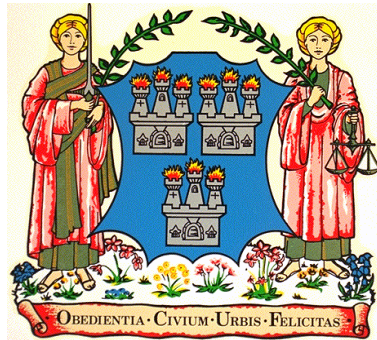


COMHAIRLE CATHRACH BHAILE ÁTHA CLIATH



Miontuairiscí Chruinniú Speisialta a tionóladh ar 22 Meán Fómhair 2014 i Seomra na Comhairle, Halla na Cathrach, Cnoc Chorcaí ag 6 i.n.
I Láthair an tArdmheara Christy Burke sa chathaoir

Comhairleoir:

Chris Andrews
Kieran Binchy
Paddy Bourke
Janice Boylan
Tom Brabazon
Christy Burke
Claire Byrne
Cathleen Carney Boud
Brendan Carr
Aine Clancy
Anthony Connaghan
David Costello
Ciáran Cuffe
Daithí De Róiste
Daithí Doolan
Pat Dunne
Declan Flanagan
Mannix Flynn
Mary Freehill

Oifigigh

Owen Keegan
Philip Maguire
Brendan Kenny
Dick Brady
Kathy Quinn

Comhairleoir:

Gary Gannon
Alison Gilliland
Paul Hand
Seán Haughey
Deirdre Heney
Jane Horgan-Jones
Vincent Jackson
Andrew Keegan
Teresa Keegan
Greg Kelly
Frank Kennedy
Dermot Lacey
John Lyons
Mícheál Mac Donncha
Tina MacVeigh
Ray McAdam
Paul McAuliffe
Paddy McCartan
Ruairí McGinley
Séamas McGrattan

Terence O'Keeffe
Vincent Norton
Mary Pyne
Fintan Moran
Cathal Morgan

Comhairleoir:

Ray McHugh
Denise Mitchell
Andrew Montague
Rebecca Moynihan
Emma Murphy
Críona Ní Dhálaigh
Michael O'Brien
Jim O'Callaghan
Kate O'Connell
Damian O'Farrell
Ciáran O'Moore
Naoise Ó Muirí
Larry O'Toole
Cieran Perry
Noeleen Reilly
Nial Ring
Noel Rock
Éilis Ryan
Bríd Smith
Paddy Smyth

Oonagh Casey
Mary Davis
Sarah Scannell
Enda Currid
Brian Germaine

1. The Lord Mayor opened the meeting by condemning the recent attack on Jonny Cooper, a member of the Dublin Football Team and wishing him a speedy recovery from his injuries. He urged anyone with information in relation to the perpetrator to go to the Gardai. He congratulated the Kerry Football Team on their All-Ireland win and commiserated with Donegal who he said had done well. He also thanked Anthony Daly for his commitment to the Dublin Hurling Team. The Lord Mayor and Members welcomed the end of the Greyhound workers dispute.

Special City Council Meeting 22/09/2014

- Submitted Report No. 277/2014 of the Dublin City Chief Executive - Final Draft SPC Scheme 2014 – 2019 and Submissions. It was proposed by Councillor D Flanagan and seconded by Councillor R McGinley “That Dublin City Council notes the contents of Report No 277/2014 and hereby approves the Dublin City Strategic Policy Committee Scheme 2014 – 2019 as set out therein with the addition of two Councillors and one sectoral organisation to the Housing SPC” The motion was put and carried. It was further agreed by the City Council that the additional sectoral organisation would represent the Travelling Community and The Ballyfermot Travellers’ Action Project was approved for this position.

It was then proposed by Councillor C Ni Dhalaigh and seconded by Councillor S McGrattan “That Councillor J Boylan be appointed to the Housing SPC” It was also proposed by Councillor V Jackson and seconded by the Lord Mayor “That Councillor G Gannon be appointed to the Housing SPC” Both Motions were put and carried. Councillor B Smith had also been nominated but withdrew her nomination.

It was then proposed by The Lord Mayor and seconded by Councillor B Smith “That Councillor B Smith be appointed to the Environment SPC” The motion was put and carried.

- Ms Kathy Quinn, Head of Finance, gave a presentation to the Members setting out the background to the process, the timelines involved and what the funding impact of a variation of the PLT would be. For full details of the Presentation, see **Appendix A** to these minutes. The Members thanked Ms Quinn and her staff for the hard work involved in compiling the various submitted reports.
- Submitted Report No. 273/2014 of the Dublin City Chief Executive (*O. Keegan*) – Consideration of the Local Property Tax - Local Adjustment Factor in respect of the Financial Year 2015. It was proposed by Councillor J Boylan and seconded by Councillor V Jackson “That Dublin City Council notes the contents of Report No 273/2014” The motion was put and carried.
- Submitted Report No. 274/2014 of the Head of Finance (*K. Quinn*) – Budget 2015 Public Consultation Process. It was proposed by Councillor J Boylan and seconded by Councillor V Jackson “That Dublin City Council notes the contents of Report No 274/2014” The motion was put and carried.
- Submitted Report No. 275/2014 of the Dublin City Chief Executive (*O. Keegan*) – Draft Budget Strategy for Financial Year 2015. It was proposed by Councillor J Boylan and seconded by Councillor V Jackson “That Dublin City Council notes the contents of Report No 275/2014” The motion was put and carried.
- It was proposed by Councillor P McAuliffe and seconded by Councillor D Heney on behalf of the Fianna Fail Group “We, the elected members of Dublin City Council, formally resolve to vary the basic rate of Local Property Tax in respect of residential properties situated in Dublin City Council's administrative area. We propose a local adjustment factor (LAF) of -15% for the year 2015. We call on the City Chief Executive and the Minister for Environment to put in place all necessary arrangements which will allow this Council to notify Revenue Commissioners of our intentions prior to the September 2014 Deadline”
- Additional Motions were put forward from the floor - For full details of this vote, see **Appendix B** to these minutes. A lengthy discussion took place during which Members

Special City Council Meeting 22/09/2014

debated the impact and/or advantages of a reduction in the LPT and what percentage would be the most equitable.

The Lord Mayor then adjourned the meeting at 7.20pm to allow the Group Leaders to meet and agree a composite motion from all the submitted motions as many of them were similar in wording. The Meeting resumed at 7.32pm.

9. Councillor R McGinley then proposed “that the question be put in accordance with Standing Orders”. This proposal was seconded by Councillor V Jackson and was put to a roll-call vote and was carried. For full details of this vote, see **Appendix C** to these minutes.
10. The City Council then considered the following composite motion to vary the basic rate of Local Property Tax (LPT) in the administrative area of Dublin City Council. It was proposed by Councillors Seamás McGrattan, Vincent Jackson, Paul McAuliffe, Bríd Smith, Kieran Binchy and Michael O’Brien “That Dublin City Council, having considered Reports Nos. 273/2014, 274/2014 and 275/2014, determines in accordance with the provisions of Section 20 of the Finance (Local Property Tax) Act 2012 (as amended), that the basic rate of local property tax should stand varied downwards by fifteen per cent (15%) in respect of relevant residential properties situated in the administrative area of Dublin City Council for the period 1st November 2014 to the 30th October 2015 having impact on the LPT liability for the financial year 2015” The Motion was put and carried following a roll call vote. For full details of this vote, see **Appendix D** to these minutes.
11. It was proposed by Councillors Seamás McGrattan, Vincent Jackson, Paul McAuliffe, Bríd Smith, Kieran Binchy and Michael O’Brien “This City Council amends the budget strategy for 2015 by increasing the Central Government grant for homeless services back up to 90%, which had been a long standing agreed figure” The motion was put and carried.

All other submitted motions were deemed to be either withdrawn or defeated and the meeting concluded at 8pm.

Correct.

LORD MAYOR

MEETINGS ADMINISTRATOR

Special Meeting of Dublin City Council

22nd September 2014

Consideration of:

- Report 273/2014 Variation of the LPT
- Report 274/2014 LPT Public Consultation
- Report 275/2014 Budget Strategy 2015

FINANCIAL AND BUDGETARY FRAMEWORK 2014

- Local Government Act 2001
- Finance (Local Property Tax) Acts 2012 & 2013
- Local Government Reform Act 2014
- Local Government Financial and Audit Procedures Regulations (S.I. 226)
- Local Property Tax (Local Adjustment Factor) Regulations 2014 (S.I. 296)
- Circulars:
 - Fin 05/2014
 - Fin 08/2014
 - Fin 11/2014
 - Fin 14/2014
 - Fin 15/2014

NEW TO 2015

By 30th September 2014: Setting the parameters of a budget strategy
Consideration of a variation to LPT basic rate

Between 1st – 24th November: Adopt the Budget with/without amendments
Determining the ARV
Setting the vacancy refund rate

Role of CPG to assist in all of these processes

Process

- ▣ CPG regularly consulted at meetings between June and September of factors relating to Budget Strategy
- ▣ Special meeting of CPG held on 15.09.2014
- ▣ Special meeting of City Council held on 22.09.2014

Process (cont'd)

- ▣ Notification to Minister for the Environment, Community & Local Government re Budget Strategy & LPT Variation to issue no later than 30.09.2014
- ▣ Notification to Revenue commissioners re LPT Variation to issue no later than 30.09.2014
- ▣ Draft Budget prepared by the CE during October
- ▣ Draft Budget Information Meeting – Wednesday 5th November
- ▣ Statutory Budget Meeting – Monday 10th November

Key Issues

- ▣ Consideration of variation of LPT Basic Rate
- ▣ Commercial Rates and setting ARV
- ▣ Vacancy Refund
- ▣ Grant Funding from the DoEC&LG
- ▣ Estimation of Income & Expenditure for 2015

All considered in the overall context of Dublin City Council's financial position

Variation of basic LPT rate

- ▣ LPT Basic Rate liability ($a \times b = c$):
 - (a) Mid point of valuation band multiplied by
 - (b) basic rate (0.0018) = (c) lpt liability
- ▣ Example:
 - An apartment valued at €360k
 - Relevant band = €350k to €400k
 - Mid point of relevant band = €375k (a)
 - €375k * (b) 0.0018 =
 - (c) LPT Liability of €675

Variation of basic LPT rate

- ▣ LPT can be varied +/- 15% of the basic rate
- ▣ 1% movement +/- in basic LPT rates changes LPT yield by €826k
- ▣ 5% movement +/- in basic LPT rate changes LPT yield by €4.1m
- ▣ 15% movement +/- in basic LPT rate changes LPT yield by €12.3m
- ▣ Report 273/2014 Appendix 2 gives details of impact of LPT variations on householder liabilities

Funding impact of variation of basic LPT Rate

LPT Rate	Basic	15% Reduction	15% Increase
LPT Yield Dublin City	€82.7m	€70.3m	€95.1m
Held Centrally	€16.5m	€16.5m	€16.5m
Redirected to DCC gross	€66.2m	€53.8m	€78.6m
GPG 2014	€ 2.7m	€ 2.7m	€ 2.7m
Redirected to DCC net	<u>€63.5m</u>	€51.1m	€75.9m
<u>Of which:</u>			
Relates to funding Housing & Roads	€46.9m		
Discretionary	<u>€16.6m</u>		

Funding impact of variation of basic LPT Rate (cont'd)

- ▣ The value of fund held centrally for redistribution for equalisation purposes is a constant 20% of the basic LPT rate
- ▣ Basic LPT rate yield = €82.7m
20% of which is €16.5m held centrally
- ▣ If the basic LPT rate is varied downwards, €16.5m continues to be held centrally, leaving impact of reduction locally
- ▣ If the basic LPT rate is varied upwards, €16.5m continues to be held centrally, leaving impact of increase locally

LPT Public Consultation

- ▣ 899 complete surveys, largely of Dublin City residents
- ▣ Most respondents indicated a preference for a reduced variation in the basic LPT Rate
- ▣ Respondents made the following comments/observations:
 - Burden of tax is already significant which makes it difficult to pay LPT liability
 - The LPT is structured unequally against householders in urban areas
 - The LPT structure fails to reflect ability to pay
 - LPT payments made by Dublin householders should fund services in Dublin only and not other counties

Issues to consider as part of LPT Variation

- ▣ Report on Income and Expenditure (Report 273/2014)
- ▣ Financial Position of Dublin City Council (Report 275/2014)
- ▣ Financial effect of the varied rate (Report 273/2014)
- ▣ Feedback from Public Consultation (Report 275/2014)

Commercial Rates

- ▣ 77% of Ratepayers have a charge under €10k
- ▣ 40% of Ratepayers have a charge under €3k
- ▣ 0.25% (446 accounts) pay almost 50% of total debit
- ▣ Strategy based on 1% reduction in ARV
- ▣ Reduction in Rates Income €3.38m

Vacancy Refunds

- ▣ Local Government Reform Act makes determining level of vacancy refund per electoral area a reserved function
- ▣ Currently set at 50% for Dublin City
- ▣ Value of refunds range between €12m - €15m
- ▣ Strategy based on retaining 50% vacancy refund rate

Appeals on Revaluation

- ▣ Appeals process after revaluation is an enduring loss to Dublin City Council
- ▣ Not in the spirit of revaluation which is to be revenue neutral to Dublin City Council
- ▣ Loss of €4.5m or 1.3%
- ▣ Further appeal possible to Valuation Tribunal

Grant Funding

- ▣ Clarity will emerge from National Budget Process
- ▣ Wide range of outcomes of potential losses and potential gains in funding for services
- ▣ There is no provision for additional services in the draft budget strategy

Resolutions requirement

- ▣ To agree a Budget Strategy for one Financial Year 2015, and
- ▣ To agree whether or not to apply a variation to the basic rate of LPT

Next Stage in Budget Cycle

- ▣ National Budget mid October (14th)
- ▣ Clarity in Grant Funding
- ▣ CE now in process of preparing the draft Budget
- ▣ Meet with CPG in October
- ▣ Information meeting 5th November
- ▣ Can be adjourned for up to 14 days

Reserved Functions for Budget Meeting 10th November

- ▣ Adopt the Budget with/without Amendment
- ▣ Adopt the Annual Rate on Valuation (ARV)
- ▣ Determine the vacancy refund rate for each electoral district

**APPENDIX C - RECORD of DIVISION AT SPECIAL MEETING OF COUNCIL HELD
ON 22ND SEPTEMBER 2014**

COUNCILLORS	FOR	AGAINST	ABSTAIN	ABSENT	COUNCILLORS	FOR	AGAINST	ABSTAIN	ABSENT
Lord Mayor Christy Burke	X				Councillor Frank Kennedy		X		
Councillor Chris Andrews	X				Councillor Dermot Lacey		X		
Councillor Catherine Ardagh				X	Councillor John Lyons	X			
Councillor Kieran Binchy	X				Councillor Mícheál Mac Donncha	X			
Councillor Paddy Bourke				X	Councillor Tina MacVeigh		X		
Councillor Janice Boylan	X				Councillor Ray McAdam		X		
Councillor Tom Brabazon		X			Councillor Paul McAuliffe		X		
Councillor Claire Byrne	X				Councillor Paddy McCartan	X			
Councillor Cathleen Carney Boud	X				Councillor Ruairí McGinley	X			
Councillor Brendan Carr		X			Councillor Séamas McGrattan	X			
Councillor Aine Clancy		X			Councillor Ray McHugh	X			
Councillor Anthony Connaghan	X				Councillor Denise Mitchell	X			
Councillor David Costello		X			Councillor Andrew Montague		X		
Councillor Patrick Costello				X	Councillor Rebecca Moynihan		X		
Councillor Ciarán Cuffe	X				Councillor Emma Murphy	X			
Councillor Daithí De Róiste		X			Councillor Críona Ní Dhálaigh	X			
Councillor Daithí Doolan	X				Councillor Michael O'Brien	X			
Councillor Jonathan Dowdall				X	Councillor Jim O'Callaghan		X		
Councillor Pat Dunne		X			Councillor Kate O'Connell	X			
Councillor Declan Flanagan	X				Councillor Damian O'Farrell	X			
Councillor Mannix Flynn	X				Councillor Ciarán O'Moore	X			
Councillor Mary Freehill		X			Councillor Naoise Ó Muirí		X		
Councillor Gary Gannon	X				Councillor Larry O'Toole	X			
Councillor Alison Gilliland		X			Councillor Cieran Perry	X			
Councillor Paul Hand	X				Councillor Noeleen Reilly	X			
Councillor Sean Haughey		X			Councillor Nial Ring	X			
Councillor Deirdre Heney		X			Councillor Noel Rock		X		
Councillor Jane Horgan-Jones		X			Councillor Éilis Ryan		X		
Councillor Vincent Jackson	X				Councillor Bríd Smith	X			
Councillor Andrew Keegan	X				Councillor Paddy Smyth	X			
Councillor Teresa Keegan	X				Councillor Sonya Stapleton				X
Councillor Greg Kelly	X								

FOR: 36
AGAINST: 22

ABSTAIN: 0
ABSENT: 5

**APPENDIX D - RECORD of DIVISION ON COMPOSITE MOTION TO VARY THE
LPT AT SPECIAL MEETING OF COUNCIL HELD ON 22ND SEPTEMBER 2014**

COUNCILLORS	FOR	AGAINST	ABSTAIN	ABSENT	COUNCILLORS	FOR	AGAINST	ABSTAIN	ABSENT
Lord Mayor Christy Burke	X				Councillor Frank Kennedy	X			
Councillor Chris Andrews	X				Councillor Dermot Lacey		X		
Councillor Catherine Ardagh				X	Councillor John Lyons	X			
Councillor Kieran Binchy	X				Councillor Mícheál Mac Donncha	X			
Councillor Paddy Bourke				X	Councillor Tina MacVeigh	X			
Councillor Janice Boylan	X				Councillor Ray McAdam	X			
Councillor Tom Brabazon	X				Councillor Paul McAuliffe	X			
Councillor Claire Byrne		X			Councillor Paddy McCartan	X			
Councillor Cathleen Carney Boud	X				Councillor Ruairí McGinley	X			
Councillor Brendan Carr		X			Councillor Séamas McGrattan	X			
Councillor Aine Clancy		X			Councillor Ray McHugh	X			
Councillor Anthony Connaghan	X				Councillor Denise Mitchell	X			
Councillor David Costello	X				Councillor Andrew Montague		X		
Councillor Patrick Costello				X	Councillor Rebecca Moynihan		X		
Councillor Ciarán Cuffe		X			Councillor Emma Murphy	X			
Councillor Daithí De Róiste	X				Councillor Criona Ní Dhálaigh	X			
Councillor Daithí Doolan	X				Councillor Michael O'Brien	X			
Councillor Jonathan Dowdall				X	Councillor Jim O'Callaghan	X			
Councillor Pat Dunne		X			Councillor Kate O'Connell	X			
Councillor Declan Flanagan	X				Councillor Damian O'Farrell	X			
Councillor Mannix Flynn	X				Councillor Ciarán O'Moore	X			
Councillor Mary Freehill		X			Councillor Naoise Ó Muirí	X			
Councillor Gary Gannon	X				Councillor Larry O'Toole	X			
Councillor Alison Gilliland		X			Councillor Cieran Perry	X			
Councillor Paul Hand	X				Councillor Noeleen Reilly	X			
Councillor Sean Haughey	X				Councillor Nial Ring	X			
Councillor Deirdre Heney	X				Councillor Noel Rock	X			
Councillor Jane Horgan-Jones		X			Councillor Éilis Ryan		X		
Councillor Vincent Jackson	X				Councillor Bríd Smith	X			
Councillor Andrew Keegan	X				Councillor Paddy Smyth	X			
Councillor Teresa Keegan	X				Councillor Sonya Stapleton				X
Councillor Greg Kelly	X								

FOR: 46
AGAINST: 12

ABSTAIN: 0
ABSENT: 5