

Appeal No. VA96/3/044 &  
VA96/3/045

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

**Vincent Kennedy**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Supermarket and shop at Lot No: 10.12, & Lot No: 8, Church Street, Townland:  
Derryginney, ED: Ballyconnell, RD: Bawnboy, Co. Cavan  
Quantum - Property to be treated as one rateable hereditament

**B E F O R E**

**Fred Devlin**

**FRICS.ACI Arb. (Acting Chairman)**

**Brid Mimmagh**

**Solicitor**

**Barry Smyth**

**FRICS.FSCS**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 19TH DAY OF FEBRUARY, 1997**

By Notices of Appeal dated the 27th day of July 1996 the appellant appealed against the determinations of the Commissioner of Valuation in fixing rateable valuations of £90 and £20 respectively on the above described hereditaments.

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

"on economic grounds and in light of the rateable valuation of existing premises in the area, the rate is exorbitant."

By consent of the parties both these appeals were heard simultaneously at the Courthouse, Cavan on the 19th day of February 1997. The appellant, Mr. Vincent Kennedy appeared on his own behalf and the respondent was represented by Mr. Ray Sweeney, a District Valuer in the Valuation Office.

**The Properties:**

The properties which are the subject matter of these appeals comprise a supermarket with ancillary stores and a shop selling hardware and farm goods immediately adjoining. At the rear there is an extensive customer car park.

Both premises were purpose built and are located on Church Street close to its junction with Main Street.

**The Accommodation:**

***VA96/3/044 - The Supermarket***

The supermarket comprises an area of 3,875 sq.ft. with an office of 70 sq.ft., kitchen of 195 sq.ft. and stores of 805 sq.ft. to the rear.

***VA96/3/045 - The Shop***

The farm shop comprises an area of 659 sq.ft., physically distinct from the supermarket.

**Valuation History:**

The subjects of these appeals were built on the site of a former house and were first valued at 1993/4 revision as set out below.

- a. Map Ref: 10/12 - Supermarket = RV £70.
- b. Map Ref. 8 - Shop = RV £20.

Following an appeal to the Commissioner of Valuation no change was made in rateable valuation and subsequently the matter was referred to this Tribunal for determination.

**Written Submissions:****Mr. Vincent Kennedy**

A written submission was received on the 5th day of February 1997 from Mr. Vincent Kennedy. Mr. Kennedy said that:-

- "a. The other supermarket in the town had an RV of £10.50 with a square footage of 1,950.
- b. The next door premises, a licensed house had a square footage of 4,600 and was rated at £24.50.
- c. The old Boxmore Plastics factory which is 33,500 sq.ft. had an RV of £280."

He also protested at the two valuations placed on his premises.

**Mr. Ray Sweeney**

A written submission was received on the 4th day of February 1997 from Mr. Raymond Sweeney, a District Valuer with 27 years experience in the Valuation Office on behalf of the respondent.

In his written submission, Mr. Sweeney described the subject premises and gave its valuation history. He set out his valuation bases as follows:-

a.	"Supermarket	3,875 sq.ft. @ £4.00 = £15,500
	Accounts Office	70 sq.ft. @ £2.00 = £ 140
	Kitchen	195 sq.ft. @ £1.50 = £ 292
	Stores	805 sq.ft. @ £1.75 = £ 1,409
	First floor Offices	197 sq.ft. @ £4.00 = <u>£ 788</u>
		Total <u>£18,129</u>

Say £18,000 @ 0.5% = RV £90.

b. Shop            6,59 sq.ft. @ £6 = £3,954  
 £,3954 @ 0.5% = RV £20.

**OR**

Estimated Rent        £75 pw x 52 = £3,900  
 £3,900 @ 0.5% = RV £20."

Mr. Sweeney offered a schedule of comparisons in connection with each appeal, which are attached to this judgment as Appendix A.

**The Evidence:**

At the oral hearing both parties adopted their written submissions as being their evidence in chief given under oath. In supplementary evidence Mr. Kennedy said that the farm shop was an integral part of the enterprise and was not run as a separate business. Customers and staff alike went from one area to the other without interference as the two sections of the buildings were fully intercommunicating. Under the circumstances he could not see any justification for two separate valuations.

In relation to this matter Mr. Sweeney thought it was a matter of judgment and on balance he had come to the conclusion that there should be two separate valuations notwithstanding the fact that he accepted both premises were intercommunicating and run as a single business operation. In response to a question from the Tribunal, Mr. Sweeney said that if the premises were to be valued as a single utility then he would value the total retail area at the square footage applied to the supermarket.

Mr. Kennedy said that the other supermarkets cited as comparable by Mr. Sweeney were in better trading locations and that this should be reflected in the valuation of his premises. Mr. Sweeney referred to the premises mentioned in Mr. Kennedy's submission and made the following observations:-

- a. Lizzie Buggies - This is a licensed premises which has recently been revised and is now valued at £50. The area of the bar is 2,131 sq.ft. with ancillary stores of some 929 sq.ft. The first floor accommodation is disused and derelict and no value is attributable to this space which has a gross area of approx. 2,000 sq.ft..
- b. The old Boxmore Plastics Factory - This was last revised in 1971 and is not a relevant comparison.
- c. Supermarket - This was last valued in 1976 when it had an area of about 500 sq.ft.. Notwithstanding the fact that it has been considerably extended and improved it has not been listed for revision. Under the circumstances it is not a relevant comparison.

In response to a question from the Tribunal, Mr. Sweeney and Mr. Kennedy have both agreed that Conway's premises were much better than the subject. Both agreed that the subject was located in a small town and drew its customers from the surrounding rural area. Mr. Kennedy said that the proximity to Enniskillen was a drawback and that he suffered competition from the supermarkets located there.

**Findings:**

Having considered all the evidence and arguments adduced the Tribunal makes the following findings:-

- a. There is no reason why the farm shop should be separately valued as it is an integral part of the appellant's premises. This view is supported by the fact that it is fully intercommunicating, shares common toilet facilities and such like, has common staff and is not run as a separate and distinct business unit. Accordingly, therefore the Tribunal finds that they should be treated as one rateable hereditament.
- b. By comparison with the other supermarkets cited by Mr. Sweeney the rate per square foot applied to the subject is high having regard to the locational factors and other considerations.

**Determination:**

Having regard to the above the Tribunal determines the rateable valuation of the total property to be £90 based on a net annual value of £18,000 calculated as set out below.

Retail area	4,534 sq.ft. @ £3.50 = £15,869
Ancillary Accommodation (incl. office, kitchen, stores, 1st fl. office)	1,267 sq.ft. @ £1.50 = <u>£ 1,900</u>
	Total = <u>£17,769</u>

But Say £18,000. RV @ 0.5% = £90.