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**MIONTUAIRISCÍ AN CRUINNIÚ DE COMHAIRLE CONTAE CHIARRAÍ A THIONÓLADH I SEOMRA NA COMHAIRLE, ÁRAS AN CHONTAE, TRÁ LÍ, AR AN LUAN 14 MÉAN FÓMHAIR 2015.**

**MINUTES OF THE MEETING OF KERRY COUNTY COUNCIL HELD IN THE COUNCIL CHAMBER, ÁRAS AN CHONTAE, TRALEE ON MONDAY 14<sup>TH</sup> SEPTEMBER, 2015.**

**PRESENT/I LÁTHAIR**

**Councillors/Comhairleoirí**

R. Beasley	J. Brassil	M. Cahill
P. Connor-Scarteen	B. Cronin	J.J. Culloty
P. Daly	T. Ferris	J. Finucane
S. Fitzgerald	J. F. Flynn	N. Foley
M. Gleeson	D. Grady	D. Healy-Rae
J. Healy-Rae	N. Kelleher	M. Kennelly
S. Locke	P. McCarthy	T. McEllistrim
J. Moloney	N. Moriarty	D. Nolan
T. O'Brien	B. O'Connell	M. O'Shea
L. Purtill	D. Quigg	G. Spring
A. Thornton		

**IN ATTENDANCE/I LÁTHAIR**

Ms. M. Murrell, Chief Executive	Ms. A. McAllen, Head of Finance
Mr. J.D. Flynn, Dir. of Corp. Servs.	Mr. J. Breen, Dir. of Housing & C&E
Mr. O. Ring, Dir. Water Services	Mr. C. O'Sullivan, Dir. of Op., Health&Safety
Mr. M. Scannell, A/Dir. Job Creation	Mr. M. O'Donoghue, SEO HR
Mr. G. O'Brien, Meetings Admin.	Mr. M. O'Leary, SEO Finance
Mr. G. Riordan, SE Operations	Mr. D. Doyle, A/SE Operations
Ms. K. Moriarty, A/SEO Housing	Ms. K. Lynch, AO Finance
Mr. J. McCarthy, AO Finance	Ms. M. West, AO Op., Health & Safety
Ms. B. Reidy, SSO Corporate Supp.	Mr. P. O'Connor, SSO Finance
Ms. S. Sheridan, SSO Finance	Ms. M. Moriarty, A/AO Finance
Ms. C. O'Connor-Galvin, SO Finance	Mr. D. Ginty, Executive Planner

The meeting commenced at 10.35am.

The Cathaoirleach, Cllr. P. McCarthy, took the Chair.

### **Emergency Motion**

Cllr. M. Kennelly PROPOSED that Kerry County Council would immediately put in place, flood alleviation measures in the Clieveragh area of Listowel following the very serious flooding the previous Friday which resulted in a number of residents having to evacuate their homes and 'Listal', a factory in the area, having to cease production temporarily. Cllr. Kennelly requested that the areas most seriously impacted would be investigated and that a report would be brought to the next meeting of the members of the Listowel Municipal District. In conclusion he complimented Council staff, the Gardaí and the Fire Service who were excellent during this event.

Cllr. J. Moloney SECONDED the motion and stated it is the second time in 14 months that there was flooding in Listowel. Mr. C. O'Sullivan visited the area and witnessed the extent of the flooding. He called on the Council to rectify this problem to ensure these areas are not flooded again.

The Chief Executive stated there was an orange alert in Kerry the previous weekend and Council crews were out liaising with the Civil Defence, the Gardaí and the Fire Service. She thanked the staff who worked all weekend. It is difficult to plan for these extreme weather events but we must react well to them. She was satisfied that Kerry County Council and the Gardaí responded well. While Listowel was flooded this was also the case in West and South Kerry. It will be necessary to review each flood event to assess if mitigation works would minimise the impact in future. The Chief Executive said she could not say the flooding will not reoccur as these weather events are happening more often and they result in a financial cost to the Council.

Mr. C. O'Sullivan stated the previous Thursday morning the Council received notification of an orange weather warning of heavy incessant rain from midnight on Thursday for 24 hours. The Council has a Severe Weather Plan in place and this was put into operation immediately to ensure drainage systems were cleaned etc. On Friday as the day progressed the rainfall intensified and the phone calls started to come in. Listowel was badly affected in particular Listal and McElligott's house. From 6.30pm on Thursday to 6.30pm on Friday 73mm of rain was recorded which equates to a 1 in 80 year event. Most of the drainage channels were built for a 1 in 50 year event. Later on Friday Manor, Castleisland, Killarney and South Kerry also experienced flooding and crews were out in these areas. The Fire Service also responded and provided pumping facilities. The Civil Defence provided sand bags and the road crews were stood down early on Saturday. On Saturday a yellow weather warning issued and later on that was upgraded to an orange alert. On Sunday the crews were working and the weather was monitored. The worst affected areas at that time were West and South Kerry where in a number of areas rivers burst their banks and there were landslides onto public roads. Late on Sunday Tralee got heavy rain and a stream flowed out onto the road at Clashleahane roundabout. There was 150m (6 inches) of rain in a few days. Mr. O'Sullivan expressed his appreciation

to all staff and said he would undertake a review of the weekend events to see what can be learnt from it. In conclusion Mr. O'Sullivan thanked Radio Kerry for carrying regular updates to keep the general public informed on the situation.

The Cathaoirleach thanked all the Council staff who worked tirelessly over the weekend to assist those affected by the very heavy rainfall. He also thanked Mr. O'Sullivan and his team for the regular updates provided for the general public.

Cllr. T. Ferris commended Frank Hartnett, John Sheahan and all the staff for their excellent work over the weekend. She asked that the flooding problems on the Castlemaine road would be addressed. For several years Ardfert has awaited the upgrade of the sewerage system but to-date the work has not commenced. She had photos of a business in Ardfert that was flooded at the weekend and this premises has been flooded on a number of occasions in the past. She expressed concern that there would be a fatal accident at this location when it is flooded. She requested that the photos would be forwarded to Irish Water to establish when the Ardfert Sewerage Scheme will go to tender.

Cllr. J. Healy-Rae thanked the Council staff for their dedication and hard work over the weekend. However, there is a serious issue as approx. 50% of outdoor staff retired since 2008 and they have not been replaced. At Glenmore there was 5 ft of water and the river needs to be cleaned. Approx. 50 yards of the road at Cappanalea was badly damaged by the flooding and he asked that it would be repaired. Drains should be cleaned but this was not done for the past 5 or 6 years due to staff shortages. Two new houses were flooded because a gully further up was blocked. In conclusion Cllr. Healy-Rae called on the Chief Executive to address staff shortages.

Cllr. D. Healy-Rae thanked the staff for their work over the weekend in very difficult conditions. The number of road workers has reduced significantly in recent years in the Killarney area. Prior to Castleisland being added to the Killarney area there were 6 crews but now there are just 3 crews which is a reduction of 50%. There was flooding again in Foiladown, Glenflesk and Garries where the national primary route was flooded. He has been highlighting these areas for years and he was informed the CFRAM studies would include these areas. However nothing has happened even though the CFRAM studies have been carried out. The previous Friday an elderly couple in Foiladown were flooded and that day they could not get out of their home because of flooding. Kerry County Council dredged that river and there were no flooding for 20 years. The river needs to be cleaned again. If this is not done Garries and Gortahoosh bridges will be washed away. The national primary road is being undermined and an ambulance cannot access Foiladown during flooding. Priority must be given to cleaning the River Flesk as soon as possible.

Cllr. R. Beasley paid tribute to Council staff who did great work over the weekend and he thanked John Sheahan, Sean Harrington and their staff. The problem is there is not enough staff as those who retired over the past number of years were not replaced. Doon is prone to flooding as the drains are not cleaned by landowners. When this issue was reported he was informed the OPW were responsible yet they say it is a matter for Kerry County Council but someone must take responsibility for it. The rivers and dykes on the Ballybunion/Listowel road also need to be cleaned. Cllr. Beasley repeated an earlier call he made that the drains through Ballyhorgan and the Cashen would be cleaned. A premises in William Street, Listowel was flooded and that should not have happened. Cllr. Beasley asked that additional staff would be recruited.

Cllr. S. Locke complimented Council staff on their work over the weekend in preventing flooding in Tralee. Members have pointed out on a number of occasions that if trees that have fallen into rivers were removed it would help prevent flooding. There are a number of trees in the Brown Flesk River and this could lead to blockages and flooding in the Castleisland area. Current outdoor staffing levels are not adequate and he called on management to address this matter.

Cllr. M. Gleeson said he was raised beside the River Flesk and he knew the reality of flooding. He is also aware of the importance of bridges and since the White Bridge was constructed the situation has improved hugely. He emphasised the need to ensure the eyes of bridges are kept clear and that overhanging branches are cut. Climate change is a reality and it is impacting on our country. Occasionally when he is picking up litter from the road side he cleans the water gullies. There are large amounts of water on the N72 Killarney to Rathmore road and he asked that the drains would be cleaned. Cllr. Gleeson stated that every river and stream needs its flood plains and it is important that the Planning Department ensures they are protected from development.

Cllr. D. Grady said the flooding over the past few days was an act of God. However additional staff must be taken on as those that retired in recent years were not replaced. There was flooding in the Black Valley where school children had to be evacuated by the Fire Service. Cllr. Grady stated that motorists must learn to drive in a way that is appropriate for the weather conditions.

Cllr. M. Cahill thanked Mr. C. O'Sullivan and the staff for their tremendous response over the weekend and also for the regular updates. The public appreciate the regular updates on Radio Kerry. There was another landslide at Gleesk, Kells but thankfully it was minor. The Killorglin to Glencar road was badly damaged by the flooding and there is a 2 ft trench across the road. He believed a lot of flooding could be avoided if trees near rivers were cut. There was a further slippage at the Cliff Road the previous night. Minister Harris visited this area and Incharee and he undertook to revert to residents within a month but they heard nothing since then. Sandbags helped to save some houses from

flooding and that was very welcome. He asked if sandbags are made available to residents at Incharee and those subject to tidal flooding.

Cllr. M. Kennelly said there is a problem with the culvert at Clieveragh. He acknowledged that it was checked the previous Thursday and was clear but added that new areas are now being flooded. He thanked all the staff for their efforts over the weekend and he asked that the necessary works would be carried out to prevent Clieveragh being flooded again.

Cllr. L. Purtill said fortunately the village of Ballylongford was not flooded at the weekend but houses outside the village were not so lucky. The Fire Service assisted two families and at Gortnapoca some of the side of the road was washed away. This was very disappointing as the level of the road was raised. The Ballyline River was not cleaned for years and farmers believe that is what is causing the flooding. In conclusion Cllr. Purtill thanked Mr. J. Sheahan for taking all the calls at the weekend.

Cllr. N. Foley stated she wanted to be associated with the words of praise for the Council staff who gave outstanding service over the weekend. She thanked Mr. O'Sullivan for the regular updates and she also acknowledged the role Radio Kerry played in keeping the general public updated. She asked that the flooding problems on the Castlemaine road and at Manor would be resolved. Cllr. Foley acknowledged the work of staff from the Water Services Department in fixing the major leak on the Dan Spring road. While this caused significant inconvenience people are hugely appreciative of the work done by the staff in such dreadful conditions.

Cllr. J.J. Culloty thanked the staff for their response over the weekend and said it is unfair on them to have to do two days work in one. He called for the recruitment of additional staff as a matter of priority. Cllr. Culloty expressed concern about Counguilla Bridge and said just one eye of the bridge was taking water over the weekend and he was concerned about the impact on the structure of the bridge. He asked who is responsible to ensure the bridges are kept clear. The Glounsharoon River was dredged and this has helped but the water breached the bridge and he asked that 2 additional rows of blocks would be added to address this problem. At present the bank is higher than the blocks and he asked that this work would be done immediately. Cllr. Culloty also asked that the work to the culvert in Tullig would commence as soon as possible.

Cllr. M. O'Shea complimented Mr. C. O'Sullivan and all staff for their tireless work over the past 3 days. While the CFRAMS Study was carried out no funding was provided to address flooding. Two small streams in Milltown take the surface water to the River Maine yet there have been a number of new developments including two new schools. There are two or three badly constructed bridges in his area and when the river bursts its banks it causes flooding of homes and farms. When funding is available in the future from development levies he asked

that it would be used to remove obstructions in fast flowing rivers. A fund is required to reconstruct the two bridges on the Rathpooke River and he believed the cost involved would not be too significant.

Cllr. D. Nolan thanked the staff for their work over the weekend. The flooding at Clieveragh affects not just that area but also the Ballybunion Road. One family in particular was impacted and there was also flooding in Listowel graveyard. There were also a few flooding incidents around Moyvane South and Kilbaha. She asked where sandbags can be acquired and requested that they would be made available through the PPN network.

Cllr. D. Quigg said in Killorglin people put measures in place to save property. Minister Harris was requested to meet with a deputation from the Council but that meeting has not yet taken place. While the Minister met with residents in Incharee etc. he undertook to revert to them but that did not happen.

Cllr. J. Moloney stated in September 2014 he raised the problem with flooding at Clieveragh at a meeting of the Listowel Municipal District. Last Thursday and Friday there was no debris in the drains at this locations but the culvert simply could not take the volume of water. He asked that priority would be given to addressing this problem.

Cllr. B. Cronin complimented Council staff who worked in dreadful conditions over the weekend. Following the weekend the parapets of two bridges in his area are in need of repair, one at Listry and the other at Rathcommane and he asked that these would be repaired immediately in the interest of road safety. The Council installed a roadside gully at Kilcummin to prevent flooding from higher ground but unfortunately it was interfered with. Cllr. Cronin emphasised the need to maintain this gully and he asked what action was taken in relation to this interference. He asked that the roadside drain at Tooreenamult would also be cleaned. Cllr. Cronin supported calls to get clarity on who is responsible for cleaning rivers and he asked that the Gweesteen River would be cleaned. He understood some landowners cleaned it but branches occasionally fall into the river. Cllr. Cronin expressed concern at the reduction in staff numbers in Water Services and said it is taking longer to get repairs carried out. Irish Water provided funding to replace pipes but this work is delayed by 4 to 5 months due to staff shortages.

Cllr. J. Brassil said he wanted to be associated with the compliments to the staff who worked in very difficult conditions over the weekend. His concern is that these events are now happening on an annual basis and we must have an emergency plan in place for them. Cllr. Brassil emphasised the need to have an ongoing maintenance programme in place to ensure drains, culverts etc. are cleaned regularly. This is not possible with present staffing levels and he asked when additional staff would be recruited.

The Cathaoirleach said the main problem is reduced staff numbers. When rivers are not cleaned the level of silt and debris builds up and this results in flooding. Many rivers are also overgrown and trees or branches fall in. He asked who is responsible for the maintenance of rivers and that members would be provided with a map identifying the rivers in the charge of Kerry County Council.

Mr. C. O'Sullivan informed the meeting he noted their concerns and he would report back to them in due course.

The Chief Executive thanked the members for the compliments to staff. The weather at the weekend was an extreme event and naturally there will be problems as a result. The county was very badly affected as there was an orange alert. Our infrastructure was impacted and she took on board members' view that this is not an isolated event. Certain bridges and roads must be inspected but this cannot be done in isolation. This must be done in conjunction with Irish Water, the OPW and our parent Department. The present system for the maintenance of culverts/gullies will also be examined. The Chief Executive acknowledged members comments on staffing and said while she would like to take on more staff she would have to consider this in the context of the Budget. She would ask the Municipal District Managers to look at the priorities with members at the next Municipal District meetings as part of the Operations Plan.

#### **15.09.14.01 Report of the Chief Executive on the setting of a Local Adjustment Factor for Local Property Tax for 2016**

Ms. M. Murrell, Chief Executive referred members to the report circulated on the Briefing to Council at the Pre-Budget Meeting held on Monday 7<sup>th</sup> September. The report represents a brief snap-shot of achievements over the past year as follows:

#### **Organisational Structure**

- The four Kerry Local Authorities have been successfully merged into one organisation over the 2015 period and has bedded down well.
- The Local Enterprise Office has successfully integrated and developed within the Local Authority Structure and is one important arm in the overall Kerry County Council Economic approach.
- The Local Community Development Committee (LCDC) is established and operational. The SICAP Programme is underway and the LEADER Strategy will commence over the coming weeks.
- Kerry County Council has forged strong links with the IDA, Enterprise Ireland and the business community. The Countywide Economic Advisory Committee has been established to guide and monitor the development and implementation of the Local Economic and Community Plan (LECP).

- The Destination Kerry Forum has strengthened its membership and through the Tourism Strategy has brought a number of state, business and community interests and priorities on-board.

### ***Economic and Community Actions/Progress***

Kerry County Council has carried out extensive research and stakeholder engagement during the year to inform the actions which need prioritisation in the Local Economic and Community Plan. A number of the actions identified have been set out in the recently adopted Southwest Regional Action Plan for Jobs. In total 124 Actions impact on Kerry County Council and our commitments to progressing economic growth. Some of the key priorities are:

- Acquisition and development of Kerry Technology Park;
- Advancing Kerry's Greenway Tourism Infrastructure with the objective of branding the Kerry Camino;
- Develop specific pilot marine activity centres;
- Expansion of Fenit Harbour – including a feasibility study to consider the addition of a second pier - freight – leisure – cruise liners;
- Explore capacity to expand Dingle fishing harbour centre;
- Take on a Business Development Manager to Plan for the future of the economic sites across the County;
- Commitment to a number of local food initiatives and enterprises;
- Development of two County Community Enterprise Centres – including a living LAB proposal – Caherciveen;
- Advance to home-working pilot areas in Kerry;
- Town centres – retail regeneration;

### ***Tourism***

Tourism in Kerry has had a very positive year. A list of Tourism Awards is set out in the report.

All of these show the positive community business and local authority engagement that exists in Kerry and the importance of Kerry County Council in supporting both this effort and assigning funds to the town and village improvement and maintenance programme.

### ***Municipal Districts***

The Municipal District Structures have seen significant work programmes undertaken since their establishment. The Elected Members have agreed the Operational Plans and works are underway accordingly. During 2015, the Municipal District Officers were put in place and it is intended that their role, grows and develops over the coming year.

The Members in agreeing the retention of the Local Property Tax in 2015 facilitated the ring-fencing of funds at the Municipal District Level for community purposes. This has enabled positive community lead proposals to be advanced across the County. It is acknowledged that this fund should continue for 2016 and it is my proposal to Members that cognisance be taken in 2016 of the co-funding of LEADER, Tidy Town Funding, Municipal District Town and Village Enhancement and Events and Festivals in the targeting of the Municipal District Fund Allocation.

### ***Funding Requirements 2016***

- Need to fund specific economic objectives as set out above;
- Fund the resourcing of the Forward Infrastructure Unit which will advance the following projects:
  - Local Resource Requirement to deliver Capital Housing Programme – 340 Units in 2015 and 400 Units estimated in 2016;
  - Advance the Greenway Projects to attract Central Funding – the priority in 2016 being the delivery of the South Kerry Greenway and advancing through planning the North Kerry Greenway;
  - Implement the Smart Travel Plans and avail of additional funding;
  - Advance the Tourism Capital Infrastructure Programme;
  - Grow the Economic Development Unit –assigning specific focus to delivery of our Local Economic and Community Plans;
  - Increase provision for waste services – required by legislation;
  - Resourcing of service measurement and delivery and focus on the NOAC requirements;

### ***Long-Term Funding Challenges***

- Collection Performance – challenging economic environment;
- The impact of the global revaluation;
- Remediation of Landfills;
- Delivery of the Greenway Infrastructure;
- Cost of Landloans and need to put funding plan in place;
- Limitation on ability to raise income during 2016;

### ***Local Property Tax Funding***

The retention of the 2015 Local Property Tax Central Funding Allocation into 2016 is welcome. However, the funding model restricts the capacity to increase the Local Property Tax Rate in Kerry. In this regard, any increase which she would propose up to 4% would have a subsequent reduction in Central Funding. On that basis, she was proposing that the Local Property Tax Rate for 2016 be retained at the 2015 level.

**Finally**

At this point in time, a funding gap of €3.5m exists. It is important to point out that Kerry County Council is in a strong financial position through years of prudence by Elected Members in adopting realistic budgets and prudence by Management and Staff in managing the assigned budgets. As the income is limited given both the LPT proposal and the Rates Harmonisation – it will now be necessary to re-evaluate expenditure needs and ensure that funding is allocated on the basis of priority, while ensuring that high service standards are maintained across all our services into 2016.

In conclusion the Chief Executive stated that a 1% decrease in LPT would result in a reduction of €138,000 from central funds.

Ms. A. McAllen referred members to the Chief Executive's Report on Consideration of Setting a Local Adjustment Factor for Local Property Tax for 2016 and the Budget 2016 Strategy Report which were circulated. This meeting would focus on the overall financial position of the Local Authority and includes consideration of:-

- The financial consequences of any variation in the basic rate of Local Property Tax (LPT)
- The principles underlying the General Municipal District Allocation.

Ms. McAllen drew members' attention to Sections 3 on Income & Expenditure Preliminary Estimates 2016 and added that there are a number of significant financial issues that will arise over 2016, all of which will impact on the finances of Kerry County Council. Ms. McAllen also brought members attention to Section 4 of the Budget Strategy on Budget Strategy 2016 - Board Assumptions. Under Section 20 of the Finance (Local Property Tax) Act 2012, as amended by Section 5 of the Finance (Local Property Tax) Act, 2013, a local authority may as a reserved function resolve to vary the basic rate of the Local Property Tax within its functional areas by a maximum of +/- 15%.

The Finance (Local Property Tax) Act 2012 (as amended) and the Local Property Tax (Local Adjustment Factor) Regulations, 2014, provide that in taking a decision as to whether or not to pass a resolution to vary the basic rate of the Local Property Tax, the local authority must take account of its financial position and have regard to certain matters as follows:

- The local authority's estimation of the income it will receive and the expenditure it will incur in the period for which the varied rate is to have effect.
- The financial position of the local authority.
- The financial effect of implementing a local adjustment factor (including the potential impact on a liable person, potential impact on the local property tax revenue during the next local financial year, potential impact on the service delivery plans of the local authority the next local financial

year and any other information the Chief Executive considers necessary and

- Feedback from any consultation held.

A report on the above financial information and on the feedback from the public consultation is required to be prepared by the Chief Executive on the above matters for consideration by the Members in relation to the local adjustment factor.

Ms. McAllen referred members to Schedule 1 on Page 2 of the Chief Executive's Report. The overall projected income for 2016 is €121m and details of expenditure is set out in the table on Page 2 of the Chief Executive's report under 6 headings totalling €124.5m. This leaves a shortfall of €3.5m at present. Schedule 2 outlines the financial position of the Council as at 30<sup>th</sup> June, 2015. While Kerry County Council is in a sound financial position as always we are vulnerable to external shocks impacting in particular local income streams and national grant allocations.

#### **4. Estimation of Financial Effect**

Ms. McAllen informed the meeting that Section 20(2A)(c) of the Finance (Local Property Tax)(Amendment) Act, 2013, provides that a local authority shall have regard to the local authority's estimation of the financial effect of the varied rate on the economy of its functional area, including on those persons who will be liable to pay local property tax.

#### **Potential Impact on a Liable Person**

The amount payable for LPT is determined by the market value of the residential property on 1<sup>st</sup> May 2013 as self-assessed. Property values are organised into a number of Valuation Bands by Revenue up to €1m as set out in the Table on Page 4 of the Chief Executive's Report. The tax liability is calculated by applying the LPT rate to the mid-point of the band. The rate of LPT is 0.18% for properties up to a market value of €1m.

Residential properties valued over €1m are assessed at the actual value at 0.18% on the first €1m in value and 0.25% on the portion of the value above €1m (no banding applies).

The market value of the residential property as at 1<sup>st</sup> May 2013 forms the basis for the calculation of the tax for 2013, 2014, 2015 and 2016.

The effect of varying the base rate by 1% would result in a change of **90 cents** per annum per household for the lowest valuation band, a 1% variation for the second lowest valuation band - €2.25 per year household etc. Full details of the effect of a 1% variation are set out in the Report.

The DoECLG has issued statistics in relation to the LPT 2015 Valuation Bands for Kerry based on property values as at 1 May 2013, as follows:

<b>LPT 2015 Valuations Bands €</b>	<b>0 – 100,000</b>	<b>100,001 – 150,000</b>	<b>150,001 – 200,000</b>	<b>Over 200,000</b>
KCC	30%	33%	28%	9%

In effect, for 63% of liable persons in Kerry each 1% reduction/increase in LPT would result in a saving/cost of between 90 cents and €2.25 per household per annum. For 91% of liable persons in Kerry each 1% reduction/increase in LPT rate for 2016 would result in a saving/cost in the range of 90 cents and €3.15 per annum per household.

### **Potential Impact on the LPT Revenue in the forthcoming financial year**

The Council received notification from DoECLG on 3<sup>rd</sup> September 2015 of the Provisional Local Property Tax Allocation for 2016. The Local Property Tax allocation for Kerry County Council for 2016 (pending any decision to locally vary the base rate) is €11,106,204. This represents 80% of the total estimated LPT to be collected in Kerry in 2016 which is to be retained locally. The remaining 20% will be re-distributed to provide top up funding to certain local authority areas that have lower property tax bases due to the variance in property tax values across the state. The DoECLG has confirmed that compensatory funding will be provided so that no local authority will be worse off in their LPT Allocation in 2016 compared to 2015 levels. Compensation to the value of €552,982 will be provided to Kerry County Council to make up the current shortfall which results in a total allocation of €11,659,186.

Based on these figures a variation to give effect to a 1% reduction in the basic rate of LPT for 2016 would potentially result in a loss of €138,827 which 2% variation would result in a loss of €277,654. However, based on the model as decided by the DoECLG and in particular the treatment of the compensation payment, it would require an upwards variation of in excess of 3.98% to result in any financial gain to the Council. See Appendix A which sets out the potential additional/reduced funding resulting from any decision to vary the basic rate of LPT by up to +/- 15%.

### **Potential Impact on the Service Delivery Plans of the Council**

The Local Government Fund/LPT continues to form a large percentage of overall income (9.6%) in 2016 and is a general purpose grant which can be used across the divisions over all areas of expenditure.

As a significant portion of total estimated Council expenditure relates to non-discretionary costs and commitments, there is very limited capacity to absorb any further expenditure reductions given our difficult budgets over the past number of years. A 1% reduction in LPT income estimated at €138,827 for 2016 would reduce funds available to provide the Municipal District Fund. A reduction would also affect basic Council services, ranging from housing maintenance, own resources – roads maintenance, matching funding for DPG and ERG's, Library Book Fund, Parks/Amenity/Open Spaces Maintenance, Footpath Repair/Maintenance, Public Lighting, for example.

The Department has confirmed that any decision taken at local level to reduce Local Property Tax rates will be reflected in a reduced Local Government Fund allocation in 2016. No additional funding will be available to the Council from DoECLG to offset any reduction in Local Property Tax.

## **5. Feedback from Public Consultation**

The Council published notice of Statutory Notice of Consideration of Setting a Local Adjustment Factor on 29<sup>th</sup> July 2015 in accordance with the Local Property Tax (Local Adjustment Factor) Regulations, 2014, providing a period up to 31<sup>st</sup> August 2015 for the making of written submissions from the public. For that purpose notice was published in The Kerryman, Kerry's Eye and on the Council's website. The Notice invited submissions from the public covering the potential effects of varying the basic rate of the Local Property Tax on businesses, individuals and on local authority services. A period of at least 30 days was provided for making written submissions to the Council in accordance with Regulations.

A summary of the written submissions received from the public consultation and the main issues raised is set out in the Chief Executive's Report. A total of three submissions were received from the public as part of the legislative process. Of the three received, one was from a Representative/Commercial body and suggested that any discretionary reduction in LPT should not be to the detriment of business interests or job creation resulting in a corresponding increase in business rates. LPT recognised as a crucial source of revenue for Kerry County Council and should be spent on local services.

The other two submissions were from individuals. One had a query in relation to liability and valuation on a specific property. The other suggested that the present rate of LPT should be retained – without any increase or decrease and this may help the local authority to provide funding in other areas, that would assist people.

## 6. Conclusion

Ms. McAllen stated she set out in the Report the items that must be considered by the Council as part of the decision making process in relation to making any variation of the rate of Local Property Tax. It must be noted that a Local Authority may not set a local adjustment factor unless it has considered all of the relevant financial and other information outlined above.

Given the challenge of achieving a balanced Budget and demands on services and to give effect to the objectives set out in the Local Economic and Community Plan, Tourism Strategy and South West Regional Action Plan for Jobs, it is critical that Kerry County Council at the very least protects its income base which includes the Local Property Tax Allocation.

At this meeting the local authority may:-

- a. by resolution vary the basic rate and set a local adjustment factor that will apply for a period of one year from the next local property tax liability date,  
or
- b. not vary the basic rate  
or
- c. decide to consider the matter further at a subsequent meeting of the local authority.

It should be noted that the statutory deadline for passing a resolution to set a local adjustment factor is September 30<sup>th</sup> 2015.

Where a local authority passes a resolution under the above Act (as amended) Notice of the passing of a resolution to vary the basic rate of Local Property Tax must be received by the Minister for Environment, Community and Local Government by 30<sup>th</sup> September and the Revenue Commissioners must also be notified on or before 30<sup>th</sup> September.

The Council is also required to publish Statutory Notice of Variation of the basic rate of Local Property Tax within 14 days of the passing of any resolution on the Council's website and in local newspaper(s).

As a detailed Budget Meeting would be held in November the Cathaoirleach PROPOSED that members' queries would relate to points of clarification on the rate of LPT only.

This was unanimously agreed.

Cllr. M. Cahill PROPOSED that residents in Incharee be exempt from LPT until such time as the flooding issues in their area are resolved. He expressed concern in relation to the proposed Greenway in South Kerry and asked if a letter

of support could be prepared that would be signed by all Councillors and Oireachtas members.

Cllr. J.F. Flynn **SECONDED** this proposal.

Ms. McAllen informed members that the legislation underpinning LPT is very prescriptive and any exemptions that can be provided for are set out in the legislation.

Cllr. Cahill requested that a letter would issue to the Minister for Environment, Community and Local Government and Minister for Finance making a case for exemption from LPT for the residents of Incharee, Glosa and Cromane.

Cllr. A. Thornton requested clarification on the General Municipal Allocation for 2016. She believed the division of this Fund between the four Municipal Districts is inequitable and members argued that some payments from the GMA should be from a central fund. Cllr. Thornton asked what are HEG's?

Cllr. P. Daly asked what proposals are in place to revitalise town centres. A fund could be established from the income from parking charges for this purpose. Cllr. Daly asked if the transfer of the Tralee/Fenit rail line has been finalised and he thanked the Chief Executive for initiating the preparation of a three year plan for greenways in the county. Cllr. Daly referred to the redevelopment of Austin Stack Park and stated that the Councillors for the Tralee Municipal District requested that Kerry County Council would provide funding for this project. This development is very important for the quality of life of the people of Tralee and the surrounding areas. In conclusion Cllr. Daly emphasised the importance of progressing Smarter Travel Plans.

Cllr. S. Locke asked if some of the funding for housing could be used to repair vacant houses. It was recently brought to his attention that people who had their house valued at a cost of €90 were asked to revalue their property every three years. He said this is unacceptable and something must be done about it.

Cllr. D. Grady stated it is intended to provide 340 housing units in 2015 and 400 in 2016 and he asked if this was an achievable target. No houses are being built in the county and unfortunately NAMA own a lot of property in Kerry and they are waiting for prices to rise before they offer them for sale. Cllr. Grady requested an update on vacant properties in Kerry and the rates being levied on them.

Cllr. J. Finucane commended the efforts to identify key economic actions. The expansion of facilities at Fenit is key to the expansion of Liebherr. Cllr. Finucane **PROPOSED** that we the members of Kerry County Council hereby resolve in accordance with Section 20 of the Finance (Local Property Tax) Act 2012 as amended by Section 5 of the Finance (Local Property Tax) Act 2013 not to vary the basic rates of LPT for 2016.

Cllr. M. O'Shea SECONDED this proposal.

Cllr. J. Brassil said the decision made in 2014 by members to maintain the rate of LPT was very beneficial. Many projects and communities benefitted from the Municipal District Fund and they were hugely appreciative of it. He asked the Chief Executive what are the timelines around the acquisition of Kerry Technology Park. Cllr. Brassil supported Cllr. Finucane's proposal.

Cllr. J. Healy-Rae asked if South and West Kerry Municipal District would get the same allocation from the General Municipal Allocation as the other Municipal Districts in 2016. He could not understand how their allocation was so low in 2015 and he felt they were entitled to the same allocation as the other three Municipal Districts.

Cllr. P. Connor Scarteen said the members for the South and West Kerry Municipal District did not get a reasonable allocation from the General Municipal Allocation in 2015 because of hereditary issues with the Town Councils but this should not be taken into account. He pointed out that South and West Kerry is the biggest Municipal District in the country and should receive a fairer allocation from the GMA.

Cllr. N. Moriarty asked if there is now a mechanism in place for a fair distribution of the GMA.

Cllr. D. Healy-Rae asked if income from LPT could be used to repair vacant local authority houses. There are approx. 11 vacant houses between Castleisland and Killarney and these are urgently required for people on the housing list.

Cllr. T. Ferris said at the Briefing in 2014 the proposed expenditure for 2015 was estimated at €122.5m yet the actual expenditure was €123.854m. She asked if the figures in the reports circulated are accurate as it appears the income figure was grossly underestimated. She referred to the Long Term Leasing Scheme etc. and said the income from these schemes are not reflected in the figures circulated and she asked why this was so. Cllr. Ferris asked why Management believe there is a disincentive to increase LPT but not to reduce it and she asked why it should not be reduced.

Cllr. M. O'Shea asked if the Council would continue to pay the LPT charge for local authority tenants. He requested an equal distribution of the GMA between the four Municipal Districts.

Cllr. J. F. Flynn also requested that the GMA would be divided equally between the four Municipal Districts. He asked if the Council have been in discussions with the Department in relation to the settling of refugees and is the Council in a position to accept refugees into the county.

Cllr. M. Gleeson asked if the hugely beneficial programmes undertaken by the Town Councils would be continued.

Cllr. J. Moloney stated when the Town Councils were abolished members were informed there would be no loss of services and he asked if that would be the case into the future. He requested an update on the North Kerry Greenway.

Cllr. D. Quigg concurred with the views expressed by previous speakers and he asked that South and West Kerry would get a fair share of the GMA.

Cllr. J.J. Culloty queried the €2m being paid to central Government and said that money is used to supplement other counties.

The Chief Executive said it is very difficult to achieve agreement on the distribution of the GMA. In 2014 members agreed the principals for the distribution of the fund and that included the ring fencing of funding from the Town Councils. Tralee and Killarney had substantial commitments for projects such as the Swimming Pools and Chambers of Commerce. She discussed this issue with the CPG and with their agreement arising from the extreme rural isolation in Listowel and South West Kerry she would review the distribution of the GMA. The only requirement on members that day is to agree the GMA for the county. Council officials met with CIE the previous week and she hoped there would be progress by the year end. The Chief Executive agreed it is necessary to have timelines for the economic objectives and these will be in the LECP.

In relation to the repair of vacant houses the Chief Executive stated there is a substantial voids programme in place with a target to achieve 75 voids in the current year and funding for this programme has been provided. If this target of 75 can be exceeded Kerry County Council will have to fund the additional cost involved. However, a case will be made to the Department that we can achieve the target of 75 voids and seeking additional funding to exceed that target. Discussions have taken place with the Department in relation to refugees. It is hoped to achieve all our targets through house purchases, Long Term Leasing, RAS etc.

Ms. A. McAllen clarified that HEG's are Higher Education Grants. She added that the Housing budget can impact on the Revenue Budget and there is a support for Housing in the Capital Programme. In relation to vacant properties currently the rate of refund is 100%. A decision on the rate of refunds for vacant properties is for the statutory Budget meeting. Ms. McAllen referred to Cllr. Ferris' query on the final figures for 2015 and said this is the downside of having Budget meetings so early in the year. As the year progresses income figures crystalise. The figures presented in the report were arrived at following consultation with each Department and detailed analysis on these figures given

the information available at that time. Income from RAS and Social Housing is a contra item and the income from HEG's is reduced as the Council's involvement in the processing of grants is virtually gone.

Cllr. M. O'Shea asked for a response to queries in relation to recent rent increases.

In response Ms. McAllen said provision of €340,000 is made for rent increases and collection efficiencies in the Budget Strategy Report.

Cllr. D. Grady said he would welcome refugees provided the homeless in the county are also catered for.

Cllr. S. Locke stated that property owners who paid €90 LPT are now being asked for €240 or to have their property valued. He asked if it was within the law to do this.

Cllr. J.J. Culloty asked if the 20% of LPT or €2m being paid to the Government can be changed.

Ms. A. McAllen stated that the model for LPT this year is that 80% is retained in Kerry while 20% is paid into the equalisation fund to help counties that do not have a large property base. This is the same funding model that was in place for 2015. The Revenue Commissioners are responsible for Local Property Tax and it is a self assessed tax. If a person wants to have their property valued that is acceptable.

Cllr. S. Locke said a valuation was done at the start of the year and now the Revenue Commissioners are demanding that a further valuation is done in respect of 2013. He emphasised the need to take a stance on this issue.

Cllr. J.F. Flynn again asked if the Council is in a position to accept refugees and will they be treated the same as other housing applicants.

Mr. J. Breen stated that Kerry County Council has been asked by the Office of Migrant Integration to accommodate 11 families in Kerry. Firstly suitable accommodation will have to be identified and a multi agency approach regarding health, education, integration will be pursued. They will be located in Tralee and Killarney and they are being invited into the country. There is no question of displacement of other housing applicants by the refugees.

Cllr. T. Ferris said she presumed the cost of housing the refugees would not fall on Kerry County Council. There are hundreds of vacant properties in the county with up to 40 homeless people in the county. She accepted that some of them have issues and may not be capable of independent living.

The Cathaoirleach informed the meeting that there was just one proposal and that was by Cllr. Finucane that the rate of LPT would not be varied in 2016.

Cllr. Ferris stated in 2014 Sinn Féin carried out a detailed examination of the Budget and they subsequently made proposals at the LPT meeting. However, most members voted against their proposals. She PROPOSED that LPT would be reduced by 15%.

Cllr. D. Quigg SECONDED this proposal.

The Chief Executive pointed out that a reduction of 15% in LPT would result in a reduction of €2m in income.

Cllr. Ferris stated her proposal is the same as last year including that rates would be levied on vacant properties.

Cllr. J. Brassil pointed out in 2014 Dublin City Council reduced LPT last year and had a reduction in income of €18m. They are now struggling to deal with the homeless situation. The members of Kerry County Council are responsible and they proposed that LPT would be unchanged.

Cllr. N. Foley said she understood there is already a gap of €3.5m to balance the budget and with Cllr. Ferris's proposal that would increase to €5.5m.

The Chief Executive confirmed that was the case.

A vote was then taken on Cllr. Ferris's proposal, which was seconded by Cllr. Quigg, as follows:

That we the members of Kerry County Council hereby resolve to vary the basic rates of Local Property Tax (0.18% and 0.25%) for 2016 by -15% and set a local adjustment factor of -15% in accordance with Section 20 of the Finance (Local Property Tax) Act 2012 as amended by Section 5 of the Finance (Local Property Tax) Act 2013.

The vote resulted as follows:

**For:** Cllrs. Beasley, Daly, Ferris, D. Healy-Rae, J. Healy-Rae, Locke, Nolan, Quigg **(8)**

**Against:** Cllrs. Brassil, Cahill, Connor-Scarteen, Cronin, Culloty, Finucane, Fitzgerald, Flynn, Foley, Gleeson, Grady, Kelleher, Kennelly, McEllistrim, Moloney, Moriarty, O'Brien, O'Connell, O'Shea, Purtill, Spring, Thornton, McCarthy **(23)**

**Not Voting:** None **(0)**

The Cathaoirleach declared the proposal DEFEATED.

A vote was then taken on Cllr. Finucane's proposal which was seconded by Cllr. Brassil as follows:

That we the members of Kerry County Council hereby resolve in accordance with Section 20 of the Finance (Local Property Tax) Act 2012 as amended by Section 5 of the Finance (Local Property Tax) Act 2013 not to vary the basic rates of LPT for 2016.

The vote resulted as follows:

**For:** Cllrs. Brassil, Cahill, Connor-Scarteen, Cronin, Culloty, Finucane, Fitzgerald, Flynn, Foley, Gleeson, Grady, Kelleher, Kennelly, McEllistrim, Moloney, Moriarty, O'Brien, O'Connell, O'Shea, Purtill, Spring, Thornton, McCarthy **(23)**

**Against:** Cllrs. Beasley, Daly, Ferris, D. Healy-Rae, J. Healy-Rae, Locke, Nolan, Quigg **(8)**

**Not Voting:** None **(0)**

The Cathaoirleach declared the proposal CARRIED.

### **Any other business**

Cllr. N. Foley stated as the county is preparing for the home coming of hopefully two victorious Kerry Teams she PROPOSED that only the Cathaoirleach and the Mayor/Cathaoirleach of the relevant town would receive the teams on stage. Public representatives could be in the crowd but the county's first citizen and the Mayor of the town only should receive the teams on stage.

Cllr. J.J. Culloty SECONDED this proposal and stated that other members could greet the teams off the bus.

Cllr. D. Grady indicated his opposition to this proposal and PROPOSED that councillors would be entitled to continue to go on stage to greet the teams. Down through the years councillors did a lot of work in the GAA. He was not ashamed to be on stage with the Teams and it is important that the general public see their public representatives on stage supporting the teams.

Cllr. T. Ferris SECONDED this proposal.

Mr. G. O'Brien informed members that the Kerry County Board organise the home coming and Kerry County Council does not have a role to play in it. It is therefore, inappropriate to take a vote on these proposals.

Cllr. D. Healy-Rae requested that a letter would issue to the Minister for Finance asking that the residents in Foiladown would be exempt from Local Property Tax until the flooding issues are resolved.

Cllr. J. Healy-Rae SECONDED this proposal.

The meeting concluded at 1.20pm.

**Gerard O'Brien**

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**Meetings Administrator**

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**Cathaoirleach of Kerry County Council**