

Appeal No. VA93/2/004

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

E.S.B.

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Offices, Shop, Stores and Yard (including 55-62 Upper Mount Street, 12-19 James Street East and 48.49 Baggot Street) at Map Ref: 13-30, Lower Fitzwilliam Street, South Dock Ward, County Borough of Dublin

Quantum

B E F O R E

Paul Butler

S.C. (Acting Chairman)

Veronica Gates

Barrister

Joe Carey

P.C. M.I.A.V.I.

JUDGMENT OF THE VALUATION TRIBUNAL

ISSUED ON THE 13TH DAY OF MAY, 1994

By Notice of Appeal dated the 6th May, 1993 the appellant appealed against the determination of the Commissioner of Valuation in fixing a Rateable Valuation of £14,460 on the above described hereditament.

The grounds of appeal as set out in the Notice of Appeal are that:-

- "(1) The Valuation is bad in law.
- (2) The Valuation is excessive and inequitable".

The Property

The property is the E.S.B. Headquarters on a large site incorporating some 227,000 square feet of offices, a retail shop (753 sq.ft.) a museum, basements, 80 car parking spaces and a number of residential flats. The accommodation consists of::

Block A comprises the main part of the offices fronting Fitzwilliam Street and contains good office space, serviced by lifts - constructed in 1970's.

Block B and C are old offices, some with solid partition walls and far from modern standards - constructed in 1950's.

Block D is the newest conventional office block, an open plan development accessible from Block A but a different floor level. It stretches back to James Street and incorporates at Ground Floor level the retail shop in Baggot Street - constructed in 1980's.

The most recent redevelopment and the cause for the revision is the reconstruction of the Mount Street Houses which provided (a) offices, (b) flats and (c) a small Georgian house museum.

Valuation History

Various additions to the property were valued over the years. The only one of significance to this case was the 1988 settlement which was based on N.A.V. when the R.V. was reduced from £17,275 to £12,450. The basis of the settlement was as follows:-

Block	Year Built	Size (Sq.Ft.)	Description	N.A.V. p.s.f.
A	1971	80,141	Offices	£ 9.00
Basement:				
Std. Height		15,746	Stores	£ 4.00
Less Than 1.7 Meters		4,832	Stores	£ 0.50
More Than 1.7 Meters		3,627	Stores	£ 2.00
Car Spaces			Cars 80 @	£600.00
B	1955	54,245	Offices	£ 7.00

Courtyard		1,980	Stores	£ 4.00
C	1951	21,160	Offices	£ 7.00
D	1984	60,686	Offices	£ 9.00
		753	Shop	£ 20.00
Total: £1,967,242 X 0.663%				£12,450

In 1990 the R.V. was increased by £250.00 due to the addition of a portion of the (old) rear block - previously exempt.

At 1991 revision the reconstructed Georgian blocks were valued as follows:-

(1)	Offices + Museum:	20,595 sq.ft.	@ £9.00	=	£185,355
	Domestic:	5,692 sq.ft.	@ £6.00	=	<u>£ 34,152</u>
			N.A.V.:		£219,507

$$\text{R.V. @ 0.63\%} = \text{£1,382}$$

(2) An addition was made to the N.A.V. for the rates correction factor:

$$\begin{aligned} \text{N.A.V.} &+ \text{£70,876} \\ \text{R.V. @ 0.63\%} &= \text{£445.00} \end{aligned}$$

$$\text{Total R.V.:} \quad \text{£12,700} + \text{£1,382} + \text{£445} = \text{£14,460}$$

Written Submissions

Mr. Des Killen of Messrs. Donal O'Buachalla & Company Limited presented a written submission on the 6th December, 1993 on behalf of the appellant. In his said submission, Mr. Killen said that the reason for the subject appeal was the dispute between the parties on the correctness or otherwise of the rateable valuation of £14,460 assessed on the Headquarters of the Electricity Supply Board. He gave the valuation history and described the premises. On page 8 of his said submission, Mr. Killen used two methods of valuation. The first was on the basis of the 1990 phase 2 revision valuation adding thereto sums in respect of offices, museum and flats as therein mentioned giving a rateable valuation of £13,795.

In the alternative, Mr. Killen valued the premises by reference to the various constituents of the entire thereof and arrived at a Net Annual Value of £2,141,679 giving a rateable valuation of £13,492. Mr. Killen gave three comparisons situate respectively at Clanwilliam Court and Lower Mount Street.

Mr. Terence Dineen B.Agr.Sc, a District Valuer with 19 years experience in the Valuation Office presented a written submission on the 3rd December, 1993 on behalf of the respondent. In his said submission, Mr. Dineen described the property as being the Electricity Supply Board Headquarters which now comprises, with the exception of 5 properties near Baggot Street junction, an entire city block. He said that it was built in five stages and set the same out in his submission and further described the property.

Mr. Dineen said that he considered the Commissioner of Valuation's figure too low for the office block in question in the light of most recent settlements and invited the Tribunal to fix a higher rateable valuation.

Oral Hearing

The oral hearing commenced in Dublin on the 10th December, 1993 and was resumed and concluded on the 22nd April, 1994. Mr. Dineen appeared on behalf of the respondent and Mr. Killen appeared on behalf of the appellant. Mr. Killen gave evidence in accordance with his written submission. He emphasised that the figure of £12,450 was agreed before Tribunal in 1988 and was thereafter added to. He submitted that circumstances have not been altered since by any external physical factors. He amended the figures at page 8 (paragraph two) in his submission by deducting ten percent therefrom giving a net annual value of £1,927,511 yielding a rateable valuation of £12,145.

Mr. Dineen submitted that Mr. Killen's three comparative properties are in an inferior location to the subject premises and that they averaged at a rent per square foot of £10.12. He suggested that his four comparisons averaged at £11.51 per square foot and that the Tribunal should fix values in between these sums. He said that Mr. Killen now suggested £8.35 per square foot. The average size of his (Mr. Dineen's) comparisons is 156,655 square feet while the average of Mr. Killen's is 25,795 square feet. He said that the subject property is about 240,000 square feet. In answer to the foregoing, Mr. Killen said that the Allied Irish Banks premises is a purpose built completely new development and that the office content thereof is superior in every way. There were no parking problems. Bank of Ireland, Headquarters is also purpose built and of single construction. He said that the I.D.A. Headquarters and

Gardner House are new purpose built office blocks with plenty of car parking. He said that all of the foregoing were superior in every way to the subject premises. On the question of size, the subject premises comprises four separate blocks and a fifth block comprising houses, a museum and a retail shop.

Mr. Dineen said that the Net Annual Values of his comparisons were all agreed. He criticised the fact that Mr. Killen did not choose large office blocks as comparisons pointing out that Mr. Killen's three comparisons are about 10% the size of the subject.

There was much argument between the parties as to the undisputed fact that Mr. Dineen's opinion in 1988 was that the Net Annual Value of the property was £1,967,242. Mr. Dineen said that he did not have the rental evidence available to him then that he has now and that his opinion has altered. Mr. Killen, in answer to the Tribunal, said that he was not trying to make the case that Mr. Dineen was bound by the former figure but he was suggesting that it was the correct figure as it was the one that was agreed.

Determination

The Tribunal has considered all the evidence and written submissions. It finds as a matter of fact that agreement on previous revisions was entered into willingly by experts and that no physical change has taken place that would alter that view of correct Net Annual Value. The Tribunal, therefore, adopts the approach of the appellant appearing at page 8 (paragraph (1)) of the appellant's said submission. That gives a rateable valuation of £12,700 with certain additions. In relation to the additions the Tribunal feels that Mr. Killen's figures on the offices and museum are somewhat low and raises his additional figure of £1,096 to £1,300 yielding a total rateable valuation of £14,000 and so determines.

