

Appeal No. VA93/4/006

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

**Newbridge Foods Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Factory at Map Ref: 9A/3, Townland: Kilbelin, R.D. Naas No. 1, E.D. Newbridge Urban, Co. Kildare

Quantum - Appropriate comparisons

**B E F O R E**

**Paul Butler**

**S.C. (Acting Chairman)**

**Mary Devins**

**Solicitor**

**Veronica Gates**

**Barrister**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 13TH DAY OF JUNE, 1994**

By Notice of Appeal dated the 26th October, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £1,550 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that:-

- "(1) The valuation is excessive and inequitable.
- (2) The valuation is bad in law."

### **The Property**

The property is situated in Newbridge Industrial Estate a medium sized purpose built complex on the southern edge of Newbridge Town. The property comprises an ultra modern purpose built food production factory unit on a site of about 5½ acres with estate road frontage on all sides of about 800 yards. The buildings are part single storey, part two-storey in extent and principally comprise production, cold storage, packaging and dispatch areas on the ground floor with office, canteens, toilets, lockers and changing rooms at first floor level. The factory is owned by a subsidiary of Dunnes Stores and is used for the production of prepacked and vacuum packed pizzas, pastas, hamburgers, etc., for sale in their supermarket stores. The factory is built to strict European Community standards for such food production units.

Construction is of plastic coated box steel cladding with double skin insulation supported on R.S.J's and steel frames at upper walls and roof levels. Lower rising and infill walls are of concrete block with 'forticrete' block finish outer leaf. Floors are concrete with power float finish topped off with epoxy based resin paint for hygiene. All of the production, packaging and storage areas are enclosed within special PVC coated insulated panelled areas built within the framework of the factory itself. The service building houses two Wanson boilers together with various storage tanks and motors. Adjacent to this is another small plant house and various oil, water, ammonia and gas tanks. There are two 30 ton upright flour silos to the rear. A concrete surfaced yard measuring about 69 meters x 27 meters adjoins the main factory and is used for storage and circulation.

There is good eaves height of about 6 meters and portal frames giving uninterrupted headroom. The property is held under a long lease subject to a nominal ground rent from Kildare County Council. All main services are attached to the property.

### **Accommodation**

Factory:	(including production, cold store, loading, dispatch, stores)	60,447 sq.ft.
Offices:	(ground floor)	1,753 sq.ft.
Plant Housing:(main)	2,216	
	(secondary) <u>556</u>	2,772 sq.ft.
Offices:	(first floor, incl. canteens, locker rooms, toilets, etc.)	13,206 sq.ft.

Concrete Yard:

20,053 sq.ft.

**Valuation History**

The parent lot at the Industrial Estate was first valued at 1992 phase 3 Revision and an assessment of £1,200 placed on this particular property. On First Appeal the Commissioner of Valuation fixed the valuation at £1,550. It is against this determination that an appeal lies to the Tribunal.

**Written Submissions**

Mr. Des Killen of Messrs. Donal O'Buachalla & Company Limited presented a written submission on the 8th March, 1994. In his said submission, Mr. Killen described the premises, gave the valuation history and offered three comparisons. It emerged in the course of the evidence that two of Mr. Killen's comparisons were the subject matter of an appeal leaving one, namely, Galtee Food Products Limited. Mr. Killen arrived at an Net Annual Value as set

out below:-

"Ground Floor:	1,753 @ £2.50	=	£ 4,382
	60,447 @ £2.50	=	£151,118
	2,216 @ £1.50	=	£ 3,324
First Floor:	13,206 @ £2.00	=	£ 26,412
	556 @ £1.50	=	£ 834
Yard:	20,053 @ 20p	=	<u>£ 4,010</u>
			£190,080

viz.	R.V.	£ 950
Plus Plant & Machinery		<u>£ 80</u>
		£1,030"

Mr. Denis Maher, District Valuer, presented a written submission on the 9th March, 1994.

Mr. Maher, too, described the property and its tenure and arrived at a Net Annual Value as set

out below:-

"Factory:	60,447 sq.ft. @	£4.00	=	£241,788
Offices: (ground floor)	1,753 sq.ft. @	£4.00	=	£ 7,012
Plant Housing:	2,772 sq.ft. @	£2.50	=	£ 6,930
Offices, Canteen (1st Floor)	13,206 sq.ft. @	£3.00	=	£ 39,618
Concrete Yard:	20,053 sq.ft. @	£0.20p	=	<u>£ 4,010</u>
				£299,358

Est. N.A.V. £300,000 - R.V. @ 0.5% = £1,500

**Add:**

Flour Silos: 2 No. x 30 tons each = £10.00

Boilers: (1) Wanson Vaporax II...3307 lbs/hr. output	=	
(2) Wanson gasfoil fixed...1.6m.B.T.U./470Kw.	=	£25.00
Horsepower: 540 H.P.	=	£25.00
Ammonia Tank: 6,375 Litres (1,430 gals)		
Oil Tank: 5,266 gals.		
Water Tank: 6,000 gals.		
Gas Tank:	=	£20.00
	Total	= £1,580
	SAY	= £1,500"

Mr. Maher offered four comparisons three of which were cold stores, the fourth being an industrial unit at Monroad.

### **Oral Hearing**

The oral hearing took place in Dublin on the 14th day of March, 1994. Mr. Des Killen appeared on behalf of the appellant and Mr. Denis Maher appeared on behalf of the respondent. Mr. Paul Sheedy, Cost Controller of the appellant company gave evidence.

Mr. Killen went through his written submission in detail. He said that the areas in question were agreed and he also indicated that the rateable valuation of the plant and machinery was agreed. In the course of Mr. Killen's evidence, the Tribunal indicated that it appeared to it that the best comparison so far available was that of Galtee Food Products Limited and it asked Mr. Killen to do an exercise superimposing the breakdown in the Galtee Food Products Limited case onto the subject appeal. While the Tribunal adjourned for a short period, Mr. Killen and Mr. Maher agreed these figures and it emerged that if the subject premises were to be valued on the same basis as Galtee Foods the sum of £16.00 would be added to Mr. Killen's valuation.

Under cross examination, Mr. Killen agreed that the cost of the subject building amounted to £34.00 per square foot but was unable to say how this compared with the cost of other similar buildings.

Mr. Maher in evidence referred in detail to his written submission. He indicated that he had no personal knowledge of the Galtee Food Products Limited premises and relied upon his comparisons. Under cross examination he agreed that the clothing factory referred to under the heading of comparison No.4 consisted only of some 3,680 square feet. He was not aware of the height of the cold storage units of the comparisons which he offered and he accepted

that this would be a relevant factor as cubic capacity was important in determining cold storage areas.

### **Determination**

The Tribunal must reject the comparisons offered on behalf of the Commissioner of Valuation. The first three referred to cold storage areas and not industrial units such as the subject premises. The fourth referred to an industrial unit which was a fraction of the size of the subject premises. The Tribunal is, therefore, left with only one comparison, namely, Galtee Food Products Limited. It is accepted that the same is of broadly similar function (namely the processing of food) as the subject premises. The Tribunal, therefore, accepts Mr. Killen's adjusted figure of £1,030 plus £16.00 together with £10.00 on the veterinary office giving a total rateable valuation of £1,056.