

Statement of Reasons

Relative to Appeals

By

Mrs J Tulloch

And

Mr Shahzad Ahmed

In respect of

Shop, 103 Main Street, Wishaw, ML2 7AU.

This is an appeal arising out of the 2005 Revaluation.

The Committee were satisfied that the correct valuation of the Appeal subjects should conform to the terms of Section 6 (8) of the Valuation and Rating (Scotland) Act 1956 to the effect that the net annual value should be “the rent at which lands and heritages might reasonably be expected to let from year to year if no grassum or consideration other than the rent were payable in respect of the lease and if the tenant undertook to pay all rates and to bear the cost of the repairs and insurance and the other expenses, if any, necessary to maintain the lands and heritages in a state to command that rent.”

The zone A rate of £250 applied to the Appeal Subjects by the Assessor was not challenged by the Appellant, and accordingly, was accepted as correct by the Committee.

The dispute between the parties concerned the calculation of the reduced area of the appeal subjects and in particular the extent of the allowance which should be applied to the appeal subjects to reflect its layout. The Committee accepted that where an allowance was appropriate, it could be applied in one of two ways; by either calculating the reduced area and then applying an end allowance or by applying allowances within each zone when calculating the reduced area. Both parties had adopted the latter approach in their calculation of the reduced area of the appeal subjects but disagreed as to the extent of the allowance to be applied within each zone.

The Committee accepted that whilst the layout of the appeal subjects was not ideal, it was not unique. The Assessor had identified comparable properties at 13 Main St and 97 Main Street which had similar layouts. The Committee were satisfied that these properties represented valid comparisons to the appeal subjects. They were located in the vicinity of the appeal subjects being in the same street. Accordingly, the Committee were satisfied that the character and situation of these properties were comparable to that of the appeal subjects.

No allowance had been applied to the comparison property at 13 Main Street, despite its layout, as an analysis of the available rental evidence within the stretch of shops in which these particular subjects were located did not support the view that the layout of these subjects had any effect on its rental value. In contrast, he had applied an end allowance of 5% to 97 Main Street to take account of its layout.

The Committee were of the view that no weight could be attached to the Appellants suggested comparison which was a hypothetical property where the rear of the appeal subjects had been turned by 45 degrees and attached to the front of it. The Committee did not accept that the layout of the appeal subjects was such that certain areas were rendered valueless. There was no evidence adduced which supported this contention.

The Appellants' reference to the passing rental in respect of the property was not relevant as whilst the passing rental of a property is an adminicle of evidence in assessing value, it is not conclusive of annual value.

The Committee were of the view that the extent of the allowances applied by the Assessor within each zone was appropriate. Although this approach was different to that adopted by the Assessor in valuing 97 Main St, had the same approach been taken by him in relation to the appeal subjects this would have resulted in a greater valuation than that spoken to by the Assessor.

Having considered the whole matter, the Committee were satisfied that the Assessor had valued the appeal subjects properly and had explained his valuation satisfactorily to the Committee. They affirmed the valuation of £20,250 being the valuation contended for by the Assessor at the hearing.