

NORTHERN IRELAND VALUATION TRIBUNAL

**THE RATES (NORTHERN IRELAND) ORDER 1977 (AS AMENDED) AND
THE VALUATION TRIBUNAL RULES (NORTHERN IRELAND) 2007**

CASE REFERENCE NUMBER: NIVT 47/14

THOMAS SCOTT– APPELLANT

AND

COMMISSIONER OF VALUATION FOR NI - RESPONDENT

Northern Ireland Valuation Tribunal

Date of hearing: 15 August 2016

Chair: Sarah Ramsey

Members: Hugh McCormick (Valuer) and Garry McKenna (Lay)

DECISION AND REASONS

The Facts of the Case

1. This is a reference touching on Article 25B and schedule 8B of the Rates (Northern Ireland) Order 1977 as amended (“the 1977 Order”). By a Notice of Appeal dated 29th September 2015 the appellant appealed to the Northern Ireland Valuation Tribunal against the Decision on Appeal of the Commissioner of Valuation for Northern Ireland (“the Commissioner”) in respect of the valuation certificate issued 14 January 2015 in relation to the building situate at 7 Ballygillen Road Coagh BT80 8AS (“the subject property”) at a capital value of £220,000.
2. On 30 April 2014 a completion notice was issued for the subject property. The notice determined a completion date of 29 July 2014. On 29 May 2014 the completion notice was appealed to the Commissioner of Valuation. The Commissioner upheld the completion date of 29 July 2014. The appellant did not appeal the completion notice to the NIVT. Subsequently, on 11 November 2014 the District Valuer entered 7

Ballygillen Road into the valuation list with a Capital Value assessment of £240,000.

3. On 6 January 2015 the appellant appealed the District Valuer's decision to the Commissioner of Valuation. The valuation was reduced to £220,000 following a full review.
4. The appellant, Mr. Scott was not present at the tribunal, having indicated he was content for the case to be dealt with on written representations and the case was duly considered on the papers.
5. The respondent's Presentation of Evidence describes the subject property as a privately built bungalow. It has a total floor area of 248m² excluding a detached garage of 56m². The property is double-glazed and the date of construction was estimated to be in or around 2010. It is wind and watertight
6. The appellant in his Notice of Appeal stated that the valuation was too high. In subsequent correspondence he contended a huge amount of work requires to be done including installation of electricity, toilet facilities and no part of the interior part of the building could be classified as finished.

The Evidence

7. The following documents were before the tribunal;
 - Appellant's original Notice of Appeal to the Tribunal dated 15 December 2014;
 - Respondent's written Presentation of Evidence dated 8 March 2016;
 - Letter from the Appellant dated 14 April 2016 with enclosed photographs of the interior of the subject property;
 - This notice communicates the tribunal's decision and contains the reasons for the decision in accordance with Rule 19 of the Valuation Tribunal (NI) Rules 2007.

The Law

8. The statutory provisions material to the issue of Completion Notices are to be found in the 1977 Order. Article 25B and Schedule 8B to the 1977

Order are the relevant provisions. Schedule 8B of the 1977 Order provides, in respect of Completion Notices, as follows: -.

i. Completion Notices

1.—(1) If it appears to the Department that the work remaining to be done on a new building is such that the building can reasonably be expected to be completed within three months, the Department may serve a Completion Notice on the person entitled to possession of the building.

9. It is, in the view of the tribunal, not necessary in this decision to refer in other than summary detail to the statutory provisions which bear upon the rating of empty homes which are included in the Rates (Unoccupied Hereditaments) Regulations (Northern Ireland) 2011 (“the 2011 Regulations”). The effect of the 2011 Regulations is that from 1 October 2011 domestic buildings and parts of buildings (as well as non-domestic buildings or parts of buildings) for the purposes of Article 25A of the 1977 Order became subject to rating, subject to certain statutory exceptions which exceptions do not apply in this case. Accordingly, rates are payable on an unoccupied domestic property at the same level as if the property were to be occupied.

The Tribunal’s Findings

10. The issue before the tribunal in this appeal is whether the valuation of the Commissioner of Valuation for £220,000 following the issue of the Completion Notice establishing the completion date as 29 July 2014, was an appropriate decision.
11. The respondent provided in his presentation of the evidence a chronology of the parties’ involvement in the case. He highlighted the fact that the current appeal is an appeal against capital value and not a completion notice appeal.
12. The respondent put that case that in accordance with the successful issue of a completion notice, it must be assumed when considering

assessment of capital values that the subject property is complete even if in reality this is really not the case.

13. The respondent made reference to a number of comparables, which, he submitted, set the tone of the list. Each comparable was in the vicinity of the subject property.
 - a. 76A Ballygillen Road Coagh which is also a bungalow and had a capital value of £220,000. This had a GEA of 251 m² and had a garage of 70 m². It was on the same road as the subject house.
 - b. 7 Spring Road Coagh had a GEA of 272m² and a garage of 33m². The assessed capital value was £230,000. It was 1.9 miles for the subject house
 - c. 47 Ballyriff Road Moneymore had a GEA of 244m² and a garage of 61m². The assessed capital value was £220,000.
14. Capital value cannot be considered to be the same as market value. Sale price can be affected by the duration of the marketing period, for example, the vendor's need for a quick sale or the interest or lack of interest from purchasers. The comparable properties referred to above therefore set the tone of the list and the subject property must be considered with reference to these properties.
15. The appellant in his letter to the Tribunal of 14 April 2016 made no reference to the comparables, nor did he seek to challenge their valuations. He asserted the property was not completed and could not be completed in the foreseeable future due to difficult financial circumstances.

Decision

16. The effect of a completion notice means the property is deemed to be complete for rating purposes and the actual unfinished state of the property should be disregarded.
17. The appellant appealed the issue of the completion notice of 30 April 2014. This notice stipulated the property to be deemed completed on 29 July 2014. The completion notice date was upheld by the

Commissioner for Valuation when the appellant's appeal was considered and so the Tribunal is required to consider the property as if it had been completed on 29 July 2014.

18. The tribunal must take account of the statutory presumption contained in Article 54(3) of the 1977 Order. It states "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.
19. The appellant has not discharged the burden upon him to show that the valuation assessed for the subject property is not correct in accordance with paragraph 7 of Schedule 12 of the 1977 Order. The tribunal is of the view that the subject property is appropriately on the Valuation List in accordance with tone with evidence the respondent has adduced in its Presentation of Evidence. The appellant chose not to challenge the comparables proposed by the respondent in the presentation of the evidence. 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 and that the Tone has been established.
20. The unanimous decision of the tribunal is that the appeal is dismissed.

Ms Sarah Ramsey - Chair

Northern Ireland Valuation Tribunal

Date decision recorded in register and issued to parties – 22 September 2016