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Report to the Finance Strategic Policy Committee

Debt Management – Rates Collection

Background

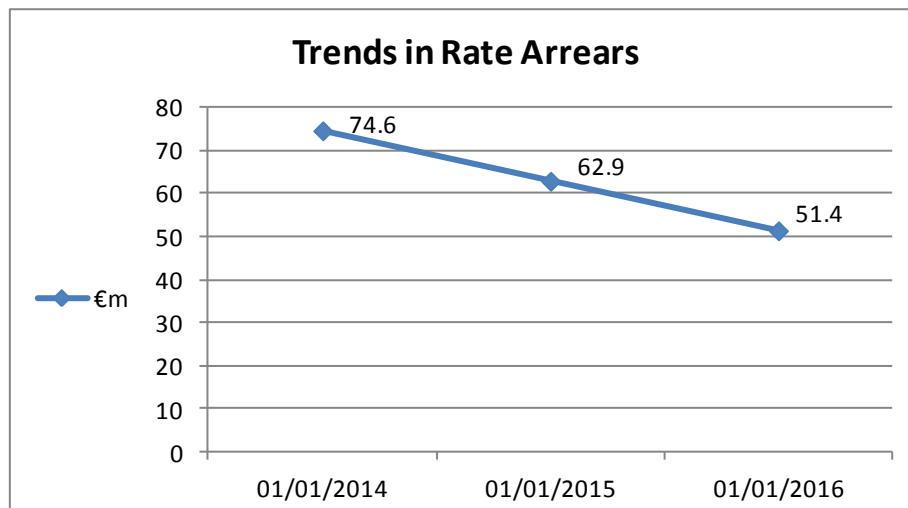
Dublin City Council has undergone significant change in recent years. Revenue budgets decreased from €914.5m in 2008 to €794.9m in 2012, rising to €803.0m in 2016. Staff numbers have decreased by 27% across all categories, 34% in management grades. Dublin City Council adopted a pragmatic approach to rate collection over the period of the economic and fiscal downturn. Dublin City Council worked closely with business to secure payment, while mindful of the economic and employment aspects of each business entity.

Current arrangements

As the economy has made steady improvements, Dublin City Council has made revised arrangements since 2014 with businesses, reverting to payment plans within one year and progressing many cases through the lengthy processes of liquidation/receivership/examinership.

Trends in Rate Arrears

Arrears as at 1 st Jan 2014	€74.6m
Collection Rate 2014	83.64%
Arrears as at 1 st Jan 2015	€62.9m
Collection Rate 2015	88.0%
Arrears as at 1 st Jan 2016	€51.4m



Sectoral Focus on Debt Management

Dublin City Council is working closely with all local authorities by improving debt management outcomes through a sectoral focus. Issues being targeted include tailored training for the collection of commercial rates, agreed procedures on debt reporting, and a review of the legislative framework governing commercial rates.

Targets 2016

An ambitious target of a further 1.25% increase in collection performance has been set for 2016. It is intended to review the Rates information management system to increase on-line facilities, thereby reducing administrative overheads.

Summary

Dublin City Council is committed to making further reductions in the quantum of rates arrears in order to maximise available resources for Dublin City.

Kathy Quinn

Head of Finance

With responsibility for Information & Communications Technology