

LANARKSHIRE VALUATION APPEAL PANEL

STATEMENT OF REASONS
RELATIVE TO APPEAL

by

Gopal Motors Limited

in respect of

Garage, New Edinburgh Road, Bellshill

The Appellants were represented by Mr H S Bhopal, a director of the company. The appeal proceeded on the basis of a material change of circumstances, namely that the garage showroom was no longer in use as a showroom. The effective date of the alleged material change was October 2007.

In considering its approach to the matter the Committee had regard particularly to the commentary contained in *Armour on Valuation for Rating* (5th Edition), paragraphs 3-12 to 3-31 inclusive and to the cases and legislation referred to therein including the definition of material change of circumstances contained in Section 37(1) of the Local Government (Scotland) Act 1975 and the provisions of Section 3(4) of the Local Government (Scotland) Act 1975. To be a material change of circumstances the change must be one which affects the value of the appeal subjects. The Committee required to bear in mind the terms of the hypothetical tenancy.

The burden of proof was on the Appellant to satisfy the Committee that a material change of circumstances had occurred (*Armour*, paragraph 3-19). Having given careful consideration to all of the evidence and submissions, the Committee concluded that no material change of circumstances in terms of the legislation had taken place and the Committee refused the appeal.

The rateable value entered in the roll for the appeal subjects at the 2005 Revaluation was £20,250. The value sought by the Appellants was £11,980.

The appellant had lodged an appeal following the revaluation in 2005. Agents acting on their behalf had lodged grounds of appeal but no-one had appeared at the hearing and the appeal had been dismissed in absence.

The Appellants' evidence was that although the garage had stopped selling cars some 10 years ago, there were some cars still lying in the showroom until October 2007. These were removed then as they needed more space for the workshop. The use of the showroom since then had been as a workshop as well as for storage. The Committee took the view that these matters were not relevant evidence of a material change of circumstances.

The Appellants did not lodge any evidence of comparative rents.

The Assessor led evidence that the subjects had been valued as they stand, having the character and appearance of a showroom, and being capable of use as such by the hypothetical tenant and that the showroom had been properly entered as such. The Committee accepted that the subjects had been correctly valued on this basis and took the view on the evidence heard that there had been no change of circumstances such as to alter the basis on which the subjects should be valued.

In his submissions, counsel for the Assessor argued that even if there had been a change of circumstances since 2005, there was no evidence of any effect on value. The Committee accepted Counsel's submission and agreed for the reasons given that there was no evidence to support the argument that there had been a material change of circumstances.

The Committee accordingly dismissed the appeal.

2 September 2010