



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

21st December, 2015.

Mr. Seán O'Callaghan,
Senior Executive Officer,
Cork County Council,
County Hall,
Cork.



Dear Mr. O'Callaghan,

I have been asked by Mr. John McCarthy, Secretary General of the Department of the Environment, Community and Local Government to further reply to your letter of 24th November 2015 in connection with a discussion by members of Cork County Council at a recent meeting concerning global valuations of utilities undertaken by the Valuation Office.

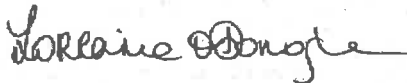
The Valuation Act 2001, as amended, provides for global valuations of utility undertakings, to be carried out by the Valuation Office every five years and entered on the central valuation list. The most recent global valuations carried out by the Valuation Office are in respect of Gas Networks Ireland, Iarnród Éireann and telecommunications companies BT Ireland, Eircom, Vodafone, Three Ireland and Meteor. On 4th November 2015 the Valuation Office issued a copy of the Valuation Certificate and a schedule setting out the apportioned value for each rating authority to the Department. 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.

As you are aware on 20th November the Department issued Circular Fin 13/2015 to Cork County Council notifying the council of an allocation of €1,366,056 from the Local Government Fund in 2016. Following the issue of this Circular, the Valuation Office issued the Department with a revised apportionment for Gas Networks Ireland. The

Department amended the allocation of compensation accordingly and an additional €43,821 will be allocated to Cork County Council, bringing the total allocation to €1,409,877. This increased allocation was notified to Cork County Council, in Circular Fin 14/2015, on 9th December 2015.

Local authorities were advised in Circular Fin 13/2015 that the funding was on a once off exceptional basis and, in future, local authority budgetary processes must make provision for potential reductions in valuations. There is no change to this position.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Lorraine O'Donoghue', written in a cursive style.

Lorraine O'Donoghue
Principal
Local Government Finance