

MINUTES OF ADJOURNED COUNCIL MEETING HELD ON MONDAY, 25TH SEPTEMBER, 2017 AT 4.00 P.M.

Chair: David Fitzgerald

Cllrs: Eamon Aylward, John Brennan, Tomás Breathnach, Mary Hilda Cavanagh, Peter Cleere, Fidelis Doherty, Matt Doran, Michael Doyle, Pat Dunphy, Ger Frisby, Pat Fitzpatrick, Breda Gardner, David Kennedy, Joe Malone, Michael McCarthy, Pat Millea, Patrick McKee, Malcolm Noonan, Melissa O'Neill, Maurice Shortall and Sean Tyrrell,

Officials: Colette Byrne, Martin Prendiville, Tim Butler, Mary J. Mulholland, Simon Walton, Adrian Waldron & Anne Maria Walsh.

Apologies: Cllrs. Andrew McGuinness & Patrick O'Neill

Cllr. David Fitzgerald opened the Adjourned Public Meeting.

Cllr. Maurice Shortall proposed that the Cathaoirleach would host a Reception for "Team Aspect" from Castlecomer who came first in the "Race Around Ireland" and who have raised much needed funds for the Aspect Centre in Kilkenny.

This was seconded by Cllr. John Brennan and agreed.

Cllr. Fitzgerald stated that he would be happy to host this Reception.

Cllr. D. Fitzgerald advised that Mr. Prendiville would make a PowerPoint presentation first and then there would be time for members questions. In the event that the members required time to consider the issue before them, a decision will be made later whether an adjournment is required.

Mr. Prendiville gave a PowerPoint presentation to the members. In his presentation he outlined to members the following:

- 2018 Budget Process, date for Statutory Meeting is 24th November, 2017, Municipal District Meetings, Budget Sub-Committee.
- Current financial position of Kilkenny County Council in the Revenue and Capital account, borrowings, outstanding commitments on completed Capital Projects, arrears on income and collection rates, income analysis for Budget 2017.
- Rates Revaluation, full listing published in September 2017, final date for appeals to Valuation Tribunal is 12th October, 2017, revaluation process will not result in any additional income for Kilkenny County Council.
- Harmonisation of Rates
 - Single Arv is 54.90.
 - County Rate is currently at 54.70
 - Former Borough Rate is at 59.43.
 - Need to decrease former Borough Rate which would result in a loss of €500,000.
- New properties valued – additional income will be approximately €250,000.
- Budget Expenditure for 2018, increasing demand on services, preliminary list seeking additional funding of €2.075m leaving a nett shortfall funding of €1.825m, details of the services requiring additional funding were outlined in the presentation – water budget will need to be agreed with Irish Water.

▪ **Local Property Tax**

Allocation from Department is €10.67m – no change since 2014. Local Authority can vary base rate by a maximum of +/- 15% - Reserved Function. Additional income from increase of 15% is €1.1m. Details of Valuation Bands were shown and the analysis of a 15% increase for households in Kilkenny. Any reduction in Local Property Tax will not be covered by the Department. Any increase in Local Property Tax is additional income to Kilkenny County Council.

The details in the presentation were circulated to all members. The Report circulated with the Agenda contains Appendix outlining the preliminary list of issues for 2018 Budget, the submissions received from the public, a list of Local Property Tax Valuation Bands for the entire Country and Circular Letter FIN 05/2017 dated 21st July, 2017.

Mr. Prendiville advised members that the Local Property Tax is the only option available to raise additional monies for 2018. Cllr. Fitzgerald thanked Mr. Prendiville for the detailed presentation and asked for the recommendation of the Executive on the Local Property Tax. Mr. Prendiville advised that the Executive is seeking a 15% increase in the Local Property Tax which will bring in additional income of €1.1m.

Contributions were received from Cllrs. M. O'Neill, P. Millea, M. Noonan, B. Gardner, P. Fitzpatrick, D. Kennedy, D. Fitzgerald, J. Brennan, M. Doran, S. Tyrrell, MH Cavanagh, T. Breathnach, J. Malone, P. McKee, P. Cleere, P. Dunphy and G. Frisby.

Issues raised by members related to:

- Loss of Income if Boundary is extended in Ferrybank.
- Delaying Capital Projects – what savings can be achieved, expenditure on current Capital Projects.
- IT Resources – options for savings if Open Source Software is used – how much required to upgrade?
- Recoupment from Irish Water.
- Any staff suggestions for savings, contribution from staff salaries.
- Arrears due to the Council.
- Arrears due on Development Levies.
- Current loans drawn down by Council, Annual Repayments.
- What services will be affected if no increase is approved, threat to services, need to review shortfall of €1.8m.
- Any buoyancy in Rate Income.
- Meubles Building.
- Financial position of most families has not improved.
- Valuation of Properties will change in 2019 anyway.
- Decision on Local Property Tax in advance of any detailed discussion on the Budget is not the right way.

Ms. Colette Byrne advised that no decision has been made on any change to the boundary in Ferrybank and if there is, it is highly unlikely that any change will occur for 2018 at this stage in the year. She further advised that Development Levies do not form part of the Revenue Budget. This is for the Capital Account. The balance of €7m on the books related to all development levies included in all planning permissions granted. Quite a number of these permissions have not been commenced, therefore the Development Contributions are legally not due and in other cases work has commenced but not completed. Any monies collected from Development Contributions fund Capital Projects.

Mr. Prendiville responded to all the queries from the Councillors. He advised that there is very limited scope to raise additional income. The Council has not invested in any IT Infrastructure during the economic downturn. It is imperative that some investment is

made to upgrade systems and telephones to be able to service the public. Every effort is being made in the collection of outstanding arrears. The level of arrears have dropped significantly i.e. 56% over the last 2/3 years. Additional staff have been assigned to this area.

All items of expenditure will have to be reviewed with all Department/Service Areas.

At this stage it was proposed by Cllr. Peter Cleere, seconded by Cllr. Mary Hilda Cavanagh and agreed that Kilkenny County Council would write to Minister John Paul Phelan requesting him to meet with the elected members to discuss changes to the legislation on Local Property Tax to align it with the Budget Process.

Cllr. David Fitzgerald proposed an adjournment of the meeting for 20 minutes for members to consider their position on the Local Property Tax. This was seconded by Cllr. Melissa O'Neill and agreed.

As the time of the meeting was approaching 6.00 p.m. it was proposed by Cllr. Fidelis Doherty, seconded by Cllr. Pat Dunphy and agreed that Standing Orders be suspended to finish this item.

Meeting adjourned at 5.50 p.m.

Meeting resumed at 6.10 p.m.

Cllr. Matt Doran proposed that there would be no change to the Local Property Tax and outlined that the Government should re-instate funding to Local Authorities. Cllr. Mary Hilda Cavanagh seconded the proposal to leave the Local Property Tax as it is. She stated that there will be challenges for the members in agreeing a Budget for 2018.

Cllr. Malcolm Noonan proposed an amendment that the Local Property Tax be increased by 5% and that the additional income be ringfenced for homeless services.

Ms. Byrne and Mr. Prendiville advised that in the case of homeless services, the cost of this is funded 90% from the Department and that the allocation of funds to the programme groups is decided by Council at the Budget Meeting.

There was no seconder to Cllr. Noonan.

Cllrs. D. Kennedy, B. Gardner, M. O'Neill, P. Cleere and P. McKee contributed to the proposal to leave the Local Property Tax as it is.

Cllr. D. Fitzgerald advised members that we are proceeding to take a vote.

It was proposed by Cllr. Matt Doran, seconded by Cllr. Mary Hilda Cavanagh that:

"We, the members of Kilkenny County Council in pursuance of the provisions of Section 20 of the Finance (Local Property Tax) Act, 2012 (as amended), hereby resolve that the basic rate of local property tax should stand unchanged for the period 1st November, 2017 to 31st October, 2018 in respect of relevant residential properties situated in the administrative area of Kilkenny County Council. The invariable rate shall take effect from the liability date in the year in which notification is sent to the Revenue Commissioners".

Votes in Favour: 21 J. Brennan, MH. Cavanagh, P. Fitzpatrick, M. McCarthy, P. Millea, M. Shortall, P. Cleere, M. Doyle, B. Gardner, D. Kennedy, M. Doran, D. Fitzgerald, S. Tyrrell, J. Malone, P. McKee, E. Aylward, T. Breathnach, F. Doherty, P. Dunphy, G. Frisby & M. O'Neill.

Votes Against: 1 Cllr. M. Noonan

The proposal was carried.

Ms. Colette Byrne stated that the Executive will work with the elected members over the next few weeks in the preparation of the 2018 Budget. She advised that it will be a difficult budget and many challenges will have to be dealt with.

That concluded the Business of the Meeting.

CATHAOIRLEACH

DATE