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**MIONTUAIRISCÍ AN CRUINIÚ DE COMHAIRLE CONTAE CHIARRAÍ
A THIONÓLADH I SEOMRA NA COMHAIRLE, ÁRAS AN CHONTAE, TRÁ LÍ, AR
AN LUAN, 23 MÉAN FÓMHAIR 2019**

**MINUTES OF THE MEETING OF KERRY COUNTY COUNCIL HELD IN THE
COUNCIL CHAMBER, ÁRAS AN CHONTAE, TRALEE ON MONDAY,
23 SEPTEMBER 2019**

PRESENT/I LÁTHAIR

Councillors/Comhairleoirí

Robert Beasley	Michael Cahill	Brendan Cronin
Pa Daly	Charlie Farrelly	Toiréasa Ferris
Breandán Fitzgerald	Fionnán Fitzgerald	Seamus Fitzgerald
John Francis Flynn	Michael Foley	Norma Foley
Michael Gleeson	Jackie Healy-Rae	Johnny Healy-Rae
Maura Healy-Rae	Niall Kelleher	Michael Kennelly
Sam Locke	Dan McCarthy	Jimmy Moloney
Marie Moloney	Norma Moriarty	Terry O'Brien
Niall O'Callaghan	Bobby O'Connell	Mikey Sheehy
Aoife Thornton		

IN ATTENDANCE/I LÁTHAIR

Ms. M. Murrell, Chief Executive	Mr. M. O'Donoghue, Dir. Housing & HR
Mr. M. Scannell, Dir. Job Cr/Sust. ED	Mr. C. O'Connor, Director Corp. Servs.
Ms. A. McAllen, Head of Finance	Mr. L. Quinlan, Meetings Administrator
Ms. K. Moriarty, A/SEO Finance	Mr. P. Corkery, SEO Finance
Mr. O. O'Shea, Press Officer	Ms. D. Griffin, SO Corporate Support
Mr. P. Neary, SE Water Services	Mr. J. Kennelly, SE Operations
Ms. B. Fitzgerald, Ec. Dev. Officer	Mr. G. O'Brien, A/SEO Environment
Mr. P. O'Connor, AO Finance	Mr. J. McCarthy, AO Finance
Ms. S. Sheridan, SSO Finance	Ms. M. West, AO Operations
Ms. S. Cahill, SO Finance	Mr. R. Tangney, SO Finance
Ms. J. Brosnan, AO Internal Audit	Mr. B. Doolan, ASO Finance
Mr. J.J. Canty, SO Finance	Ms. G. Cotter, CO Finance
Mr. J. Ahern, SEE Operations	

The meeting commenced at 10.40 a.m.

Cllr. Niall Kelleher, Cathaoirleach, took the Chair.

24.09.18.01 Council's Budget 2020 Strategy Report

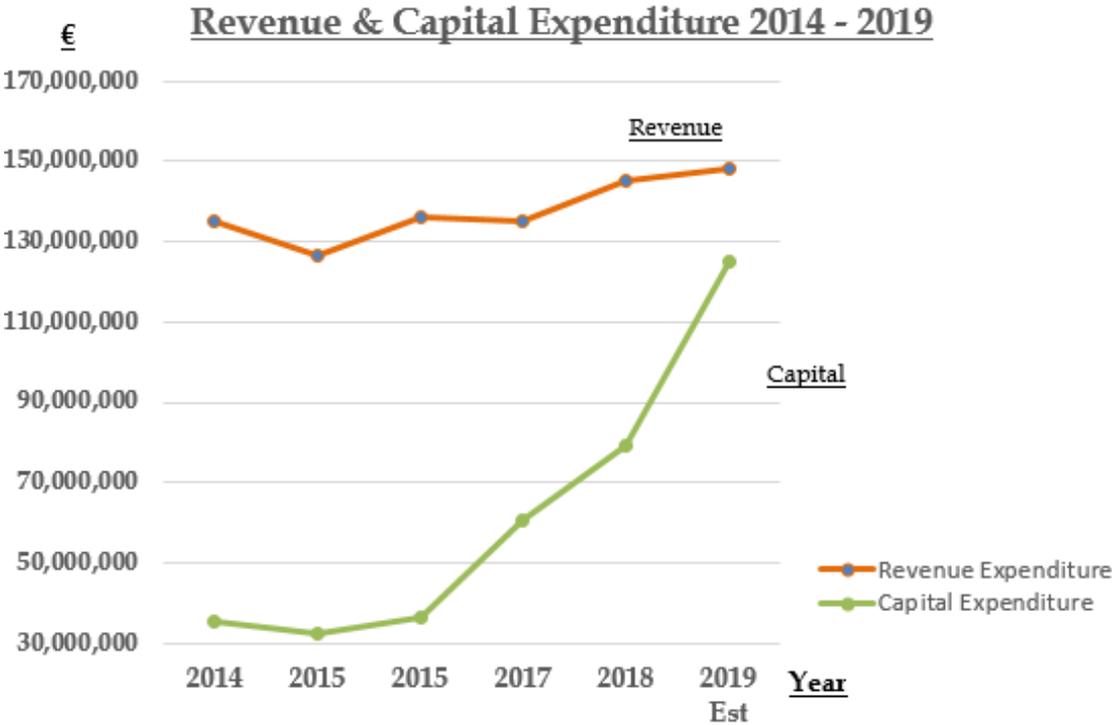
The Chief Executive introduced the Budget 2020 Strategy Report and read the following report into the record of the meeting:

"I set out for your information the estimated expenditure and income which forms the basis for the Draft Budget 2020. The financing of the Council is not without its challenges both in the short term and long term. Continued investment in both operations and capital infrastructure throughout the County is required to fund

increased service delivery of actions outlined in the strategies adopted by Council, and provide for future strategies - Kerry 2040. These actions, many funded from Central Government, require a substantial own resource contribution. The Council's finances to date are stable, however it has a substantial capital programme underway and this is projected to increase over the next number of years.

In calculating the current budgetary position, expenditure has been reviewed, cost savings implemented and income levels assessed and estimated. Given additional service delivery requirements, there is limited scope within Budget allocations to absorb additional service expenditure requirements given the lack of buoyancy in current income sources. At this stage in the Budgetary process it is evident that additional income will be required to maintain and deliver service levels and progress projects into 2020.

Kerry County Council has seen an increase in activity throughout its various Operational and Administrative functions and in the Capital Programme, creating additional expenditure demands on the Operating Budget. Significantly, overall expenditure has increased by 60% over the past 5 years, this indicates the scale of operational and capital activity across the organisation. This is illustrated by the following graph.



The main drivers of additional budgetary expenditure over the past 5 years and for 2020 across all Directorates include:

- Increased Payroll/Pension costs
- Increased Operational costs
- Increased Co-Funding requirement for the Capital Programme

The increased level of activity is driven by service delivery demands across all Directorates.

The Rebuilding Ireland Programme, through the Council's Housing Directorate, provides a wide range of national measures to deliver housing units, both directly by the Council and in partnership with Approved Housing Bodies. The capital delivery includes the capital construction programme, acquisition and long-term

leasing of houses and the restoration of voids to occupancy, along with the Rental Accommodation Scheme (RAS) and Housing Assistance Programme (HAP). In addition, there has been a significant increase in activity in Homeless Services. With increased demand for Housing service generally, all business areas (e.g. grants, loans, applications, rents and general advisory services in addition to capital programmes) within Kerry County Council's Housing Department continue to have significant activity levels, which impact on Draft Budget 2020.

The substantive element of the work of the Roads, Transportation and Marine Directorate is the maintenance of the county's 4,881km of national, regional and local roads. In 2019, funding of €43.88m was allocated by Transport Infrastructure Ireland (TII), the Department of Transport, Tourism and Sport, and the Department of Rural and Community Development towards the planning, design, development and maintenance of the road network. The TII also allocated advance funding of €6.8m for a number of projects where contracts had been awarded in 2018. Together with €4.16m of funding from the council's own resources, this has allowed an investment of €54.84m in the improvement of the county's road network.

In addition to the capital programme, 200km of the Regional and Local road network was improved, drainage works were carried out on 134km of the local road network, with priority given to local secondary and local tertiary roads, and works were carried out on over 7,900m² of footpaths in towns.

Also, the Council has provided significant additional car parking in the County and will be required to continue its programme of improving and providing additional car parking facilities across Kerry during 2020.

Additional demands on the roads programme, not currently met by Government Grant Funding, such as the overhead shortfall, street cleaning, hedge cutting enforcement, roads enforcement, maintenance of parks and open spaces etc. continue to place additional demands on existing resources.

The Flooding, Coastal Protection and Climate Action Planning Unit are progressing a number of schemes and have been very successful in attracting grants. These grants require co-funding from own resources, which impacts on Draft Budget 2020.

There has been significant investment throughout the County over the past number of years through various Central Government Grants schemes such as Urban Regeneration and Development Fund (URDF), Rural Regeneration and Development Fund (RRDF), Fáilte Ireland, CLÁR, Town and Village Renewal, Outdoor Recreation Infrastructure Scheme (ORIS), Enterprise Ireland and Community Enhancement Programme. A total of 219 projects of varying scale have been successful in receiving grant funding under these Schemes during the period 2018-2019. These require an own resource contribution of €4.5m. A number of applications are currently under consideration, which if successful, will require a further own resource contribution of €2.86m into 2020. In addition, the Greenway Programme will require an additional €3-€5 million own resource contribution from this local authority. This Council's success at leveraging funding for various schemes requires that Kerry County Council builds a co-funding financial provision into its Budgets in the expectation that the Council will be successful in securing funding. This is impacting on Draft Budget 2020. In addition to the Greenway Programme, large scale projects underway across the County include the Tralee Town Centre West Masterplan Development (Island of Geese), Smarter Travel and Public Realm Development, Áras Padraig Masterplan Development, Car Parking Developments, Improvement of Beach Infrastructure etc.

The continued number of visitors to the County is reflected in the demand for improved facilities for visitors. It is important that this Council continues to invest in upgrading facilities for both visitors and the local community, upgrading and investing

in our public conveniences, beach facilities, tourism-built infrastructure and access points, and Draft Budget 2020 requires additional resources to maintain and improve such facilities.

The Burial Ground Development and Improvement Programme is ongoing and requires additional loan charges provision to service the purchase of land and development costs of the Programme. These additional burial grounds require increased maintenance and caretaker costs which continues to place additional demands on the Council's resources.

There will be additional costs associated with ensuring our Information Technology systems are resilient to cyber threats. This requires a continuing investment in hardware and software to ensure that the integrity of the Council's systems are protected and secure. There will be a continuing focus on cyber security and data protection obligations during 2020 with a targeted programme of security and privacy related projects advanced during the year.

The cost of staff support across all Directorates continues to be a very significant factor in Kerry County Council's Draft Budget. The increased operational activity across a number of areas requires additional staffing support, with almost 50% (including pensions) of the Council's draft Budget relating to payroll costs. The Budget Strategy is framed as in previous years to reflect compensation funding of 90% of the pay increases required under National Pay agreements. This has not been formally confirmed by the Department of Housing, Planning and Local Government. As in previous years Draft Budget 2020 includes an increased provision for staff retirements and pension payments.

Budget 2020 Strategy will include provision for the repayment of the loan due for the Killorglin Area Services Centre. This project represents a large urban town renewal project and is an example of the continued investment required in projects of this nature.

The Council continues to service a significant housing legacy land loan balance. It should be noted by Council that a further one-year extension to the interest only repayment has been negotiated with the Housing Finance Agency. This will cease in 2021. Provision has been made to provide a financial contribution on annual basis to offset this liability.

Income

Kerry County Council continues to focus on maximising the income across all revenue streams. However, there continues to be little buoyancy in the Council's revenue streams, which has a significant constraining impact when preparing the Draft Budget for the year ahead.

Rates on Vacant Premises - Financial Impact

The current rate of refund in Kerry County Council is 100%. Analysis would indicate that this source of revenue would provide a very low collection rate, given the type of properties that qualify. It is accepted that some potential income may exist in the larger towns in the county, however Members do not have the option to vary the rate in particular locations within the Municipal Districts. In light of these difficulties, and the ongoing review of this area nationally, I consider any financial provision in this area would be unwise.

General Municipal District Allocation (GMA)

The definition of the GMA is included in the Chief Executive's Report on the Setting of a Local Adjustment Factor for Local Property Tax for 2020. However, I wish to advise Members that any GMA is dependent on the level of income available to the Council in the context of the overall Budget.

The overall Municipal District Allocation for 2019 is €1.707m. This is comprised of €0.75m for the Municipal District fund and Councillor Specific Municipal Operations District allocation of €0.957m. The Municipal District Fund has benefited the Municipal Districts under the following headings; Community Projects, Tourism (including Festivals), Recreation/Amenity and Community based Economic Projects, and has achieved many of the objectives of this Council's key strategies.

In the context of the Budget Strategy and resources available and considering Kerry County Council's increasing commitments towards matched funding relating to the drawdown of grants, it may be necessary to review the Community Support element of the allocation and agree with Council the level of strategic funding to be set aside for the purposes of matched funding for specific schemes.

Draft Budgetary Plans – Meeting October 2019

The draft budgetary plans of the Municipal Districts will be brought before Members - October 25th 2019.

Proposed % increase in Local Property Tax (LPT) to fund the following

In this report, I have highlighted the major issues and cost drivers impacting on the Council's service delivery requirements and advancement of the capital programme. In addition, I have outlined the success of this Council in leveraging grant funding in recent years and the significant own resource requirement of these schemes which must be funded.

Having reviewed the spending needs of the organisation and given the continued lack of buoyancy in 2020, it is essential that the LPT allocation contributes to meeting, in part, the shortfall arising. A contribution of €1.836m from additional Local Property Tax is required to meet in part the additional expenditure requirements outlined in this report, specifically, the additional Local Property Tax funding will be utilised for the areas of expenditure outlined below:

- Included in the Budget 2020 Strategy is the local contribution to the Greenway programme. This programme includes the construction of the Tralee- Fenit, and Listowel-Kilmorna Line and will also include the connector between these two Greenways. It is the intention of Kerry County Council to commence these works as early as possible and local funding will be required over 2020. In addition, progression of the South Kerry Greenway will be a consideration for 2020.
- A key priority of Council is to strengthen the implementation of a number of activities across the Municipal Districts. Hedge cutting and ensuring increased activity and enforcement across a range of services is reflected as part of Budget 2020 Strategy. It is proposed that an Enforcement Officer position be assigned to each of the Municipal Districts. The role and function of this officer will be to address those issues arising within the Municipal District such as increasing focus and activity in relation to hedge cutting and subsequent enforcement; dealing with day to day matters such as litter control, signage, beach bye-laws, casual trading and burial ground bye-laws. The Enforcement Officer will liaise also directly with Elected Members and report to the Municipal District Officer within each of the Municipal Districts.
- A Municipal District Specific Footpath Programme to be approved at Municipal District level forms an important part of the Budget 2020 Strategy, over and above the current programme.
- The Council has, on a number of occasions, raised the issue of a Countywide Regional and Local Road noxious weed control programme for the eradication

of Japanese Knotweed. Included in the Budget 2020 Strategy, a provision has been made to fund pilot areas to promote community resilience across the County.

- The Public Lighting Retrofit Project, previously approved by Council, is aligned to the “National Energy Efficiency Action Plan” with a requirement to achieve a 33% reduction in energy usage. This project is a large-scale capital investment in the County. Additional local resources will be required in relation to the roll-out of the programme.

I set out below for information, valuation bands for Kerry, the impact on the liable person, and the impact on LPT Revenue for Kerry County Council for 2020, of an increase in Local Property Tax rate:

LPT 2019 Valuations Bands €	0 – 100,000	100,001- 150,000	150,001- 200,000	200,001- 250,000	250,001 -300,000	Over 300,000
Kerry County Council	31.7%	32.9%	26.9%	5.2%	1.8%	1.5%
Impact on Liable Person of a 1% Increase	€0.90	€2.25	€3.15	€4.05	€4.95	€6.75 based on €375,000
Impact on Liable Person of a 13% Increase	€11.70	€29.25	€40.95	€52.65	€64.35	€87.75 based on €375,000
Impact on LPT Revenue of KCC of a 1% Increase €141,275						
Impact on LPT Revenue of KCC of a 13% Increase €1,836,575						

In conclusion, I am requesting that the Members consider increasing the Local Property Tax by 13% on the 2019 basic rate for Budget 2020. This would yield an additional income of €1.836m to Kerry County Council, which will be utilised to provide funding for the specific areas of expenditure outlined in this report.

It should be noted, when the Members are considering varying the basic rate of Local Property Tax each year, the starting point is the national basic rate. Any local variation to the basic rate is effective for that year only.

In addition, this Council in its ongoing budgetary preparations, will be required to address the remaining €4.869m shortfall, which will necessitate cost savings across the various departments and careful examination of income streams to identify possible increases.

This report must be considered in conjunction with the Chief Executive’s Report on the Setting of a Local Adjustment Factor for Local Property Tax 2020.”

24.09.18.02 Report of the Chief Executive on the setting of a Local Adjustment Factor for Local Property Tax for 2020

Ms. A. McAllen, Head of Finance, referred members to the Chief Executive’s Report on the Setting of a Local Adjustment Factor for Local Property Tax for 2020, which had been circulated and read the following report into the record of the meeting:

“1. Legislative Background to Budget 2020

The budget process for Local Authorities is set out in the Local Government Act 2001 and the Local Government Reform Act 2014, together with regulations and guidance issued under the auspices of both acts. The 2020 Budget process has commenced in the same format as last year pending any further DHPLG clarification. All aspects of the budgetary process at Local Authority level must be completed by the end of year prior to the financial year to which the budget relates, to reflect the European Union requirements in relation to the National Budget. In addition, under Section 20 of the Finance (Local Property Tax) Act 2012, a Local Authority may, as a reserved function, resolve to vary the basic rate of the Local Property Tax within its functional area by a maximum of +/- 15%, effective in 2020.

2. Budget Process for 2020 - Outline

2.1. Agree the Budget Strategy

Consultation with CPG to focus on the overall position of the Local Authority and in a pre-budget context discuss a number of items of budget policy and strategy.

The 2020 Budget Strategy Meeting of September 23rd will focus on the overall position of the Local Authority and include consideration of:-

- **The financial consequences of any variation in the basic rate of Local Property Tax (LPT).**
Refer to the Chief Executive’s Report on Budget Strategy for Local Property Tax 2020.
- **The amount of General Municipal Allocation (GMA) to be provided to Municipal Districts.**
The definition of the GMA is provided for in regulations and is the name given to the discretionary funding which is made available to Municipal District Members for allocation in the draft budgetary plan. The amount an authority can provide by way of a GMA is dependent on the total level of income available to it and the non-discretionary costs that must be met as a first call on that income, including at Municipal District level. The Chief Executive must consider the resource needs of the Local Authority in determining the overall level of the General Municipal Allocation proposed by the Local Authority, the budget strategy discussion with the CPG, the other decisions made on LPT, and the estimate of the non-discretionary costs of the authority.
The Budget Strategy Meeting will consider the overall GMA for the county. Specific General Municipal District Allocation from the GMA will be made by the Chief Executive. Section 102 (4A)(b) of the Act provides that *“in determining the resources to be made available to the municipal district regard should be given to (i) the needs of, and the resources available or likely to be available to the local authority, and (ii) resource needs of each municipal district including, where appropriate the population of each municipal district.”* The guidance provides that the total amount of GMA provided must be allocated by the Chief Executive to each municipal district in a manner that is fair and equitable. The Chief Executive must consider the resource needs; where appropriate, the population; and should make an allocation that is transparent, just, not arbitrary, and provides a minimum level of discretionary allocation to all districts.
- **The change to rating law which gives the power to the Members of Local Authorities to vary the level of rates refunds that apply in individual local electoral areas.**
- **Rates Harmonisation.**

2.2. Develop Draft Budgetary Plan for Municipal District Meetings October 2019

These plans will set out how any General Municipal Allocations allocated to the Municipal District will be spent. This only refers to the discretionary funding that is allocated to the Municipal District, with discussions on the main, strategic, non-discretionary expenditure of the Local Authority forming part of the Local Authority draft budget.

The purpose of a draft budgetary plan is to provide each Municipal District with an opportunity to allocate its portion of the General Municipal Allocation according to its priorities. The Members of the Municipal District must receive a copy of the draft budgetary plan and notice of the meeting of the Municipal District 7 days prior to that meeting. The regulations provide a period (to be directed by the Minister) during which the Members may consider the draft budgetary plan. There is no provision for the adjournment of this meeting. The draft budgetary plans of the Municipal Districts of Tralee, Killarney, Listowel, Kenmare and Castleisland-Corca Dhuibhne do not include the main strategic non-discretionary expenditure of the Local Authority, the spending of which will be prioritised by the Members as part of the development of a schedule of municipal district works after the budget has been adopted. Draft budgetary plans are incorporated into Draft Local Authority Budget for consideration in November.

2.3. Convene Local Authority Budget Meeting

Section 102 (4A) (e) provides that the Chief Executive “*shall take account of any budgetary plan adopted ... in preparing the draft local authority budget...*” If the Members of any Municipal District do not adopt a draft budgetary plan, the Chief Executive may take account of the draft budgetary plan as presented to Members of that Municipal District without amendment.

The expenditure allocated by the Municipal Districts in the draft budgetary plan will be included in the Kerry County Council draft budget within the relevant service division. Section 103 (2) (b) provides that the period for the holding of a budget meeting shall be directed by the Minister. Kerry County Council has received formal notification of the statutory period, and the 2020 Budget Meeting is set to take place in November 2019. Section 103 (6) provides that the budget meeting may be adjourned “*but any such adjournment shall be to a day that is within the period of 14 days beginning on the day on which the Local Authority budget meeting first begins*”.

2.4. Prepare Schedule of Municipal District Works and Service Delivery Plans

Section 103A (1) provides that, following the adoption of the budget, a schedule of proposed works of maintenance and repair to be carried out during the financial year in each Municipal District shall be prepared under the direction of the Chief Executive, having regard to the availability of resources. The schedule of Municipal District works shall be considered by the Municipal District Members concerned and be adopted by resolution, with or without amendment by it. In making an amendment the Municipal District Members shall have due regard to the Local Authority budget adopted in accordance with section 103(9). The 2020 Schedule of Municipal District Works will be considered by Members in early 2020.

3. Setting of the Local Adjustment Factor for Local Property Tax for 2020

3.1 Background

Under Section 20 of the Finance (Local Property Tax) Act, 2012, as amended by Section 5 of the Finance (Local Property Tax) (Amendment) Act, 2013, a local authority may, as a reserved function, resolve to vary the basic rate of the Local Property Tax

within its functional area by a maximum of +/-15%. The local adjustment factor is the % specified in a resolution by the Council by which the basic rate of local property tax should stand varied. This power became available to local authorities, effective from Budget 2015, as the relevant sections of the Act came into operation on July 1st 2014.

Any decision to vary the basic rate of LPT must be taken by 30th September each year so as to have effect from 1st November (liability date) and, therefore, determine the LPT liability for taxpayers in the local authority area the following year. It should be noted, when the Members are considering varying the basic rate of Local Property Tax each year, the starting point is the national basic rate. Any local variation to the basic rate is effective for that year only. Revenue Commissioners have to be notified no later than September 30th 2019 of the details of any decision made to vary the basic rate of LPT for 2020.

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 for 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. This report is prepared in accordance with these requirements for consideration by Members.

Schedule 1
Estimation of Income and Expenditure
Kerry County Council

	<u>Current Local Financial Year Budget</u>	<u>Next Local Financial Year 2020</u>
INCOME		
Commercial Rates	41,292,888	41,292,888
Local Property Tax	13,776,761	13,776,761
Grants and subsidies	40,679,718	48,527,451
Other income	48,210,153	46,595,880
Total Income	143,959,520	150,192,980
EXPENDITURE		
Payroll Expenses	57,690,724	59,698,991
Pensions	7,950,450	8,750,442
Loan interest and principal repaid	3,380,912	3,946,476
Social benefits (transfer payments to households) - note 1	11,374,233	14,721,437
Capital grants paid - note 2	4,358,315	6,001,887
Other expenditure - note 3	59,204,886	63,778,643
Total Expenditure	143,959,520	156,897,876

note 1

Refers to RAS Payments to Landlords, Homeless Service, Mortgage Subsidy for Affordable Housing and Shared Ownership Rental Subsidy.

note 2

Refers to Housing Support Grants, Rural Water Programme, Conservation Grants, LEADER, Community Enhancement Programme and Local Enterprise Office Capital Grants.

note 3

Refers to remaining budget which includes-

- (a) Fixed costs to support Core Services incl. Insurance & Energy, Community and Economic Development, Fire Services & Building Control, Landfill & Transfer Station Operations, Coroners Expenses, Veterinary Services, Library Services, Planning Control, Statutory Contributions and Establishment Expenses.
- (b) Other Contra Items incl. Irish Water Operating Costs, TII Roads Programme & LGOPC.
- (c) Other Operational Costs incl. Housing Maintenance, Library Book Fund, Parks & Open Spaces, Economic Fund, Community Fund, Voluntary Contributions and Roads Own Resources.

3.3

Schedule 2 Financial Position of Kerry County Council

	<u>As to Year</u> <u>Date 30th</u> <u>June 2019</u>
ASSETS	
Current Assets (including cash and investments)	114,714,373
General revenue reserve (if surplus)	6,547,710
Loan receivable	31,269,262
LIABILITIES	
Current liabilities (including overdraft)	43,987,601
General revenue reserve (if deficit)	
<u>Loans Payable</u>	
~ Voluntary housing/mortgage loans	23,811,153
~ Non mortgage loans	44,413,716
	68,224,869
INDICATORS	
Ratio of loans payable to revenue income	0.47:1
Ratio of current assets to current liabilities	2.61:1

3.4. Estimation of Financial Effect

Section 22(A)(c) of the Finance (Local Property Tax) Act 2012, as amended by 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.

The estimation of the financial effect in the local authority area must be set out in this report and considered by the Members as part of the decision-making process in relation to LPT. In accordance with the Regulations the following matters must be considered:-

- Potential Impact on the LPT Revenue in the forthcoming financial year
- Potential Impact on a Liable Person
- Potential Impact on the service delivery plans of the local authority
- Any other information considered relevant

Potential Impact on the LPT Revenue in the forthcoming financial year:

Revenue Data:

The latest available statistics from Revenue in relation to LPT are as outlined below; these are included as part of this report in accordance with Department of Housing, Planning and Local Government guidance.

The Council was advised in July 2019 (Cir. 05/2019) that the Net LPT 2019 position (post variation) for Kerry County Council was €14,127,548 for 2019, at that time.

Preliminary Local Property Tax (LPT) Statistics from the Revenue Commissioners shows that there were approx. 68,400 properties returned in Kerry for LPT.

The Council received notification from the Department of Housing, Planning and Local Government on 31st July 2019 of the Provisional Local Property Tax Allocation for 2020. The Local Property Tax allocation for Kerry County Council therefore for 2020 (pending any decision to locally vary the basic rate) is €13,776,761.

Based on these figures a variation to give effect to a 1% variation in the basic rate of LPT for 2020 would potentially result in an adjustment of €141,275.

It must be noted that the Department has advised that if Kerry County Council decides to vary the LPT basic rate upwards (by up to 15%) in 2020, it will retain 100% of the resultant additional income collected in the local authority area. Similarly, if Kerry County Council decides to vary the LPT basic rate downwards (by up to 15%) in 2020, the resultant loss in LPT income will be reflected in reduced LPT funding to the Authority.

Potential Impact on a Liable Person

The amount payable for LPT is determined by the market value of the residential property on 1st 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 overleaf. 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 1st May 2013 forms the basis for the calculation of the tax for 2013 to 2019 inclusive. The current base rate for LPT is 0.18% of the valuation of the property. Property is valued in bands and is set out overleaf.

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 Impact on a Liable Person of a 1% variation on the Basic Rate are set out in the following Table: -

LPT Valuation Band Range €	Mid-Point of Valuation Band €	LPT Charge 2019 @ 0.18% Basic Rate €	1% Variation on Basic Rate €
0 – 100,000	50,000	90	0.90
100,001 - 150,000	125,000	225	2.25
150,001 - 200,000	175,000	315	3.15
200,001 - 250,000	225,000	405	4.05
250,001 - 300,000	275,000	495	4.95
300,001 - 350,000	325,000	585	5.85
350,001 - 400,000	375,000	675	6.75
400,001 - 450,000	425,000	765	7.65
450,001 - 500,000	475,000	855	8.55
500,001 - 550,000	525,000	945	9.45
550,001 - 600,000	575,000	1,035	10.35
600,001 - 650,000	625,000	1,125	11.25
650,001 - 700,000	675,000	1,215	12.15
700,001 - 750,000	725,000	1,305	13.05
750,001 - 800,000	775,000	1,395	13.95
800,001 - 850,000	825,000	1,485	14.85
850,001 - 900,000	875,000	1,575	15.75
900,001 - 950,000	925,000	1,665	16.65
950,001 -1,000,000	975,000	1,755	17.55

Statistics issued by the Department of Housing, Planning and Local Government in relation to the LPT 2019 Valuation Bands for Kerry based on property values as at 1st May 2013 are shown below. I also set out below for information, the impact on LPT Revenue for Kerry County Council for 2020, of a variation in Local Property Tax rate:-

LPT 2019 Valuations Bands €	0 – 100,000	100,001- 150,000	150,001- 200,000	200,001- 250,000	250,001 -300,000	Over 300,000
Kerry County Council	31.7%	32.9%	26.9%	5.2%	1.8%	1.5%
Impact on Liable Person of a 1% Increase	€0.90	€2.25	€3.15	€4.05	€4.95	€6.75 based on €375,000
Impact on Liable Person of a 13% Increase	€11.70	€29.25	€40.95	€52.65	€64.35	€87.75 based on €375,000
Impact on LPT Revenue of KCC of a 1% Variation on the Basic Rate = €141,275						
Impact on LPT Revenue of KCC of a 13% Variation for Budget 2020 = €1,836,575						

Potential Impact on the Service Delivery Plans of the Council

The Local Property Tax Allocation continues to form a large percentage of overall income (10% in 2019) and is a general-purpose grant which can be used across the divisions over all areas of expenditure and forms a critical source of income to fund services.

The Department has confirmed that any decision taken at local level to reduce Local Property Tax rates will be reflected in a reduced Local Property Tax Allocation in 2020. No additional funding will be available to the Council from the Department to offset any reduction in Local Property Tax.

3.5 Feedback from Public Consultation

The Council published notice of Statutory Notice of Consultation of Setting a Local Adjustment Factor on 24th July 2019 in accordance with the Local Property Tax (Local Adjustment Factor) Regulations, 2014, providing a period up to 29th August 2019 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 and was highlighted on social media. 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.

I set out below a summary of the written submissions received from the public consultation and the main issues raised. The Members must consider the feedback from the public consultation process. The main issues raised are as follows: -

A total of five submissions were received from the public as part of the legislative process. All five submissions were from individuals.

- One submission was opposed to an increase in the rate and referenced payment of stamp duty on house purchased and costs of living.
- One submission requested a reduction on the rate and referenced lack of economic recovery in the county, middle income households, Brexit uncertainty, basis of the LPT and equity.
- One submission requested a review of the basic rate of LPT for a particular area of the county and referenced road closure and increased costs.
- One submission requested a reduction of 15% on the rate and referenced planning permissions for a renewable type energy and other developments.
- One submission requested a reduction in LPT referring to lack of public sewer in rural area and costs, road condition, access to refuse services and lack of public transport.

3.6 Conclusion

I have set out in this report and the Budget 2020 Strategy 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 and overall Budget Strategy. 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.

At the meeting to consider the Setting of a Local Adjustment Factor for Local Property Tax for 2020, 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 30th, 2019.

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 Housing, Planning and Local Government by 30th September and the Revenue Commissioners must also be notified on or before 30th September. The Revenue Commissioners have requested that the Notification of

any Local Adjustment Factor be submitted by close of business on Monday, 30th September 2019 to ensure implementation for 2020.

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 our website and in local newspaper(s).”

All Elected Members thanked management and staff for the reports presented.

Cllr. Jimmy Moloney said enforcement regarding hedgecutting, bye-laws and litter control are things we should be doing already and said he had reservations as to how the property tax could support that. He said he was willing to support the property tax in relation to funding the greenways, which are vital for the county. He asked what % increase, and the monetary equivalent, is needed for the greenways, what is the breakdown amount for each greenway.

Cllr. Sam Locke said we have a serious dilemma regarding any increase in LPT. It was brought up previously as to why local taxes should be used to funding pensions when this should be a matter for the state. There continues to be issues in relation to hedgecutting and Japanese Knotweed. A restrained budget is expected from the Minister for Finance in October. Brexit and job losses are an issue and people do not know how they will be affected. He said he will not agree to an increase in LPT and PROPOSED a reduction in the LPT. Kerry County Council tenants are restricted in purchasing their houses and if there was more flexibility with the Tenant Purchase Scheme it would be a means of increasing income for the Local Authority. He proposed that Kerry County Council wait until the national budget has been issued and the impact of Brexit is known before deciding on the LPT.

Cllr. Michael Cahill acknowledged that Kerry County Council has delivered many projects over the last year and there are many more in the pipeline. With regard to hedgecutting, greenways and public lighting, etc., they should be funded through central Government as they are all Local Authority issues. He expressed concern regarding the proposal on hedgecutting and said we should go back to the old system where Elected Members were allowed spend their Councillor’s Allocation on hedgecutting. He said with a carbon tax increase expected in the national budget and the effects of Brexit unknown, it would be unfair and unreasonable to increase LPT and further burden householders. He said Kerry County Council is owed €1m by the Department for works done at Inch and this debt should be pursued. He said responsibility for the Coroner’s Fees should be transferred to the Department of Justice. Elected Members should be given discretion in relation to contributing from their Councillor’s Allocation to the greenways and it is a readily available budget. He said at this point he is against the proposal to increase LPT by 13%.

Cllr. John Francis Flynn asked for a detailed breakdown of the proposals set out by the Chief Executive, e.g. funding required for greenways and will new footpaths be provided for under the Footpath Scheme as the old scheme dealt only with repairing existing footpaths. He said people in rural parts of the county feel they are getting nothing for the LPT and hedgecutting is one of the biggest issues for them. Enforcement is not happening in relation to hedgecutting, Japanese Knotweed and illegal dumping. With regard to the landbank, contact must be made with the Department in relation to removing lands which are of no use, from our books. He asked if negotiations must be held again regarding charges on land loans. He said

much of these proposals should be funded by central Government and the Department is putting pressure on Local Authorities to come up with match funding.

Cllr. Jackie Healy-Rae said the people of Kerry are being taxed enough and we should not seek €1.836m from them through the LPT, a tax on a person's property which they already paid for by buying land, a water connection and paying a mortgage. People are not feeling a recovery on the ground from the economic downturn and are not seeing a good enough return from the taxes they pay to Kerry County Council or to Government. He said hedgecutting should be done anyway and he could not see how increasing the LPT can address it. Maintenance budgets are not lasting 12 months, and water tables are not being opened, basic things are not being done right. The county still does not have Broadband. He said the public consultation on the LPT is disappointing with only five submissions received. He said he does not have a mandate to vote for an increase on LPT today.

Cllr. Johnny Healy-Rae said the mandate from constituents is about providing a service, e.g. hedgecutting. The current system is not working and, as was done previously, Elected Members should be allowed to contribute towards the cost of hedgecutting through their Councillor's Allocation. Hedges that are not cut on an annual basis become a road hazard. He welcomed that rates were not applied to vacant premises and asked that rates would not change until the county can be divided for rates purposes. He said the requested increase of 13% is unheard of. A priority list of Local Improvement Scheme applications is still awaited. People are not seeing a return or service for the property tax. He said he would find it difficult to support an increase of 13% on LPT.

Cllr. Robert Beasley said there are many problems which have not been addressed, e.g. the condition of our roads. He said 12 months ago he asked for a special case to be made for the Listowel Electoral Area roads which are built on bog. This is an ongoing problem in the Listowel area and until it is properly addressed he could not vote in favour of an increase in LPT. Works have not progressed in obtaining land for a burial ground in Causeway. Housing continues to be a major problem as well as housing repairs not being done for our tenants. Public lighting and footpaths would be welcome but these issues are not progressing satisfactorily. Car parking in towns and villages is an issue and is needed particularly along the Wild Atlantic Way. In relation to rates harmonisation, towns across the county cannot be compared in terms of tourism. Flooding is an ongoing problem, we are told that rivers cannot be dredged and raising river banks is costing a lot of money. While agreeing with the Chief Executive that funding is required for the greenways, this should be funded by central Government. He PROPOSED a 5% decrease in the LPT.

Cllr. Pa Daly SECONDED this proposal.

Cllr. Maura Healy-Rae said people cannot afford a 13% increase in property tax. She said Kerry County Council's hedgecutting process is a failure and she could not accept this proposal. In a time when we have a housing crisis, some of our housing stock is being left vacant, the return of housing voids to use is another area that is failing. People in rural areas feel they are getting nothing for the LPT, e.g. refuse collection services are refusing to service some routes. She said there are many pieces of land around the county that could be sold on. Many villages are at a stand still without proper sewerage services and potholes are still an issue. She asked why only a summary of the five submissions received on the LPT was provided, and not

the full submissions. None of the submissions are in favour of a 13% increase. She said she could not support a 13% increase.

Cllr. Mike Kennelly said Kerry County Council has an enormous work programme and the income will improve services and infrastructure but an increase in LPT is needed to meet that income requirement. He acknowledged the issues with hedgecutting, which are an issue in urban areas as well as rural areas. The change in policy with regard to sending letters will see a saving of €10,000. An assignment of €500-€1,000 from Councillor's Allocation would also help hugely in making roads safe for pedestrians, cyclists and motorists. The increased income would result in investment in North Kerry and development of infrastructure to bring about growth in tourism. He said the current Footpaths Programme must be reviewed as it is working on a piecemeal basis. He welcomed the proposal regarding Japanese Knotweed. He asked the Chief Executive for a detailed breakdown of the proposals.

Cllr. Terry O'Brien said he would find it hard to support an increase of 13%, adding that enforcement is a problem, not only in relation to hedgecutting but also in relation to litter. He welcomed any proposals to increase enforcement. The Public Lighting Retrofit Project is a huge programme and in addition new public lighting is required. He said the greenway projects will be a fantastic boost to tourism in the county, particularly North Kerry. He asked how much funding was granted for the Tralee-Fenit Greenway and when that funding will be received. He asked what funding will be required to join the Tralee-Fenit and North Kerry Greenways. He said he would support an increase, but not a 13% increase.

Cllr. Aoife Thornton asked for a detailed breakdown of the proposals for the 13% increase in LPT. She said while no one wants to impose an increase in taxation, but it is a mechanism for funding and she wants to see the North Kerry Greenway delivered. She expressed concern that co-funded projects could not be pursued without a Recreation Officer in place for North Kerry and adequate planning and strategy prepared to maximise the potential of the greenway and connector lines. She asked for a commitment that the North Kerry Greenway would be open in 2021.

Cllr. Michael Gleeson said Kerry is a very special place because of the people in the county and leadership that was given during harder times. He said he has enormous pride in County Kerry and Elected Members have an obligation to do what we can to ensure Kerry maintains its standards. If this is not done there will be a bigger financial gap next year. He said the footpaths in the county are a danger and a disgrace that must be addressed, however, standards cannot be met without finance. He said he has highlighted the need for bicycle parking bays and cycling lanes, which are vital for the county for tourism and reducing traffic in our towns. He congratulated students that protested recently in relation to climate change and encouraged them to lead the way by cycling to school. It is not correct to say there is no value in the LPT; approach roads to towns and villages have improved because of the LPT funding. He welcomed the opening of the Rock Road car park and the Cultural Centre in Killarney. He said the co-funding requirements of central government is not the answer to assisting Local Authority finances. We are dependent on our own resources to develop our county to a level we aspire to and which tourists desire. He said he is prepared to support the imposition of an increase in the property tax up to 10%.

Cllr. Marie Moloney said on this matter she must put Kerry first, before any political or personal gain, and would support an increase in LPT, but not a 13% increase. Hedgecutting is an issue that must be addressed, in Kilcummin footpaths are yet to be provided to the school, a sewerage scheme is still awaited and road resurfacing is required. The priority list for the Local Improvement Scheme is required urgently. She called for road sweepers to clean housing estates at least quarterly and the condition of footpaths must be addressed. She asked for clarification regarding the number of properties representing 91% of valuations up to €200,000, particularly in relation to Killarney.

Ms. A. McAllen, Head of Finance, said the value of 91% of houses is self-assessed in 2013 under the terms of the legislation. For the purposes of LPT it is the 2013 valuation that stands.

Cllr. Seamus Fitzgerald acknowledged the amount of work that has progressed in the county in recent years and that in order to continue this progress funding is required. Cutting back other services or putting projects on hold is also not acceptable. He said he is very proud of this county and the only way to continue progress on projects is an increase in the LPT. An example of the benefits of the LPT is the provision of the Dingle Inner Relief road, two playgrounds on the Dingle peninsula, as well as many others around the county, the upgrading of the Dingle Way, all of which needed co-funding. Rural areas are benefitting from those developments. A Broadband Officer has been appointed to drive forward the provision of Broadband in the county. The Wild Atlantic Way has brought a lot of tourism and Fáilte Ireland are developing programmes. He said he would support the 13% increase in LPT as requested as it would give the executive freedom to progress projects. He PROPOSED the 13% increase on the LPT base, adding that people will appreciate this stance when they have a better county to live and work in.

Cllr. Pa Daly welcomed that the finances of Kerry County Council are stable. He said the public consultation process is a charade and every submission opposes any increase in LPT. He said he is fundamentally opposed to the LPT and said it is not acceptable to impose on the householder, who is paying for a mortgage, health services and other taxes, another tax. He supported the proposal by Cllr. Beasley to reduce LPT by 5% to compensate for the 5% increase in 2018.

Cllr. Toiréasa Ferris referred to page five of the Chief Executive's Report and asked why there is no projected increased income on commercial rates for 2020. She asked for more detail on the Grants and Subsidies income. She asked for clarification on the decrease of €2m on Other Income. She suggested that given the number of Kerry County Council loans there is scope for a reduction in the interest rate. She asked for clarification on the Social benefits expenditure, asking if that was fully recoupable and included under Grants and subsidies. She asked why a detailed breakdown is not provided on expenditure when Elected Members are expected to decide on varying the LPT. She said all figures and facts must be presented, particularly in relation to note three on page five of the Chief Executive's Report. She referred to page four of the Budget 2020 Strategy Report which states "Analysis would indicate that this source of revenue would provide a very low collection rate, given the type of properties that qualify." and asked for clarification on where this analysis was undertaken and that it be made available to Elected Members. She referred to the €4.869m shortfall and asked for clarification on this figure and how it can be determined when the Council has not decided where monies will be spent in

2020. She said she supports a reduction in the LPT. She said she could not support a stealth tax which will not provide people with anything when they are about to be punished by central Government for using fossil fuels even though there is no alternative fuel available.

Cllr. Michael Foley said a 13% increase is a big ask and Elected Members, if we agree to an increase, will have to explain to the public what they are getting for that increase. He asked what portion of the €1.836m would be assigned to each of the projects; greenways, hedgecutting, footpaths, Japanese Knotweed and public lighting. He said there are issues with burial grounds that must also be addressed. He welcomed the progress on the North Kerry Greenway which will be a great boost to tourism in North Kerry. He said he would support an increase on the LPT but not an increase of 13%.

Cllr. Niall O'Callaghan said the greenways must progress for the benefit of the county. He asked for clarification on how hedgecutting issues will be improved. He supported Cllr. Gleeson's suggestion that students cycle to school. He said County Kerry must be marketed, e.g. using twin town connections, and asked if funding has been provided to do this. He said he may consider supporting an increase of less than 13%.

Cllr. Norma Moriarty PROPOSED, in relation to hedgecutting, that Elected Members would be given a facility to allocate a maximum of 10% of their Councillor's Allocation where it is deemed necessary within their own area. A programme could be carried out over the lifetime of a Municipal District, co-ordinated through the Municipal District. She asked for clarification regarding the Community Support Fund and how any potential change in the LPT would impact on that fund. In relation to coastal protection she said significant amounts of funding are required to address areas that have been breached. Match funding must be available to leverage the funding required. Kerry County Council has been very active under the Rural Regeneration and Development Fund and such funded schemes have a hugely beneficial effect within the county and it is important to continue to bring these schemes to fruition. She said she will do everything possible to support the greenways, which may require an increase in LPT, but she could not support a 13% increase.

Cllr. Marie Moloney SECONDED this proposal.

Cllr. Dan McCarthy said we have to have services and said he would support an increase in LPT but he could not support an increase of 13%.

Cllr. Brendan Cronin said money is required to deliver projects, however, when the Elected Members make difficult decisions regarding the budget, management must stand by the Elected Members on delivery of projects. He said hedgecutting continues to be a problem with many requests not being dealt with, despite funding being set aside and a commitment from management to address this matter. Any increase in LPT must be reflected with delivery of services on the ground so the person paying LPT in rural areas can see the benefit of paying this tax. Waste collection and public transport are also issues in rural areas. It has been 17 months since applications were received under the Local Improvement Scheme and a priority list has not yet been finalised, it is to issue in 2020. The provision of a pedestrian crossing at Countess Road has been awaited for 12 months, such delays are not good enough. He said he has called for a dedicated text alert system to be put in

place regarding littering and that has not yet been done. A roof replacement is still awaited for a social housing tenant. There are huge issues with the footpath programme. The greenways are essential for the development of the county. He said he must stand with the people that voted for him and he will not support a 13% increase on the LPT.

Cllr. Norma Foley said the most important statement is that from the outset this local authority is on a stable footing and in no small part due to the Head of Finance and management. There is a pattern in central and local government that the first option is to turn to the ordinary person with increased taxes. She said she is fundamentally opposed to taxing the family home, the ordinary person is being taxed out of their home. Notwithstanding the very significant progress on projects that has been set out, much of this is work the local authority should be doing anyway. She accepted that there is a special case for the funding of the greenways. Tralee Municipal District Members are giving €10,000 of their Councillor's Allocation to the greenway, last year and this year. To take €10,000 from each of the 33 Elected Members is another option that could be considered. The proposed increase of 13% is not acceptable.

Cllr. Charlie Farrelly said there was an opportunity some years ago for the LPT to be included with the refuse collection service and one tax to be put in place to cover all services. He said he consulted with his constituents regarding the LPT and there is an issue regarding hedgecutting in the area that is not being addressed. Japanese Knotweed and maintenance of burial grounds are also issues that are not being addressed. He said he has called for a variation of the County Development Plan and has been advised that the local authority cannot do anything until the Government publishes guidelines. A review of the LPT is also awaited from Government. He said while he wants to see progress within the county, he will not be supporting an increase in the LPT.

Cllr. Bobby O'Connell asked how much funding from Government would be lost if Kerry County Council does not have match funding available.

Cllr. Mikey Sheehy said Kerry is an eco-tourism county and the greenways projects are essential to the future of the county. He asked if figures are available as to what matching funding is required to secure central government funding. He said an increase of 13% is out of the question. To support the Community Support Fund, he said he could accept an increase of 2-5% and that income stream would have to be ring-fenced for the CSF. The priority list for the Local Improvement Scheme must be made available in January 2020. We must not be reliant on Fáilte Ireland for marketing Kerry, we must do this ourselves. Any increase on LPT must have a commitment that it is a once-off increase.

Cllr. Breandán Fitzgerald said he could not support an increase of 13%, particularly in the context of Brexit and the forthcoming national Budget. He supported Cllr. Moriarty's suggestion regarding the Councillor's Allocation.

Cllr. Fionnán Fitzgerald said an increase of 13% is too much to ask of people who are already struggling and taking into consideration the proposed national carbon tax. He said he may support a lower increase subject to clarification being provided on its use. People in rural areas need to see value for money and a product for this tax, e.g. hedgecutting issues must be addressed, a footpath programme is needed for

Castleisland town and many other villages and a specific resource must be allocated to deal with Japanese Knotweed.

Cathaoirleach Niall Kelleher asked for clarification on the position that would arise if the LPT is not varied, and if it will lead to an issue in relation to what projects the local authority can deliver. He also asked for clarification on the effect of a decrease in the rate of LPT. He asked for a breakdown of figures provided in relation to specific projects. He said the greenways are exceptionally important to the county and asked if the increase in LPT does not materialise will it affect progress of the greenway projects. The benefits of co-funded projects are seen across the county. He said marketing of County Kerry is vital and what the county has to offer must be conveyed. The review of LPT and proposed new banding will affect LPT. He said the Community Support Fund has delivered a lot around the county, and asked if there is a threat to the funding for the Community Support Fund.

Lunch break

On the PROPOSAL of Cathaoirleach Niall Kelleher, SECONDED by Cllr. Jimmy Moloney, the meeting adjourned for lunch at 1.15 p.m. The meeting resumed at 1.40 p.m.

The Chief Executive said in relation to the breakdown of increase requested, the Tralee-Fenit Greenway has a grant of €3m and Listowel Greenway a grant of €3.5m. There is a shortfall of approximately €1m on each project. The design cost for the connector is approximately €200,000. Taking into account development contributions and Councillors Allocations across two Municipal Districts, the shortfall is €1.2m, which is required for 2020 to construct the Tralee-Fenit and Listowel lines and equates to 8.5% of the LPT increase request. In relation to the remainder of the LPT increase request, it relates to providing Enforcement Officers in each of the Municipal Districts, which will include enforcement on hedgecutting issues, and they will be the contact person for Elected Members regarding enforcement issues. Other areas they will be involved in include, for example, enforcement of beach by-laws and issues in town regarding signage left out on footpaths. They will report to the MD Officers and back to the MD meetings to provide consistent monitoring and feedback. The 13% includes provision of €50,000 for specific footpath programmes in each MD. It would be worthwhile for the Members to co-fund that programme with Councillors Allocations and some element of development contributions. On the basis of a footpath programme being agreed by the end of 2019 and starting early in 2020, it would get value for money from the LPT and it would be a matter for the members of the Municipal Districts to agree their own footpath programme. In relation to Japanese Knotweed, a programme of approximately €35,000 has been provided for to consider pilot projects on this issue. If the pilots gather traction, it could be further resourced from the Roads Department. €150,000 is being proposed to be allocated for public lighting. Unforeseen problems have arising in the pilot areas across the country and it would be prudent and critical to make an ongoing provision.

Without an increase in the LPT it would affect either the greenways, whereby we would not have matching funding, or the delivery of the Community Support Fund. There is very little discretionary own resource funding going into the Municipal Districts. Every element of what is spent in the Municipal Districts would have to be reduced in order to find €1.2m for the greenways. Services would be affected or applications would not be made for co-funded projects for the next year or two, which is not what we want to do. The 13% increase that is sought is needed to fund the policies and staff of Kerry County Council in order to carry out the obligations of the

Local Authority. In relation to the Councillors Allocations for the greenways, if each Member allocated €10,000 over three years, that would be close to €1m. That could continue for many years as the greenways are developing. For 2020 there is a need for €1.2m for the greenways. She undertook to review the approach taken by LEADER in relation to the Recreation Officer. In relation to the footpath programme, that is included in the 13% provision and there would be great merit in having an LPT that would help address issues with footpaths across the county.

Ms. A. McAllen, Head of Finance, said issues raised in relation to coroners are a matter for a national decision. Kerry County Council must continue to provide for coroners expenses within the budget. The document circulated to Elected Members is in line with Department Circulars and legislation regarding LPT. It is an estimate of expenditure and income at this moment in time. In relation to the total income and expenditure, there is a shortfall of €6.7m. The figure of €4.89m is netted with the €1.8m from the 13% ask for an LPT increase. In relation to specific figures, for commercial rates the same amount was provided as was in the 2019 Budget. This time last year we had buoyancy from the Valuation Office, whereas at the moment there is no certainty in relation to that. The Valuation Office is responsible for valuing new properties. Kerry County Council does submit new properties for valuation. At the moment there is a large number of properties with the Valuation Office. There are two global valuations with the office nationally. An estimate of €41.2m from Commercial Rates is considered optimistic but prudent. With regard to the increase of €7.8m on Grants and subsidies, this is largely attributable to the increase in social leasing income in RAS. Transport Infrastructure Ireland grants make up the bulk of the grants income. In relation to 'other income', there is a decrease attributed to uncertainty around the funding of the void programme and some capital transfers where there are specific amounts to fund various programmes. Payroll and pensions is a significant driver on the increase and over the next number of years there will be significant increases in this expenditure. It is a significant liability facing the Local Authority. Nationally it should be funded, as Elected Members have said, but it is funded under Revenue Expenditure at the moment. The format of Schedule 1 and Schedule 2 are dictated by Department circular, and Schedule 1 as presented gives detail over and above what is required by the Department. Detailed figures are available to back up all the headline figures presented. The statutory Budget will be presented with a full explanatory memorandum. In relation to rates on vacant properties, the current rate book is managed well to maximise collections. Any income that could potentially be there would be incredibly difficult to derive. In the absence of any change nationally, it is suggested that the status quo on vacant properties would be maintained. Any increase on LPT is an increase on the basic rate of LPT and is for the year 2020 only.

Cllr. Toiréasa Ferris said everything that has been outlined indicates for her that the priorities of this Local Authority are not where she would like them to be. There was an unacceptable cut on central government DPG funding which is not being funded in this budget. She agreed with Cllr. Cronin regarding hedgecutting and asked why Kerry County Council would spend money doing work that private land owners are doing. While the proposal regarding Japanese Knotweed is welcome, there are individuals who will benefit from the spend of that money which would be better spent in other areas. Regarding the €1.2m shortfall for Tralee and Listowel elements of the greenway, we have the money in Tralee. The Head of Finance gave me a balance sheet with everything that was carried over from Tralee Town Council to this Local Authority and €4m was identified as being for use on the greenway. The ratepayers

in Tralee contributed to that fund which can be used for the Tralee-Fenit element of the greenway. She said nothing presented today will lead to her supporting the budget. While appreciating the information presented is in line with the Department requirements, a balance sheet has not been presented to the Elected Members today. Tenant Purchase Scheme applications are not included under other income which is more money that will come into the Local Authority, she asked if she is overestimating the Tenant Purchase Scheme income. She said she can see how the figures presented justify the imposition of an extra burden on people, on the soft targets. The list of taxes continue to be imposed on the ordinary person. The Chief Executive has priorities, but the Elected Members also have priorities. She said her priority is not to impose further financial burden on people. If Local Authorities and Elected Members would stand together against stealth taxes then that is when you could see an increase in funding from central government.

The Chief Executive said the shortfall for the greenways, taking into account the grants and local contributions, is €2.2m. The contribution from former Town Councils balances is €700,000 and from Councillors Allocations is €300,000, reducing the shortfall to €1.2m. If there is a reduction in the LPT all discretionary funding will have to be examined.

Cllr. John Francis Flynn said it is being suggested that the Councillors Allocation be stripped to provide match funding for the greenways. Other works would be affected if Councillors Allocations are not available to fund them. He asked if there is national funding available to address the issue of Japanese Knotweed. He said money is tied up in Kerry County Council's landbank. There are council houses which cannot be tenanted because they are land locked or there are legal issues to be resolved. Consideration must be given to selling these properties. There are a lot of savings this council could make, e.g. in the Machinery Yard. He said he cannot support the request for an increase in LPT.

Cllr. Michael Cahill said the issue regarding coroners must be resolved and transferred to the Department of Justice. A refund of €1m is due from the Department regarding works done at Inch. He asked if the €200,000 for Enforcement Officers is an annual cost and questioned the value for money regarding this proposal. The need for Local Authorities to provide for pensions is a huge issue. He asked if there could be discretion regarding the Councillors Allocations between the Elected Members and the Municipal District Engineer. He said a 13% increase in LPT is outrageous.

Cllr. Jackie Healy-Rae said he cannot vote for an increase in the rate of LPT. He referred to the public consultation process regarding the LPT and that only five submissions were received, which is not a true representation of the views of the public. He said there is nothing in the proposals for the increased LPT that will benefit the people he represents. The greenways will be of benefit to the county but they are not in his constituency. He said he represents a largely rural area and issues in those areas relate to the filling of potholes, cutting of hedges and street lighting. The Public Lighting Retrofit programme does not include the provision of new street lights.

Cllr. Pa Daly said this cannot be a once off increase in LPT because the Chief Executive has indicated that next year we may be looking for funding for the South

Kerry Greenway. He said a reply has not been provided in relation to how much income would be received on levying a rate on vacant commercial properties.

Cllr. Sam Locke said under the Tenant Purchase Scheme some tenants are excluded from buying their home even though they can afford to. Income from those purchases would benefit the Local Authority. In relation to the greenways, he said he will continue to provide a contribution from his Councillors Allocation over the coming years as it will enhance the tourism sector and Tralee-Fenit greenway and benefit the people of Tralee. The issue of Brexit is unknown and it is feared by employers. He said he cannot support the request for an increase in LPT.

Cllr. Mike Kennelly said the funding sought for the greenways equates to 8.5% of the 13% requested and the funding sought for the Enforcement Officers equates to 1.5%, giving a total of 10%. The biggest threat facing us is climate change. Investing in the greenways is an investment in our environment. The Listowel and Tralee-Fenit greenways must be finished. He PROPOSED an increase of 10% on LPT.

Cllr. Michael Gleeson SECONDED this proposal. He concurred with Cllr. Cahill that Kerry County Council is owed €1m for works done at Inch. He said rates harmonisation for an eight year period was agreed in this Chamber and he requested that the agreement would be adhered to.

Cllr. Cronin supported the request for rates harmonisation to be adhered to.

Cllr. Johnny Healy-Rae said rates harmonisation was agreed and should not be revisited. He asked what savings will be made over ten years with the introduction of LED lighting. He asked that infill lighting be installed, as required, as part of the Public Lighting Retrofit Programme. He said there used to be a pothole repair lorry in each area, now there is a lorry covering a whole Municipal District and the delivery of the durapatchers are awaited. There was always an annual footpath repair programme in Kenmare, but footpath works have not been done for a number of years. He said he could not support an increase of 13% on LPT as it is hard to accept that is the solution to funding the footpaths, hedgecutting and greenways.

Cllr. Jimmy Moloney said the harmonisation of rates was agreed, with Listowel and Killarney being the only areas to see an increase in rates. At every meeting there is a discussion regarding funding for projects in our areas. The breakdown of the figures for specific projects to be supported by the request for an increase of LPT has been provided. He said he will support an increase in LPT.

Cllr. Brendan Cronin asked what amount of money would be set aside with a 13% increase and how will it be divided between the Municipal Districts. He referred to the use of Councillors Allocations to fund the greenways and while acknowledging that the greenways are important projects for the county, the Councillors Allocations are also used for footpath repairs, speed limit indicators and pedestrian crossings. He asked how the Councillors Allocation would be affected. He asked for clarification on the role of the Enforcement Officers.

The Chief Executive said the provision for each Enforcement Officer, including a van, is estimated at €40,000 per Municipal District. In relation to the Councillors Allocation, she said in the event of a reduction in LPT the Councillors Allocation would have to be reviewed as part of the review of discretionary funding. It is a

matter for each Municipal District to decide if they wish to allocate some of their Councillors Allocation funds towards the Municipal District Footpath Programme. In relation to the LED lighting, the project will pay for itself over 15 years. A contingency fund is now being built in regarding poles. She said statutory requirements are met in relation to public consultation and feedback varies on each consultation. The LPT rate reverts to the basic LPT rates each year and it is a decision for the Elected Members to increase or decrease the rate. She said the rates harmonisation over eight years was agreed as a fair way to proceed and should be honoured.

Mr. L. Quinlan, Meetings Administrator, said a vote would be taken on Cllr. Mike Kennelly's proposal which was seconded by Cllr. Michael Gleeson 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 2020 by 10% and set a local adjustment factor of 10% in accordance with Section 20 of the Finance (Local Property Tax) Act 2012 as amended by Section 5 of the Finance (Local Property Tax) Amendment Act 2013."

The vote resulted as follows:

For: Cllrs. Breandán Fitzgerald, Fionnán Fitzgerald, Seamus Fitzgerald, Michael Foley, Michael Gleeson, Mike Kennelly, Dan McCarthy, Jimmy Moloney, Marie Moloney, Norma Moriarty, Terry O'Brien, Niall O'Callaghan, Bobby O'Connell, Mikey Sheehy, Aoife Thornton, Niall Kelleher **(16)**

Against: Cllrs. Robert Beasley, Michael Cahill, Brendan Cronin, Pa Daly, Charlie Farrelly, Toiréasa Ferris, John Francis Flynn, Norma Foley, Jackie Healy-Rae, Johnny Healy-Rae, Maura Healy-Rae, Sam Locke **(12)**

Not Voting: (0)

Absent: Cllrs. Tom Barry, Patrick Connor-Scarteen, Jim Finucane, Donal Grady, Michael O'Shea **(5)**

Cathaoirleach Niall Kelleher declared the proposal CARRIED.

Any Other Business

Resignation of Cllr. Toiréasa Ferris

Cllr. Pa Daly said this is the last meeting of Kerry County Council that Cllr. Toiréasa Ferris will be attending. He paid tribute to her for her work as an Elected Member and said he has been in awe of her work rate and commitment to the people of Kerry. She has always gone the extra mile to help her constituents. She has consistently tried to show that there is another way to do things. She helped expose the cervical check scandal. She opposed water charges and privatisation. "Fairness" is the essence of Toiréasa. He wished Toiréasa and her family well in the future.

Cllr. Terry O'Brien said it has been a privilege to work with Cllr. Toiréasa Ferris. Her fairness and honesty will be missed from the Council Chamber. She always well represented her constituents. He wished Toiréasa and her family all the best in the future.

Cllr. Michael Gleeson said he is sorry to see Toiréasa leaving the Chamber. She did everything to support the Irish language. He wished Toiréasa and her family well in the future.

Cllr. Brendan Cronin said while he may not share the same political view point with Toiréasa, that he is great friends with her. He said Toiréasa has tremendous ability to express herself and the facts on the ground and she always stands by her people. Her knowledge and expertise in Local Government will be a loss in this Chamber. She has been an excellent public representative and has courage in abundance to have made the decision to leave public life. He wished Toiréasa and her family all the best in the future.

Cllr. Norma Foley, on behalf of the Fianna Fáil party, acknowledged the massive contributions that Toiréasa has made to politics in Kerry County Council, Tralee Municipal District and throughout the county. She has always been a feisty and fearless individual and always set a high standard. The decision she has taken now demanded great courage. Toiréasa achieved a lot in public life and will remain in the annals of politics. She wished Toiréasa and her family well in the future.

Cllr. Johnny Healy-Rae said he wished to be associated with the kind tributes and wish Toiréasa the best in the future. It is hard to explain the time an Elected Member gives to office. Toiréasa has always been a helpful person and role model as an Elected Member. She has always kept management on their feet with her understanding of Local Government being second to none. She will be a loss to politics and has a bright future ahead of her.

Cllr. Marie Moloney wished Toiréasa all the best and said she was always a very nice person. Toiréasa is well versed on the laws of Local Government and she will be a huge loss to the Council Chamber.

Cllr. Bobby O'Connell said Toiréasa has given great service and commitment as an Elected Member in Tralee and the wider county. She was Mayor of Kerry in 2006 and was a great ambassador for the county. She was also a great exponent of the Irish language. He wished Toiréasa and her family well for the future.

Cllr. Maura Healy-Rae said since she has been an Elected Member, Toiréasa has been the most impressive Elected Member in the Chamber, always unafraid and challenging management. She has always been a hard working Elected Member. She will be a tremendous loss to the people she represented. She wished Toiréasa well in the future.

Cllr. Norma Moriarty thanked Toiréasa for her support in this Chamber. While of different political parties, she shared some political views and ideologies with her. Toiréasa showed great sincerity and commitment to her constituents. She wished Toiréasa and her family all the best for the future.

Cllr. John Francis Flynn wished Toiréasa and her family well for the future. He thanked her for the help and advice she gave him when he was elected. He said he admired that Toiréasa kept management accountable and she will be a big loss to the Council Chamber and the county.

Cllr. Robert Beasley said Toiréasa is a great republican, nationalist and socialist. She is a defender of the underprivileged at all times. What Toiréasa has done at a political level will not be forgotten. He wished Toiréasa and her family every success in the future.

Cllr. Michael Cahill said Toiréasa has performed greatly as an Elected Member locally and nationally. He wished Toiréasa well in all she does going forward and wished health and happiness to her and her family.

Cllr. Sam Locke said he and Toiréasa have been working for the people of Tralee for ten years. The diligent work she has done will be respected by her constituents. Toiréasa's intellect and advice in this Chamber will be missed. He wished Toiréasa and her family all the best.

Cllr. Niall O'Callaghan said Toiréasa has always been an impressive Elected Member in the Council Chamber and he is disappointed to see her leaving. He wished Toiréasa and her family all the best for the future.

Cllr. Charlie Farrelly said Toiréasa will be a huge loss to the Council Chamber and local and national politics. He thanked Toiréasa for her help and advice since he was elected to Kerry County Council. He wished Toiréasa and her family all the best for the future.

Cllr. Jimmy Moloney said Toiréasa has always been a very capable person for her constituents and her county. He wished Toiréasa and her family well for the future.

Cllr. Aoife Thornton thanked Toiréasa for her support in the Council Chamber and wished Toiréasa and her family well for the future.

Cllr. Mikey Sheehy said Toiréasa is articulate, hard working and honest. He congratulated Toiréasa on her political career and wished her the best on her new path.

Cllr. Fionnán Fitzgerald said the words Toiréasa, Obair, Trá Lí agus Chiarraí go together. He said she was courageous in her decision to step away from politics. He thanked Toiréasa for her help since he was elected to Kerry County Council. He thanked her for her work for the Irish language and wished her well for the future.

Cllr. Jackie Healy-Rae congratulated Toiréasa on a hugely successful political career and said she is a role model for young and aspiring politicians. He wished Toiréasa and her family all the best for the future.

Cllr. Breandán Fitzgerald agreed with the sentiments expressed and said Toiréasa has done great work for the people of Kerry and the Gaeltacht. He wished her well for the future.

Cllr. Mike Kennelly said he wished to be associated with the kind remarks to Toiréasa and said she represented her constituents with pride and distinction.

Cllr. Seamus Fitzgerald said Toiréasa is a competent and capable person in the Council Chamber. He wished Toiréasa and her family well for the future.

Cathaoirleach Niall Kelleher said Toiréasa will be a big loss to the Council Chamber and politics. He said Toiréasa has served her community with first class honours. He said while they did not always agree, when they did agree Toiréasa was a great supporter. He wished Toiréasa and her family the very best for the future.

The Chief Executive said Toiréasa's has huge capacity which will be missed in the Council Chamber, along with her knowledge and hard work. On behalf of management and herself she wished Toiréasa and her family all the best for the future.

Cllr. Toiréasa Ferris said it is 16 years ago that she attended her first Council meeting as an Elected Member and became a voice for the people. She thanked Cllr. Robert Beasley for the total support that he had given to her in the Council Chamber at all times. She said she made good friends in the Council Chamber, in particular Cllr. Jim Finucane. She said ideologies of Elected Members may be different but we are all working for the county. She expressed her gratitude to the staff of Kerry County Council for the work they do. She thanked the Elected Members and Chief Executive for their kind words and wished everyone the best for the future.

The meeting concluded at 3.20 p.m.

Liam Quinlan
Meetings Administrator

Cathaoirleach of Kerry County Council