

Status of Judgment: Distributed

Appeal No. VA98/2/047

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

Ashbrook House Ltd.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Nursing Home & Apartment at Lot No. 20 Grosvenor Road, Ward: Rathmines West F,
Dublin 6 County Borough of Dublin

Quantum - Method of valuation for nursing homes

B E F O R E

Con Guiney - Barrister at Law

Deputy Chairman

Anita Geraghty - Solicitor

Member

Finian Brannigan - Solicitor

Member

**JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 8TH DAY OF FEBRUARY, 1999**

By Notice of Appeal dated the 29th day of April 1998, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £180 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that "the valuation is excessive, inequitable and bad in law".

The appeal proceeded by way of an oral hearing which took place on 18th day of January 1999. The appellant was represented by Mr. Eamonn Halpin B.Sc. (Surveying) A.S.C.S. A.R.I.C.S. M.I.A.V.I., Eamonn Halpin & Company, Chartered Valuation Surveyors and Estate Agents. The respondent was represented by Mr. Liam Cahill, Valuer of the Valuation Office. Both valuers adopted as their evidence in chief their written submissions which had been received previously by the Tribunal and exchanged between them. There was agreement between the parties as to the measurements of the subject property. From the evidence tendered the following relevant facts emerged as being material to this appeal.

The Property

The property comprises a substantial detached Victorian property located on the west side of Grosvenor Road, Rathgar, Dublin. The original Victorian house is two storey over basement. A four storey extension was constructed to the front side portion of the original house and a two storey extension was constructed at the rear. The premises has operated as a nursing home since in or about April 1987.

Valuation History

The property was the subject of revision of valuation in 1987 and on appeal it was agreed at £150 with the appellants then agents. The property at inspection in 1988 comprised a 27 bed nursing home of 680 sq.m. There was also residential accommodation and a part undeveloped area of 212 sq.m.

The property was listed again for revision of valuation in 1997. At inspection, the property now comprised a 33 bed registered nursing home of 834 sq.m. There was residential accommodation of 58 sq.m. The accommodation was divided as to 19 single rooms and 7 double rooms.

Appellant's Submission

It was submitted on behalf of the appellants that the building being Victorian, was not in good condition. While the area of the subject building was quite extensive, a lot of it was unusable as it would be uneconomic to develop it. Because of its age, the building also needs constant attention. There are no additions to the building since the last appeal in 1987 but the bed

occupancy had increased from 27 to 33. It was also submitted that although the property was in a good location, only one third of the rooms were ensuite. It therefore had strong competition from the newer and more purpose built nursing homes. In addition, due to its nature it is more difficult to meet the modern fire, health and safety regulations than would be the case in a more modern purpose built nursing home. Because of the above, the appellant submitted that the disadvantages are significant enough to affect its letting market value if placed on the market. The appellant stated that the most suitable method of valuation in this particular case would be on a sq.ft. basis. However he provided four methods as set out in his submission and contended that a fair rateable valuation on the subject premises would be between £140 and £154. He submitted six comparisons two of which were also relied upon by the Commissioner.

Mr. Cahill on behalf of the Commissioner submitted that the subject property now qualifies for subvention from the Health Board since the passing of the Health (Nursing Home) Act, 1990 which was not the case in 1987. It was submitted that this would increase the level of occupancy and therefore profitability of the subject property. There was a dispute between the appellant and the respondent as to when the subject property became eligible for subvention but no evidence was adduced by either party. The Commissioner submitted that the subject property was situated in a prime location in one of the most sought after areas in Dublin. It had increased its occupancy from the first appeal in 1988 from 27 to 33 beds. The Commissioner referred to the Monfield Nursing Home decision VA95/4/029 and the criteria laid down therein in determining the R.V. of a nursing home. His calculation of the R.V. on the subject was as follows:-

	£
19 single rooms @ £6.00	114.00
7 double rooms @ £8.00	56.00
Domestic	<u>10.00</u>
Total	180.00
<i>or</i>	
834 sq.m. @ £33.00	27,522
58 sq.m. @ £16.50	<u>957</u>
	28,479 @ 0.63% = £179.41
	Say = £180.00

However, it was submitted by both parties that the domestic element was agreed at £10.00

Determination of the Tribunal

The Tribunal considers its previous decision in *Monfield Nursing Home – VA95/4/029* provides the most suitable method of determining the rateable valuation of the subject property. While the Tribunal accepts that the subject property is not purpose built and as such has certain disadvantages i.e. the lack of en-suite facilities in some of the rooms and the non-useable areas, it has the advantage of being situated in Dublin city in a prime residential area.

Having regard to the foregoing and the evidence adduced by the parties, the Tribunal has determined the R.V. at £167.00 calculated as follows:-

834 sq.m. @ £30.50	=	£25,437
58 sq.m. @ £16.50	=	<u>£ 957</u>
		£26,394 @ 0.63% = £166.28
		Say = £167.00

alternatively

19 single rooms @ £5.50	=	£104.50
7 double rooms @ £7.50	=	£ 52.50
Domestic	=	<u>£ 10.00</u>
	=	£167.00