

Presentation to the meeting of the Finance SPC held on 21st March 2024

Summary of Finance SPC Work Programme 2019 - 2024

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Local Government Funding and LPT

Engagement of Grant Thornton to review local government funding as applies to Dublin City Council

Establishment of Local Government Funding Sub-Committee

Engagement with Elected Members of other urban local authorities

Engagement with members of the Oireachtas

Submission on Review of Baseline Funding made by SPC to the Department of Housing Local Government and Heritage

New builds brought into scope for LPT

Remains a key area for change to support service provision and development



Rates Collection

Severely impacted by Covid

Collection pre Covid (for 2019) at highest level ever at 94%

Collection 2023 at 93%

Arrears have moved at yearend 2023 to €29.1m (debit of €413m) from €23.1m (debit of €265m) in 2019

Court process paused over Covid, all options now pursued

Housing Rents

Correspondence to relevant ministers from 2019 seeking deduction of rents from source for tenants in receipt of a social welfare payment. Collection 2023 at 93%

Arrears have moved at yearend 2023 to €36.1m (debit of €102m) from €31.6m in 2019 (debit of €92m)

Court processes for eviction being pursued to a greater degree

Greater focus on accounts with high incomes and high arrears

Collection rate in 2023 of 73%, unchanged from a 73% collection rate in 2019

Reduced timeframe for cyclical review of each rent account to reduce the impact of retrospective debits



Hotel Bed Tax

First examined in early 2020, considering the experience of other countries, the importance of tourism and the benefits of developing the public realm for both residents and visitors alike

Engagement with relevant Government departments to encourage the introduction of enabling legislation

Application of a hotel bed tax is accepted practice throughout the world

Tax could be based on fixed value, percentage of room cost or accommodation standard (one star, two star etc.) basis

Meetings held with the Hotel Federation of Ireland and also with the Welsh Government and Amsterdam City Council

Developments in Wales and in Scotland, Edinburgh in particular illustrate the currency of this matter

Community Wealth Building

Community Wealth Building first raised at the SPC in March 2021. CWB looks at reducing inequalities and increasing access to Finance, Workforce, Spending, Land and Property and Inclusive Ownership

The SPC looked at where CWB had been applied in the US, Europe and the UK in particular Preston and Ayrshire. A Scottish Minister for Community Wealth Building is now in situ

Cross departmental CWB Working Group chaired by the Head of Finance established to build CWB awareness and use throughout Dublin City Council

CWB Pilot of Cherry Orchard LAP with a specific group looking at how CWB can benefit Cherry Orchard and support the work of the Cherry Orchard Implementation Group

Social Value Framework adopted by Dublin City Council in October 2022

Value based recruitment policy currently being prepared

Civic Crowdfunding

Civic Crowdfunding first considered in June 2020

Approach was taken to engage in market dialogue to gain an understanding of the relevant market for the provision of civic crowdfunding services and platform

Key elements sought in tender process around building community capacity, providing mentorship to project creators, financial governance of monies held and costs

Crowdfund Dublin City launched in October 2023 with workshops for all interest groups

First funding window closed in late 2023, second funding window due to commence shortly



Legislative Changes

Section 15 of the Local Government Rates and Other Matters Act 2019 provides for the introduction of locally targeted rates alleviation schemes. It is a Reserved Function of the Elected Members. The Department has established a working group in recent weeks to prepare regulations for issue in the coming months.

The regulations will detail the maximum percentage of the waiver, the time period applying to the scheme, the process and sequencing to be followed and the public consultation process applicable.

Rates Waiver Scheme resulted in government grant funding in lieu of eligible rates to the value of €159.5m in 2020 and €100.5m in 2021.

The Rates Restart Grant and Restart Plus Grant provided for payments to ratepayers amounting to €96.1m in 2021.

Grant payments amounting to €2.5m were paid in 2021 under the Small Business Assistance Scheme for Covid (SBASC)

Changes arising from 1st January 2024 from the Local Government Rates and Other Matters Act 2019

Charging Policy

A recommendation from the Review of Local Government Funding as applies to Dublin City Council was to commence a discussion among Dublin City Council Elected Members to consider a policy that all charges should be reviewed on a regular basis (annual / bi yearly etc.) to keep pace with inflation so that the current level of service provision is not eroded as has been the case historically.

The SPC recommended charges in scope of this policy to be considered under the three charge bands:
Increased – for every 2% increase in inflation/costs a 3% increase is applied,
Reduced – for every 2% increase in inflation/costs a 1% increase in charge is applied,
Unadjusted – for every 2% increase in inflation/costs a 2% increase in charge is applied

The City Council, at it's October 2022 meeting accepted the recommendation of the SPC to revise it's charging policy and that charges in scope be set having regard to inflation and cost trends.

Charging Policy established as recommended by SPC above (Box 2)

All charges should be reviewed annually where possible

Funding of Roads Infrastructure

The funding of roads infrastructure first considered in September 2020 when the Committee considered the increases in road usage by pedestrians and cyclists.

The road network requires a maintenance programme that ensures the road surface is fit for purpose for all user groups

Very low allocation value from Transport Infrastructure Ireland (TII) to Dublin City Council in respect of funding for the maintenance of national roads, despite Dublin City being the Capital City with the greatest traffic volumes

Dublin City Council is funded for the construction of roads and cycleways however the current funding envelope, from all Departments and agencies, is not sufficient to reasonably maintain road surfaces, cycle ways and footpaths

Officials from the Department of Transport met with Dublin City Council, officials from the Department of Housing did not attend.

Congestion Charging

Potential future introduction of Congestion Charging by Government

Acknowledged high costs of maintaining an appropriate environment for different modal uses

Concern over availability of funds raised to Dublin City Council should congestion charging be introduced by a national body against each relevant local authority. The experience of Dublin City Council in relation to the LPT illustrates the concerns held

Invitation from the Traffic & Transport SPC to attend the SPC meeting

Clear preference to await new Council formation post elections and consider again in light of emerging government policy.

Presentations made to SPC

Data Innovative Economic Measurement, the work of Smart Dublin partnerships created and the communication of economic data

Dublin City Council's ICT Transition and Response to Covid 19

Pre-draft consultation on the City Development Plan 2022-2028

Dublin Tourism Spend and the huge potential to grow maritime tourism in the City

Ballymun Social Regeneration Fund being incrementally reduced by Government and the need for it to be reinstated to 100%

The Changing Working Technology Environment

