

THE HIGHLAND & WESTERN ISLES
VALUATION APPEAL COMMITTEE

Inverness, 27 February 2014

Subjects
**House, 44 Brude's Hill,
Inverness, IV3 8AG**

Reference Number
06/32/120220/6 335482

Appellant

Respondent

Assessor

Represented by Mr Frank Finlayson

The Appellant purchased the Appeal Subjects in April 2013 at a price of £245,000. It was a "New Build" and was first entered in the Council Tax Roll with effect from 1 April 2013 at Band F. The Appellant sought to have that altered to Band E.

The Appellant gave evidence and made submissions on his own behalf.

The Assessor's case was presented by Mr Frank Finlayson who led evidence from Mr Angus Bethune.

Evidence and Submissions for the Appellant

The Appellant presented his case succinctly. It was his position that the Appeal Subjects, had they been sold as a "New Build" in April 1991, the relevant valuation date for Council Tax purposes, would have fetched a price of between £75,000 and

£79,500. A value in that range would properly have placed the subjects in Band E. His position as to value was based on three propositions.

The first was that as a matter of marketing policy, the developer/seller would have restricted the asking price to less than £80,000 so as to place the property in Band E rather than Band F thus rendering it a more attractive proposition for prospective purchasers.

Secondly, he relied on comparisons. He referred to a house he had sold in 1989 for £138,000. The Committee was not told the location or the type of property. He also referred to a property in Culbokie.

Thirdly, he had a good understanding of the property market having bought and sold a significant number of domestic properties in Ross-shire and some in Inverness. He currently owns 9 domestic properties. The Appeal Subjects is the only property he owns in Inverness.

He conceded the valuation of the subjects was marginal, but it fell beneath the lower threshold for Band F.

Evidence and Submissions for the Assessor

Mr Bethune, who gave evidence on behalf of the Assessor, is a valuer in the Assessor's Department and is a member of the Royal Institution of Chartered Surveyors.

He relied on comparison evidence in support of a Banding at F for the Appeal Subjects. He produced a list of 18 houses. They are all situated in Inverness. The first six on the list were in existence in April 1991. The others were built subsequently. All in the former category are in Band F (although one, comparison 2, was in Band E originally but that was changed to Band F in 2004 following an extension to the property). Comparison 4 as at April 1991 was marginally larger than the Appeal Subjects, the others were all smaller. Comparison 1 and comparison 3 had sold, respectively, in March 1990 for £79,000 and in April 1990 for £76,000; comparison 4 sold in August 1989 for £74,000. From his experience, Mr Bethune was of the view that leading up to the relevant valuation date, April 1991, the trend for domestic property prices in the Inverness Area generally was for them to be rising. Recognising this trend, Mr Bethune was of the view the value of all three properties would have increased to more than £80,000 by April 1991, hence their placement in Band F.

In respect of those properties cited by way of comparison which were built after April 1991, comparisons 7 to 18, all but one of those are smaller in size than the Appeal Subjects. The exception is comparison 11 which is 1,662 ft², as opposed to 1,645 ft² for the Appeal Subjects. All of these comparisons are in Band F. All of the comparison evidence led Mr Bethune to conclude the Appeal Subjects were properly placed in Band F.

Decision

The Appellant asserted the value of the Appeal Subjects in April 1991 would have been less than £80,000. In so asserting, he conceded it may have been less than that

sum by as little as £500 which is a factor of 0.625%. On his submission, therefore, this makes it very marginal indeed.

He referred to two comparisons. The references were vague and non-specific and so the Committee was unable to discern how relevant or otherwise they might be to a consideration of the value of the Appeal Subjects.

The Assessor led evidence from Mr Bethune, an experienced surveyor. He produced a list of 18 comparable properties. The evidence of these comparables appear to the Committee to give reasonable grounds for Mr Bethune's professional opinion that the Appeal Subjects were properly placed in Band F.

Therefore, the Committee refused the Appeal and the Appeal Subjects remain in Band F for Council Tax purposes.