

Appeal No. VA95/1/133

AN BINSE LUACHÁLA
VALUATION TRIBUNAL
AN tACHT LUACHÁLA, 1988
VALUATION ACT, 1988

Power Supermarket t/a Quinnsworth

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Supermarket and land at Map Ref: 6B, Townland: Bollarney South, Urban District of Wicklow, Co. Wicklow
Quantum - Comparisons

B E F O R E
Henry Abbott

S.C. Chairman

Mary Devins

Solicitor

Brid Mimmagh

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 1ST DAY OF DECEMBER, 1995

By Notice of Appeal dated the 26th day of April 1995 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £550 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that:-

"the valuation is excessive and inequitable having regard to the provisions of the Valuation Acts and on other grounds also."

The Property:

The property is located on the Dublin Road at the entrance to Wicklow town. The premises comprise a modern supermarket with a high standard internal finish - the kind that is normally associated with a multiple retail sales outlet. It is understood that the property is held freehold.

Floor Area

Retail area = 21,210 square feet

(Office, canteen, toilets etc. on separate lot 6B/1-5; not under appeal).

All main services (with the exception of gas) are connected to the property. The premises has a car parking capacity for approximately 100 cars.

Valuation History:

The premises were first revised in 1978 when a rateable valuation £350 was placed on them. This figure was subsequently reduced to rateable valuation £340 during the 1980 First Appeals.

The premises were relisted for revision by the Local Authority, and revised in 1993, after conversion/refurbishment of the unit into one that was entirely retail.

This followed the acquisition of the adjoining retail units (lot 6B/1-5) in 1987/1988 and the subsequent removal of the offices, canteen, toilets, etc. from lot 6B to lot 6B/1-5.

In 1993 the newly refurbished unit was valued at rateable valuation £625. This figure was appealed and the valuation was reduced to £550.

Written Submissions:

A written submission was received on the 7th day of September, 1995 from Mr. Thomas Davenport, ARICS, Chartered Surveyor of Messrs. Lisney, Auctioneers on behalf of the appellant.

In the written submission, Mr. Davenport set out the basic parameters of the premises and also reflected on factors affecting net annual value/rateable valuation of the property as follows:-

- (1) Retail activity within Wicklow town is extremely limited. The population of Wicklow town (including suburbs) as per the 1991 Census of Population is 6,215.
- (2) Wicklow town is further disadvantaged by the fact that it is located off the main N11 Dublin - Wexford National Primary Route. The upgrading of this National Route has meant that Bray, which is Dublin orientated and which is a much stronger retail centre including Dunnes Stores, Superquinn and Quinnsworth, attracts business from the villages and smaller towns north of Wicklow. In addition, Arklow which is also a stronger retail centre to Wicklow and which includes Dunnes Stores, Quinnsworth and Pettitt's attracts business from a number of the villages and towns south of Wicklow town.
- (3) The hinterland surrounding Wicklow town is quite small. Immediately to the east is the Irish Sea whilst the western hinterland is predominated by the Wicklow Mountains. As mentioned above, the catchment areas to the north and south radiate to the stronger retail centres at Bray and Arklow respectively.
- (4) The industrial base in Wicklow is quite small and there are no major employers within the town.
- (5) The building is circa 20 years old and the roof covering of corrugated asbestos is very much outdated in terms of today's modern retail requirements.

Mr. Davenport set out his calculation of the net annual value/rateable valuation of the subject premises as follows:-

Estimate of net annual value

Gross internal floor area - 21,210 square feet @ £3.50psf = £74,000

Total net annual value - £74,000.

Estimate of rateable valuation

Estimated net annual value as at November 1988 - £74,000

Using the factor 0.5% to translate net annual value into rateable valuation

Rateable valuation - £74,000 x 0.5% = rateable valuation £370.

The appellant shared the respondent's comparisons and also in addition provided the following comparisons:-

- (1) **Penneys Main Street, Newbridge, Co. Kildare**
1990/4 Appeal Rateable valuation £250.
- (2) **Crazy Prices, Ballinasloe, Co. Galway**
1991/4 Appeal Rateable valuation £350.
- (3) **Quinnsworth, Athlone Shopping Centre, Co. Westmeath**
Held on a thirty five year lease from 1st November 1974 subject to seven year rent reviews.

Gross internal floor area 19,763 sq.ft. @ £3.54psf.
- (4) **Quinnsworth, Lisduggan Shopping Centre, Waterford**
Thirty six years from the 1st October 1975 subject to six year rent reviews.

Gross internal floor area 22,260 sq.ft. @ £3.24psf.

A written submission was received on the 7th day of September, 1995 from Mr. Peter Walsh B.Sc., Valuer and an Associate of the Society of Chartered Surveyors in Ireland with 9 years experience in the Valuation Office on behalf of the respondent.

Mr. Walsh set out the basis of the valuation as follows:-

Retail area - 21,210 square feet @ £5.20psf = £110,292
Net annual value - Say = £110,000 x 0.5% = £550.

Mr. Walsh gave details of three comparisons as follows:-

- (1) **Dunnes Stores, Redmond Road, Wexford Town**
Rateable valuation = £1,350.
- (2) **Pettitt's Supermarket, Arklow**
Rateable valuation = £340.
- (3) **Quinnsworth, Vevay Road, Bray**
Rateable valuation = £810.

The submission of the respondent also had appended four maps - Quinnsworth of Wicklow, Dunnes Stores of Wexford, Pettitt's of Arklow and Quinnsworth of Bray.

Oral Hearing:

The oral hearing took place on the 13th day of September 1995 in Dublin. Mr. Thomas Davenport appeared for the appellant and Mr. Peter Walsh appeared for the respondent. Mr.

Walsh insisted that the premises was a good state of the art supermarket premises, whereas Mr. Davenport emphasised using photographs, that the rear of the premises indicated a standard warehouse type building. Mr. Davenport also referred to the fact that adjacent shop units had not rented well and laid great emphasis on the fact that Wicklow had a restricted hinterland by reason of the sea on the east and the mountains on the west. While it emerged in the debate that Bray was a much more bustling retail centre the subject did seem to have the unique quality of the only major supermarket in the town. The question was whether this unique situation gave rise to a monopolistic influence which could well push the net annual value higher than the similarly constructed premises in Bray where the competition in the supermarket area might be greater.

The Tribunal indicated that it would bear in mind the comparisons as primary influences in the case and that the passing rents in situations more far afield than Athlone and Ballinasloe would be of less influence.

Findings:

The Tribunal has considered all the comparisons and finds that although the rear of the subject shows a warehouse type construction this does not vary very much from the rear of other supermarket premises. It was common case that the inside of the supermarket was constructed and maintained to a high standard. The Tribunal rejects the notion that the possibly monopolistic position of the subject ought to favour leaving the comparatively high valuation estimated by the respondent undisturbed. The Tribunal has to be mindful of the inferior commercial location of the town of Wicklow compared with Bray as evidenced by the population and profusion of retail outlets in Bray over and above the number pertaining in Wicklow. However, the Tribunal is prepared to allow the consideration regarding the unique position of the subject premises as the only significant supermarket in Wicklow town as a factor which operates to restrain the Tribunal in reducing the valuation even further.

Accordingly, having regard to the comparisons offered and the wide debate of the valuers for the parties in evidence the Tribunal determines the valuation of the premises at £510 in regard to buildings.

