

Finance Strategic Policy Committee
Minutes of Meeting Held On 15th September 2016

1. Minutes of the meeting held on 16th June 2016

Minutes agreed

2. Matters arising

a) Dublin Chamber of Commerce – replacement nomination of Aebhric McGibney - letter dated 20th June 2016

Contents of letter noted. The nomination of Mr. McGibney was ratified by the Finance Strategic Policy Committee members and will be formally communicated to the City Council in the Breviate of this meeting.

b) Rates exemption on Irish Water Facilities –

Correspondence issued to DoHPC&LG and Kevin Duffy, Chairman, Expert Commission on Domestic Public Water Services on 19/07/16 was circulated to members. A response from the Secretary General of the Department dated 14th September 2016 was also circulated to the members. It was noted that the correspondence states that funding for 2017 for rates on Irish Water will be forthcoming.

Discussions took place around the issue of government bodies being exempt from commercial rates and the ongoing impact this has on Dublin City Council.

Agreed: Report to next meeting on Rates Exemptions focussing on government departments and agencies.

Agreed: It was agreed that a previous report on Local Government Review would be circulated to members.

Agreed: Correspondence would issue to the C&AG's office regarding rates on government properties and the loss of funds from exemptions generally.

c) Pyrite Works – additional costs – correspondence to Dick Brady, ACE, Housing Department – 12/07/16 and report from Peter Finnegan, City Architects (Report No. 28-2016)

The contents of the report were noted. Discussions took place around the issue of companies involved on these housing developments and their continuing involvement in projects around the city. Issues were raised regarding labour relations and agreed collective agreements. It was noted that on average DCC is spending €50k on remedial works. K. Quinn noted in summary that in the event that these claims are not successful with the relevant construction firms and/or insurance companies, claims will be pursued with the Department.

Agreed: Interim report to issue to the Department of Housing, Planning Community and Local Government and DPER stating that Dublin City Council request funding for monies spent to date.

This item will be returned to at a later date.

d) Ringsend Toll Bridge DAC

Correspondence issued to Declan Wallace, ACE, E&T Dept on 19/07/16 and a report from E&T Department in response was circulated to members. The report was noted.

e) Development Contributions Scheme – link to DCC website

Correspondence issued to Jim Keogan, ACE, Planning & Development Dept on 18/07/16 was circulated to the members. It was confirmed by K. Quinn that items on the trending page of the Dublin City Council website are automatically generated by user website activity.

f) BRL recoupment of monies from Department of Housing, Planning, Community and Local Government

Correspondence issued to J. McCarthy, Secretary General on 19/07/16 and a reminder issued on 30/08/16 was circulated to members. Concerns were expressed by members on the significant delays with the recoupment of these monies as many of the projects concerned have been completed for a considerable number of years.

Agreed: Correspondence should issue directly to the Minister regarding the €16.7m due to Dublin City Council.

Agreed: Correspondence should issue to all the Dublin City TD's asking them to raise this matter in the Dáil.

Agreed: The value of late payment fees which would apply if the Prompt Payment legislation was applicable to a government department for late payment of monies owed are to be assessed. This projection could be sent to DPER and the Department of Housing, Planning to highlight the impact on Dublin City Council's capital budget.

Agreed: It was further agreed that an examination of the Masterplan framework between Dublin City Council and the Department could be carried out to see if there has been any breach of contract.

g) Pension Liabilities

Correspondence issued to Dept. of Finance and DPER on 19/07/16 and responses from Dept. of Finance on 22/07/16 and DPER on 5/08/16 were circulated to members.

Referencing the points made in the letter from DPER, it was agreed that a report/business case should be prepared for the scenario of Dublin City Council increasing the cost base of the revenue budget by incorporating a pension provision into the DCC budget each year. This consequent provision would necessitate increased funding from the Department of Housing, Planning, Community and Local Government. It was recommended that K. Quinn should consult with other public bodies on this issue.

Agreed: Business case to be prepared with consideration of the 2018 budget in mind and this item will be returned to in 6 months time.

3. Dublin City Council – Motor Tax Efficiency Recommendations

A copy of this report was circulated to members. Discussions which followed noted the concerns of some members around the negative impact some of the recommendations would have on the elderly, disabled and low income families and members of the public

not comfortable with technology. In summary the following objections/support and recommendations were noted:

- Consideration of technological advances to improve the service;
- The report does not take cognisance of the impact on those with literacy issues;
- It was pointed out that 1 in 7 drivers are not insured and the impact they have should be pursued by government;
- Analysis of the €5M savings cost of provision of the service on behalf of the State;
- Possible consideration of motor tax being put on the cost of petrol so that the more you drive the more you pay;
- Reference to the additional taxing of law abiding citizens by imposing a counter charge;
- Acknowledgement that the digital strategy is working although not for everyone;
- Acknowledgement that IT literacy levels are improving;
- Consideration of the possible assistance to the public in accessing the service in other locations
- It was noted by K. Quinn that extensive consultation took place with unions around the closure of motor tax offices and that copies of this report have issued to unions. However, the ultimate decision on these recommendations lies with central government.

Agreed: It was requested that the reference to imposing a levy on counter customers calling to Motor Tax Offices would be not be pursued.

Agreed: This item will be returned to in 12 months time with a report on the UK situation within a 6 month timeframe.

Agreed: Report on the security costs of cash transfer throughout Dublin City Council.

4. Debt Management – Rates Collection

Report noted. Targets are on track to be reached by year end. Online facilities with businesses are being examined to establish the most favourable options.

5. Water and Drainage Related Assets of Dublin City Council

Report from Adrian Conway, Irish Water Service Level Agreement Unit was circulated to the members. It was noted that all underground assets, 13 specified underground assets and 9 further over ground assets have transferred. In addition, it was reported that properties such as depots and offices will not transfer to Irish Water. It has been a lengthy legal process to complete with transfers still being dealt with. In clarification regarding the transfer of title documents, it was anticipated that all title deeds will transfer on completion to Irish Water.

6. Local Property Tax – Statistics

A report on LPT figures was circulated to the members summarising the number of properties returned for LPT, compliance rates and LPT collected nationally and across the Dublin local authorities showing the percentage collected in Dublin City as a percentage of the total collected nationally.

K. Quinn provided an overview of the funding allocations and uplift impact to Dublin City Council of LPT collections. It was noted that it is a complex calculations taking various factors into account in its overall total.

Discussion around the issue of LPT valuations initially declared against the current valuations were raised.

7. **Housing Finance Agency – presentation by Dr. Michelle Norris**

This item was taken earlier in the meeting at approximately 4pm. A presentation was made by the Chair of the Housing Finance Agency (HFA) Dr. Michelle Morris covering the following areas:

- An overview of the background and role of the HFA ;
- How the HFA 2020 strategy complements the government's Rebuilding Ireland: Action Plan for Housing & Homelessness;
- Outline of the 4 Strategic Pillars covering Customers & Competitors, All other stakeholders, Organisation Independence and HFA internal capabilities;

The main focus of the presentation was on the Pillar 1 objectives providing a comprehensive discussion on their provision of loans to approved housing bodies and local authorities, the restrictions and limitations currently in places and proposals to expand their loan book whilst still providing a solid repayment platform for approved housing bodies and local authorities. It was noted that their main priority is to get homes built. In order to provide the same provision of guarantee to local authorities when taking out loans as is currently the case with approved housing bodies, discussions took place around the possibility of establishing municipal housing companies.

The HFA were thanked for a detailed and comprehensive explanation of their role.

8. **A.O.B.**

- NOAC – Performance Indicators in Local Authorities 2014
- Dublin City Council Performance Indicators 2015
- Reports noted. Members were advised to contact the Head of Finance with any specific queries.

Agreed: Figures to be provided on the cost of compiling the NOAC figures.

Agreed: Combined report on the number of dwellings purchased across all areas.

Signed: **Councillor Ruairi McGinley**
Chairperson

Date: 15th September 2016

Attendance:

Members

Councillor Ruairi McGinley (Chairperson)
Councillor Paddy Bourke
Councillor Tom Brabazon
Councillor Hazel De Nortúin
Councillor Dermot Lacey
Councillor Ray McAdam
Councillor Paddy McCartan

Councillor Micheál MacDonncha
Councillor Noeleen Reilly
Councillor Nial Ring
Eric Fleming, ICTU
Joanna Piechota, Irish Polish Society
Aidan Sweeney, IBEC

Councillors – Non Members

Cllr. Mannix Flynn
Cllr. John Lyons

Officials

Kathy Quinn, Head of Finance
Fiona Murphy, Senior Staff Officer, Finance Secretariat
Lisa Nolan, Staff Officer (Secretarial), Finance Secretariat
Fiona Collins, Assistant Staff Officer, Finance Secretariat

Guest Speaker

Dr. Michelle Norris, Chair, HFA
Barry O’Leary, HFA
Tom Conroy, HFA
Seán Cremen, HFA

Apologies

Lord Mayor Brendan Carr
Councillor Larry O’Toole
Aebhric McGibney, Dublin Chamber of Commerce
Dr. Caroline McMullan, DCU
Morgan O’Regan, Docklands Business Forum

Observers/Press

Olivia Kelly, Irish Times
Joanna Dunaj – Intern Cllr. McGinley