

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

CASE REFERENCE NUMBER: NIVT 12/19

MR & MRS P REAVY – APPELLANTS

AND

COMMISSIONER OF VALUATION FOR NORTHERN IRELAND – RESPONDENT

Northern Ireland Valuation Tribunal

Chairman: Francis J Farrelly

Members:

Ms Angela Matthews (Lay)
and
Hugh McCormick MRICS (Valuer)

Date of hearing: 16th September 2020 via SightLink 16

DECISION

The unanimous decision of the tribunal is that the Decision of the Commissioner of Valuation for Northern Ireland is upheld and the appellants' appeal is dismissed.

REASONS

Introduction

1. Mr and Mrs Reavy, the appellants, have appealed the rateable valuation placed by the respondent on their home at 22 Cove Hill, Groomsport, Bangor, BT19 6HU. The respondent on 27 June 2019 assessed its capital value at £300,000. The appellants believe the value should be in or around £265,000.

2. This is a detached house with an attached garage at the front and a garden to the rear. The property had been revalued following the addition in 2017 of a two-storey extension. Initially the District valuer increased the valuation from £230,000 to £315,000. This was subsequently reduced to £300,000 on appeal to the Commissioner of Valuation.

3. Prior to the extension being built the house was calculated by the respondent to have an external area of 167 m². Following the extension, it was measured at 252.5 m². of habitable space. Consequently, the additional 85 m² increased the property side by approximately 50%. The extension also made it the largest property by 57 m² in Cove Hill. The garage is measured separately at 34.4 m².

The comparators used by the respondent

4. The respondent considered several properties as comparators. These are set out in appendix 1 of the respondent's appeal submission. All houses were similar and in fairly close proximity but smaller in size. There is some variation in plot size, but the respondent takes the view this would not significantly affect valuation.
5. Appendix 1, item 3, contains details of number 15 Cove Hill which has a capital value of £240,000. Its front appearance is similar to the appellants' home, with an attached garage almost the same size. However, its habitable space is 190.8 m² being 61.7 m². smaller than the appellants extended home.
6. The respondent had regard to properties in Cove Lane. Their location in relation to the appellants' home as indicated in a map attached to the schedule. Number 4 has a garage of 32 m² and a habitable space of 233 m². Consequently, whilst not as large a house as the appellants, the difference is less, at 19.5 m² it has a capital value of £295,000, which is close to that put upon the appellant's property. The garage is 2.4 m smaller.
7. Number 7 Cove Lane has a habitable space of 208 m², again with the garage slightly smaller than the appellants. It has been valued at £270,000. The house is 44.5 m² smaller. This was originally valued at £250,000 and was then increased following a 41 m² extension.
8. Finally, the respondent considered the value of number 1 Cove View. The property is closer to the sea but does not have a sea view. Again, it is smaller than the appellants, having a habitable space of 204.8 m² and with a smaller garage of 23.8 m². Its value has been put at £270,000.
9. Reference is made to the decision of Ashraf Ahmed -v- Commissioner of Valuation NIVT 12/15 to make the point that the value cannot be determined simply on an arithmetical process based on size.

The grounds of appeal

10. The notice of appeal states that the measurement of the extension is incorrect and should be 71.26 square rather than 85 m². Further distinctions are argued in respect of the comparators on the basis they attract higher value. It is believed this is because the houses in Cove Lane have larger plots and the houses in Cove View have sea views. It also stated that 15 Cove Hill had a single-storey extension built in 2018 adding a further 24 m² rather than the 49 m² referred to in an email.
11. A detailed argument is provided. In summary, it states that the extension is not as large as stated. Issue is taken with the properties cited as comparators with reference made to site size and sea view. It was also argued there was a disparity between the percentage increase applied to the subject property when compared with the increase from 7 Cove Lane, namely 30.5% compared to 8%.

The response to the grounds of appeal

12. A submission has been prepared by Mr McGennity on behalf of the respondent. In relation to the size of the extension of the subject property, reference is made to appendix 2 of the papers setting out the perimeter measurements. It is suggested that the appellants' measurements are referring to internal dimensions. By way of explanation the respondent may not have access to a property and relies upon external measurements.
13. Mr McGennity accepts there are variations in plot size but suggest these are nominal and would not have a significant effect upon value. He also acknowledges some properties have sea views but the comparator used at 1 Cove view does not.
14. The appellants have responded and made several points. For instance, the garage at number 22 Cove Hill is in fact attached to the house and provides internal access.
15. By way of reply, a member of staff of the respondent accepts this is so but makes the point that all the comparators have attached garages and the differences in

sizes are minor. It is also accepted that the original location map used highlighted the wrong location but otherwise all the details in relation to 7 Cove Lane were correct.

16. In relation to 15 Cove Hill the appellants say both properties are of similar type but suggest the lower value placed upon this property is attributable to the subject property having an extra bedroom. It is argued if so, the increased value is disproportionate.

Consideration

17. This is a reference under Article 54 of the Rates (Northern Ireland) Order 1977 as amended (“the 1977 Order”).

18. Article 54 of the 1977 Order enables a person who is dissatisfied with the Commissioner’s valuation as to capital value to appeal to this tribunal.

19. It is appropriate to remember that there is a statutory presumption in Article 54(3) of the 1977 Order in terms that “On an appeal under this Article, any valuation shown in the 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 that presumption, or perhaps for the Commissioner’s decision to be self-evidently so manifestly incorrect that the tribunal must amend the valuation.

20. The general rule as to the basis of the value to be taken into account is contained in article 7(1) of the 1977 Order (as amended) in that

“(a) Subject to the provisions 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.

(b) 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.”

21. We have had regard to the points made by the appellants and those of the respondent. The plans provided show the appellants added a substantial extension recently. This increased the size of their property by approximately 50%.
22. The appellant's challenge the measurements. However, we place reliance upon the measurements used by the respondent. We believe it likely they have used external measurements. We see no evidence that the calculations are inaccurate. The respondent is also likely to have also used external measurements in considering the comparators and so the process of comparison would not be affected.
23. We have had regard to the comparators used. Generally, we find they are a reasonable selection of local values. They are all local to the subject property and of broadly similar types. The respondent has used as a comparator another property, number 15 Cove Hill, which is in close proximity and which has a capital value of £240,000. They have also used similar properties in adjoining locations. The respondent has accepted the satellite map contained location inaccuracies, but a clearer view is contained in the penultimate page of the submission showing the location of Cove Lane. The respondent has addressed the question of variation in site size and suggests this would make minimal difference to the overall valuation. Having regard to the properties being constructed around the same time and having considered the various maps we find ourselves in agreement with this.
24. The subject property has attracted a higher value than the comparators by reason of the extension. The respondent acknowledges that in reaching a valuation is not simply a matter of applying a mathematical formula to size. Nevertheless, the size of a property must be relevant to its valuation. It is our conclusion the respondent has not simply resorted to such a calculation but has had regard to the overall tone, the location and has factored in differences notably the size. We accept the respondent's contention that 1 Cove View does not have a sea view likely to enhance its value.

25. Perhaps understandably the appellants are disappointed when having carried out improvements to the property their rates bill has increased. They have managed to obtain some reduction on appeal to the Commissioner. They have pursued their appeal in a professional manner, and we appreciate the time they have expended upon this.
26. The question of valuation must always be one of approximation. The only definite determination arises when a property is sold upon the open market. Even then, there will be variations in the prices achieved for different houses sold around the same time. This may be determined by market forces and what, from valuation purposes, would be irrelevant considerations.
27. It is our conclusion that the comparators used provide a reasonable basis for assessing the value of the appellants' property. The primary distinction for the appellants' property is its size. Overall, the properties are generally similar in terms of age and style. We have had regard to the unchallenged values placed upon comparators. We find they are consistent with the value placed upon the appellants' home. Ultimately the burden of proof is upon the appellants to displace the statutory presumption. Looking at all the evidence and the comparators used, and the reasons advanced by the respondent for the valuation we find this has not been discharged. Undoubtedly the appellant will be disappointed at this outcome, but we cannot see justification from the papers for altering the valuation.

Signed: Mr Francis Farrelly – Chairman

Northern Ireland Valuation Tribunal

Date decision recorded in register and issued to the parties: 20 October 2020