

Appeal No. VA94/3/012

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

**E.S.B. Sports Association**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Sports Centre at Map Ref: 29, Bath Avenue, Ward: Pembroke West, County Borough of Dublin

Quantum - Method of Valuation, Comparisons

**B E F O R E**

**Henry Abbott**

**S.C. Chairman**

**Paul Butler**

**S.C.**

**Brian O'Farrell**

**Valuer**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 16TH DAY OF JUNE, 1995**

By Notice of Appeal dated the 21st day of October 1994, the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £1,400 on the above described hereditament.

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

"(1) the valuation is excessive and inequitable

(2) the valuation is bad in law".

**The Property:**

The property comprises a sports complex owned and operated by the employees of the Electricity Supply Board. The property is located on Bath Avenue at rear of Shelbourne Park Greyhound Track, close to villages of Ringsend and Irishtown. There is no street frontage. Access to the property is from South Lotts Road.

**Accommodation:**

**Ground floor** - Squash Courts, Recreation Hall for Basketball, Badminton, Indoor Football. There is a separate reception area with adjoining changing rooms, stores, toilets and 25 metre swimming pool.

**First floor** - Viewing Balconies, Bar, Lounge, Sauna, Plunge Pool, Jacuzzi, Offices, Stores and Toilets.

There are five outdoor tennis courts with flood lights.

**Valuation History:**

The property was valued in 1978 as school sports ground prior to purchase by the E.S.B. The rateable valuation then of £15.00 referred to an old pavilion on the grounds. Property was revised in 1981 to take account of new ownership and new developments. The new buildings were valued at £450.00 but reduced to £320.00 at first appeal.

The property was the subject of revision in 1983 as a new extension had been added and the valuation was increased to £380.00 but reduced to £377.00 on appeal. In 1986 the building was again extended with a resulting valuation increased to £465.00 reduced to £455.00 at first appeal. In 1993 the valuation was revised and increased to £1,400.00. The valuation reflected new additions and extensions. No change was made at first appeal.

**Written Submissions:**

A written submission was received on the 9th May, 1995 from Mr. Des Killen, FRICS FSCS IRRV, Director of Donal O'Buachalla & Company Limited on behalf of the appellant. In his written submission Mr. Killen set out the background to the subject appeal and the history of the development of the E.S.B. sports complex. He also set out the valuation history and said that the current valuation was excessive. In arriving at an estimated rateable valuation, Mr. Killen said that he had considered five methods:

1. Rental Value
2. Return on Capital Value - Investment Method
3. Contractor's Basis
4. Accounts Basis
5. Comparison Basis

Mr. Killen considered these methods in turn but concluded that the most appropriate method, was the comparative method and he set out his rateable valuation on the subject premises on this basis as follows:

37,437 square feet @ £2.25 per square foot	=	£84,233
Say	=	£84,500 NAV
	=	£ 530 RV

Mr. Killen offered five comparisons as follows:

- 1 **Riverview Racquet & Fitness Club - VA91/4/005**  
Total area: 134,948 square feet @ £3.50 per square foot
- 2 **Tennis Village, Cork - Commercial Sports Facilities - VA89/147**  
Total: 45,099 square feet @ £1.50 per square foot
- 3 **Portmarnock Sports & Leisure Centre - 1990 First Appeal**  
Devalues: 36,232 square feet @ £2.25 per square foot
- 4 **Westmanstown Sports Complex (Garda Recreation Club) - 1992/4 First Appeal**  
Devalues: 41,827 square feet @ £2.00 per square foot
- 5 **Fitzwilliam Lawn Tennis Club - 1987 First Appeal**  
This comparison was not considered as it was *sub judice*.

In conclusion Mr. Killen said that the Riverview Racquet & Fitness Club was without doubt the premier sports club in Dublin and it was incomprehensible to him as to how an assessment of NAV of £6.00 per square foot could be sustained on the subject. Mr. Killen also suggested that the subject was not a commercial sports club and therefore is to be compared with other non commercial developments as quoted above.

A written submission was received on the 5th May 1995 from Mr. Peter Conroy, District Valuer with over 20 years experience in the Valuation Office on behalf of the respondent. Mr. Conroy described the premises, its accommodation, location and valuation history as set out above. Commenting on the appellant's grounds of appeal Mr. Conroy said that in the Commissioner's view the valuation was fair and reasonable. It had been correctly assessed in

accordance with the Valuation Acts in that the property is comparable with recently revised hereditaments of a similar function. Mr. Conroy said that there was no provision in the Valuation Acts for properties that are not a commercial venture. He said the basis of an assessment was net annual value as defined in the Acts. Mr. Conroy set out his calculation of the rateable valuation as follows:

Total Area:	37,433 square feet @ £6.00	=	£224,602
NAV	£224,000 @ £0.63%	=	£ 1,411
RV		=	£ 1,400

**OR**

Badminton/basketball hall:	4,368 square feet @ £2.00	=	£ 8,736
Balance:	33,065 square feet @ £6.00	=	<u>£198,390</u> £207,126
NAV	£207,000 @ 0.63%	=	£ 1,304

**OR**

Estimated Capital Value:	37,433 square feet @ £80 per square foot	=	£2,994,640
	Say	=	£3m
Allow for age 25%	=	£2.25m	
Add site 4 acres	=	<u>£ .75m</u>	
		£3m	
Estimated Capital Value:		£3m	
NAV @ 7.5%	=	£225,000	
RV @ 0.63%	=	£ 1,417	

In relation to comparisons Mr. Conroy said that while this was a sports complex and similar in certain respects to other sports complexes it required different treatment in that several facilities are contained in the one complex. In addition to the external tennis courts there is squash, badminton/basketball, bar/lounge, swimming, sauna and jacuzzi. He submitted that many other sports clubs comprised a pavilion or clubhouse together with the sport facility. In close proximity to the subject there are two other sports complexes similar in nature i.e. Riverview Racquet & Fitness Club and Fitzwilliam Lawn Tennis Club.

At hearing Mr. Conroy withdrew Fitzwilliam Lawn Tennis Club as a comparison as it was *sub judice*.

**Riverview Racquet & Fitness Club**

This was the subject of VA91/45. Valuation was agreed at £3,000. Devalued 132,836 @ £3.57 per square foot. Mr. Conroy said that the valuation required closer examination. He said that a fairer devaluation would be:

Tennis:80,400 @ £2.00	=	£160,800
Balance: 52,436 @ £6.00	=	<u>£314,616</u>
		£475,416
NAV: £475,416 @ 0.63%	=	£2,995
Say	=	£3,000

Mr. Conroy also in his written submission compared Riverview Racquet & Fitness Club and E.S.B. Sports Association (Sportsco) on the basis of receipts and building costs. Details were set out in the written submission.

**Oral Hearing:**

The oral hearing took place in Dublin on Friday 19th day of May, 1995. Mr. Des Killen, with Ms. Sheelagh O'Buachalla represented the appellant and Mr. Peter Conroy represented the respondent. Mr Eddie Eaton, Vice Chairman of Sportsco was also in attendance.

Mr. Killen referred to his comparisons as set out in his precis of evidence and said that on the basis of these comparisons the overall NAV of £6.00 per square foot on the subject was too high and that its similarity to Riverview Racquet & Fitness Club could not be substantiated. He said that the E.S.B. Sports Association (Sportsco) received an annual subsidy and a bar bonus grant from the E.S.B. The bar bonus grant was based on the turnover in the bar. Mr. Killen stated that there was a large support from the members and they have fund raising events such as club draws which brought in about £50,000 per annum.

He said that his clients were good housekeepers and maintained the building in excellent condition but that basically the building consisted of painted concrete block walls. He said that the Sports Hall was not up to the standard required for competitive events.

Mr. Peter Conroy opened by stating that in a lot of sports clubs the clubhouses and pavilions were subservient to either the football pitch or the golf courses. He cited the Riverview as an example having 80,400 sq. feet of tennis courts with 52,436 square feet of other facilities. He relied on the Riverview Racquet & Fitness Club as his main comparison and compared the indoor tennis courts, which cost about £30.00 per square foot to build, to warehouse type industrial buildings. Mr Conroy argued that the high value areas such as the restaurants, bars and pools should be valued differently to the more basic elements. Mr Killen disagreed with Mr Conroy's description of the indoor tennis courts. Mr Conroy said that what was in dispute was whether it was appropriate to differentiate between the different elements in Sportsco.

Mr Conroy went on to say that E.S.B. Sports Association (Sportsco) is a fine facility and he felt it was certainly on a par with the Riverview Racquet & Fitness Club.

**Determination:**

The Tribunal feels that the E.S.B. Sports Association (Sportsco) is a well managed building and on a par with any of the good sports and recreational facilities. The Tribunal, while understanding the approach adopted by the Commissioner of Valuation in valuing the premises, must take into account all of the evidence presented and in particular the comparisons offered by both parties.

The Tribunal therefore determines that the NAV of the subject premises is in the sum of £140,373 and determines the RV at £884.