



# National Revaluation Programme:

## REVAL 2021 – Revaluation of Kerry

27<sup>th</sup> February 2020

John O’Sullivan, Commissioner of Valuation  
Declan Lavelle - Head of Valuation Services



# Areas Covered



- Valuation Office & Rating System in Ireland
- Governing Legislation
- National Revaluation Programme
- Process & Appeal Mechanisms
- Key Dates
- Q & A

# Valuation Office - Who we are & What we do



The Valuation Office has been responsible for Ireland's State valuation service since 1830



We are an independent Office under the aegis of the Minister for Housing, Planning and Local Government



We employ approximately 140 people



We spend approximately €12 Million in delivering our services each year



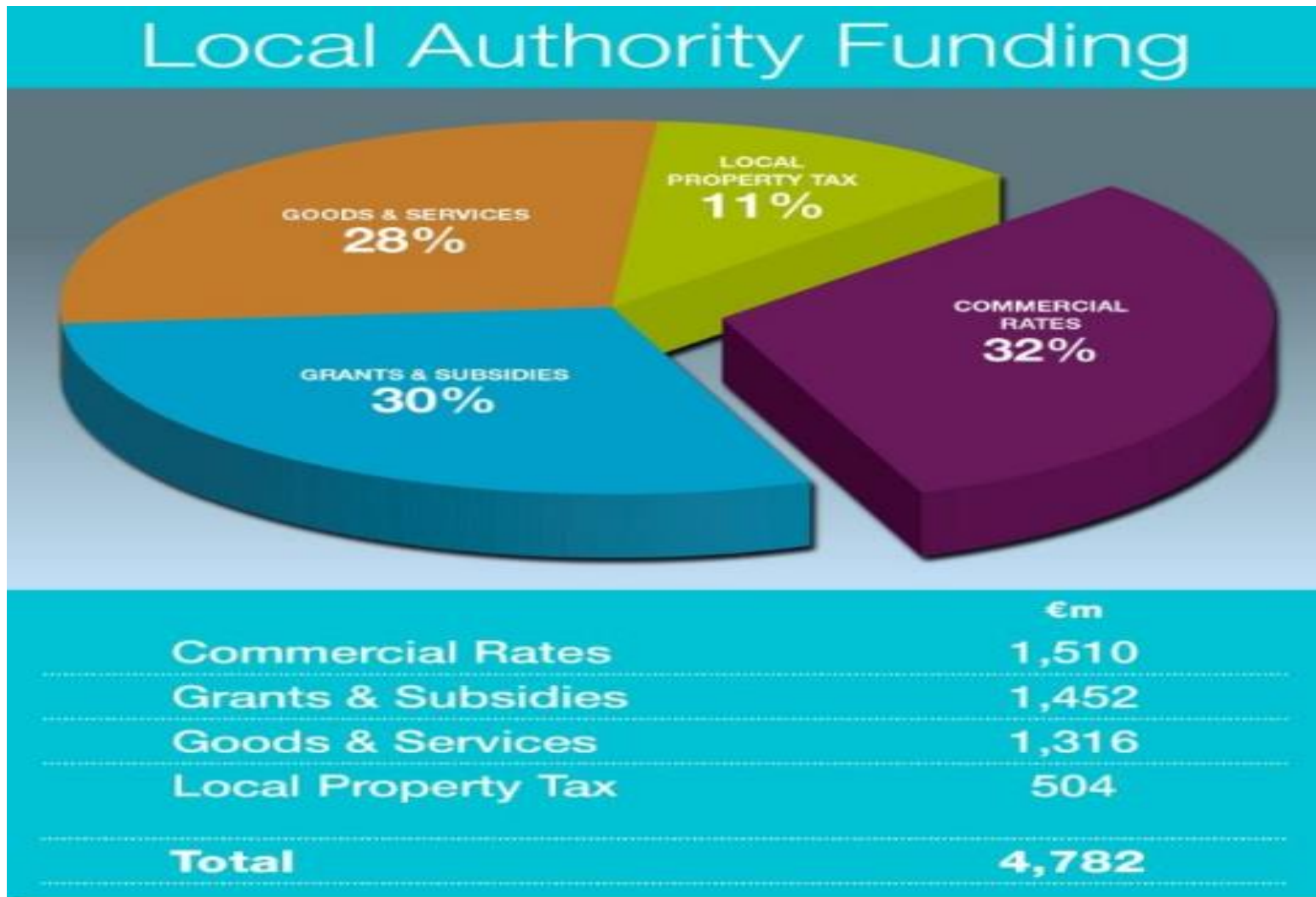
Our work leads to the levying of approximately €1.46 Billion in Local Authority revenue each year

# Rates and Rateable Valuation



- Three figures relevant to Commercial Rates:
  - Overall Rates contribution to Annual Budget: Decided by Elected Members of Local Authority
  - Rateable Valuation of Individual Properties (“Net Annual Value”): Determined by Valuation Office
  - Annual Rate on Valuation (ARV): Set by Elected Members
- Valuation x ARV = Amount of Rates liable for collection by Local Authority

# Rates in Context



Source: Department of Housing, Planning and Local Government – Local Authority Budgets 2018

# What Properties are Rateable?

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- A question of law
- All properties are rateable unless specifically exempted
- Section 15, Schedule 3 & Schedule 4 of Valuation Acts 2001-2015
- Section 51 & Schedule 5 – Rateable Plant.
- Extensive case law from Valuation Tribunal & Higher Courts on what properties are and are not rateable

# Fundamental Principles

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- Valuation system based on *Net Annual Value* (NAV)
- “Correctness, Equity & Uniformity”
- Production of a Valuation List which reflects estimated value of each property, on a specified date, relative to the estimated value of every other property on that list

# Revaluation - Why?



- Restore relativity between different properties, categories & locations:
  - Take account of movements in rental values across different sectors/locations which occur over time
  - Reflect Local Economic Factors
- Transparency:
  - Only way to bring Rateable Values back into line with **modern property rental values**
  - Current market rental values replace old RVs which had Nominal Valuations with no relevance to modern values



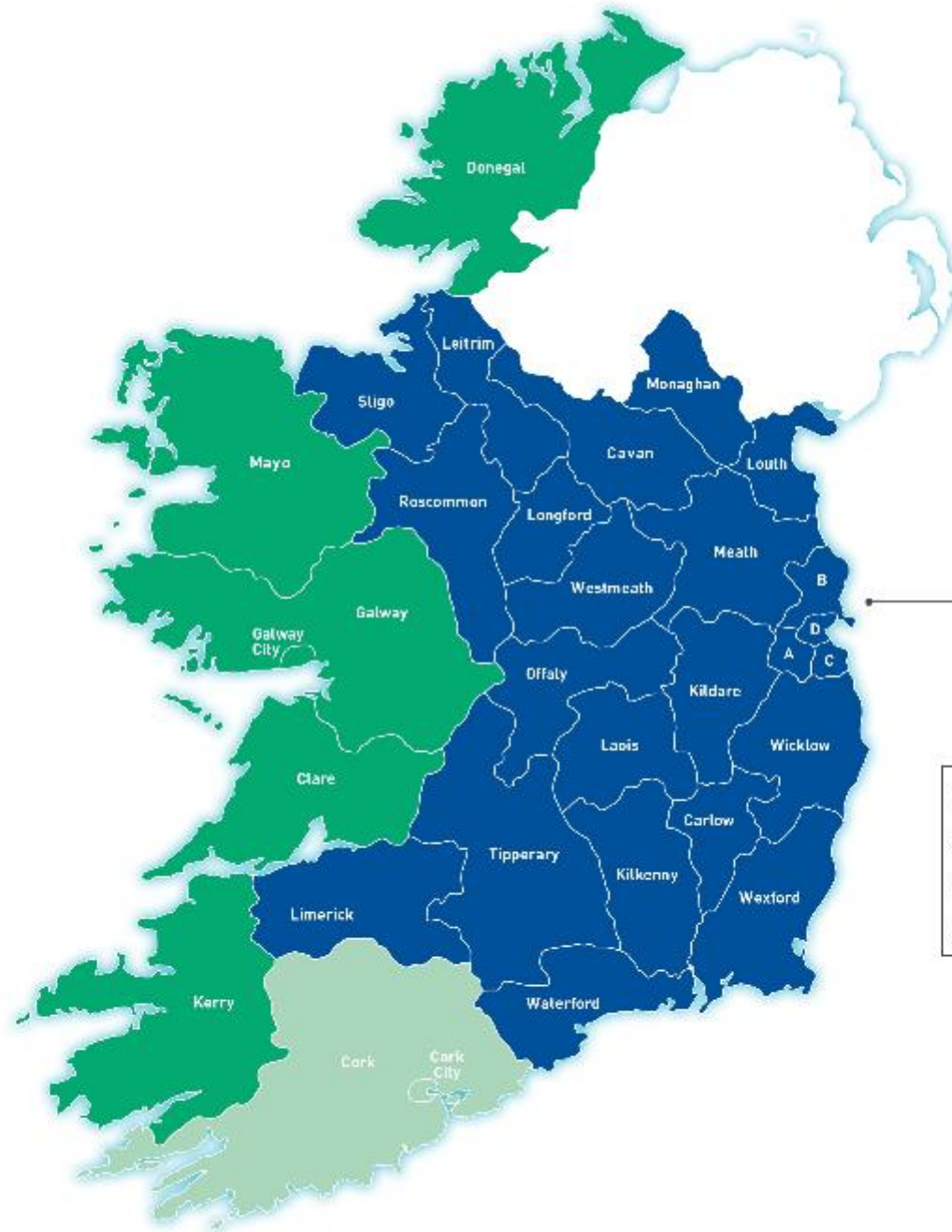
# What is a Revaluation?



- Revaluation is a **Reassessment** of the rateable value of all properties in a Local Authority area at the same time, leading to **Redistribution** of commercial rates burden between ratepayers
- **Revenue Neutral** for Local Authorities
- **Recurring** exercise (every 5 to 10 years) to maintain the fairness of rating system
- Results in production of **New Valuation List** that contains modern valuations for all rateable properties in Local Authority area

**National Revaluation Programme**  
(November 2019)

- Completed
- Ongoing
- Commencing 2020



# Revaluation: Legal Context

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- Part 5 of Valuation Acts 2001 to 2015:  
<https://www.valoff.ie/en/about-us/legislation/>
- “Net Annual Value” specifically defined in legislation
  - Rental Value..... not Capital Value
  - “Correctness” and “Equity & Uniformity”
- Decisions of independent Valuation Tribunal & Higher Courts

# Revenue Neutral for Council



- Revaluation is about **Redistribution** of rates liability
- Rates liability of individual ratepayers may change
- “Revenue neutral” for Local Authority:
  - Ministerial Rates Cap: Sec. 56 Valuation Act 2001, as amended by Local Government Rates and Other Matters Act 2019
  - Subject to Sec 56, total amount of rates income remains the same
  - Benefit from Inflation, New Developments, Improvements to existing buildings
  - Benefit from Global Valuations in same year as new list is published
  - Contingency for “Leakage” from new valuation list arising from appeals



# Before & After: Examples

	Property A	Property B	Property C
Old RV	€63.09	€63.09	€63.09
Kerry ARV 2020	79.25	79.25	79.25
Rates Liability before Revaluation (Rounded)	€5,000	€5,000	€5,000
Net Annual Value (NAV) after Revaluation	€20,000	€22,000	€18,000
Indicative ARV after Revaluation***	0.25	0.25	0.25
Rates Liability after Revaluation	€5,000	€5,500	€4,500
Change in Liability due to Revaluation	No Change	+€500	-€500

# Kerry Valuation Order - 4<sup>th</sup> November 2019



## Ordú Luachála

### Limistéar Údarás Rátúcháin Chontae Chiarraí

I bhfeidhmiú na gombhoictaí a thugtar dom le hait 19(1) den Acht Luachála 2001 (Uimh. 13 de 2001), arna leasú le hait 7 den Acht Luachála (Leasú) 2015 (Uimh. 10 de 2015), ordaimse, John O'Sullivan, Coimisinéir Luachála, tar éis dul i gcomhairle leis an Aire Tithíochta, Pleanála agus Rialtais Áitiúil, leis seo mar a leanas:

1. Sonraítear gurb é atá i limistéar údarás rátúcháin Chontae Chiarraí ná limistéar ar i ndáil leis a bheartaíme, i mo cháil mar Choimisinéir Luachála, duine a cheapadh faoi alt 19(2) den Acht Luachála 2001, arna leasú le hait 7 den Acht Luachála (Leasú) 2015, chun a eagrú agus a áirithiú go seofar luacháil ar mhaoin iomchuí atá suite sa limistéar údarás rátúcháin sin seachas:

- (a) aon mhaoin iomchuí is ábhar d'ordú faoi alt 53, nó
- (b) aon mhaoin a shonraítear i Sceideal 4.

2. Is é an 16 Meán Fómhair 2019 an dáta ar faoina threoir a chinnefar luach gach maoine iomchuí is ábhar don luacháil a luaitear san ordú seo.
3. Is é an 15 Meán Fómhair 2021 an dáta foilsithe i leith an liosta luachála le haghaidh na maoine iomchuí lena mbeirteann an t-ordú seo.
4. Is é an 29 Deireadh Fómhair 2021 an dáta éifeachtach i leith an liosta luachála le haghaidh na maoine iomchuí lena mbeirteann an t-ordú seo.
5. An t-Ordú Luachála um na hAchtanna Luachála 2001 go 2015 (Comhairle Chontae Chiarraí) 2019 is teideal don Ordú seo.

ARNA THABHAIRT faoi mo láimh an 4ú lá seo de Shamhain 2019

  
John O'Sullivan  
Coimisinéir Luachála



Oifig Luachála, Ionad Irish Life, Seidín na Mainistirach Lecht, Baile Átha Cliath 1 D01 E9V2  
Valuation Office, Irish Life Centre, Abbey Street Lower, Dublin 1 D01 E9V2  
T: +353-1 817 1100 F: +353-1 817 1108 Local: 0898 204 444  
web: www.valoff.ie email: info@valoff.ie



## Valuation Order

### Kerry County Council Rating Authority Area

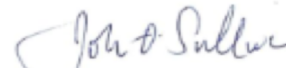
I, John O'Sullivan, Commissioner of Valuation, in exercise of the powers conferred on me by section 19(1) of the Valuation Act 2001 (No. 13 of 2001), as amended by section 7 of the Valuation (Amendment) Act 2015 (No. 10 of 2015), after consultation with the Minister for Housing, Planning and Local Government and Kerry County Council, hereby order as follows:

1. The rating authority area of Kerry County Council is hereby specified as being an area to which I, as Commissioner of Valuation, propose to appoint, under section 19(2) of the Valuation Act 2001, as amended by section 7 of the Valuation (Amendment) Act 2015, a person to organise and secure the carrying out of a valuation of relevant property situate in that rating authority area, other than:

- (a) any relevant property the subject of an order under section 53, or
- (b) any relevant property specified in Schedule 4.

2. The date by reference to which the value of every relevant property, the subject of the valuation mentioned in this order, shall be determined is 16<sup>th</sup> September 2019.
3. The publication date for the valuation list in respect of the relevant properties to which this order relates is 15<sup>th</sup> September 2021.
4. The effective date for the valuation list in respect of the relevant properties to which this order relates is 29<sup>th</sup> October 2021.
5. This order may be cited as the Valuation Acts 2001 to 2015 (Kerry County Council) Valuation Order 2019.

GIVEN under my hand, this 4<sup>th</sup> day of November 2019

  
John O'Sullivan  
Commissioner of Valuation



Oifig Luachála, Ionad Irish Life, Seidín na Mainistirach Lecht, Baile Átha Cliath 1 D01 E9V2  
Valuation Office, Irish Life Centre, Abbey Street Lower, Dublin 1 D01 E9V2  
T: +353-1 817 1100 F: +353-1 817 1108 Local: 0898 204 444  
web: www.valoff.ie email: info@valoff.ie

# Key Steps in a Revaluation

- Commissioner makes Valuation Order fixing:
  - Valuation Date/Publication Date/Effective Date
- Commissioner & Rating Authority publicise Order
- VO issues REVAL 2021 material to Ratepayers
- VO collects & analyses data
  - Rent/Lease/Tenure details/Trading data
  - Physical property details/survey
  - Data transferred from Rating Authority to VO
- VO issues Proposed Valuation Certificates
- Rating Authority makes Indicative ARV available



## Key Steps (continued)



- “Representations” made to Valuation Manager (40 days)
- VO considers Representations
- VO issues final Valuation Certificates
- Commissioner publishes new Valuation List for Rating Authority
- Appeals can be made to Valuation Tribunal (within 28 days)
- Elected Members of Rating Authority set ARV for 2022: November 2021
- New Valuation List becomes effective: January 2022

# Proposed Valuation Certificate

Oifig Luachála  
Valuation Office



John Smith  
1 Main Street  
Dún Laoghaire  
Co. Dublin

Notice to Occupier - Private & Confidential

## Proposed Valuation Certificate

Issue of Proposed Valuation Certificate pursuant to Section 26 of the Valuation Act 2001 as amended

**The Proposed Valuation below is not your Rates Liability**

Revaluation of Dún Laoghaire-Rathdown County Council Rating Authority Area					
Property Number:	123456	PIN:	ABCD	Issue Date:	13 <sup>th</sup> March 2020
Proposed Valuation:	€ 22,758		Rating Authority:	Dún Laoghaire-Rathdown	
	Final date for submission of representations:			21 <sup>st</sup> April 2020	
Category:	Retail (Shops)	Property Use:	Shop		
Property Address:	1 Main Street Dún Laoghaire Co. Dublin				

This is an important document. Please read it in conjunction with the enclosed Explanatory Letter.

Declan Lavelle  
Valuation Manager

The basis of calculating your Proposed Valuation is on the reverse of this document. Please review it carefully in conjunction with the enclosed explanatory letter.

Your rates liability for 2021 will be calculated by multiplying the Valuation of the property, as assessed by the Valuation Office, by the "Annual Rate on Valuation" (ARV) which will be set by Dún Laoghaire-Rathdown County Council at its budgetary meeting later this year.

**VALUATION x ARV = RATES BILL**

Please refer to your Local Authority website for more information on the Indicative ARV for 2021. You can use this figure to estimate your Indicative rates liability for 2021.

If you are dissatisfied with any of the material particulars stated in the Proposed Valuation Certificate above, you may make representations to the Valuation Manager within 42 days from the date of issue of this notice.

Oifig Luachála, Ionad Irish Life, Súlá na Muintirneach Íocht, Balle Átha Cliath 1, D01 E000  
Valuation Office, Irish Life Centre, Abbey Street Lower, Dublin 1, D01 E000

Oifig Luachála  
Valuation Office



## How was my Proposed Valuation calculated?

The table below summarises the elements (different floor levels, floor uses and floor areas) that we have taken into account in calculating your Proposed Valuation. Please review this carefully.

Floor Level	Floor Use	Floor Area (m2)	C per m2	Total Valuation €
0	RETAIL ZONE A	30.03	400.0000	12,012.00
0	RETAIL ZONE B	38.81	200.0000	7,762.00
0	RETAIL ZONE C	24.10	100.0000	2,410.00
0	STORE	15.98	40.0000	614.40
Total Valuation (Rounded)				€22,758.00

If any of the elements detailed in the table above are incorrect, or you are dissatisfied with the Valuation, you may make representations to the Valuation Manager within 42 days from the date of issue of this notice.

**The Proposed Valuation above is not your Rates Liability**

## Data Protection

The Valuation Office is subject to the Data Protection Acts 1988, 2003 and 2018 and the General Data Protection Regulation.

Information provided to the Valuation Office is used for the purposes of carrying out functions under the Valuation Act 2001 - 2019.

Further information on data protection is available at <https://www.valo.ie/en/about-us/our-privacy-policy/data-protection/>

If you need clarification on any aspect of this notice you may e-mail [revaldunrath@valo.ie](mailto:revaldunrath@valo.ie) or contact our Helpline by telephoning 01 817 9033 from 9.30am to 5.30pm Monday to Thursday and from 9.30am to 5.15pm on Friday (excluding public holidays)

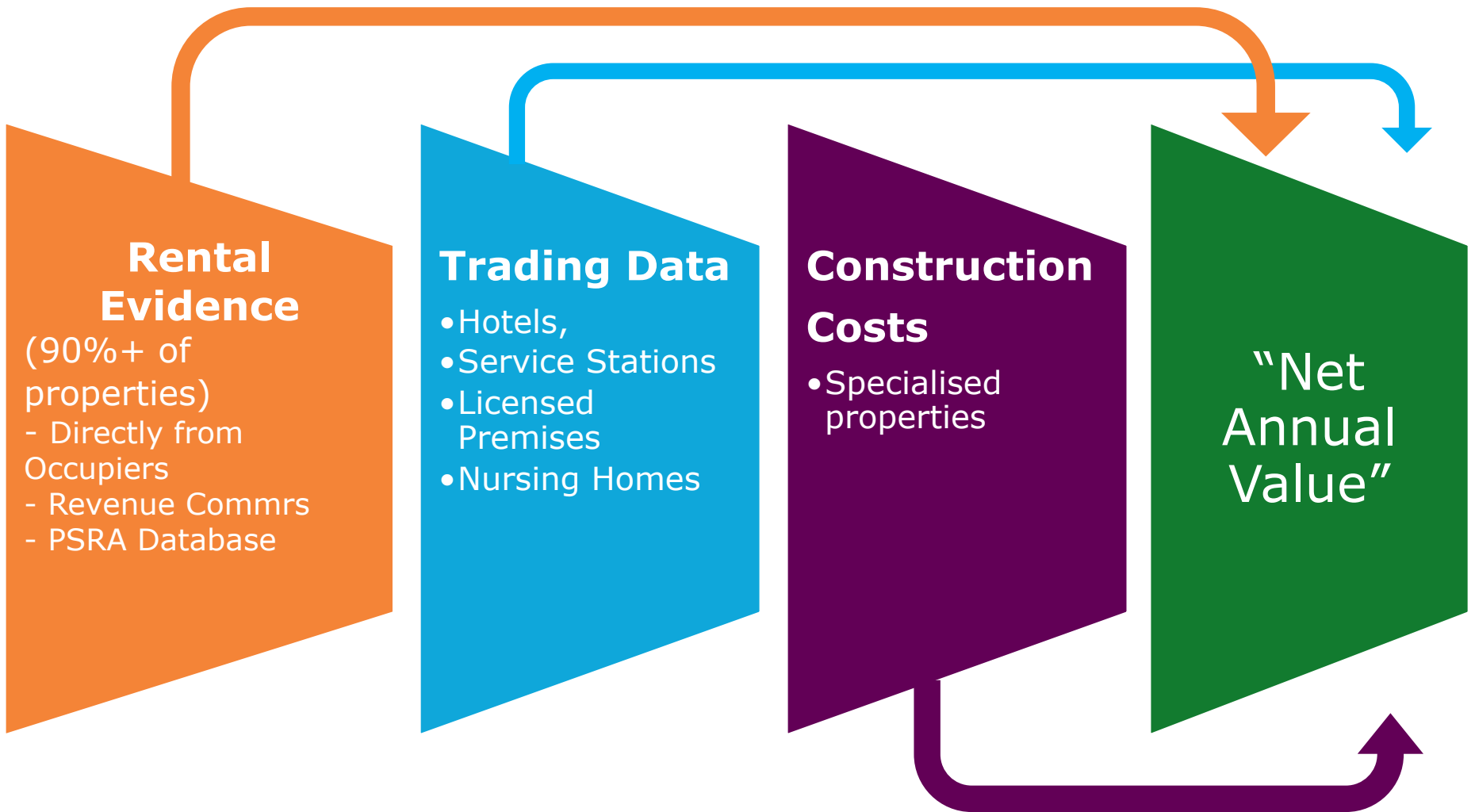
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Valuation Office, Irish Life Centre, Abbey Street Lower, Dublin 1, D01 E000

# We use evidence from Multiple Sources




- Occupiers – Valuation Forms
  - Rental Market Evidence – September 2019
  - Trading Data/Accounts for certain categories of property
  - Development/Construction costs for specialised properties
- Revenue Commissioners - “Particulars Delivered” transactions
  - Contemporary Rental Market Evidence from Stamp Duty paid on Leases
- Details from the Property Services Regulatory Authority (PSRA) Register of Commercial Leases
  - Tenants of commercial leases are required to return particulars of their lease to the PSRA within 30 days

# How We Value Property for Rating Purposes



# Trading Data – LP1 Form



**Oifig Luachála**  
Valuation Office

**Form LP1: Revaluation of <LA\_NAME> Rating Authority Area**  
**Valuation of Licensed Premises**

Property Number  
<propnumber>

**OCCUPIER DETAILS (Please complete in BLOCK CAPITALS)**

Occupier:	
Trading Name:	
Address of Premises:	
Eircode:	
Contact Name:	Email Address:
Telephone No:	Mobile No:

**LICENSED PREMISES DETAILS:**

Licence Details: 6 Day Licence  7 Day Licence  Early Opening Licence   
 Other  Please Specify: \_\_\_\_\_

Opening Hours: \_\_\_\_\_  
 Food Serving Hours: \_\_\_\_\_

Type of Trade: Drink On-Sales  Drink Off Sales  Food Sales   
 Hostel  Guesthouse  Other

Please Specify Other: (Door Receipts, car parking etc) \_\_\_\_\_

Does the premises have a designated smoking area? Yes  No

**DETAILS OF OTHER FACILITIES OR BUSINESSES OPERATING AT THESE PREMISES:**

Shop  Post Office  Service Station  Workshop   
 Other  Please Specify: \_\_\_\_\_

**ARE YOU RENTING THIS PREMISES?** Yes  No, I own it.   
 If renting, please provide the following lease details:

Commencement date of lease: \_\_\_\_\_  
 Length of Lease: \_\_\_\_\_ Annual Rent (ex. VAT): \_\_\_\_\_  
 Date Current Rent Agreed: \_\_\_\_\_  
 Rent review pattern: \_\_\_\_\_

Does the rent include residential accommodation? Yes  No

**Responsibilities of Tenant: Tick as appropriate**

External Repairs  Internal Repairs  Building Insurance  Commercial Rates

**Form LP1: Revaluation of <LA\_NAME> Rating Authority Area**  
**Valuation of Licensed Premises**

**Extracts From Accounts and Trading Information**  
**(Include only details of trade at the licensed premises)**

Property Number  
<propnumber>

**Note 1: Franchise Income:** Income arising to the occupier of a licensed premises from the granting of permission to a third party to carry out specified commercial activities on the licensed premises; generally refers to a food franchise.

Financial Information		2016	2017	2018	2019 Projection
<b>Accounts Year End Date:</b>					
<b>Turnover:</b>	Drink On-Sales				
	Drink Off-Sales				
	Food Sales				
	Accommodation				
	Other ( Door Receipts etc)				
	Franchise Income (see note 1 below)				
	<b>Total Turnover</b>				
	<b>Cost of Sales:</b>				
<b>Gross Profit:</b>					
<b>Expenses:</b>	Wages & Salaries				
	Insurance				
	Rent				
	TV Subscriptions				
	Entertainment				
	Repairs & Maintenance				
	Licence Fees				
	Security Costs				
	Legal Fees				
	Other (Please specify)				

**Note 2:** You may be requested to supply supporting information including copies of lease/licence agreements, copies of audited/certified/management accounts, etc. at a later date.

# Revaluation Outcomes – Reval 2017



	Carlow	Kilkenny	Kildare	Leitrim	Longford
Reduced Rates Liability	54.9%	56.5%	52.2%	70%	65.4%
Increased Rates Liability	42.3%	41%	42.2%	24.3%	30.7%
No Change/New Property	2.8%	2.6%	5.6%	5.7%	3.9%

# Revaluation Outcomes – Reval 2017



	Offaly	Roscommon	Sligo	Westmeath	Laois
Reduced Rates Liability	58%	62.8%	68.8%	55.8%	64.6%
Increased Rates Liability	38%	33.2%	26.9%	38.5%	33.2%
No Change/New Property	4%	4%	4.4%	5.6%	2.2%

# Revaluation Outcomes – Reval 2019



	Cavan	Fingal	Louth	Meath
Reduced Rates Liability	66.1%	75.5%	57.9%	69.0%
Increased Rates Liability	31.4%	21.3%	38.6%	28.7%
No Change/New Property	2.5%	3.2%	3.5%	2.3%

# Revaluation Outcomes – Reval 2019



	Monaghan	Tipperary	Wexford	Wicklow
Reduced Rates Liability	66.0%	69.9%	62.1%	62.9%
Increased Rates Liability	32.0%	26.8%	34.7%	33.7%
No Change/New Property	2.0%	3.3%	3.2%	3.4%

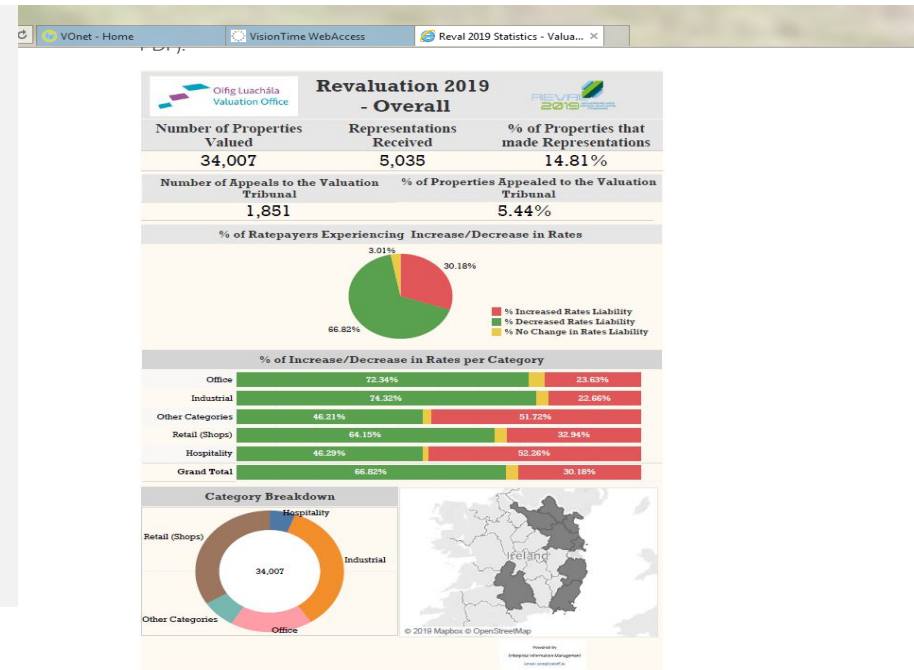
# Reval 2019 - Analysis of Outcome



[www.valoff.ie/en/revaluation/reval-2019-statistics/](http://www.valoff.ie/en/revaluation/reval-2019-statistics/)

“Across the 8 local authorities being revalued, over 65% of ratepayers will see a reduction in their rates liability after revaluation.....

In those counties, 54% of ratepayers will have a rates liability of less that €2,500 per annum, 75% will have a liability less than €5,000 and 83% will have a liability less that €7,500”.



An infographic of the breakdown of specific outcomes for each local authority area can be viewed by clicking on the county name below:

- Cavan
- Fingal
- Louth
- Meath
- Monaghan
- Tipperary
- Wexford
- Wicklow

# VO Supports for Ratepayers



- VO provides hardcopy material to Ratepayers
  - Making of the Valuation Order
  - Issue of Proposed Valuation Certificates
  - Issue of Final Valuation Certificates
- Media advertisements
- Briefing of Elected Representatives & copies of Specimen Documents
- “Walk-in” Clinics for ratepayers
- Extensive engagement with Trade Bodies
- Valuation Office website [www.valoff.ie](http://www.valoff.ie),
- Dedicated E-mail address
- Telephone Helpline **01 8171033** Lo-Call 1890 531 431

# Ratepayer Supports



WEB PORTAL



ONLINE  
FORM



HARDCOPY  
FORM



INSTRUCTIONAL  
VIDEOS



WALK-IN  
CLINICS



HELPLINES &  
EMAIL



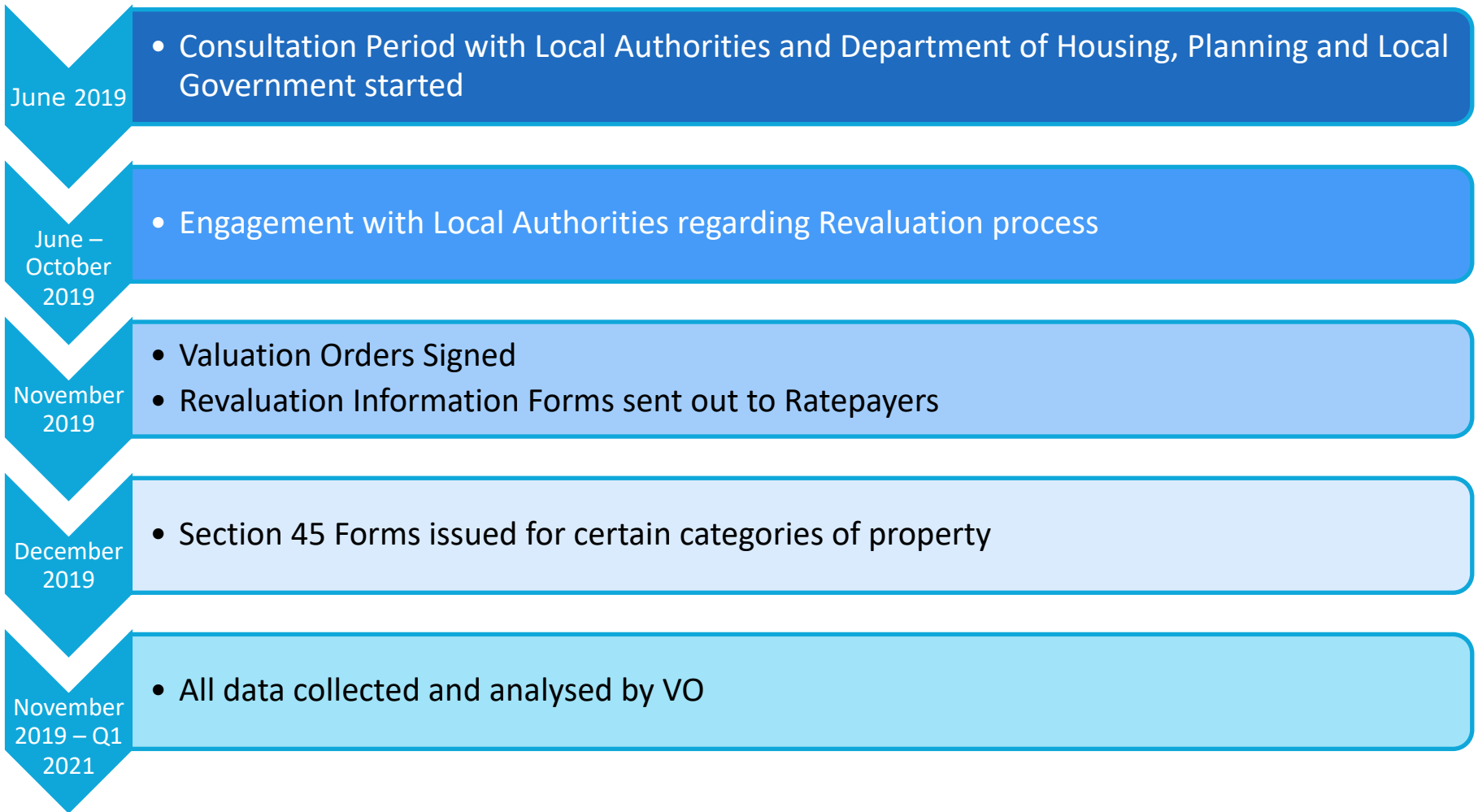
STAKEHOLDER  
BRIEFINGS  
/PRESENTATIONS

# Opportunities to Challenge and/or Appeal



- “Representations” to Valuation Office by Ratepayer
  - 40 days from Proposed Valuation certificate
  - Informal process with no fee
  - Happens before valuation is finalised
- Valuation Tribunal
  - 28 days
  - Statutory Fee
  - Formal and quasi-judicial process
- Three possible outcomes:
  - No change
  - Valuation decreased
  - Valuation increased
- Appeal to Higher Courts on Point of Law

# Reval 2021 Timelines



# Reval 2021 Timelines

Q1 2021

- Proposed Valuation Certificates (PVCs) Issue
- Occupiers have 40 days to submit representations to the Valuation Office if dissatisfied

Q1 – Q3  
2021

- Representations are considered and any changes are made

Q3 2021

- Final Valuation Certificates Issue
- New Valuation List published
- Appeals can be made to the independent Valuation Tribunal

January  
2022

- New Valuations take effect for Rates purposes

# Key Dates



- Kerry Valuation Order signed: 4<sup>th</sup> November 2019
- Valuation Date: 16<sup>th</sup> September 2019
- Revaluation Information Form: December 2019
- Trading data (S45 Notice): December 2019/January 2020
- Proposed Valuation Certificates issuing: Q1 2021
- Period for making Representations: 40 days
- Publication of new Valuation List: 15<sup>th</sup> September 2021
- Appeals to Valuation Tribunal – within 28 Days
- New List effective for Rates purposes: 1<sup>st</sup> January 2022



# Summary

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- Revenue neutral exercise for Local Authority
- Based entirely on Local Evidence – Local rents and local trading data only
- Ratepayer provides information requested by VO
- Outstanding Information? – Provide it now!
- Dissatisfied with proposed valuation? – Make a representation - online
- VO's Objective - Publish a Valuation List that is Fair & Equitable to every Ratepayer and to Local Authority
- Well established statutory process
- Appeal to independent Valuation Tribunal

# Questions

