

**COMHAIRLE CATHRACH AGUS CONTAE PHORT LÁIRGE
WATERFORD CITY AND COUNTY COUNCIL**

Item No.

1(b)

SPECIAL MEETING HELD ON LOCAL PROPERTY TAX (LPT) 25th SEPTEMBER, 2018

Council Chamber, Civic Offices, Dungarvan, Co. Waterford

PRESENT:

Cllr Declan Doocey Mayor	Cllr. Pat Nugent
Cllr. Liam Brazil	Cllr. Seamus O'Donnell
Cllr. Breda Brennan	Cllr. John O'Leary
Cllr. Tom Cronin	Cllr. Michael J O'Ryan
Cllr. John Cummins	Cllr. Lola O'Sullivan
Cllr Davy Daniels	Cllr. Eamon Quinlan
Cllr. Pat Fitzgerald	Cllr. John Pratt
Cllr. Damien Geoghegan	Cllr. Seanie Power
Cllr. Jim Griffin	Cllr. Sean Reinhardt
Cllr. Blaise Hannigan	Cllr. Mary Roche
Cllr. Joe Kelly	Cllr. James Tobin
Cllr. Eddie Mulligan	Cllr. Siobhán Whelan
Cllr. Jason Murphy	Cllr. Adam Wyse
Cllr Ray Murphy	

APOLOGIES:

Cllr D. Clune, Cllr J. Hearne, Cllr C. O'Neill

OFFICIALS IN ATTENDANCE:

Mr. M. Walsh, Chief Executive
Mr. B. O'Kane, A/Head of Finance
Ms.C. Horan, A/DoS, Corporate, Culture, HR & IS
Mr. F. Galvin, Director of Services, Roads, Water & Environment,
Mr. I. Grimes, Director of Services, Housing, Community & Emergency Services
Ms. H. Dunphy, Meetings Administrator
Ms. S. Walsh, Senior Staff Officer

1.To resolve to vary/not vary the basic rate of the Local Property Tax for 2019

The Chief Executive gave an overview of the movement in the Council's income and expenditure for the current year. He said there is no additional income of consequence for the current year and the Local Government Fund is remaining the same, however there are significant increases on the expenditure side, increase costs in payroll due to pay increases and increases in insurances.

The Chief Executive proposed a 10% increase in the Local Property Tax for 2019, the same as he proposed last year, as he continues to have concerns about the Council's assets, especially roads in both urban and rural areas and footpath maintenance in general across the City and County. The 10% proposed increase would mean a relatively modest increase of €20 per annum for householders bearing in mind that those in social housing do not pay this charge. The increase would yield €960,000. He proposed that this additional money would be dedicated to additional services in two areas:

1. €600,000 to a City and County wide footpath renewal scheme and
2. €360,000 to Village and Village Renewal that would include a comprehensive programme of compulsory purchase of derelict/vacant property for disposal to the market.

He said a moderate increase was provided last year. He reminded the Council that applications are being made under the Urban Regeneration Fund (North Quays) and City Centre Access and Town & Village Regeneration scheme and matching funds will be expected which will be a significant expenditure to the City and County and these have to be considered for the coming budget, which this increase would go towards.

Cllr. Whelan asked if the Council does not vote to increase the LPT does it revert back to what it was before the increase last year. Cllr. Cummins requested an explanation on the increase in expenditure in RAS and Energy costs and asked if the increase in new properties in 2018 been factored into the figures. Cllr. Mulligan asked if the Council vote no increase there will be €233k less for next year and to clarify if those in social housing on HAP Schemes are exempt. B. O'Kane, A/ HOF said the Council allowed for RAS and is a contra figure with a net impact of zero, the energy increase of 5% is allowed for costs as an estimate and in relation to extra properties, the council work on existing stock based on today's figure. Cllr. Cummins asked what about the private properties that were bought in 2018 are these calculated in, what is the figure. Chief Executive replied that the Local Government fund is a net figure and a correction on the number of houses is included in this figure which is given to the Council by Revenue. Chief Executive said that €233k will have to be found if the rate is not held at last year's rate. He said that LPT is paid by the Council for Social housing and LPT for HAP properties is paid by the owner.

Cllr. Tobin said that rural Ireland will not benefit from the increase in LPT as footpath renewals or town and village schemes will not affect them. Cllr. O'Ryan said it would be advantageous if an extra column showing the outturn to the end of August could be included showing the Council's position in relation to the 2018 Budget spending. Cllr. Geoghegan said it is too early in advance of the Budget 2019 to decide on the LPT but the Council's hands are tied and a decision has to be made. Cllr. Cummins asked what percentage of households in Waterford fit into the different bands. Cllr. Fitzgerald said if the Department increase the bands and if the Council increase the LPT now we could be adding to difficulties of householders when the re-evaluation is carried out. Cllr. Griffin said an increase cannot happen this year due to the hard times people are having and it should be left as it is.

Chief Executive said that the review of the LPT is not until the end of 2019 so it won't affect the 2019 LPT. He said other local authorities have increased the LPT significantly as resources are not adequate and LPT and commercial rates are the only space available to increase. He said that the format of the form is prescribed at a national level and he agrees that the logic would be that this LPT increase should be at budget time. In general terms from a management point of view, the executive try to keep outturn in line with the budget and each Director restricts and manages expenditure. Cllr. Griffin asked what is the consequences of no increase if the LPT is left as is. Chief Executive said there will be a €233k loss if there is no increase.

Cllr. Geoghegan proposed an adjournment for 15 minutes, seconded by Cllr O'Sullivan and agreed. The Meeting was adjourned for 15 minutes. Before they adjourned Cllr. Hannigan and Cllr. Reinhardt expressed concerns for people in the HAP scheme as the increase will be passed on to them.

The meeting reconvened and Cllr. Geoghegan proposed a further adjournment for 15 minutes. Cllr. O'Leary asked that he withdraw the motion, which he did.

Mayor asked for a proposer for the LPT for 2019. Cllr. Geoghegan proposed that the 10% increase be rejected but proposed that the LPT for 2019 remain the same as the LPT for 2018, seconded by Cllr. Tobin and agreed by all.

This concluded the business meeting.

Signed: _____ Dated: _____

Mayor