

Appeal No. VA97/2/007

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

A.I.B. Bank, Rathmines

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Bank & Yard Map Reference 224.228 Rathmines Road Lower, Townland: Rathmines West B, Ward: Rathmines West B, County Borough of Dublin
Quantum

B E F O R E

Liam McKechnie - Senior Counsel

Chairman

Michael Coghlan - Solicitor

Member

Marie Connellan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 15TH DAY OF DECEMBER, 1997

By Notice of Appeal dated 11th April 1997, the appellant appealed against the determination of the Commissioner of Valuation in fixing rateable valuation of £360 on the above described hereditament. The grounds of appeal as set out in the Notice of Appeal are that;

1. The valuation is bad in law.
2. The valuation is excessive and inequitable.

1. The Appeal proceed by way of an oral hearing which took place on the 24th day of November 1997. The Appellant was represented by Ms. Sheelagh O'Buachalla and the Respondent by Mr. Frank Toomey. Both valuers adopted as their evidence in chief their written submissions which had been received previously by the Tribunal and exchanged between them. From the evidence so tendered the following relevant facts emerged as being material to this appeal.

2. **The Property**

The Property comprises a free standing building of concrete block construction under a flat concrete roof. The property is situated on Lower Rathmines Road on the Eastern side of the street and adjacent to the main entrance to the Swan Shopping Centre.

3. **Valuation History**

The subject premises was revised in May 1996 where an RV of £275 was increased to RV £415. At first appeal the rateable valuation was reduced to £360 and it is against this figure that the appellant appeals to this Tribunal. Ms. O'Buachalla on behalf of the rate-payer analysed the rateable valuation of £360 and commented thereon. She listed details of the floor area and the rateable valuations of comparable premises within the Rathmines area. She set out her estimate of the rateable valuation on the subject premises as follows;

	Sq ft		£	£
<u>Ground Floor:</u>				
Banking Hall				
Strong Room & Store	2,033	@	17.00	34,561
<u>1st Floor:</u>				
Banking Hall	1,497	@	9.00	13,473
Stores/Canteen	298	@	4.00	<u>1,192</u>
			Total NAV	49,226
			@ 0.63%	= RV £310

4. Ms. O'Buachalla in further evidence to the Tribunal said that she had valued the bank on an overall basis. She contented that the bank in this instance as a purpose

built structure should not be valued with reference to the use of zoning. She cited three decisions of the Tribunal wherein the use of zoning was deemed an inappropriate method for the valuing of banks. She noted that the A.T.M. Machine at the front of the bank was present at the time of inspection but was not in this instance specifically referred to within the valuation. Based upon four comparisons within the Rathmines area, Ms. O'Buachalla initially suggested a rateable valuation of £296; this was when the area of the first floor banking hall was given as 1259 sq.ft. Subsequently it was agreed that the area should read 1497 sq.ft. On adjustment, the suggested rateable valuation increases from £296 to £310. Presumably the comparisons are still being relied upon in support of this figure.

5. Mr. Toomey on behalf of the Commissioner supplied the Tribunal with four comparisons within the Rathmines area and set out his estimate of rateable valuation on the subject premises as follows;

	Sq ft		£	£
<u>Ground Floor</u>				
Banking Hall: Zone A	576	@	36	20,736
Zone B	683	@	18	12,294
Zone C	279	@	9	2,511
Safe/Security Rooms	309	@	10	3,090
Passage	186	@	8	1,488
<u>First Floor</u>				
Banking Hall/Offices/Stationery	1497	@	10	14,970
Canteen etc.	298	@	7	<u>2,086</u>
				57,175

57,175 @ 0.63%

£360.20

R.V. £360

6. The Appeal Valuer also said that in the light of the Tribunal's decision on the A.I.B. premises at Ballincollig wherein the Tribunal had indicated that an ATM facility did have a value, he had attached an additional NAV of £8,000 per annum for the facility existing in the subject premises. Accordingly he increased the RV of £360 as follows;

NAV of ATM facility	£8,000
less area of bank occupied by ATM 80 sq.ft. @ £36	<u>£2,880</u>
Nett increase in NAV	£5,120
£5,120 NAV @ 0.63%	£ 32.25
RV as already assessed	<u>£360.00</u>
	£392.25

RV say £390

7. Mr. Toomey indicated that he was precluded from cross examination as a result of an ongoing industrial dispute within the Valuation Office. In his oral submission however he disagreed with the comparisons introduced by Ms. O'Buachalla. He said that the site of the Allied Irish Banks in Lower Rathmines was superior to the comparators as listed. He further disagreed with Ms. O'Buachalla as regards her remarks regarding zoning and as regards an overall price p.s.f. He went on to state that it was his view that the A.I.B. building though purpose built was capable of change and would if so adapted be a valuable and sought after commercial property. Mr. Toomey contrasted the Allied Irish Bank premises with the premises of A.C.C. Bank which was immediately adjacent. He said that the Allied Irish premises was wide and shallow and gave better access to the public than the adjoining A.C.C. premises. He said that the F.N.B.S. Building Society which occupied a corner site on Castlewood Avenue was an inferior location. The Bank of Ireland premises across the road from the A.I.B. was a larger old style banking building situated in a less attractive position having regard to the propensity of a retail business carried out upon the opposite side of the road. Mr. Toomey sought a valuation of £360.

8. Under cross examination Mr. Toomey indicated that he considered the subject premises to be capable of becoming a retail unit. He explained to Ms. O'Buachalla that he had broken down the valuation on the basis of banking halls on ground and first floors as was normal practice.

Ms. O'Buachalla in responding to Mr. Toomey's evidence indicated that she did not consider the subject premises to be a retail unit in any shape or form. She did not think that the valuation of the premises should be broken down.

9. Determination

The Tribunal notes that there is effectively agreement between the valuers in this Appeal in all areas save for the bank hall and as regards the separate valuation of an A.T.M. Machine.

Regarding the latter point, it is noted that as the valuation of an A.T.M. was not raised at first appeal stage it is not appropriate for the Tribunal to deal with the matter *de novo*.

The most relevant comparison is that in relation to the nearby A.C.C. Bank premises at 229 Lower Rathmines Road. That premises enjoys a similar location and comprises similar areas for banking and storage. In that instant comparison it is noted that the 1338 sq. ft. of ground floor banking hall devalues at £19 per sq. ft. notwithstanding inferior public access. Noting the above valuation and the values arrived at in relation to the mezzanine and first floor areas, the Tribunal finds that the area of safe/security room and passage area and first floor banking hall/stationary/canteen areas are fairly valued by the Commissioner of Valuation. The Tribunal finds that the banking hall areas comprising 1538 sq.ft. in the subject premises ought to be adjusted for valuation at £21 p.s.f. Accordingly, the Tribunal finds that the proper rateable valuation of the subject hereditament is £340 based on nett annual value of £53,932 calculated as set out below;

		Sq ft		£	£
Banking Hall		1538	@	21	32,298
(remainder) safe/security rooms		309	@	10	3,090
passage		186	@	8	1,488
		Sq ft		£	£
1st floor banking hall/office/					
stationary	1497	@	10	14,970	
Canteen	298	@	7	<u>2,086</u>	
					53,932
	x. 0.63%	=	R.V.	=	£339.77
			(Say	=	£340.00)

The Tribunal therefore determines the rateable valuation at £340.