

14 February 2012

Ms. Eimear Lavelle,  
Committee Secretariat,  
Committee of Public Accounts,  
Leinster House,  
Dublin 2.



Dear Ms. Lavelle,

I refer to your letter of 4 January 2012 with which you forwarded for information, at the direction of the Committee of Public Accounts, a copy of a letter of 13 December 2011 to the Chairman of the Committee from Mr. John Moriarty, of Dublin Waterworld Ltd.

Following the receipt of your letter I have had a further check carried out on the accuracy of the note already supplied to the Committee, at its request, about the qualifications of the valuer who undertook the valuation of the National Aquatic Centre in 2002.

While the accuracy of the note generally is confirmed, I regret that there is one point of detail which is not fully accurate. This relates to the date from which the valuer discontinued, following a genuine misunderstanding that arose on this point, the use of MRICS in his title. The valuer stopped using the designation MRICS in all correspondence from the end of 2007. However, in a small number of Valuation Tribunal appeals which arose out of the revaluation in South Dublin County Council area the covering templates for his submissions, showing the name of the valuer and his qualifications, were not amended.

I would like to apologise to the Committee for the inaccuracy in this respect in the earlier note provided to the Committee.

The fact remains that the valuer concerned was a qualified and experienced valuer in the Office when he undertook the valuation of the National Aquatic Centre. He was both a member of the Society of Chartered Surveyors and the Irish Auctioneers and Valuers Institute and was the most experienced of the valuers in the Office in dealing with valuations for VAT purposes. The report he prepared for CSID was cleared by his Team Leader. It gave both an estimated rental value for VAT and an estimated open market price for VAT purposes derived from the rental value. The rental value provided was not the same as actual rent: it was the estimated rental value of an unencumbered lease – that is a lease without any restrictive conditions - which the Office knew from previous cases is what was required for VAT purposes.

It was the estimated open market price prepared by the Valuation Office which was critical to the Supreme Court's decision that the transaction should have been exempt for VAT purposes because it failed the Economic Value Test.

The Office stands over its valuations.

There will be two officials attending the Committee's examination on Thursday 16<sup>th</sup> February; namely, Mr. Patrick Cooney, Manager of Valuation Services and myself, Mr. Dermot B. Quigley, Commissioner of Valuation.

Yours Sincerely,

Dermot B Quigley,  
Commissioner of Valuation.