

REPORT TO THE COMMISSIONER OF VALUATION

PROPERTY ID	956715
CASE REGISTRATION NUMBER	8045679-1
APPELLANT	
ADDRESS	Apartment 309 70 Chichester Street Belfast BT1 4JQ
DESCRIPTION	Apartment (3 rd floor)
CAPITAL VALUE	£170,000
ACTION AT CR	No change made to CV. Property deemed to be a hereditament despite structural issue.
INSPECTION DATE	01/10/21
INTERVIEWED	from Simon Brien Estate Agents. from Victoria Square Management Company. from Johns Elliott, the solicitor acting on behalf of the management company.
SURVEY	Survey checked at inspection and accepted.
TENURE	Assumed freehold or long leasehold subject to nominal ground rent.



PROPERTY DESCRIPTION

Primary Class:

Privately Built Housing

Sub Class:

Purpose Built Apartment

Type:

Single Level Self

Contained

Location:

Urban – within city centre

Year Built:

Constructed in 2008

Hab space: 90m² **CV:** £170,000

Photographs taken at inspection 01/10/21



Subject (Apartment 309)



Side elevation of subject





Reported spalling of brickwork



Reports of spalling brickwork





Front Reception



Front Reception





Access via courtyard to apartment 309

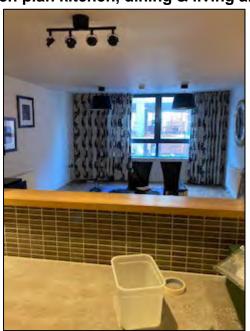


Entrance hall of subject



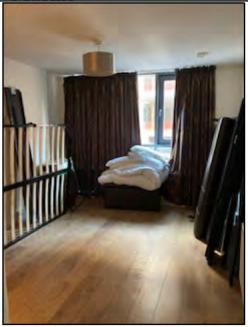


Open plan kitchen, dining & living area



Open plan kitchen, dining & living area





Bedroom 1



Bathroom - visible cracks to tiling





Bedroom 2



Bedroom 2 – visible signs of cracking



Apartment 202 (PID 960554)

Multi-Level Self Contained 1st & 2nd floor apartment:
Inspected 28/9/21









Props & failed steel column







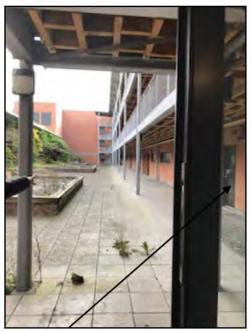
Strain censors: attached to props (steel support columns)







Apartment 307 (PID 956713) Single-Level Self Contained 3rd floor apartment: Inspected 28/09/21



Location of Apartment 307

















Apartment 406 (PID 960576) Single Level Self Contained 4th floor apartment: Inspected 28/09/21



Reinforcement bars in column bulged & deformed













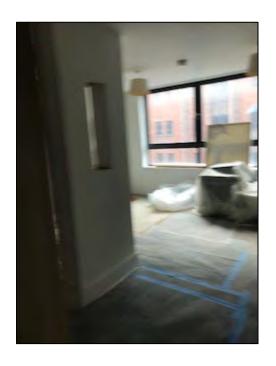














APPELLANT'S GROUNDS OF APPEAL

The Apartment, and all Apartments at 70 Chichester Street are uninhabitable due to structural defects discovered in 2019. We have contributed £10,000 to support repair works and continue to pay £1,275 service charge per annum and other costs. We are given to understand that delays in repair are compromised by problems determining who is responsible for the structural defects and who, if anyone, might be responsible for payment and this could go on for many years.

I note that 1 Jan 2005 (before the Apartments were built) is used to make sure that properties are valued at the same point in time. In the circumstances for a fair and reasonable comparison the Capital Value should reflect the valuation which might have been applied in 2005 for an uninhabitable, unsafe Apartment with a doubtful completion date. £170,000 obviously has no relevance to 2005 or now.

Even just on a common sense basis is can not be reasonable to continue to demand Rates for potentially years to come for such a worthless uninhabitable property. All owners have obviously lost a lot and continue to loose and for councill to continue demanding rates in all the circumstances is self evidentially entirely by the common presumably unsustainable in the long term.

COMMENT / DISCUSSION

I arranged an inspection of the subject apartment on 28/09/21. I met with the managing agent, from Simon Brien Estate Agents, the representative from Victoria Square Management Company, and from Johns Elliott Solicitors, who is the management company's solicitor.

The subject apartment is situated within the Victoria Square development in Belfast City Centre. Victoria Square is a shopping, leisure and residential complex which has a number of apartments located within the upper floors.

The appeal is in connection to partial failure of column E2 in apartments 406 & 407 on the fourth floor of the apartment development. Temporary props (steel columns) were installed in 2019 to support the defective column until repairs could be carried out. This propping has been carried out down to basement level.

Unfortunately the management company did not have keys for apartment 309 at the first date of inspection on 28/09/21, but we were able to inspect apartments 202, 307 and 406 to get an indication of the damage caused by the defective column. All of the apartments have been vacated on a precautionary basis since 2019.



We first inspected the 1st & 2nd floor multi-level apartment 202. As illustrated in the photographs on pages 10-12 I could see the props (steel support columns) that have been installed either side of the failed steel column. These props have 'strain censors' attached, which are measuring the load the 'props' are taking. The data recorded by the censors is being monitored remotely. The solicitor advises that the apartments that these are in (approx. 17) cannot be occupied as the vibration would be picked up by the 'strain censors' resulting in inaccurate readings.

I then inspected apartment 307, which is next to the subject. Both are accessed through the external courtyard. Again, on inspection I could see the installed 'props' and associated 'strain censors'.

The nature of the damage was more evident in Apartment 406. The exposed reinforced bars were clearly bulging out of the partially failed E2 structural column (see report pages 14-19 above for photographs).

I was able to inspect the subject on 01/10/21 accompanied by from the Management Company. No obvious defects were noted bar some hairline cracks to the bathroom tiling and top corner of one of the bedrooms. Photographs can be seen on pages 5-8. pointed out spalled bricks externally and indicated this could be a sign of further structural defects.
explained during my initial inspection that there is concern that repair works were carried out to the affected C3 columns areas before completion of the construction, which could have contributed to the partial failure of the column. He also said that there were forensic tests going on to test the concrete in the whole building which is possibly not of adequate strength. The 'props' have been installed but states it does not make sense to commence any repair works until the full scale of the structural issues are identified. The Phase 2 report conclusions and recommendations on pages 30-32 of this report refers to the additional column defects in the remainder of the building.
argued that the apartment owners do not own the common areas and hallways. She indicated that she could provide insurance documentation to confirm this which would prove the occupiers were therefore unable to access their properties. However to date I haven't received any information in support of this.
also stated the Fire Service intended to inspect the apartment development to prepare in advance for any reason they might need to enter the building. also made reference to waste collection services refusing to enter the building due to Health & Safety concerns.



Below are extracts and quotes from the two structural reports provided by also confirmed the residents are seeking damages in connection to the defects – the matter is ongoing at present. The developers were Multi-development UK Ltd and the contractor was a joint venture between Farrans Construction and Gilbert Ash. BDP were the designers, with Benaim designing the basement. It could take a considerable amount of time for the matter to be settled.

I understand the occupiers were asked to contribute £10,000 per apartment to cover the approximate £1,000,000 repair bill for the 'props'. The column had to be stabilised privately because the insurers stated the defect was not covered by the building insurance.

The Structural Assessment Report by Design ID Structural & Civil Engineers dated February 2019 on Victoria Square Apartments (attached to case viewer)

This report details a structural assessment of a column within the subject apartment development, which was described as displaying signs of distress. The scope of the report was to carry out a baseline condition survey, report on the current state of the existing structure, assess the existing structure and advise on immediate and long term remedial actions.



Extract from report - the affected block

This structural report shows photographs of apartments 406 and 407, similar to the photographs on my inspection on pages 15-19 of this report. Extracts as follows:



Apartments 406 & 407

Column E2 is located in the dividing wall between apartment 406 8, 407. The top row of photographs show the distress of the column at this level.

We can see the reinforcement bats within the column rave budged and deformed, by approximately 80mm laterally. There is material loss where the bars have displaced. The renforcement bars have been painted white at some stage. It is clear that a repair has taken place on the column, we would assume prior to fit-out stage. The repair material is pink in colour, and does not appear to be a concrete repair product—this should be confirmed by sampling.







The bottom row of photographs show the damage in apartment 407. There appeared to be less damage evident on this side of the column. There were no obvious signs of repair to this side of the column.

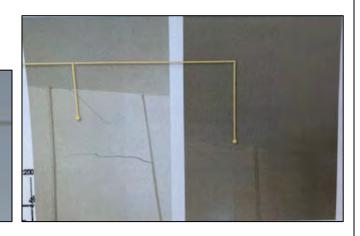
We can reasonably assume the reinforced concrete column has partially failed at this level due to the historic repair work.



Apartment 507:

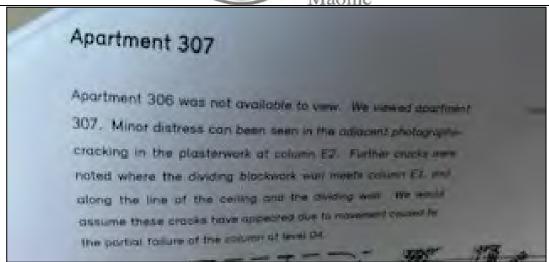
Apartment 507

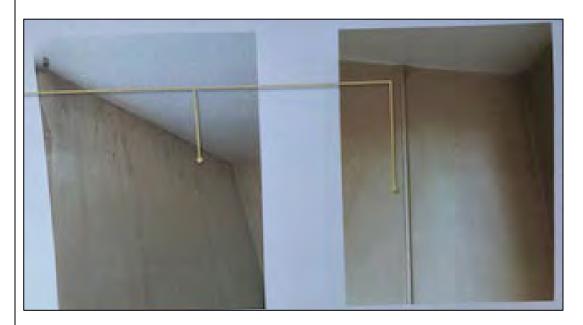
Aportment 506 was not available to view. We viewed apartment 507. Distries can been seen in the adjacent photographic-cracking in the plasterwork at column EZ. Further cracks were noted where the dividing blockwork wall meets column EI. We would assume these cracks have appeared due to movement caused by the partial follure of the column at level 04, coupled with some downward displacement.



Apartment 307:





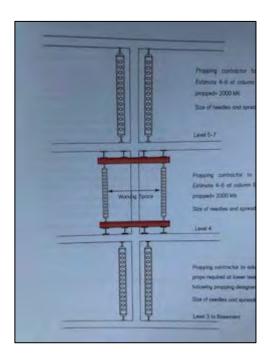


3D model with defective column E2 in red:

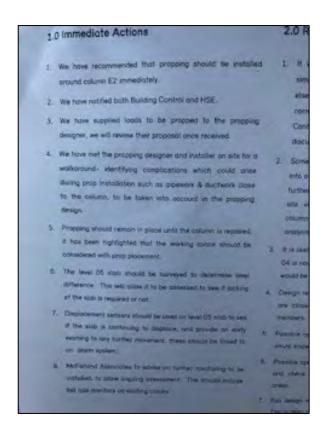




The propping concept explained:



Immediate Actions:





Recommendations:

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t. If would be prudent to investigate if other repair works
     similar to that on column E2 at level D4, were comed out
     elementers on sile. This may be determined via revening
      correspondence during the build / 18-buil, or controlling the
       Contractor & Designer to see If they remainber any report
       discussions/others supplied
       Some of the load acting in column $2 will have recisitebuled
        nip other structural members halowing the parties follow. A
        further detailed expection should be corred out, our extent
        nie sist focused to the encodeds area surrounting
        column E2, and some foors were not acrescable. An
          molytic model should be used to review the redistribution
        It is likely the stockwork and adjacent to column $2 are made
         Oil is now triking to show of the oblumin's load. Opening up
          would be advised to review the blockware wall feeld detail.
      4. Design review of absorbed elements, destifying those that
         ore close to full attention. Further inspection on those
          members. Tull estant of review to be continued.
      5. Preside sperry up to expine the concrete patients for a
             and repetion to chick for obvious reports
          Present opening up to express the comments columns to some
          and steek concrete thesity, where could known report.
        7. Full design needs to be propriated but the column report
           Time to thinky to be significant than to the structural inflamina-
           of the column
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Design ID in their covering letter dated 10/04/19 state:

"Upon receiving reports of indications of further movement within the apartment building at Victoria Square, and the fact the props have not been installed, we would suggest that all tenants and occupants within 30 metres horizontally of the affected column should be decanted over the full height of the building (basement to roof) and that an agreed exclusion zone should be set up at ground level until the propping is installed and a full structural assessment can be made. We cannot overstress the serious natures of the failures and further failures may not be so minor and could lead to partial collapse with the associated risk of that. Please note immediate propping was 1st recommended 1st February 2019 and subsequently re-iterated. Given the delay in propping being installed and the additional defects coming to light, it would appear that there is some progressive movement in the structure. This is likely the result of forces being redistributed to surrounding structure. We would have significant concerns that further failures could occur due to the redistribution of forces and at some point this could even result in some degree of partial collapse."



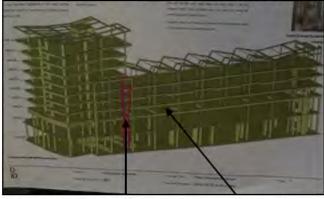
The Phase 2 Structural Assessment Report by Design ID Structural & Civil Engineers dated September 2019 on Victoria Square Apartments (attached to case viewer)

This was carried out following a partial failure of a column within the subject apartment development. The report was commissioned to carry out a full structural review of the apartment building, reviewing original design and identifying any areas where the columns or slabs are highly utilised and have the potential to be high risk where a repair might have been carried out, also to establish the structure which could have been impacted by the failure by way of load distribution and finally advise on the risk of potential further failures.



Extract from report – affected apartment block

The report includes a propping model as follows:



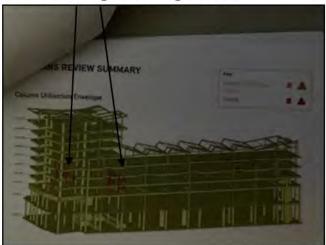
This shows the highlighted propping around column E2 & location of subject apartment



The following 3D model shows the concrete columns (highlighted) in the apartment development:



3D model showing the highlighted columns, which are above 95% utilisation under the original design load:



The report states that it is believed that column E2 partially failed due to apparent repair work with a non-structural product.



An extract from the Conclusions and Recommendations of report:

Conclusions

It should be noted that equal importance is given to both design and construction errors. This report is a design assessment, and as such focuses principally on column design, but cognisance should be paid to the fact that the construction defect likely played a critical role in the column failure.

Stage 1: Desktop structural review of original design

Following an independent review of the original design, with assumptions made as stated within this report, we identified 6 no. columns over capacity, which have been identified as critical, including column C18.05 which is to be repaired, and another on the storey below (C18.04). C18.04 will not need strengthened due to C18.05 shedding load when it partially failed. Due to the partial failure on site this leaves 4 no, columns over design capacity, and 3 no, with high utilisation. The remainder of the columns have been highlighted for further investigation as per page 13.

Stage 2: Load redistribution

The load redistribution analysis shows 3 no. columns are over capacity) 2 of which were over capacity under the original design load as stage 1 has shown-they have now been pushed further over capacity.

Recommendations

- Building to remain unaccupied as previously advised.
- 2. Immediate propping or strengthening of column C29.05.
- Visual inspection of columns highlighted as highly utilised or exceeding their design capacity to ascertain whether similar patch repair works have occurred as with the partially failed column C18.05.
- Scanning columns identified as above to confirm reinforcement is as the design intent and record drawings.
- 5. Testing of the above columns to confirm design strength.
- 6. Notify Building Control of review outcomes.
- 7. Ongoing movement monitoring, to be advised by McFarland Consulting.
- No openings or alterations to the dividing block wall on gridline E are permitted without Design ID being consulted first.
- 9. Overall visual inspection of the apartment building structure.
- Consideration of a full review of the entire Victoria Square development for possible design and construction defects.
- Any parties wishing to enter the apartment building should review this report and carry out their own risk assessment before doing so.

Stage 3: The risk of potential future failures

Currently 5 no, columns are over capacity. It should be noted that 4 of these columns were over capacity prior to the load redistribution. The load redistribution has pushed 2 of these columns further over capacity.

There are a further 3 no. columns which should be reviewed as their capacity is exceeding 95% utilisation, this is prior to the load redistribution.

The accidental load combination check shows that the risk of these columns failing is not as severe as the standard ultimate limit state review may suggest. Particular attention should be paid to column C29.05 which even under the accidental load combination is exceeding capacity. To reduce the risk of a failure, C29.05 should be propped or strengthened immediately.

All 8 columns must be reviewed immediately for construction defects as these would lead to further failures.

Ideas for repair of column C18.05 and strengthening of others have been included within the appendix of this report.



Conclusion

I have requested the additional information referred to by cocasions. However I have had no confirmation that any statutory body has prevented the apartment owners occupying their properties. The Management Company appear to have forbidden the owners from occupying the building on a precautionary basis since the defect was uncovered in 2019. The apartment would unlikely qualify for an exclusion from vacant rates on this basis.

To determine if the subject property should remain in the Valuation List we must apply *The Hereditament Test*. The key aspect of this Test is the legal position which was clarified by Mr Justice Singh in the High Court decision of Wilson -v- Coll, which asked the question:

"Having regard to the character of the property and a reasonable amount of repair works being undertaken could the premises be occupied as a dwelling?"

This is clarified later in the judgement when Mr Justice Singh states:

"The distinction is between a truly derelict property, which is incapable of being repaired to make it suitable for its intended purpose, and repair which would render it capable again of being occupied for the purposes of a dwelling house."

In relation to the subject (Apartment 309), there are no significant defects and the property is considered to be in an average state of external repair. In addition, it is considered that the entire apartment development is at this stage capable of repair and should remain in the Valuation List.

Having confirmed that the subject passes *The Hereditament Test* we must apply the Statutory Assumptions contained in Schedule 12. Perhaps most importantly, we must consider that "the hereditament is in an average state of internal repair and fit out having regard to the age and character of the hereditament and its locality".

The subject apartment has not been directly impacted by the defective column, and therefore no reduction is warranted for poor external repair.

RECOMMENDATION

VALUATION, AS ASSESSED, IS CONSIDERED FAIR AND REASONABLE IN



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COMPARISON TO SIMILAR PROPERTIES. THE SUBJECT SHOULD REMAIN IN THE VALUATION LIST.

COMMISSIONERS COMMENTS

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	MRICS
VALUER	I confirm that I have no conflict of interest in dealing with this Appeal.
	17/12/21
DATE	



Appendix 1 – Comparable Schedule

PID	Address	Description	Capital value	Grade	Ward	Photograph
Subject	Apartment 309 70 Chichester Street	Privately Built Housing Purpose Built Apartment Single Level Self Contained Hab space 90 m2	£170,000	С	Central	TO STATE OF THE PARTY OF THE PA
956713	Apartment 307 70 Chichester Street	Privately Built Housing Purpose Built Apartment Single Level Self Contained Hab space 88 m2	£170,000	С	Central	



Appendix 1 – Comparable Schedule

PID	Address	Description	Capital value	Grade	Ward	Photograph
956717	Apartment 311 70 Chichester Street	Privately Built Housing Purpose Built Apartment Single Level Self Contained Hab space 91 m2	£170,000	С	Central	TOPMAN TOPMAN
956720	Apartment 313 70 Chichester Street	Privately Built Housing Purpose Built Apartment Single Level Self Contained Hab space 88 m2	£170,000	С	Central	TOPMOS TO MAN



Appendix 1 – Comparable Schedule

PID	Address	Description	Capital value	Grade	Ward	Photograph
960569	Apartment 304, 70 Chichester Street	Privately Built Housing Purpose Built Apartment Single Level Self Contained Hab space 72 m2	£150,000	С	Central	TOPMAT
960567	Apartment 301, 70 Chichester Street	Privately Built Housing Purpose Built Apartment Single Level Self Contained Hab space 64 m2	£140,000	С	Central	TOPSHOR



Appendix 1 – Comparable Schedule						
PID	Address	Description	Capital value	Grade	Ward	Photograph