

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

CASE REFERENCE 42/13

SYLVIA CRAIG - Appellant

-v-

COMMISSIONER FOR VALUATION FOR NORTHERN IRELAND - Respondent

Northern Ireland Valuation Tribunal

Chairman: Eamon O' Connor

Members: Tim Hopkins and Gary McKenna

Date of Hearing 27th July 2015 Belfast

Decision

The unanimous decision of the Tribunal is that the appeal is successful. The Capital Value of the hereditament described as Apartment 1st Floor, 165 Galgorm Road, Gracehill, Brocklamont, Ballymena BT42 1DE (" the property") is assessed by the Tribunal at £54,000 and the Tribunal Orders that the Valuation List shall be amended accordingly.

Introduction

This appeal was first considered by the Tribunal on the 23rd September 2014, at that time pursuant to Rule 11(1) of the Valuation Tribunal Rules (Northern Ireland) (2007) on the basis of written representations.

After considering the written representations, the Tribunal made an Order under the provisions of Rule 9. The Tribunal requested that the Respondent, subject to the agreement of the Appellant, carry out an internal inspection of the property and provide a detailed description of the accommodation and facilities to include photographs.

The Tribunal also requested the Appellant to confirm who resided in the property attached, or who owned that property if vacant.

The Order was complied with, the Appellant subsequently requested an oral hearing and the appeal was heard on the 27th July 2015.

The Tribunal considered all written evidence submitted together with the oral submissions, including emails received on the 27th July 2015 from the Respondent and on the 28th July 2015, from the Appellant.

The Relevant Law

The statutory provisions are set out in the Rates (NI) Order 1977 as amended. Article 2(2) of the 1977 Order defines a hereditament as follows, “hereditament means property which is or may become liable to a rate, being a unit of such property which is, or would fall to be, shown as a separate item in a valuation list”.

Schedule 12 of the 1977 Order provides that the capital value of the hereditament shall be the amount which, on the assumptions mentioned in Paragraphs 9-15, 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. In estimating the capital value of a hereditament for the purpose of any provision of a valuation list, regard shall be had to the capital values in that valuation list of comparable hereditaments in the same state and circumstance as the hereditament whose capital value is being revised. Paragraph 12 (1) deals with statutory assumptions, namely “ the hereditament is in an average state of internal repair and fit out, having regard to the age and character of the hereditament and its locality”

The Subject Property

This property is described in the Presentation of Evidence submitted on behalf of the Respondent as a Single Level self contained apartment (first floor) (NIA 56.73m²), situated above a domestic garage that is part of a detached house on the Galgorm Road, Ballymena. The Presentation of Evidence stated that the detached house was a new build and had yet to be valued, however the apartment had been occupied. The Presentation stated that this property was capable of separate occupation, it had a separate entrance and had been valued as a separate hereditament from the unfinished main dwelling.

It went on to state that this property is “a rather unique property...as a result difficulties were encountered in finding other apartments that are in similar state and circumstances. It is my opinion that the subject property would not be as desirable as a standard apartment located within an established apartment block”.

The Respondent set an unadjusted Capital Value in line with standard apartments and then made an allowance due to the location of the subject property in relation to the detached dwelling. In order to determine the allowance to be adopted, the Respondent referred to a property at 21A Cloghog Road Coalisland, described as “a separately assessed granny flat located in the grounds of 21 Cloghog Road. The property has the appearance of a single storey garage but is actually a granny flat”. A photograph of this property was included. The allowance given for this property was 15% as against standard apartments and the Respondent gave a similar

allowance to the subject property. Therefore following inspection on the 10th December 2013, the subject property's capital valuation was adjusted from the original entry of £80,000 as follows;

Unadjusted Capital Value	-£75,000
Less 15%	£11,250
Adjusted Capital Value	£63,750 say £63,500

Issues arising

The Appellant lodged a Notice of Appeal received on the 24th January 2014, but she did not fill in the box which states what she believed the actual valuation to be. The property is clearly a hereditament liable to a rate within the definition. In evidence to the Tribunal, the Appellant stated it had been occupied for four years. She did not take issue with the fact it liable to a rate, but felt the valuation was too high.

The Respondent's Presentation of Evidence had referred to three Comparable Properties, namely;

A. 24 Tullygarley Far (NIA 48.2 m2) Described as a single level self contained ground floor apartment with a Capital Valuation of £65,000

B. 14 The Grange (NIA 57.2 m2) - A Single level self contained ground floor apartment - £85,000

C. 36C Old Galgorm Road (NIA 63.8 m2 with a Garage 26 m2) a Single level self contained first floor apartment - £90,000

At hearing, the Tribunal queried the reasoning to award the same allowance for the subject property as 21A Cloghogg Road, given that this property is a bigger, detached and ground floor property. The representative of the Respondent conceded that one could see that Cloghogg is more attractive, with better access, therefore he thought the maximum allowance for the subject property would be 20%, as opposed to the 15% end allowance originally adopted.

In relation to the comparable properties put forward, the Respondent's representative was asked about the property above 24 Tullygarley Far, as this may have been a useful comparable and also about details of 36a and 36b Old Galgorm Road. After hearing all the evidence, the Respondent was asked to provide details of those properties to the Tribunal and to the Appellant. The Appellant was invited to make any comment in relation to the further information provided.

The Respondent provided further information on these properties as follows;

D. 23 Tullygarley Far. This was assumed to be the property above comparable property A above. It was described as (NIA 60.65m²) with two bedrooms, built 1999, Capital Value - £80,000

E. 36A Old Galgorm Road (NIA 48.8m²) described as a 1st floor one bedroom, single level self contained apartment, built 1910, capital value - £50,000

F. 36B Old Galgorm Road (NIA 53.4 m²) described as a ground floor one bedroom, single level self contained apartment, built 1910 – capital value - £50,000

The Respondent did not consider comparables E and F to be as good as the remainder given their age.

The Appellant also sent a further email for the attention of the Tribunal which in summary repeated earlier submissions about the fact the subject property shares services with the attached house.

Conclusion

The Tribunal are of the opinion that the “headline” Unadjusted Capital Value of £75,000 is too high. This is not a modern purpose built self contained apartment. It is residential accommodation above a garage, at the back of a house and designed as a granny flat, ancillary to the attached house. As a one bedroom property a fair assessment under normal circumstances would be £67,500. An adjustment then needs to be made to reflect the fact that the subject property would not be as desirable as a standard apartment located within an established apartment block. The Tribunal are prepared to accept the upper limit of 20% as suggested by the Respondent, to reflect the differences between the subject property and 21A Cloghog Road. Therefore the proper assessment of capital value of the subject property should be;

Unadjusted Capital Value: £67,500

Less 20%: £13,500

Adjusted Capital Value: £54,000

The Tribunal Orders that the valuation list be amended accordingly to a capital value for the subject property of £54,000

Eamon O' Connor

Northern Ireland Valuation Tribunal

10th November 2015