

## Finance Strategic Policy Committee

### Minutes of Meeting Held 21<sup>st</sup> January 2021

#### 1. Draft Minutes of the Finance SPC meeting held on 3<sup>rd</sup> November 2020

Minutes proposed by D. Lacey and seconded by D. Barron. The draft minutes were adopted.

#### 2. Matters arising

LPT Reform of Local Property Tax – Cllr. D. Lacey enquired about any update from Government on the reform of the Local Property Tax. He was advised that there has been no update provided as yet.

EU Funding Opportunities – Cllr. D. Lacey raised the concerns of the Labour Party on Dublin City Council's approach to EU funding opportunities and the lack of appropriate engagement. The SPC were advised that an EU Programme Office is being established in the Economic Development Unit of the Culture, Recreation and Economic Services (CRES) Department. Furthermore Dublin City Council are awaiting an announcement on significant URDF funding based on submissions made.

Contributions made by the committee on the issue of EU Funding opportunities included and were noted as follows:

- Prospect of seeking EU funding for big development opportunities.
- The Finance Department have met with the EU Programme Office to discuss the key skills requirement.
- Examination of what is being done by other Councils
- Input from the Finance SPC is important
- Feasibility of opportunities to seek EU funding for house building and refurbishment projects
- The Department of Housing Planning & Local Government provides funding for loan charges for house building and it is important not to break that agreement by seeking funding elsewhere.
- Linking in and supporting the City Development Plan
- Identification of lead in work to seek EU funding
- Councillors would welcome more information on monies are being sought
- Suggestion of the commencement of a communication exercise to allow Councillors to be pro-active in seeking suitable projects for funding support.
- The importance of seeking grants over loans as it would be beneficial to the Council to seek no cost money instead of low cost money.
- The availability of low cost borrowing from several institutions.
- K. Quinn has met with the EU Programme Office and discussions have been held around the key skills required.

Contributions made on the issue of the LPT were:

- Ongoing delays on the review of the LPT
- Accrued losses to Dublin City due to the exemption of certain properties
- Proposal to write to the Minister for Finance who originally commissioned the review

- There was agreement to reporting on the issue of local government funding generally with committee members asked to send on ideas they may have around the issue of local government funding.

**Agreed:** Write to the Minister for Finance regarding the progression of LPT reform

**Agreed:** List Local Government Funding as an agenda item for the next meeting

**Agreed:** Request to raise the issue of EU Funding with the CPG to hold a joint SPC meeting between the Finance SPC and the Economic Development and Enterprise SPC.

### 3. Correspondence

Funding for Roads Infrastructure – Cllr. S. McGrattan raised the issue of the grant allocation from TII of €50k out of a total fund of €484m to Dublin City Council for national roads. He proposed that a report be prepared on the inadequacy of central government roads related funding which has a strong connection to the matter of overall local government funding.

Comments made on this issue included the following observations:

- Proposal to write to the Minister for Transport detailing all of these issues and associated funding inequities for Dublin City Council. An approach was suggested that the submission would steer away from the issue of roads classification and instead detail with the length of roads that Dublin City Council has to maintain versus the budget allocations received.
- The NDP Consultation review closes on Friday 29<sup>th</sup> Jan, which may provide an opportunity to influence the funding opportunities for Dublin City Council for capital infrastructure projects. It was noted that the regional authorities are making submission to this review.

**Agreed:** To make a written submission to the Minister for Transport on this matter.

### 4. Pre-Draft Consultation of the City Development Plan 2022-2028

Deirdre Scully, Deputy City Planner made a presentation to the Committee which covered the following items:

- **Requirements for Development Plans** – core strategy, zoning, provision of infrastructure, conservation, environmental protection and culture etc. It must comply/align with National Planning Framework (NPF), Regional Spatial & Economic Strategy for the Region (RSES), Transport Strategy for GDA and SPPRs issued.
- **What's different this time** – Specific elements that are required to be included are for example the NPF, Ministerial directions, Housing Need Demand Assessment etc. Role of the Office of the Planning Regulator. Impact of Covid on retail, city centre, culture and the impact on the public consultation process this time. Future role of the LDA and the need for greater emphasis on climate change actions.
- **The Process** – Details of the key elements of each period of the process were provided in detail - Pre-draft period (commenced 15<sup>th</sup> December 2020), Draft Plan and Submission period, Material Amendments period and Adoption of the Plan (November 2022)
- **Key issues that much be considered and included** – climate change, balancing growth with the need to protect amenities, regeneration of key

neighbourhoods, height and densification and compliance with guidelines, movement within public realm and quality public spaces etc.

- **Economic and Financial Perspective** – key issues needing to be considered are supporting retail, night economy, office development in correct locations, need for quality housing, clustering of employment lands and future URDF funding opportunities.

Following the presentation, members raised the following issues:

- Approval of planning applications by the Council and An Bord Pleanála that breach the Development Plan. These breaches are destroying the heart of the city
- Current plan is lacking in clear objectives and measure of success
- No control process in the Development Plan and no measure of progress or feedback.
- Plan overwritten by national plans and national imperatives
- Request for a report on planning decisions made by the Council that were not in compliance with the Development Plan but were granted on foot of government guidelines post the Development Plan. It is considered that this will be a good indicator of the relevancy of the current plan.
- 15 Minute City – how does the Development Plan feed into this concept
- Inclusion of work hubs and working remotely/creation of employment zones and urban villages of mixed use.
- Future of retail in the plan – change of use and support of the night time economy.
- Underpinning infrastructure such as water supply must be addressed for the building levels expected now that Dublin City Council does not have control to deliver this infrastructure.
- Who are the custodians of the Plan – who protects it.
- Is there an opportunity within the Development Plan to raise funds in particular with reference to the Co-Living/Student and Buy to Rent developments being built.

D. Scully clarified that the Development Plan is not a rolling over of the previous plan. All planning applications are assessed against the criteria of the Development Plan objectives. The current issue of over-intensification of short term housing in specific areas needs to be written into the plan this time around so that when applications are received, they can be assessed against clear criteria e.g. Airbnb and transient student accommodation. The development plan team are currently going through all the objectives from the last plan identifying whether they meet the needs of the city and sufficiently robust for inclusion.

The Development Department are awaiting national guidelines from the Department setting out national objectives and national monitoring requirements. The success of the Plan is also driven by the strength of the economy as it is dependent on private development in areas.

With regard to the 15 Minutes City, the Council will look to include in the Development Plan the needs for the redevelopment of specific areas, community use, school needs, employment opportunities, mixed use developments and accessibility.

D. Scully confirmed that the Plan will build in policies and objectives for rezoning of areas such as urban villages to increase footfall and supporting businesses such as lunch time cafés. There is a huge benefit to reducing traffic coming into the city by encouraging remote working cognisant of the fact that it is important to increase the population within the inter city and supporting businesses within the city centre.

It was noted that it is important to support retail and the Development Department have commissioned a report highlighting the big issues, changes and comparative figures in retail. It was further noted that it is a requirement that there is alignment of the various strategy so that they work together to deliver their objectives within their hierarchical structure.

At the meeting it was stated that student accommodation is treated by the VO as classed as commercial and consequently has a rating liability. This requires a post meeting clarification in that liability for rates in respect of student accommodation is assessed on a case by case basis.

K. Quinn advised the Committee that office accommodation is the main cohort for commercial rates and so the importance of improving the public realm is linked to maintaining a demand for office space and the consequent footfall that office workers bring.

## **5. Impact of online trading on physical trading**

K. Quinn presented a report to the committee which came out of the Finance SPC Work Programme on the impact of online trading on physical trading whereby the changing retail and digital trend might impact on Dublin City Council. It was also to consider policy recommendations that would secure the best outcome for Dublin City. As the coronavirus pandemic has significantly changed many aspects of the economy including online trading and physical trading, the report provided a synopsis of trading trends to date based on available data.

The report covered the following topics:

- Central Bank Credit & Debit Card Spend date - showing comparative data for the period January 2015 – September 2020 which illustrates a rising trend peaking in April 2020.
- Percentage of credit card spend that is eCommerce with the highest value indicated for May 2020 across the same period.
- Proportion of total credit card spend demonstrating that the retail sector is most exposed to changes in online trading trends.
- Growth rate between total spending on cards and eCommerce – this shows a more severe dip on total spending on cards than for eCommerce over the period March – July 2020 reflecting the impact of trading restrictions during this period.
- Summary of CSO Data providing details on the proportion of turnover generated online by all Irish retail businesses per month across a number of retail sectors such as supermarket, department stores, electrical goods and motor trade among others showing a peak of activity in online sales over the first lockdown period.
- The report set out the analysis by the CBRE across the property landscape in light of the onset of Covid 19 and the emerging trends and developments.

In the conclusions drawn, it was noted that:

- a) There is an increasing trend in the value of trade moving from physical to online trading
- b) The trend spiked during the period of the first lockdown
- c) The easing of restrictions and the reopening of retail correlated with a reduction in online trade and increased physical spend.
- d) The impact of online/physical trading patterns is significant on the retail sectors.
- e) 2021 will not bring about a return to previous norms in retail trading conditions.

A number of issues were identified requiring further consideration by the Committee in seeking to establish the consequences for physical retailing and commercial rates:

- Changes in the quantum of retail outlets operating physically only, online only and combined physical and online presence.
- Changes in the quantum of office units occupied
- Changes in the working pattern of office workers from office based to remote
- Changes in the demand for rateable space falling from the above and resultant impact on commercial rates liability.

Consideration by the committee at the conclusion of the item included:

- Consideration should be given to not just online trends but also for example the impact of businesses changing the size of the premises needed, click and collect options etc.
- There has been benefits to the shift to online during the lockdown to other businesses such as the technology sector, depot collection facilities and this needs to be examined.
- Examine the role of retail in the urban centres and what will be the mix of activities in the recovery stage.
- The extent to which restrictions will impact fully on businesses next year and a need to have discussions with Government around funding for the city regarding vacant units.
- Request to identify the biggest risk to commercial rates post the pandemic restrictions. K. Quinn outlined that there are many risks such as office capacity to feed retail, impact on retail, the hospitality and events sector. It was noted that some sectors are trading well.
- Analysis of the impact of Covid 19 on city centre retail trade on a micro level
- Locals are shopping locally as they are wary of shopping in the city centre and people's shopping habits may impact in the long term.
- A. Sweeney offered the assistance of Ibec to share insights.
- It was noted that the Dublin City Council's enterprise base is more diversified and has a flexible rates base compared to other local authorities.
- The need to include within the Development plan the ability to adapt and change the use of properties efficiently.

It was agreed that an update would be provided to the SPC in 6-9 months when the impacts are clearer.

**Agreed:** It was agreed to return to this item in 6-9 months.

## 6. Apprenticeship Programme in Dublin City Council

Brendan Hayden, A/Executive Manager, Human Resources Department, presented a report to the committee setting out the apprenticeship programme delivered by

Dublin City Council. This report sets out the 26 apprenticeships across the various disciplines. The report set out details on the following:

- Background – recruitment commenced in 2018 and are assigned to Housing & Environment and Transportation Departments over a 4 year period of the apprenticeship.
- Expanding the Programme – TUD collaboration through the Access Programme
- Budget Requirements - €95k is the approx. cost across a 4 year programme. Government Apprenticeship Incentive Scheme allows employers to apply for a €3K incentive payment for each registered apprenticeship.

Some of the issues raised by the committee were as follows:

- Compliments on the work being carried out on the apprenticeship programme.
- Commended DCC on their engagement with TUD and SOLAS.
- The need to showcase this programme to young adults as a valid career choice.
- The need to increase the number of apprenticeships significantly.
- Opportunity to increase the areas where apprenticeship numbers could be expanded including green projects such as insulation projects.
- Apprenticeship opportunities for the new North City Depot and Parks.
- Queries around adult apprenticeship opportunities.
- Acknowledgement of the gender balance across the trades.
- Query raised on whether DCC links up with PLCs and Outreach Programmes.

B. Hayden noted the observations made and advised that the progress on apprenticeship numbers is reasonable considering that up to 2018 there were no apprenticeships in place. He also noted that he would contact Cllr. Lonergan regarding linking up with PLCs and Outreach Programme opportunities in the future.

**Agreed:** It was agreed that the issue of PLC's and Outreach Programme opportunities will be pursued by B. Hayden with Cllr. Lonergan.

## **7. Outcome of Civic Crowdfunding Market Soundings Exercise**

K. Quinn presented an update of progress on this concept which covered the areas of the market sounding process, key insights gained, mentorship of project creators/developers, community capacity, financial governance, connections to elected members and staff and costs involved. Tender documents are currently being prepared and it is anticipated that they will go out to tender within a month. In conclusion, it was noted that the elements required for a successful crowdfunding platform are:

- The engagement model, spanning mentoring, workshops etc.,
- Governance, across finance, data held etc.,
- Project related communications, including validation, funding, obligations etc.,
- Costs, involving the costs of specific services provided and the cost model of the platform.

Observations from members included:

- Queries around the caps applied to funding – K. Quinn advised that this would be spilt across the cost of what the Crowd Funder would charge and

the charge for each project. Also there is the cap around the value of each project which would be small civic projects with an initial value of €5k-€10k for each project.

- Review periods should be built into the tender documents to ensure that DCC are satisfied with progress being made. K. Quinn provided clarification on this matter.
- Importance of promoting this initiative across the city. K. Quinn clarified the approach that will be taken.

## **8. Overview of Spending – Motion in the name of Cllr. Alison Gilliland**

K. Quinn presented a report on the progress made with developing some draft video clips for sharing on social media. These clips covered:

- City Services 2021 – How they are paid for?
- Commercial Rates – Who pays what?
- Government Grants

Members welcomed the work carried out and were requested to provide feedback to enable further development of clips on this issue. Initial comments included:

- Complimented the work that was carried out
- Consideration to be given to the use of language/terms used that the public may not be familiar with seeing.
- Inclusion of a clip that shows where the funding goes.
- Consideration to be given to showing video clips to a review group for feedback purposes.
- The marketing of this exercise is important so that the correct message is presented to members of the public on the expenditure on services across the city
- Commercial rates – it is important to present this information clearly to the public.
- This exercise raises the issue for the need for a citywide forum on financing of the city.
- K. Quinn suggested that the video clips would be presented to a sample group for feedback.

**Agreed:** The final videos will be circulated to members for comment before publishing on social media.

## **9. Audit Committee – agreed minutes of 17<sup>th</sup> September 2021**

Minutes noted

## **10. Schedule of Finance SPC Meetings 2021**

Amendment to date of the March meeting from 18<sup>th</sup> to 25<sup>th</sup> was agreed.

**Signed:** Councillor Séamas McGrattan  
Chairperson

**Date:** 21<sup>st</sup> January 2021

### **Members Present**

Cllr Séamas McGrattan (Chairperson)  
Cllr. Daryl Barron  
Cllr Mary Callaghan  
Cllr Anthony Connaghan  
Cllr. Daithí De Róiste  
Cllr. Alison Gilliland  
Cllr James Geoghegan  
Cllr Dermot Lacey  
Cllr. Darcy Lonergan  
Cllr. Paddy McCartan  
Cllr. Noeleen Reilly  
Cllr. Nial Ring  
Jack Daly, Docklands Business Forum  
Eric Fleming, ICTU  
Tara Lillywhite-Torpey, Dublin Chamber of Commerce  
Professor Caroline McMullan, DCU  
Philip O'Callaghan, PPN  
Aidan Sweeney, IBEC

### **Apologies**

### **Officials**

Kathy Quinn, Head of Finance  
Deirdre Scully, Deputy City Planner, Planning and Property Development Department  
Brendan Hayden, A/Executive Manager, Human Resources & Corporate Services  
Department  
Fiona Murphy, Senior Staff Officer, Finance Secretariat  
Mary Curran, PA to Head of Finance, Finance Secretariat