

Appeal No. VA88/0/354

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

Renvyle House Hotel Limited

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Licensed Hotel, Offs and Land on Lot 1a, Rusheenduff, Co. Galway

B E F O R E

Paul Butler

Barrister (Acting Chairman)

Mary Devins

Solicitor

Brian O'Farrell

Valuer

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 10TH DAY OF MARCH, 1989

By notice of appeal dated the 26th day of August 1988, the appellant appealed against the respondent's decision fixing the rateable valuation of the above entitled hereditament (buildings) at £440.

Michael J Hennigan B.E. C.Eng. M.I.V.I. M.I.A.V.I. of Messrs Hennigan & Co., Rateable Valuation Consultants & Valuers of 23 Upper Mount Street, Dublin 2 presented an undated written submission a copy whereof is appended hereto at Appendix A. Noel Lyons a Bachelor of

Commerce graduate from the National University of Ireland with fifteen years experience in the Valuation Office presented a written submission dated the 4th January, 1989 a copy whereof is appended hereto at Appendix B.

The valuation history of the premises is set forth at pages 3, 4 and 5 (paragraph 3 (i) to (x) inclusive in the submission dated 4th January, 1989 here and before referred to.

The oral hearing took place in Galway on the 11th January, 1989 at which the appellant was represented by Stephen Roche Esq. Barrister-at-Law (instructed by Mr Peter Allen of Mac Dermot and Allen, Solicitors). Mr Michael J Hennigan and Mr Hugh Coyle, Manager of the hotel premises gave evidence on behalf of the Appellant. The said Mr Noel Lyons represented the respondent.

It emerged in the course of the evidence that the premises, a well known hotel, is situated on the north Connemara coast in an isolated rural location some 56 miles from Galway city. It is sited at the end of a narrow secondary road which is 5 miles off the main Clifden to Leenane Road.

The principal difference between the parties was the method adopted to arrive at the rateable valuation. Mr Hennigan argued that because of the nature of the business carried out in the hotel, in particular that there was virtually no local trade by way of functions, weddings, discos, meetings etc., the only reasonable method of valuation was on a guest bedroom basis. Mr Lyons argued that, as in the case of many other hotels, calculation should be made on a square metre basis. While the Tribunal is satisfied that there is a difference between hotels which carry on a "function" business and those which are purely residential, it has come to the conclusion that the obligation for consistency with other cases suggest that the calculation should be made principally on a square metre basis.

Mr Coyle in evidence said that about two years ago over twenty guest bedrooms in the hotel were found by Bord Failte not to conform to the required standards for a grade A classification. The appellant, following consideration of the expenditure required to refurbish these bedrooms, decided to close the same and the same have remained closed to date. The number of guest bedrooms, has, therefore, been reduced to 40 since the commencement of the 1987 tourist season.

Both sides offered comparables which are set forth in the submissions appended hereto. Mr Hennigan argued for a guest bedroom basis of £6 each, the seven comparables offered by him varied between £4.20 per guest bedroom and £12.91. Mr Lyons offered two comparables on a square metre basis.

Having regard to all of the evidence, in particular to the facts that the number of guest bedrooms has been reduced to 40 since the commencement of the 1987 tourist season and the fact that the hotel has virtually no "function" business, the Tribunal is satisfied that the rateable valuation should be fixed and reduced as follows, namely:-

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|----|---|--|
| 1. | Total buildings
(excluding the proprietor's house) | 4519.6m ² @ 8p = £361.57 |
| 2. | Proprietor's house | 143m ² @ 7p = <u>£ 10.01</u>
£371.58 |
| | | Say £370.00. |

Accordingly, the Tribunal has decided that a correct valuation for the buildings is £370.

