

Appeal No. VA96/2/009

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

**Leinster Cricket Club**

**APPELLANT**

**and**

**Commissioner of Valuation**

**RESPONDENT**

RE: Clubhouse and Land at Map Ref: 136B, Rathmines Road Lower, Ward: Rathmines West,  
County Borough of Dublin  
Quantum

**B E F O R E**  
**Con Guiney**

**Barrister (Acting Chairman)**

**Marie Connellan**

**Solicitor**

**Patrick Riney**

**FSCS.FRICS.MIAVI**

**JUDGMENT OF THE VALUATION TRIBUNAL**  
**ISSUED ON THE 24TH DAY OF JANUARY, 1997**

By Notice of Appeal dated 12th April, 1996 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £220 on the above described hereditament.

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

"R.V. £220 is excessive, inequitable and bad in law having regard to the Valuation Acts and on other grounds also".

The property consists of a newly built clubhouse located off Rathmines Road Lower on a site of over 5 acres. The accommodation in the new clubhouse consists of changing rooms, showers, w.c's, stores - on the ground floor.

On the first floor is a bar (capacity seated 80), function room, kitchen, games room and WC's.

There are two indoor squash courts also located in the new clubhouse.

The old bowling pavilion and stores are still intact. They are over 50 years old. There is also an equipment shed and a steel container in use as a tool shed. The agreed areas are as follows:-

New Clubhouse	10,091 sq.ft.	
Squash Courts	1,544 sq.ft.	
		11,635 sq.ft. Total
Old Bowling Pavilion		2,454 sq.ft.
Tool sheds		556 sq.ft.

The relevant valuation history is that the subject property was inspected and revised in spring 1995. In November, 1995 the valuation list was issued and a rateable valuation was assessed at £220. On 1st December, 1995 the occupier appealed to the Commissioner of Valuation. In January, 1996 the Appeal Valuer inspected the property and had negotiations with the appellants agent, Hennigan & Company. On 25th March, 1996 the Commissioner of Valuation issued his decision and there was no change in the rateable valuation.

A written submission by Mr. Joseph Bardon, Dip. Environ. Econ., ARICS ASCS, of Hennigan & Company on behalf of the appellant was received on 29th August, 1996. In his written submission Mr. Bardon outlined the situation, description and construction of the subject premises. In his description of the accommodation at the premises Mr. Bardon described the old tool sheds as follows, store 236 sq.ft. and portacabin store 320 sq.ft. These two units have together an agreed accommodation of 556 sq.ft.

In his written submission Mr. Bardon's opinion was that a fair rateable valuation would be £170 using a net annual value basis as follows:-

Main Clubhouse	10,091 sq.ft.	@ £2.25 psf	=	£22,705
Squash Courts	1,544 sq.ft.	@ £2.00 psf	=	£ 3,088
Bowling Pavilions	2,454 sq.ft.	@ £.50p psf	=	£ 1,227
Store	236 sq.ft.	@ £.50p psf	=	£ 118
Portacabin Store	320 sq.ft.	@ (not rateable)		
				£27,138
				<u>x .63%</u>
			RV	£170.97
			Say	£170

Using the old square metre basis Mr. Bardon arrived at a similar result for the rateable valuation, namely rateable valuation of £170.

The main arguments advanced by Mr. Bardon in support of his opinion on rateable valuation were:-

- (a) that the subject premises were located some distance from the main road namely Lower Rathmines Road and this was detrimental to the activities carried on at the premises.
- (b) Sports clubs like the Leinster Cricket Club are at a disadvantage in generating revenue unlike golf clubs which have a greater potential in this respect. Golf clubs have many sources of income, e.g. green fees and ancillary bar and restaurant receipts.

Sports clubs have to place a greater reliance on their members in generating revenue, e.g. by membership fees, use of the bar by members and indirectly by the use of raffles etc.

- (c) A club like the Leinster Cricket Club would traditionally have relied on its immediate neighbourhood for membership. In recent years the proliferation of sports and keep-fit clubs had made it more difficult to attract members. At the time of the submission the club had 640 members when it could attract up to 900 members.

Mr. Bardon's written submission contained a schedule of five comparisons.

A written submission on behalf of the respondent was prepared by Mr. Frank O'Connor, ARICS Bsc (Surveying) and received on 19th August, 1996. Mr. O'Connor is a valuer with 16 years experience in the Valuation Office.

Mr. O'Connor's submission contained inter alia, comment on the grounds of the appeal, a description of the property and a valuation history.

Mr. O'Connor's submission as to the rateable valuation of the subject premises was as follows:-

New Clubhouse	11,635 sq.ft.	@ £2.75 psf	=	£31,996
Old Bowling Pavilion	2,454 sq.ft.	@ £1.00 psf	=	£ 2,454
Tool Sheds	556 sq.ft.	@ £.50p psf	=	<u>£ 278</u>
				NAV
				£34,728
				<u>x .63%</u>
				£218.78
				RV
				£220

Mr. O'Connor's submission contained a schedule of three comparisons.

The oral hearing of the appeal took place in Dublin on the 6th September, 1996.

Mr. Bardon in his sworn evidence to the Tribunal adopted his written submission as his evidence. He further gave evidence that it is difficult to obtain rental values for sports clubs like the Leinster Cricket Club which are operated on a social basis and not on a strictly commercial basis. In his evidence Mr. Bardon elaborated on his written submission, pointing to the basic construction of the subject premises in comparison to golf club premises. He again referred to the difficulty in generating income by the appellant and its inadequate and vulnerable membership base.

Mr. Bardon argued that the portacabin shed of 320 sq.ft. was not linked to services and therefore not rateable. At a later stage in the hearing Mr. Bardon accepted that there was no

statutory basis for this argument. He stated that his preferred comparison was the Mount Pleasant Lawn Tennis Club which was the nearest sports club to the appellant's premises and is similar in size. Mr. Bardon accepted that the valuation was arrived at under the old square metre basis. Mr. Bardon agreed that C.Y.M. Sports Club, his fifth comparison, operated in the same type of area as the subject premises.

Mr. O'Connor for the respondent in his sworn testimony adopted his written submission as his evidence to the Tribunal. In his evidence he pointed out that Mr. Bardon uses different rates per sq.ft. as between the main clubhouse and the squash courts which are located in the same premises. Whereas Mr. Bardon's comparisons had a uniform rate per sq.ft. throughout. The Valuation Office in its written submission had used a uniform rate for the entire clubhouse.

Mr. O'Connor argued that a location adjacent to the main street is not of relevance in the case of a sports club, which is not a retailing enterprise. He argued that the portacabin shed of 320 sq.ft. is permanently located on the ground and is therefore rateable. Mr. O'Connor did not accept that the clubhouse was of a basic construction and the expenditure on it was in the region of £1,000,000 including VAT and fees.

Mr. O'Connor pointed out that he had not used any golf clubs in his comparisons. Again he stated that Mr. Bardon's preferred comparison is out of date being determined prior to 1988, that is the Mount Pleasant Tennis Club. Mr. O'Connor referred to the I.M.I. case which decided that in arriving at a rateable valuation regard had to be given to premises which are comparable, of similar function and whose valuations were made/revised within a recent period. Mr. O'Connor pointed out that Mr. Bardon's fifth comparison, C.Y.M. Sports Club, Terenure has part of its premises which is over thirty years old yet the net annual value was arrived at using £2.53 per sq.ft.

Mr. O'Connor stated that the Valuation Office had sought comparative premises in the immediate area. The E.S.B. Sports complex and the Riverview Sports Club were the subject of Tribunal decisions, VA94/3/012 and VA91/4/005 respectively. The significance of these

comparisons is that they are much larger than the subject premises but devalue at a much greater rate per sq.ft. than the rate placed on the appellant's premises.

In further argument before the Tribunal Mr. Bardon stated that the E.S.B. Sport Club and the Riverview Sports Club could not be compared to the subject premises as the former was subsidised by the E.S.B. on the basis of a formula related to turnover and the latter was a commercial venture.

**Determination:**

The Tribunal finds that:-

- (a) the portacabin shed of 320 sq.ft. is rateable.
- (b) the C.Y.M. Sports Club is the most appropriate comparison to be used in arriving at a valuation in this matter.

The Tribunal further considers that physical breakdown as prepared by the Valuation Office of the subject premises is the most appropriate method for arriving at a net annual value in this appeal. Accordingly the Tribunal determines the net annual value and rateable valuation of the subject premises as follows:-

New Clubhouse	11,635 sq.ft.	@ £2.60 psf	=	£30,251
Old Bowling Pavilion	2,454 sq.ft.	@ £.50p psf	=	£ 1,227
Tool Sheds	556 sq.ft.	@ £.50p psf	=	<u>£ 278</u>
		NAV	=	£31,756
				<u>x 0.63%</u>
		RV	=	£200.06
		Say	=	£200

The Tribunal therefore determines that the rateable valuation of the subject premises is £200.

