

**Appeal No: VA19/5/0294**

**AN BINSE LUACHÁLA  
VALUATION TRIBUNAL**

**NA hACHTANNA LUACHÁLA, 2001 - 2015  
VALUATION ACTS, 2001 - 2015**

**Wexford VTN Test Centre**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

**In relation to the valuation of**

Property No. 2192593, Workshop at Ardcavan Pt, Ardcavan, Wexford, County Wexford.

**B E F O R E**

**Dolores Power - MSCSI, MRICS**

**Deputy Chairperson**

**Patricia O'Connor - Solicitor**

**Member**

**Thomas Kearns - B.Sc. (Surv), MRICS**

**Member**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 9<sup>th</sup> DAY OF NOVEMBER, 2022**

**1. THE APPEAL**

1.1 By Notice of Appeal received on the 4<sup>th</sup> day of October, 2019 the Appellant appealed against the determination of the Respondent pursuant to which the net annual value ‘(the NAV)’ of the above relevant Property was fixed in the sum of €39,700.

1.2 The sole ground of appeal as set out in the Notice of Appeal is that the determination of the valuation of the Property is not a determination that accords with that required to be achieved by section 19 (5) of the Act because: *“The valuation is excessive, it does not achieve correctness of value and equity and uniformity of value as between comparable properties.*

*This property is an industrial building and yet is valued higher than some retail warehouses in Wexford and higher than some specialised food production facilities and similar to industrial premises close by.”*

1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €17,325.

## **2. REVALUATION HISTORY**

2.1 On the 15<sup>th</sup> day of March a copy of a valuation certificate proposed to be issued under section 24(1) of the Valuation Act 2001 (“the Act”) in relation to the Property was sent to the Appellant indicating a valuation of €42,000.

2.2 Being dissatisfied with the valuation proposed, representations were made to the valuation manager in relation to the valuation. Following consideration of those representations, the valuation of the Property was reduced to €39,700

2.3 A Final Valuation Certificate issued on the 10<sup>th</sup> day of September 2019 stating a valuation of €39,700.

2.4 The date by reference to which the value of the property, the subject of this appeal, was determined is the 15<sup>th</sup> day of September 2017.

## **3. THE HEARING**

3.1 The Appeal proceeded by way of an oral hearing held remotely on the 29<sup>th</sup> day of March 2022. At the hearing the Appellant was represented by Mr. Frank O’Connor MSCSI, MRICS and the Respondent was initially represented by Ms. Rosemary Healy Rae BL instructed by Ms. Isabel Chicote Solicitor of the Chief State Solicitors’ Office. The Respondent applied for an adjournment of the oral hearing, which adjournment was not granted by the Tribunal on the basis that the circumstances grounding the adjournment application did not constitute an “exceptional circumstance” pursuant to Rule 87 of the Valuation Tribunal (Appeals) Rules, 2019. Ms. Healy Rae BL and Ms. Chicote thereupon formally withdrew from the hearing as they had no instructions in relation to proceeding and the hearing proceeded in the absence of the Respondent, who was unrepresented.

3.2 In accordance with the Rules of the Tribunal, the Appellant had provided his report and précis of evidence prior to the commencement of the hearing and submitted them to the Tribunal. The Respondent failed to do so. At the oral hearing, Mr. O'Connor, having taken the oath, adopted his précis as his evidence-in-chief in addition to giving oral evidence.

#### **4. FACTS**

4.1 From the evidence adduced by the parties, the Tribunal finds the following facts.

4.2 The property is a single storey detached industrial building, purpose built and currently in use as a commercial vehicle test centre.

4.3 The property consists of the following agreed areas:

Offices - 111.51 square metres

Workshop 584.46 square metres

Yard - 960 square metres

4.4 The property is located in Ardavan which is circa 3 kilometres north of Wexford Town on the R741 road from Wexford to Castlebridge.

4.5 The property is owned freehold by J.A. Boland & Sons (Wexford) Ltd.

#### **5. ISSUES**

The sole issue to be determined by the Tribunal in this case is the Quantum of valuation.

#### **6. RELEVANT STATUTORY PROVISIONS:**

6.1 The net annual value of the Property has to be determined in accordance with the provisions of section 48 (1) of the Act which provides as follows:

“The value of a relevant property shall be determined under this Act by estimating the net annual value of the property and the amount so estimated to be the net annual value of the property shall, accordingly, be its value.”

6.2 Section 48(3) of the Act as amended by section 27 of the Valuation (Amendment) Act 2015 provides for the factors to be taken into account in calculating the net annual value:

“Subject to Section 50, for the purposes of this Act, “net annual value” means, in relation to a property, the rent for which, one year with another, the property might, in its actual state, be reasonably be expected to let from year to year, on the assumption that the probable annual cost of repairs, insurance and other expenses (if any) that would be necessary to maintain the property in that state, and all rates and other taxes in respect of the property, are borne by the tenant.”

## **7. APPELLANT’S CASE**

7.1 Mr. O’Connor adopted his precis as evidence in chief.

7.2 Mr. O’Connor relied upon the following nine NAV comparisons:

Comparison 1: Retail Warehouse, Drinagh Retail Park, Wexford NAV €56,500

Comparison 2: Retail Warehouse, Drinagh Retail Park, Wexford NAV €30,200

Comparison 3: Bakery, Ardcavan Retail Park, Wexford NAV €62,900

Comparison 4: Bakery, Ardcavan Retail Park, Wexford NAV €15,060

Comparison 5: Motor Showroom, Ardcavan Retail Park, Wexford NAV €93,900

Comparison 6: Motor Showroom, Ardcavan Retail Park, Wexford NAV €89,200

Comparison 7: Motor Showroom, Ardcavan Retail Park, Wexford NAV €136,400

Comparison 8: Motor Showroom, Ardcavan Retail Park, Wexford NAV €20,800

Comparison 9: Wexford Fire Station NAV €35,000.

7.3 Mr. O’Connor pointed out that the rate for standard industrial properties is uniform across Wexford Town, regardless of location. The Tribunal asked Mr. O’Connor why he choose Ardcavan as a location for his comparisons rather than an established industrial area, taking into account that there is a lot of housing there now. Mr. O’Connor replied that he was familiar with that area as he had acted for all the car dealerships in that location and that it is not as densely populated as other areas and is still growing.

7.4 The Tribunal queried whether the Fire Station should be included as a comparison. Mr. O’Connor stated that if land values should be higher, then the fire station value should also be

higher. The Tribunal felt that the location of the fire station was significant in that it needed access onto all the roads in the event of a fire.

7.5 The Tribunal asked Mr. O'Connor what he felt his best comparison was. Mr. O'Connor stated that it would be the bakery and then the car workshops which were quite similar. Mr. O'Connor confirmed that the bakery yard was not valued.

7.6 Mr. O'Connor stated that in terms of retail, the Valuation Office use two categories – up to 1000 m<sup>2</sup> is valued at €60 and over 1000 m<sup>2</sup> is valued at €50. Mr. O'Connor emphasized that the subject property is below 1000 m<sup>2</sup> but that it is a totally different property. The Tribunal pointed out that the most comparable property is the car showrooms. Mr. O'Connor replied that the car showrooms are above 1000 m<sup>2</sup>.

7.7 The Tribunal asked whether an element of quantum should be utilized to make allowances. In response, Mr. O'Connor said that there is one very large comparison being a workshop attached to a motor showroom comprising 1215 m<sup>2</sup> is valued by the Valuation Office at €37, while two smaller workshops attached to motor showrooms comprising 806 m<sup>2</sup> and 545.30 m<sup>2</sup> respectively are also both valued at €37. Mr. O'Connor made the point that no matter whether a property is above or below 1000 m<sup>2</sup>, the Valuation Office value them all at the same level. He described the subject property as being “a good bit smaller” than the comparisons.

7.8 Mr. O'Connor emphasized that what he tried to do was firstly give comparisons in that location. He pointed out that the subject property dealt with commercial vehicles and that customer car parking and circulation spaces are never rated. Mr. O'Connor pointed out that the photographs in his precis showed the physical aspect of the property quite clearly. He said that the subject property needed “a fair amount of space” for vehicles to access and exit the property given that some vehicles are up to 80 feet long with a cab, centre trailer and middle trailer. Similarly, Mr. O'Connor felt that with caravans and campers, a large turning area is required to get them into the bays. Mr. O'Connor stated that it was his view that there was no extra storage space available to the property and that it all comprised circulation space.

7.9 In response to a question from the Tribunal, Mr. O'Connor stated that there is one other test centre in Enniscorthy (Property Number 2136282) which is an NCT Car Testing Centre. This property is on the Valuation List as 387m at €52 m<sup>2</sup> totaling a valuation of €30,200. Mr. O'Connor was unaware as to whether this valuation had been appealed but he suspected that it had not been. Mr. O'Connor was similarly unaware as to whether representations had been made to the Valuation Office in respect of this property.

## **8. RESPONDENT'S CASE**

8.1 No evidence was adduced by the Respondent.

## **9. SUBMISSIONS**

9.1 There were no legal submissions on behalf of either party.

## **10. FINDINGS AND CONCLUSIONS**

10.1 On this appeal the Tribunal has to determine the value of the Property so as to achieve, insofar as is reasonably practical, a valuation that is correct and equitable so that the valuation of the Property as determined by the Tribunal is relative to the value of other comparable properties on the valuation list in the rating authority area of Wexford County Council

10.2 The Appellant has to clearly demonstrate that the list value is patently out of line and inconsistent with the assessments of comparable properties in Wexford. Mr. O'Connor has provided comparisons in a wide-ranging number of different categories. For ease of reference, these can be described as retail warehouses, specialised food production and similar industrial premises to the subject property.

10.3 Mr. O'Connor felt that the bakery was his best comparison, followed by the car showrooms/workshops. The first retail warehouse comparison provided by Mr. O'Connor is a retail warehouse in Drinagh Business Park, comprising an area of 1126 m<sup>2</sup> with an NAV of €50 per m<sup>2</sup> and is a retail building situated in one of the best locations in County Wexford. This can be contrasted with the subject property which is an industrial building in an inferior location, but which is valued at a higher rate of €52 per m<sup>2</sup>. The second retail warehouse comparison provided by Mr. O'Connor is also in Drinagh Business Park. This comprises an area of less than 1000 m<sup>2</sup> and is valued at €60 per m<sup>2</sup>.

10.4. In comparing the subject property to specialised food production facilities, Mr. O'Connor provided two comparisons. The first of these is a Bakery in Ardavan Business Park which is valued at €35 per m<sup>2</sup>. Mr. O'Connor noted that this is valued at less than the value of €37 per m<sup>2</sup> applied to the car workshops in the area and considerably less than the €52 applied to the subject property. The second comparison provided in this category is a Bakery and Café, also in Ardavan Business Park. This is a much smaller property than both the first Bakery and the subject property and is mainly valued at €40 per m<sup>2</sup>.

10.5 In respect of car showrooms/workshops, Mr. O'Connor has shown that the Commissioner has valued the workshop element of each of the comparable car dealerships at €37 per m<sup>2</sup>. Mr.

O'Connor argued that there is little physical difference between the workshop element of the car showroom and the subject property but the main dealer showrooms are categorised by the Commissioner as "retail (warehouse)" unlike the office in the subject property which is categorised as "industrial". Mr. O'Connor argued that the subject property is valued at 40% more per m<sup>2</sup> than the workshops in the main dealer motor showrooms being €52 per m<sup>2</sup> for the subject property compared with €37 per m<sup>2</sup> for the car dealer workshops.

10.6 The only comparable testing centre is the NCT Vehicle Test Centre on the Old Dublin Road, Enniscorthy, Co. Wexford. This is valued as follows:

	Area (M <sup>2</sup> )	NAV (€ per M <sup>2</sup> )	NAV (€)
Workshop	386.88	52.00	20,117.76
Offices	120.53	52.00	6,267.56
Offices	24.30	20.80	505.44
Yard	640.00	5.20	<u>3,328.00</u>
Total:			€30,200.00

10.7 This valuation was not appealed to the Valuation Tribunal. Having regard to the statutory scheme for determining the valuation of properties, a decision of the Tribunal within the hierarchical framework of agreements and appeals to the Tribunal has greater authority than a valuation determined by the Commissioner. During the life of a valuation list, a decision of the Valuation Tribunal as to the value of a property should be respected and guide the value of other properties comparable to that property on the valuation list in the rating authority area concerned.

10.8 The Tribunal notes firstly that the Enniscorthy property is solely designed for use by cars and secondly that the comparables provided by the Appellant are quite wide-ranging. It should be stated that in general that it is the preference of the Tribunal to attempt to compare "like with like". If the Tribunal had been able to do so in this instance, it may very well have found that an allowance for quantum would have been appropriate.

10.9 The Tribunal notes that all of the car showrooms relied upon by the Appellant as comparables are of a very high standard. In addition, the Appellants Comparable Number 3, which is a bakery, also has a large yard which is not rated. It was raised with the Appellant as to whether the yard area in the subject property could be used for something else such as storage

but the Appellant's view that there was no extra storage space available to the property and that it all comprised circulation space.

10.10 The Respondent has rated the entire of the subject property, notwithstanding that it also has a large yard area, at a much higher rate than other yards. The Tribunal is satisfied that the subject property is valued at a higher rate than the average value. It is further noted by the Tribunal that the Appellant's Comparison 2 is a retail warehouse which is valued at €50 per m<sup>2</sup> notwithstanding that it is situated at what could be described as one of the best locations in Wexford, near the intersections of the Rosslare, Dublin and Wexford roads.

10.11 It is incumbent upon the Tribunal to consider the overall tone of the list and the evidence put forward by the Appellant. It is accepted that there is an agreed hierarchy of rents in the property sector being industrial, retail and business. The lowest values are traditionally assigned to industrial manufacturing units and the value increases as one moves up the hierarchy.

10.12 The Tribunal accepts the comparable evidence provided by the Appellant that the tone of the list for industrial units is €37 per m<sup>2</sup>. The tone of the list for workshops attached to car sales showrooms is also €37 m<sup>2</sup>. The Appellant has argued that the predominant activity in these car showrooms is a retail activity and that the workshop in a car showroom is a by-product of that retail activity and the Tribunal accepts this argument.

10.13 The Tribunal deems it appropriate to use the tone of the list for workshops attached to car showrooms or dealerships. The subject property is valued at €52 per m<sup>2</sup> which means that it is valued considerably in excess of the tone of the list in this regard. The Tribunal notes there was no comparable evidence provided in respect of test centres such as the subject property. The only comparable evidence in respect of a testing centre is that of a traditional test centre for cars. The Tribunal does not accept that this is a suitable comparable for the subject property given that the subject property is unique and in itself requires considerably more space and specialized equipment.

10.14 The Tribunal further notes the workshop element in car showrooms which is valued at €37 per m<sup>2</sup>. The Tribunal also considered the extent of the additional yard in the subject property which has been excluded because of circulation requirements necessary to allow trucks and HGV's to access and exit the subject property safely. The Tribunal notes that there is a green area in the yard of the subject property which the Tribunal considers appropriate to exclude for valuation purposes.



10.15 The Tribunal accepts the Appellant's argument in relation to the turning circle applicable to large trucks at the subject property. However, the Tribunal notes that the yard in the subject property is not used for this purpose and the Tribunal is consequently of the opinion that it is equitable to grant a small allowance in this regard. The Tribunal considers that a value of €1.50 per m2 is appropriate in the circumstances.

10.16 The Tribunal in reaching their determination is cognizant of the fact that this is a property unique to the local authority area and the only commercial vehicle testing centre in the county and therefore no such directly comparable evidence was available.

**DETERMINATION:**

Accordingly, for the above reasons, the Tribunal allows the appeal and decreases the valuation of the Property as stated in the valuation certificate to €27,190 broken down as follows:

Workshop - 584.46 m2 @ €37 per sq.m. = €21,625.02

Office - 111.51 m2 @ €37 per sq. m. = €4,125.87

Yard - 960 m2 @ €1.50 per sq. m. = €1,440

Total - €27,190.89

Rounded €27,190