

Appeal No. VA89/0/266

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

Glengariff Golf Club

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Lot No: 2A, Dromgariff, E.D. Glengariff, R.D. Bantry, Co. Cork
Quantum - Valuation method, sq. metre, NAV

B E F O R E

Henry Abbott

Barrister Chairman

Paul Butler

Barrister

Padraig Connellan

Solicitor

JUDGMENT OF THE VALUATION TRIBUNAL

DELIVERED ON 21st DAY May,1990.

By Notice of Appeal dated 17th August 1989 the appellants appealed against the determination of the Commissioner of Valuation in setting a rateable valuation of £63.75 on the above described hereditaments. This comprised of a rateable valuation of £20.75 on land and £43.00 on buildings. The ground of appeal as outlined in the Notice of Appeal is that the valuation is excessive in comparison with valuations assessed on similar hereditaments in recent years.

The property is situated on the outskirts of Glengariff on the main Glengariff/Bantry road and consists of a newly built two-storey club house. The building is of concrete wall construction with a tiled roof. The ground floor comprises lockers, showers, wc and store, while the first floor contains the bar, lounge and meeting room. The building was completed in 1988 at a cost of £119,000. All mains services are connected to the property.

A written submission was received from Mr. Coleman Forkin, B.Sc., (Surveying A.R.I.C.S.) a valuer with nine years experience in the Valuation Office on the 1st May 1990. In his submission Mr. Forkin says that the valuation of £43.00 was arrived at by comparing the net annual value of the property with similar properties in the surrounding area. The two comparisons cited were both golf clubs that had been subject to appeals by the Valuation Tribunal in 1988. They are (1) Skibbereen Golf Club, Valuation Tribunal Appeal No. 88/234 and (2) Bantry Park Golf, Club Valuation Tribunal Appeal No. 88/367. He said that in both comparisons the net annual value was multiplied by a factor of .5% in determining the respective rateable values. He said that a similar method had been used by the Commissioner in arriving at a rateable valuation in this case. Mr. Forkin then set out his calculations in arriving at the net annual value as follows:-

Section 6

Valuation

Construction cost	£119,000	
Capital value say	£110,000	
Fair return @ 10%	£ 11,000	
Less rates	£ 1,350	
Less maintenance & insurance say	<u>£ 1,000</u>	
	£ 8,650	est N.A.V. £8,650

R.V. .5% of N.A.V.	£	43.25
Say	£	43.00

R.V. £43.00 devalues at

ground floor	161.40sq.mt. @ 12p	=	£19.36
Bar, lounge	157.00sq.mt. @ 15p	=	£23.55
Balcony	2.80sq.mt. @ 6p	=	<u>0.16</u>
			£43.07

Mr. Eamon O'Kennedy of O'Kennedy & Co., Auctioneers, Valuation & Rating Consultants, 47 Merrion Square, submitted written comparisons of fifteen sports clubs. In each case he outlined the rateable valuation per square metre as follows:-

1.	Mullingar Golf Club	1987 F.A.	
	Gross Floor Area	710 sq.mt. @ 9p	£63.90
		41 sq.mt. @ 6p	<u>£ 2.46</u>
			£66.36
	Say	£65.00	

2.	Birr Golf Club	1986 F.A.	
	Gross Floor Area	451 sq.mt. @ 9p	£40.00
	Residential	<u>£10.00</u>	
	R.V.	£50.00	

3. Old Crescent Rugby Club, Limerick.

1985 F.A. @ 9p per sq.mt.

4. Garryowen Rugby Club, Limerick.

1984 F.A. @ 9p per sq.mt.

5. Thomas Davis G.A.A. Club, Dublin.

1985 F.A. @ 9p per sq.mt.

6. St. Enda's G.A.A. Club, Rathfarnham, Dublin.

1983 F.A. @ 9p per sq.mt.

7. Erin's Isle G.A.A. Club, Dublin.

1981 F.A. @ 7p per sq. mt.

8. Na Fianna G.A.A. Club, Dublin.

1980 F.A. @ 7p per sq.mt.

9. James Stephen's G.A.A. Club, Kilkenny.

1985 @ 9p & 6p per sq.mt.

10. Piltown G.A.A. Club, Kilkenny.

1986 @ 7½p

11. Kilkee Golf Club, Co. Clare.

Gross Floor Area @ 8p

12. Kilrush Golf Club, Co. Clare.

Gross Floor Area @ 8p

13. Curragh Golf Club, Co. Clare.
Gross Floor Area @ 9p
14. Portarlinton Golf Club
Gross Floor Area @ 9p
15. Thomond Rugby Club, Limerick.
Gross Floor Area @ 9p

The oral hearing took place on the 4th May, 1990 at which Mr. O'Kennedy accepted that Glengariff Golf Club was a good modern building but said that it was not much better than some of the comparisons which he had listed. A discussion took place on each of the comparisons and there was disagreement between the parties as to whether the square metre method or the net annual value (N.A.V) method of apportioning rateable valuation was the most appropriate. Mr. Forkin outlined the provisions of the 1986 Act with regard to N.A.V. whereas Mr. O'Kennedy pointed out that a number of his comparisons which were valued by the Valuation Office on the square metre basis had been valued since the 1986 Act came into effect. Mr. O'Kennedy said that he did not think that the N.A.V. method was appropriate to a golf club in that particular part of the country. Mr. O'Kennedy said that the golf course was not on a main road with a lot of travellers who would be inclined to stop and play there. He also said that the course has to be maintained throughout the winter and that really the new club house was an extra burden on the members although it was a beautiful building. He said that the golf course is good but would not attract the numbers of players like Lahinch or Mullingar. Mr. Forkin maintained his position that N.A.V. was the correct and only way to value this property and that his approach in taking the building costs and arriving at N.A.V. from that was correct.

The Tribunal is not bound by any particular method or approach to valuation and is bound to arrive at a fair and equitable valuation of a hereditament having regard to all the circumstances of the case. In considering the influence of construction costs on an appropriate rateable valuation of a premises, such as the subject premises, it has to be considered that members of a golf club constructing a clubhouse and may often be motivated by non economic factors to build a clubhouse which would not attract a rent on the open market or in commercial terms which would be as great as the N.A.V. calculated in accordance with construction costs. In relation to the subject premises, the Tribunal is of the view that the support of membership and pressure from users on the course and clubhouse is not as great as most of the golf club comparisons put forward by the parties.

Having regard to the foregoing considerations and all the circumstances of the case the Tribunal finds that a rateable valuation of £40.00 is proper for the subject premises.