



Oifis an Cheannasaí Airgeadais, An Roinn Airgeadais
Oifigí na Cathrach, An Ché Adhmaid, Baile Átha Cliath 8, Éire

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Report to the Finance Strategic Policy Committee

1.0 Background

At the BCG meeting held on 21st April, the report of the Review of Local Government Funding as applies to Dublin City Council was considered with regard to Dublin City Council's Charging Policy. The purpose of the discussion was to examine 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. BCG members agreed that this matter would benefit from further information to be debated again and a further meeting was held on 12th May 2022. Dublin City Council's goods and services income is budgeted at €329m in 2022.

2.0 Report Focus

The key areas of focus of this report are:

1. Largest income sources
2. Scope of proposed Charging Policy
3. Nature of service for which charges are made
4. Existing and continuing role of Elected Members in setting charges
5. Worked examples of how the potential charges might be applied.

3.0 Largest Income Sources

There are over 70 distinct goods and services income, which range in value across all departments. **Schedule A** gives details of the twenty highest value goods and services income, which amount to €305.3m. The highest three income sources account for 66% of the total value of the highest twenty income sources. These are Housing Rents €93m, Contribution for Fire and Ambulance Services from other Dublin Local Authorities €62.2m and the Irish Water SLA €44.8m, totalling €200.8m.

4.0 Scope of proposed charging policy

Dublin City Council applies a range of charges, some, but not all, of which the proposed Charging Policy will apply. 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:

- Nationally set charges such as planning application fees.
- Housing rents which are set by a separate differential rents scheme and
- Charges already determined through another mechanism

Schedule B sets out all charges not in scope of the proposed policy. The cumulative value of these charges is €271m.

5.0 Nature of service for which charges are made

Dublin City Council provides a wide range of services and for some of those services, charges apply. **Schedule C** gives details of charges to which inflation increases could be apply.

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 that 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. The use of Dublin City Council facilities is particularly important where market forces render private facilities (gyms, pools etc.) too expensive for some in the community to avail of. As a result, it is a key aspect of service provision that the charges applied for these services recognise the social connections and public health benefits accruing. The BCG proposes 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%. **Schedule C** items 3 (recreation, amenity and culture), 7 (fire charges), 8 (civic and amenity centres) and 9 (other recycling services) are suggested.

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%. **Schedule C** items 1 (parking fines and charges), 2 (bridge tolls), 10 (other HGV), 11 (markets related) and 12 (other parking) are suggested.

Unadjusted Inflation Rate

The remaining income sources on **Schedule C**, items 4 (property leasing), 5 (hoardings) and 6 (dublinbikes) are suggested as having charges set with regard to inflation as previously discussed i.e. without increase or decrease.

6.0 Role of Elected Members in setting charges

The policy refers to adjusting charges in respect of either inflation or the stepped increased in costs. It in no way impacts on the capacity for Elected Members to review the base charge.

7.0 Worked Options

The BCG members considered annual and bi-annual charging options. **Schedule D** provides worked examples across the three scenarios outlined at 5.0 above. The Central Bank of Ireland forecasts an inflation rate of 6.5% for 2022 and 2.4% for 2023. For charges to which inflation (unadjusted) would apply, NOW Dublinbikes are shown as example.

For charges to which an increased rate of inflation would apply, Tom Clarke Bridge Tolls are shown as an example. The increased rate of inflation used is 9.75% for 2022 and 3.6% for 2023.

For charges to which a reduced rate of inflation would apply, Civic Amenity charges are shown as an example. The reduced rate of inflation used is 3.25% for 2022 and 1.2% for 2023.

8.0 Byelaws

In the event that the Finance Strategic Policy Committee agree an approach to Dublin City Council's Charging Policy, then the issue of byelaws will be further examined. Some charges are set under the framework of existing DCC byelaws. The BCG proposes that the feasibility of amending the relevant byelaws to facilitate an efficient approach to adjusting charges for inflation. The BCG suggest that an annual report would be brought to the City Council listing charges to be adjusted for inflation. This assessment may require the advice of the Law Agent.

Kathy Quinn
Head of Finance
With responsibility for ICT

12th May 2022

Appendices

Schedule A

Goods and Services Incomes Schedule A Twenty Highest Goods						
	Status	Income Stream	Y2022	Y2021	Y2021R	Comment
1	No	G+S_Rents from Houses	93,000,000	92,000,000	92,400,000	Covered by Differential Rents Scheme
2	No	LAContrib_Fire Service	62,171,326	60,740,734	62,044,722	Linked to agreed recoupment basis
3	No	G+S_Irish Water	44,780,198	44,073,310	39,333,899	All expenditure fully recouped
4	Yes	G+S_Parking Fines & Charges	30,765,000	36,260,000	23,260,000	Query on Bye laws process
5	No	G+S_Pension Contrib	10,232,000	10,911,000	10,635,900	Deducted from staff
6	No	G+S_Agency Services & Repayable Works	9,944,500	10,078,000	9,895,535	Bulk of income is HSE Ambulance
7	No	LAContrib_Homeless Voluntary	7,250,000	7,250,000	7,250,000	Agreed contribution from 3DLA's increased from €5m
8	No	G+S_Housing Loans	6,697,194	7,748,600	6,587,376	Linked to interest rates
9	Yes	OtherInc_Bridge Tolls	6,686,824	5,578,900	5,036,824	Query on Bye laws process.
10	No	OtherInc_Contrib from Capital	5,341,524	2,214,875	2,540,620	Funding from capital account for agreed works
11	No	OtherInc_Enforcement of Waste	5,185,000	4,185,500	5,171,323	Rates approved by DoH
12	Yes	G+S_Recreation, Amenity, Culture	4,782,609	6,328,079	1,986,992	
13	No	OtherInc_RAS Tenant Contrib	2,911,966	2,995,000	2,911,966	Covered by Differential Rents Scheme
14	No	G+S_NPPR	2,500,000	2,500,000	4,500,000	Historic income covered by Legislation
15	No	G+S_Sale/Leasing of Property/Industrial Sites	2,419,173	2,322,338	2,508,487	There are 5 year rent reviews in place
16	No	G+S_Planning Fees	2,405,250	2,887,500	1,924,200	Fees agreed by legislation
17	No	LAContrib_Building Control	2,164,170	1,600,000	1,600,000	Linked to NBCMO. Not

						DCC Income, surplus reserve
18	Yes	OtherInc_Section 89 Licences/Hoarding	2,100,000	1,300,000	2,100,000	Query with Roads
19	Yes	OtherInc_Bike Scheme	2,000,268	2,569,448	1,739,767	
20	No	OtherInc_Derelict Sites Levy	2,000,000	1,300,000	1,768,894	Levy is 7% of Market Value
		Total	305,337,002			
		Yes - Apply inflation	46,334,701			
		No - Do not apply inflation	259,002,301			

Schedule B

Scope Schedule B Goods and Services Income not in						
No	Status	Income Stream	Y2022	Y2021	Y2021R	Comment
1	No	G+S_Rents from Houses	93,000,000	92,000,000	92,400,000	Covered by Differential Rents Scheme
2	No	LAContrib_Fire Service	62,171,326	60,740,734	62,044,722	Linked to agreed recoupment basis
3	No	G+S_Irish Water	44,780,198	44,073,310	39,333,899	All expenditure fully recouped
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5	No	G+S_Agency Services & Repayable Works	9,944,500	10,078,000	9,895,535	
6	No	LAContrib_Homeless Voluntary	7,250,000	7,250,000	7,250,000	Agreed contribution from 3DLA's increased from €5m
7	No	G+S_Housing Loans	6,697,194	7,748,600	6,587,376	Linked to interest rates
8	No	OtherInc_Contrib from Capital	5,341,524	2,214,875	2,540,620	Funding from capital account for agreed works
9	No	OtherInc_Enforcement of Waste	5,185,000	4,185,500	5,171,323	
10	No	OtherInc_RAS Tenant Contrib	2,911,966	2,995,000	2,911,966	Covered by Differential Rents Scheme
11	No	G+S_NPPR	2,500,000	2,500,000	4,500,000	Historic income covered by Legislation
12	No	G+S_Planning Fees	2,405,250	2,887,500	1,924,200	Fees agreed by legislation
13	No	LAContrib_Building Control	2,164,170	1,600,000	1,600,000	Linked to NBCMO.
14	No	OtherInc_Derelict Sites Levy	2,000,000	1,300,000	1,768,894	Levy is 7% of Market Value
15	No	OtherInc_Rental Income	1,610,000	1,698,240	1,040,830	Primarily Social Housing PPP income

16	No	OtherInc_IPB Dividend	1,465,195	3,855,211	3,855,211	Annual dividend
17	No	LAContrib_CAMP	1,411,000	1,411,000	1,411,095	Capped at this amount per DFB
18	No	OtherInc_Public Bodies	1,022,982	1,001,827	1,561,603	
19	No	OtherInc_Building Control	785,500	863,000	626,500	Linked to Reg Fees, Disability Certs, Commencement Notices
20	No	LAContrib_Air & Noise	726,147	0	177,565	
21	No	LAContrib_Valuation Fees	600,000	600,000	600,000	Income from 3 DLA's from work done by DCC Valuers on case files
22	No	OtherInc_ServiceChargeRecoup	568,598	624,475	519,261	
23	No	OtherInc_Travellers Rents	565,000	565,000	512,050	
24	No	LAContrib_Civil Defence	503,000	503,000	507,210	
25	No	OtherInc_Entry Year Levy	500,000	1,000,000	300,000	Linked to VO
26	No	LAContrib_Waste Management Plan	492,612	612,612	352,612	Contribution from DLA's
27	No	OtherInc_Internal Receipts	415,282	497,782	620,650	Funding from other Sections
28	No	LAContrib_Traffic	380,000	380,000	380,000	
29	No	LAContrib_Enforcement of Waste	355,000	250,000	355,071	Linked to cost recovery of Certification Europe expenditure from Fingal
30	No	OtherInc_IPB_(JtoH)	350,000	350,000	589,675	Linked to claims legacy cases
31	No	OtherInc_Library Council	313,500	313,500	354,500	Recoupment from Library Council
32	No	OtherInc_LEO	295,000	344,000	330,000	
33	No	OtherInc_Homeless Services	272,371	386,132	272,371	
34	No	LAContrib_Franchise	260,293	200,000	209,060	Contribution from DLA's
35	No	LAContrib_Central Lab	220,000	220,000	270,000	
36	No	LAContrib_Smart Dublin	198,000	198,000	198,000	
37	No	OtherInc_AreaOfficeContrib	194,900	202,500	211,810	
38	No	LAContrib_WTE	150,000	150,000	176,448	
39	No	Otherinc_Contrib from Capital_(JtoH)	148,900	53,963	370,636	Funding from capital account for agreed works
40	No	OtherInc_Internal Receipts_(AOtoH)	142,084	6,500	203,097	
41	No	OtherInc_Public Bodies_(JtoH)	87,000	67,000	87,000	
42	No	LAContrib_Landfill	85,110	0	0	
43	No	LAContrib_LEO	75,000	75,000	75,000	Contribution to Economic Monitor
44	No	LAContrib_Covid Homeless	71,664	0	1,360,131	
45	No	LAContrib_Dublin Bay Biosphere	60,000	60,000	60,000	

46	No	OtherInc_Misc_(JtoH)	56,757	81,500	132,363	
47	No	LAContrib_Cost Of Management_(JtoH)	54,794	52,048	54,794	
48	No	G+S_Library Fees/Fines	30,650	29,770	9,950	
49	No	OtherInc_BIDs	30,000	30,000	30,000	
50	No	LAContrib_Libraries	20,000	30,000	20,000	
51	No	OtherInc_Sponsorship	20,000	60,000	426	
52	No	OtherInc_Misc_(AOtoH)	10,400	10,400	49,253	
53	No	OtherInc_Housing Receipts	8,000	6,000	10,526	
54	No	LAContrib_Heritage	5,000	15,000	55,000	
55	No	OtherInc_Contribution Prior to Letting	2,500	200,000	5,000	
56	No	G+S_Commerical Waste Water	0	0	0	
57	No	LAContrib_Coroners Court	0	30,000	0	
58	No	OtherInc_Contrib from Capital_(AOtoH)	0	0	13,864	
59	No	OtherInc_Covid Homeless	0	0	73,900	
60	No	OtherInc_Public Bodies_(AOtoH)	0	0	6,930	
61	No	OtherInc_Street Furniture	0	500,000	18,000	
		Total	271,145,367			

Schedule C

Schedule C Charges in Scope						
No	Status	Income Stream	Y2022	Y2021	Y2021R	Comment
1	Yes	G+S_Parking Fines & Charges	30,765,000	36,260,000	23,260,000	Query on Bye laws process
2	Yes	OtherInc_Bridge Tolls	6,686,824	5,578,900	5,036,824	Query on Bye laws process
3	Yes	G+S_Recreation, Amenity, Culture	4,782,609	6,328,079	1,986,992	
4	Yes	G+S_Sale/Leasing of Property/Industrial Sites	2,419,173	2,322,338	2,508,487	There are 5 year rent reviews in place
5	Yes	OtherInc_Section 89 Licences/Hoarding	2,100,000	1,300,000	2,100,000	Query with Roads
6	Yes	OtherInc_Bike Scheme	2,000,268	2,569,448	1,739,767	
7	Yes	G+S_Fire Charges	1,600,000	1,500,000	1,578,245	Hourly chargeout call.
8	Yes	G+S_Civic Amenity	500,000	500,000	595,000	
9	Yes	OtherInc_Recycling Services	365,000	459,785	400,000	
10	Yes	OtherInc_HGV	200,000	200,000	200,000	Link to item 2
11	Yes	OtherInc_Market Income	117,292	79,923	175,744	Rental Income & Parking meter Fees.
12	Yes	OtherInc_Parking	144,700	144,700	117,000	Parking in non Roads Depts
		Total	51,680,866			

Schedule D

Schedule D Examples					
Inflation	2022	6.5		2023	2.4
Now Dublinbikes					
Annual Increase	2022	2023	Rounded	2024	Rounded
1 day	€ 3.50	€ 3.73	€ 3.50	€ 3.58	€ 3.50
3 day	€ 5.00	€ 5.33	€ 5.50	€ 5.63	€ 5.50
Annual	€ 35.00	€ 37.28	€ 37.00	€ 37.89	€ 38.00
E bikes	€ 60.00	€ 63.90	€ 64.00	€ 65.54	€ 65.50
Bi Annual Increase	2022	2023		2024	Rounded
1 day	€ 3.50	€ 3.50		€ 3.82	€ 4.00
3 day	€ 5.00	€ 5.00		€ 5.45	€ 5.50
Annual	€ 35.00	€ 35.00		€ 38.17	€ 38.00
E bikes	€ 60.00	€ 60.00		€ 65.43	€ 65.50
Civic & Amenity					
Annual Increase	2022	2023	Rounded	2024	Rounded
Car	€ 15.00	€ 15.49	€ 15.50	€ 15.69	€ 15.50
Estate	€ 20.00	€ 20.65	€ 20.50	€ 20.99	€ 21.00
Car & Trailler	€ 40.00	€ 41.30	€ 41.50	€ 42.50	€ 42.50
Van	€ 70.00	€ 72.28	€ 72.50	€ 74.24	€ 74.00
Household 80L	€ 4.00	€ 4.13	€ 4.00	€ 4.10	€ 4.00
Food Waste 10L	€ 2.00	€ 2.07	€ 2.00	€ 2.05	€ 2.00
Food Waste 25L	€ 4.00	€ 4.13	€ 4.00	€ 4.10	€ 4.00
Green Waste 80L	€ 2.00	€ 2.07	€ 2.00	€ 2.05	€ 2.00
Skip Bag	€ 16.00	€ 16.52	€ 16.50	€ 16.90	€ 17.00
Bi Annual Increase	2022	2023		2024	Rounded
Car	€ 15.00	€ 15.00		€ 15.67	€ 15.50
Estate	€ 20.00	€ 20.00		€ 20.90	€ 21.00
Car & Trailler	€ 40.00	€ 40.00		€ 41.80	€ 42.00
Van	€ 70.00	€ 70.00		€ 73.14	€ 73.00
Household 80L	€ 4.00	€ 4.00		€ 4.18	€ 4.00
Food Waste 10L	€ 2.00	€ 2.00		€ 2.09	€ 2.00
Food Waste 25L	€ 4.00	€ 4.00		€ 4.18	€ 4.00
Green Waste 80L	€ 2.00	€ 2.00		€ 2.09	€ 2.00
Skip Bag	€ 16.00	€ 16.00		€ 16.72	€ 16.50
Tolls					
Annual Charge	2022	2023	Rounded	2024	Rounded
Car	€ 1.90	€ 2.09	€ 2.10	€ 2.18	€ 2.20
Bus / Van	€ 2.90	€ 3.18	€ 3.20	€ 3.32	€ 3.30
2 axle lorry	€ 3.90	€ 4.28	€ 4.30	€ 4.45	€ 4.50
3 axle lorry	€ 4.80	€ 5.27	€ 5.30	€ 5.49	€ 5.50
4 axle lorry	€ 5.80	€ 6.37	€ 6.40	€ 6.63	€ 6.60
Bi Annual Charge	2022	2023		2024	Rounded
Car	€ 1.90	€ 1.90		€ 2.16	€ 2.20
Bus / Van	€ 2.90	€ 2.90		€ 3.30	€ 3.30
2 axle lorry	€ 3.90	€ 3.90		€ 4.43	€ 4.40
3 axle lorry	€ 4.80	€ 4.80		€ 5.46	€ 5.50
4 axle lorry	€ 5.80	€ 5.80		€ 6.59	€ 6.60