

Statement of Reasons

Relative to an Appeal

By

Hair Zone Antonine Ltd

In respect of

Shop, unit 18A Antonine Shopping Centre, Tryst Road, Cumbernauld, G67
1JW .

The Committee was 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 Committee accepted that although the appeal was by the appellants as new occupiers of the Appeal Subjects, it was an appeal against the 2010 revaluation of the Appeal Subjects and accordingly the appropriate level of value is the value of the Appeal Subjects as at 1st April, 2008.

The reduced area of the Appeal Subjects as calculated by the Assessor was not challenged by the Appellants, and accordingly, was accepted as correct by the Committee.

The Committee accepted that it was appropriate to value the appeal subjects by reference to the level of rents and agreed values of comparable subjects. Accordingly, in order to support his proposed Zone A rate, the Assessor sought to rely on the rental evidence available in respect of fifteen comparison properties. These comprised units within the Antonine Shopping Centre at numbers 31B, 18B, 12, 5, 11, 31A, 10,8, 30, 29A, 34C, 25, 28A, 18C and 17.

The Committee was satisfied that these properties represented valid comparisons to the appeal subjects. They were all located in the immediate vicinity of the Appeal Subjects and the properties at numbers 18B and 18C were adjoining the Appeal Subjects. Accordingly, the Committee was satisfied that the character and situation of these properties were identical to that of the Appeal Subjects.

The Committee noted that the Zone A rent rate had been derived from an analysis of the rents passing in respect of the comparison properties. There had been passing rents struck in 2007 in respect of thirteen of them at unit numbers 31B, 18B, 12, 5, 11, 31A, 10, 8, 32, 29A, 34C, 25, 28A, 18C and 17; an analysis of which had produced devalued rent rates of £889, £1186, £634, £668, £745, £837, £720, £523, £437, £481, £530, £442 and £854 respectively. There had been passing rents struck in 2008 in respect of the remaining two comparison properties at unit numbers 29A and 34C; an analysis of these rents had produced devalued rent rates of £621 and £378 respectively. Accordingly, in considering the basket of rents, the Committee felt that the Assessor's proposed Zone A rate of £570 per square metre was justified.

In addition, the landlords had appealed the valuation in respect of all units within the shopping centre which had been entered in the valuation roll at its inception. These appeals had been withdrawn and the valuations agreed after discussion with the landlord's professional agents. Similarly where there had been appeals by the tenants in respect of these subjects, these appeals were either withdrawn or dismissed as the valuations had been agreed after discussion with professional agents.

The Committee was not persuaded by the Appellant's arguments that the appeal subjects should be valued with regard only to the current rent passing in respect of them. The actual rent passing under a lease is not conclusive or determinative of the annual value of the subjects. It may be an adminicle of relevant evidence in determining the annual value of the subjects having regard to the statutory hypothesis. See *Armour on Valuation for Rating*, paragraphs 19-08, 19-11 and 19-12.

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 Assessor's valuation of £59,000 and dismissed the appeal.