

**LANARKSHIRE
APPEAL PANEL**

VALUATION

**STATEMENT OF REASONS RELATIVE
TO APPEAL**

by

**STEPHEN GRAHAM T/A MANOR
VIEW LTD**

in respect of

**PUBLIC HOUSE
WAYSIDE TAVERN
129 CHAPEL STREET
AIRDRIE
ML1 6LH**

This was an appeal arising out of the year 2005 Revaluation.

The Assessor contended for a revised valuation of net annual value £17,500. The Appellant contended for a figure of £12,000.

There was agreement between the parties that the subjects fell to be valued in the comparative principle.

The Assessor had valued the subjects by way of a straightforward application of the Scottish Assessors' Association Practice Note number 17 in respect of the valuation of licensed premises, public houses and licensed restaurants. It is necessary to assess turnover as at 1st April 2003. The Assessor had no turnover information for the appeal subjects later than 1998. The Assessor had accordingly valued the subjects by comparison with four subjects which the Committee found to be suitable comparisons. Two of the comparison subjects had actual turnover figures available. The other two had been valued using estimated turnover figures but their valuations had been agreed by professional valuers. The Assessor had originally applied a turnover rate of £1,500 per square metre to the appeal subjects, derived from consideration of the rates applicable to the comparison subjects but had reduced this to £1,350 per square metre which, on the face of it, was appropriate having regard to the comparison evidence. From this he had derived an adopted

figure for turnover of £200,462. He had then applied 8.75% of turnover being the appropriate percentage set out in appendix I of the Practice Note.

The Practice Note did not specifically provide for any adjustment to the value of subjects because they were empty or had a history of being empty. The Committee had some sympathy with the Appellant's criticism of this. However, the Committee did not feel that it had before it any persuasive evidence that the Assessor's valuation was in error. There was no actual rent passing for the appeal subjects even at the date of the hearing, merely Heads of Terms for a rental which was about to be put in place. If the proposed letting of the appeal subjects proceeded, the rent (of £12,000) would have been struck some four and a half years after the tone date for the 2005 Revaluation. The Committee considered this to be too far removed from the tone date to be reliable. The opinion evidence of Creevy LLH which had been passed on to the Appellant's agent that the achievable rent for the subjects would be £10,000 per annum and the fact that the appeal subjects had then been marketed at a suggested rental of £16,000 per annum without success were not strong enough to persuade the Committee that the valuation carried in terms of the Practice Note was incorrect and should be departed from.

The Committee accordingly refused the appeal and upheld the value proposed by the Assessor.