

Appeal No. VA96/2/034

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

Ballyhaunis & District Credit Union Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Office at Map Ref: 22A, Townland: Carrowluggan, ED: Ballyhaunis, RD: Claremorris,
Co. Mayo
Quantum

B E F O R E

Liam McKechnie

S.C. Chairman

Mary Devins

Solicitor

Patrick Riney

FSCS.FRICS.MIAVI

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 25TH DAY OF OCTOBER, 1996

1. By Notice of Appeal dated the 22nd day of April 1996 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £30 on the above described hereditament.
2. The grounds of appeal as set out in the Notice of Appeal are that:-
"in comparison with similar credit union offices around the West of Ireland of a similar size we are generally rated from £10 to £20 higher. Our valuation does not include upstairs which is valued separately. The credit union is a non-profit making co-operative."

3. The appeal proceeded by way of an oral hearing which took place in Castlebar District Court on 25th day of October 1996. The appellant was represented by Mr. Pat O'Connor, Assistant Treasurer of Ballyhaunis & District Credit Union and the respondent was represented by Mr. Paschal Conboy, Valuer in the Valuation Office.
4. The premises on Main Street, Ballyhaunis was purchased by the Ballyhaunis & District Credit Union in 1991 for the sum of £50,000. Subsequent to its acquisition the credit union spent approximately the same sum on the building in carrying out certain refurbishment works, in constructing a new two storey extension to replace an old single storey building and to otherwise improve and enhance the appearance and quality of it. The location of the building is on a corner site with frontage and signage on both streets.
5. In 1994 the Urban District Council listed the property for revision. In November the valuation list issued showing a valuation of £30. There was an unsuccessful appeal to the Commissioner of Valuation at First Appeal stage and in April 1996 the Credit Union appealed to this Tribunal. That appeal was dealt with on behalf of the credit union by Mr. O'Connor and on behalf of the Commissioner by Mr. Conboy.
6. It is important to note firstly that it is only a portion of the premises known as Lot 22A that is the subject matter of this appeal. An office on the first floor and two rooms on the second floor are not the subject matter of this appeal. They are not contained in the valuation of £30 placed on it. They are apparently let to FAS at £25 per week.
7. The grounds of appeal as set out in writing and as submitted to this Tribunal by way of oral evidence were to the effect that the credit union is a voluntary run, non-profit making organisation and has something like 13 directors and 3 supervisors. One

part-time member of staff gets paid, the other members of staff receive no remuneration. It is in a small catchment area. It feels that the valuation of £30 is excessive by way of comparisons with similar credit union offices in the West of Ireland. It feels that the valuation is too high by approximately £12. Originally a question might have arisen as to whether or not the property is rateable. There is no doubt in our view that there is nothing in the exemption provisions of the Valuation Acts which would entitle this premises simply by reason of the fact that its owner and essential occupier is a credit union, to exemption. Accordingly, it falls to be valued on the same basis as any other premises, that is according to *Section 11/12 of the 1852 Act* as amended by *Section 5 of the Valuation Act 1986*.

8. As part of Mr. O'Connor's submission he suggested that the most appropriate way of putting a valuation on this property was to compare the members shareholding in the subject credit union with other credit unions. We can find no basis in the Valuation Acts or in valuation practice which would enable us to place a valuation on the subject premises on that basis. Accordingly, we cannot adopt the method as suggested.

9. Mr. Conboy submitted four comparisons in support of his NAV of £6,000 and therefore rateable valuation of £30 on the subject premises. These comparisons relate by in large to shops/offices and are not directly comparable to the use which the credit union puts the premises. We do not however, have any comparisons in the nature of building societies or in the nature of other institutions which provide financial services.
Accordingly, even though we feel that the four comparisons are not directly to the point we have nevertheless extracted from them what we would consider to be a reasonable basis for putting a valuation on the subject property.

10. The first comparison as mentioned is no. 4b, Knox Street which is a ladies' fashion shop, it has a ground floor of 712 sq.ft. and there is according to Mr. Conboy a

valuation of £7.30 per square foot on that. The rateable valuation is £26 fixed in 1992. There is according to Mr. O'Connor an application by the present owner for revision and consequently that may affect the weight by way of comparative evidence that should be attached to this comparison.

11. In any event, as between it and the subject property it is clear in our view that the subject property is in a better location. It has as already stated frontage and signage on both sides and has of course an area also on the first floor. In addition and as pointed out £50,000 was spent on the acquisition of freehold and another £50,000 spent on the refurbishment.
12. Comparison no. 3 which is a shop and veterinary office has a frontage similar to the subject property and again it is understood that it has been listed for revision by the present owner. It has a ground floor of 247 sq.ft. @ £13 and stores/workshop of 256 sq.ft. @ £3. The valuation of £20 was fixed in 1994.
13. The fourth comparison is in Bridge Street and we consider that the location is quite removed from the subject premises. The premises consists of a small narrow butcher shop and even though it is quite removed from the subject premises the location is apparently quite satisfactory for the business carried on therein. Mr. Conboy puts on the ground floor of the subject premises £9 and on the first floor £4.50. As a matter of probability we think that is slightly too high in relation to the comparisons, but only slightly. We believe that on the ground floor the valuation should be £8 and that on the first floor it should be £4. That gives an NAV of £5,356 and a rateable valuation of £27. In the circumstances we feel that it is probably a fairer and more accurate valuation but that overall a figure of less than that could not be justified.
14. In the circumstances and notwithstanding the fact that we recognise and appreciate the work carried out by the credit union, the considerable benefits it bestows on the

community, the voluntary nature of its activities and in many ways the financially unrewarded commitment of the staff members, we have to apply the valuation laws and practice as they are. We do not on the evidence before us feel that any further reduction could be justified. Accordingly, we determine that the rateable valuation should be £27 which is in effect a reduction of £3.