

Appeal No: VA23/5/0696

**AN BINSE LUACHÁLA
VALUATION TRIBUNAL**

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

HICKEY'S

APPELLANT

and

TAILTE ÉIREANN

RESPONDENT

In relation to the valuation of
Property No. 1073291, Retail (Shops) at Kilconnell, Ballinasloe, County Galway.

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 23RD DAY OF JULY, 2025**

BEFORE

Annamaria Gallivan - FRICS, FSCSI, MPhil SEE

Tribunal Member

1. THE APPEAL

- 1.1 By Notice of Appeal received on the 17th day of October, 2023 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 €12,260.
- 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:

"(a) The Valuation is Incorrect, the shop is in small rural village we have no surage that means no housing estates, all my customers are elderly and this is the only reason im keeping the shop open im 71years of age and working 6am - 6pm im the last of 10 shops

in the 2 mile radius, our local arrabawn creamry has closed 2 weeks ago 29/9/2023 with a loss of 100 jobs with big impact to our shop. Another factor is online shopping, tesco home delivery, we have a goverment funded local bus collecting people outside our shop and taking them into town 8 miles away to do there shopping. our over heads are doubled ie our electric bill is 5062.33 copy enclosed which i pay in instalments. refuge collection doubled, diesel heating doubled, gas water heating doubled. My rates at present i have to pay monthly d/d, by you figures i would get e12260.00 a year that is 1021.66 a month there is no way i would get even half this. Remember i live in a small rural village with a small population not a town with housing estates i live over the shop. None of my family members will take the shop over. My father opened in 1945 for this reason i kept it open. The population of Kilconnell 670. I would like you to consider lowering my rates reminding you we the last shop and finding it impossible to continue i will be ringing to pay my 95e appeal . If i retire An Post will close the post office which means the shop will close. I understand i will be getting a pass number so i can forward photocopy of electricity, refuge bins, diesel, gas and bills and if not i can post them with the reference number sorry for taking up you time but this a big dicision for me in the years to come. Many Thanks Gerard Hickey "

- 1.3 The Appellant considers that the valuation of the Property ought to have been determined in the sum of €1,500.

2. RE-VALUATION HISTORY

- 2.1 On the 25th day of May, 2023 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 €12,260.
- 2.2 A Final Valuation Certificate issued on the 15th day of September, 2023 stating a valuation of €12,260.
- 2.3 The date by reference to which the value of the Property, the subject of this appeal, was determined is 1st day of February, 2022.

3. DOCUMENT BASED APPEAL

- 3.1 The Tribunal considered it appropriate that this appeal be determined on the basis of documents without the need for an oral hearing and, on the agreement of the parties, the Chairperson assigned the appeal to one member of the Tribunal for determination.
- 3.2 In accordance with the Tribunal's directions, the parties exchanged their respective summaries of evidence and submitted them to the Tribunal.

4. FACTS

- 4.1 The parties are agreed as to the following facts.
- 4.2 The property is a ground floor retail unit, c. 1945, located in the rural Village of Kilconnell, Ballinasloe, Co Galway.
- 4.3 The valuation date is 01st February 2022.
- 4.4 The total floor area is 191.17 SQM.

5. ISSUES

- 5.1 The issue is quantum.

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 Hickey (for the Appellant) submitted a précis of evidence to the Tribunal which comprised a written document supplemented by photographs of the Property.
- 7.2 The Appellant described the property as a small, rural shop in Village of Kilconnell, Ballinasloe, Co. Galway, (population 670), established in 1945, facing significant challenges that threaten its continued operation.
- 7.3 The Appellant describes a precipitous decline in the local economy evidenced by the shop's status as the sole remaining retail establishment within a two-mile radius, a notable reduction from the ten businesses previously operating in the vicinity. The village currently lacks essential services, including, but not limited to, housing estates, with no discernible plans for future development. It is the Appellants opinion that the cessation of operations at the local Arrabawn creamery in the preceding year, directly resulting in the loss of 100 jobs, a factor that he believed, had demonstrably and severely impacted the subject shop's income, with weekly revenues experiencing a substantial decline, decreasing by an average of 50%. This downturn has also necessitated operational adjustments, including the forthcoming redundancy of a long-standing staff member, directly attributable to the prevailing financial strain.

The Appellant evidenced that the establishment is burdened by exorbitantly high electricity expenditures. Furthermore, the proprietor, aged 72 years, is compelled to dedicate in excess of 80 hours per week to the business, without accrual of holidays or days off. Further difficulties are due to the clientele predominantly comprising of an elderly demographic, a segment experiencing attrition due to natural causes. The premises also accommodate the local An Post (post office) facility, the closure of which, would be an inevitable consequence of the shop's cessation of trading, thereby exacerbating the isolation of the community. It is contended that governmental assertions of rural area support are contradictory, particularly given the provision of bus transport conveying residents to large retail outlets (Tesco/Aldi/Lidl) located approximately eight miles distance.

- 7.4 The Appellant's daughters express no inclination to assume control of the business.
- 7.5 The shop is presently experiencing considerable difficulty in remitting its rates, with payments currently managed solely through monthly direct debits. The proprietor underscores that a determination regarding the rates, irrespective of its perceived monetary value, holds the potential to be the pivotal factor in either the shop's continued operation or its permanent closure.
- 7.6 The owner is appealing for understanding regarding the severe struggles faced by rural shops and highlights the foundational hours put in to keep the business afloat, putting forward a NAV of €1,500.

8. RESPONDENT'S CASE

- 8.1 For the Respondent, Ms Harris submitted a précis of evidence, including photographs, block plan and maps.
- 8.2 The Respondent describes the property as located on the ground floor of No 5 Main Street, Kilconnell, Ballinasloe, Co Galway a small village in a rural area, approximately 14 kms from Ballinasloe Town.

8.3 Ms Harris describes the property as a ground floor retail unit, situated on Main Street, featuring a spacious retail area with a tiled floor and a suspended ceiling. Adjacent to the main retail space, and separated by a structural wall, is a dedicated storage area. Additionally, a Post Office unit is integrated within the premises, accessible via the retail shop. The retail unit has an approximate 16-meter frontage, which includes the Post Office section.

8.4 Ms Harris evidenced that there is on-street parking available directly to the property. The building, constructed circa 1945, is maintained in good condition, having undergone various improvements and developments over the years. Ms Harris confirmed that the owner-occupier resides in the residential unit situated directly above the commercial premises, held freehold.

8.5 Ms Harris included the following measurements, which she confirmed were agreed with the Appellant.

	Floor	M ²
Retail Zone A	0	90.79
Retail Zone B	0	83.64
Retail Zone C	0	0
Remainder	0	0
Store	0	16.74
Total	-	191.17

8.6 Ms Harris confirmed the valuation date as 01st February 2022.

8.7 Ms Harris confirmed that arguments presented by the Appellant have been duly considered within the scope of the appeal. Further, while the appellant's circumstances elicit sympathy, the property's valuation was conducted as part of the Revaluation process for the Local

Authority area. Revaluation denotes a systematic process, by which the valuation of all relevant properties within a specific rating authority area is updated, effective as of a singular valuation date. Pursuant to the Revaluation Scheme, comparable retail units situated in rural villages across the County have been uniformly valued at a Net Annual Value (NAV) of €100 per square meter for Zone A. Approximately 97 properties fall within this valuation category. The property was valued in accordance with the emerging Tone of the List, now established at €100 PSM, for Zone A shops, in Rural Villages in Galway County. A frontage to depth allowance was applied to this to reflect the configuration of the shop and post office which has a large frontage to depth ratio.

- 8.8 Ms Harris clarified that retail units located in Ballinasloe Town were separated into three areas:

Primary valued at €200 psm/Zone A

Secondary valued at €160 psm/Zone A

Tertiary valued at €120 psm/Zone A.

Ballinasloe Town is valued higher than retail units in smaller rural villages, such as Kilconnell, which is c. 13kms from Ballinasloe and has a smaller population.

- 8.9 Ms Harris submitted the following comparables (Key Rental Transactions, KRT's) in support of her case (full details in the Appendices, N/A to public) of which brief details are set out hereunder:

Key Rental Transaction 1:

Property Number	1083927
Occupier	Thomas Sheridan
Address	47,48,29 Dunlo Street, Ballinasloe, Co Galway

Total Floor Area	101.56 sqm
Terms	Redacted
NAV	€11,760 (which is calculated on the basis of the Zoning scheme.)

Key Rental Transaction 2

Property Number	1545229
Occupier	BILLY KING PHARMACY
Address	8/3 Dunlo Hill, Ballinasloe, Co Galway
Total Floor Area	83.73 sqm
Lease Terms	redacted
NAV	€7,370 (which is calculated on the basis of the Zoning scheme.)

- 8.10 The Respondent included the following NAV comparisons which demonstrate NAV P/SQM of €100, Zone A.

NAV Comparison 1:

Property Number	1066239
Occupier	Carra Plant Hire T/A XL SHOP
Address	Killaan, Ballinasloe, Co Galway
Total Floor Area	188.66 sq.m
NAV	€12,060

Level	Description	Size (SQM)	NAV P/SQM
0	Retail Zone A	59.78	€100
0	Retail Zone B	59.78	€50
0	Retail Zone C	27.44	€25
0	Off Licence addition	0	€1575
0	Store	41.66	20
	Total	188.66	€12,060

Ms Harris commentary:

Property situated in a nearby village of New Inn, Killaan, a refurbished shop located c.4kms from the subject.

NAV Comparison 2:

Property Number	1070310
Occupier	Vacant, Concannon
Address	1 Main St, Ahascragh, Co Galway
Total Floor Area	171.24
NAV	€9760

Level	Description	Size (sq.m)	NAV P/SQM
0	Retail Zone A	60.81	€100
0	Retail Zone B	44.19	€50
0	Retail Zone C	29.91	€25
0		0	
0	Store	36.33	20
	Total	171.24	€9,760

Ms Harris commentary:

Similar type grocery shop (now vacant) which had tiled floor and suspended ceiling, located on Main Street, Ahascragh and a similar size to subject at 191.17 SQM, approximately 10.5 kms from the subject.

NAV Comparison 3:

Property Number	2180102
Occupier	James Keane

Address	Unit 3 Cois na Habhainn, Abbeyknockmoy, Co Galway, H54PC59
Total Floor Area	89.07 sqm
NAV	€5,800

Level	Description	SQM	NAV P/SQM
0	Retail Zone A	35.47	€100
0	Retail Zone B	36.60	€50
0	Retail Zone C	17.00	€25
0	Store	0	€0
	Total	89.07	€5,802

Ms Harris commentary:

This property is a shop located c.41kms from the subject. No Representations were received for this property. This unit is NOT under appeal to the Valuation Tribunal.

- 8.11 Ms Harris, for the Respondent arrived at the NAV of **€12,260.00** for the subject property on the following basis:

Use	(SQM)	NAV P/SQM	NAV
Retail Zone A	90.79	€100	€9,079.00
Retail Zone B	83.64	€50	€4,182.00
Retail Zone C	0	0	0
Retail Zone Remainder	0	0	0
Store	16.74	€20	€334.80
Less Allowance for Frontage to Depth			-€1326.00
Total NAV			€12,269.70
ROUNDED			€12,260.00

9. SUBMISSIONS

9.1 There were no legal submissions.

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 Galway County Council.
- 10.2 In rating appeals brought by lay Appellants (ratepayers who are not professionally represented) the role of the Tribunal and its scope of power may be unclear. The jurisdiction of the Tribunal is independent and is solely concerned with **the correct and equitable determination of the valuation**. The basis of the valuation is the net annual value of the property having regard only to other comparable net annual values and with regard to the physical circumstances prevailing at the date of the Valuation Certificate.
- 10.3 The process for an Appellant in dealing with their appeal is provided for on the Valuation Tribunal website, along with the relevant rules applicable. These Rules provide guidance on all aspects of the process, and outline what is usually expected to be comprised in a summary of evidence, that is to be submitted to the Tribunal for consideration. Previous judgments of the Tribunal are listed on the website.
- 10.4 From the evidence provided, the subject property is in use as a ground floor retail unit, c.1945. Residential accommodation is over the shop. The property (retail area) appears from photographic evidence, to be in good condition and modernised internally. The property is located in a rural village with a small catchment area.
- 10.5 The Appellant describes the local economy as experiencing a severe downturn, evidenced by the subject shop's status as the sole retail establishment within a two-mile radius, a significant reduction from the prior ten businesses, further that the village lacks essential

services, including housing estates, with no discernible plans for future development. The Appellant cites the area as a disadvantaged location as a factor to depress the rental value, but without providing comparable evidence for the Tribunal to consider.

- 10.6 The Appellant makes reference to a level of turnover/profit, but that methodology would not be utilised in a 'hypothetical letting' as a guide, because retail units are analysed on a rate per square metre, zoned basis, calculating a level of value from that, to derive tone of the list, level of values. The Tribunal notes that the only evidence for comparison comes from key rental transactions and NAV's from the Respondent, no such evidence was put forth by the Applicant.
- 10.7 The calculation by the Respondent, to derive a valuation of Zone A of €100.00 P/SQM, is supported by reference to the KRT and NAV comparables, made available to the Tribunal. The two KRT's, in the opinion of the Tribunal, are not helpful. Both KRT One and Two (although adjusted by the Respondent in the calculations) are lettings (in 2017) not on, or around the date of valuation, being 2022, and located in Ballinasloe, Co Galway, which has been acknowledged by the Respondent to be valued at a higher value than retail units in smaller rural villages. NAV Two is a vacant unit. NAV comparison number one is more helpful having a equivalent overall area, located in a village and similarly valued using the same methodology - in terms of zone A.
- 10.8 The Tribunal acknowledges a small rural enterprise, of the nature of the subject Property and its remote location, is an issue for the occupier. The rural location of a commercial property, can demonstrably impact its market rental value and the valuation should reflect the market. The rate of €100.00 P/SQM is uncontested by way of comparables by the Appellant. The effects of a rural location on the market rental value of the property, supported by robust evidence, can indeed be a legitimate argument in an appeal against a rateable valuation. The ability to pay rates is not a valid ground for appealing a rateable valuation. The valuation process under the Act focuses on the inherent characteristics and potential rental value of the property itself, rather than the financial circumstances or profitability of the business or individual occupying it. This ensures a consistent and

equitable system of valuation across all rateable properties. The core of any valuation appeal before the Tribunal revolves around whether the determined Net Annual Value (NAV) of a property accurately reflects the "annual rent at which the property might reasonably be expected to be let from year to year." This is a question of objective market value, not the financial solvency of the current occupier. The Tribunal relies heavily on evidence, and the most common and robust evidence for challenging a valuation based on market rent is data from comparable properties. The absence of comparable properties from the Appellant, makes it difficult to demonstrate that the property's valuation is out of line with the market or inequitable compared to similar properties.

10.9 In rating appeals the burden is on the Appellant to show the valuation of the property which is under appeal is incorrect and as provided in Section 35(a)(i) of the Valuation Act, 2001. The Tribunal finds that the Appellant has not met this provision of the Act.

10.10 Therefore, the Tribunal cannot find any reasons to dispute the valuation made by the Respondent, having considered, in detail, the grounds of appeal and all the evidence submitted by the Respondent Valuer, indicating equity and uniformity of the approach adopted for comparable properties. The Property has been correctly assessed in the opinion of the Tribunal.

DETERMINATION:

Accordingly, for the above reasons, the Tribunal disallows the appeal and confirms the decision of the Respondent.

RIGHT OF APPEAL:

In accordance with section 39 of the Valuation Act 2001 any party who is dissatisfied with the Tribunal's determination as being erroneous in point of law may declare such dissatisfaction and require the Tribunal to state and sign a case for the opinion of the High Court

This right of appeal may be exercised only if a party makes a declaration of dissatisfaction in writing to the Tribunal so that it is received within 21 days from the date of the Tribunal's Determination and having declared dissatisfaction, by notice in writing addressed to the Chairperson of the Tribunal within 28 days from the date of the said Determination, requires the Tribunal to state and sign a case for the opinion of the High Court thereon within 3 months from the date of receipt of such notice.