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**WITH REFERENCE TO DUBLIN CITY COUNCIL'S CHARGING POLICY AS RECOMMENDED BY THE  
FINANCE STRATEGIC POLICY COMMITTEE**

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## **Background**

The Finance SPC at its May and September 2022 meetings considered the matter of Dublin City Council's charging policy. This followed consideration by the Budget Consultative Group (BCG) of the report on the Review of Local Government Funding as applies to Dublin City Council (*Grant Thornton*) which specifically referenced Dublin City Council's charging policy. The Finance SPC has examined how Dublin City Council's charges are set with view to establishing the best policy to safeguard Dublin City Council's resource base while applying fair and appropriate charges. Dublin City Council's goods and services income is budgeted at €329m in 2022.

## **Inflation Bands**

Income through charges for goods and services is a key resource for DCC in supporting service provision. While Dublin City Council applies a range of charges, the proposed charging policy will apply to some, but not all. It should be noted that Commercial Rates are determined by the Elected Members at Statutory Budget Meeting and are not considered. Charges that the policy will not apply to are (i) nationally set charges such as planning application fees, (ii) housing rents which are set by a separate differential rents scheme and (iii) charges already determined through another mechanism.

### *Reduced Inflation Rate*

The nature of the service for which charges are made is a key determinant of the approach taken by Dublin City Council to setting a charge. Dublin City Council provides many services of a leisure / amenity / sporting nature. Dublin City Council promotes and encourages participation in sporting and recreational activities at all levels and the use and enjoyment of the many amenities within our City. It is a key aspect of service provision that the charges applied for these services recognise the social connections and public health benefits accruing. It is proposed that such charges would move in line with inflation / cost of provision at a rate of 50%. That is for every 2% movement in inflation and or cost of provision, charges will move by 1%.

### *Increased Inflation Rate*

Dublin City Council provides services which can trigger a shift in behaviour yielding positive environmental impacts. One such service is on-street parking in the City Centre zone. There is an acknowledgement that a modal shift from private to public transport supports efforts to address climate change. The benefits of such a change are at a global and local level, through improved local air quality. It is appropriate to apply a charging regime for this service that prompts users to seek other, more environmentally beneficial options. It is proposed that parking related charges move in line with inflation / cost of provision at a rate of 150%. That is for every 2% movement in inflation and or cost of provision, charges will move by 3%.

### *Unadjusted Inflation Rate*

It is proposed that all other charges would be set in line with inflation trends i.e. for every 2% movement in inflation and or cost of provision, charges will move by 2%.

## **Charges set under byelaws**

As part of the setting of charges, including those under byelaws, each Department will have due regard to both the inflation rate and the cost of provision of the service. The appropriate charge band (increased, reduced, unadjusted) for each specific service would be applied to the charge. As part of the report on increases / decreases to a charge made by DCC brought for the consideration of the City Council, attention would be drawn to the incorporation of inflation / cost trends to the charge setting process. It is important that reference is made to the requirements of the specific byelaw in question as any amendment of byelaws is a reserved function and thus required to be voted on by the elected members.

It should also be noted that Section 206 (1) of the Local Government Act, 2001 relating to Fixed payment notices states that “*A bye-law may provide for a person to be served with a notice, specifying a fixed payment, not exceeding such amount as may be prescribed by regulations made by the Minister...*” i.e. changes in the charge applied may also need to be considered in the context of relevant Ministerial regulations.

Charges should be reviewed on an annual basis where possible. The Finance SPC emphasise that the proposed policy in no way impacts on the capacity for Elected Members to review any base charge or to determine that in specific cases charges will be set without reference to inflation / costs.

## **Policy Recommendation**

The Finance Strategic Policy Committee recommend to Dublin City Council that:

- Its charging policy be revised.
- All charges in scope be set having considered the relevant inflation / cost trends.
- All charges in scope of this policy be considered under the three inflation charge bands.
- Changes to all charges made under byelaws will be brought individually before the City Council with reference made to the consideration given to movements in inflation / costs in setting the charge.
- All charges should be reviewed annually where possible.

**Cllr Seamas McGrattan**  
**Chairperson**  
**Finance Strategic Policy Committee**

**25<sup>th</sup> October 2022**