

Appeal No. VA88/0/368

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

Patrick Kehoe

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: 13B/43a, Dunmore, E.D. Killea, R.D. Waterford 1, Co. Waterford

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 12TH DAY OF JUNE, 1989

By notice of appeal dated 22nd day of August 1988, the appellant appealed against the respondent's decision fixing the rateable valuation of the above described hereditament at £75.

The subject property is situated on Dock Road, Dunmore East overlooking the harbour. It consists of a substantial three storey premises with single storey additions to the side and rear.

The bulk of the ground floor comprises a self service Londis mini-supermarket with ancillary stores, cold room and office space.

Mr Seamus Connolly, B.Sc (surveying) with over eight years experience in the Valuation Office represented the respondent. In his written submission, dated 2 February, 1989, Mr Connolly described the property and gave the valuation history as follows:-

Retail sales area	167.3m ²	Domestic	397m ²
Food preparation	8.4m ²	Boiler House	3m ²
Cold room	7.5m ²	Out office	
Office	5.3m ²	(Shed)	25m ²
Stores	40.5m ²		

The property was revised in 1923 and the valuation was fixed at R.V. £28. On revision in 1987 the property was revised and the R.V. was increased to £80 of which £25 was domestic. Mr Kehoe appealed the valuation on the grounds that the rateable valuation was excessive due to the size of the shop. Mr Connolly was deputed by the Commissioner to inspect the property and report. Having considered his report the Commissioner reduced the rateable valuation to £75 (Domestic £25).

The property was purchased in 1984 for £69,000 and Mr Connolly understood that an expenditure of £60,000 was subsequently incurred on improvements.

In his written submission Mr Connolly stated that in his opinion the net annual value of the property is not less than £13,000 per annum.

Mr Eamonn O'Kennedy B.Comm, M.I.A.V.I., of Messrs O'Kennedy & Co., Auctioneers, Valuation & Rating Consultants, 47 Merrion Square, Dublin 2, represented the appellant. He presented his written submission at the initial oral hearing which took place on the 6th February, 1989.

In his submission Mr O'Kennedy pointed out that, although the premises are in good structural and decorative condition, they are nonetheless approximately 100 years old and, accordingly, cannot be compared with modern purpose built supermarkets either in layout or decor.

Mr O'Kennedy informed the Tribunal that there are very few open rental market comparisons available in villages such as Dunmore East and that, therefore, he had relied on the price per square metre of similar sized properties in similar sized towns. These comparisons are attached hereto as Appendix A.

In his view which was based on price per metre square, the correct rateable valuation for the premises is £65 total i.e. £40 for the shop/stores and £25 domestic. The said figure of £25 in respect of the domestic or residential area has been agreed between the parties.

At the oral hearing of the 6th February, 1989 Mr O'Kennedy laid considerable emphasis on one particular comparison viz. the retail premises of Peter Queally, Nymphall, Dunmore, Co Waterford, the rateable valuation of which breaks down at approximately 20p per metre square for the shop front area. Applying comparable figure to the subject premises Mr O'Kennedy arrived at a figure of £40 R.V. in respect of the overall retail area.

Mr Connolly indicated that he was not familiar with the above comparison and that since Mr O'Kennedy had not exchanged his written submission prior to the hearing of the 6th February, 1989 he had had no opportunity to inspect the comparison or comment on it.

Unlike Mr O'Kennedy, Mr Connolly in arriving at the correct R.V. of the property chose to rely on his estimate of net annual value based, firstly on turnover figure, secondly on estimated rental value and thirdly on comparisons. His breakdown of all three methods are attached hereto as Appendix B.

Mr O'Kennedy made the point that the comparison relied on by Mr Connolly were in Tramore and Dungarvan, both of which are large towns unlike Dunmore which is a village.

By letter dated 8th February, 1989 Mr Connolly indicated to the Tribunal that on investigation he had found Mr O'Kennedy's principal comparison, viz. Peter Queally, Dunmore to be "an unreliable indication in arriving at a fair rateable valuation for the subject property."

In the course of subsequent correspondence between Mr Connolly and the Tribunal it became clear that Mr Connolly was anxious that the result of his investigation after the hearing of the 6th February, 1989 should be taken into account.

It was, therefore, decided to reconvene the oral hearing, appropriate notice having been given to all parties.

At the reconvened hearing which took place on the 31st May, 1989 Mr Connolly pointed out that Peter Queally's property is principally a service shop attached to a caravan park, that its trade is seasonal and that it is located approximately ½ mile from the town centre.

He also indicated that, in his view, the most accurate method of calculating rateable valuation was not on a breakdown per metre square basis but rather on net annual value, based, in this case, on turnover figures.

Mr O'Kennedy explained to the Tribunal that there is in fact no "town centre" in Dunmore East but two areas known locally as the "upper village" and the "lower village". He stated that the subject property is located at one end of the upper village while that of Peter Queally is at the end of the lower village. He agreed that Peter Queally's property is near a caravan park but stressed that it is not merely a service shop for same.

He pointed out, too, that in all of his previous cases with representative from the Valuation Office they had used the price per square metre method of arriving at the rateable valuation.

The Tribunal notes and endorses Mr Connolly's dissatisfaction at Mr O'Kennedy's inability to exchange written submissions prior to the oral hearing of the 6th February, 1989.

In this case it seems clear that there are very few open rental market comparisons available and the Tribunal accepts Mr O'Kennedy's evidence in this regard.

As had been stated in earlier judgments of the Tribunal, there cannot be a slavish adherence to so many pence per square metre as a talisman to determine a correct valuation. It is an indicator which will be employed together with other criteria.

The Tribunal notes Mr Connolly's reluctance to accept this indication in this case. However, in most, if not all cases of a similar nature which have come before the Tribunal this method of calculating R.V. has been relied on by the valuers representing the Commissioner of Valuation. In all the circumstances, therefore, and taking into account Mr O'Kennedy's breakdown of figure based on price per metre square and Mr Connolly's estimates of N.A.V. the Tribunal has come to the conclusion that the correct rateable valuation is £65 i.e. £25 (Domestic) and £40 (Retail)

