## **Finance Strategic Policy Committee**

## Minutes of Meeting Held On 17th January 2019

#### 1. Minutes - November 15th 2018

Agreed

• The Committee congratulated Cllr McCartan on becoming a grandfather.

### 2. Correspondence:

- a) RAS and HAP grant funding letter to Minister E. Murphy Noted
- b) RAS and HAP grant funding response from Minister E. Murphy Noted

K. Quinn confirmed that the County and City Managers Association are continuing to lobby for further funding for these issues.

c) Letter from Minister E. Murphy regarding Serviced Site Funds in response to the motion from Cllr. T. Brabazon which was agreed at the Finance Strategic Policy Committee meeting on 20<sup>th</sup> September 2018.

**Agreed**: Correspondence to be circulated to members.

# 3. An Overview of Commercial Rates in Local Authorities – Report from the Value for Money Unit of the Local Government Audit Service

K. Quinn gave an overview of this report. It covered the following areas:

- Rates arrears figure for 2017
- National collection levels
- Arrears Management
- Role of the Valuation Office

It is anticipated that the Valuation Office will attend the March 2019 Finance Strategic Policy Committee meeting to discuss the next revaluation process for Dublin city.

The Rates Debtor report for Dublin City Council for 2018 will be presented to the March meeting and will provide a comprehensive breakdown of the rates arrears year end position.

Points made or raised by members in discussions that followed noted:

- a) Rates are a constant steady revenue stream for local authorities.
- b) Rates collection is approximately three times the collection figure of the Local Property Tax.
- c) Lower rates collection levels in specific local authorities are comparable to lower collection levels for the local property tax in the same local authorities.
- d) Acknowledgement of Dublin City Council's rates collection levels considering the diverse rates base in the city.
- e) The dependence on rates as a funding stream for local government.

- f) K. Quinn summarised the auditing streams which are used to audit local authorities. Committee members referenced the drain on staff resources and funding to deal with these repeat auditing checks.
- g) Reference to the fact that businesses do not understand the Rates system.
- h) Reference to the backlog that exists in the Valuation Tribunal.
- i) Structure of the appeals process was discussed.
- j) Shared services model for rates collection was discussed.

## 4. Motor Tax Business Survey - Report 2-2019

Gareth Rowan, SEO Motor Tax Office, made a presentation on the Motor Tax Business Survey that was carried out on a face to face basis in the Motor Tax Office over the period  $22^{nd}$  October  $2018 - 7^{th}$  December 2018 to analyse the purpose of customers visits to the office, their experience of the online service and to ascertain why they were not availing of the online option.

## The report detailed:

- Reasons for calling to the Motor Tax Office
- Age Profile
- Customer Relationships
- Customer Transaction Breakdown
- Payment Methods and Disc types
- Analysis of the reasons for not availing of the Motor Tax Online Service
- Analysis of the Online Language Options available

Committee Members acknowledged the very informative survey. They further referred to the backlog that exists with the Department of Transport in Shannon which causes delays for customers.

At the conclusion of the presentation, the Committee complimented the work of the staff in the Motor Tax Office when they have engaged with them in the past.

## Audit Committee – Agreed Minutes – 20<sup>th</sup> September 2018 Minutes noted.

<u>Agreed</u>: that the reports on public procurement of legal services and housing voids would be presented to the Finance Strategic Policy Committee following their presentation to the Audit Committee.

Government Debtors - It was noted that there is no legislation to provide for interest payments to local authorities regarding delays to grant funding.

NOAC function – the Commission provide an oversight role specifically highlighting key performance indicators rates and ensuring they are raised at management level,

## 6. Local Property Tax – update

K. Quinn gave an overview of the review process to date and acknowledged the submissions that the Committee made to both reviews. To date, no further update or report has been published by government.

Committee Members commented on:

- The current exemption of new builds and their possible liability going forward;
- Misleading press coverage regarding the treatment of the equalisation fund;
- Local authorities should have the powers to determine where LPT receipts are spent;
- Dublin City Council's liability for LPT on their social housing units;
- Discussions on the equalisation funding currently taken from Dublin may now be retained by Dublin and alternative funding will go to other local authorities from the central exchequer;
- Reference to the payment of LPT being based on property owners means or the site valuation;
- Expectations of citizens that the LPT would be reflected in increased services;
- Citizens need to know what their LPT liability may be for next year.
- Concerns that if 100% of collection is retained, that other funding streams would be impacted.
- Necessity to have a clear decision made in advance of the budget process for 2020.

<u>Agreed</u>: Information on the value of Dublin City Council's LPT liability for their social housing units would be circulated to members.

Schedule of Meetings for 2019 – Amended Noted

Signed: <u>Councillor Ruairi McGinley</u> Chairperson

Members

Councillor Ruairi McGinley (Chairperson)
Councillor Paddy Bourke
Councillor Tom Brabazon
Councillor Micheál MacDonncha
Councillor Dermot Lacey
Councillor Paddy McCartan
Councillor Séamas McGrattan
Councillor Noeleen Reilly
Aidan Sweeney, IBEC
Jack Daly, Docklands Business Forum
Dr. Caroline McMullan, DCU

**Apologies** 

An tArdmhéara Nial Ring
Councillor Larry O'Toole
Cllr Brendan Carr
Eric Fleming, ICTU
Councillor Ray McAdam
Aebhric McGibney, Dublin Chamber of Commerce
Joanna Piechota, Irish Polish Society

Date: 17th January 2019

## Officials

Kathy Quinn, Head of Finance Gareth Rowan, A/SEO, Motor Tax Office Fiona Murphy, Senior Staff Officer, Finance Secretariat Mary Curran-Murray, PA to Head of Finance Sophie Kelly, Asst. Staff Officer