

Comhairle Contae Chorcaí Cork County Council

Halla an Chontae,
Corcaigh, Éire.
Fón: (021) 4276891 • Faics: (021) 4276321
Suíomh Gréasáin: www.corkcoco.ie
County Hall,
Cork, Ireland.
Tel: (021) 4276891 • Fax: (021) 4276321
Web: www.corkcoco.ie



23rd November, 2015

Memo to each Member of Council

Re: Global Valuations of Utilities undertaken by the Valuation Office

I enclose herewith, for your information, copy of Circular Fin 13/2015 in relation to the above.

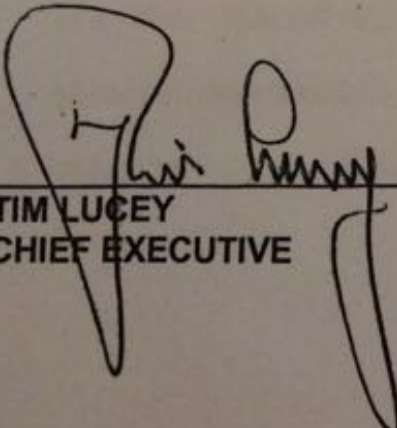
As you know, our Budget Book 2016 was finalised and circulated to Members of Council on 28th October for Budget Meeting on 9th November, 2015..

The Budget Book was finalised through having prudently factored in an expected reduction in rates income of the order of €0.5m from an expected reduction in the global valuations.

The valuation certificates received on the 5th November, 2015 from the Valuation Office advised of a reduction in valuations equivalent to the value of €1,852,000.

It was clear that due to the significance of the loss of income to the Local Government sector arising from the reductions notified that the matter would require intervention of a national level to support Councils. The attached notification of €1,366,056 additional income from the Local Government Fund for 2016 is therefore welcome and ensures that no adjustment to service level budgets for 2016 is necessary.

Members might, however, note that this support is made on an exceptional and once off basis and will not be available for future years budgets



TIM LUCEY
CHIEF EXECUTIVE



Comhshaoil, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government



20 November 2015

Circular Fin 13/2015

Chief Executive

cc. Head of Finance

Global Valuations of Utilities undertaken by the Valuation Office

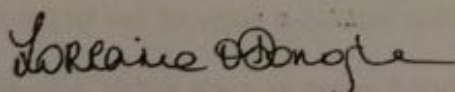
A Chairde,

Section 53 of the Valuation Act 2001, as amended, provides for global valuations of utility undertakings, to be carried out by the Valuation Office every five years and entered on the central valuation list. The Commissioner of Valuation is responsible for the valuations. The most recent global valuations carried out by the Valuation Office are in respect of Gas Networks Ireland, Iamrod Eireann and telecommunications companies BT Ireland, Eircom, Vodafone, Three Ireland and Meteor. On 4 November 2015 the Valuation Office issued a copy of the Valuation Certificate and a schedule setting out the apportioned value to each rating authority. The previous valuation for these utilities had taken place in 2010. The Global Valuation Certificates show a reduction in the combined valuations for these utilities of €112m. This will impact on the rates payable by the utilities in 2016 and beyond. Moreover, the reduction in the global valuation of the ESB, following an appeal to the Valuation Tribunal, will reduce the rates payable by the ESB from 2016.

The Department is fully aware of the challenges that the combination of the timing of the revaluations and the number of utilities involved has caused, coming at such an advanced stage of the budgetary process. In this regard, the Department has engaged with the Department of Public Expenditure and Reform and there will be a once off adjustment in support from the Local Government Fund in 2016 to local authorities affected by the global valuations. In this regard, the Department will be making an additional allocation of € 1,366,056 to Cork County Council.

It should be noted that the additional allocation being provided is on an exceptional and once off basis, solely for the 2016 budgetary period. Where global valuations occur in the future, it is important that local authority budgetary processes make provision for potential reductions in valuations. In this regard, the Department will engage with the Valuation Office on the timing of future global valuations. If you have any queries on this matter, please contact Barry Cooke (053 9117424) or David Kelly (053 9117497).

Is mise, le meas,



Lorraine O'Donoghue

Principal

Local Government Finance