

**LANDS TRIBUNAL FOR NORTHERN IRELAND**  
**LANDS TRIBUNAL AND COMPENSATION ACT (NORTHERN IRELAND) 1964**  
**IN THE MATTER OF AN APPEAL**  
**VR/29/1990**  
**BETWEEN**  
**JOHN HAGAN - APPELLANT**  
**AND**  
**THE COMMISSIONER OF VALUATION FOR NORTHERN IRELAND - RESPONDENT**

**Lands Tribunal for Northern Ireland - Mr A L Jacobson FRICS**

**Newtownards - 6<sup>th</sup> February 1991**

This was an appeal against the Net Annual Value of £290 for Map No 10-1 Killaughey Road South in the District of Ards, Co Down. The premises first became rateable in the valuation list on 28<sup>th</sup> January 1980 at £585 but industrially derated. On its becoming vacant the valuation list was amended on 19<sup>th</sup> November 1981 to £585 "other than distinguished". The Appellant purchased the premises sometime in early 1989 for £13,000 and applied to the District Valuer for revision downwards. The District Valuer found that the premises had fallen into disrepair (it was unoccupied between 1981 and 1989) and reduced the Net Annual Value to £290 by Certificate dated 6<sup>th</sup> June 1989. The Appellant spent about £20,000 on refurbishing the entire premises and divided it into two parts. The appeal hereditament being one of those parts, is and was occupied by the Appellant as a store for other people's furniture - he is in the removal business. On revision, the District Valuer by Certificate of 5<sup>th</sup> June 1990 fixed the Net Annual Value of the appeal hereditament at £290. The other part of the premises is separately assessed and does not form part of an appeal to the Lands Tribunal.

The Appellant appealed to the Commissioner of Valuation against the Net Annual Value of £290 but by Certificate of 29<sup>th</sup> October 1990 that Commissioner declined to make a change on the ground that "valuation is fair and is comparable with those of similar stores in the vicinity".

Mr John Hagan (who was unrepresented) testified that he used the hereditament as a depository for household goods. Electricity is connected but there is no connection to the

water main nor is there a sewer connection. There is a small area in front with a hardcore surface for parking or for use as a turning area.

When he purchased the premises they were "derelict". He proceeded to divide the premises into two hereditaments with a stud wall partition and generally refurbished the entirety. The single-storied hereditament is of concrete block (externally rendered) construction, roofed with corrugated iron. Although there is no natural light, the hereditament has electric strip lighting, a good concrete floor and provides good dry storage. The location is rural, being situated on a minor county road within 3 to 5 miles from Bangor, Newtownards, Millisle and Donaghadee.

Mr Hagan considered that the Net Annual Value at £290 was high compared with No 17 Meetinghouse Street, Donaghadee, which he had not inspected but for which he submitted an estate agent's hand-out containing sale particulars which indicated that the available usable floor space was on the ground floor 2,623 square feet; on the first floor 775 square feet giving a total of 3,398 square feet with an open yard of 3,860 square feet. The Net Annual Value of that comparable being £450. He complained that subsequently that Net Annual Value had been increased to £630.

By comparison with the £450 Net Annual Value he considered that the two halves of the premise he owned, which were together assessed at £580 (ie twice £290) and contained together approximately 3,000 square feet, were too highly assessed. His calculation was that the total Net Annual Value was £130 more but the total area was approximately 400 square feet less than No 17 Meetinghouse Street.

He requested permission to submit a further comparable. The Respondent, who had earlier received the information, raised no objection. That comparable again was contained in an estate agent's particulars of sale. The Net Annual Value is £250 and the hereditament contains approximately 4,500 square feet on 2 floors with frontage to Court Street (No 9), Newtownards, Co Down. Once again Mr Hagan had not inspected, but he considered his hereditament was too highly assessed by comparison with a building in a town location.

Mr Desmond Finlay ARICS a Valuer in the Valuation and Lands Office (for the Respondent Commissioner) spoke to an assessment of £290 Net Annual Value which was analysed as follows:-

Store 144 square metres @ £2 per square metre say:- £290

He had agreed the survey details with the Appellant.

He supported that valuation with two comparables, viz:-

278-13 Killaughey Road (Richard Henry Motors)

Workshop 50 square metres @ £2 per square metre = Net Annual Value £100

295D Killaughey Road (Angus Moore trading as N Down Kitchens)

Workshop and Store	257.7 square metres @ £2.50 per square metre =	£ 644
Showroom	16.2 square metres @ £3.50 per square metre =	£ 57
Production	94.4 square metres @ £3.00 per square metre =	£ 283
Stores	12.1 square metres @ £3.50 per square metre =	£ 42
Kitchen	10.3 square metres @ £3.00 per square metre =	<u>£ 31</u>
<b>TOTAL</b>	say	<u>£1,050</u>

He further gave evidence that No 17 Meetinghouse Street (the Appellant's original comparable) had been assessed at a Net Annual Value of £450. At that time it had been valued:-

Workshop	156 square metres @ £2.00 per square metre =	£312
Store	73 square metres @ £1.50 per square metre =	£109
Office	9 square metres @ £3.30 per square metre =	<u>£ 29</u>
<b>Net Annual Value</b>		<u>£450</u>

On inspection done for this Appeal it was seen that the comparable had been enlarged at some earlier date and consequently the District Valuer had caused a revision to take place resulting in a Certificate dated 7<sup>th</sup> January 1991 raising the Net Annual Value to £630. Valued as follows:-

Offices	24.1 square metres @ £3.50 per square metre =	£ 84
Shop	38.0 square metres @ £3.50 per square metre =	£133
Workshop	155.7 square metres @ £2.00 per square metre =	£311
Store	8.4 square metres @ £2.00 per square metre =	£ 16
Store	11.4 square metres @ £1.50 per square metre =	£ 17
Store	8.3 square metres @ £1.50 per square metre =	£ 12
First floor store	57.6 square metres @ £1.00 per square metre =	<u>£ 57</u>
<b>Net Annual Value</b>		<u>£630</u>

As far as the additional comparable (submitted by the Appellant) was concerned he testified that he had inspected that in the past few days. The hereditament was in dilapidated condition having been vacant for about 4½ years. It had a wood and felt roof - most of the felt at the rear part of the building had been removed; ceilings were down in the first floor and the floors were deformed (and perhaps dangerous) due to constant ingress of rain water. There was water cascading to the ground floor which had a covering of surface water and appeared to be an earthen floor. It had originally been assessed as a gateway with rooms above. The ground floor was open at the rear to allow the then occupier to run his lorries through to the back yard for parking. The assessment of £250 was made up as follows:-

Ground floor:-	Store	106.0 square metres @ £0.75 per square metre =	£ 79
	Yard	383.0 square metres @ £0.10 per square metre =	£ 38
First floor:-	Office	13.0 square metres @ £2.50 per square metre =	£ 32
	Store	49.6 square metres @ £2.00 per square metre =	<u>£ 99</u>
<b>TOTAL</b>			<b>£248</b>
<b>Net Annual Value</b>			<b><u>£250</u></b>

## **DECISION**

The Tribunal inspected the appeal hereditament and the comparables (some externally only). This case illustrates the difficulties of submitting comparables which have not been inspected. During the hearing there was some dispute between the parties as to whether there was a joint inspection of the Appellant's comparable at No 17 Meetinghouse Street - the Appellant was adamant that he had not inspected those premises. However had he so inspected he might have been persuaded that the workshop portion was valued at a level (ie £2 per square metre) which supported the assessment of £290 which had been made for his store which is under appeal. Secondly, if he had managed to inspect his second comparable he would have realised that it did not compare with his own premises. The Tribunal rejects No 9 Court Street as a comparable - the probability is that the price asked for that property does not reflect the existing building on the site but the considerable potential in the site which could be realised subject to planning permission being granted.

The Appellant must show that the valuation is incorrect for by Article 54(2) of the Rates (Northern Ireland) Order 1977:- "On an appeal under this Article, the valuation shown in the valuation list with respect to a hereditament shall be deemed to be correct until the contrary

is shown". The Appellant has not succeeded in showing the valuation to be incorrect. That is really the end of the matter but the Respondent set out to show that the valuation is correct. The Tribunal accepts that the two comparables put forward by the Respondent amply support the Net Annual Value of the appeal hereditament: They are both in similar situations to the appeal hereditament (although Richard Henry Motors is on a better road). Bearing in mind the other differences in repair and size the unit price of £2 per square metre used in the assessment of the appeal hereditament compares favourably with the unit price of £2 per square metre used in Richard Henry Motors and £2.50 per square metre used in the large workshop and store forming part of N Down Kitchens. The Tribunal is satisfied that the Respondent has proved that the assessment of the appeal hereditament is correct.

The Tribunal makes no change in the Net Annual Value of £290.

The Tribunal makes no award as to costs.

#### **ORDERS ACCORDINGLY**

**6<sup>th</sup> March 1991**

**Mr A L Jacobson FRICS  
Lands Tribunal for Northern Ireland**

#### **Appearances:-**

**Mr John Hagan, the Appellant, by himself.**

**Mr Desmond Finlay ARICS, Valuer in the Valuation and Lands Office for the Respondent/Commissioner.**