

Appeal No. VA98/2/028

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

A.I.B. Bank, Richmond Street South

APPELLANT

and

Commissioner of Valuation

RESPONDENT

RE: Bank & yard at Lot No. 60.61 Richmond Street South, Ward: St. Kevins, County
Borough of Dublin
Quantum - Relevant comparisons

B E F O R E

Con Guiney - Barrister at Law

Deputy Chairman

Ann Hargaden - FRICS.FSCS

Member

Rita Tynan - Solicitor

Member

JUDGMENT OF THE VALUATION TRIBUNAL
ISSUED ON THE 5TH DAY OF MAY, 1999

By Notice of Appeal dated the 28th day of April 1998 the appellant appealed against the determination of the Commissioner of Valuation in fixing a rateable valuation of £335 on the above described hereditament.

The Grounds of Appeal as set out in the said Notice of Appeal are that;

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

The appeal proceeded by way of an oral hearing which took place on the 17th February 1999 at the offices of the Valuation Tribunal, Dublin. The Appellant was represented by Ms. Sheila O’Buachalla BA ARICS ASCS, a Director of Donal O’Buachalla & Company Ltd and the Respondent was represented by Mr. Thomas Costello a District Valuer with over 36 years experience in the Valuation Office.

Having taken the Oath, each Valuer adopted as their evidence in chief their written submission, which had previously been exchanged with the other Valuer and submitted to the Tribunal. The following material facts either agreed or found by the Tribunal are relevant to the determination of this appeal.

Material Facts

Valuation History

The property was constructed in the 1920’s and consisted originally of only 61 South Richmond Street. It was first valued at R.V. £320 in the 1924 Revision. The occupier at that time was “Provincial Bank of Ireland Ltd”. The property was listed in the 1966 revision to value an extension. The Bank was extended into the adjoining lot No. 60. Lots 60 & 61 were amalgamated and the RV was increased to £525. No change was made on the 1966 first appeal. On the 1966 Circuit Court Appeal the RV was reduced to £475. The property was listed for the 1997/2 Revision by Dublin Corporation to “revise as necessary”. The RV was reduced from £475 to £335. This valuation was appealed and no change was made.

Situation

The property is situated on the west side of Richmond Street South at the junction with Harrington Street at Kelly’s Corner. This is a mixed commercial and residential location where some redevelopment has occurred in recent years.

Description

The property comprises a three storey over basement traditional bank building with a cut stone facade. The entrance to the original banking hall is at the side of the building fronting Harrington Street, with a second entrance on South Richmond Street, which leads to the more recent modern building, which has a brick and glass facade. The floor to ceiling height in the main banking hall is 13.6ft (4.15m). The property is centrally heated and has a passenger lift and hoist.

Accommodation

Floor areas were agreed as follows:

Unit	Sq.M.	Sq. Ft.
Ground Floor - Banking Hall	169	1,821
Ground Floor - Managers Office	<u>43</u>	<u>465</u>
Total Ground Floor	<u>212</u>	<u>2286</u>
First Floor Offices	76	816
Second Floor Offices & Canteen	93	1,001
Basement - Safe/Book Rooms	52	559
Cash Office	17	180
File Stores	52	560
Stores/Passages	35	380

The Appellants Case:

1. Ms O’Buachalla in her précis and direct evidence stated;
 - (a) that an ATM located at ground floor level should not be valued separately as it is an automatic telling machine and is not rateable.

- (b) The space that it occupies has always been part of the Bank and this is an alternative use of the existing space and not an enhancement to the property.
- (c) There are numerous valuations made by and agreed by the Valuation Office where the ATM is valued as part of the overall ground floor area and at the same rate psf as the banking hall. Several examples in Sligo and Dublin were quoted. Ms. O’Buachalla then submitted a letter into evidence from the Property Department in AIB on the position regarding planning permission for ATM’s in branches - see appendices.

- 2. Ms O’Buachalla relied on two comparisons, that of the National Irish Bank on the South Circular Road and 32 South Richmond Street in arriving at her valuation. Reference was also made to the Irish Permanent Building Society at 14 Camden Street Lower - see Appendices. However, Ms O’Buachalla indicated that she had not had regard to this comparison on Camden Street as South Richmond Street was an inferior location. She indicated that her comparison at South Richmond Street reflected the difference in valuations between that Street and Camden Street in that the former analyses at £16.00 p. sq. ft. zone A versus the latter at £19.50 p. sq. ft. Zone A.

She indicated that she had valued the ground floor at a higher rate than the South Circular Road ground floor premises because it is a slightly smaller area. Ms O’Buachalla then proposed a rateable valuation of £235, calculated as follows:-

Unit	Sq.ft. Rate	Total
	P.sq.ft.	
Ground Floor - Banking Hall/Offices	2,286 @ £10.00	£22,860.00
First Floor Offices	816 @ £5.00	£4,080.00
Second Floor Offices	1,001 @ £4.00	£4,004.00
Basement - Book Rooms	180 @ £4.00	£720.00
Cash Office / Safe	559 @ £6.00	£3,354.00
Filing Store	560 @ £3.00	£1,680.00
Passage / Store	380 @ £2.00	£760.00
TOTAL		£37,458
	@ .63%	£235.98

Mr Costello then cross-examined Ms O’Buachalla and asked whether planning permission could be taken for granted and whether Ms O’Buachalla was suggesting that planning permission was a formality. Ms O’Buachalla confirmed that she did not agree that it was a formality and that there is a risk with any form of development but in general the banks had found little problems with planning permission for this type of development.

Ms O’Buachalla then stated that she believed that Kelly’s Corner was inferior to Camden Street as the latter is a better retail location. Mr. Costello asked why the lift was not in use and Ms. O’Buachalla confirmed that the lift had not been used by the bank (for security reasons only) for a number of years.

She then indicated that she felt that the National Irish Bank on South Circular Road was in a slightly better location than the subject as Clanbrassil Street has been redeveloped. Mr Costello then asked whether she agreed that there had been a number of redevelopments around the subject premises such as Camden Court Hotel, the Harcourt Centre, the Barge Pub and the new Portobello College a couple of doors

away. Ms O’Buachalla agreed but indicated that there were some developments ongoing in May 1997 and that a number had not been completed in the area. She also indicated that this is a mixed commercial and residential area and there is still a number of derelict properties in the vicinity.

Mr Costello then put it to her that he did not agree with her assessment of the surrounding area and that this building was not dependent on the Street as it is on a high profile corner at the junction of several routes in and out of the city.

THE RESPONDENT’S CASE

Mr Costello in his précis and direct evidence stated;

1. That the properties are located in a profile position at Kelly’s corner with large frontage on Richmond Street South and that he considers it to be an excellent location. The property is in good repair and the banking hall is particularly impressive with a very high, floor to ceiling height of 13.6ft and slightly lower in the newer section.

As well as a lift there is also a hoist which transport documents from the banking hall to the basement. He also referred to a ground floor plan, which shows where the ATM is located together with a secure room to the rear.

2. He referred to his comparisons as primary evidence for his assessment (see appendices) and then referred to Ms O’Buachalla’s comparison at 32 South Richmond Street. The RV agreed on this was £61.00. Since then the major part of the property has been revised to £125 RV at ground, first, third and basement floors. The second floor was separately let and comprises 850 sq. ft. at £6.00 p. sq. ft., which analyses at an RV of £32.00.
3. Mr. Costelloe indicated that he had checked the appeal file on the valuation of the National Irish Bank on South Circular Road. He stated that the bank was zoned to

Zone A	600 sq. ft. @ £20.00
Zone B	600 sq. ft. @ £10.00
Zone C	600 sq. ft. @ £5.00
Remainder	1,042 sq. ft. @ £2.50

He indicated that the zoning method was applied because the building was so deep and that £6.50 psf was applied to the first floor offices and not £6.00 psf. He then argued that if the property under appeal was similarly zoned, the NAV at ground floor would be £34,650 per annum which is actually higher than his own valuation. He stated that if we were comparing like with like, we should use zoning on the subject premises.

Ms O’Buachalla then cross-examined Mr Costelloe and he indicated the following;

- Camden Street and South Richmond Street were much the same location.
- That there were more developments around South Richmond Street in recent years.
- That he thought any bank, including a traditional bank, could be converted to a retail use. He did not accept that any conversion cost should be taken into account as he is comparing similar uses.
- That although his main comparison in the précis was that of the Irish Nationwide Building Society he would now rely on the use of the National Irish Bank on the South Circular Road, as it is a similar location but the subject building is much more impressive. He then indicated that he only used zoning on the subject premises because it was used in the National Irish Bank premises and in order to compare ‘like with like’.

Ms O’Buachalla indicated that the information she had received on the National Irish Bank

premises was that it was not agreed on a formal basis between both valuers and that a rate should still apply on an overall basis. She then confirmed that she did not believe an additional value should be attributed to the ATM.

Mr Costelloe then indicated that he had a copy of the Appeal Valuers report and it showed clearly the basis of valuation but it did not show that the opposing Valuer agreed with the method of zoning applied.

DETERMINATION

In the view of the Tribunal this is an impressive traditional bank premises together with a modern extension. It is located on a very busy corner with excellent profile and would be deemed to be more prestigious than the building on South Circular Road. Taking the above evidence and submissions into account, the Tribunal determines the rateable valuation at £308 as follows:

Ground Floor Banking Hall 1,821 sq. ft. @ £14.00 (to reflect the size of the property and the presence of the ATM machine and the advantage this gives to the efficiency of the ground floor space and the ability to trade outside normal hours) = £25,494.

Ground Floor Manager/Staff	465 sq. ft.	@ £10.00	=	£4,650
First Floor Office	816 sq. ft.	@ £6.00	=	£4,896
Second Floor Offices	1,001 sq. ft.	@ £6.00	=	£6,006
Basement/Safe Room	559 sq. ft.	@ £8.00	=	£4,472
Cash Office	180 sq. ft.	@ £5.00	=	£900
File Stores	560 sq. ft.	@ £3.00	=	£1,680
Store Rooms/ Passage	380 sq. ft.	@ £2.00	=	<u>£760</u>
				£48,858 p.a.
TOTAL	48,858 @ .63%		=	£307.81 RV
	Say R.V.		=	£308.00