

LANARKSHIRE VALUATION APPEAL PANEL

STATEMENT OF REASONS  
RELATIVE TO APPEAL

by

CNC INVESTMENTS LIMITED

in respect of

SHOP, 19A Forth Walk, Cumbernauld

The appeal proceeded on the basis of a material change of circumstances namely the opening of new retail facilities in the Antonine Centre in an adjoining location in Cumbernauld Shopping Centre with an effective date for the change of 1<sup>st</sup> April 2008.

In considering its approach to the matter, the Committee had regard particularly to the commentary contained in Armour on Valuation for Rating (5<sup>th</sup> Edition) at paragraphs 3-12 to 3-31. It was a matter of agreement that a material change of circumstance had taken place and the change was one which affected the value of the appeal subjects. The question for the Committee was the extent to which the value of the appeal subjects had been affected.

The burden of proof was on the Assessor to satisfy the Committee as to how he had arrived at the reduced value placed on the appeal subjects.

Having given careful consideration to all of the evidence and submissions, the Committee concluded that the Assessor had adequately explained how he had arrived at the reduced valuation and the Committee refused the appeal.

The net annual value of the appeal subjects entered in the Valuation Roll at the 2005 revaluation after the resolution of an appeal was £14,000 (£52.50 per square metre). The net annual value as at 1 April 2008 was £13,400, at a revised rate of £50 per square metre. The value sought by the Appellants was a rate of £25 per square metre producing a value of £6,700.

The argument put forward for the Appellants was that the subjects had been empty since 2000 and were effectively unlettable. They had offered to let the premises at a nil rental and then at less than nil in the sense of offering to pay part of the rates but even at that the subjects could not be let. The Appellants' witness therefore took the view that the premises should have a nil value although their agent argued for what he described as an arbitrary rate of £25 per square metre, which he conceded was not supported by any rental evidence.

The Committee found the rental evidence produced by the Assessor to be more compelling. They accepted that the comparisons the Assessor had produced were valid being similar in size, location and character and accepted that in the 2005 revaluation appeal the disamenities of the appeal subjects had already been taken into account in arriving at the revaluation figure which had been agreed at the time by the Appellants. In any event, the efforts made by the Appellants to market the subjects were inconsistent with the submission made to the effect that the subjects were unlettable.