



**MINUTES OF THE FINANCE SPC MEETING**

**HELD ON THURSDAY, 19 JANUARY 2017**

1 **Minutes of meeting 17th November 2016**

Minutes agreed

2 **Correspondence and matters arising**

**Correspondence**

**a) Outstanding Domestic Waste Debtors**

V. Norton will present a report to the March meeting.

**b) Tracking System for Legislative Change**

Correspondence noted. Chief Executive's office to be requested to list this issue as an agenda item on Protocol meeting agenda as soon as can be arranged. **Action.**

**c) Community Group Lettings/Licences**

Correspondence noted. K. Quinn to confirm with Planning Dept and Area Offices that a summary report containing presentations to all Area Committees will be presented to the March SPC meeting. **Action.**

**d) Pyrite Work costs**

Correspondence noted. Queries were raised relating to the discussion:

- Identification all properties affected
- The funding owed to Dublin City Council from the Department of Housing, Planning, Community & Local Government.

Cllr McGinley spoke about the comments which have been in the media recently. Dublin City Council is constrained by the court proceedings on this matter.

K. Quinn confirmed that Cllr Reilly's queries relating to both BRL and pyrite would be addressed in the report being prepared by Brendan Kenny. K. Quinn to ask B. Kenny for the report to issue to all members. **Action.**

E. Fleming queried if local authorities have responsibility to check the quality of building work in their areas.

It was agreed that a letter would issue to the Building Control section requesting a report for a future meeting on quality control. **Action.**

### 3 **Area Discretionary Funding Report**

Deferred to March meeting as Councillor McVeigh could not attend the meeting.

### 4 **Rates Revaluation - Impact on Dublin City Council Rates Income**

K. Quinn briefed the committee on the report. A revaluation of commercial property had not occurred in a considerable time. The legislation stipulates that there should not be any benefit or dis-benefit to local authorities. Due to the appeals process, there is a cumulative loss of income to local authorities e.g. this year (2017) Dublin City Council has cumulatively lost €13.2m. The purpose of the report was to show to the committee that the revaluation process is not neutral, neither is it equitable for all ratepayers.

Cllr McGinley commented that income has dissipated over time. Appeals can take up to 2½ years.

Cllr McCartan commented that it is only those businesses that face an increase in valuation who are objecting, there is no comment from those who have had a decrease in their rates.

Cllr Lacey suggested it be set out in the context of financing of local government. It should be cost/revenue neutral, yet over the 3 years since Dublin City was revalued, Dublin City Council has lost €43m. Dublin City Council needs to argue the case for proper local authority financing.

A. Sweeney suggested that businesses do not understand the valuation system. It is not equitable as it is based on the total rate taken over an area. His issue is with the model used for rating. He suggested using a Local Property Tax style system. He also believes there is an issue with central exchequer contributions.

K. Quinn noted that the overall rate collection for 2016 would be approx 90%. Arrears have reduced since the downturn in the economy.

Cllr McGinley requested that the report issue to the Minister for Housing, Planning, Community & Local Government and to the Minister for Finance.

**Action.**

### 5 **Motor Tax UK Tax Disc Abolition - Update**

Report noted. Cllr McGinley noted that this report shows that an alternative to vehicle tax discs is feasible. It was agreed by the Committee to refer the report to the Minister for Transport. **Action**

Cllr Ring commented that Dublin faces the burden of collection for the state. His preference would be a tax on petrol rather than tax discs. Cllr McCartan agreed with the idea of abolishing tax discs. He would like to see Ireland adopt best practice as identified from other European countries.

Cllr deNortúin queried what would happen to staff should the motor tax office close. It was confirmed that as happened previously when the 3 other offices closed, staff would be retained and redeployed to other depts. e.g. Housing.

K. Quinn stated that the C&AG are working on a review of the Motor Tax service. It was also stated that the operational costs of motor tax is borne by Dublin City Council. The local authority does not receive any subsidy from central government to operate the service. It was also noted that as most organisations

operate their fleet from Dublin, a disproportionate number licences are issued by Dublin.

Cllr Reilly stated that the office is used by the most vulnerable in society. She requested a report on an update on change proposals to the Motor Tax service. It was agreed such a report would be brought to the June 2017 meeting. **Action.**

## 6 **Review of Dublin City Council's Rates Vacancy Refund - scoping document**

Cllr McGinley stated that management is considering commissioning a report on this issue. This report is to update the committee.

K. Quinn confirmed that Dublin is the only local authority where half rates are paid on vacant property. Most other local authorities offer 100% refund. In the budget last November, a change was made to offer a greater refund. It now stands at 55%.

A discussion took place around the merits of increasing a vacancy refund and whether it should be done on an area basis. Cllr McGinley noted that this scoping document is looking at both such scenarios.

Cllr McGinley stated that this report, when complete, will inform the 2018 budget. It was requested that a report be brought to a future meeting on performance of collection of rates due on vacant properties. **Action.**

## 7 **Work Programme Update**

Report noted.

- Local Property Tax

Cllr Lacey commented on a flyer he received from Dun Laoghaire Rathdown Council. It details the Local Property Tax and how the council is sending the money. He would like to see Dublin City Council produce such a flyer.

Cllr McGinley noted that infographics is being produced now by Dublin City Council. He requested a copy be brought to the next meeting. **Action.**

A report to be brought to a future meeting re Central Government Funding to Dublin City Council and other local authorities. **Action.**

- VFM Report – Housing Voids

A discussion took place regarding voids. It was noted that it appears that money is being spent needlessly stripping out properties when they become vacant and redecorating them prior to re-letting. Oftentimes what is put back in appears to be of inferior quality to what was removed. This adds time and cost needlessly, particularly when people are in need of housing. A suggestion was made that tenants could sign an indemnity if they are willing to accept the property in its current state. A suggestion was made to look at the London model: "Let what you see".

It was agreed that a letter will issue to Brendan Kenny to ask the Housing SPC to consider a "Let what you see" approach for lettings. **Action.**

- Local Government Funding

K. Quinn noted that the Finance SPC previously commissioned a report on local government funding. What is now required is how best to articulate the funding requirements of Dublin City Council.

- Future Agenda items

Cllr McGinley requested that if any member has any more agenda items they would like raised at a future meeting, they contact K. Quinn. **Action.**

## 8 **Ballyfermot Leisure Centre - referred from City Council meeting on 9/1/2017**

It was noted that it had been agreed a report would go to the March meeting. Cllr McGinley requested that a report issue to the committee sooner.

Cllr McGinley confirmed that the Audit Committee has reviewed this overspend. The Committee has governance responsibilities. The Chief Executive gave a reply to the Audit Committee.

Cllr Ring stated that he is a member of the Audit Committee. It was mentioned in the 2014 and 2015 AFS. The information is out in the public domain. He noted that Dublin City Council saved money even though there had been a large overspend.

Cllr McGinley requested a report providing the extract from the Statutory Audit Report of the Local Government Auditor be issued as soon as possible. A more detailed report to be brought to the March SPC meeting. **Action.**

## 9 **AOB**

Motion from Cllr Noeleen Reilly re the loan between BRL and James Elliott Construction Ltd (JEC) in 2011.

It was agreed that this item would be deferred pending the legal case.

**Councillor Ruairi McGinley**  
Chairperson

**Date: Thursday, 19 January 2017**

### **Attendance:**

#### **Members:**

Dermot Lacey  
Larry O'Toole  
Hazel De Nortuin  
Aidan Sweeney

#### **Members:**

Micheal Mac Donncha  
Noeleen Reilly  
Eric Fleming

#### **Members:**

Paddy McCartan  
Nial Ring  
Morgan O'Regan

#### **Officers**

Kathy Quinn

Fiona Collins

Lisa Nolan

#### **Apologies:**

Tom Brabazon  
Paddy Bourke  
Dr Caroline McMullan

Brendan Carr  
Joanna Piechota

Ray McAdam  
Aebhric McGibney

#### **Non-Members:**

Mannix Flynn

Conal Thomas, Dublin Enquirer