

CARLOW COUNTY COUNCIL

Minutes of Special Meeting of Carlow County Council, held in The Council Chamber, County Offices, Athy Road, Carlow, on Monday 14th September 2015 at 5.00 p.m

Present: Councillor C. Murphy, Cathaoirleach
Councillor A. Ahern (Nee Long),
Councillor F. Browne
Councillor J. Cassin
Councillor J. Deane,
Councillor M. Doran,
Councillor D. Foley
Councillor A. Gladney
Councillor T. Kinsella,
Councillor W. Lacey,
Councillor A. McDonald,
Councillor J. Murnane-O'Connor
Councillor J. Murphy,
Councillor B. O'Donoghue,
Councillor W. Paton,
Councillor J. Pender,
Councillor F. Phelan
Councillor W. Quinn.

In attendance: Mr. D. McInerney, Acting Chief Executive
Ms. B. O'Brien, Director of Service – Corporate, Planning,
Mr. P. Delaney, Head of Finance
Mr. R. Fitzgerald, Financial Accountant
Mr. E. Brophy, Senior Executive Officer, Corporate Services.
Ms. B. Whelan, Assistant Staff Officer, Corporate Services.

Setting of a Local Adjustment Factor in accordance with the Finance (Local Property Tax) Act 2012 (as amended).

At the outset of the meeting D Mc Inerney Chief Executive (acting) briefed the members on issues pertaining to Local Property Tax (Local Adjustment Factor) 2016.

The members 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%.

Any decision by the members to vary the basic rate of Local Property Tax must be taken by **30 September**

Matters to which the members must have regard to

1. Estimation of income and expenditure for the period for which the varied rate is to have effect.
2. Financial position of the local authority.
3. Financial effect of the varied rate.
4. Feedback from public consultation.

A full report on items 1-4 above was circulated to members on September 7th and members were also briefed at the morning's Local Property Tax meeting in committee.

Current Position

Assuming **no reduction** in income from **Commercial Rates** and **Local Property Tax in 2016** at this point in time in the 2016 budget process additional funding in the sum of **€ 695,700** is required to balance the 2016 draft budget.

The € 695,700 arises under three headings

- (a) Advancing new programmes e.g. *local enterprise/economic development and community/public participation initiatives,*
- (b) Increased allocations to meet demands in existing services.
- (c) Non discretionary increases in day to day business costs.

As the Annual Rate on Valuation cannot increase until rates harmonisation is achieved the only viable remaining source of additional discretionary income is an **increase in Local Property Tax in 2016** by varying the basic rate of the Local Property Tax.

In the absence of an increase in Local Property Tax in 2016 some or all of the discretionary items listed on page 3 of the report to Council will need to be eliminated in order to balance the 2016 draft budget.

P. Delaney advised that the Council is overall in a stable financial position. Members expressed dissatisfaction with decisions taken nationally which are outside the Council's control and seriously impede the Council's ability to enhance the level of services provided and to progress new initiatives. P. Delaney outlined examples of such national decisions that the Council is expected to absorb – the income loss from the new national differential scheme -€225,000, 2016 budget, the land aggregation scheme €210,000 – 2016 budget and the National Pay agreement pension related deductions - €220,000 – 2016 budget.

P. Delaney advised if Carlow County Council decides to vary the LPT basic rate upwards in 2016, it will retain 100% of the additional income collected. If the Council decides to vary the LPT basic rate downwards in 2016, the resultant loss in LPT income will be reflected in reduced LPT funding to the authority. No additional funding from the Equalisation Fund will be provided.

The members then discussed the Chief Executives report in detail and P Delaney Head of Finance responded to various questions raised.

A disagreement which was unrelated to the issue being discussed arose and the following Members withdrew from the meeting – Councillors Ahern, Pender, Phelan and Murnane-O'Connor.

A 2% reduction to the basic Local Property Tax rate for a period of one year from the next Local Property Tax liability date was proposed by Councillor A. McDonald and seconded by J. Cassin. The proposal was defeated following a roll call vote.

<i>Member of Carlow County Council</i>	<i>For</i>	<i>Against</i>	<i>Abstain</i>	<i>Absent</i>
Ann Ahern nee Long				√
Fergal Browne		√		

John Cassin	√			
Jim Deane	√			
Michael Doran		√		
Denis Foley		√		
Andy Gladney	√			
Thomas Kinsella		√		
Walter Lacey		√		
Arthur McDonald	√			
Jennifer Murnane O'Connor				√
Charlie Murphy		√		
John Murphy		√		
Brian O'Donoghue		√		
William Paton		√		
John Pender				√
Fintan Phelan				√
William Quinn		√		

The vote resulted in: 4 for, 10 against and 4 absent

There was no further proposal to reduce or increase the basic Local Property Tax rate and accordingly the members did not vary the basic

Local Property Tax rate for a period of one year from the next Local Property Tax liability or set a local adjustment factor.

This concluded the business of the meeting.