

LANDS TRIBUNAL FOR NORTHERN IRELAND
LANDS TRIBUNAL AND COMPENSATION ACT (NORTHERN IRELAND) 1964
IN THE MATTER OF AN APPEAL
VR/58/1985
BETWEEN
MRS JESSIE ALLEN - APPELLANT
AND
THE COMMISSIONER OF VALUATION FOR NORTHERN IRELAND - RESPONDENT

Lands Tribunal for Northern Ireland - Mr A L Jacobson FRICS

Belfast - 11th June 1986

This appeal concerned the Net Annual Value of £305 for No 20 Finaghy Road North, Belfast BT10 0JA. That assessment was made for the Third General Revaluation of Northern Ireland and various applications for a reduction had been made to the District Valuer in September 1978, January 1981, January 1982, May 1983 and April 1985 but in each case the District Valuer declined to make any change. On 30th July 1985 Councillor Margaret Crooks on behalf of Mrs Allen appealed to the Commissioner of Valuation but on 16th October 1985 the Commissioner issued a Certificate of Dismissal on the grounds that "The Valuation is fair and is comparable with similar properties in the area". It is against that decision that Mrs Allen appealed on 6th November 1985 to the Lands Tribunal.

The house is a two storeyed detached villa built during the inter-war years about 1927/28. It is constructed in brick with a painted roughcast finish and a slated roof. There is a motorhouse of similar construction.

Mrs Allen testified that the house has been in need of much repair for some years but a Repair Grant cannot be obtained if the Net Annual Value is above £225. She explained that the roughcast finish is leaving the wall in places; that the wooden casement windows could not be closed properly if opened and were sealed to prevent ingress of draughts; that slates were constantly requiring replacement; that some rooms were damp; that the electricity wiring required replacement and that she had warned not to use certain power plugs (eg in one

reception) as they were dangerous and could cause a fire. She also testified that about 1973 terrorists had fired seven times at the house believing (in error) that it was occupied by policemen.

Mr John Cullen BA ARICS a valuer in the Valuation and Lands Office (on behalf of the respondent Commissioner) spoke to a valuation of £305 as follows:-

House	181 square metres @ £1.56 per square metre	£282
Motorhouse	33 square metres @ £0.70 per square metre	£ <u>23</u>
TOTAL NET ANNUAL VALUE		£305

He referred to three comparables viz:-

1. No 22 Finaghy Road North Net Annual Value - £286

Analyses:-

House	152 square metres @ £1.65 per square metre	£250
Motorhouse	18 square metres @ £0.80 per square metre	£ 14
Electric Central Heating		£ <u>22</u>
TOTAL NET ANNUAL VALUE		£286

2. No 23 Finaghy Road North Net Annual Value - £300

Analyses:-

House	176 square metres @ £1.50 per square metre	£264
W:F Motorhouse	17 square metres @ £0.60 per square metre	£ 10
Central Heating		£ 23
Covered Yard		£ <u>4</u>
TOTAL NET ANNUAL VALUE		£301
Say		£300

3. No 108 Upper Lisburn Road Net Annual Value - £325

Analyses:-

House	180 square metres @ £1.60 per square metre	£288
Motorhouse	15 square metres @ £0.80 per square metre	£ 12
Central Heating		£ 24
Greenhouse	6 square metres	£ 1
Store	9 square metres	£ <u>3</u>
TOTAL NET ANNUAL VALUE		£328
Say		£325

He testified that comparable 1 was older than the subject house; comparable 2 was of pre-war construction and comparable 3 was built in or about the same time as the subject house. He said that the house disrepair was the result of the lack of maintenance for a considerable time. He testified that he had inspected the roof void and saw no evidence of rafter decay and the cause of damp in some bedrooms was the loose roof slates.

DECISION

The Lands Tribunal cannot grant a reduction in Net Annual Value merely because in order to regulate Repair Grants for houses those with a valuation in the Valuation Lists over £225 cannot comply with the requirements.

The statutory requirements are to be found in the Rates (Northern Ireland) Order 1977 ("the 1977 Order"), Schedule 12, Part I:-

- "1. Subject to the provisions of this Schedule, for the purposes of this Order the net annual value of a hereditament shall be the rent for which, one year with another, the hereditament might, in its actual state, be reasonably expected to let from year to year, the probable average annual cost of repairs, insurance and other expenses (if any) necessary to maintain the hereditament in its actual state, and all rates, taxes or public charges (if any), being paid by the tenant.

2-(1) Subject to sub-paragraph (2), in estimating the net annual value of a hereditament for the purposes of any revision of the valuation list, regard shall be had to the net annual values in the valuation list of comparable hereditaments which are in the same state and circumstances as the hereditament whose net annual value is being revised."

The remaining paragraphs of Part I of Schedule 12 are not relevant to this case.

The Tribunal inspected the subject hereditament internally and externally and all three comparables externally. Basically, on the assumption that this house was in good repair for its age the Lands Tribunal finds no difficulty in coming to the conclusion that the net annual value is correct having regard to the three comparables put in evidence. The facts show that the house is not in good repair and the Tribunal's inspection confirms those facts eg, the roughcast finish is spalling in many places and the paint finish is badly peeling; slates are loose and, although the Tribunal accepts Mr Cullen's evidence that the rafters in the roof void were sound, the slates at the eaves are apparently loosening even though they are nailed leaving some doubt as to whether the rafter ends are sound; the electric plugs are without doubt (in some cases) dangerous; the wooden casement windows are badly fitting and little can be done to them apart from replacement. Undoubtedly, Mr Cullen is quite correct that these are repairs that have accrued over many years. However this catalogue of repairs is by no means merely cosmetic and cannot be ignored. The definition of net annual value in paragraph 1 of Schedule 12 to the 1977 Order (above) is clear that the rent to be estimated is for the hereditament "in its actual state" and the hypothetical tenant is not required to put the hereditament into good repair but to pay "the probable average annual cost of repairs necessary to maintain the hereditament in its actual state".

Where, as in this case, the comparables are each in good repair for their age and patently more preferable to the hypothetical tenant than the subject of this appeal some adjustment downwards must be made to the valuation level of those comparables in order to estimate the rent the hypothetical tenant would pay for the hereditament in its actual state (including the motor-house).

There is no evidence in front of the Tribunal as to what that deduction should be and so the Tribunal has to do the best it can. Bearing in mind the disrepair stated in evidence and

confirmed on the Tribunal's inspection that deduction cannot be less than 12½%. The assessment then becomes

Net Annual Value in reasonable repair	£305
Deduction for disrepair 12½%	£ <u>38</u>
	£267
But say	£265

The Tribunal reduces the assessment to £265 Private Dwelling and Total.

The Respondent will pay measured costs of £30 to the Appellant.

ORDERS ACCORDINGLY

A L JACOBSON FRICS

Lands Tribunal for Northern Ireland

4th July 1986

Appearances:-

Mrs Jessie Allen (Personally)

Mr John Cullen ARICS for the Respondent Commissioner