



**FÓGRA FREASTAIL AR CHRUINIÚ SPEISIALTA NA COMHAIRLE ARNA STIÚRADH AR
FHÍSCHOMHDHÁIL CIANDA, DÉ LUAIN, 19 IÚIL 2021 AG 6.15 PM**

**NOTIFICATION TO ATTEND A SPECIAL MEETING OF COUNCIL
TO BE HELD BY REMOTE VIDEO CONFERENCE ON MONDAY 19 JULY 2021 AT 6.15 PM**

WEBCASTING NOTICE

This meeting may be filmed for live or subsequent broadcast via the Council's website. At the start of the meeting the Chair will confirm if all or part of the meeting is being filmed. You should be aware that the Council is subject to the Freedom of Information Act 2014, the Data Protection Act 1988 and 2018, General Data Protection Regulations (EU) 2016/679 and the Defamation Act 2009. Data collected during this webcast will be retained in accordance with the legislation. Therefore, by attending remotely or by entering the Council Chamber and using the seats around the meeting tables, public gallery etc., you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting. If you have any queries regarding this, please contact the Chief Executives Department on 222 2100.

Do Gach Ball den Chomhairle.

A Chara,

Iarrtar ort a bheith i láthair ag Cruinniú Speisialta de Chomhairle Cathrach Bhaile Átha Cliath a thionólfar ar fhíschomhdháil cianda, 19 Iúil 2021 ag 6.15 pm, chun an ghnó seo leanas a phlé agus gach is gá i dtaca leis, a dhéanamh nó a chur a dhéanamh, nó a ordú a dhéanamh:-

Silent Prayer/Reflection

PAGE

- 1 Report No. 217/2021 of the Chief Executive (O. Keegan) - With Reference to the Local Property Tax Local Adjustment Factor in respect of the Financial Year 2022
- 2 Report No. 218/2021 of the Head of Finance (K. Quinn) - Draft Budget Strategy for Financial Year 2022 in compliance with the Local Government (Financial and Audit Procedures) Regulations 2014.
- 3 Report No. 219/2021 of the Head of Finance (K. Quinn) - With Reference to the Local Property Tax Public Consultation Process

**Deirdre Ni Raghallaigh,
Riarathóir Cruinnithe,
An Ché Adhmaid,
Baile Átha Cliath 8**

15th July 2021



Consideration of the Local Property Tax Local Adjustment Factor in respect of the Financial Year 2022

1.0 Executive Summary

This report recommends that, notwithstanding the absence of clarity around the impact on Dublin City Council of proposed changes to the LPT framework, so as to fund the pressing need for additional services, the Elected Members apply the National LPT Basic Rate.

2.0 Introduction

Information is presented, having regard to the requirements set by the Minister for Housing, Local Government & Heritage in relation to format and content. Report 218/2021 deals with the consideration of a Budget Strategy for Dublin City Council for the financial year 2022. This is in advance of the consideration by the Elected Members of the Draft 2022 Annual Budget at the Statutory Budget Meeting on 22nd November 2021. Having considered the issues relevant to the LPT variation, the Elected Members must, by resolution:

- Decide to apply the National LPT Basic Rate or to vary it
- If appropriate, decide the value and direction of variation
- Note that in the event that the Minister is not informed of a decision within the statutory timeframe, it will be interpreted that the LPT rate is applied at the national LPT Basic Rate until the following year.

3.0 Financial Assessment

3.1 Changes to LPT Framework

The Minister for Finance, Paschal Donohoe TD has proposed the Finance (Local Property Tax) (Amendment) Bill 2021, which provides for certain LPT related measures including changes to rates and bands, the frequency of valuations, equalisation funding, removing exempt status from residential properties and a valuation date of 1st November 2021, commencing the first four year valuation cycle.

Dublin City Council awaits information on the financial impact of the proposed changes in terms of the value of any additional funding and when additional funding is planned to be made available to the Elected Members for consideration. It is expected that changes related to equalisation will be effective from Budget 2023. Changes relating to rates and bands, removal of exempt status for residential

properties built since 2013, will bring a 2022 liability for relevant householders but it may be that the financial impact of these changes is known *after* the 2022 Statutory Budget process, perhaps in the first quarter of 2022. Finally, the Department's intention relating to the continued categorisation of Dublin City Council as self-funding is not known.

3.2 Impact of LPT Variation on liable households

Information relating to LPT on liable households based on the current framework is provided in Circular Fin 15/2021 (**Appendix 1** attached) which sets out an analysis of property valuation bands in Dublin City as provided by the Revenue Commissioners.

3.3 Financial Position of Dublin City Council

The financial position of Dublin City Council, in the format prescribed by the Minister is set out in **Appendix 2**.

3.4 Application of LPT Funding in 2021

Information directing how Dublin City Council's 2021 LPT allocation has to be spent as determined by the Department of Housing, Local Government & Heritage is set out in **Appendix 3**.

3.5 Impact on Dublin City Council LPT Related Funding in 2022

Circular Fin 15/2021 (**Appendix 1**) gives a provisional LPT allocation for Dublin City Council. LPT receipts in respect of Dublin City householders in 2022 are estimated at €82.0m. In gross terms, before deductions to the equalisation fund or the substitution of LPT receipts for government grants for housing and roads, this amounts to an increase of €400k between 2021 and 2022. The transfer of Dublin LPT receipts to the central equalisation fund will increase in 2022 by €79k to €16.4m. The value of Dublin LPT receipts directed to fund housing and roads services previously funded by government grants will increase in 2022 by €236k to €30.1m.

4.0 Local Property Tax (LPT)

4.1 Commencement of LPT

The Local Property Tax was introduced under the Finance (Local Property Tax) Act 2012. Liability for the tax commenced on 1st July 2013. The value of the Local Property Tax liability is determined by the property valuations of liable properties. The tax is payable on most residential properties with limited exceptions. As referenced at 3.1 above, LPT legislative changes are under consideration by the houses of the Oireachtas.

4.2 Control of LPT

The LPT is collected by the Revenue Commissioners and transferred to the Local Government Fund, under the control of the Department of Housing, Local Government & Heritage. LPT payments are not collected by and retained by local authorities. The Local Government Fund was established in 1999 with the purpose

of 'providing local authorities with the finance for general discretionary funding of their day-to-day activities and for non-national roads, and funding for certain local government initiatives'. The Local Government Fund was initially based on monies from motor tax receipts and the Exchequer (i.e. tax receipts). All monies within the fund were allocated to the provision of local government services. The Exchequer contribution to the Fund ceased in 2012 and a contribution has since been made from the Local Government Fund to the Exchequer. Motor tax receipts no longer fund the Local Government Fund.

4.3 Consideration of Basic Rate

The National Basic Rate of LPT is determined as the product of the midpoint of the valuation band, multiplied by the appropriate rate. Valuation bands are established as commencing with €1 - €100,000, thereafter increasing in units of €50,000 up to €1m, after which the additional value over €1m is multiplied by a higher rate. Two rates apply; firstly a rate of 0.18% is applied to the midpoint of the relevant valuation band for properties valued in between €1 and €1m. For properties valued in excess of €1m, the rate of 0.18% applies to the chargeable value of up to €1m without reference to a midpoint, and a rate of 0.25% applies to the remainder of the chargeable value exceeding €1m.

The passing of a resolution for the application of a local adjustment factor to the Basic Rate LPT is a Reserved Function, considered annually. Elected Members must decide whether that variation is upwards or downwards and the value within a band of no more than 15% more or less than the Basic Rate. A local adjustment factor cannot be in excess of 15% of the Basic Rate. **Table 1** sets out the impact of the proposed changes to bands and valuations. This is provided for information purposes and has no bearing on the LPT allocation as notified in Circular 15/2021.

Table 1 – Impact of proposed increase in basic LPT rate

| No | Current | | Proposed | |
|----|------------------|--------|--------------------|--------|
| | Lpt Bands | Charge | Lpt Bands | Charge |
| 1 | €0-€100000 | €90 | €0-€200000 | €90 |
| 2 | €100001-€150000 | €225 | €200001-€262500 | €225 |
| 3 | €150001-€200000 | €315 | €262501-€350000 | €315 |
| 4 | €200001-€250000 | €405 | €350001-€437500 | €405 |
| 5 | €250001-€300000 | €495 | €437501-€525000 | €495 |
| 6 | €300001-€350000 | €585 | €525001-€612500 | €585 |
| 7 | €350001-€400000 | €675 | €612501-€700000 | €675 |
| 8 | €400001-€450000 | €765 | €700001-€787500 | €765 |
| 9 | €450001-€500000 | €855 | €787501-€875000 | €855 |
| 10 | €500001-€550000 | €945 | €875001-€962500 | €945 |
| 11 | €550001-€600000 | €1035 | €962501-€1050000 | €1035 |
| 12 | €600001-€650000 | €1125 | €1050001-€1137500 | €1190 |
| 13 | €650001-€700000 | €1215 | €1137501-€1225000 | €1409 |
| 14 | €700001-€750000 | €1305 | €1225001-€1312500 | €1627 |
| 15 | €750001-€800000 | €1395 | €1312501-€1400000 | €1846 |
| 16 | €800001-€850000 | €1485 | €1400001-€1487500 | €2065 |
| 17 | €850001-€900000 | €1575 | €1487501-€1575000 | €2284 |
| 18 | €900001-€950000 | €1665 | €15750001-€1662500 | €2502 |
| 19 | €950001-€1000000 | €1775 | €1662501-€1750000 | €2721 |
| 20 | Over €1m* | | Over €1.750m** | |

- Current Band 20 LPT arrangements: 0.18% €1- €1000000, 0.25% balance above €1000000
- Proposed Band 20 LPT arrangements: 0.1029% €1-€1050000. €0.25% €1050001-€1750000, 0.3% balance above €1750000

4.4 Redistribution

The Department of Housing, Local Government & Heritage operates a process of redistribution of funds within the Local Government Fund. The Department previously operated a needs and resources model which was intended to identify the needs of local authorities and align these needs to available resources. Notwithstanding the needs of Dublin City, both as the Capital City and in the context of having areas of high deprivation, Dublin City Council has not received funding through the LPT redistribution arrangements.

4.5 Public Consultation Process

Dublin City Council consulted with the public in regard to the setting of a Local Adjustment Factor. Report no 219/2021 provides details of the LPT Public Consultation Process undertaken.

5. 0 Funding for Services

5.1 Financial Outlook for 2022

The Dublin national and global economies are adapting to changed trading environments shaped by the Covid 19 pandemic. Public health restrictions continue to apply, impacting more severely on certain economic sectors such as hospitality, travel, entertainment, more than others. Social behaviours have altered requiring a revised perspective on what is needed from our public realm.

During 2021 Dublin City Council has been financially assisted by Government through a targeted Rates Waiver Scheme in place for the first three quarters of the year. While a reduced scheme, on that applying in 2020, it is very helpful in both supporting those businesses eligible for the waiver and in supporting Dublin City Council to sustain services. Dublin City Council was advised by Government that income levels in 2021 would be funded to pre pandemic values (i.e. those in 2019) by way of grant funding. This has been extremely useful to Dublin City Council in continuing to provide and adjust services throughout the pandemic to meet the changing needs of the City, for businesses, residents and visitors alike.

It is widely accepted that the pandemic has had a greater negative economic impact on Cities and urban economies, than rural. A consequence of the imposition of public health measures was the complete closure of many aspects of Dublin which attract people and create Dublin's dynamic environment. The absence of the City's retail and entertainment experience caused considerable shock to those sectors and to the broader City economy.

As the country takes cautious and prudent measures to reopen, key issues require attention to ensure that the Dublin economy is well placed to recover post pandemic. These include the provision of reasonable outdoor environments to facilitate greater outdoor activity with the capacity to adhere to social distancing requirements.

Since the onset of the pandemic, Dublin City Council has prioritised concern for the health and wellbeing of all who work, live, visit or study in Dublin City. Our services have continued to assist communities and businesses alike and are part of the

national effort to work through this situation. The introduction of City Recovery measures are testament to this.

There must of course be due regard to the available financial resources to fund our services. It is not possible to forecast with any accuracy, the pace and strength of recover of the Dublin economy in view of the changing virus patterns and associated public health measures. It is likely that financial measures to support the local government sector would be considered by Government as part of the National Budget Process for the 2022 financial year in October 2021. I will continue to monitor this and will bring a more detailed assessment in November to the Council in my report on the Draft Budget 2022.

5.2 Variation to Basic Rate of LPT

I have in the past, at successive budgets, recommended either that the Elected Members apply or increase the National Basic Rate. For 2022, there is considerable uncertainty around the outcome of a proposed revised LPT framework and in particular the impact for Dublin City Council. Although an understanding of how our resource base will change is lacking, I seek that the Elected Members take a specific action with regard to the setting of the LPT rate. There has never been a more pressing, urgent and widely acknowledged need for additional services as Dublin adapts to a shifting social and business context. The recommendation I now make to the Council is to apply the National Basic LPT rate. This recommendation speaks to our need for additional resources to meet the many increasing demands of our City, especially in the post Covid context, without diminishing in any way the political issues around such a decision. I await the advice of the Minister on how the revised LPT arrangements will impact Dublin City Council and will in due course inform the Elected Member of the financial impact.

6. 0 Recommendation of the Chief Executive

I recommend that, notwithstanding the absence of clarity around the impact on Dublin City Council of proposed changes to the LPT framework, so as to fund the pressing need for additional services, the Elected Members apply the National LPT Basic Rate.

**Owen P. Keegan
Chief Executive
Dublin City Council**

13th July 2021

Appendix 1: Circular Fin 15/2021

An Roinn Tithíochta,
Rialtais Áitiúil agus Oidhreachta
Department of Housing,
Local Government and Heritage



17 June 2021

Circular Fin 15/2021

Chief Executive

cc. Head of Finance

Provisional Local Property Tax Allocations 2022 – Dublin City Council

A Chara,

I am directed by the Minister for Housing, Local Government and Heritage to inform you that the provisional Local Property Tax (LPT) allocations from the Local Government Fund for 2022 have been agreed and Dublin City Council's allocation is set out below and in **Appendix 1(a)** to this document. LPT allocations have been calculated using the Revenue Commissioners' data on net declared liabilities of €496.5m post-variation in 2021 (as set out in **Appendix 1(b)** to this document). On a pre-variation basis, the full 2021 net declared liability amounts to €493.7m and this is the estimate applied to the provisional LPT allocations process for 2022.

This approach differs from previous years given that a revaluation of LPT is expected to take place later this year, which will lead to changes in both the overall LPT yield and to the yield in each local authority area. When detailed information on the 2022 yield is available, the matter will be reviewed.

Notwithstanding that, for the purpose of the provisional/pre-variation allocation, all other elements must also be based on the 2021 figures, including the LPT baselines, the equalisation contribution, and self-funding of housing and roads from surplus LPT.

It is recognised that the financial information required to support the decision of elected members will be preliminary and estimated given the timelines that apply to the process this year.

2022 Baseline

Every local authority is entitled to receive a minimum amount of funding under the LPT allocation process, known as the Baseline. Dublin City Council's Baseline for 2022 is **€19,095,592**.

Equalisation

The local retention mechanism will continue in 2022. 80% of all LPT receipts will be retained within the local authority area where the Tax is raised. The remaining 20% of the Tax collected nationally will be re-distributed on an equalised basis to local authorities, within the context of the annual allocations of LPT, to ensure that all authorities receive, at a minimum, an amount equivalent to their Baseline. This 20% for equalisation will be based on the total expected level of LPT in each local authority area and will not be adjusted if the basic rate of LPT is varied. Based on its surplus position when expected 2022 LPT receipts are compared to the 2022 Baseline, Dublin City Council will not be in receipt of equalisation funding in 2022.

Self-Funding

Some local authorities will receive greater levels of funding in 2022 from the Local Government Fund as a result of local retention of LPT compared to their Baseline. Local authorities will have the surplus allocated in two ways:

- Part of the surplus up to the equivalent of 20% of total expected LPT income (or the full amount of the surplus if that is less than 20%) can be used as additional income by local authorities for the authority's own use as part of their normal budgetary process; and
- The remainder of the surplus, if any, will then be available to the local authority to fund services in the housing and/or roads areas thereby replacing Central Government funding for some of these services. Authorities are expected to continue providing such services regardless of the changed approach to funding.

Based on its surplus position when expected 2022 LPT receipts are compared to the 2022 Baseline, Dublin City Council will be required to self-fund services in the Housing and Roads areas.

The specific detail of the level of Central Government Voted grants funding to be provided to local authorities is a matter that will be considered, as normal, as part of the Estimates process.

Provisional LPT allocation to Dublin City Council in 2022

The LPT allocation for Dublin City Council for 2022 (**pending any decision to locally vary the basic rate**) is **€ 65,638,588**. As a local authority that will be in receipt of 2022 LPT income in excess of the Baseline, Dublin City Council will be entitled to retain an amount of this surplus funding equivalent to 20% of the total expected LPT yield or **€16,409,647** for its own use. Dublin City Council will be required to use the remainder of the surplus to self-fund some specified services in the Housing and Roads areas to the value of **€30,133,349**. Details of the self-funding breakdown between Housing and Roads, capital and revenue will issue in a separate circular.

Please refer to the table in **Appendix 1(a)**, which sets out the basis for the allocation.

Variation

Every local authority has the power to vary the basic rate of LPT by up to 15%. It should be noted that if Dublin City Council decides to vary the LPT basic rate upwards in 2022; 100% of the resultant additional income will be available for the authorities' own use. Similarly, if Dublin City Council decides to vary the LPT basic rate downwards (by up to 15%) in 2022, the resultant loss in LPT income will be reflected in reduced LPT funding to the authority.

Local authorities are further reminded of their statutory obligations as set out in the Local Property Tax (Local Adjustment Factor) Regulations 2014 (S.I. Nos. 296 & 439/2014) and the Local Property Tax (Local Adjustment Factor)(Amendment) Regulations 2021 (S.I. No. 285 /2021) which take account of relevant provisions in the Finance (Local Property Tax) Acts. Previous guidance circular Fin 08/2014 also refers.

2021 LPT Statistics and Property Valuation Bands

2021 LPT Preliminary Statistics and Property Valuation Bands were provided to this Department by the Revenue Commissioners. This information is being provided for statistical purposes only to assist in the consideration of the local adjustment factor for 2022 LPT.

LPT statistics set out in **Appendix 1(b)** to this document outline the following:

- 2021 LPT Exempt (additional to declared liabilities)
- 2021 LPT Amounts Declared
- 2021 LPT Amounts Deferred
- 2021 Net LPT Position

The projected amounts for 2021 LPT reflect any local decision to lower/increase the basic rate by the local adjustment factor in 2021. i.e. data provided is post-variation.

This is of course subject to normal fluctuations that may be caused by transfers in property ownership and the on-going compliance campaign in operation by the Revenue Commissioners.

In accordance with section 152 of the Finance (Local Property Tax) Act 2012, the Department also requested information in relation to property valuation bands for each local authority area from the Revenue Commissioners as set out in **Appendix 1(c)** to this document.

Local Authorities will be advised of any further information once it becomes available.

Is mise, le meas,



Lorraine O'Donoghue
Principal,
Local Government Finance

Appendix 1(a)

Dublin City Council - 2022 LPT Allocation (Pending any decision to vary the basic rate)

| | € |
|--|--------------------------|
| LPT 100% | <u>82,048,235</u> |
| LPT 20% towards Equalisation funding | <u>16,409,647</u> |
| LPT Retained Locally (80%) | 65,638,588 |
| 2022 Baseline | <u>19,095,592</u> |
| 2022 Surplus (LPT Retained Locally – 2022 Baseline) | <u>46,542,996</u> |
| Amount of Surplus to be retained for authority's own use (20% of basic rate of LPT income) | 16,409,647 |
| Balance of Surplus to Self-Fund Housing and Roads Services | <u>30,133,349</u> |
| | <u>46,542,996</u> |
| Total LPT Funding to be provided in 2022 | <u>65,638,588</u> |
| Value of potential increase or decrease in 2022 LPT Allocation <u>for every 1%</u> of variation implemented | +/- 820,482 |

Appendix 1(b) – 2021 LPT Preliminary Statistics, post application of the 2021 Local Adjustment Factor as provided by the Revenue Commissioners

| Local Authority | LPT 2021 Exempt | LPT 2021 Declared | LPT 2021 Deferred | Net LPT 2021 Post Variation |
|-------------------------------|--------------------|---------------------|-------------------|-----------------------------|
| Carlow County Council | €133,000 | €4,358,000 | €101,000 | €4,257,000 |
| Cavan County Council | €167,000 | €5,360,000 | €127,000 | €5,232,000 |
| Clare County Council | €257,000 | €11,909,000 | €205,000 | €11,704,000 |
| Cork City Council | €690,000 | €22,992,000 | €327,000 | €22,665,000 |
| Cork County Council | €919,000 | €34,827,000 | €521,000 | €34,306,000 |
| Donegal County Council | €301,000 | €13,286,000 | €333,000 | €12,954,000 |
| Dublin City Council | €2,457,000 | €70,801,000 | €1,060,000 | €69,741,000 |
| Dún Laoghaire-Rathdown CC | €1,693,000 | €52,523,000 | €604,000 | €51,918,000 |
| Fingal County Council | €1,081,000 | €34,901,000 | €563,000 | €34,338,000 |
| Galway City Council | €163,000 | €8,431,000 | €89,000 | €8,342,000 |
| Galway County Council | €381,000 | €14,990,000 | €253,000 | €14,737,000 |
| Kerry County Council | €401,000 | €15,590,000 | €226,000 | €15,364,000 |
| Kildare County Council | €601,000 | €23,818,000 | €407,000 | €23,411,000 |
| Kilkenny County Council | €334,000 | €8,863,000 | €159,000 | €8,705,000 |
| Laois County Council | €159,000 | €5,698,000 | €129,000 | €5,569,000 |
| Leitrim County Council | €95,000 | €2,559,000 | €46,000 | €2,512,000 |
| Limerick City and Co.Council | €557,000 | €18,729,000 | €344,000 | €18,385,000 |
| Longford County Council | €101,000 | €2,652,000 | €62,000 | €2,590,000 |
| Louth County Council | €258,000 | €10,004,000 | €269,000 | €9,736,000 |
| Mayo County Council | €246,000 | €11,716,000 | €209,000 | €11,507,000 |
| Meath County Council | €496,000 | €17,999,000 | €384,000 | €17,616,000 |
| Monaghan County Council | €104,000 | €4,558,000 | €107,000 | €4,451,000 |
| Offaly County Council | €134,000 | €5,864,000 | €149,000 | €5,715,000 |
| Roscommon County Council | €157,000 | €4,763,000 | €91,000 | €4,673,000 |
| Sligo County Council | €237,000 | €6,261,000 | €95,000 | €6,167,000 |
| South Dublin County Council | €614,000 | €27,742,000 | €570,000 | €27,172,000 |
| Tipperary County Council | €398,000 | €13,535,000 | €254,000 | €13,281,000 |
| Waterford City and Co.Council | €293,000 | €11,095,000 | €210,000 | €10,885,000 |
| Westmeath County Council | €188,000 | €7,625,000 | €158,000 | €7,467,000 |
| Wexford County Council | €361,000 | €13,994,000 | €338,000 | €13,656,000 |
| Wicklow County Council | €464,000 | €17,717,000 | €326,000 | €17,391,000 |
| Totals | €14,440,000 | €505,160,000 | €8,716,000 | €496,447,000 |

Note 1: This analysis is preliminary; there is a small element of estimation in regard to the distribution of amounts by Local Authority.

Note 2: The LPT Declared amount includes declared amounts from returns filed to date, deferred amounts and amounts due on foot of instructions sent to employers and pension providers to collect LPT by way of mandatory deduction at source.

Note 3: The figures include LPT amounts for properties owned by Local Authorities and Approved Housing Bodies.

Note 4: The exemption amounts set out above are based on claims made and will be subject to certain verification checks. In addition, the full effects of exemptions are not reflected in the statistics as where an exemption was claimed, the property owner was not always required to value their property.

Appendix 1(c) – LPT Valuation Bands provided by the Revenue Commissioners

| LPT 2021 Valuation Bands | 0-100,000 | 100,001-150,000 | 150,001-200,000 | 200,001-250,000 | 250,001-300,000 | Over 300,000 |
|---------------------------------|------------------|------------------------|------------------------|------------------------|------------------------|---------------------|
| Carlow County Council | 40.3% | 37.2% | 17.3% | 3.2% | 1.0% | 1.0% |
| Cavan County Council | 53.8% | 37.2% | 6.7% | 1.4% | 0.4% | 0.4% |
| Clare County Council | 39.4% | 35.1% | 17.6% | 4.9% | 1.7% | 1.3% |
| Cork City Council | 22.6% | 28.9% | 25.8% | 12.8% | 4.7% | 5.3% |
| Cork County Council | 29.5% | 27.0% | 26.7% | 10.1% | 3.3% | 3.3% |
| Donegal County Council | 51.5% | 39.0% | 6.6% | 1.8% | 0.6% | 0.5% |
| Dublin City Council | 14.1% | 19.7% | 20.3% | 15.9% | 8.7% | 21.3% |
| Dún Laoghaire-Rathdown CC | 6.6% | 2.9% | 10.2% | 13.4% | 11.8% | 55.1% |
| Fingal County Council | 14.5% | 17.3% | 24.1% | 15.8% | 10.0% | 18.2% |
| Galway City Council | 20.8% | 31.9% | 26.6% | 10.8% | 4.2% | 5.7% |
| Galway County Council | 37.7% | 31.3% | 22.0% | 5.1% | 1.9% | 2.0% |
| Kerry County Council | 32.8% | 32.4% | 26.4% | 5.1% | 1.8% | 1.5% |
| Kildare County Council | 21.8% | 22.6% | 28.0% | 16.1% | 5.7% | 5.8% |
| Kilkenny County Council | 31.7% | 35.7% | 23.1% | 5.6% | 1.7% | 2.2% |
| Laois County Council | 43.7% | 41.7% | 10.3% | 2.6% | 0.9% | 0.9% |
| Leitrim County Council | 61.1% | 33.8% | 3.8% | 0.9% | 0.2% | 0.2% |
| Limerick City & County Council | 37.0% | 31.7% | 20.9% | 6.0% | 2.4% | 2.0% |
| Longford County Council | 62.6% | 31.9% | 4.2% | 0.8% | 0.3% | 0.2% |
| Louth County Council | 37.8% | 31.5% | 20.9% | 5.9% | 2.0% | 1.8% |
| Mayo County Council | 44.9% | 37.8% | 13.2% | 2.4% | 0.8% | 0.9% |
| Meath County Council | 23.8% | 27.7% | 26.8% | 12.3% | 4.9% | 4.6% |
| Monaghan County Council | 43.7% | 41.6% | 11.4% | 2.2% | 0.7% | 0.5% |
| Offaly County Council | 41.0% | 37.6% | 16.9% | 2.6% | 0.9% | 1.0% |
| Roscommon County Council | 57.7% | 34.5% | 5.6% | 1.3% | 0.4% | 0.5% |
| Sligo County Council | 45.1% | 32.5% | 15.8% | 3.9% | 1.3% | 1.4% |
| South Dublin County Council | 17.4% | 17.0% | 24.9% | 16.6% | 8.6% | 15.6% |
| Tipperary County Council | 39.5% | 35.6% | 18.5% | 4.0% | 1.4% | 1.1% |
| Waterford City & County Council | 41.1% | 30.3% | 19.6% | 5.0% | 2.1% | 2.0% |
| Westmeath County Council | 41.4% | 36.2% | 16.4% | 3.5% | 1.3% | 1.2% |
| Wexford County Council | 35.5% | 36.5% | 21.5% | 3.8% | 1.4% | 1.3% |
| Wicklow County Council | 16.2% | 18.4% | 26.1% | 18.3% | 8.3% | 12.7% |

Appendix 2 - Preliminary estimate of Revenue Income and Expenditure

| | | Y2021 Adopted to Y2021 Revised | | | Y2021 Adopted to Y2022 Draft | | | |
|------------------------|--|--|----------------------|----------------------|------------------------------|----------------------|----------------------|-------------------|
| Category Description | | 2021 Adopted | 2021 Revised | Variance | 2021 Adopted | 2022 | Variance | |
| Income | Rates | 361,984,471 | 362,884,471 | 900,000 | 361,984,471 | 363,000,000 | 1,015,529 | |
| | NPPR | 2,500,000 | 3,700,000 | 1,200,000 | 2,500,000 | 2,000,000 | - 500,000 | |
| | LGF - LPT Allocation | 33,958,979 | 33,958,979 | - | 33,958,979 | 33,978,364 | 19,385 | |
| | of which | LPT Allocation - Own Use | 23,178,319 | 23,178,319 | - | 23,178,319 | 23,197,704 | 19,385 |
| | | LPT Allocation - Self Funding | 10,780,660 | 10,780,660 | - | 10,780,660 | 10,780,660 | - |
| | Goods & Services | 348,865,816 | 336,389,597 | - 12,476,219 | 348,865,816 | 348,865,816 | - | |
| | of which | Rents from Houses | 92,000,000 | 92,200,000 | 200,000 | 92,000,000 | 92,000,000 | - |
| | | Housing Loans Interest & Charges | 7,748,600 | 7,748,600 | - | 7,748,600 | 7,748,600 | - |
| | | Other Goods & Service Income | 205,043,906 | 192,367,687 | - 12,676,219 | 205,043,906 | 205,043,906 | - |
| | | Irish Water | 44,073,310 | 44,073,310 | - | 44,073,310 | 44,073,310 | - |
| | | Revenue Grants & Subsidies | 332,263,149 | 360,263,149 | 28,000,000 | 332,263,149 | 342,263,149 | 10,000,000 |
| | | Total Income | 1,079,572,415 | 1,097,196,196 | 17,623,781 | 1,079,572,415 | 1,090,107,329 | 10,534,914 |
| | Expenditure | Payroll Costs | 456,353,013 | 447,973,013 | - 8,380,000 | 456,353,013 | 462,993,013 | 6,640,000 |
| of which | | Salary & Wages | 344,728,488 | 335,948,488 | - 8,780,000 | 344,728,488 | 349,368,488 | 4,640,000 |
| | | Pensions | 111,624,525 | 112,024,525 | 400,000 | 111,624,525 | 113,624,525 | 2,000,000 |
| | | Other payroll costs | - | - | - | - | - | - |
| Financial Expenses | | 37,454,840 | 37,454,840 | - | 37,454,840 | 38,575,572 | 1,120,732 | |
| of which | | Bad debt Provision (including irrecoverable rates) | 27,129,206 | 27,129,206 | - | 27,129,206 | 27,250,000 | 120,794 |
| | | Interest paid to central government (NTMA & OPW) | - | - | - | - | - | - |
| | | Interest paid to HFA | 10,260,062 | 10,260,062 | - | 10,260,062 | 11,260,000 | 999,938 |
| | | Interest paid to other financial institutions | 65,572 | 65,572 | - | 65,572 | 65,572 | - |
| Other Revenue Expenses | | 585,764,562 | 588,164,141 | 2,399,579 | 585,764,562 | 588,538,744 | 2,774,182 | |
| of which | | Maintenance/Improvement of LA Housing | 48,274,226 | 48,500,000 | 225,774 | 48,274,226 | 49,774,226 | 1,500,000 |
| | | RAS Programme / HAP | 79,976,195 | 80,750,000 | 773,805 | 79,976,195 | 85,000,000 | 5,023,805 |
| | | Expenditure on behalf of Irish Water | 18,192,192 | 16,992,192 | - 1,200,000 | 18,192,192 | 16,700,000 | - 1,492,192 |
| | Other | 439,321,949 | 441,921,949 | 2,600,000 | 439,321,009 | 437,064,518 | - 2,256,491 | |
| | Total Expenditure | 1,079,572,415 | 1,073,591,994 | - 5,980,421 | 1,079,572,415 | 1,090,107,329 | 10,534,914 | |
| | Expected Credit Balance Y2021R | | 23,604,202 | | | | | |
| | Expected Credit Balance Y2022 | | | | | | | |
| Note | The above template is one that must be returned to Department of Housing, Planning, Community & Local Government | | | | | | | |
| | The final draft budget submitted to the Council will vary from this analysis | | | | | | | |
| | The assumption for the Y2022 LPT is that the basic rate will be increased by 15% | | | | | | | |

Appendix 3– Assignment of LPT receipts as directed by the Department of Housing, Local Government and Heritage

| Local Property Tax - Dublin City Council 2021 | | | |
|--|------------|------------|------------|
| | € | € | € |
| Value of LPT Receipts Estimated by the Revenue Commissioners | 81,654,541 | | |
| 20% to Equalisation Fund | 16,330,908 | | |
| 80% LPT Retained | 65,323,633 | | |
| Value of 15% Reduction | 12,248,181 | | |
| LPT available funding | 53,075,452 | | |
| | | | |
| Fund directed by Govt replacing previous grants, of which; | 29,897,133 | | |
| | | | |
| Housing Revenue | | 5,000,000 | |
| Roads Revenue | | 5,780,600 | |
| Total Revenue | | | 10,780,600 |
| Housing Capital | | | 19,116,533 |
| | | | 29,897,133 |
| | | | |
| Remaining LPT Balance | 23,178,319 | | |
| PRD | | 16,428,262 | |
| LPT of which; | | 6,750,057 | |
| Historic Local Government Funding | | | 2,667,330 |
| LPT Funding | | | 4,082,727 |



Draft Budget Strategy for Financial Year 2022

in compliance with the Local Government (Financial and Audit Procedures) Regulations 2014

1. Executive Summary

This Draft Budget Strategy, prepared in compliance with The Local Government (Financial and Audit Procedures) Regulations 2014 (S.I. 226), is prepared in the context of the ongoing health, economic and social impacts of the Covid 19 pandemic, public health restrictions and measures taken to reopen certain aspects of the economy. Dublin City Council's priority in these difficult circumstances has been to provide services supporting the business environment along with services to support communities.

There is a clear demand for service development in our Capital City. Dublin City Council acknowledges the difficulties faced by many businesses and proposes that, for the second year in succession, there be no movement in the Commercial Rate (ARV), i.e. remaining at 0.268. It is further proposed that the Commercial Rates Vacancy Refund Rate be maintained at 30%.

There are fundamental changes proposed to the LPT framework. The impact of these proposed changes on Dublin City Council, in particular whether the Department will continue to classify Dublin City Council as self-funding, is not yet known. By being categorised as self-funding by the Department, LPT receipts of Dublin householders have been directed to specific existing works and services in lieu of government funding. I cannot advise the Elected Members as to the financial impact of proposed LPT changes. Notwithstanding the absence of such clarity, in order to fund the pressing need for additional services, I recommend the Elected Members apply the National LPT Basic Rate.

This document is required to be presented to the Elected Members as part of the LPT process (i.e. on the 19th July), in advance of the Statutory Budget Meeting. Clarity is awaited on the impact on available funding of proposed LPT changes. Further, as the pandemic and public health restrictions remain, the capacity of businesses to meet rating liabilities in 2022, without government support is not evident. On-going pandemic related costs are likely to continue, at least in part, to 2022 and non-rates related income may not return to pre-pandemic levels in 2022. These concerns around the fundamentals of our spend requirement and funding base will require continued close monitoring and communication to you of our resources.

2. Introduction

2.1 Background

The relevant legislative provisions are The Local Government (Financial and Audit Procedures) Regulations 2014 (S.I. nos. 226, 296, 439 of 2014), Circulars Fin 08/14 and Circular Fin 5/2019. The legislative framework prescribes the format of financial data provided. In this report, financial information is based on actual data to date (July 2021) along with reasonable estimates of likely outturns for the current financial year 2021. A comprehensive review of the financial performance was carried out in Q1 2021

2.2 Relevant Factors

The factors relevant to the 2022 Budget are:

- The impact of the pandemic on businesses across all sectors, on rate collection and the capacity of businesses to meet rating liabilities and on other income sources such as planning fees and parking charges.
- Additional pandemic related costs necessarily incurred in 2021 and required in 2022
- Expenditure and income pressures in 2022
- Service Demands 2022
- Importance of the business community and rates
- The setting of the Commercial Rate (ARV)
- The setting of the Vacancy Refund Rate
- The setting of the LPT rate to apply to Dublin householders, in the context of proposed changes relating to the LPT rate, LPT bands, equalisation measures and exemptions
- Likely resource impact from proposed changes to the LPT framework in 2022
- Resource management in 2021
- Gap between demand for services and available resources
- Loan financing of capital projects

Dublin City Council's financial position is set out in the prescribed format in **Appendix 1**.

2.3 Objectives

The objective of Dublin City Council's Budget Strategy is to develop a financially robust approach to funding operational services and capital programmes for the financial year 2022. This is set in the context of continuing public health restrictions and social distancing measures, a curtailed business environment in parallel with restricted community, leisure and recreational activities. This strategy seeks to ensure that Dublin City Council's available resource base is identified along with the estimated quantum of funds to provide services to support businesses and communities.

3. Factors relevant to Budget Strategy

3.1 The impact of the pandemic on businesses

The impact of the pandemic has been keenly felt by businesses, with some impacted more severely than others. The Government's 2020 Rates Waiver Scheme applied to

quarters 2 to 4. The scheme gave a funded waiver for many businesses, while those businesses specifically excluded had an opportunity to make an exceptional application. The 2021 Rates Waiver Scheme has been announced as applying to quarters 1 to 3, for a narrower range of businesses than the 2020 scheme.

As of now, arrangements for indoor dining, wet pubs, events etc. are under review. It is hoped that economic activity over the coming months will approach pre pandemic levels for some. For others, such as hospitality and the broad 'experience' sector, changes to how business is conducted arising from physical distancing has a greater impact on overall business viability. The capacity of businesses to meet rates liabilities will impact on the performance of rate collection and financing key services into the future. Concerns are held on the level of liquidations, receiverships and examinerships that may materialise over the near term.

3.2 Additional pandemic related costs

Funding for pandemic related additional costs necessarily incurred to provide services was provided in 2020 and committed to for 2021. This includes PPE, costs related to additional ambulance services, overtime costs, business continuity measures, IT requirements and additional costs relating to persons presenting as homeless. Funding arrangements for such costs incurred in 2022 have not been clarified.

3.3 Income and Expenditure Pressures

Prior to the pandemic, Dublin City Council had clearly articulated the difficult challenges faced in resourcing services. The Local Government funding model, as it applies to Dublin City Council, has consistently shifted in recent years, to be disadvantageous to Dublin City Council. The cost of service provision is rising, while there is an expectation that Commercial Rates / user charges / fees / should have low or no increases. This is understandable from a user perspective but cannot be squared to the incurred cost of provision. Dublin City Council has reduced its cost base in recent years, with new work practices, reduced staff and innovative use of technology, all the while service demands have increased, becoming more exacting. An outcome of the pandemic has been that the value of good local services is acknowledged and appreciated even more than previously. This holds true for all local authorities, urban and rural.

The full cost of the implementation of the Building Momentum Public Sector Pay Agreement 2021 – 2022 will result in additional costs of €7m in providing for a 1% increase on 1st October 2021 and 1st October 2022. In line with previous National Pay Agreements exchequer funding of the pay agreement will result in a net cost to Dublin City Council.

3.4 Homeless Services

The costs of service provision for homeless persons continues to increase as a result of underlying homeless presentation rates and the costs of pandemic related measures taken to protect homeless persons in temporary accommodation. At a high level, trends in demand for homeless related services have changed since March 2020 and the commencement of pandemic related public health measures. There has been a reduction in the numbers of persons presenting as homeless, notably families and also a sharp reduction in the numbers of persons being accommodated in hotels. There are no families self-sourcing accommodation. In parallel with that, Dublin City Council has incurred additional costs through the implementation of arrangements aimed at best supporting homeless persons in the pandemic. In 2020 the additional Covid related homeless costs were funded 90% by the Department of Housing, Local Government and Heritage, and 10% by the Dublin Local Authorities, of which two thirds was met by

Dublin City Council. Details of costs incurred in 2021 will be shared with you as part of the 2022 draft budget process. Homelessness is a national issue, managed locally, and Dublin City Council welcomes the highest level of state funding in respect of service costs incurred.

3.5 Service Demands 2022

In framing this 2022 Draft Budget Strategy, great attention has been given to the remaining months of 2021 and the specific service demands likely to present in 2022. The most significant are:

- Continuing provision of PPE for staff where appropriate for health and safety reasons
- Business continuity measures to Dublin City Council buildings and facilities
- Costs of Dublin Fire Brigade and ambulance services in particular as frontline emergency responders
- IT environment to facilitate a medium term remote working capacity
- Increased supports for communities most affected by the pandemic
- Non exchequer funded increase in the PSSA
- Loan financing costs of capital projects (including Housing Voids) in 2022
- Increased costs of pension & gratuities

3.6 Importance of Commercial Rates to Service Provision

The funding of Local Government services occurs through a range of sources – specific Government Grants, Commercial Rates, income from services, LPT funding applied to specific services and LPT Discretionary Funding. Any savings made by Dublin City Council in a financial year are applied towards the funding of services in the following year. **Appendix 2 and 3** sets out the trends in recent years as to the value of inputs from these sources to the funding of services.

All sources of funding are important, including Commercial Rates. The buoyancy of trade in Dublin City is crucial to the City's economic prospects. Dublin City Council services support trade and so it is appropriate that commercial entities make a contribution for their trading environment. This contribution must be appropriate and not at a level which dampens trade and removes potential for growth. The City's economy and that of the State has been heavily impacted by the Covid 19 pandemic. I am acutely aware of the pressures faced by businesses.

3.7 Stable ARV

Details of commercial ratepayers in Dublin City by band in 2021 are set out in **Appendix 4**. Over 75% of commercial ratepayers have a rates charge in 2021 of €10K or under, while almost 38% of commercial ratepayers have a rates charge in 2021 of under €3,000. By contrast, just over 52% of the total rates debit is paid by a little over 2% of commercial ratepayers or 494 accounts.

- 75% of ratepayers receive a bill of less than €10k.
- 20% of ratepayers receive a bill of between €10k and €50k.
- 5% of ratepayers receive a bill in excess of €50k.
- 5% of ratepayers pay 62% of the rates charge.
- 20% of ratepayers pay 23% of the rates charge.
- 75% of ratepayers pay 15% of the rates charge.

This budget strategy is based on the recommendation to hold the ARV for Commercial Rates in the financial year 2022 to a multiplier of 0.268.

3.8 Vacancy Refunds

The Local Government Reform Act provides for Elected Members to determine, by resolution, the Vacancy Refund Rate to apply to electoral districts within the local authority's jurisdiction.

Table 2 – Vacancy Refund Rates

| Period | Vacancy Refund Rate % |
|--------------|-----------------------|
| 1930 to 2016 | 50 |
| 2017 | 45 |
| 2018 | 40 |
| 2020 | 25 |
| 2021 | 30 |

The Rates Waiver Scheme provided support to vacant commercial units while the 2021 scheme does not. There is considerable flux in the prevailing business climate owing to trading changes i.e. the effect of public health restrictions and behavioural changes i.e. the effect of social distancing and health concerns. Vacant commercial properties are a concern but the information on trends across locations and sectors is weak. Vacant commercial property detracts from the attractiveness of the trading environment, making it difficult for remaining businesses and unappealing to prospective traders. Owing to the changing business environment and limited information, it is proposed to hold the Vacancy Refund at 30% in 2022.

3.9 Variation of the Local Property Tax 2022

Report 217/2021 relates to the consideration of the Local Property Tax Local Adjustment Factor in respect of the financial year 2022. In summary, the report proposes that notwithstanding the absence of clarity around the impact on Dublin City Council of proposed changes to the LPT framework, so as to fund the pressing need for additional services, the Elected Members apply the National LPT Basic Rate.

3.10 Resource Management in 2021

Staff

Over the course of 2021, efficiencies have been made in how service provision is structured and the associated costs of same. With regard to staff, Dublin City Council staff numbers at June 2021 reflect a modest increase of both core and non-core staff, from 5,586.25 at 30th June 2019 to 5,635.05 at June 2021 in line with service requirements (see Table 3)

Table 3 Staff Numbers June 2019 to June 2021

| Category | Jun-19 | Jun-20 | Jun-21 |
|------------------|-----------------|-----------------|-----------------|
| Headcount | 5,921.00 | 5,958.00 | 5,954.00 |
| Core | 5,723.00 | 5,774.00 | 5,724.00 |
| Non-Core | 198 | 184 | 230 |
| WTE | 5,586.25 | 5,626.50 | 5,635.05 |
| Core | 5,395.80 | 5,450.40 | 5,408.95 |
| Non-Core | 190.45 | 176.1 | 226.1 |

3.11 Resource Availability in 2022

Uncertainty has been a hallmark of this pandemic whether health, economic, social or otherwise related. At this time it simply is not known the extent and value of either Government supports in 2022 or the strength and depth of the Dublin trading environment next year. As a general trend, Dublin City Council's resources have always been finely balanced, more so in recent years. Levels of new funding for the City have been at minimal levels while the cost and scope of services has increased notably. The occurrence, in parallel of very large income reductions and uncertainty along with increased services and additional costs, presents an uncertain budgetary outcome for 2022.

3.12 Capital Expenditure and Income 2022

The budget strategy is based on the forecasted capital spend for 2022 as identified in the preparation of Dublin City Council's 2022 to 2024 Capital Programme. A detailed Capital Programme for the period 2022 to 2024, based on further analysis, will be presented to the Elected Members at the City Council Meeting scheduled for 6th December 2021.

4.0 Summary

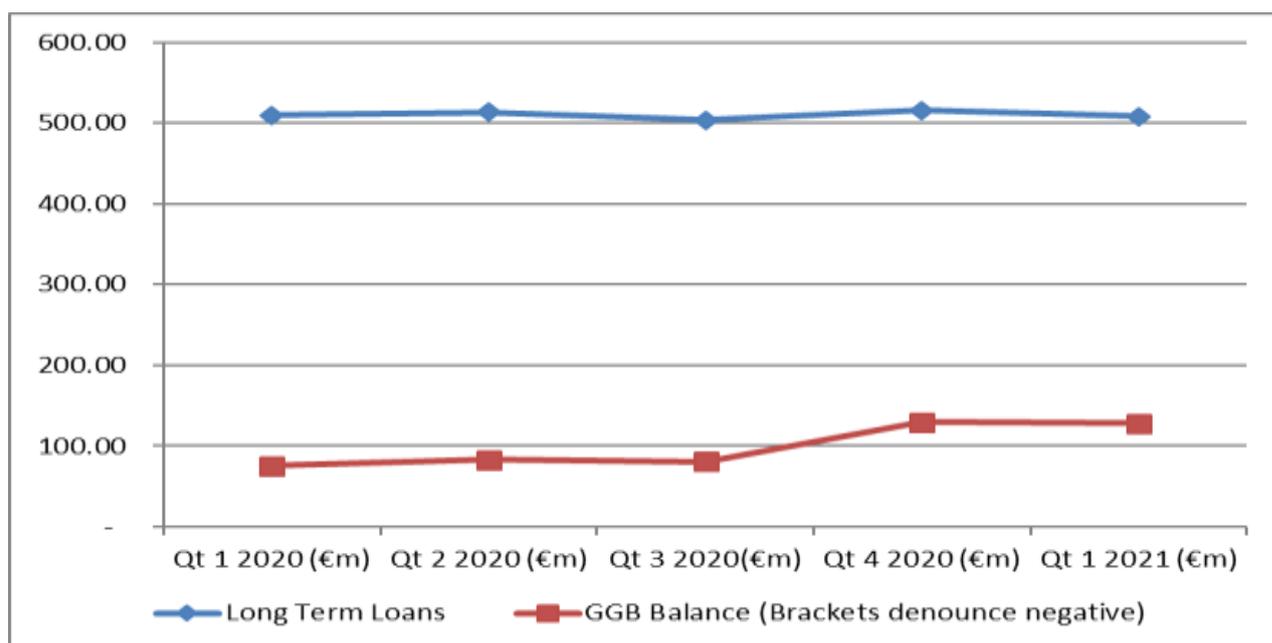
This Draft Budget Strategy proposes that, although there is a clear demand for service development, Dublin City Council acknowledges the difficulties faced by many businesses and proposes that for the second year in succession, there be no movement in the Commercial Rate (ARV), i.e. remaining at 0.268. It is further proposed that the Commercial Rates Vacancy Refund Rate be maintained at 30%. There are fundamental changes proposed to the LPT framework. The impact of these proposed changes on Dublin City Council and in particular whether the Department will continue to classify Dublin City Council as self-funding, is not yet known. By being categorised as self-funding by the Department, LPT receipts of Dublin householders have been directed to specific existing works and services in lieu of government funding. I cannot advise the Elected Members as to the financial impact of proposed LPT changes. So as to fund the pressing need for additional services, I recommend that the National Basic LPT rate be applied to householders in Dublin City Council in 2022.

Kathy Quinn
Head of Finance
15th July 2021

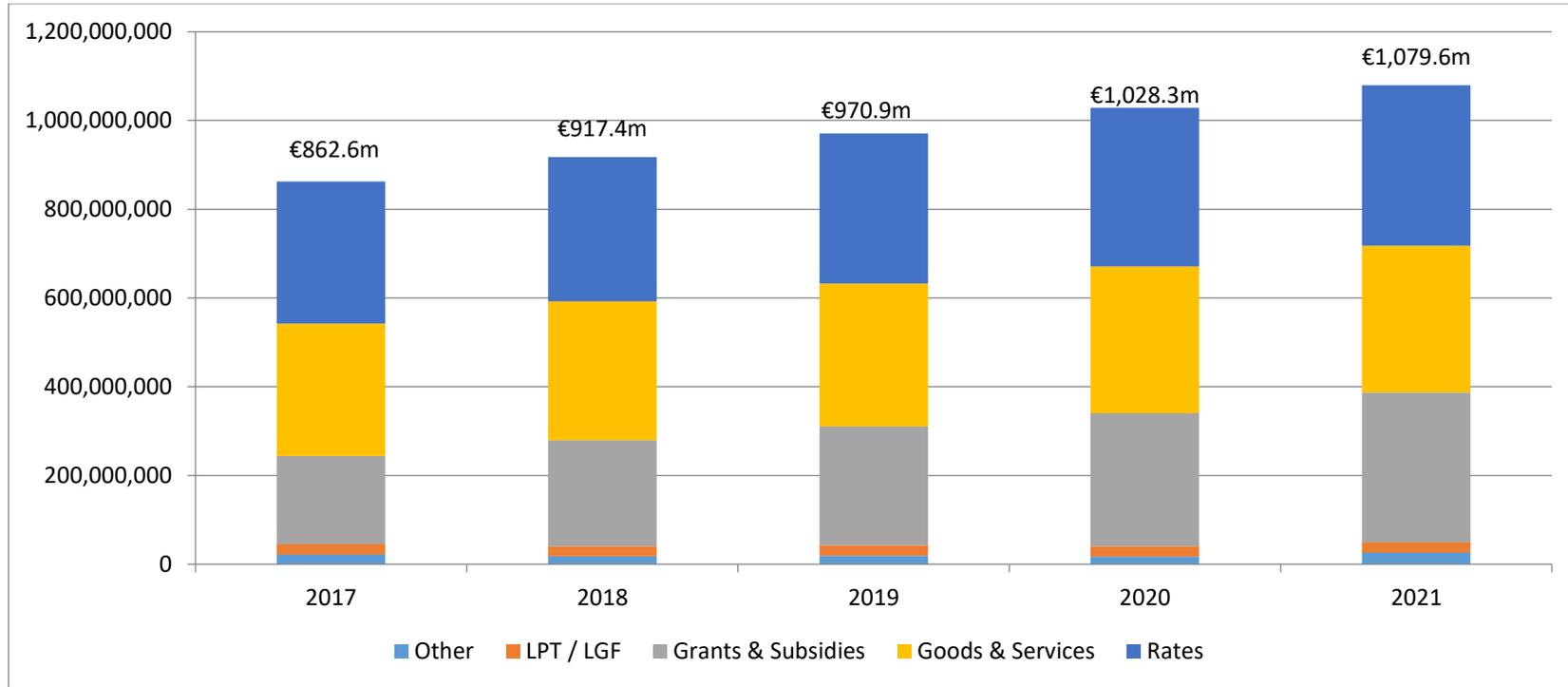
Appendix 1

| | As at Year To 26th of March 2021 |
|---|---|
| ASSETS | € |
| Current assets (including cash and investments) | 764,355,892 |
| General revenue reserve (if surplus) | 37,474,584 |
| Loans receivable | 526,509,225 |
| | - |
| LIABILITIES | € |
| Current liabilities (including overdraft) | 507,542,262 |
| General revenue reserve (if deficit) | - |
| Loans payable | - |
| Voluntary housing/mortgage loans | 368,190,891 |
| Non mortgage loans | 139,801,005 |
| | - |
| INDICATORS | - |
| Ratio of loans payable to revenue income | 47.1% |
| Ratio of current assets to current liabilities | 1.51:1 |

| | Qt 1 2020 (€m) | Qt 2 2020 (€m) | Qt 3 2020 (€m) | Qt 4 2020 (€m) | Qt 1 2021 (€m) |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Current Assets | 712.64 | 639.35 | 556.34 | 511.92 | 764.36 |
| Current Liabilities | 523.92 | 435.03 | 357.93 | 253.76 | 507.54 |
| Creditors(<1yr) | 626.84 | 631.24 | 621.59 | 662.26 | 655.35 |
| Long Term Loans | 509.20 | 513.65 | 503.36 | 515.48 | 507.99 |
| GGB Balance (Brackets denounce negative) | 75.39 | 83.31 | 80.92 | 129.45 | 127.98 |
| Movement against Q4 of previous year | (14.65) | (6.73) | (9.12) | 39.41 | 37.94 |



Appendix 2 - Budgeted Total Income by Year 2017 – 2021



Appendix 3 – Table of Budgeted Total Income by Year 2017-2021

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------------|--------------|--------------|--------------|----------------|----------------|
| | €m | €m | €m | €m | €m |
| Other | 22.1 | 17.7 | 19.5 | 17.4 | 26.2 |
| LPT / LGF | 23.1 | 23.1 | 23.1 | 23.1 | 23.2 |
| Grants & Subsidies | 198.9 | 238.6 | 268.0 | 299.8 | 338.0 |
| Goods & Services | 297.9 | 313.2 | 322.2 | 330.5 | 330.1 |
| Rates | 320.7 | 324.8 | 338.2 | 357.4 | 362.0 |
| Total | 862.6 | 917.4 | 970.9 | 1,028.3 | 1,079.6 |

Appendix 4 - Rate Bands 2021

| CHARGE 2021 | No Of Accounts | Cumulative total | % per band | Cumulative Total | Total debit per band | % of Debit | Cumulative Total |
|---------------------|----------------|------------------|----------------|------------------|-------------------------|----------------|------------------|
| €1 - €999 | 1858 | 1858 | 9.26% | 9.26% | € 1,129,700.27 | 0.31% | 0.31% |
| €1,000 - €3,000 | 5677 | 7535 | 28.29% | 37.55% | € 11,084,605.42 | 3.05% | 3.37% |
| €3,000 - €5,000 | 3590 | 11125 | 17.89% | 55.44% | € 14,020,277.09 | 3.86% | 7.23% |
| €5,000 - €10,000 | 3935 | 15060 | 19.61% | 75.04% | € 27,611,563.96 | 7.61% | 14.84% |
| €10,000 - €25,000 | 2850 | 17910 | 14.20% | 89.25% | € 43,899,295.74 | 12.10% | 26.94% |
| €25,000 - €50,000 | 1096 | 19006 | 5.46% | 94.71% | € 38,432,503.67 | 10.59% | 37.53% |
| €50,000 - €75,000 | 396 | 19402 | 1.97% | 96.68% | € 23,937,346.16 | 6.60% | 44.12% |
| €75,000 - €100,000 | 172 | 19574 | 0.86% | 97.54% | € 14,845,713.14 | 4.09% | 48.21% |
| €100,000 - €500,000 | 425 | 19999 | 2.12% | 99.66% | € 84,920,172.04 | 23.40% | 71.61% |
| €500,000 - | 69 | 20068 | 0.34% | 100.00% | € 103,006,164.21 | 28.39% | 100.00% |
| TOTAL | 20068 | | 100.00% | | € 362,887,341.70 | 100.00% | |



Budget 2022 - LPT Public Consultation Process
For consideration at the special meeting of Dublin City Council scheduled for
Monday 19th July

1. Executive Summary

The LPT Public Consultation Process can be summarised as follows:

| | |
|---|--|
| <ul style="list-style-type: none">• The total number of completed surveys was 472• The largest single group of respondents were Dublin City Council home owners (415 or 87.9%)• 83.3% (or 393 respondents) indicated that they were aware that Councillors had the power to vary the Basic Rate of the LPT• 75.4% (or 356 respondents) wished for the LPT to be maintained at its current rate of -15% | <ul style="list-style-type: none">• 24.6% (or 116 respondents) wished for the LPT to be varied from its current rate of -15%• Of those who wished for a variation; 36.5% want a lesser reduction than -15%.• Of those who wished for a variation; 63.5% wanted to increase the rate above the Basic Rate |
|---|--|

2. Background

The Local Property Tax (Local Adjustment Factor) Regulations 2014 requires that Dublin City Council consult with the public in its administrative area in relation to its consideration of the setting of a Local Adjustment Factor. Dublin City Council is further required to have regard in its consideration of a report summarising the written submissions received from the public consultation process.

3. Public Notice

Dublin City Council placed an advertisement, on Friday 25th June in the Irish Independent, and in the Dublin City Gazette on Thursday 1st July giving notice of the consideration of setting a Local Adjustment Factor and seeking completion of an online survey on this issue. The notice was in compliance with the prescribed format as indicated in the regulations. The consultation period extended from Friday 25th June to Friday 9th July.

The public were further notified of the consultation via:

- www.dublincity.ie
- Social Media (Facebook & Twitter)
- Email notification to our Elected Members and staff

4. Management of Consultation Process

Dublin City Council utilises a cloud-based software for managing, publicising and archiving its consultation activity for the LPT Public Consultation Process. The software (Citizen Space) hosted a web application which has been designed with a view to allowing organisations to run their consultation processes more efficiently and effectively.

The consultation process was managed using:

- A password-protected administration area allowing staff of the City Council to add, edit and report on consultations;
- A front-end website allowing the public to search for, share and participate in consultations that are being run by Dublin City Council;
- An online survey system for securely collecting consultation responses from users.

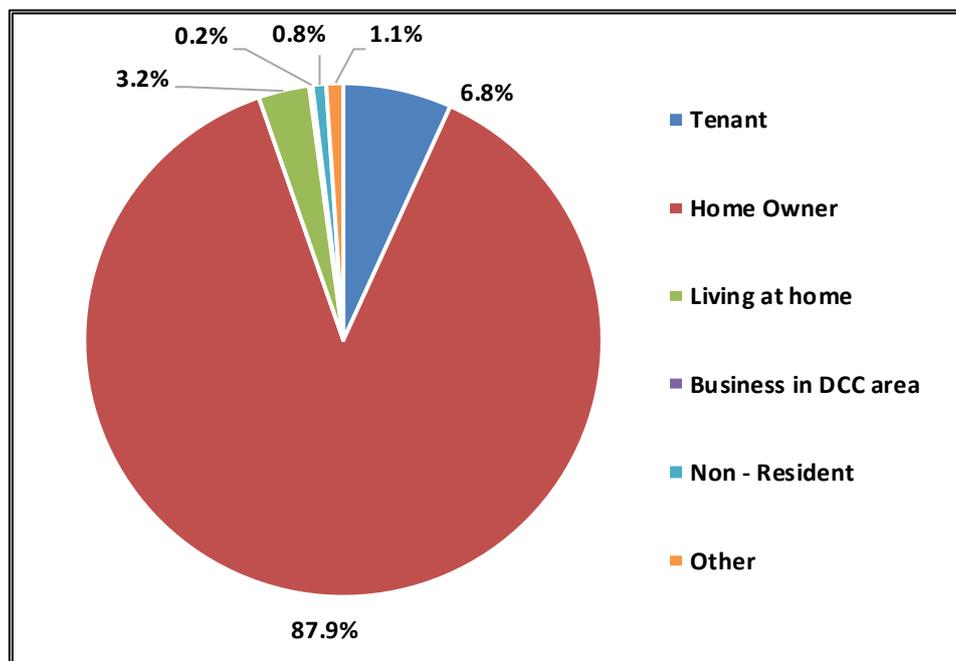
The use of this tool supported the protection by Dublin City Council of the integrity of responses.

5. Response to Consultation Phase

472 surveys were completed during the consultation process. Of this number 394 (83.5% of respondents) were Dublin City residents, with the balance of 78 (16.5%) not being resident in the City.

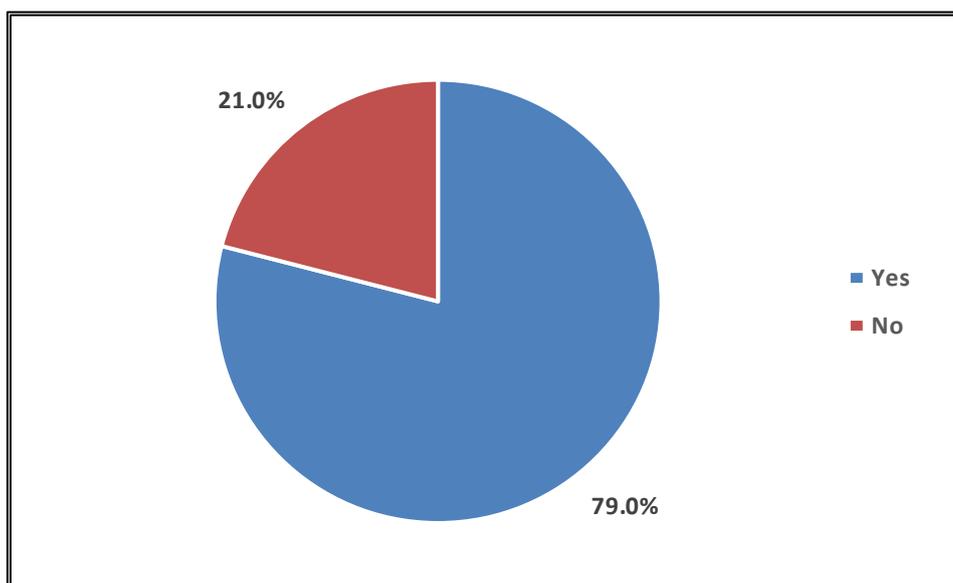
6. Analysis of Survey results

6.1 Analysis of Respondents



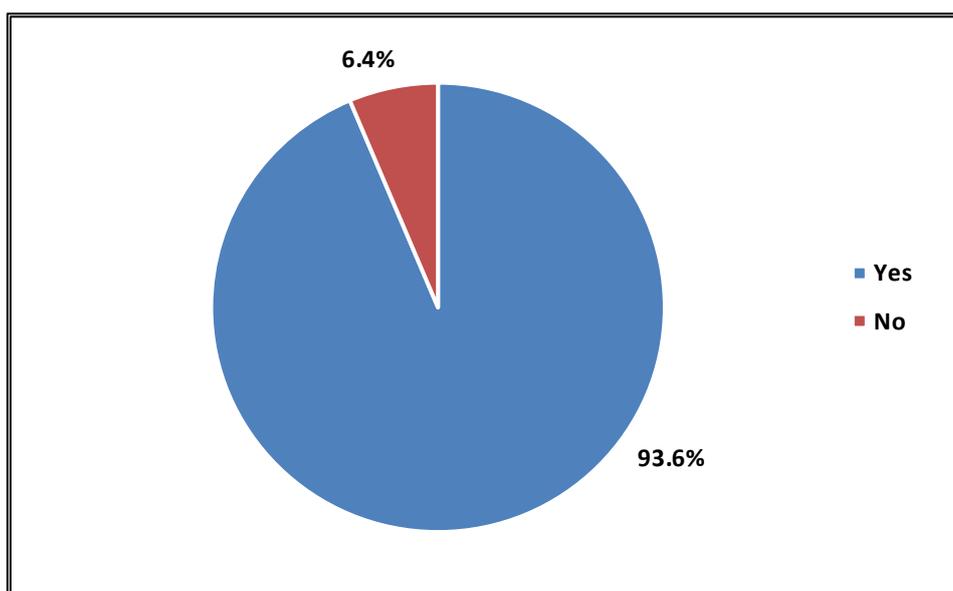
The largest single group of respondents were Home Owners who comprised 415 (or 87.9%) of the total, followed by Tenants who comprised 32 (or 6.8%).

6.2 Are you required to pay the Local Property Tax?



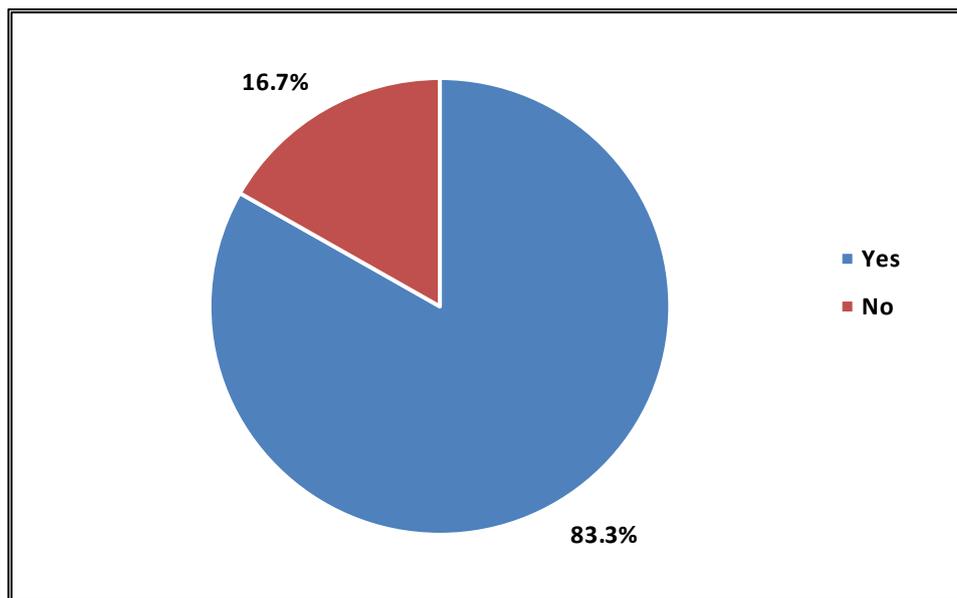
A total of 373 (79%) respondents replied that they are required to pay the Local Property Tax

6.3 Are you aware that the Local Property Tax payments are used to fund some of the essential services that Dublin City Council provides to its citizens?



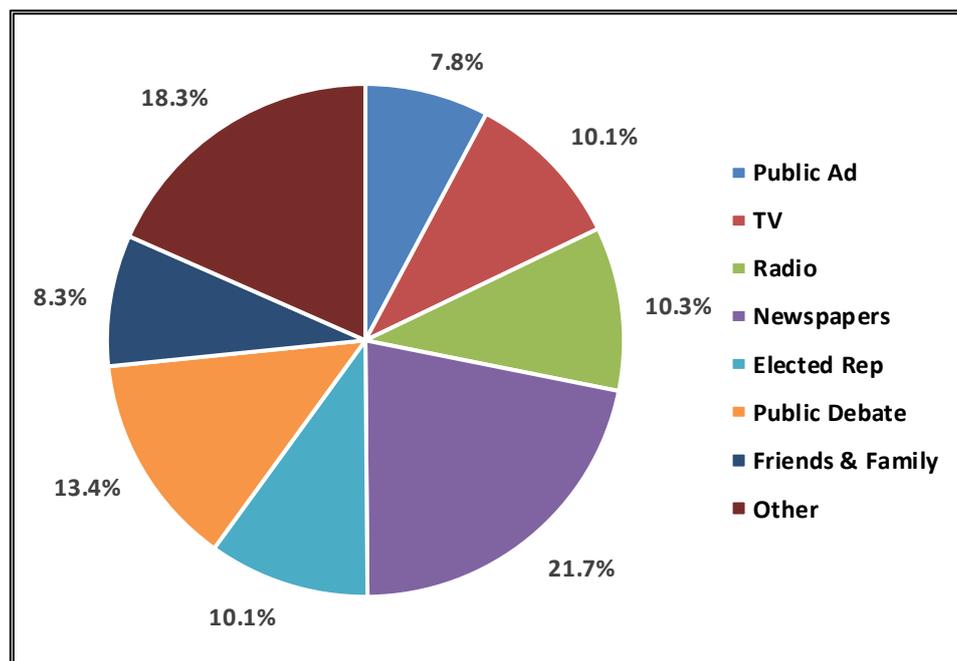
A total of 442 (93.6%) respondents are aware that the LPT is used to fund essential services.

6.4 Are you aware that City Councillors can increase or decrease the Basic Rate of the LPT by up to 15%?



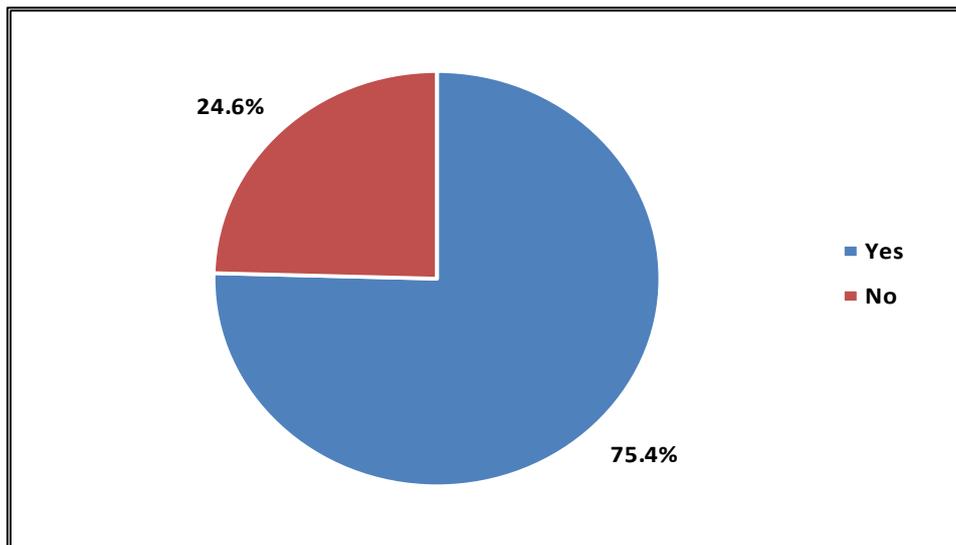
A total of 393 (83.3%) respondents are aware that our Councillors can vary the Basic Rate of the LPT.

6.5 How did you hear about this consultation?



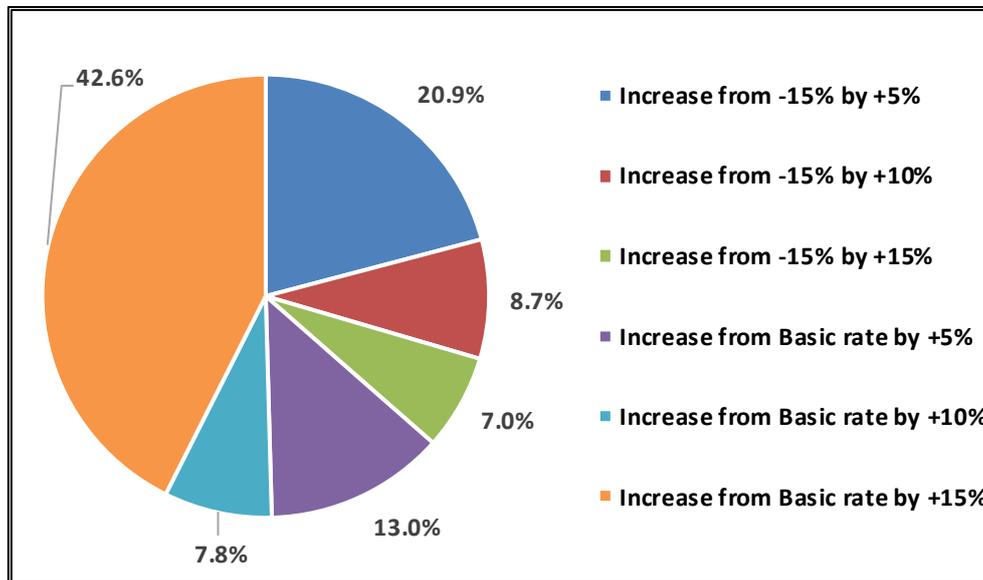
A total of 387 respondents answered this question. Of those that answered, 84 (21.7%) heard of the survey by newspaper advertisement, followed by 52 (13.4%) who heard of the survey by public debate. A total of 85 selected 'other'; this covered areas such as the workplace, social media/internet & research/education.

6.6 Would you like the Elected Members to retain the current reduction of -15% on the base rate for the year 2020?



A total of 356 (75.4%) respondents indicated that they would like the current reduction to remain in place. A total of 116 (24.6%) respondents indicated they would like to vary the current reduction.

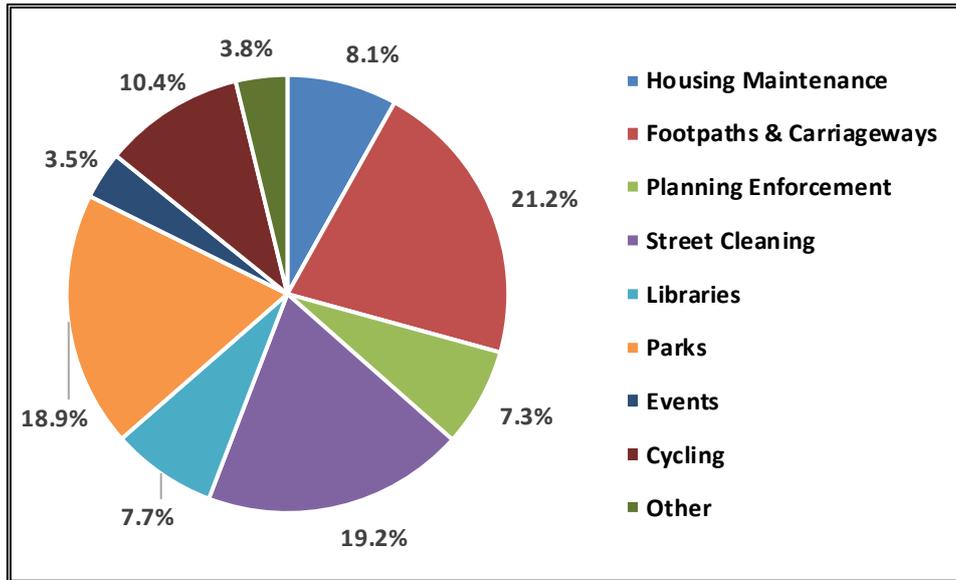
6.7 You have indicated in the previous question that you would like to increase the rate. Please indicate your preferred increase



A total of 116 people responded to this question. Of those respondents 36.5% expressed a preference to vary the rate by having a lesser reduction than -15%. The balance of respondents, 63.5%, indicated they would like to increase the rate above the Basic Rate.

The most popular option was to increase the basic rate by +15%, a total of 49 respondents expressed a preference for this option.

6.8 If the Elected Members voted to vary the rate by a lesser amount, so that the current reduction and additional income became due to the City Council, what area would like to spend it on?



For this question respondents could select multiple options. The top 3 preferences were Footpaths & Carriageways (21.2%), Street Cleaning (19.2%) and Parks (18.9%). In the category of 'Other' areas such as climate action, anti-social enforcement, public realm and fire brigade were referenced.

7.0 Summary

In summary:

- The total number of completed surveys was 472
- The largest single group of respondents were Dublin City Home Owners (415 or 87.9%)
- 79% (or 373 respondents) said that they are required to pay the LPT
- 93.6% (or 442 respondents) are aware that the LPT is used to fund essential services
- 83.3% (or 393 respondents) are aware that the Elected Members can vary the rate of the LPT
- 75.4% (or 356 respondents) wished for the LPT to remain at its current rate of -15%
- 24.6% (or 116 respondents) wished for the LPT to be varied from its current rate of -15%
- Of those who wished to vary the rate, 36.5% wish to have a lesser reduction than -15%
- Of those who wished to vary the rate, 63.5% wanted an increase above the Basic Rate
- Of those who indicated a preference to vary the rate from its current -15%, the most popular option was to increase above the Basic Rate by +15%
- If additional money is accrued for any variation to the LPT the most popular options to spend this money on were 1) Footpaths & Carriageway, 2) Street Cleaning and 3) Parks

Kathy Quinn
Head of Finance

15th July 2021

