

Finance Strategic Policy Committee

Minutes of Meeting Held 3rd November 2020

1. Draft Minutes of the Finance SPC meeting held on 17th September 2020

The draft minutes were agreed.

2. Matters arising

No items to note.

3. Correspondence

Correspondence was noted.

Cllr. Lacey queried whether there was any correspondence on the review of Local Property Tax and it was confirmed that no correspondence has been received.

A.Sweeney requested that consideration be given to a future agenda item for the committee's work programme on the rates recovery for 2021 and how the introduction of the rates alleviation scheme will impact for Budget 2022.

Agreed: This issue would be listed as an agenda item for 2021

4. Housing Rent Arrears – Update

M. Hayes and T. Robertson from Housing and Community Services attended the meeting to provide an update on the Housing Rent arrears position for Dublin City Council. It was noted that currently Dublin City Council has 24,800 tenancies with the average rent charge being €70.41 per week. The current rent arrears figures as at 3rd November is €36,825,700.

Arrears statistics were given showing the current status of tenancies and the percentage of those in arrears (59.99%) clear accounts (1.9%) or in credit (38.91%).

Analysis was provided showing the breakdown of the 60% of tenancies in arrears and the no of accounts in arrears broken down across various arrears bands ranging from €1-500 (representing 25.72% of arrears accounts) up to €27,000+ (representing 0.15% of arrears accounts).

The current arrears management measures were noted in the report, in summary:

- New lettings – tenants, where possible, must sign up to a direct debit/household budget option
- New tenants are required to pay two weeks in advance
- Tenants in arrears are not permitted to exit the household budget scheme
- Tenants are advised of debt solutions administered by insolvency services and MABS.
- Quarterly statements are issued to all tenants.
- No routine maintenance will be carried out on properties in arrears unless a repayment plan is being adhered to.

The impact of Covid 19 on arrears management measures were outlined as follows:

- House calls by the Executive Housing Officers were suspended in mid-March 2020 and recommenced in mid-September. These calls are currently on hold due

to Level 5 restrictions however, telephone calls and email engagement has continued throughout and formal correspondence under the arrears process has been maintained up to tenancy warning stage.

- Government moratorium on evictions for 6 months and a renewed measure currently in Level 5 until early December.
- No tenancy warnings issued as they are time bound and expire after one year.
- Serious arrears cases were prioritised for court hearings in November however they will likely be adjourned and rescheduled at some point in the future.

Other measures undertaken have been as follows:

- The introduction of the new application LAVA will allow access to full income details for an individual eliminating the need to apply assumed income figures in most cases thus providing a more accurate determination of the applicable rent charge.
- Establishment of a housing sub-committee earlier this year to make recommendations on new initiatives to tackle rent arrears and a report on will be brought to the Housing SPC committee.
- A pilot project is commencing with the Law Department to trial the seeking of judgement orders for RAS arrears cases and a dedicated RAS arrears EHO has been assigned.
- Transfer applications will be cancelled where an account is in arrears and further progress will be made to pause the transfer applications already in the system where the account is in arrears.
- Additional allocation of legal staff to expedite housing issues.
- A communications plan is being developed to publicise the importance of paying rent/consequences of accruing arrears/payment methods available/importance of returning household detail forms/availability of financial advice.
- Consideration of introducing an application for mobile devices which would facilitate payment of rent, check balances and notification of income changes.
- Introduction of a new version of the OHMS system which will join up all housing services under one overall monitoring system taking in housing rent, housing allocation and housing maintenance with the facility to issue text alerts when tenants fall behind with payments.

Following the presentation, the following issues were considered and/or commented on:

- Queries on whether net arrears will increase in year end 2021 versus 2020 and what measure can be taken in 2021 that will reduce net arrears at the end of 2021. It was noted by management that it is expected that arrears levels will be lower and it is anticipated that progress will be made through court sanctions being followed through for high level arrears cases.
- Shock at the level of arrears and that Dublin City Council must take responsibility for allowing this to happen.
- It was felt that there can be a strong link between rent arrears and anti-social behaviour and criminal activity by some tenants.
- When issuing tenancy warning or eviction notices, the whole picture of arrears and anti-social behaviour is taken into account. It was noted by the Housing SPC Chair that this issue will be looked at by the Public Housing Working Group.
- Concerns that due to the high level of arrears that the current measures will not sufficiently deal with the issue and that the introduction of real sanctions is the only means of dealing with this matter.

- Queries were raised on the impact on arrears of job losses due to the pandemic this year and it was noted by management that 66% of the principal earners in a household are in receipt of a social welfare payment so it would not be anticipated that there would be a significant impact.
- It was noted that under-declaration of household income is a significant cause of the arrears figures.
- Deduction at source from social welfare payments would require a change to primary legislation which is unlikely. However, Dublin City Council will engage with tenants to request them to sign up to a direct debit or household budget account.
- Target those with highest arrears and highest income for court cases.
- Members sought measurements on progress being made at the end of 2020 and 2021 either by percentages or numbers.
- Stronger legal powers should be sought by Dublin City Council but it was noted that the current new legislation needs to be tested.
- Management are seeking to get all accounts up to date and monitor them through LAVA in real time.
- Comparison with other local authorities were sought. It was noted that Dublin City Council is in the bottom quartile on rent collection.
- Asked that international examples are looked at on how to incentivise payment of arrears.

Agreed: It was agreed to circulate the Housing SPC Working Group report to members.

Agreed: It was further agreed that the Finance Department would work with the Housing Department to produce a metric of progress and targets on the arrear levels.

5. Crowdfunding – Update

A report was presented to members by K. Quinn on progress made to date with developing this crowdfunding initiative. This report highlighted the following:

- Potential Benefits from Crowdfunding
- Market Sounding Exercise
- Submissions received
- Establishment of a Review Team
- Meetings arranged
- Next Steps

The market sounding meetings were very informative to the members of the review team. It was felt that the crowdfunding initiatives must provide mentorship to communities, identify skills gaps to ensure a project does not fail and work to develop communication skills. A successful project will encourage others to identify projects for their areas. These market sounding meetings worked through the various elements for a successful project i.e. funding sources, governance of funding and prevention of hacking of crowdfunding sites. Linkages with staff and Councillors are very important in the overall initiatives. It was noted that now is a good time for crowdfunding as people are not spending previous disposable income due to the current public health restrictions.

The team are now going to work towards identifying the key components of a crowdfunding arrangement for Dublin City Council. This will be summarised in a document that can be issued to SPC members for comment. Following that, work will commence on a formal tender process. This would involve going back to the market for

expressions of interest in early 2021 with the intention that this exercise would be concluded by April/May 2021.

Following this report, members had a number of questions/comments as follows:

- K. Quinn talked through as an example of how a community orchard would be funded through crowdfunding through the identification of a project lead in the community, sourcing of community funding of at least 25% of the overall project cost and attracting business interests to get involved.
- It was recommended to the Team not to get involved in large scale projects.
- It was identified that crowdfunding projects benefit disadvantaged areas either through family ties/commitments and history with the area.
- A successful project in a community should encourage further projects/ideas to be identified.

Agreed: It was agreed that the summary document of priority issues for a DCC crowdfunding platform will be circulated to members for information purposes prior to the next Finance SPC meeting.

6. Restart Grant Plus – Update

A. Power presented an update to the members regarding the Restart Grant Plus. This report gave an overview on the following:

- Business Type and Grants payable
- Restart Grant Appeals and the deadline of 31st October
- Closing of the Restart Grant Plus on 31st October and the introduction of the new Covid Restrictions Support Scheme administered by the Revenue Commissioners.

Statistics on both the Restart Grant (RG) and Restart Grant Plus (RGP) were provided in tabular format showing a grant total of 5,496 RG and 7,589 RGP claims with corresponding grant values of €20.3m and €60.5m respectively. RG Appeals and Tops amounted to a value of €17.9m

At the conclusion of this update, the committee members wholeheartedly commended the Finance Department and the Restart Grant Team lead by Cian Coughlan on the tremendous work they have carried out over the life time of this grant application process.

Agreed: In seeking clarification on a query that was raised by Cllr. Lacey regarding the cost of procurement, it was agreed that Cllr. Lacey would provide further detail on his query and it could possibly be listed as a future agenda item for next year.

Agreed: It was recommended that this team of staff should be nominated for the Local Government Awards

7. Overview of Spending Leaflet – Motion in the name of Cllr. Alison Gilliland

Two infographic videos and a pdf poster were circulated to members in advance of the meeting.

Agreed: Following a lengthy discussion on this motion covering a comprehensive list of items that members sought to be include in this leaflet, it was agreed that K. Quinn will liaise with Cllr. Gilliland and the Chair to work through the desired information that Cllr. Gilliland would like this leaflet to capture and communicate to the public. It would then be presented in draft format at a future meeting.

8. Audit Committee – 8th July 2020

Noted

9. Draft Schedule of Finance SPC Meetings 2021

Revision to be made to March 18th 2021 meeting and recirculated to members.

10. AOB

A.Sweeney noted that EU funding opportunities are listed as a future work programme item and as a member of the International Affairs Working Group of the Enterprise SPC, he would welcome the Finance Department and Finance SPC feeding into EU EIB funding opportunities for the city into the future.

Agreed: It was agreed that the Chair will raise it at a future CPG meeting around both committees collaborating.

Professor C. McMullan commended the City Council on the hard work that has been carried out by everyone over recent months. She noted her appreciation.

Signed: **Councillor Séamas McGrattan**
Chairperson

Date: **3rd November 2020**

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. Paddy McCartan
Cllr. Noeleen Reilly
Cllr. Darcy Lonergan
Jack Daly, Docklands Business Forum
Tara Lillywhite-Torpey, Dublin Chamber of Commerce
Professor Caroline McMullan, DCU
Philip O'Callaghan, PPN
Aidan Sweeney, IBEC

Apologies

Cllr. Nial Ring
Eric Fleming, ICTU

Officials

Kathy Quinn, Head of Finance
Antoinette Power, Head of Financial Accounting
Mary Hayes, Executive Manager, Housing, Community & Emergency Services Dept.
Tara Robertson, Administrative Officer, Housing, Community & Emergency Services Dept.
Fiona Murphy, Senior Staff Officer, Finance Secretariat
Mary Curran, PA to Head of Finance, Finance Secretariat