

Appeal No. VA97/4/044

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

Trustees of Skerries Golf Club

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: House, Clubhouse, Office & Land at Map Reference 1Da, Hacketstown, Holmpatrick, Skerries, Fingal, Co. Dublin

Quantum - Premises to be valued as a whole and not split between different floors

B E F O R E

Con Guiney - Barrister at Law

Deputy Chairman

Anita Geraghty - Solicitor

Member

Michael Coghlan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 8TH DAY OF APRIL, 1998

By Notice of Appeal dated the 29th day of July 1997 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £277 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 when compared with other similar sports establishments which have been recently revised and appealed."

The appeal proceeded by way of an oral hearing which took place in the Tribunal Offices in Dublin on 11th March 1998. The Appellant was represented by Mr. Eamonn Halpin B.Sc. (Surveying) A.R.I.C.S. M.I.A.V.I. and the Respondent by Mr. Noel Rooney, a District Valuer with over twenty years experience in the Valuation Office. Prior to the commencement of the oral hearing both parties had provided to the Tribunal and exchanged between them written submissions which they adopted as their evidence in chief given under oath. The following facts either agreed or so found are considered by the Tribunal to be relevant to this appeal.

1. The Property

The hereditament comprises a modern two storey clubhouse, detached pro-shop, machinery stores/workshop, tarmac carpark and a one storey bungalow.

The clubhouse has access from the carpark to the first floor level and access from the 18th green to the ground floor locker rooms etc. A feature of the clubhouse is that the rear wall at first floor level is entirely double glazed with aluminium windows and doors from floor to ceiling. This affords excellent views, from all of the recreational areas of the 18th green and fairway. There are access doors from the bars and dining room leading to a paved balcony. The building is constructed of a cavity wall with brick outer leaf pitched slate roof and double glazed, coated aluminium windows throughout. The pro-shop situated beside the first tee is a detached building also of brick and slate construction. The machinery sheds are of corrugated asbestos roofs with a portacabin adjoining used as a canteen. The house is a single storey, concrete and tile bungalow. The property is located about one mile south of Skerries adjoining the main northern railway line. It is about 18 miles from the city centre. The agreed areas of the premises are as follows:-

Clubhouse	10,866 ft ²
Store & Boilerhouse	276 ft ²
Pro-shop	560 ft ²
Machinery sheds	3,030 ft ²
Portacabin (canteen)	226 ft ²
House	

2. Valuation History

Various revisions were carried out between 1907 and 1987. In 1987 the old clubhouse was revised to take account of the addition of a new pro-shop and machinery shed and the valuation was fixed at £115. In 1986 the old clubhouse was demolished and a new clubhouse was erected. The revision issued for this in November 1996 and the rateable valuation was fixed at £290 (including £16 domestic). An appeal was lodged against this in December 1996, the result of which issued in July 1997 whereby the rateable valuation was reduced to £277 (including £16 domestic).

3. Appellant's Evidence

Mr. Halpin gave details of eight comparable properties in his submission, mainly located in North County Dublin and County Meath (Mr. Halpin's comparisons are attached as Appendix 1). He estimated the rateable valuation on the subject hereditament at £180 as set out below;

Club House - Ground Floor	:	5670 sq.ft. @ £2.50	=	£14,175
Lower Ground Floor	:	<u>5196 sq.ft.</u> @ £1.75	=	£ 9,093
Total		10,866 sq.ft.		
Plant room and store	:	273 sq.ft. @ £1.00	=	£ 273
Pro shop	:	560 sq.ft. @ £2.00	=	£1,120
Old Sheds as store	:	3030 sq.ft. @ £0.50	=	£1,515
Portacabin	:	226 sq.ft. @ £1.00	=	£ 226
Domestic				<u>£2,500</u>
Total				£28,902
		@ 0.63%	= RV	£182.08
		Say		£180

Mr. Halpin, said that he considered the Contractor's method not to be the best method for valuation and referred to the decision on that point as contained within the case of National Basketball Arena -v- Commissioner of Valuation (VA94/2/041). He produced photographs for various club houses which he considered to be comparable in the Dublin and Eastern seaboard area.

Mr. Halpin was of the view that Laytown and Bettystown Golf Club was a particularly appropriate comparison. However, all of the comparators listed were to a certain degree of relevance to the subject premises.

Under cross examination, Mr. Halpin indicated that he considered the ground floor to be of poorer quality than the upstairs area in that the ceiling was lower and that it was finished to a lower standard. He accepted that apart from Laytown and Bettystown there had been no history of separate valuations for floor areas within golf club premises. Mr. Halpin stated that he understood that golf clubs organised their own affairs as they saw fit and could move the facilities around internally to suit themselves. He was of the view that it was impossible to set an accurate tone for the valuation of golf clubs generally. He said that the course was a drawing card in certain cases. He also indicated that the proximity to Dublin may have relevance. He went on to say that some clubs ran themselves effectively as businesses and not as clubs. Concluding, Mr. Halpin indicated that he considered the valuation presented within his précis to be fair and accurate. He continued to remain of the view that by virtue of the fact that the floor to ceiling height for the ground floor was reduced below stairs, a lower valuation was appropriate. He contended that the upstairs should be valued at £2.50 p.s.f., the lower floor should be valued at £1.75 p.s.f with further valuations for the ancillary buildings valued at rates set out earlier in this judgment.

4. Respondent's Evidence

Mr. Rooney on behalf of the respondent relied upon comparisons of new clubhouses with established rental levels of £3.50 p.s.f. His comparisons are attached as Appendix 2. He stated in his submission that the valuation on the subject property was reduced on appeal from £290 to £277 to compare favourably with similar and recently revised properties. The rateable valuation of £277 he said includes a rateable valuation of £16 attributable to the house. The two methods of calculation of rateable valuation used by Mr. Rooney to support his case are set out below;

(i)	Clubhouse	10,866 ft ²	@ £3.50 pft ²	=	£38,031
	Store & Boilerhouse	276 ft ²	@ £1.00 pft ²	=	£ 276
	Pro-shop	560 ft ²	@ £2.00 pft ²	=	£ 1,120
	Machinery sheds	3,030 ft ²	@ £0.50pft ²	=	£ 1,515
	Portacabin (canteen)	226 ft ²	@ £2.00 pft ²	=	£ 452
	House				<u>£ 2,500</u>
					£43,894

@ 0.63% = £276.53

- (ii) Construction cost nett of V.A.T. - £823,382.00
 Adjust to November 1988 by the S.C.S. Construction cost index
 January 1996 - 157.1
 November 1988 - 122

Adjusted building cost - $\frac{823,382 \times 122}{157.1} = \text{£}639,418.29$

N.A.V. @ 6% = £38,365.09 @ 0.63% = £241.70

add for NAV on store, sheds) £5,863.00 @ 0.63% = £36.93
 pro-shop, canteen & house) £278.63
 say £277.00
 (incl. £16.00 domestic)

Mr. Rooney stated that the premises was in fact a full two storey building and that there was no history of split valuations where golf clubs were concerned. He indicated that he considered the contractor's method relevant as a basis for valuation. He noted that there were twenty two golf clubs in the area and that fifteen had been revised under the NAV system. He stated that there were five new clubhouses among these. He noted that Malahide had been presented for valuation under the contractors method. He noted that subsequently St. Margaret's was valued and used Malahide as its direct comparator. He said in turn Corrstown and Luttrellstown, both new clubs, used Malahide as the original and best comparator. He accepted that the 6% ratio set out within the contractor's method had been agreed by negotiation.

Under cross examination, he accepted that the ratio of 6% could vary between different cases. In concluding, Mr. Rooney indicated that he would be inclined to value Dublin courses higher than country courses. He considered the location of the subject premises as being proximate to Dublin and considered a figure of £3.50 p.s.f. for the entirety of the club house premises to be appropriate. Mr. Rooney confirmed his general agreement with the areas and valuations of the Appellant as regards the other adjacent buildings under valuation.

5. Findings and Determination

The Tribunal notes that there is effectively an agreement as between the valuers in this appeal as regards the buildings external to the main clubhouse both in terms of area and in terms of valuation.

When considering a fair valuation for the clubhouse premises, the Tribunal has taken note of the comments of the valuers as regards location, status of golf course turnover etc. It is the view of the Tribunal that especially when valuing modern purpose built golf clubhouses, it is appropriate to consider the premises as a whole and not to consider a split valuation as suggested by Mr. Halpin in this instance.

The Tribunal has considered the merits of the various comparisons introduced by both valuers. It is the view of the Tribunal that the subject premises may be favourably compared with Headford Golf Club as a parkland golfcourse primarily serving the local community but accessible from Dublin. Accordingly the Tribunal finds that a proper rateable valuation for the main clubhouse and adjacent buildings is £240 based on a net annual value of £38,235 as set out below;

Clubhouse	10,866 ft ²	@ £3.00 pft ²	=	£32,598
Store & Boilerhouse	276 ft ²	@ £1.00 pft ²	=	£ 276
Pro-shop	560 ft ²	@ £2.00 pft ²	=	£ 1,120
Machinery sheds	3,030 ft ²	@ £0.50pft ²	=	£ 1,515
Portacabin (canteen)	226 ft ²	@ £1.00 pft ²	=	£ 226
House				<u>£ 2,500</u>
		N.A.V.	=	£38,235
		x 0.63% = RV		£240.88
		Say		£240

