <https://caselaw.nationalarchives.gov.uk/ewhc/admin/2025/2751>. Court of Appeal permission: Leasehold Knowledge Partnership, 30 April 2026 (secondary source).

The Upper Tribunal’s compensation year. The Lands Chamber (a specialist valuation court with no United States counterpart; there, condemnation value is found by a jury or by commissioners) decided more disputed compensation references in 2025–26 than in any recent period, most of them arising from HS2. The decisions below are grouped by the question each answers rather than by date.

Before-and-after, and nothing after the date: *Landlink (Stoke Mandeville) Ltd v Secretary of State for Transport*. [2026] UKUT 319 (LC), 26 August 2026. A 2.7-acre strip taken from 27 acres for an HS2 bypass, valuation date 18 May 2022. The Tribunal ran a residual valuation before and after — £10,150,000 against £190,000 — and awarded £9,960,000 against a claim of £12.8m and an offer of £6m. Two holdings carry: nothing occurring after the valuation date may be brought into the account, so later assurances about access were irrelevant; and a specialist retirement developer would not have bought the retained land unconditionally, which fixed the “after” figure.

Loss of profits at £29.9m: *Cemex UK Operations Ltd v Secretary of State for Transport*. [2025] UKUT 376 (LC), 18 November 2025, following interim findings at [2025] UKUT 138 (LC). A rule 6 claim on a railway-sleeper factory at Washwood Heath, Birmingham, vested 15 May 2020: no-scheme profit £45,666,000 less scheme profit £15,733,000 — £29,933,000. The methodological holding is that costs vary with volume; the claimant’s fixed margin per unit was rejected, and a disturbance (in the United States, relocation payments) model that assumes it will overstate the loss on every reduced-output case.

Value to the owner, not to a purchaser: *WKD Trained Dogs Ltd v Secretary of State for Transport*. [2026] UKUT 207 (LC), 26 June 2026. A business extinguished by the taking was valued on maintainable EBITDA of £491,167 at a multiple of 5.5 — £2,701,419 — expressly as value to the owner rather than to an open-market purchaser, with shadow losses of £1,330,524 bringing the total to £4,907,348. The multiple was fixed for a business nobody was buying.

Remediation cost in place of diminution: *Brookhouse v Environment Agency*. [2026] UKUT 209 (LC), 12 June 2026, under the Water Resources Act 1991. The Tribunal fixed the unblighted value at £1,850,000 on comparables at about £320 per square foot — rejecting both experts’ figures of £1.4m and £1.9m — and then awarded remediation cost exceeding £3.2m rather than diminution, because that was the loss actually suffered. Cost to cure exceeding the unaffected value is unusual and the reasoning should be read before it is relied on.

The works, at cost: *Samra v Sandwell MBC*. [2026] UKUT 83 (LC), 27 February 2026, valuation date 7 May 2014. An agreed base of £400,000, less £54,000, plus £121,000 for the claimants’ own works — pre-development works at cost and outbuildings at half cost — came to £467,000, with basic loss of £33,675. The hypothetical purchaser was assumed to share remediation cost with the neighbors, which is an assumption about the market and not about the claimant. Indemnity costs followed at [2026] UKUT 323 (LC).

Against mechanical deduction: *Khan v Wolverhampton City Council*. [2025] UKUT 335 (LC), 9 October 2025. A good-condition value of £235,000 less repairs of £84,356 gave £150,000, but the Tribunal warned against deducting a refurbishment cost arithmetically from a refurbished value: a purchaser prices the risk and the delay as well as the invoice, and the deduction is a judgment, not a subtraction.

Scheme depression already crystallized is still disregarded: *Nofax Station Road Ltd v LB Barnet*. [2025] UKUT 241 (LC), 28 July 2025, valuation date 1 November 2019. Before-and-after on a residual of £2.1m against a retained value of £590,000: £1,510,000, with fees of £62,845.20 and basic loss of £75,000. The point of principle is that a depression in value caused by

the scheme (in United States practice, the project) and already reflected in the market before the valuation date is nevertheless disregarded under section 6A — the no-scheme world is reconstructed, not merely observed.

No ransom in a wayleave: *Miller v National Grid Electricity Distribution*. [2026] UKUT 265 (LC), 16 July 2026, under the Electricity Act 1989. Diminution of £43,800 was found as a percentage of the unaffected value, decapitalized and recapitalized over fifteen years, plus £5,000 disturbance. The claim to a “commercial value” based on the operator’s savings from not diverting the line was refused: a wayleave is compensated for what it takes from the owner, not for what it saves the taker.

Part I, and a house sold later: *Cochrane v Stockport MBC*. [2025] UKUT 395 (LC), 2 December 2025. A 2024 sale at £560,000 was indexed back to about £430,000 at the 16 November 2019 valuation date; the no-scheme value was about £440,000, and the depreciation from physical factors came to £10,000 — 2.3 percent, against a claim of £25,000. A later sale is the best evidence of the “after” figure and the worst evidence of the “before”.

Briefly noted. *Quyoom v Middlesbrough BC* [2025] UKUT 274 (LC): a business extinguished, its records unreliable, compensated at £804,950 in all, of which £657,500 was stock — and a claimant may not have both the stock and the future profits it would have earned. *Bank of Scotland v Burnley BC* [2025] UKUT 189 (LC): a mortgagee’s claim under section 15 of the 1965 Act, £45,000 on comparables against a debt of £76,164.80 — the lender takes the value, not the loan. *Royal Sun and Alliance v LB Harrow* [2026] UKUT 197 (LC): tree-preservation-order compensation settled at £30,000 is “proceedings for injurious affection” for costs.

The certificate cases. Four decisions on certificates of appropriate alternative development on the HS2 line put the canceled-scheme world to work — one at Old Oak Common in London, three at the Curzon Street terminus in Birmingham. At Old Oak Common, *John Lewis Partnership Pensions Trust* [2026] UKUT 78 (LC) refused residential for 722 units on noise and open-space grounds and granted commercial; *Curzon Park* [2026] UKUT 73 (LC) cut a 181,260-square-meter scheme to about 138,000 because archaeological evaluation would have been required; *Birmingham City University* [2026] UKUT 10 (LC) capped mixed use at 82,805 square meters; *Quintain* [2025] UKUT 312 (LC) settled at 75,017. In each the Tribunal is doing what a valuer’s highest-and-best-use analysis does, with a planning inquiry’s rigor, and the certificate then fixes the assumption for the valuation that follows.

Implication for appraisers. Taken together the English year states four disciplines. The valuation date is a wall, and nothing behind it counts. A before-and-after must be built from two genuine valuations, not one valuation and an arithmetic deduction. Value to the owner is a different figure from value to a purchaser, and the Tribunal will say which it is applying. And the no-scheme world is a construction, so market evidence already infected by the scheme is corrected rather than accepted.

Source — All Upper Tribunal (Lands Chamber) decisions above were read in the official texts on Find Case Law: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/319>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/376>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/207>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/209>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/83>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/335>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/241>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/265>; <https://caselaw.na>

[tionalarchives.gov.uk/ukut/lc/2025/395](https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/395); <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/274>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/189>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/78>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/73>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/10>; <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/312>.

Adverse possession: *Brown v Ridley* [2025] UKSC 7. 26 February 2025, Lord Briggs. Under the Land Registration Act 2002, Schedule 6, paragraph 5(4)(c), any ten-year period of reasonable belief falling within the period of adverse possession suffices. The treatment here is brief because the question is one of title — anterior to valuation: it goes to what interest exists to be valued.

Source — <https://caselaw.nationalarchives.gov.uk/uksc/2025/7>.

Identified: landlord-and-tenant decisions outside this department’s valuation scope.

The existence of each of the following has been verified; each is recorded in one line because landlord-and-tenant law as such lies outside this department’s valuation scope. *Avon Freeholds Ltd v Cresta Court E RTM Co Ltd* [2026] UKSC 31 (27 August 2026, Lord Briggs): a right-to-manage (RTM) claim is not invalidated by failure to serve one invitation notice, applying the *Soneji* approach to statutory non-compliance. *SGL 1 Ltd v FSV Freeholders Ltd* [2026] EWCA Civ 267 (13 March 2026): the meaning of “building” under Part I of the Landlord and Tenant Act 1987. *Caterpillar Property Ltd v Park Cakes Ltd* [2026] EWCA Civ 575: an unexercised renewal option is not an “agreement” under section 28 of the Landlord and Tenant Act 1954. *Hamer v Levy* [2026] EWCA Civ 662: deposit prescribed information and substantial compliance.

Source — <https://caselaw.nationalarchives.gov.uk/uksc/2026/31>; <https://caselaw.nationalarchives.gov.uk/ewca/civ/2026/267>; <https://caselaw.nationalarchives.gov.uk/ewca/civ/2026/575>; <https://caselaw.nationalarchives.gov.uk/ewca/civ/2026/662>.

Scotland

This section covers Scotland, one of the three legal jurisdictions of the United Kingdom and distinct from England and Wales, with its own compulsory-purchase and valuation regime: compensation for compulsory acquisition is governed by the Land Compensation (Scotland) Acts 1963 and 1973, acquisition procedure by the Acquisition of Land (Authorisation Procedure) (Scotland) Act 1947, and planning by the Town and Country Planning (Scotland) Act 1997. Disputed compensation is determined by the Lands Tribunal for Scotland. The Crofting and Scottish Land Court Act 2026 (asp 17; Royal Assent 18 May 2026) provides, at section 57, for the merger of the Scottish Land Court and the Lands Tribunal for Scotland; whether that merger has been commenced has not been verified for this installment, and the Tribunal continues to publish decisions under its own name as this issue goes to press.¹ Primary sources for this section are legislation.gov.uk, the Tribunal’s decision database at lands-tribunal-scotland.org.uk, and the publication pages of the Scottish Government at gov.scot. This section supplies the Scottish coverage which the scope note above announces.

Compulsory purchase reform: consultation closed, a single Act promised. The Scottish Government’s consultation on compulsory purchase reform ran from 19 September to 19 December 2025. On 26 August 2026 it published “Compulsory Purchase Reform in Scotland: The Way Forward”, together with a summary of consultation responses. The Way Forward states a commitment

¹legislation.gov.uk — Crofting and Scottish Land Court Act 2026, <https://www.legislation.gov.uk/asp/2026/17>.

to bring forward legislation to replace the existing fragmented legislation with a single Compulsory Purchase Act bringing together compulsory purchase order (CPO — the instrument by which land is taken) procedures and compensation, and to modernize the compensation rules by codifying decades of case law. On valuation, the document states that how statutory loss payments are calculated, and the extent to which CPO compensation takes account of hope value (value attributable to the prospect of a more valuable future use), require further consideration, and that research will be commissioned on hope value.²

Implication for appraisers. The compensation code against which Scottish acquisitions are valued — currently the 1963 and 1973 Acts and the case law on them — is to be restated by statute, and the treatment of hope value is expressly open. Everything remains prospective: no Bill exists as this issue goes to press. A report on land exposed to acquisition in Scotland should state that it assumes the present regime and that reform is announced but not enacted.

The interest taken is defined by the lease: *Archyield Ltd v Network Rail Infrastructure Ltd*. [2024] LTS 6 (LTS/COMP/2022/0002), Lord Duthie and Mr C C Marwick FRICS, decision issued 26 February 2024. Archyield was tenant of the Millennium Hotel, George Square, Glasgow, under a 125-year lease running to 2109. Under the Network Rail (Glasgow Queen Street Station) Order 2017, made under the Transport and Works (Scotland) Act 2007, Network Rail acquired and demolished the 1970s extension to the hotel, and the tenant claimed statutory compensation for the compulsory purchase of its interest in the demolished part; interim compensation had been paid. The parties agreed that the extent of the tenant’s repairing obligation under Clause (THIRD) of the lease would materially affect the basis and value of the compensation due, and sought a preliminary determination. The Tribunal determined that the clause imposes an unqualified, objective repairing standard: the qualification by reference to the condition of the premises at entry is engaged only by a Schedule of Condition, no such schedule was ever made, and the condition of the premises in 1984 cannot now be proved by extrinsic evidence in its place.³

Implication for appraisers. The compensation for a leasehold interest compulsorily acquired is the value of that interest as the lease defines it, and here the anterior question — what repairing liability burdened the interest — was settled as a matter of contractual construction before any valuation could proceed. A valuer instructed on the compensation cannot assume the answer to such a question; the assumption adopted (or the determination obtained) should be stated, because it moves the value of the interest directly.

No compensation for the cost of complying with conditions: *William Thompson & Son (Dumbarton) Ltd v The Scottish Ministers*. [2025] LTS 25 (LTS/COMP/2024/0007), Lord Duthie and Mr C C Marwick FRICS, 17 December 2025. The applicant operates a whinstone quarry at Sheep Hill, Dunbartonshire, within which stands a scheduled monument (a vitrified fort). Scheduled monument consent for quarrying that would remove the fort entirely was granted on 31 August 2023, subject to conditions requiring archaeological investigation and recording. The applicant claimed compensation under section 7 of the Ancient Monuments and Archaeological Areas Act 1979 for expenditure, loss and damage — in substance, the cost of complying with the conditions. The Tribunal held that section 7(3) excludes the claim: entitlement under that

²gov.scot — <https://www.gov.scot/publications/compulsory-purchase-reform-scotland-way-forward/responses-summary>, <https://www.gov.scot/publications/compulsory-purchase-reform-consultation-responses-summary/>.

³Lands Tribunal for Scotland, <https://www.lands-tribunal-scotland.org.uk/decisions/LTS.COMP.2022.02>.

provision turns on development being unlawful without consent, not on the cost of conditions, and compensation is confined to situations where development is truly barred. The application was dismissed as irrelevant (in Scots procedure, a claim that cannot succeed in law as pled).⁴

Implication for appraisers. Where consent to work land carrying a heritage designation is granted subject to conditions, the cost of compliance is not a compensatable loss under section 7(3); it belongs in the development appraisal of the mineral operation as a cost of winning the consent, not in a claim against the state. The decision also illustrates the narrowness of the statutory bases of compensation outside the compulsory-purchase code: each rests on its own words.

Transfer of large holdings constrained — enacted, and largely not in force: Land Reform (Scotland) Act 2025. The Land Reform (Scotland) Act 2025 (asp 15; Royal Assent 16 December 2025) inserts into the Land Reform (Scotland) Act 2003 a regime for the management and transfer of large landholdings. Under the inserted provisions, land exceeding 1,000 hectares (section 67H(2): “land that exceeds 1,000 hectares in area”) may become transferable only in accordance with a lotting decision — a decision of the Scottish Ministers under inserted sections 67N, 67O or 67T about whether the land is to be transferred in lots. Inserted section 67X provides for compensation for loss attributable to a lotting decision, and inserted section 67W for an appeal against a decision that land may only be transferred in lots. Community engagement obligations and land management plans attach to large holdings under separate inserted provisions. Commencement to date is narrow: the Land Reform (Scotland) Act 2025 (Commencement No. 1) Regulations 2026 (SSI 2026/119 (C. 11)) bring sections 8, 9 and 12 — Land Commissioners’ functions and a model hutting lease duty — into force from 16 March 2026; the transfer-and-lotting machinery is not in force.⁵

Implication for appraisers. If commenced, lotting is a direct constraint on the marketability of estates above the hectare threshold: the owner may be unable to sell the holding whole, and the value of the parts under a mandated lotting need not sum to the value of the whole. The inserted compensation provision (section 67X) will put a statutory number on that difference. Until commencement, a valuation of a qualifying holding should state that the regime is enacted but not in force.

Coverage notes (Scotland). Decisions of the Lands Valuation Appeal Court, the Court of Session and the United Kingdom Supreme Court on Scottish appeals have not been surveyed for this installment. The Lands Tribunal for Scotland’s decision database was, at the time of verification, served with a misconfigured security certificate (presenting a certificate for an unrelated hosting domain); the decisions cited above were nonetheless retrieved from that database directly and read in full or in relevant part, and the citations are carried as the Tribunal publishes them.

Northern Ireland

This section covers Northern Ireland, one of the three legal jurisdictions of the United Kingdom and distinct from England and Wales, with its own compulsory-acquisition and valuation regime. Land is typically acquired by vesting order (an order which itself transfers title, its operative date fixing the valuation date), and disputed compensation is determined by the Lands Tribunal for Northern Ireland, constituted under the Lands Tribunal and Compensation Act (Northern Ireland) 1964. The

⁴Lands Tribunal for Scotland, <https://www.lands-tribunal-scotland.org.uk/decisions/LTS.COMP.2024.07>.

⁵legislation.gov.uk — the Act, <https://www.legislation.gov.uk/asp/2025/15>; commencement, <https://www.legislation.gov.uk/ssi/2026/119>.

compensation rules are in the Land Compensation (Northern Ireland) Order 1982: Article 6 states the assessment rules, including rule (2), the open-market-value basis; Article 8 covers severance and injurious affection (damage to retained land — severance being the damage from splitting a holding, injurious affection the depreciation of retained land by the acquisition or the works); Article 18 covers injurious affection (in the United States, severance damages or damages to the remainder) caused by execution of works where compensation is not payable under Article 8. Compensation for development values has its own statute, the Land Development Values (Compensation) Act (Northern Ireland) 1965 (c. 23). Planning is governed by the Planning Act (Northern Ireland) 2011 (c. 25). Rating rests on the Rates (Northern Ireland) Order 1977, administered by Land & Property Services (LPS), the rating and valuation agency of the Department of Finance; domestic property is rated on capital values, with appeals from the Northern Ireland Valuation Tribunal (NIVT) lying to the Lands Tribunal. Primary sources for this section are the decision pages of the Judiciary of Northern Ireland at judiciaryni.uk, legislation.gov.uk, and the pages of the Department of Finance at finance-ni.gov.uk.

A full compensation reference worked head by head: *Logan v Department for Infrastructure*. R/1/2023, Lands Tribunal for Northern Ireland (Henry Spence MRICS Dip.Rating IRRV (Hons)), 22 August 2025. Lands at six locations near Ballymena were vested for the dualling of the A26 from Glarryford to the A44 Drones Road; the vesting order of 28 November 2013 had an operative date of 7 January 2014, the valuation date. The applicants claimed £2,150,667 across the heads of vesting value, severance, injurious affection and disturbance; the Department’s figures totaled £422,955. The Tribunal awarded £1,002,325. Three points carry the valuation interest. First, method: the Department’s valuer assessed the market value of affected dwellings by taking the capital value in the rating list and adding 10 percent; the Tribunal did not consider this “to be a proper method of assessing the capital value of any property” — “[t]he capital value should be assessed by comparison to market sales.” Second, quantum of injurious affection: the Tribunal assessed depreciation of the retained commercial complex at 20 percent of a £2,930,000 capital value (£586,000), rejecting the claimed 40 percent, and applied 15 to 20 percent to the other retained properties, including a property whose direct road access was stopped up without any land being vested, compensated under Article 18 at 20 percent of a £145,000 value. Third, no double counting: a £81,915 disturbance claim for lost rental income was assessed at nil, the Tribunal considering that loss already accounted for in the injurious affection and severance assessment, and otherwise unsubstantiated by exact evidence.⁶

Implication for appraisers. The decision is a working template for a Northern Ireland compensation reference: open-market value under Article 6 rule (2) at the vesting date, severance and injurious affection as a percentage depreciation of the retained land’s capital value, and disturbance only for losses not already captured in the land heads and only on evidence. The method holding travels: a statutory rating figure, uplifted, is not evidence of market value — comparison to market sales is.

The valuation date is the date of the District Valuer’s certificate: *Commissioner of Valuation v McAteer*. VT/2/2023 (Part 2), Lands Tribunal for Northern Ireland (Henry Spence MRICS Dip.Rating IRRV (Hons)), 5 June 2024. A cottage near Newry had been removed from the domestic Valuation List by the NIVT, which took the state and circumstances of the property as at the date of the appeal to it. On the Commissioner’s appeal — advanced undefended after the ratepayer withdrew — the Tribunal found the NIVT erred in law: the correct date is the date

⁶judiciaryni.uk — <https://www.judiciaryni.uk/judicial-decisions/r12023> (decision PDF linked from that page).

of the District Valuer’s certificate which gave rise to the appeal, 5 October 2020, at which date the property is to be valued as it in fact is — *rebus sic stantibus* (in the state in which things stand). On that footing later events (an intended start of works, an injunction application, an unbuilt replacement dwelling permitted under a 2020 planning permission) were irrelevant; the property was a rateable hereditament in beneficial occupation; and under paragraphs 7 and 12 of Schedule 12 to the Rates (Northern Ireland) Order 1977 capital value is the open-market sale price on the statutory assumptions, including an assumed average state of internal repair regardless of actual internal condition. The property was directed to be re-entered in the Valuation List at a capital value of £105,000.⁷

Implication for appraisers. Two disciplines of statutory valuation are restated: the date discipline — state and circumstances are fixed at the statutory date, not at the hearing — and the assumption discipline — the statutory repair assumption displaces the property’s actual internal condition. Both are bases of value fixed by the statute, not judgments open to the valuer, and both can drive the figure away from what a market inspection would suggest.

Identified: costs following a compensation reference. The existence of the following has been verified; it is recorded in one line because it concerns costs rather than valuation. *Millar v Department for Infrastructure* R/2/2022 (Parts 1 and 2), Lands Tribunal for Northern Ireland (Mr Spence), 13 October and 3 November 2025: allocation and amount of costs in a compensation matter arising at Derrygowan Road, Randalstown.⁸

Coverage notes (Northern Ireland). Decisions of the High Court and Court of Appeal of Northern Ireland have not been surveyed for this installment. No 2024–2026 decision under the Land Development Values (Compensation) Act (Northern Ireland) 1965 was identified in the Lands Tribunal’s published decisions reviewed for this installment; that is recorded as a result of the search, not as a statement that none exists.

Taxation

Ad valorem assessment appeals, current use against highest and best use, special-purpose and utility property, estate and gift tax, and conservation-easement valuation.

Rating: the year’s method points. The Lands Chamber’s rating decisions of 2025–26 are individually small and collectively a manual. *Espresso Rooms v Johnson* [2026] UKUT 70 (LC) rejected the subject’s own November 2017 letting at £90,000 as a post-valuation-date “conspicuous outlier” and adjusted the comparables straight-line to reach £109,000 — the actual rent losing to the tone. *Wei Xiaoli v Johnson* [2025] UKUT 291 (LC) rejected both unadjusted post-date rents and the officer’s growth adjustments to them, settling at £16,000. *Hitchings v Shoosmiths* [2025] UKUT 224 (LC) held that where comparables give no help, the amortized cost of a category B fit-out is the measure of the rental uplift, and *Dyer* [2026] UKUT 158 (LC) confirmed that fitted offices command a premium the comparables must be adjusted for. *Robert Dias v Moore* [2025] UKUT 163 (LC) devalued two warehouse rents with a three-month fit-out allowance and incentives spread over ten years to £65.75 per square meter, then took 12.6 percent off the end. *BNPPDS*

⁷judiciaryni.uk — <https://www.judiciaryni.uk/judicial-decisions/vt22023-part-2> (decision PDF linked from that page).

⁸judiciaryni.uk — <https://www.judiciaryni.uk/judicial-decisions/r22022-part-1>; <https://www.judiciaryni.uk/judicial-decisions/r22022-part-2>.

v Hitchings [2025] UKUT 104 (LC) entered a warehouse under a £171,916 redevelopment at £1. And *Formela-Osbourne* [2026] UKUT 200 (LC) put a training academy on the contractor's basis at 4.4 rather than 2.6 percent decapitalization, because it was not an educational hereditament — £191,000 against the tribunal's £113,000.

Receipts and expenditure, with a risk premium: *Bay Farm Power v Prescott*. [2026] UKUT 238 (LC), 29 June 2026. Anaerobic digesters valued on receipts and expenditure, the divisible balance split by notional capital contributions including working capital and a fifteen percent risk premium: £270,000 and £129,000. For a valuer who has never seen a receipts-and-expenditure valuation worked through by a tribunal, this is the one to read.

Stamp duty on market value, not consideration: *Tower One St George Wharf v HMRC*. [2025] EWCA Civ 1588, 10 December 2025. Under the anti-avoidance provision the charge fell on market value of about £200m rather than the £30.2m consideration; an £8m assessment stood. Where a statute substitutes market value for price, the valuer's figure is the tax base, and there is no negotiating it down.

Care homes: property and goodwill: *Nellsar v HMRC*. [2025] UKUT 164 (TCC), 2 June 2025. The apportionment between property and goodwill must value the property as an identifiable asset on the profits method with its trading potential, not on depreciated replacement cost. The gap between the parties shows why: HMRC put one home at £1,865,000 property and £75,000 goodwill; the taxpayer at £840,000 and £1,100,000. A trade-related property's value *is* largely its trading potential, and moving that potential into goodwill was the apportionment the Tribunal refused.

Council tax, briefly. A property in disrepair stays in the list if it would be occupiable after reasonable repair ([2026] EWHC 993 (Admin)); and whether an annexe forms a single property with the house is decided on the current facts, not on how it was once listed ([2026] EWHC 1383 (Admin)).

Northern Ireland — capital value appeals. Two Valuation Tribunal decisions of 20 July 2026 dismissed appeals where earlier reductions — to £50,000 and £80,000 — were held adequate and no manifest error shown. Scotland's Lands Tribunal issued no rating-valuation decision in the period.

Implication for appraisers. The rating line is where a comparable-selection discipline is most visibly enforced. A subject's own rent is evidence, not an answer; post-date evidence is adjusted or excluded, never taken at face value; and where the evidence runs out the Tribunal reaches for cost, not for guesswork. The same rules apply in any assessment appeal, and are seldom stated so plainly.

Source — All read in the official texts on Find Case Law — Espresso Rooms: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/70>; Wei Xiaoli: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/291>; Hitchings v Shoosmiths: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/224>; Dyer: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/158>; Robert Dyas: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2025/163>; BNPPDS: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/200>; Bay Farm Power: <https://caselaw.nationalarchives.gov.uk/ukut/lc/2026/238>; Tower One: <https://caselaw.nationalarchives.gov.uk/ewca/civ/2025/1588>; Nellsar: <https://caselaw.nationalarchives.gov.uk/ukut/tcc/2025/164>; Harnoczi: <https://caselaw.nationalarchives.gov.uk/ewhc/admin/2026/993>; Haley: <https://caselaw.nationalarchives.gov.uk/ewhc/admin/2026/1383>; McCoy and Byrne, Northern Ireland Valuation Tribunal: <https://www.judiciaryni.uk/judicial-decisions/nivt-4224> and <https://www.judiciaryni.uk/judicial-decisions/nivt-825>.

Reval2026 — a non-domestic revaluation announced, then paused. Land & Property Services is revaluing all non-domestic properties in Northern Ireland (“Reval2026”), with rateable values in line with rental values as at 1 April 2024 (the antecedent valuation date — the date by reference to which values are fixed) and a new valuation list to take effect on 1 April 2026. The Department of Finance’s Reval2026 page states: “On Thursday 29 January 2026, the Finance Minister John O’Dowd announced a pause of the Reval 2026 process.”⁹

Implication for appraisers. Which list governs a Northern Ireland non-domestic assessment — and therefore which antecedent valuation date the rateable value reflects — is, as this issue goes to press, unsettled by the announced pause. Any rating-adjacent analysis (rates as an outgoing in an income approach, or rateable value used as a check) should state which list and valuation date it relies on.

Identified: rating and building-safety legislation. The existence of each of the following has been verified; each is recorded briefly. The Non-Domestic Rates (Liability for Unoccupied Properties) (Scotland) Act 2026 (asp 1; Royal Assent 7 January 2026) makes provision about the liability of owners of unoccupied properties to pay non-domestic rates — a holding-cost fact for vacant commercial property. The Building Safety Levy (Scotland) Act 2026 (asp 14; Royal Assent 13 May 2026) imposes the Scottish building safety levy, a tax charged in relation to a step in the building control process following construction of, or conversion works creating, certain new buildings, with proceeds payable to the Scottish Ministers towards building safety expenditure — a cost line in Scottish development appraisals, parallel in purpose to the building-safety funding litigation in England and Wales reported below.¹⁰

Lending, Foreclosure, and Mortgage Regulation

Origination and refinance appraisals, GSE, FHA and FIRREA independence rules, deficiency actions, and what loss the valuation actually caused.

Red Book breaches, a figure inside the bracket: *Skykomish v Gerald Eve*. [2025] EWHC 1031 (Ch), 1 May 2025. A mezzanine lender sued on a £16,580,000 valuation of leasehold student accommodation dated 18 February 2015. The valuer admitted no inspection had been made — a breach of the Red Book — and had given inadequate warning on the ground-rent and rent-review terms. The claim nevertheless failed. The court preferred the defendant’s expert and found the true value to be £15.1m, so that £16.58m lay inside the bracket and the figure was not negligent; the engagement letter had been breached in other respects, but those breaches were “not the cause of loss”. The lender’s own expert, on a discounted cash flow, was not preferred. An earlier valuation of the same property, at £16.57m, had differed by £10,000.

The monitoring surveyor’s £2.5m: *Eiger Funding v Ridge and Partners*. [2026] EWHC 609 (TCC), 16 March 2026. Not a valuer but a fund-monitoring surveyor, whose cost-to-completion advice of about £2.9m stood against a benchmark of £5.4m, and who had a conflict of interest. Damages of £2.5m to a lender that had advanced £12.9m. The case is the mirror image of *Skykomish*: reliance was real, and it was the reliance that made the liability.

⁹Department of Finance — NI Reval2026, <https://www.finance-ni.gov.uk/reval2026>.

¹⁰legislation.gov.uk — <https://www.legislation.gov.uk/asp/2026/1>; <https://www.legislation.gov.uk/asp/2026/14>.

Receivers, guide prices and the borrower’s expert: *Fairmont v Venus Bridging*. [2025] EWCA Civ 1513, 26 November 2025. Receivers marketed at a £4.75m guide, on valuations of £4.6m to £5.3m; the best bid was £5.025m; the borrower’s expert said £7.23m. The sale was not restrained — the threshold is manifest unfairness, and a competing valuation, however much higher, is not that.

Briefly noted. *ICG Manager v Collins International Valuation* [2026] EWHC 1346 (Ch) is interlocutory in a live claim: a 2018 valuation at £23.75m against an alleged true value of £16.9m, about £6.2m claimed on a loan-to-value covenant — one to watch. *Conditioning House v JBG* [2025] EWHC 3260 (Ch): a mortgagee’s sale at £1m on a 2018 report, against a 2017 valuation of £2m; liability found, quantum reserved. *Brooke Homes v Portfolio Property Partners* [2025] EWHC 1305 (Ch): a mortgagee selling at £40m must account for a non-monetary benefit received in addition to the price — a spine road worth £2.4m — but an alleged £2m “price chip” failed for want of evidence.

Implication for appraisers. *Skykomish* is the case to keep. The court found real breaches of the engagement — no inspection, an inadequate warning — and the valuer still succeeded, because the figure itself was one a competent valuer could have reached and the breaches caused no loss. It cuts both ways: a process failure is not liability without a wrong number or a loss that flows from the failure, and a defensible number will not rescue a valuer whose process failure did cause the loss.

Source — *Skykomish*: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2025/1031>; *Eiger*: <https://caselaw.nationalarchives.gov.uk/ewhc/tcc/2026/609>; *Fairmont*: <https://caselaw.nationalarchives.gov.uk/ewca/civ/2025/1513>; *ICG*: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/1346>; *Conditioning House*: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2025/3260>; *Brooke Homes*: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2025/1305>. All official texts.

Sale-and-rent-back, and the later purchaser. The Court of Appeal held on 23 March 2026 that recovery under section 26 of the Financial Services and Markets Act 2000 — an agreement made through an unauthorized sale-and-rent-back operator being unenforceable — does not reach a later purchaser of the property: the original owners could not claw the house back from the party who bought it on. The unwinding stops where the market has moved the title on.

Source — *Sale-and-rent-back*: <https://iclg.com/news/23694-homeowners-lose-fight-to-win-back-house-after-unlawful-rent-back-deal>. The entry rests on legal reporting, not on a judgment text read by this department.

Valuer and Appraiser Professional Liability

Negligence, breach of contract, and rarely fraud against the appraiser; bracket and margin of error, intended use, and USPAP compliance.

The bracket at fifteen percent: *Bratt v Jones*. [2025] EWCA Civ 562, 2 May 2025. An option price on an 82-unit site was determined at £4,075,000; the judge found the correct value was £4,746,860. The permissible bracket was put at ten to fifteen percent and fifteen adopted; the valuation was 14.15 percent low, inside the bracket, and the claim failed at both instances. The Court of Appeal restated the *Bolam* standard and the proposition that valuation is “an art not a science”.

Implication for appraisers. Set this beside the Dutch ten-percent bandwidth and the German twenty-percent variance reported in the European installment. Three legal systems, three routes, and a corridor between ten and twenty percent in each. A valuer wrong by a seventh is not negligent in England; wrong by a fifth, probably. The English figure is the widest, and the Court of Appeal took some care to say it is not fixed.

Experts who knew too much: *Regal BA v Zhang*. [2026] EWHC 1446 (Ch), 23 June 2026. Two expert valuers, at £10.25m and £14.75m, were found “compromised” by knowledge of their instructing parties’ pleaded positions and given little weight; the court preferred the resale price as the market’s own answer. An expert who has read the pleadings before forming a view has, on this reasoning, already formed it.

Briefly noted. *Gordeno v Irwin Mitchell* [2026] EWHC 136 (Ch) is a solicitors’ negligence claim, but the court determined a September 2016 market value on competing valuer evidence and preferred the residual-model expert over a £3.875m figure. The RICS regulatory decisions for the period could not be retrieved — the Institution’s pages were unavailable — and no expert-immunity decision of the *Jones v Kaney* kind was found.

Source — Bratt v Jones: <https://caselaw.nationalarchives.gov.uk/ewca/civ/2025/562>; Regal BA: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/1446>; Gordeno: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/136>. All official texts.

Family Law, Divorce, and Equitable Distribution

Date-of-value contests, discounts, and whether a contemplated subdivision or development is reasonably probable.

No discount for a sale nobody contemplates: *NI v AD*. [2025] EWHC 2997 (Fam), 31 October 2025. Both experts applied a thirty percent minority discount to a shareholding; the court rejected it, because no sale was contemplated and the discount measures a loss the holder will never suffer. The family home was agreed at £4.1m, the valuation date fixed at 31 December 2023, and the multiplier taken at the experts’ midpoint of 8.0.

The discount allowed: *Michael v Michael*. [2025] EWCA Civ 1668, 18 December 2025. A property-company shareholding valued at £30.5m — the husband said £28.9m, the wife £47m — including £5m for development value on one site, £8m net on another, and a twenty percent minority discount worth £3.8m. Permission to appeal refused. Read with *NI v AD* the position is that the discount is a finding of fact about the holding, not a convention about minorities.

***Wells* sharing, and the illiquidity already in the price: *Culligan*.** [2025] EWFC 1, 14 January 2025, and on appeal [2026] EWCA Civ 948, 24 July 2026. Shares in a private company valued at £19m on the international valuation standard, from funding-round evidence, with no further illiquidity discount because the funding round had already priced it. The Court of Appeal held there is no principle that sharing the shares in specie is a last resort, and varied the order to an equal division of the shares with the £7m home sold.

Briefly noted. *BS v CL* [2025] EWFC 215: experts at €2.24m and €4.05m converged on €3m; a flat bought for €6.7m and valued at €4.8m accepted as a genuine loss; a 58:42 division for illiquidity risk. *TF v SF* [2025] EWHC 1659 (Fam): a home at £3.5m, the court refusing a midpoint that would have priced a possible pylon removal. *AB v CD* [2025] EWFC 958: the expert’s net-liability valuation of a caravan-park company rejected in favor of actual market offers of £3.3m to £5.75m, private-company valuations being “among the most fragile” evidence a court receives. *Kroupeevea v Kroupeeve* [2026] EWFC 85: a home at about £14.9m, a Portuguese villa at £10.5m and Russian properties at £16.3m, the wife’s comparables accepted with adverse inferences drawn for the husband’s non-compliance.

Implication for appraisers. The English family court is the most skeptical forum in this survey about discounts. Illiquidity already reflected in a price is not deducted twice; a minority discount is refused where no sale will occur; and market offers beat a model. A valuer instructed in financial remedies should expect every discount to be tested against the question *who will actually bear this loss, and when*.

Source — NI v AD: <https://caselaw.nationalarchives.gov.uk/ewhc/fam/2025/2997>; Michael: <https://caselaw.nationalarchives.gov.uk/ewca/civ/2025/1668>; Culligan: <https://caselaw.nationalarchives.gov.uk/ewfc/2025/1> and <https://caselaw.nationalarchives.gov.uk/ewca/civ/2026/948>; BS v CL: <https://caselaw.nationalarchives.gov.uk/ewfc/2025/215>; TF v SF: <https://caselaw.nationalarchives.gov.uk/ewhc/fam/2025/1659>; AB v CD: <https://caselaw.nationalarchives.gov.uk/ewfc/2025/958>; Kroupeevea: <https://caselaw.nationalarchives.gov.uk/ewfc/2026/85>. All official texts.

Estate, Trust, and Probate

Date-of-death value, lack-of-control and marketability discounts, and mixed real-estate and business interests.

Probate value against the expert: *Key v Key*. [2026] EWHC 2098 (Ch), 14 August 2026. A property returned for probate at £2m; the court accepted the expert’s £1,650,000, held that the proper price is open-market value with vacant possession, and appointed an independent administrator. The probate figure is an executor’s assertion, not a finding, and it yields to evidence.

Two dates, one farm: *Hodgson v Hodgson*. [2026] EWHC 922 (Ch), 23 April 2026. A single joint expert valued a farm at £1,075,000 at the death on 20 October 2020 and £1,250,000 at 12 June 2025. The claim failed on the construction of the will, but the two figures show what four and a half years does to a rural holding, and why the date of value is the first question in every estate instruction.

Briefly noted. *Fisher v Fisher* [2026] EWHC 1508 (Ch): a cottage at £775,000 to £800,000 in 2019, sold for £972,000 in 2021; the executor bore £49,990.90 of works and paid occupation rent of £64,500. *Elborne v HMRC* [2025] UKUT 59 (TCC), affirmed at [2026] EWCA Civ 894: a £1.8m residence within the estate under a home-loan scheme, the note liability deductible — no revaluation of the land. *Tanner v HMRC* [2025] UKFTT 328 (TC): business property relief refused for holiday lettings, the date-of-death unit values of £290,000 to £450,000 not in dispute. No decision of the period on related-property or joint-ownership discounts was located.

Source — Key: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/2098>; Hodgson: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/922>; Fisher: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/1508>; Elborne: <https://caselaw.nationalarchives.gov.uk/ukut/tcc/2025/59> and

Partnership, Shareholder, and Buy-out Disputes

Fair value against fair market value, and whether an asset or cost approach is appropriate when the real estate is an operating asset.

The pub, the rent, and no minority discount: *Re BS Enterprises Ltd.* [2026] EWHC 1851 (Ch), 22 July 2026. An unfair-prejudice petition in a quasi-partnership whose asset was a pub: the freehold at £610,000 as an investment and £875,000 with vacant possession, a market rent of £65,000 a year against a cumulative underpayment of about £142,750, and a buy-out at 24 March 2026 with no minority discount. The two freehold figures are the case: the same building is worth forty percent more without its tenant, and which figure governs depends on what the court orders done with it.

No private-sale discount: *Rued v Dormer.* [2026] EWHC 1074 (Ch), 8 May 2026. On the dissolution of a land-development partnership, a plot was to be valued by an independent chartered surveyor at open-market value with vacant possession, with no discount for the fact that the sale was to a partner rather than to the market, and the partner's option exercisable only at that full value.

Briefly noted. *Stevens v Kyte* [2026] EWHC 1231 (Ch), a trading company rather than a property one, applied the same quasi-partnership logic: valuation date 31 March 2025, £289,000, no minority discount. *Taylor v Taylor* [2026] EWHC 106 (Ch) found unfair prejudice in a family property company and reserved the valuation.

Source — BS Enterprises: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/1851>; Rued: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/1074>; Stevens: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/1231>; Taylor: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/106>. All official texts.

Insurance, Casualty, Environmental Diminution, and Private Contract Damages

Before-and-after value, cost to cure against stigma, wildfire and contamination, insurance appraisal clauses, options, and partition.

The United Kingdom supplies the fullest run of diminution and private-damages material in this survey, and several of the decisions below turn on a measure other than the difference between two values.

Section 84: what a modified covenant is worth. The Lands Chamber's covenant-modification decisions of the period are a sustained lesson in the difference between a diminution and a percentage. In *Harrison-Ellis v Hunt* [2025] UKUT 295 (LC) the objectors' expert put the loss at ten percent of £2.3m — £230,000; the award was £25,000. In *Crossland v Fritchley* [2026] UKUT 22 (LC) ten percent of £545,000 became about 2.66 percent: £15,000. In *Williams v Thompson-Hall* [2026] UKUT 260 (LC) the experts said nil and £172,000 — ten percent of the property's value plus

£52,000 — and both were rejected for £10,000. *Baker v Cucknell* [2025] UKUT 339 (LC) awarded £10,000, £5,000 and £3,500 for loss of amenity rather than diminution, the experts' methodology being unsupported; *Davies v Jones* [2026] UKUT 51 (LC) cut £50,000 to £5,000. In at least seven further applications the award was nil, and in *Butler v Flagship Housing* [2026] UKUT 182 (LC) an expert's ransom-basis evidence was held simply irrelevant.

Implication for appraisers. A ten percent rule of thumb for covenant release has now been rejected by the Tribunal in every case of the period in which it was advanced. The Tribunal wants a diminution derived from evidence about the benefited land, and where none exists it awards a modest sum for amenity. An expert who arrives with a percentage is arriving with a conclusion in search of a method.

Residual diminution after remediation: *Wilson v HB (SWA)*. [2025] EWCA Civ 1360, 29 October 2025. On fire-safety defects the Court of Appeal accepted that “residual diminution in value ... is a proper head of loss” even after remediation — and then struck out the £317,000 schedule advanced, for being pleaded at the wrong dates and after remediation had already been agreed. The principle survives; the claim did not.

Cost of cure, and a resale as the market's answer. *Mallas v Persimmon* [2025] EWHC 2581 (TCC): foundation defects remedied by underpinning at £423,243, demolition being disproportionate. *Regal BA v Zhang* [2026] EWHC 1446 (Ch): a failed purchase measured as the £16.9m contract price less a £10.16m resale — about £6.7m — the resale accepted as the market test over two experts the court found compromised.

Knotweed, and insurance. *Sateeshkumar v Wigan MBC* [2026] EWCC 39 refused treatment costs of £2,635 where the encroachment predated the council's knowledge, and decided no diminution figure. On reinstatement against indemnity and on under-insurance, *nothing was found* for the period: the only candidate, *Mode Management v AXA* [2025] EWHC 2035 (Comm), was decided on avoidance and limitation with no valuation holding. Scotland's title-conditions jurisdiction produced one refusal of compensation for want of any evidence of diminution (*Scott and Allen v Gordon-Duff* [2025] LTS 18) and no award.

Source — Section 84 decisions, all at Find Case Law under `ukut/1c`: 2025/295, 2026/22, 2026/260, 2025/339, 2026/51, 2026/182, and the nil awards at 2026/310, 2026/287, 2026/139, 2026/270, 2025/242, 2025/209, 2025/121; Wilson: <https://caselaw.nationalarchives.gov.uk/ewca/civ/2025/1360>; Mallas: <https://caselaw.nationalarchives.gov.uk/ewhc/tcc/2025/2581>; Regal BA: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/1446>; Sateeshkumar: <https://caselaw.nationalarchives.gov.uk/ewcc/2026/39>; Mode Management: <https://caselaw.nationalarchives.gov.uk/ewhc/comm/2025/2035>; Scott and Allen: <https://www.lands-tribunal-scotland.org.uk/decisions/LTS.TC.2024.09>.

Negotiating damages, not diminution: *Cooper v Ludgate House Ltd; Powell v Ludgate House Ltd*. [2025] EWHC 1724 (Ch), Fancourt J, 8 July 2025 — rights of light (easements of light) at Bankside Yards, London. An injunction to demolish or cut back the Arbor tower was refused, and the court awarded negotiating damages in lieu — damages measured by the price the parties would reasonably have negotiated for release of the right: £500,000 to the Powells and £350,000 to Cooper (paragraph 384; the figures run that way). The method was a hypothetical negotiation as at August 2019, worked through *One Step (Support) Ltd v Morris-Garner* [2018] UKSC 20 and the *Wrotham Park* line of authority on such awards. The judge rejected the developer's book-value multiplier and the claimants' claims to one third of the development uplift (£9.41m and £6.59m);

took a modest share of the development gain of roughly £30–40m — £1.25m, split 58:42 — and then stood back and moderated the figures to £500,000 and £350,000. Diminution in the value of the claimants’ flats was found, obiter (in passing, not as part of the decision), at only £60,000 and £20,000; the award ran roughly eight times the diminution.

Implication for appraisers. The valuation core of the case is a court declining to let diminution in value measure the loss. Two distinct quantities are in play: the effect of the infringement on the value of the claimant’s property, and the price a release of the right would have commanded in negotiation — the second anchored in the developer’s gain rather than the claimant’s loss. An appraiser instructed in a rights-of-light matter must know which of the two is being asked for, because on these facts they differed by roughly a factor of eight, and the diminution figure — the familiar appraisal exercise — was not the measure of the award.

Source — <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2025/1724>.

Costs, 5 March 2026. The judgment at [2026] EWHC 484 (Ch) decides costs only. It records that, with interest agreed, judgment was entered on the July 2025 awards at £397,484.64 and £567,835.21 — the £350,000 and £500,000 with interest — against claims exceeding £3m each and pre-action offers of £23,000 to £36,000.

Source — *Cooper v Ludgate House Ltd* (costs), [2026] EWHC 484 (Ch), official text: <https://caselaw.nationalarchives.gov.uk/ewhc/ch/2026/484>.

Remediation costs as a determinant of leasehold value: the Building Safety Act 2022 litigation. Two Court of Appeal decisions of 8 July 2025 address the allocation of building-safety remediation costs under the Building Safety Act 2022: *Triathlon Homes LLP v Stratford Village Development Partnership* [2025] EWCA Civ 846 and *Adriatic Land 5 Ltd v Long Leaseholders at Hippersley Point* [2025] EWCA Civ 856. In *Hippersley Point* the court held, by a majority (Nugee and Holgate LJJ; Newey LJ dissenting on this ground), that paragraph 9 of Schedule 8 to the Act draws its line at 28 June 2022: service charges already paid are untouched, but from that date none of the relevant kind is payable, whether or not the underlying costs had already been incurred. The landlord’s appeal was dismissed. The United Kingdom Supreme Court granted permission to appeal in both on 6 November 2025, on the retrospectivity ground only (UKSC 2025/0156 and 2025/0157); *Adriatic* is listed for hearing on 18 November 2026.

On building liability orders: in *Crest Nicholson Regeneration Ltd v Ardmore Construction Ltd* [2026] EWHC 789 (TCC) (Technology and Construction Court), Constable J, 1 April 2026, orders were granted, including anticipatory orders made before liability was established; contrast *BDW Trading Ltd v Ardmore Construction Ltd* [2025] EWHC 434 (TCC), in which information orders under section 132 of the Act were refused.

Implication for appraisers. Remediation-cost allocation is now a live determinant of leasehold value. Who ultimately bears the cost of remediating a defective building — leaseholder, landlord, developer or contractor — is being settled provision by provision in this litigation, and the retrospectivity question now before the Supreme Court governs which historical costs can be pushed away from leaseholders. An appraisal of an affected flat or block that does not state its assumption on remediation liability leaves a material uncertainty unstated.

Source — legislation.gov.uk — Building Safety Act 2022, <https://www.legislation.gov.uk/ukpga/2022/30>; the decisions, <https://caselaw.nationalarchives.gov.uk/ewca/civ/2025/846>; <https://caselaw.national>

archives.gov.uk/ewca/civ/2025/856; <https://caselaw.nationalarchives.gov.uk/ewhc/tcc/2026/789>;
<https://caselaw.nationalarchives.gov.uk/ewhc/tcc/2025/434>.

What counts as a “building”, and who gets first refusal. In *SGL 1 Ltd v FSV Freeholders Ltd* [2026] EWCA Civ 267 (Court of Appeal, 13 March 2026) the question was the unit of the tenants’ right of first refusal under section 5(3) of the Landlord and Tenant Act 1987: a “building” is the functionally integrated envelope, so block A stood separate from blocks B, C and E. The definition fixes the asset over which the statutory right — and any valuation of it — runs.

Source — *SGL 1*, official text: <https://caselaw.nationalarchives.gov.uk/ewca/civ/2026/267>, and reporting: <https://www.lawgazette.co.uk/legal-updates/court-clarifies-what-counts-as-a-building/5126979.article>.

Coal subsidence claims are not once-and-for-all: *Diageo Scotland Ltd v The Coal Authority*. [2025] LTS 7 (LTS/COMP/2023/0002), R A Smith KC, Mr A Oswald FRICS and Mrs D Lovell, 17 April 2025. Diageo’s bonded whisky-maturation warehouses at Bonnybridge suffered settlement at two warehouses and a sinkhole. Diageo applied under section 40 of the Coal Mining Subsidence Act 1991 for determination of whether the Authority must take remedial action under section 2; a damage notice under section 3 was served on or about 12 May 2020. At a preliminary hearing on time bar the Tribunal found that the claim for remedial action in respect of damage occurring before 2009 was time-barred — the notice having been served more than six years after that damage — but allowed the application to proceed in respect of damage in 2017 and in respect of the sinkhole, which on the agreed hypothesis of fact were not time-barred. In its expenses note of 1 October 2025 ([2025] LTS 23) the Tribunal recorded that the arguments at the hearing had concentrated on the “single loss” argument — whether the claim had to be treated as one once-and-for-all loss — on which the applicants succeeded, and, treating success as divided, allowed Diageo its expenses of the hearing modified by a factor of 20 percent, with senior counsel sanctioned.¹¹

Implication for appraisers. Subsidence remediation under the 1991 Act is a statutory obligation of the Coal Authority, not a market transaction, and the decision treats successive damage events as capable of grounding separate, separately timed claims. For an asset over former coal workings, the valuation questions are what damage is remediable at the Authority’s cost, and whether notice was given in time: an old, unnoticed damage event can leave the cost where it lies, while fresh damage restarts the clock. An appraisal that treats “coal subsidence risk” as a single discount conflates liabilities that this decision shows to be date-dependent.

Coverage and completion status

- **Provenance.** This installment incorporates material supplied by the editor and verified against primary sources. Issue 1’s “United Kingdom” coverage is superseded, for the United Kingdom, by this installment.
- **Scotland and Northern Ireland.** Now covered, in their own sections above (Scottish Lands Tribunal compensation decisions and the compulsory-purchase reform program; Northern Ireland Lands Tribunal compensation and rating decisions). The Lands Valuation Appeal Court and the Northern Ireland higher courts were not surveyed, as noted there.

¹¹Lands Tribunal for Scotland — opinion, <https://www.lands-tribunal-scotland.org.uk/decisions/LTS.COM.P.2023.02>; expenses note, <https://www.lands-tribunal-scotland.org.uk/decisions/LTS.COM.P.2023.02.a>. See the coverage notes in the Scotland subsection above on access to this database.

- **Enfranchisement rates.** The MHCLG consultation on deferment and capitalization rates closes on 21 October 2026; no rates are prescribed and no commencement date for the 2024 Act's valuation provisions exists. To be followed.
- **Pending appeals.** *ARC Time* is before the Court of Appeal (permission reported by a secondary source, flagged above); the Building Safety Act appeals are before the United Kingdom Supreme Court, with *Adriatic* listed for 18 November 2026.
- **Tribunals.** Upper Tribunal (Lands Chamber) decisions are reported throughout. No decision of the First-tier Tribunal (Property Chamber) has been surveyed for this installment.