

Appeal No. VA97/7/003

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

**Inishowen Farmers Co-Op Society Ltd.**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Office, shop, store and yard at Map Ref: 71C, Townland: Churchland Quarters, ED: Carndonagh, RD: Inishowen, Co. Donegal

Quantum - Difference small - negotiation should have resolved it

**B E F O R E**

**Liam McKechnie - Senior Counsel**

**Chairman**

**Barry Smyth - FRICS.FSCS**

**Member**

**Michael Coghlan - Solicitor**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 1ST DAY OF MARCH, 1999**

By Notice of Appeal dated the 24th day of October 1997 the Appellant Company appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £115 on the above described hereditament.

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

- "1) The valuation is excessive and inequitable and/or
- 2) The valuation is bad in law and/or
- 3) No account has been taken of the NAV in determining the RV assessment of this hereditament and/or
- 4) Not valued in accordance with the Valuation Acts and related legislation".

1. The appeal proceeded by way of an oral hearing which took place in the District Court, Letterkenny on 19th June 1998. The Appellant Company was represented by Mr. Patrick McCarroll, ARICS ASCS MIAVI. Mr. Peter Walsh, Appeal Valuer in the Valuation Office appeared on behalf of the Respondent.
2. Prior to the oral hearing, written submissions were received from Mr. Patrick McCarroll on behalf of the Inishowen Farmers Co-Op Society Ltd., and from Mr. Peter Walsh on behalf of the Respondent. At the oral hearing both Valuers adopted their submissions as their evidence in chief given under oath.
3. From the evidence so tendered the following facts either agreed or so found are considered by the Tribunal to be relevant for the purposes of this appeal.

The premises comprises offices and stores used by the Co-Op for the sale of hardware and farm supplies. It is located east of Carndonagh on the Merville Road. The shop and store has concrete walls with a pitched corrugated asbestos roof. A steel portal framed structure is used as a store. The areas are agreed and comprise the following:

Retail area	3,033 sq.ft.
Office area	1,091 sq.ft.
Stores	4,323 sq.ft.
Hayshed	3,063 sq.ft.
Yard	40,000 sq.ft.

The premises was originally constructed in the early 1960's with the portal framed building built in the early 1990's. Taking into account three comparisons,

**(1) Donegal Creameries, Lifford**

1994 first appeal RV £75

Retail area	1,152 sq.ft. @ £2 psf
Store adjoining	1,560 sq.ft. @ £1 psf
Grainstore	5,576 sq.ft. @ £1 psf.

**(2) McLaughlin Bros.**

1995/3 first appeal RV £45

9,060 sq.ft. @ £1 psf

**(3) Charles Kelly Ltd., Ramelton**

1993 Revision RV £18

6,100 sq.ft. @ £0.55 psf

1,100 sq.ft. @ £0.30 psf

- 4.** Mr. McCarroll assessed the rateable valuation at £93 which figure was deduced from the following NAV and the break down thereof:

Retail area	3,033 sq.ft. @ £2.00 psf = £ 6,066
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Office area	1,091 <sup>4</sup> sq.ft. @ £2.25 psf = £ 2,455
Stores	4,323 sq.ft. @ £1.00 psf = £ 4,323
Hayshed	3,063 sq.ft. @ £0.50 psf = £ 1,531
Yard	40,000 sq.ft. @ £0.08 psf = £ 3,200
Silos	£10,000 @ 10% = <u>£ 1,000</u>
	<u>£18,575</u>
	@ 0.5% = £93 RV.

5. Mr. Walsh said that the property was assessed at revision in 1994 as follows:

Shop and offices	4,124 sq.ft. @ £3.00 psf	£12,372
Stores	7,386 sq.ft. @ £1.50 psf	£11,079
Tanks & Silos	£10,000 @ 10%	£ 1,000
Yard	40,000 sq.ft. @ £0.075 psf	<u>£ 3,000</u>
		<u>£27,451</u>
	@ 0.5%	£140 RV

At first appeal the RV was reduced to £113 as follows:

Shop	3,033 sq.ft. @ £3.00 psf =	£ 9,099
Offices	1,091 sq.ft. @ £2.50 psf =	£ 2,727
Stores	4,323 sq.ft. @ £1.25 psf =	£ 5,404
Rear Store	3,063 sq.ft. @ £0.75 psf =	£ 2,297
Silos	£10,000 @ 10% p.a. =	£ 1,000
Yard	40,000 sq.ft. @ £0.05 psf =	<u>£ 2,000</u>
NAV		<u>£22,527</u>
	@ 0.5%	£113 RV.

6. Having considered the evidence during the course of this hearing, and in particular having considered the evidence with regard to the comparable properties, this Tribunal is of the opinion that save for the retail section of the Donegal Creameries

comparison, the other hereditaments are of no significance or help in determining what the correct NAV should be. The comparison of the Donegal Creameries referred to by Mr. McCarroll elaborated further in evidence by way of cross-examination wherein Mr. McCarroll agreed that it was not as good as the subject property and that both the retail area and store part of that comparison were in fact inferior to that of the subject property. We are quite satisfied that there is no basis in evidence for a suggestion that only £2 should be placed on the retail area. We are also satisfied that it is quite unusual to suggest that a retail area should be valued at a lower rate than the office area. We are therefore of the opinion that the figure of £3 on the shop as given by Mr. Walsh is reasonable. We are also of the opinion that the other figures as given by Mr. Walsh, the Appeal Valuer are reasonable and we find no scope within those figures for any adjustment downwards in favour of the Appellant Company.

7. Indeed, it is to be noted that Mr. Walsh places 5p on 40,000 sq.ft. of yard area, as against that, Mr. McCarroll has placed a figure of 8p psf. If one were to take the latter, it would add the sum of £1,200 into the calculation of NAV and thus increase the RV as suggested by the Commissioner. If that were to take place, in our opinion it would be highly unlikely that this Tribunal would interfere even with a higher RV than £115 based on that calculation. However, this is not contended for on behalf of the Commissioner and accordingly, we are quite satisfied that the RV of £115 is reasonable under the circumstances.

As a final note in this judgement it should be indicated to parties that it must be in everybody's interest if at all possible, given any particular case, that the issues in dispute be resolved between the parties. It is time consuming, it is an expenditure of money for all sides to come before this Tribunal to present their case. Whilst undoubtedly as a matter of law, any appellant who is dissatisfied with the results of first appeal is so entitled, nonetheless, unless there are substantial grounds for interfering with the RV as suggested by the Commissioner and in particular where the areas of difference between the parties are so small we find it surprising that this case was not disposed of and that it was necessary for it to be determined

before us by way of an oral hearing. We would suggest that in future, whatever scope is

available for resolving this matter and other matters outside this Tribunal that this should be taken up and followed and pursued by both parties in order to avoid what can only be the resulting increase in costs that is incurred by having to proceed to this Tribunal. However, we of course acknowledge the right of Appellants to choose to come before the Tribunal.

- 8.** In any event the determination of the Tribunal is that the suggested rateable valuation determined by the Commissioner of Valuation is hereby affirmed.