

Appeal No. VA95/1/050

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

**Cork Bonded Warehouse Limited**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Offices, stores and yard at Map Ref: 1 - 3, Custom House, Ward: Centre East, County Borough of Cork

Quantum - Listed building, affect of obsolete construction

**B E F O R E**

**Mary Devins**

**Solicitor (Acting Chairman)**

**Marie Connellan**

**Solicitor**

**Joe Carey**

**PC.DDSc.DBAdm.MIAVI**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 19TH DAY OF APRIL, 1996**

By Notice of Appeal dated the 21st day of April 1995 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £385 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 is located on the east side of Custom House Quay which is situated between Anderson's Quay and Lapp's Quay, beside the offices of Cork Harbour Commissioners. The main building consists of a very large three storey slated structure fronting South Custom Quay and mainly used for wine and spirit storage. Ground floor contains 16 vaults, 15 foot wide with concrete floors. First floor has 8 vaults (inter connected) with flag floors. Top floor consists of 8 lofts with only part used for rough storage.

**Valuation History:**

The primary valuation was £450, reduced to £400 in 1862 and £300 in 1987. In 1969 revision, the valuation was increased to £800 with description amended to "offices, bonded warehouses, stores and yard". At 1969 appeal this figure was reduced to £430 with separate valuation of £95 (distinguished) on Transit Shed occupied by Cork Harbour Commissioners.

On appeal to the Circuit Court it was determined by consent to restore £300 rateable valuation with appeal on £95 withdrawn. In 1986 transit shed transferred to occupier Cork Bonded Warehouse Limited and rateable valuation of £95 transferred to rateable column of Valuation Lists and reduced at First Appeal to £85. Arising from 1993 revision request by appellants, the rateable valuations were amalgamated (£300 + £85) to a rateable valuation of £385. No change was made at First Appeal and it is against this determination of the Commissioner of Valuation that an appeal lies to the Tribunal.

**Written Submissions:**

A written submission was received on the 14th February, 1996 from Ms. Sheelagh O'Buachalla, BA, an Associate of the Society of Chartered Surveyors and in the employment of Donal O'Buachalla & Company Limited since 1986 on behalf of the appellant.

In her written submission, Ms. O'Buachalla set out the details of the valuation history and described the premises. She said that the building could be divided into three sections.

- (1) Vaulted basement stores under Harbour Commissioner's office.
- (2) Offices.
- (3) Warehouse buildings including vaulted stores.

**(1) Vaulted Stores**

Situated in the ground floor of the Harbour Commissioner's offices and are of brick

construction with earthen floors. All loading and unloading is done manually with the assistance of a roller. Maximum storage height - 4 feet. No natural light.

**(2) Offices**

Located on the ground floor rear section of same building, are old converted vaults with very little natural light.

**(3) Warehouse**

This building was erected by the prisoners of Spike Island c. 1800 and comprises three storeys constructed of brick and stone under a pitch slated roof. The ground floor comprises vaults with concrete floors. The maximum height floor to ceiling is 8 feet in the centre, reducing to 4 feet at the sides.

For storage purposes access must be allowed down the centre of the vault, thereby restricting storage space. There is no natural light and access doors are only 5 feet wide. The first floor of the building is not vaulted and has stone flagged floors. Because of the uneven floors, no fork lifts can be used and, therefore, all loading and unloading is done with a hand truck. The second floor of the building is of similar construction and layout to the first floor except that there are timber trusses, which give a maximum head room of 5½ feet. This floor is no longer in use as not alone is the access difficult but there is no market for it. The floor areas agreed with the Valuation Office are as follows:-

(1)	Vaulted stores	9,665 sq.ft.
(2)	Offices	1,008 sq.ft.
(3)	Warehouse:	
	Ground floor vaulted stores	17,119 sq.ft.
	First floor	17,388 sq.ft.
	Second floor	19,611 sq.ft.
	Sheds (18 and 19)	9,972 sq.ft.

**Tenure:**

Ms. O'Buachalla said that the premises was held under a long lease of 99 years from the 1st April, 1918 at a rent of £500 per annum.

Ms. O'Buachalla set out her calculation of rateable valuation as follows:-

***Rateable valuation proposed:-***

"Ground floor vaults	17,119 sq.ft. @ 0.85p psf	=	£14,551.00
First floor	17,388 sq.ft. @ 0.45p psf	=	£ 7,824.06
Second floor	19,611 sq.ft.	=	-



1st close to block 1	1,008 @ £3.50	)	
and		)	@ 0.63% = £83.12
		)	
<b>Stores</b>		)	
under H.C. offices	9,666 @ £1.00.	)	
			<u>£384.78</u>
		RV =	£385.00.

**Block 1**

am/sl (3st) 270' x 82½' x 28' = 66,825 sq.ft.

As 1 storey = 22,275 (gross) @ £1.65 = £36,753 NAV. RV @ 0.63% = £231"

Mr. Stapleton gave details of five comparisons which are summarised below. Mr. Stapleton said that rental evidence for vaults of cellars close to the quays were not available, however, he offered the comparison of:-

- (1) **P & D Stores Limited**  
6, Parry Street, Centre West Ward. 1992 First Appeal.

He said that in this hereditament vaults were valued @ £2 psf and £3 psf.  
Rateable Valuation £128.

Mr. Stapleton gave details of other comparisons as follows:-

- (2) **Warehouse/factory**  
Marine Commercial Park, formerly "Old Dunlops".  
Valuation varies from £1.50 to £2 psf.  
Rateable Valuation £135.
- (3) **Lot 18 (pt)**  
Factory and yard. 1993 First Appeal. Rateable Valuation £185  
Main factory 8,982 sq.ft. @ £1.65.
- (4) **Eurolodge Limited**  
Lot 1B. Warehouse. 1993 First Appeal. Rateable Valuation £200  
First floor level storage 22,000 sq.ft. @ £1.45.
- (5) **Freefoam Limited**  
1Lee City Park. Rateable Valuation £220.  
Warehouse 19,593 sq.ft. @ £1.80 psf.

**Oral Hearing:**

The oral hearing took place in Cork on the 21st day of February 1996. The appellant was represented by Ms. Sheelagh O'Buachalla of Donal O'Buachalla & Company Limited, who also introduced a witness Mr. William O'Mahony, Managing Director of Cork Bonded Warehouse Limited. Mr. Tom Stapleton appeared on behalf of the respondent.

Ms. O'Buachalla stated that the subject hereditament, most of which was originally constructed in c. 1800, is now functionally obsolete and more importantly is a "Listed Building" for preservation. The premises were originally designed for storing casks of wine and spirits for later bottling but now bottling takes place at source and deliveries are in boxes and crates. In the vaulted stores, which have a maximum storage height of 4 feet approximately, there is no natural light. Only hand operated forklift trucks can operate within most of the ground floor warehouses, which are vaulted, comprising approximately 27,000 square feet in area, and even though the vaults in block 1 are 8 feet headroom in the middle, they fall to 4 feet headroom at the sides. Likewise, the first floor of block 1 is similarly vaulted presenting the same logistical problem for moving and stacking crates of wine and spirits, much of which has to be done manually.

Mr. O'Mahony, confirmed the operational difficulties, and stated that a mechanical forklift truck could operate only in the external yard, and when unloading a container, could only place the loaded pallets at the narrow entrances to the vaults, both at ground and first floor levels, which then had to be moved manually or by manually operated forklift trucks. He stated that the second floor lofts in block 1 comprising approximately 19,611 square feet could not be used at all, as these could be accessed only by a narrow stairway from the first floor. Mr. O'Mahony stated that the difference in operational economics, were best illustrated when one compared the activity in the subject property with the operation of Cork Bonded Warehouse's other premises at Little Island, where full pallets were removed from the containers by mechanical forklift trucks and stored three pallets high in the warehouse - operations requiring only two personnel which would require six personnel in the subject property.

Mr. Stapleton gave a comprehensive valuation history on the subject hereditament, the valuation of which was reduced from £450 to £400 in 1862 with subsequent adjustments, up and down, over the intervening years. He pointed out that the property was ideally located near the centre of Cork city, and was more accessible since the construction of the two new bridges nearby, connecting to Cork's south link highways. He also stated that due to the

nature of vaulted premises such as the subject, these premises were ideal for maturing wines and spirits as a constant cool temperature could be maintained in winter and summer owing to the thick surrounding walls and absence of glazed windows. This point was accepted by the appellant. Mr. Stapleton also indicated that he had in fact reduced the valuation in blocks 18 and 19 to £70 because of the uneven floors, cracks in outer walls, and other deteriorations of the premises. He then referred the Tribunal to his comparisons, stating that the P & D stores at 6 Perry Street also had vaults which were rated on the basis of a net annual value of £2 psf net for 572 square feet and £3 psf for 1,646 square feet. He also referred to comparisons from the Marina Commercial Park and others where net annual values ranged from £1.50 to £1.65 to £2 psf per annum.

However, Ms. O'Buachalla stated that 6 Perry Street was a retail outlet, adjoining the city centre with shop and street frontage and that the Marina hereditament had higher headroom and was much more accessible.

### **Determination:**

The Tribunal accepts that there are many logistical problems experienced in the day-to-day operations at the subject hereditament due to the obsolete construction and style of the property. As the hereditament is a 'listed building' the appellant is unable to alter the building in any way to overcome these difficulties. In the opinion of the Tribunal these disadvantages diminish the value of the hereditament. Accordingly the Tribunal determines that the rateable valuation should be assessed in the following way:-

#### **Block 1**

Ground floor	17,199 sq.ft. @ £1 NAV	= £108.35 RV
1st floor	17,388 sq.ft. @ 50p NAV	= £ 54.77 RV
2nd floor	19,611 sq.ft. @ 20p NAV	= £ 24.70 RV

#### **Blocks 18 & 19**

3,384 sq.ft. @ £1.60 NAV)	
6,588 sq.ft. @ 80p NAV )	= £ 67.31 RV

#### **Offices**

1st office close to block 1	1,008 sq.ft. @ £2.50 NAV	= £ 15.87 RV
Stores (under HC offices)	9,666 sq.ft. @ 80p NAV	= £ 48.71 RV
	Total	= £319.71 RV

The Tribunal therefore determines that the total rateable valuation of the subject hereditament should be £320.