

**NORTHERN IRELAND VALUATION TRIBUNAL  
THE RATES (NORTHERN IRELAND) ORDER 1997 (AS AMENDED)  
AND THE VALUATION TRIBUNAL RULES (NORTHERN IRELAND) 2007**

**CASE REF: 13/17**

**DENIS AND SADIE COULTER – APPELLANT**

**AND**

**COMMISSIONER OF VALUATION FOR NORTHERN IRELAND – RESPONDENT**

**Northern Ireland Valuation Tribunal**

**Date of Hearing: 16<sup>th</sup> May 2018**

**Chairman: Stephen Wright**

**Members: Mr Hugh McCormick MRICS and Mr David Rose**

**DECISION**

The tribunal's unanimous decision is that the Appellants appeal is not allowed and the Capital Valuation assessed on, 15 Cloghogue Road, Cookstown BT80 8RR £190,000 is upheld.

**Introduction**

1. This is a reference under Article 54 of the Rates (Northern Ireland) Order 1977, as amended ("the 1977 Order"). Rule 11 of the Valuation Tribunal Rules (Northern Ireland) 2007 as amended provides that an appeal may be disposed of on the basis of written representations if all the parties have given their consent in writing. This is such a case.
2. The appellants Notice of Appeal dated the 14<sup>th</sup> September 2017, was received by the Secretary of the Northern Ireland Valuation Tribunal (NIVT) on 15<sup>th</sup> September 2017.
3. The appellants, Mr Coulter and Miss Coulter (brother and sister) by Notice of Appeal dated the 14<sup>th</sup> September 2017, appealed against the decision of the Commissioner of Valuation (COV) issued on the 1<sup>st</sup> September 2017, that the Capital Valuation (CV) assessed is £190,000 15 Cloghogue Road, Cookstown (the subject property) stating the actual valuation should be nil. The hereditament under appeal is a privately built two

storey detached dwelling situated in a rural location, approximately 1.5 miles from Cookstown. The property is of rubble masonry construction with a pitched slate roof and original sliding sash windows. The capital value as assessed at £190,000.

4. The Appellant is seeking the removal of the property from the Valuation List based on the grounds the property is totally dilapidated and its only value is its site value, which would not be rateable.
5. The following documents have been considered by us:-
  - (i) Notice of Appeal against valuation for rating purposes document dated the 14th of September 2017
  - (ii) Valuation certificate for £190,000 issued on the 1<sup>st</sup> September 2017
  - (iii) Correspondence from S W Devlin dated 6<sup>th</sup> October 2017
  - (iv) Letter from Allen's Estate Agents dated 5<sup>th</sup> September 2017
  - (v) Letter from James Doris 15<sup>th</sup> September 2017
  - (vi) Note from S N Devlin dated 20th December 2017
  - (vii) Notice of Refusal of application for a Certificate of Fitness from Mid Ulster District Council dated 12<sup>th</sup> December 2017
  - (viii) Presentation of Evidence by Sarah Cunningham for Commissioner of Valuation dated 8<sup>th</sup> February 2018
  - (ix) Letter from SN Devlin dated 8th of March 2018
  - (x) Email from Gail Bennett dated 13th March 2018
  - (xi) Correspondence from Valuation Tribunal.

### **The Law**

6. The statutory provisions are set out in the Rates (Northern Ireland) Order 1977 ("the 1977 Order") as amended by the Rates (Amendment) (Northern Ireland) Order 2006 (the 2006 Order"). Article 54 of the 1977 Order enables a person to appeal to this Tribunal against the decision of the Commissioner on appeal regarding the capital value.

7. Schedule 12 of the 1977 Order as amended states as follows:

“(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 9-15, the hereditament might reasonably 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. ...

(4) in sub-paragraph (1) “relevant to capital valuation date” means 01st January 2005 or such date as the Department may substitute by order made subject to a negative resolution for the purposes of a new capital valuation list.”

(7) Article 54(3) of the 1977 Order provides that on appeal any valuation shown in a valuation list shall be deemed to be correct until the contrary is shown. Thus, any appellant must successfully challenge and displace the presumption of correctness otherwise the appeal will not be successful.

**Background to the Appeal**

8.1 Ms Cunningham for the Commission of Valuation sets out the history of the subject property.

8.2 On the 31<sup>st</sup> August 2006 Mr Ken Bolton submitted an application for a review of the proposed CV assessment, at the commencement of the CV list. The property was inspected, it was considered to be of poor external repair and a reduction of 20% was applied to the proposed CV, adjusting the valuation rate to £230,000.

8.3 On the 14<sup>th</sup> June 2017 an application for a revision was made to the District Valuer (DV) by Dennis and Sarah Coulter, on the grounds of poor repair. The property was

inspected on the 5<sup>th</sup> July 2017. The decision of the District Valuer was that the property should remain in the valuation list, however a further reduction of 15% was applied to reflect poor external repair and the subject properties proximity to the agricultural outbuildings, reducing the CV to £190,000. A Certificate issued on 28<sup>th</sup> July 2017

8.4 On the 9<sup>th</sup> August 2017 the decision of the DV was appealed to the Commissioner of Valuation, by Mr Norman Devlin on behalf of Dennis and Sarah Coulter on the grounds that the house is in such poor repair and that it has no value other than as a site. Mrs Cunningham inspected the property on the 29<sup>th</sup> August 2017, on behalf of the COV. She recommended no change in the CV assessment. She considered the previous reduction applied for poor repair and proximity to agricultural buildings to be fair and reasonable. A Certificate informing Mr Devlin of the decision was issued on the 1st September 2017.

8.5 On 31<sup>st</sup> May 2017 the Appellant appealed the Commissioners decision to the Northern Ireland Valuation Tribunal. (Application received by the NIVT 15<sup>th</sup> September 2017)

### **Appellants Representations**

9.1 Written evidence was most helpfully prepared by Mr Devlin retired Chartered Surveyor from Cookstown for the appellants

9.2 Mr Devlin's Description of property was that of a derelict two storied house on a holding containing 32 acres, approached by a shared farm lane approximately half a mile from the outskirts of Cookstown, jointly owned by an elderly brother and sister who reside at the adjoining farm 19 Cloghog Road.

9.3 Mr Devlin further describes the property "Return block erected 1890, front block erected circa 1920. Property had been left for approximately 60 years with minimal maintenance before becoming vacant in 2004."

9.4 Mr Devlin refers to a letter from Allen's Estate Agents who have been unable to let it. In the letter from Allen's Property Ltd it states,

*“With regards to the above we hereby confirm we have been trying to let this dwelling for 13 years but due to its derelict state it has been impossible to get a tenant. I have no doubt if offered for sale the sum realised would relate to its value as a site due to its condition and abortive renovation cost.”*

9.5 Mr Devlin further comments that the subject property lacks modern amenities and is riddled with damp and timber defects, requires complete renovation which the owners are not prepared to undertake due to exorbitant costs. The Property has been broken into some years ago and on police advice the windows were not sheeted up as this would draw attention to the fact it was a vacant property, it is also an uninsurable risk.

9.6 Mr Devlin comments refers to the Schedule of Comparisons submitted by the Respondents and comments that the dwellings referred to are all in superior condition, owner occupied and renovated in varying degrees. Mr Devlin considers that only the two closest properties to subject property are helpful. Namely Comparator Number 1, namely 50 Knockinroe Road the former Church Rectory, listed building with numerous internal improvements and full central heating. Mr Devlin also refers to Number 4 namely 4 Cloghog Road renovated to grant standard and with full central heating.

9.7 Mr Devlin considers the value of the property as at 6<sup>th</sup> October 2017 to be £50,000 site value and since sites are not rateable no entry should appear in the Valuation List.

9.8 Reference is also made to a letter from James Doris who was a property owner in a similar predicament as the appellants who states:-

*“When considering the merits of renovating an old building to bring it up to a modern standard versus a complete new build, I opted to go for a new build for the following reasons after obtaining planning permission to renovate my 19th century farmhouse and receiving tenders for the necessary work:*

- *The cost of renovation was surprisingly expensive and VAT was not reclaimable.*
- *As the building structure was an old stone built house many of the inherent deficiencies (e.g. dampness) would return in a few years. In essence the renovation would be mainly cosmetic as you are dealing with an old building.*

- *In contrast, a new build will be built with high insulation levels and high air tightness levels. The resultant house could be heated at the fraction of what it would cost to heat the existing house and would be more environmentally friendly. A new house would avoid further remedial work for many years as an old building, even when renovated, would probably require more maintenance in future years.*
- *A new build has the attraction that the VAT can be reclaimed on the materials and labour. When this is considered the attractions of the new build are more obvious as costs are not significantly different from the renovation expense.*

*I trust that this may explain why I made the decision to proceed with a new build house.”*

9.9 Mr Devlin in a note dated the 20<sup>th</sup> December 2017 submitted further evidence of a Certificate from the Mid Ulster District Council, stating the property is unfit for human habitation on the ground that the property failed to meet the Fitness Standards in respect of disrepair and dampness.

### **Representations of the Respondent**

10.1 Ms Cunningham for the COV states that the subject property has an assessed capital valuation of £190,000 .The said property was inspected by Ms Cunningham on the 29<sup>th</sup> August 2017.

10.2 Ms Cunningham describes the Subject property

Privately built detached property (two storey)

- Built circa 1910
- Gross external area 359 m<sup>2</sup>
- Original sliding sash windows
- Full central heating
- Mains electricity-septic tank

10.3 The Presentation of Evidence was submitted with photographs of the subject property. The hereditament under appeal is a privately built two story detached dwelling situated in a Rural location, approximately 1.5 miles from Cookstown. The property is of rubble

masonry construction with a pitched slate roof and original sliding sash windows. The capital value as assessed at £190,000.

#### 10.4 **External repair issues**

Ms Cunningham found that the property to be in a dilapidated and poor state of external repair reflective it's age and lack of maintenance. Ms Cunningham summarised the repair issues as follows.

- From ground level the roof appears to be of average repair and no obvious defects.
- Damage and rot noted to soffit, fascia and barge boards.
- Large number of birds are nesting under the timber soffits
- Timber sash windows, single glazed and a poor state of repair-require replacement
- Cracks and staining noted to external walls.
- Rainwater goods are in place but blocked by vegetation.
- Paint peeling and timber rot noted on single storey entrance porch.

#### 10.5 **Internal repair issues**

Internally accommodation is in a poor state of repair typical of the house of its age which has not benefited from heating or regular maintenance. Evidence of extensive damp throughout at ground and first floor level.

- Penetrating and rising damp-rotting skirting boards and timbers, paint peeling and plaster bubble/blistering. Brown tidal marks noted in ground floor reception rooms.
- Peeling paint and wallpaper in a number of rooms.
- Condensation - dark mould stains particularly visible in first floor bedrooms.
- Leaks - isolated patches of damp staining noted to ceilings.

Ms Cunningham also flags up that Mr Devlin had advised that there is woodworm throughout the property and it would require rewiring and plumbing. Modern electric sockets and central heating were both noted on inspection but may not be functional.

Internal decor of the property is dated and requires redecoration.

## **Hereditament Test**

11.1 Ms Cunningham then comments on Mr Coulter's grounds of appeal and notes that they centre on the view of the subject property (which has been vacant for approximately 14 years) is uninhabitable in its current state and that the house is in such poor repair it has no value other than that of a site and therefore, the property should not be subject to domestic property rates.

11.2 Where a property such as the subject property has deteriorated and been vacant for a number of years it is the duty of the Commissioner of Valuation to determine whether or not a hereditament still exists. The hereditament test is derived from the High Court decision of *Wilson v Coll (listing officer)* in which Mr Justice Singh clarified the legal position when he found the question to be asked whether:—*“having regard to the character of the property and a reasonable amount of repair works being undertaken could the premises be occupied as a dwelling?”*

11.3 This is clarified later in the judgement when he states:

*“The distinction which is correctly drawn by the respondent, in my view, is between a truly derelict property, which is incapable of being repaired to make it suitable for its intended purpose, and repair which would render it capable again of being occupied for the purposes for which it is intended.”* And

*“the crucial distinction in that regard is not between repairs which would be economic to undertake or be uneconomic to undertake.”*

11.4 The property under appeal in *Wilson v Coll* was found to be hereditament despite the substantial list of repairs required as described in the associated Valuation Tribunal for England judgement.

11.5 In the present appeal, the subject property is not, in Ms Cunningham's view, truly derelict. Ms Cunningham considers the property capable of being repaired to make it suitable for its intended purpose, without changing its character. Therefore, on behalf of the Commissioner she contends that her opinion is a hereditament still exists.



11.6 As a consequence of deciding that a hereditament exists, Land and Property Services must assume as per schedule 12, paragraph 12 (1) of the rates (Northern Ireland) order 1977, that the subject property is in an average state of internal repair and fit out, having regard to the age and character of the hereditament and its locality. Given the statutory assumption, any internal disrepair of the subject property, must be ignored when considering the assessment of capital valuation. This assessment must only take into account any external disrepair.

### *Assessment of capital value*

11.7 Schedule 12, paragraph 7( 2) of the Rates (Northern Ireland) order 1977 directs that in assessing the Capital Valuation of a domestic property for rating purposes, “regard shall be had to the capital value in the valuation list of comparable hereditament in the same state of circumstances.” This concept is also known as “tone of the list”and in essence confirms the comparability is at the cornerstone of the rating system.

11.8 Ms Cunningham details of comparable evidence are attached at appendix 1 of the Presentation of Evidence. These properties are located within the same ward (Coagh) as the subject property. In particular she refers to:-

11.9 Comparable number 1 - 50 Knockanroe Road Glebe Dungannon has a habitable space 418 m<sup>2</sup> and a CV £225,000. This is of similar age and construction and like the subject property has been deemed to be in poor external repair. However, it is larger than the subject, extending to 418 m<sup>2</sup>.

11.10 Comparable numbers 2 and 3 are the same era of construction as the subject. However these properties are deemed to be of average external repair. Both are smaller than the subject property, namely 41 Littlebridge Drummullan, Coagh ,habitable space 283 m<sup>2</sup> garage 57 m<sup>2</sup> outbuilding 43 m<sup>2</sup> capital value £225,000 and 4 Cloghog Road, Clare Cookstown, habitable space 257 m<sup>2</sup> capital value £180,000.

11.11 Comparable number 4, namely 103 Moneymore Road, Ballymenagh is of similar age and construction and is considered to be poor external repair. The property has a habitable space of 252 m<sup>2</sup>, and has a capital valuation of £170,000.

11.12 Ms Cunningham observes that all the above properties are valued by the Mid Ulster District Council.

11.13 Having considered the comparable evidence, Mrs Cunningham states that she is of the opinion that, the “Tone of the list” suggests that an unadjusted CV of £220,000 is correct. A 15% reduction has been applied to reflect the poor external repair and the close proximity to agricultural outbuildings. Ms Cunningham concludes that the subject property has been assessed in accordance with the provisions of the Rates (Northern Ireland) order 1977. The CV assessed (£190,000) is considered fair reasonable in comparison to similar properties.

### **Further submissions by the respondent**

12. Mr Devlin made a further representation dated the 8<sup>th</sup> March 2018.

*“...I would just like to comment as follows:-Whilst external appearance is misleading I consider the property is not repairable mainly due to condition of external walls. To assist the tribunal I re-inspected the property on the 1st of March 2018 and discovered large portions of the internal walls were covered in ice, the effect of this damage over a number of years during which dwelling has been vacant, leaves stone walls unrepairable.”*

### **Decision of the Tribunal**

13.1 The appellant in his Notice of Appeal to the Tribunal is that the original assessment of the Capital Valuation due to its derelict state is that the Capital Valuation should be nil. The appellant’s contention in essence is that the subject property is in an uninhabitable condition and not capable of beneficial occupation hence it should be taken out of the list.

13.2 The purpose of the Tribunal is to consider the evidence and apply the relevant Law to the issue of Capital Valuation. The valuation to the subject property has been assessed in accordance with the legislation contained in the Rates (Northern Ireland) Order 1977. Schedule 12 Paragraph 7 as set out above at paragraph 7 of this judgment.

13.3 The Tribunal has taken into account an important statutory presumption contained within the 1977 Order. Article 54(3) of the 1977 Order provides, “*On an appeal under this Article, any valuation shown in a valuation list with respect to a hereditament shall be deemed to be correct until the contrary is shown*”. It is therefore up to the appellant in any case to challenge and to displace the presumption or perhaps for the Commissioner’s decision on appeal to be seen to be so manifestly incorrect that the Tribunal must take steps to rectify the situation.

13.4 The approach taken by the NIVT in assessing the CV of a vacant domestic property in disrepair, as per rating legislation is as follows:-

1. Determine whether or not the property can be considered to be a hereditament.
2. If the property is not considered to be a hereditament, the subject property should be deleted from Valuation List.
3. If the property is considered to be a hereditament, the subject is valued by reference to the CV of similar properties. However, as per Schedule 12, Paragraph 12(1) of the Rates (NI) Order 1977, there is an assumption of average internal repair and therefore consideration can only be given to the actual external repair of the property.

### ***Hereditament Issue***

13.5 Article 2 (2) of the Rates (Northern Ireland) Order 1977 defines a "hereditament" as being a property which is or maybe become liable to a rate, being a unit of such property which is, or would fall to be shown, as a separate item in the Valuation List. A property which "is or may become liable to a rate" must be a property that is capable of beneficial occupation. A property which is incapable of beneficial occupation would not fall within the definition of a "hereditament" in Article 2 (2).

- 13.6 In the case of *Wilson v Josephine Coll (Listing Officer) [2011] EWHC 2824 (Admin)*, Mr Justice Singh examined the proper approach to be taken in the determination of whether or not there is, or continues to be, a hereditament.
- 13.7 The key question that being, *"Having regard to the character of the property and a reasonable amount of repair works being undertaken could the premises be occupied as a dwelling?" (Paragraph 39 of the case)*
- 13.8. The decision on whether a property could be occupied as a dwelling is a physical one, rather than an economic one. The test is to consider whether physically the property can be repaired to make it habitable to a minimum standard having regard to the nature, age and type of property. For example, the repairs required are only those that will bring the property to an average standard that the property would have been in, had regular maintenance been undertaken and therefore, disrepair had not occurred, i.e. a house built in 1910 only requires repairs to the standard that a 1910 building would expect, not those of a modern house.
- 13.9 In the case of *Wilson v Josephine Coll (Listing Officer) [2011] EWHC 2824 (Admin)*, Mr Justice Singh further elaborates in relation to the repairs required (Paragraphs 40 & 41 of the case),
- "The distinction, which is correctly drawn by the respondent, in my view, is between a truly derelict property, which is incapable of being repaired to make it suitable for its intended purpose, and repair which would render it capable again of being occupied for the purposes for which it is intended."*
- "The crucial distinction in that regard is not between repairs which would be economic to undertake or uneconomic to undertake."*
- 13.10 In the case of *Wilson Webb the Chairman of the Valuation for Tribunal for England* in seeking to apply the High Court ruling in which Mr Justice Singh enunciated in *Wilson-v-Josephine Coll* first summarised a detailed list of the repairs that were

required to be undertaken to the subject property that was the subject of that appeal and this included inter alia:

- (a) Internally the whole property needed redecorating;
- (b) All windows required rubbing down and repainting;
- (c) The kitchen units needed replacing;
- (d) One window pane in the kitchen needed replacing;
- (e) The bath needed replacing;
- (f) The hole in the bathroom ceiling needed repairing;
- (g) A few tiles were missing from the roof and needed replacing;
- (h) The hot water cylinder (which had been stolen) needed replacing;
- (i) The copper piping within the dwelling, (which had been stolen) needed replacing;
- (j) Part of the floor in the kitchen and joists in the kitchen needed replacing;

13.11 The property did not require any significant reconstruction and was largely wind and watertight.

13.12 The Chairman of the England Valuation Tribunal in seeking to apply the High Court Judgement of Mr Justice Singh stated at paragraph 15:

*“Both parties tried to introduce the panel to an economic test with the appellant arguing that the cost of repairs and building an extension would meet or might even exceed the value of the dwelling and the respondent arguing the payment of £36,000 (£43,200 including VAT) for fire damage demonstrated the cost of the repair would be substantially lower than the value of the dwelling.*

*The panel considered neither point was of any assistance when determining the appeal. The fire damage was according to the respondents, contained within one room and would not include all the repairs required and the respondent incorporating in his estimate the cost of meeting the legislative requirements of letting the dwelling.*

Further at Paragraph 41 of his decision, Mr Justice Singh states, *The distinction, which is correctly drawn by the respondent, in my view, is between a truly derelict property, which is incapable of being repaired to make it suitable for*

*its intended purpose, and repair which would render it capable again of being occupied for the purposes for which it is intended."*

13.13 The Cases of *Whitehead Properties Limited v Commissioners of Valuation for Northern Ireland*, Case ref: 12/12 and *Anne O'Hare v Commissioner of Valuation* (Case Ref 88/12). In *Whitehead Properties Limited v Commissioners of Valuation for Northern Ireland*, the Tribunal commenting on the approach taken in *Wilson V Coll.* states that the same general approach ought to be adopted in Northern Ireland, this is qualified in the following manner;

*"In determining the issue generally, there will be properties at either end of the range; on one hand truly derelict properties that very clearly ought not to be included in the valuation list and, on the other, many unoccupied properties which require only very minor works of repair to render them habitable."*

13.14 The Tribunal acknowledged that many properties will exist between these parameters and that "reasonableness" must be tested.

13.15 The Tribunal stated that:-

*"A reasonable person would not wish to expend a very substantial amount of money upon the repair of a near-worthless property. Thus the reality must in some manner connect with the issue of potential expenditure and the worth of any property both before and after any repair and reinstatement"*

*".the only common sense and proper way to look at things is to examine the specific facts of any case and to take all material factors into account in adopting a broad common sense view of things in addressing the issue of whether, having regard to the character of the property and a reasonable amount of repair works being undertaken, the property could be occupied as a dwelling."*

13.16 The Tribunal hold that the correct legal approach by the Respondent was followed in relation to the assessment as to whether or not the subject property was a hereditament. The correct legal principles were applied in accordance with the

jurisprudence and decisions as explained above. The Valuer is of the view the subject property remains a hereditament and should be retained in the Valuation List. Ms Cunningham states “the property is capable of being repaired to make it suitable for its intended purpose, without changing its character.” and is therefore capable of beneficial occupation. The Tribunal accept this contention. The valuation member, and the other Tribunal members consider that the property is capable of being repaired to make it suitable for its intended purpose. The subject property although in serious disrepair does not come within the legal definition of “truly derelict” and could still be occupied as a dwelling in its current state of external repair (i.e. under the statutory assumption of average internal repair and fit out) or, alternatively, following a reasonable amount of repair works, which would not change the character of the property. The Tribunal therefore hold that the subject property is a hereditament

### ***Capital Valuation Issue***

13.17 Schedule 12 of the 1977 Order requires that in cases of revision of a Valuation List “regard shall be had to the Capital Values in the Valuation List of comparable hereditaments in the same state and circumstances.” A schedule of comparable evidence was gathered to illustrate the Capital Value assessments of similar properties to the subject property (I refer to Appendix 2). This is known as the “*Tone of the List*” and in essence confirms that comparability is a cornerstone of the rating system. The Comparability of Rating Hereditament was described in the case of *Dawkins (VO) v Ash Brothers and Heaton (1969) 2 A C336* in which Lord Pearce stated “*Rating seeks a standard by which every hereditament in this country can be measured in relation to every other hereditament. It is not seeking to establish the true value of any particular hereditament, but rather its value in comparison with the respective values of the rest.*”

13.18 In relation to the subject property the Tribunal note that allowance has been made for the disrepair of the property. On foot of an application made on the 31<sup>st</sup> August 2006 a reduction of 20% was applied to the proposed CV, adjusting the valuation and rate to £230,000. On foot of another application dated the 14<sup>th</sup> June 2017 to the District Valuer a decision was made that a further reduction of 15% was applied to reflect

poor external repair and the subject proximity to agricultural outbuildings, reducing the CV to £190,000.

13.19 The Tribunal have considered the comparable evidence of both the appellants and respondents. Mrs Cunningham states that she is of the opinion that the “Tone of the list” suggests that an unadjusted CV of £220,000 is correct. A 15% reduction has been applied to reflect the poor external repair and the close proximity to agricultural outbuildings. Ms Cunningham concludes that the subject property has been assessed in accordance with the provisions of the Rates (Northern Ireland) order 1977. The capital value, assessed (£190,000) is considered fair reasonable in comparison to similar properties.

13.20 The selected comparables demonstrate a strong relativity which supports the assessment of £190,000, which supports the valuation of the subject property. It is noted that the property 2 Clare Lane, whilst is a superior condition has a GEA of 234 m<sup>2</sup>. The subject property has a GEA of 359 m<sup>2</sup>, a difference of 125 m<sup>2</sup> and illustrates that when looking at the overall tone of the list that the CV of £190,000 taking the difference GEA and all the other factors into account that the subject property is within the tone of the list.

13.21 It is noted the respondent has researched comparable evidence of such properties of other detached houses in the Mid Ulster District area in both average and very poor external repair. In the comparable properties the respondent notes the details of the allowances made where properties are in a “very poor external repair “to establish relativity.

13.22 Comparable property number 1 at appendix 1 of the POE - 50 Knockanroe Road, Glebe Dungannon has a habitable space 418 m<sup>2</sup> and a capital value £225,000. This is of similar age and construction and like the subject has been deemed to be in poor external repair. Comparable number 4, namely 103 Moneymore Road, Ballymenagh is of similar age and construction and is considered to be poor external repair. The property has a habitable space of 252 m<sup>2</sup>, some 107 m<sup>2</sup> smaller than the subject and has a capital valuation of £170,000. Both these properties were built in the same era



and at the time of inspection had very poor external repair. The Tribunal note that the comparables referred to above demonstrate a strong relativity to the tone of the list.

13.23 The Tribunal note the allowances made for the condition of the subject property over the two inspections is 35%. Following the guidance in the NIVT case of *Anne O'Hare v Commissioner of Valuation* (Case Ref 88/12) which further outlines the NIVT's view on the approach taken in *Wilson V Coll*. The case of O'Hare states that the range of allowances would be more typically in the range 10% to 15 %

13.24 The Tribunal note that allowance has been made for the disrepair of the property. On foot of an application made on the 31<sup>st</sup> August 2006 .The property was inspected, it was considered to be of poor external repair and a reduction of 20% was applied to the proposed CV, adjusting the valuation and rate to £230,000. On foot of another application 14<sup>th</sup> June 2017 to the District Valuer a decision was made that the property should remain in the valuation list, and a further reduction of 15% was applied to reflect poor external repair and the subject properties proximity to agricultural outbuildings, reducing the CV to £190,000.The latter reduction was in the range of 10% to 17.00%. If added together a 35% allowance has been made to reflect the poor condition of the subject property.

13.25 The Tribunal's unanimous decision is that the Appellants appeal is not allowed and the Capital Valuation assessed on, 19 Cloghog Road, Cookstown BT80 8RR £190,000 is correct.

**Signed: Mr Stephen Wright – Chairman**

**Northern Ireland Valuation Tribunal**

**Date decision recorded in register and issued to all parties: 25<sup>th</sup> October 2018**