

Appeal No. VA95/6/003

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

E.S.B., Birr

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Shop and Offices at Map Ref: 21.26 (incl. 1 to 14 Mill Lane and 34a.34B Main Street),
Bridge Street, Townland: Townparks, Urban District of Birr, Co. Offaly
Quantum - Difference small - negotiation should have resolved it

B E F O R E

Liam McKechnie

S.C. Chairman

Con Guiney

Barrister

Barry Smyth

FRICS.FSCS

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 5TH DAY OF JULY, 1996

Arising out of the oral hearing held on the 5th day of June 1996 at which the appellant was represented by Ms. Sheelagh O'Buachalla, BA, an Associate of the Society of Chartered Surveyors, of Donal O'Buachalla & Company Limited and the respondent was represented by Mr. Noel Rooney, Dip. E. Econ., a District Valuer of the Valuation Office, the following are the relevant facts either agreed or so found:-

The Electricity Supply Board is the rated occupier of certain hereditaments and premises broadly described as a shop, office, stores and yard all situated in Birr, Co. Offaly. Formerly, on part of this site was an E.S.B. showroom which, to make way for this new complex was demolished and removed. Having purchased the entirety of the site for the sum of £20,000 the E.S.B. spent approximately £350,000 on its redevelopment. It is agreed by all that the buildings are modern and purpose built with the exception of a small refurbished store/workshop. The shop, office and store (being part of the same structure) are constructed of rendered concrete block walls with a pitched asbestos slate roof.

The remainder of the site comprises an enclosed yard off which there are two workshop/stores which again are of concrete block construction this time with a PVC cladded insulated roof. All main services are attached to the property.

The property is located on Bridge Street which is a continuation of Main Street close to its junction with Market Square. This street is a secondary location with the building line of the property being somewhat set back from the premises immediately adjacent.

In the following paragraph we set out the agreed description and floor area of the property as well as the parties respective views as to what the appropriate net annual value should be and hence the appropriate rateable valuation.

	Appellant's View	Commissioner's View	Appellant's View	Commissioner's View
Shop - 520 sq.ft. @	£9.00	£9.00	£ 4,680	£ 4,680
Stores - 123 sq.ft. @	£2.00	£4.00	£ 246	£ 492

Offices - 1,800 sq.ft. @ External Stores/Buil dings - 1,314 sq.ft. @ Yard - 20,500 sq.ft. @	£3.50	£4.00	£ 6,300	£ 7,200
	£1.50	£2.00	£ 1,971	£ 2,628
	£0.15p	£0.30p/£0.15p *	£ 3,075	£ 3,363*
Total Net Annual Value			£16,272	£18,363

* It should be noted that in the Commissioner's calculations he has sub-divided the yard into two areas: Area No. 1 comprises 1,830 square feet which is separately enclosed with a raised platform. On this he puts a sum of 30p psf. On the balance of 18,670 square feet he suggests 15p psf. On the other hand the appellant treats the entirety of the yard as one and attributes the sum of 15p to each square foot. In reality there is no difference between the parties on the valuation of the yard if one takes into account the rounding down by the Commissioner of his net annual value from £18,363 to £18,000. As can therefore be seen the appellant suggests a rateable valuation of £81 as against the Commissioner's rateable valuation of £90.

Disregarding comparisons for a moment it is difficult to understand how agreement could not have been reached by the parties in relation to this valuation and how or why it was thought necessary to pursue an appeal to this Tribunal. Of course it should be said, and it must be acknowledged that an occupier is perfectly entitled to exercise his statutory right of appeal if he so wishes. However, given the fact that the exercise of valuing property is not a scientific one or one that can be carried out or achieved with mathematical accuracy or precision, an

appeal, like the instant one, begs the question as to whether it could ever be commercially justified and certainly so if the sanction of costs existed and was applied. Accordingly, could we say that it must be in everyones interests, including the ratepayer, the Commissioner and indeed even the Tribunal that valuations like the present should if at all possible be resolved by agreement and that only in the rarest of circumstances should they find their way to this appellate body.

Be that as it may, both parties have relied, for their principal comparison, on the E.S.B. premises at Clonmel Road, in Tipperary town. These premises were revised and a rateable valuation of £95 agreed at First Appeal in 1992. The description, area and breakdown is as follows:-

"Shop	907 sq.ft.	@ £9.00	= £ 8,163
Offices	1,108 sq.ft.	@ £4.00	= £ 4,432
Store	1,617 sq.ft.	@ £2.00	= £ 3,234
Tarmac Yard	22,000 sq.ft.	@ £0.15p	= £ 3,348
4 car spaces		@ £50.00	= £ 200
Total N.A.V.			£19,377
			@ .5% = £97 Agreed at £95."

Mr. Rooney on behalf of the Commissioner of Valuation has applied the rates agreed in this comparison precisely to the subject property. This, notwithstanding his view, that the comparison is not as close to Main Street as is the subject property, in that, it is not within walking distance and one has to drive to it. He feels that the subject property is in a better location than the comparison. This evidence is not in dispute save in except that Ms. O'Buachalla alleges that the recessed building line should have some depressive effect on the subject premises. Given the fact that the retail part of the subject premises has been agreed at £9 psf it is difficult to see how a recess could effect the offices, stores and yard. In addition, however, Ms. O'Buachalla submitted that as between this comparison and the subject premises an allowance should be made in favour of the latter for quantum. This the Tribunal does not accept. It believes that whilst some difference may exist between the comparable

areas in question, nevertheless, these differences are not material and are not such as could reasonably attract to them a discount under the heading of quantum.

In these circumstances and given the acceptance of the evidence adduced on behalf of the Commissioner, the Tribunal is quite satisfied that the rateable valuation of £90 is fair, reasonable and in accordance with the relevant Valuation Acts. Accordingly, this appeal will be disallowed.