

Appeal No. VA94/2/020

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

**Bobby McHugh, Killeen Limited**  
**t/a The Wishing Well**

**APPELLANT**

and

**Commissioner of Valuation**

**RESPONDENT**

RE: Licensed House at Map Ref: 16.20, Townland: Stillorgan Park, Village of Newtown Park,  
R.D.: DunLaoghaire Rathdown, Ward: Blackrock Carysfort, Co. Dublin  
Quantum - Turnover, comparisons

**B E F O R E**

**Paul Butler**

**S.C. (Acting Chairman)**

**Mary Devins**

**Solicitor**

**Patrick Riney**

**F.R.I.C.S. M.I.A.V.I.**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 24TH DAY OF JANUARY, 1995**

By Notice of Appeal dated the 26th day of July 1994 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £500.00 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 having regard to the provisions of the Valuation Acts and on other grounds."

**The Property:**

The property is situated in Newtown Park which is a side road off Newtownpark Avenue and about mid-way between the villages of Stillorgan and Blackrock. It is located across the road from a small cluster of suburban shops in the centre of an area of fairly high density residential development. The property consists of a modern two storey licensed premises with a two storey return to the rear. The main part of the premises is constructed of concrete block walls with slated roof and the return portions comprise concrete block walls with felt roof. The ground floor accommodation comprises lounge, bar, kitchen, toilets and stores. The first floor comprises residential accommodation and contains kitchen, living room, sitting room, three bedrooms and bathrooms.

**The Accommodation:**

Ground floor	-	lounge bar	-	2,577 square feet
	-	kitchen	-	358 square feet
	-	stores	-	979 square feet
First floor	-	residential	-	2,754 square feet

**Services - all main services connected to the property.**

**Valuation History:**

The valuation was revised in 1963 and following an appeal was fixed at £115. The valuation was revised in 1976 to take account of some internal alterations and fixed at £145. The valuation was next revised in 1980 to take account of reconstruction and alterations and increased to £190. The valuation was next revised in 1992 following extensive alterations including the raising of the building to two storey and the valuation was fixed at £500. At first appeal no change was made by the Commissioner of Valuation and its against this determination of £500 that a appeal lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 17th November 1994 from Mr. Eamonn O'Kennedy, Principal of Eamonn O'Kennedy & Company, Valuation and Rating Consultants on behalf of the appellant. In his written submission Mr. Eamonn O'Kennedy described the property and said that it was an attractive licensed premises finished to a modern standard. He said that the premises was in good structural and decorative condition throughout. He said that the premises however, was in a off centre location and did not benefit from passing trade and that it derived its trade directly from the surrounding area and suffered the disadvantage of having a second licensed premises approximately 50 yards away on

Newtownpark Avenue. Mr. O'Kennedy said that in his opinion a fair rateable valuation of the premises would be £325. Mr. O'Kennedy supplied a schedule of comparisons, attached to this judgment as Appendix 1.

A written submission was received on the 21st November 1994 from Mr. Tom Cuddihy, a District Valuer with 27 years experience in the Valuation Office on behalf of the respondent. In his written submission Mr. Cuddihy described the property and gave its Valuation History as described above. He set out his calculation of the rateable valuation on the subject premises as follows:-

### Valuation:

Purchase Price - February 1992:	=	£1,260,000
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Est. Potential L.T.O.:-	Purchase Price=	£1,260,000
	Less 20% - Say	= <u>£ 260,000</u>
		£1,000,000

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Adjust to November 1988 - Say	=	£ 830,000
@ 40% Gross Profit	=	£ 332,000
@ 50% Net Profit	=	£ 166,000
Available for Rent, say 50%	=	£ 83,000

Est. N.A.V. = £83,000 @ 0.63%	=	£ 522.90
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R.V.:	=	<u>£ 500.00</u>
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He offered 7 comparisons in the general area which are set out below:-

### Comparisons:

(1) The Timepiece Temple Rd. Blackrock - 92/4 F.A.

Purchased - October 1990	=	£670,000
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L.T.O. - 12 months to Aug '92	=	£426,573
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R.V.:	=	£460.00
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<b>(2)</b>	<b><u>Potters Bar</u></b>	Carysfort Avenue - Blackrock	
	Purchased - 1989	=	£320,000
	L.T.O. - 12 months to 1993	=	£331,000
	R.V.:	=	£250.00
<b>(3)</b>	<b><u>The Mad Hatter</u></b>	Blackrock Village	
	Purchased - May 1991	=	£335,000
	R.V.:	=	£350.00
<b>(4)</b>	<b><u>Conways</u></b>	Blackrock Village	
	L.T.O. - 12 months to Nov. 1993	=	£627,366
	R.V.:	=	£350.00
<b>(5)</b>	<b><u>The Punchbowl</u></b>	Rock Road - Blackrock	
	Purchased - February 1989	=	£420,000
	R.V.:	=	£350.00
<b>(6)</b>	<b><u>The Fitzers</u></b>	Carysfort Avenue - Blackrock	
	Purchased - July 1992	=	£552,000
	L.T.O. 1992	=	£500,000
	R.V.:	=	£250.00
<b>(7)</b>	<b><u>Gleesons</u></b>	Deansgrange	
	Purchased - July 1992	=	£1.1 million
	R.V.:	=	£450.00

### **Oral Hearing:**

At the oral hearing which took place in Dublin on 30th November 1994, Mr. Tom Cuddihy of the Valuation Office appeared on behalf of the Respondent and Mr. Eamonn O'Kennedy of O'Kennedy & Company, Valuers, Rating and Property Consultants, appeared on behalf of the Appellant, The Wishing Well Licensed Premises.

The evidence given by Mr. O'Kennedy on behalf of the Appellant was in accordance with the written submission. He stated that the premises comprised a purpose built licensed premises which had been refurbished to a high standard and is situated beside a small cluster of shops off Newtownpark Avenue. Mr. O'Kennedy queried as to why this valuation had been revised in 1992 to a rateable valuation of £500. The appeal to the Valuation Tribunal had been lodged on 26th July 1994 as a result of no reasonable reduction being obtained from the Valuation Office. Mr. O'Kennedy pointed out that the location of the subject property was inferior to most of the comparisons quoted by the Commissioner of Valuation. He stated that the most comparable evidence was the **Playwrite Pub in Blackrock** which was situated on the corner of Newtown Park and Newtownpark Avenue. The rateable valuation of the Playwrite was assessed at £360 in the 1990 revision of valuation. The revision took place after approximately £400,000 had been spent upgrading the Playwrite. Its exact location is only approximately 100 yards from the subject premises. Mr. O'Kennedy also stated that in his view there seems to be an approach being used by the Valuation Office to assess a high rateable valuation on premises which appeared to have a high turnover and that no proper consideration seems to be given to a number of pertinent points including the importance of good management. He also stated that totally inflated prices were paid for pubs in 1989 and that in view of the figures quoted around this time it gave a distorted view of the rateable valuations. Mr. Tom Cuddihy agreed with the Appellant's agent in regard to the description. He also stated that the premises was in very good condition after major reconstruction work around 1989/1990.

He pointed out that in his opinion the subject property was ideally situated within this densely populated area and referred to a number of comparisons, most of which were located in other areas.

### **Determination:**

The Tribunal is satisfied that the most relevant comparison in this case is the Playwrite licensed premises which is located beside the subject property. The Tribunal considers that the certified turnover of a business should primarily be used as a guide to a suitable rateable valuation with due allowance to be made for the overall condition and management of any business. Having given due consideration to all the evidence submitted at the oral hearing including all of the comparison details, the Tribunal determines the rateable valuation to be £392.

