

Appeal No. VA95/6/015

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 1988
VALUATION ACT, 1988

O'Dea Agri Seeds Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Stores and Yard (in common) at Map Ref: 16.17.18. Moore Hall, Townland: Townparks,
E.D. Ardee Urban, R.D. Ardee No. 1, Co. Louth
Quantum - Method of measurement

B E F O R E

Liam McKechnie

S.C. Chairman

Brid Mimmagh

Solicitor

Barry Smyth

FRICS.FSCS

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 27TH DAY OF SEPTEMBER, 1996

By Notice of Appeal dated the 6th day of November, 1995 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £80 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "the rateable valuation is excessive. The net annual value for 1988 should be £40 not £80. The property was actually sold in 1993 for £55,000. Devalue this down to a net annual value of £7,857, therefore a rateable valuation of £40. It is an old and delapidated stone built grain store not suitable for today's market".

Oral Hearing:

This appeal was heard by way of an oral hearing which took place in Dublin on the 5th day of July, 1996. Mr. Frank Flynn, a Director of Robert B. Daly, Auctioneers and Valuers, appeared on behalf of the appellant. Mr. Malachy Oakes, a District Valuer appeared on behalf of the Commissioner. Having taken the oath both Valuers adopted as evidence in chief their respective written submissions which previously had been exchanged and received by this Tribunal. From the evidence so tendered the following facts, in respect of which there was virtually no dispute, emerged as being material to this appeal.

The Property:

The property comprises an old mill building and grain store with ancillary accommodation in the centre of the town of Ardee with entrance via Moore Hall off William Street.

Valuation History:

In 1970 First Appeal the valuation was fixed at £125. In 1994 revision the valuation was reduced to £105 and on 1994 First Appeal the valuation was further reduced to £80. It is this £80 valuation that is the subject of this appeal.

The Issue Between Parties:

The basic difference between the parties related to the method of measuring the various buildings to be so rated. Mr. Oakes measured the buildings on the basis of gross external measurements whereas Mr. Flynn utilised both net internal areas and gross external areas as he deemed appropriate to each building. The rental rate per square foot applied by each party to the various elements were in most instances the same and where different were not greatly so.

Hereunder is set out the calculations advanced respectively on behalf of each party:-

Description	Appellant's Floor Area & Rate per square foot.	Respondent's Floor Area & Rate per square foot.	Appellant	Respondent
Office	819 sq.ft. @ £1.50 psf	2,019 sq.ft. @ £1.50 psf	£1,229	£3,029

Spray Store	1,076 sq.ft. @ £1.00 psf	1,432 sq.ft. @ £1.00 psf	£1,076	£1,432
Flat Store	3,495 sq.ft. @ £1.00 psf	3,495 sq.ft. @ £1.50 psf	£3,495	£5,243
Intake/Off Loading etc.	220 sq.ft. @ £1.50 psf	1,336 sq.ft. @ £1.00 psf	£1,458	£1,336
	1,128 sq.ft. @ £1.00 psf			
Canteen & Laboratory	110 sq.ft. @ £1.50 psf	241 sq.ft. @ £1.50 psf	£165.00	£361.00
	110 sq.ft. @ nil			
Weighbridge Office	113 sq.ft. @ £1.00 psf	113 sq.ft. @ £1.50 psf	£113.00	£170.00
Total:			£7,536 @ 0.5% £37.68 Say £37.00	£11,571 @ 0.5% £57.85
Bins 12 x 100 ton per bin			£24.00	£30.00
Weighbridge			£5.00	nil
Total:			£66.00	£87.85 Say £80.00

It should be noted that the major difference in floor area relates to the office building. Mr. Flynn argued that it was appropriate to omit entrance halls, landings, lobbies, stairwells, toilets, bathrooms etc. while Mr. Oakes argued that it was usual to measure such buildings on a gross external basis.

Determination:

As can be seen from the above the principal difference between the parties relate to the method of measurement particularly in relation to the office section. It is the view of the Tribunal that, as the office section was originally a residential house there is therefore a significant difference between the gross floor area to the net floor area. In such circumstances it could not be said that this section of the building is or is the equivalent of a modern industrial property. It is therefore inappropriate to measure it on the basis of a gross external area. The correct method in such circumstances is to apply the net internal area.

However, as the respondent's Valuer has rounded down his estimate of rateable valuation from £87.85 to £80 and also omitted to put a figure on the weighbridge, which the appellant notes as £5 agreed, this effectively takes account by coincidence of the difference between the net and gross measurement in this instance and therefore the rateable valuation of £80 will be affirmed.

There are two further points that require comment. The first is this. During the course of this appeal Mr. Oakes gave evidence of a belief held by him that both the areas and method of measurement had previously been agreed between the parties. He did not however, it should be said, press the issue nor did he seriously refute the genuinely held belief by Mr. Flynn that no such agreement existed. Consequently, it is not necessary for this Tribunal to make any finding on the existence or otherwise of such an agreement. The Tribunal however, would like to reaffirm a view previously expressed by it, namely, that where an agreement has been reached between the parties then, unless of its own motion it decides otherwise, it will give full force and effect to that agreement. It is in the interests of all concerned, that every effort should be made to resolve outstanding issues so that the time, cost and energy involved in an appeal can be avoided. It is therefore of the first importance to state that where after such effort an agreement is reached, the same where necessary will be rigidly underpinned by decision of this Tribunal.

The second point relates to the method of measuring for valuation purposes. In 1991 a document entitled "*Measuring Practice - Guidance Notes*" was issued jointly by the Irish Auctioneers & Valuers Institute, The Incorporated Society of Valuers & Auctioneers and The Society of Chartered Surveyors in Republic of Ireland. This document made an attempt to set out and identify principles of measuring which would have widespread support and application within the surveying and allied professions. Whilst the document lacks any statutory or rule basis it nevertheless contains a serious effort to merge, what heretofore, have been diverse practices within the appropriate professions and to establish a method which will gain widespread approval and acceptance. The benefit of that being achieved is self evident and so could this Tribunal take this opportunity of encouraging all those concerned with valuation and rating matters to either adhere to and apply the principals contained in this document or else to put in place an alternative which would have equally commanding respect amongst those involved.

It follows from the determination above mentioned that this appeal will be dismissed.

