

**LANARKSHIRE VALUATION
APPEAL PANEL**

STATEMENT OF REASONS
RELATIVE TO AN APPEAL

by

PARKS OF HAMILTON

in respect of

**The site of ATM, 232 Whifflet
Street, Coatbridge, ML5 4RX**

The subjects of this appeal were the site of an ATM.

It was agreed by the parties and accepted by the Committee that the correct method of valuation of the Appeal Subjects was by the comparative principle as set out in the Scottish Assessors' Practice Note No. 5 and in particular by the application of the valuation matrix set out therein.

The Committee accepted that the valuation matrix had been produced following an analysis of available rental evidence provided by the Inter Bank Rating Forum and The Association of Payment Clearing Services (see paragraph 5.1 of the practice note). The valuation matrix did not have in contemplation the sites of ATMs which were not free to use. The practice note did provide for situations where sites were valued without regard to the actual cash transactions; that is, where there are multiple sites at the same location in different occupation. (see paragraph 5.4).

The Committee also accepted that the number of cash transactions of ATMs where the operator charged for their use was considerably less than where the use of them was free. The appeal subjects required to be valued in accordance with the statutory hypothesis; a hypothetical landlord would not accept a lower rental for a site simply because the operator of the ATM placed on the site chose to charge for its use. Therefore, as the ATM sited at the appeal subjects charged for each withdrawal, the actual cash transactions of the appeal subjects required to be adjusted accordingly. The Committee accepted that as an analysis of 10 sites where the ATMs had been previously free to use and

then had been taken over by operators who charged for this use showed that the number of cash transactions of these machines fell by an average factor of 5.4 that it was appropriate to apply this factor to the actual annualised cash transactions of the appeal subjects. The application of the valuation matrix to the resultant figure produced a valuation of £2,750.

The Committee accepted that the Assessor had lacked a consistent approach in valuing the sites of ATMs within Lanarkshire where the operator charge for the use of the ATM; some of these had been valued by the application of the valuation matrix to the actual cash transactions others had been valued by the application of the valuation matrix to adjusted transaction figures to reflect the statutory hypothesis. The Committee were of the view that the latter approach was indeed the correct approach particularly as specialised rating agents had withdrawn appeals in relation some subjects within the second group and had accepted the Assessor's present approach to the valuation of such subjects.

Accordingly, the Committee upheld the Assessor's proposed valuation of £2,750 spoken to at the hearing and which had been properly explained to the Committee and dismissed the appeal.