

NORTHERN IRELAND VALUATION TRIBUNAL

THE RATES (NORTHERN IRELAND) ORDER 1977 (AS AMENDED) AND THE

VALUATION TRIBUNAL RULES (NORTHERN IRELAND) 2007

CASE REFERENCE NUMBER: NIVT 26/08

DAVID JAMES GRAY – APPELLANT

AND

COMMISSIONER OF VALUATION FOR NI – RESPONDENT

Northern Ireland Valuation Tribunal

Date of hearing: 19th June 2009 Belfast

Chair: Mrs Barbara Jemphrey

Members: Mr Philip Murphy and Mr Garry McKenna

DECISION AND REASONS

The Hearing

1. The Appellant Mr Gray appeared at the Tribunal and represented himself. The Respondent was represented by Mrs Claire White and Mr Martin McGrath.

2. The property the subject of the appeal is a hereditament situated at 3 Circular Road, East, Ballycultra, County Down, BT18 0HA (the Subject Property).
3. The hereditament is a detached bungalow of brick and block construction with a tiled pitched roof. It has a gross external area (GEA) of 190m². The Subject Property also has full central heating, a single garage and garden.
4. The Capital Value Assessment (CVA) of the Subject Property is £475,000.
5. The following documents were before the Tribunal;
 - The Commissioners Decision on Appeal dated 22nd August 2008;
 - A document entitled “Presentation of Evidence” submitted on behalf of the Commissioner by Claire White of Land and Property Services;
 - Correspondence between the Tribunal and the parties;
 - Bundle of documents including photographs prepared by Mr Gray.
6. The Tribunal heard evidence and submissions from Mr Gray, Mrs White and Mr McGrath.
7. The Tribunal reserved its decision. This notice communicates the Tribunal's decision and contains the reasons for the decision in accordance with Rule 19 of the Valuation Tribunal Rules (N.I) 2007.

The Law

8. The statutory provisions are set out in the 1977 Order, as amended by the Rates (Amendment) (Northern Ireland) Order 2006 (“the 2006 Order”).
9. The Tribunal considered the terms of the Schedule 12 of the 1977 Order as amended which states as follows;

7. – (1) Subject to the provisions of this Schedule, for the purposes of this Order the capital value of a hereditament shall be the amount which, on the assumptions mentioned in paragraphs 9 to 15, the hereditament might reasonably have been expected to realise if it had been sold on the open market by a willing seller on the relevant capital valuation date.

(2) In estimating the capital value of a hereditament for the purposes of any revision of a valuation list, regard shall be had to the capital values in that valuation list of comparable hereditaments in the same state and circumstances as the hereditament whose capital value is being revised.

10. Article 54(3) of the 1977 Order provides that, on appeal, any valuation shown in a valuation list with respect to a hereditament shall be deemed to be correct until the contrary is shown.

The Appellant's Submissions

11. Mr Gray outlined in detail the history to this appeal. The Subject Property had originally been assessed with a Capital Value of £525,000. The Capital Value was reduced to £500,000 on initial review and on further appeal to the Commissioner reduced to £475,000.
12. The Appellant submitted that the correct value of the Subject Property as at 1st January 2005 should be in the region of £400,000. This was based on evidence of comparable properties within the locality.
13. Given the number of comparable properties in relation to which both the Appellant and Respondent wish to make reference to. It was agreed the approach to be adopted was in the case of as follows; each property which had been put forward on a comparable the Appellant would make his submissions followed by the Respondent.

The Comparables

14. The Subject Property is map position number 1 in the Presentation of Evidence.

Property Number 2: 17 Dalchoolin Cultra

15. This property has a GEA of 195m² and garage of 36m². Dimensions similar to the Subject Property. It is a detached bungalow with full central heating built around 1970. The accommodation consists of 3 receptions, kitchen, 4 bedrooms, bathroom, separate shower. It has a Capital Value of £480,000 which has not been challenged.
16. The Appellant submitted that this property is on the ground almost 50% larger than appears on the valuation list description as there has been a large two-story extension to the Property. The Appellant produced a Google Earth map image dated 16th June 2009 which indicates the extent of this property.
17. Mrs White for the respondent confirmed that all valuations were carried out on the basis of external measurements. The details that appear on the valuation list relate to this property prior to its extension. She confirmed that the GEA on the valuation list is given as 195m² and on this figure the property has been given a Capital Valuation of £480,000.
18. The Tribunal considered this property as it appears on the Valuation List (in its pre-extended state) to be a good comparable to the Subject Property.

Property Number 3: 11 Dalchoolin Cultra

19. This property has a GEA of 202m² and garage of 38m². Dimensions similar to the Subject Property. It is a detached bungalow with full central heating built around 1970. The accommodation consists of 4 receptions, kitchen, 4 bedrooms, bathroom and separate shower. It has a Capital Value of £490,000 that has not been challenged.
20. The Appellant produced photographic evidence to support his submission that this property has an elevated position with a seaview of Belfast Lough and this accounted for its Capital Value of £490,000 being higher than the Subject Property.
21. The Respondent did not attribute any positive site factor to the proximity to the sea nor when questioned by the Tribunal any negative site factor due to the proximity to the railway line at the rear of the property.

26. The Tribunal considered the photographs taken in June 2009 by the Appellant were inconclusive as to seaview as much of the view appeared obscured by trees.
27. The Tribunal considered this property to be a good comparable to the Subject Property.

Property 4: 1A Circular Road West, Cultra

28. This property has a GEA of 224m² and a garage of 34m². It is a detached split-level bungalow with full central heating built around 1970. Accommodation comprises 3 receptions, kitchen, 4 bedrooms, bathroom, utility, cloakroom. It has a Capital Value of £530,000 which has not been challenged.

Property 5: 18A Old Cultra Road

29. This property has a GEA of 145m², a conservatory of 15m² and a garage of 40m². It is a detached bungalow with full central heating built around 1970. Accommodation comprises 2 receptions, kitchen, 3 bedrooms, bathroom, separate shower and utility. It has a Capital Value of £430,000 which has not been challenged. It was sold on 20th May 2004 for £380,000.
30. The Appellant stated that there was a misdescription in the valuation list as this property comprised an extensive two-floor extension and extensive upper floor accommodation. The Appellant produced Google Earth images dated 16th June 2009 indicating the extent of this property.
31. Mrs White for the Respondent stated that on the valuation list the property was recorded as having a GEA of 145m², a conservatory of 15m² and a garage of 40m². On that basis a Capital Value of £430,000 was applied to the property. Mrs White stated that where extensions has been added since the date of Capital Value Assessment an external inspection was required to be carried out before any revaluation could take place. Due however to limited resources there was often a time delay between the extension being completed and an inspection taking place.

32. The Tribunal considered this property (in its pre-extended state) to be a good comparable to the Subject Property.

Property 6: 1 Farmhill Lane, Cultra

33. This property has a GEA of 238m² and a garage of 40m². It is a detached bungalow with full central heating constructed around 1970. Accommodation comprises 2 receptions, kitchen, 4 bedrooms, study, bathroom, separate shower, utility. It has a Capital Value of £510,000 that has not been challenged. This property was sold on 30th November 2004 for £480,000.
34. The Appellant submitted that in relation to both 1 Farmhill Lane, Cultra and 1A Circular Road West, Cultra in order to establish the Capital Value of a property, if the same per square foot calculation were applied to those properties as the Subject Property in then it would mean the Capital Value of the Subject Property was too high.
35. Mr McGrath for the Respondent stated that Capital Values were based on a broad basket of sales and not on an individual sale. He also stated that the principle of quantum reduction is applied i.e. as a property increases in size the amount of Capital Value does not increase on a pro-rata basis. Mr McGrath stated this proposition was verified by Land and Property Services statistical analysis.
36. The Tribunal considered this property to be a good comparable to the Subject Property.

Property 7: 24 Glen Road Cultra

37. This property has a GEA of 198m² and a garage of 24m². It is a detached two-story house with full central heating built around 1946. Accommodation comprises 2 receptions, kitchen, 3 bedrooms, bathroom, separate shower, utility. The property is situated on a larger site than the Subject Property.
38. It has a Capital Value of £525,000 that has not been challenged. The property was sold on 28th September 2005 for £575,000.

39. The Appellant produced copy outline planning application and ace maps for this property. The Appellant stated that the sale price represents the development value of the site and not the value of the property currently on the site.
40. Mr McGrath for the Respondent stated that development potential of a site is not considered when making the Capital Value Assessment. He confirmed that the house was currently occupied.

Property Number 8: 2A Cultra Station Road, Cultra

41. This property has a GEA of 303m² and a garage of 38m². It is a detached chalet bungalow with full central heating built around 1970. Accommodation comprises 3 receptions, kitchen, 4 bedrooms, study, bathroom, separate shower, utility and cloakrooms. It has a Capital Value of £475,000 which has not been challenged. The property was sold on 7th April 2004 for £460,000.
42. The Appellant produced photographs of the approach to this property. The property is situated adjacent to the Main Belfast, Bangor Road. The Appellant argued that Land and Property Service had erroneously attributed this low Capital Value due to the negative impact on the property of its proximity to the main road.
43. The Appellant produced Google Earth images dated 16th June 2009 and photographs which he had taken which indicated that the property was situated at the end of the site farthest away from the main road and was shielded by extensive mature trees.
44. The Appellant produced details of properties further along the main Belfast Road at Three Acres, Whinney Hill, Hollywood. He produced Google Earth images which highlighted shielding by mature trees from the main road. The Capital Values of these properties ranged from £590,000 to £660,000.
45. The Appellant indicated this further strengthened his argument that the Capital Value of 2A Cultra Station Road was too low.

46. Mrs White for the Respondent indicated that the Capital Value attributed to 2A Cultra Station Road, was correct and account had been taken of its proximity to the busy Belfast, Bangor Road.
47. The Appellant made reference to a property at 8 Circular Road East.
48. This property was not used as a comparable by the Respondent for the purposes of this appeal.
49. The Appellant indicated there was misdescription in the valuation list as this property was given a Capital Value of £475,000.
50. The Respondent stated this property was newly built in 2007 and has a GEA of 337m² and a garage of 28m².
51. Mrs White for the Respondent confirmed that the valuation list Capital Assessment for 8 Cultra Road East related to the property which had been built on that site on 1st January 2005. Information held by Land and Property Service states the property had a GEA of 165m². This property has subsequently been demolished and the property to which the Appellant refers built in its place.
52. Mr McGrath for the Respondent confirmed that a Capital Value Assessment for the new property now occupying the site at 8 Circular Road East would be carried out.

The Tribunal's Findings

53. The Tribunal having heard extensive submissions from both the Appellant and Respondent and having considered at length both the comparables before it and the oral evidence presented, are satisfied that, in accordance with schedule 12 paragraph 7 set out above, the most appropriate comparable properties in the same state and circumstances as the Subject Property were properties 2, 3, 5 and 6 in the Presentation of Evidence. These properties have been assessed as having Capital Values of £480,000, £490,000, £430,000 and £510,000 respectively. The Tribunal has taken into account the submissions made and the difference in size as between these

properties and the Subject Property. The Tribunal finds that the Capital Value of the Subject Property is consistent with these properties.

54. The Tribunal has also taken account of properties number 4, 7 and 8 in the Presentation of Evidence and the submissions made in relation to each of these properties. The Tribunal attaches less weight to these properties but is satisfied that these are generally helpful as comparables for the estimation of the Capital Value of the Subject Property. The Tribunal finds that these properties are generally consistent with the Capital Value of the Subject Property and support its Capital Value.

55. In all of the circumstances and in light of the findings above the Tribunal was satisfied that the valuation shown on the valuation list in relation to the Subject Property is correct.

56. The unanimous decision of the Tribunal is that the appeal is dismissed.

Mrs Barbara Jemphrey

Northern Ireland Valuation Tribunal

Date decision recorded in register and issued to parties: