

Appeal No. VA88/0/356

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

**Sagola Properties Ltd.**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Lot No. 31 Corgrig, Co. Limerick

**B E F O R E**

**Hugh J O'Flaherty**

**S.C. Chairman**

**Mary Devins**

**Solicitor**

**Brian O'Farrell**

**Valuer**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 20TH DAY OF DECEMBER, 1988**

By notice of appeal dated 24th day of August, 1988, the appellant appealed against the respondents determination of the rateable valuation of the above mentioned hereditament at £94.

Mr Brendan J Walsh ARICS a Chartered Surveyor who was elected as an Associate Member of the Royal Institute of Chartered Surveyors in 1979 and has worked in private practice as a valuer since leaving Bolton Street College, appeared on behalf of the appellants at the oral hearing which took place on 28th November 1988 and gave a written submission to the Tribunal in which he gave the history of the premises. Mr Brian O'Flynn a valuer with 13 years experience in the Valuation Office appeared on behalf of the Commissioner and presented a written submission to the Tribunal.

The subject property is situated within the functional area of Foynes Harbour approximately 700m east of the east jetty. The site of the subject property is outlined on the attached map. (Appendix A).

The site extends to a total area of approximately 10,000 sq. m. (approximately 2.67 acres).

The site which is generally level is a combination of a rectangle and triangle in shape. Site boundaries mainly comprise concrete post and wire fencing. Generally the site has a rough gravel surface finish.

The site is at present used for the storage and distribution of bulk coal and incorporates a small bagging plant and a portacabin.

### **Lease**

The site is held under lease from the Foynes Harbour Commissioners for a term of 10 years from 1st February, 1986, subject to a current rent of £16,000 per annum.

The lease provides for a review of rent at each two year interval throughout the term in line with the increase in the Consumer Price Index, at the relevant review date.

The tenant is responsible for rates, repairs and maintenance.

In establishing the rateable valuation of the subject property, Mr Walsh has relied on a rating appeal agreed in respect of the immediately adjoining site occupied by Inver Resources Ltd. This site is outlined on the attached map (Appendix A) (ref 3G and 3H).

Mr Walsh gave details in respect of this adjoining comparison as follows:

The site occupied by Inver Resources extends to a total area of approximately 9,996 sq m (approximately (2.47 acres) and is rectangular in shape and level.

The site is held under lease subject to a current rent of £15,000 per annum. He understands the lease terms are generally similar to the subject site under consideration.

The site was the subject of a rating appeal and the rateable valuation was agreed between the occupier and the Valuation Office at £0.75p per sq m. This provided a decrease in the valuation proposed by the Valuation Office initially of £100 to a final settlement figure of £75.

The rateable valuation of this site is 0.5% of the rent payable.

This comparison has a number of obvious advantages over the subject property these are summarised as follows:

- (1) The Inver Resources site has the considerable benefit of a direct ramp loading facility at the rear to the railway line. Accordingly, bulk fuel can be loaded/unloaded directly from the site to trains. No such loading facility is available to the subject property.
- (2) The Inver Resources site is rectangular in shape. The subject property however comprises a combination of a rectangle and triangle, as will be noted from the layout in Appendix A. The triangle section of the site is not suitable for the bulk storage of fuel. It is not physically possible to stack bulk storage in this triangular section as the area is too confined. The rectangle area however allows for the even distribution of bulk storage.
- (3) The subject site is susceptible to flooding. His clients had to undertake a drainage scheme on the site to alleviate this problem. The cost of this work amounted to approximately £3,000 and was shared with the Harbour authority, the Lessor. Despite this drainage work which was completed in 1987 the site is still liable to flooding. He understood the adjoining site does not have this flooding problem.

The adjoining comparison occupied by Inver Resources is held under similar lease terms and rent.

There are a number of obvious disadvantages which the subject site has in relation to this adjoining comparison and these have been stated above. Accordingly, Mr Walsh feels that the subject property is not therefore as valuable as the adjoining site and that a reduced rate per

square metre should therefore be applied in establishing the rateable valuation of the property presently under consideration.

From enquiries with the Secretary of Foynes Harbour Authority in relation to present land availability, he advised that the Authority have acquired approximately 75 acres immediately east of and adjacent to the subject property. Furthermore, this land would be offered for letting at approximately £2,500 per acre undeveloped. The rent applicable to a small plot of developed land would be approximately £4,500 per acre. This rental was quoted for an area of approximately 4 acres.

Mr Walsh felt that the above rent levels for sites in the immediate vicinity of the subject property clearly establishes that a reduction in rent is now applicable to the subject property.

On this basis, he applied the following rateable valuation in respect of the subject property which he claimed, in the circumstances, to be equitable and reasonable.

Bagging plant	say £ 100.00 N.A.V.
Portacabin	say £ 1,000.00 N.A.V.
Yard area 2.67 acres @ £4,500	= £12,015.00 N.A.V.
	Total £13,115.00 N.A.V.

Applying the ratio used on the adjoining site would provide a rateable valuation of £65.5 (13,115 x 0.5).

Mr O'Flynn described the subject property as a yard in the Foynes Dock Area, situated in the townland of Corrig, E.D. Shanagolden. (See map attached). It is a hardcore yard with a surface of limestone chips now surfaced by coal dust and debris from coal. The coal is imported in bulk and taken by truck from the ship and stored here for further distribution.

There are a number of similar yards in the immediate area which are used for the same purpose. Although this yard is situated approximately 700 metres from the East Jetty, he understood from the Secretary of the Foynes Harbour Trustees that there are plans to increase the amount of yard space to the east of this property and a greater distance from the East Jetty.

The flooding of the site referred only to surface water collecting on site from rain water and not to flooding from a rise in the water table or water from adjacent storm drain. He understood that

the drainage problem which may have been caused by the accumulation of coal dust was resolved in January 1988 at a cost of approximately £3,000, borne equally by occupier and immediate lessor.

He was not aware of the fact that the access road was inadequate for its present use. It has a hardcore surface and was perfectly adequate for cars, travelling at a reasonable speed.

Mr O'Flynn inspected the property in April 1988 and found that it consisted of a hardcore storage yard of 116,250 sq. m. (116,250 sq. ft.) located within the Foynes Harbour area. The yard was valued in 1987 following a request for revision from Limerick County Council. The valuation was fixed at £95. Following an appeal to the local authority, he was appointed by the Commissioner to inspect and report. Having considered his report the Commissioner fixed the valuation at £94. In his opinion the net annual value of the yard is £16,000. The rateable valuation devalues as follows:

#### Buildings

700 sq. ft. bagging and grading canopy	= £ 100 N.A.V.
60 sq. ft. offices, portacabin at £2.50 per sq ft	= £1,400 p.a. N.A.V.

#### Yard

116,250 sq. ft. at £16,000 p.a.	= £0.137 p.s.f.
Yard N.A.V. £16,000 at 0.54%	= £ 86] r.v. £94
Buildings N.A.V. £1,500 at 0.54%	= £ 8]

Mr O'Flynn offered the following comparisons:

1. ED Shanagolden 21 Tideway of River Shannon  
Occupier: Suttons Coal Ltd. 14/65C.  
Imm Lessor: Foynes Harbour Trustees.  
N.A.V. £0.136/sq ft 91500 sq ft NAV £12,500 R.V. = £85.00  
Rough Gravel Yard R.V. 68% of N.A.V.  
300 yards from East Jetty.
2. ED Shanagolden 3F Corgrig.  
Occupier: Estuary Fuel Ltd.

Imm Lessor: Foynes Harbour Trustees.  
Rough gravel yard

N.A.V. £0.136/sq ft. 43,000 sq ft. NAV £6,000. RV £40.00.  
R.V. 66% of NAV.

3. ED Shanagolden 3GH Corgrig Adjacent yard.  
Imm Lessor: Foynes Harbour Trustees.  
Rough gravel yard.

NAV £0.139/sq ft. 107,600 sq ft. NAV £15,000  
R.V. £75. R.V. 5% of N.A.V.

4. ED Shanagolden 3D Corgrig.  
Occupier: Foynes Harbour Trustees  
Imm Lessor: In fee  
Rough gravel yard

NAV £0.10/sq ft. 372,700 sq ft. NAV £37,270. R.V. £175  
R.V. 0.46% of NAV.

The Tribunal knows that Foynes Harbour has had great success in recent years and that the further prospects for the harbour are good.

The Tribunal also feels that the rent on the subject hereditaments was fairly negotiated by the parties in 1986 and therefore the Tribunal considers that a correct rateable valuation is £80.