

Appeal No. VA90/1/006

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

Mervyn Doran

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: House, Shop, Stores and Yard at Lot No. 45A Kilgarron Park (Powerscourt Demesne), Enniskerry,
Co. Wicklow

Quantum - Rural location, low population

B E F O R E

Mary Devins

Solicitor (Acting Chairman)

Brian O'Farrell

Valuer

Padraig Connellan

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL
DELIVERED ON THE 21ST DAY OF AUGUST, 1990.

By Notice of Appeal dated the 25th April, 1990 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £42.00 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that the rateable valuation represents an unfair valuation, is excessive and inequitable in the light of the premises location and as compared to other premises situated in the village of Enniskerry.

The property is situated about a mile outside Enniskerry adjoining a Local Authority housing estate. It was built seven years ago, mostly by own labour. It consists of a ground floor shop, stores and residential area and is connected to mains services. The site is held on a ground rent from Wicklow County Council.

In a written submission received on the 10th August, 1990 Mr. Doran said that over the past thirty years about 60 County Council houses were built at Kilgarron Park about one mile up a very steep hill from the village of Enniskerry. He said that he lived in one of the houses for about thirteen years and in 1980 the County Council put a small site up for sale beside his house which he bought for £575.00 and upon which he himself built a shop cum dwelling house. At that stage he expected the Council to build more houses in the area. He said that his only trade is from the 60 County Council houses: people will not travel up from Enniskerry to shop as there are better shops in the village itself. He said that there was about 40% unemployment in Kilgarron Park and that it has also been hit by emigration. He said that there is very little passing trade by tourists as they tend to go to Powerscourt rather than to Glencree. At one stage he used to get some business from the Peace Centre in Glencree but this has now closed. He said that there would be no further development in this area as it is classified as a scenic area and no further planning permission would be given. He said the population in Kilgarron Park is ageing and younger people marrying tend to move to County Council estates on the far side of Enniskerry. Because of this trade is declining. As the shop is set well off the main road there is little passing trade.

Mr. Doran said that his rateable valuation compares unfavourably with a number of shops which are doing much better than his and which are in a much better location. These shops are:

Jack Winsor's	R.V. £26.00 (including domestic)
Nyham's	R.V. £18.00 (including domestic)
Brennan's	R.V. £17.00 (including domestic)

Boylan's

R.V. £11.00 (including domestic)

all of which are located in Enniskerry village and do a much better trade. Mr. Doran said that he is forced to give credit even to the people who do their main shopping in Bray.

In a written submission Mr. Michael Slattery, A District Valuer with 22 years experience in the Valuation Office, outlined the valuation history of the property and said that the rateable valuation is in line with other recently revised properties in the area. He said that the valuation is approximately .63% of the Net Annual Value. He said that this is a new two storey residential shop and that at the time of inspection it was trading a grocery cum news agency and was well stocked. He said that in the summer time it would enjoy the passing trade of the many visitors who travel this road to Glencree. He said there is a road lay-by where customers may park. The areas of the shop were outlined by Mr. Slattery as follows:

Shop area 34 sq. metres

Store area 13 sq. metres

Offs. area 33 sq. metres

Residential area 110 sq. metres

Mr. Slattery said that there is a good parking facility in front of the property. He said that the valuation of £42.00 was fixed following the 1989 Revision with £22.00 apportioned to the domestic area. This was not changed by the Commissioner at the first appeal stage. Mr. Slattery said that in arriving at the rateable valuation particular regard was had to the relationship between the rateable valuation and rental levels for recently revised comparative properties in the area. He estimated the market value of the property at £54,000 which over eight years purchase would yield a NAV of £6,750. This would in turn merit a rateable valuation of £42.

Mr. Slattery attached four comparisons as follows:

Address & Occupier	Description	R.V.	Rent	N.A.V.
John Egan Unit 5 Killincarrig Greystones	Shop	£39.00	£9,000p/a	£9,000p/a
Patrick Murphy 4C Kilmacanogue South Greystones	House shop store & yd	£45.00	no rent	est £7,000
James O'Brien 61 Church Street Greystones	Shop (office) Laundrette & dry cleaning works	£62.00	no rent	est £10,000
J & A. Donnelly 10/5 Village of Kilmacanogue	Ho shop P.O. & offs	£38.00	no rent	est. £6,000

At the oral hearing which took place on the 15th August, 1990 Mr. Doran further elaborated on his précis of evidence. He said that he had applied to have the Lotto in his shop but he was turned down as the Lotto Management considered that there was not enough business there to merit having a Lotto machine in his shop. He said that two shops in the village have Lotto machines. He then outlined in greater detail the comparisons of shops in the village, in particular he said that Winsor's shop would have three to four times the volume of trade that he has and in addition it has a Post Office and a Lotto machine. The valuation on Winsor's is £26.00 including the domestic element. Nyham's has also got a Lotto machine and has a rateable valuation of £18.00 which includes domestic. Mr. Doran said that he tried to get animal feed for sale but the suppliers felt that the amount of business would not justify setting up another distributor in the area. He said that he employs one girl to help both in the shop and house. In reply to Mr. Slattery he said that he did not think about selling but if he were to sell he could not see anyone giving more than £35,000 for it. He said that the domestic portion of his property was exactly the same as the County Council houses except that it was built over the shop. The plan used was supplied by the Council. He said that services were non-existent and that he himself had to supply lighting in front of the house otherwise it would be in total darkness and that the road outside was in a dreadful state. Mr. Doran

supplied details of his turnover. He said that his profit margin was about 11%. Mr. Slattery argued that he would expect profit margins in the region of 20% for such a concern. Mr. Doran said that Mr. Slattery's estimate of £54,000 for the purchase of the house cum shop was very much out of line in that particular area although in other parts of Enniskerry prices might be much higher. When asked by the Tribunal what he would consider a proper Net Annual Value given Mr. Doran's turnover, Mr. Slattery said that it was not common to calculate Net Annual Value on that basis. Mr. Slattery said that the other comparisons given by Mr. Doran, while in Enniskerry village, had not been recently revised. Mr. Doran said that it was totally unfair to compare shops in Greystones, an expanding town with an estimated population of 40,000, with his rural shop beside a small local authority estate. Mr. Doran asked Mr. Slattery about the type of business carried on in the comparisons supplied but details were not available. Mr. Slattery said however, that his first comparison was part of a shopping centre in Greystones, and in response to Mr. Doran, said that of the rateable valuation on his final comparison £8 applied to the shop portion and £30 to the domestic. Mr. Doran said that this shop was in a much better location than his as it was on the main Dublin-Wexford Road and in the village of Kilmacanogue. Mr. Doran said the comparisons supplied by the Valuation Office could not be used fairly to compare with his premises but that the ones in Enniskerry were far more comparable and that these were the ones with which he had to compete. Mr. Doran supplied photographs of the area surrounding his premises and of the premises itself.

The Tribunal, having considered all the factors including the remoteness of this premises and the very small population on which Mr. Doran has to draw on for business feels that the estimated market value for the property proposed by Mr. Slattery would not be warranted in this case nor would it appear that the Net Annual Value proposed could be sustained by reference to the accounts supplied by Mr. Doran.

While the Tribunal accepts that the comparisons submitted by Mr. Slattery are recently revised, more information would need to be made available on their location, type of business etc., to enable the Tribunal to give these their full consideration. On the facts before the Tribunal the first three comparisons would not appear to be very relevant to Mr. Doran's appeal and in the final comparison the valuation attached to the shop is considerably less than

that which applies to Mr. Doran's. Accordingly, taking all factors into consideration the Tribunal determines that the rateable valuation on this property be reduced from £42.00 to £30.00; £16.00 of which be applied to the domestic element and £14.00 to the commercial.