

Appeal No. VA92/2/053

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

**Molloy Brothers Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Shop and yard at Lot No. 45AB/1, Townland of Ardnamagh (part of), E.D. Roscommon  
Urban, Co. Roscommon  
Quantum

**B E F O R E**  
**Henry Abbott**

**S.C. Chairman**

**Paul Butler**

**S.C.**

**Joe Carey**

**P.C. M.I.A.V.I.**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 9TH DAY OF SEPTEMBER, 1992**

By notice of appeal dated the 27th day of March, 1992, the appellants appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation on the above described hereditament of £ 55.

The grounds of appeal as set out in the Notice of Appeal are that "the valuation is excessive, inequitable and bad in law".

**The Property:**

The property consists of a detached 2-storey house half a mile from the centre of the town and close to the railway station. The original small grocery shop has been extended to the side and to the rear to form a modern supermarket. There is a tarmac carpark cum delivery yard of 6,000 sq.ft..

**Valuation History:**

A rateable valuation of £65 was entered on 1990 Revision. This R.V. included both the supermarket and the residential area. The 1st appeal resulted in three separate valuations with an R.V. of £55 being put on the supermarket as follows:-

<u>45Ab/1</u>	Supermarket	
	shop 2271 ft <sup>2</sup> @	£7,949
	yard 6000 ft <sup>2</sup> @ 15p	<u>£ 900</u>
	N.A.V.	£8,849
	@ .63% =	£55.75
	= R.V.	£55

**Written Submissions:**

A written submission was received on behalf of the Appellant from Mr. Patrick J. Nerney, Rateable Valuation Consultant, Valuer and Auctioneer on the 1st September, 1992. In his written submission Mr. Nerney described the subject property and indicated its recent valuation history. Figures in relation to turnover for 1989, 1990 and 1991 are submitted in the written submission following application by the Commissioner of Valuation to the Valuation Tribunal. In the written submission Mr. Nerney set out details of the Net Annual Value of the premises and the valuation which in his opinion should apply as follows:-

<u>Nett Annual Value</u>	£
Shop - front	1017 sft. @ £3.50 = 3,560



- 5) 33.34/2 Abbey Street- shop unit - 180 sq.ft. - R.V. £22
- 6) 9 Main Street - Drapery/fashion shop opposite Molloy's, Main Street - R.V. £100
- 7) 16.17.18/5 Castle Street - supermarket and store -c.6,400 sq.ft. - R.V. £90

Assuming the probable R.V./N.A.V. applied was 0.5% the estimated breakdown is as follows:-

N.A.V.

Supermarket	5,300 sq.ft. @ £3.00 =	£15,900
Stores	1,100 sq.ft. @ £1.50 =	<u>£ 1,650</u>
		£17,550

R.V.

N.A.V.	£17,500 @ 0.5% =	£87.50
	say £90 including carpark.	

Lot 45Ac Abbey Street

Shop and stores adjoining Molloy's in Abbey Street.

R.V. increased from £85 to £135 on 1992/3 Revision.

A written submission was also received from Mr. Christopher Hicks, a Valuer with the Valuation Office on the 14th August, 1992 on behalf of the Respondent. In his submission Mr. Hicks gave details of the subject property and the valuation history. One comparison is offered, that of Martin Kiernans Londis supermarket located two doors from the subject property. There are no other shops in the immediate vicinity:-

<u>45Ac</u>	Martin Kiernan, Abbey Street		
	shop 2486ft <sup>2</sup> @ £ 3.50	=	£ 8,701
	stores 2680ft <sup>2</sup> @ £1.50	=	£ 4,020
	1st residence worth £15 per week	=	<u>£ 780</u>
	N.A.V.		£13,501

@ .63% = R.V. £85

Valued 1990 Revision

No Appeal

**Oral Hearing:**

The oral hearing herein took place in Galway on the 8th of September, 1992. Mr. Patrick J. Nerney appeared for the Appellant and Mr. Christopher Hicks appeared for the Respondent. Mr. David Molloy, a director of the Appellants also gave evidence. A short time prior to the hearing Mr. Hicks had submitted an analysis of rateable valuations in the County of Roscommon and this is annexed hereto as Appendix 1. The list is a comprehensive one from the 1988 1st appeals stage. Mr. Nerney took issue with the general proposition of Mr. Hicks that the appropriate R.V./N.A.V. ratio was 0.63% for the County of Roscommon. He also took issue with the fact that not all of the N.A.V. figures set out were based on actual passing rents and alleged they were predominantly estimated. He instanced the estimated N.A.V. for the Spring Grove premises on page 5 of the analysis as having been estimated at £2,000 whereas a short few months later the actual rent achieved by him in respect of the premises was £3,220. Mr. Nerney also submitted an analysis of the effect on rates liability of occupiers of premises in Roscommon resulting from the application of R.V./N.A.V. ratio of 0.63% by comparison of neighbouring counties where the 0.5% applies in respect of the counties Westmeath, Offaly, Galway, Sligo, Leitrim, Longford, Mayo and Roscommon. This analysis is annexed as Appendix 2 hereof. The results of Mr. Nerney's survey on the effects of rates liability does indicate in dramatic fashion that liability in Roscommon is highest of the group by reason of the application of the 0.63% ratio, when in fact, it would be in the middle range, if the ratio of 0.5% were applied.

While the Tribunal has never undertaken to find a precise ratio of R.V./N.A.V., and while uniformity of any theoretical ratio between county and county is not absolutely necessary for the proper implementation of the rating code, the Tribunal does consider that the postulation of a

higher ratio of 0.63% for Roscommon amidst other counties estimated at 0.5% carries with it risks of anomalies which might be best avoided by seeking, as much as possible, to have uniformity within this group of counties. This is especially so having regard to the small rateable base in County Roscommon, and the diversification of small urban centres constituting this base.

Mr. Nerney offered photographs of the subject premises and it appears that the subject is not as imposing as the comparison of Martin Kiernan's premises. Mr. Hicks was at pains to point out that he made no allowance in the valuation of Martin Kiernan's for the fact that it has a newsagency and lotto franchise. While the Tribunal is aware that there is a yard of 6,000ft<sup>2</sup> which could give valuable car parking space, the Tribunal is satisfied that the full potential of the subject has not been realised from the point of view of presentation. The Tribunal considers that having regard to the foregoing and all the circumstances of the case that an appropriate rateable valuation for the subject is £45.