MINUTES 17th Meeting of the Retail Consultation Forum

Room 110, Kildare Street, Dublin 2 25 September 2019 2.30pm-4.00pm

Chair: Heather Humphreys, TD, Minister for Business, Enterprise and Innovation,

Attendance and apologies at Appendix 1.

1. Welcome and Opening Comments

The Minister welcomed those in attendance explaining that there were non-Forum members from the Grocery Retail and Distribution Sector in attendance for items 1 & 2 only, at her invitation. She advised the meeting that items 1 & 2 would be held under Chatham House Rules and that non-Forum members would depart after items 1 & 2 concluded.

The Minister introduced the agenda and asked officials from the relevant Departments and agencies (DBEI, DTTAS, DAFM, Revenue, FSAI) to contribute to item 2 of the meeting by providing updates on the latest developments in relation to State preparedness for Brexit.

The Minister advised the group that she announced today (25 September) the recipients of the second call of the Online Retail Scheme. The scheme is administered by Enterprise Ireland and 29 retailers were awarded funding today as part of the €1.25 fund.

The Minutes of the meeting of 11 July 2019 were approved.

2. Brexit

Chatham House Rules applied to this section of the meeting.

3. Enterprise Ireland Online Retail Scheme update

Ms Deborah Dignam, DBEI updated the Forum members on the announcement of the successful recipients of the second call of the Online Retail Scheme administered by Enterprise Ireland. 29 retailers were approved funding under the Scheme, bringing the total number of retailers approved funding to 40. She added that the pilot scheme is now concluded. Enterprise Ireland and DBEI will review the pilot Scheme and will seek input from the Forum. Ms Dignam thanked all representative bodies for their support.

Comments arising:

Ms Tara Buckley, RGDATA asked what the total cost of the scheme was between call 1 and call 2. DBEI said that a total of just under €900,000 was approved under the pilot Scheme.

4. Valuation Office

The Minister invited Mr Declan Lavelle, Valuation Office to give an overview of the valuation process, including the statutory requirements when setting rates.

- The Valuation Office is under the aegis of the Minister for Housing, Planning and Local Government and their work leads to the collection of approx. €1.5 billion in Local Authority Revenue each year.
- When setting rates, the Valuation Office must ensure that they are equitable and fair and that all variables are reflected.

- Rates vary from Local Authority to Local Authority as the Annual Rate on Valuation (ARV) is set by Local Authority elected members.
- The amount of commercial rates payable in any year is calculated by multiplying the valuation of the property, known as the Net Annual Value (NAV) by an Annual Rate on Valuation (ARV).
- Rates can contribute to approx. 32% of Local Authority Funding.
- The revaluation is part of a national programme to modernise the rateable valuation of all commercial and industrial property in Ireland.
- The programme has already been completed in the Carlow, Dun Laoghaire-Rathdown, Fingal, Kildare, Kilkenny, Laois, Leitrim, Longford, Offaly, Roscommon, Sligo and Westmeath County Councils and in Dublin City Council, Waterford City and County Council and Limerick City and County Council rating authority areas. A second revaluation of the South Dublin County Council rating authority area was completed in 2017.
- Valuation Certificates issued on 10th September 2019 to ratepayers in the Local Authorities Cavan, Fingal, Louth, Meath, Monaghan, Tipperary, Wexford and Wicklow County Councils. New Valuation Lists will publish for each of these counties on Tuesday 17th September 2019.
- The valuation office will hold 'Walk In' clinics in the counties above to answer queries relating to the Valuation Certificates for Reval 2019.
- Appeals can be lodged within 40 days of receipt of the certificate. Dissatisfaction with the appeal can be escalated to the Valuations Tribunal. The decision of the Tribunal can be appealed to the High Court on a point of law.

Comments Arising

- The Minister encouraged members to avail of the walk-in clinics offered by the Valuations Office.
- The Minister noted the challenge for forecourt owners in rural areas.
- In response, the Valuation office explained that the rates are based on market value. They stated the importance of providing up to date formal data to the Valuations Office to enable them to determine the most accurate rate.
- Vincent Jennings, CSNA said that he was aware of high increases for individual businesses and asked when significant increases e.g. from €11,000 to €41,000,could they not be staggered?
- In response the Valuation Office stated how the rates increased and decreased across the country for example rates decreased in Limerick City.
- Brian Donaldson, Chair Retail Ireland said that there needs to be a more equitable system and it appears that the rates applied to large MNCs are more lenient. In addition, he asked that the rate review be carried out more often as a rate established this year will last for another five years.
- In response the Valuation Office said that as part of *Reval 2019* the amount collected was capped.
- Thomas Burke, Director Retail Excellence said that the system was flawed, and unfortunately recent legislation has not improved the situation.
- Vincent Jennings, CSNA proposed that a subgroup be established to meet with the Valuation Office to raise the issues of concern.
- Tara Buckley, RGDATA said that it was understood that when the residential property tax was introduced that it would reduce commercial rates but so far, that hasn't happened.
- Richard Guiney, Dublin Town (BID) said that the rates are divorced from the capability to pay. Local Authorities should liaise with the Revenue Commissioners, who are aware of a company's ability to pay based on their tax returns.

• James Kiernan, Chambers Ireland, supported the establishment of a subgroup and that the rates base needs to be evenly distributed.

5. AOB and Date of Next Meeting

Members will be advised of the next meeting of the Retail Consultation Forum.

The Minister added that information about today's Online Retail Scheme announcement will be emailed to Forum members.

Actions

- 1. Online Retail Scheme announcement to be sent to Forum Members [information issued]
- 2. Minister Humphreys to seek a meeting with Minister Phelan, Minister of State at the Department of Housing, Planning and Local Government who has policy responsibility for Local Government, to address the issue of commercial rates for retailers. [meeting held on 10 October 2019]

Deborah Dignam, DBEI Secretary to the Retail Consultation Forum

Appendix 1 – Attendance List Retail Consultation Forum Meeting 25 September 2019

RETAIL CONSULTATION FORUM MEMBERS:		
Retail Ireland	Thomas Burke	Director
Retail Ireland	Brian Donaldson	Chairman
Retail Excellence	Keelan Bourke	Commercial Manager
CSNA	Vincent Jennings	Chief Executive
RGDATA	Tara Buckley	Director General
Retail Ireland Skillnet	Sean Carlin	Manager of Skillnet
Chambers Ireland	James Kiernan	Director of Relationship Management
Irish Small & Medium Enterprises	Neil McDonnell	Chief Executive
CSNA	Vincent Jennings	Chief Executive
Irish Pharmacy Union	Jim Curran	Director of Communication & Strategy
Hardware Association of Ireland	Jim Copeland	Head of Member Relations
Dublin Town (BID)	Richard Guiney	CEO
Public Sector & Academic Bodies		
D/Taoiseach	Pamela Malone	Economic Policy
D/Rural & Community Development	JP Mulherin	PO

APOLOGIES:		
D/Housing, Planning & Local Government	Ruairí Ferrie	Planning Policy Section
D/Communications, Climate Action & Environment	Dr. Stephen Brennan	Chief Digital Advisor
D/Health	Claire Gordon	PO, Tobacco and Alcohol Control Unit
Waterford City and Co. Council (Local Government Management Agency Rep)	Michael Quinn	Director of Service
Fishers of Newtownmountkennedy	Rebecca Harrison	Director
Small Firms Association	Sven Spollen-Behrens	Director
Musgrave Group	Edel Clancy	Director of Communications

SPEAKER:	
Valuations Office	Declan Lavelle
ADDITIONAL ATTENDEES:	
D/Taoiseach	Claire Hayes Curtain
D/Taoiseach	Michael Bruton