

MINUTES OF PROCEEDINGS AT ADJOURNED MEETING OF LIMERICK CITY AND COUNTY COUNCIL HELD IN THE COUNCIL CHAMBER, DOORADOYLE, LIMERICK, ON MONDAY, 23RD NOVEMBER, 2015, AT 10.00 A.M. TO CONSIDER THE CHIEF EXECUTIVE'S DRAFT BUDGET FOR 2016.

PRESENT IN THE CHAIR:

Councillor L. Galvin, Mayor.

MEMBERS PRESENT:

Councillors Browne, Butler, Byrne, Clifford, Collins (J), Collins (M), Crowley, Daly, Donegan, Foley, Gilligan, Gleeson, Hourigan, Hurley, Keary, Keller, Leddin, Loftus, Lynch, McCreesh, McMahon, Mitchell, Neville, O'Brien, Cmhlr. Ó Ceallaigh, O'Dea, O'Donnell, O'Donoghue, Prendiville, Quinlivan, Ryan, Scanlan, Secas, Sheahan (J), Sheahan (K), Sheahan (M), Sheehy, Teefy.

OFFICIALS IN ATTENDANCE:

Chief Executive (Mr. C. Murray), Deputy Chief Executive and Director, Home and Community/Culture/Sport (Mr. P. Dowling), A/Head of Finance/Human Resources/Corporate/ICT (Mr. S. Coughlan), Director, Regional Services – Water/Waste Management/Fire & Emergency Services/R.D.O. (Ms. C. Curley), Director, Economic Development and Planning (Mr. P. Daly), A/Director, Transportation & Travel/Environment (Mr. G. Dillon), Director, Service Operations/Change Management (Mr. G. Daly), Director, European Capital of Culture 2020 Bid (Mr. M. Fitzpatrick), Meetings Administrator (Mr. C. O'Connor), Administrative Officer, Corporate Services (Ms. T. Knox), Management Accountant (Ms. J. Leahy), Administrative Officer, Finance (Ms. I. Griffin).

The Mayor opened the Adjourned Meeting by stating that formal notification had been received on Friday evening, 20th November, 2015, from the Department of the Environment, Community and Local Government in relation to once-off payment of €1,191,546 to Limerick City and County Council to part-meet the deficit resulting from the global valuation of utilities undertaken by the Valuation Office. The Mayor invited the Chief Executive to read the letter into the Minutes of the Meeting as follows:

“Section 53 of the Valuation Act, 2001, as amended, provides for global valuations of utility undertakings, to be carried out by the Valuation Office, every five years and entered on the central valuation list. The Commissioner of Valuation is responsible for the valuations. The most recent global valuations carried out by

the Valuation Office are in respect of Gas Networks Ireland, Iarnród Éireann and telecommunications companies BT Ireland, Eircom, Vodafone, Three Ireland and Meteor. On 4th November, 2015, the Valuation Office issued a copy of the Valuation Certificate and a schedule setting out the apportioned value to each rating authority. The previous valuation for these utilities had taken place in 2010. The Global Valuation Certificates show a reduction in the combined valuations for these utilities of €112m. This will impact on the rates payable by the utilities in 2016 and beyond. Moreover, the reduction in the global valuation of the ESB, following an appeal to the Valuation Tribunal, will reduce the rates payable by the ESB from 2016.

The Department is fully aware of the challenges that the combination of the timing of the revaluations and the number of utilities involved has caused, coming at such an advanced stage of the budgetary process. In this regard, the Department has engaged with the Department of Public Expenditure and Reform and there will be a once-off adjustment in support from the Local Government Fund in 2016 to local authorities affected by the global valuations. In this regard, the Department will be making an additional allocation of €1,191,546 to Limerick City and County Council.

It should be noted that the additional allocation being provided is on an exceptional and once-off basis, solely for the 2016 budgetary period. Where global valuations occur in the future, it is important that local authority budgetary processes make provision for potential reductions in valuations. In this regard, the Department will engage with the Valuation Office on the timing of future global valuations.”

Following some discussion, on the proposal of Councillor Collins (M), seconded by Councillor Clifford, it was requested that the Valuation Office be invited to meet with the Council to review this matter further as the original indication had been that this process would be revenue neutral.

On the proposal of Councillor Collins (J), seconded by Councillor Collins (M), it was also requested that a request be sent to the Department seeking the full amount of the deficit in this case.

Following further discussion, on the proposal of Councillor Sheahan (J), seconded by Councillor Hourigan, it was agreed that the Meeting would adjourn for a period of one hour to consider the implications arising from confirmation of the additional funding in this case.

On resumption of the Meeting and at the request of Councillor Gilligan, the Chief Executive outlined his proposals for amendments to the Draft Budget to take account of the additional funding of €1,191,546, details as outlined hereunder:

Summary of Adjustments

	Svc	Subsvc	Income Adj	Exp Adj	Adj
			(- = add income)	(+ = add exp)	
DECLG Grant	H03	H0301	(€1,191,546)		(€1,191,546)
Rural Dev. Programme	D06	D0601		€251,546	€251,546
Housing Maintenance	a01	a0101		€150,000	€150,000
Housing Grants	a09	a0901		€ 90,000	€ 90,000
GMA	B04	B0405		€425,153	€425,153
Small & Medium Business Support/Tourism Support Scheme	D09	D0905		€274,847	€274,847
Commercial Rates	ARV	0.2520	€0		€0
Balance			(€1,191,546)	€1,191,546	€0

These proposals were circulated to all Members in hard copy.

In response to a number of queries, the Chief Executive confirmed that he was proposing to the Members the adoption of the Budget, as circulated, subject to the amendments as outlined by him to take account of the additional income of €1,191,546. In this regard, the additional monies received from the Department would be re-distributed across the Divisions and he was therefore still proposing a 4.5% increase on the Annual Rate on Valuation (ARV) for 2016.

The Chief Executive advised that following a request from the Members, contact had been made with the Valuation Office and it was confirmed that Mr. Patrick Conroy, Valuation Manager, Valuation Office, was not available to attend a meeting with the Members during the prescribed period for the adoption of the Budget.

Members expressed their disappointment in relation to this matter and requested that further contact be made with the Valuation Office in relation to the possible attendance of other senior staff from that Office.

Councillor Prendiville indicated that he would be proposing an amendment to the Draft Budget to provide for an increase in the Refuse Subsidy Scheme to a total of €1,036,155, an increase of €274,847 for the Small and Medium Business Support / Tourism Support Scheme, and an increase in the ARV to 5.6%. The A/Head of Finance was requested to cost these proposals in the format required for amendment to the Budget. The proposals were subsequently costed and were

circulated to all the Members as 'Amendment to Draft Budget – AAA (Anti-Austerity Alliance),' details as summarised hereunder. This was seconded by Councillor Keller.

Summary of Adjustments

	Svc	Subsvc	Income Adj	Exp Adj	Adj
			(- = add income)	(+ = add exp)	
DECLG Grant	H03	H0301	(€1,191,546)		(€1,191,546)
Rural Dev. Programme	D06	D0601		€256,466	€256,466
Housing Maintenance	a01	a0101		€150,000	€150,000
Housing Grants	a09	a0901		€ 90,000	€ 90,000
GMA	B04	B0405		€425,153	€425,153
Waiver Scheme	E04	E0406		€519,156	€519,156
Small & Medium Business Support/Tourism Support Scheme	D09	D0905		€274,847	€274,847
Commercial Rates	ARV	0.2545	(€524,076)		(€524,076)
Balance			(€1,715,622)	€1,715,622	(€0)

On behalf of the Labour Party, Councillor Daly proposed that additional funding for the Refuse Subsidy Scheme be provided to include Old Age Pensioners, Widows, people on Invalidity Pension, Deserted Wives Pension and Blind Person's Pension. This would require a provision of €291,110, and the remaining €918,020 to be used to reduce the ARV to 2.75%. The A/Head of Finance was again requested to formally cost this proposal. A costed proposal in this regard was subsequently circulated by hard copy to all Members, as summarised hereunder. This was seconded by Councillor Leddin.

Summary of Adjustments

	Svc	Subsvc	Income Adj	Exp Adj	Adj
			(- = add income)	(+ = add exp)	
DECLG Grant	H03	H0301	(€1,191,546)		(€1,191,546)
Waiver Scheme	E04	E0406		€291,110	€291,110
Small & Medium Business Support/Tourism Support Scheme	D09	D0905		(€17,584)	(€17,584)
Commercial Rates	ARV	0.2476	€918,020		€918,020
Balance			(€273,526)	€273,526	€0

It was proposed by Councillor Ryan and seconded by Councillor Sheahan (K) that the Refuse Subsidy Scheme be phased out over three years and that the saving of €172,000 for 2016 be added to the General Municipal Allocation (GMA) for 2016.

It was proposed by Councillor Browne and seconded by Councillor Sheehy that the Council would request a Special Meeting with the Valuation Office prior to the conclusion of the Budget. In addition, it was also proposed that the Minister for Finance be written to demanding that the €2.45 million be provided by central government for the next three years.

Councillor Gilligan proposed that, in line with the wish of the Fianna Fáil Group, the Refuse Subsidy Scheme in the County be abolished with the finance saved in respect of same put towards the Metropolitan District. This was seconded by Councillor Loftus.

A number of queries were raised by Members and clarifications were sought in relation to some items in the Draft Budget. These were responded to by the Chief Executive and the A/Head of Finance.

At this point, on the proposal of Councillor Sheahan (J), seconded by Councillor Collins (M), it was agreed to adjourn for a period of one hour and fifteen minutes.

On resumption of the Meeting, the Meetings Administrator read into the Minutes of the Meeting an e-mail received from the Valuation Office as follows:

“I refer to your e-mail and the Councillors’ request that a senior member from the Valuation Office attend a Special Meeting to explain the revaluation appeals and the global revaluation processes.

As you are no doubt aware, the Commissioner of Valuation is independent in the exercise of his duties under the Valuation Act, 2001, and the making of valuations is the sole prerogative of his Office.

Under the law there is a distinct separation of function between the valuation of rateable property and the setting and collection of commercial rates. The Commissioner has no function in deciding the amount of rates payable by a ratepayer in any calendar year. This is a product of the valuation, determined by the Valuation Office, multiplied by the Annual Rate on Valuation (ARV). The calculation of this rate is a Reserved Function of the Elected Members of the Rating Authority.

The position is that all appeals to the Commissioner arising from the Limerick revaluation under Part 7 of the Valuation Act 2001 have been determined and there are now a number of appeals pending before the Valuation Tribunal. As regards the global valuations referred to, these seven utilities, or their predecessors, were first valued in 2005 and subsequently valued in 2010. In line with the 5-yearly cycle prescribed by Section 53(6) of the Act, the Commissioner recently completed the 2015 valuations for these seven utilities.

Therefore, having regard to the foregoing, I would consider it inappropriate for a senior member from the Valuation Office to attend a budgetary meeting or a meeting that would be associated with or in any way connected to the budgetary process which is completely independent of the functions of the Commissioner."

A number of other queries were raised in relation to various aspects of the Chief Executive's proposal and other proposals as put forward, and these were responded to by the Chief Executive and the A/Head of Finance.

Councillor Ryan agreed to withdraw his earlier proposal in relation to the phasing out of the Refuse Subsidy Scheme in light of clarification received from the Chief Executive in relation to the procurement process for the scheme.

At this point, on the proposal of Councillor Sheahan (J), seconded by Councillor Hourigan, it was agreed to adjourn for 20 minutes.

On resumption, the Mayor advised that it was his intention to adjourn the Budget Meeting for a further period and that the scheduled November Meeting of the Council would go ahead as planned at 3pm. On the proposal of Councillor Clifford, seconded by Councillor Collins (M), the Meeting then adjourned.

On resumption at 4pm, on the proposal of Councillor Collins (M), seconded by Councillor Sheahan (J), it was agreed that the Meeting would adjourn for one hour.

The Meeting reconvened at 5pm. Councillor Sheahan (J) stated that following exhaustive negotiations, significant progress was being made in relation to agreement for a Budget and, in this regard, he asked for a further adjournment of 30 minutes. This was seconded by Councillor Collins (M) and agreed.

On resumption, Councillor Collins (M) took the opportunity to thank all the Members, Chief Executive and staff for their patience and assistance throughout the budgetary process. He was now proposing that the rate increase proposed by the Chief Executive would be reduced to 2.03%, giving an ARV of 0.2459. There would also be amendments to the Budget as proposed by the Chief Executive as follows:

Summary of Adjustments

	Svc	Subsvc	Income Adj	Exp Adj	Adj
			(- = add income)	(+ = add exp)	
DECLG Grant	H03	H0301	(€1,191,546)		(€1,191,546)
Rural Dev. Programme	D06	D0601		€101,666	€101,666
Irrecoverable Rates	H03	H0303		(€167,337)	(€167,337)
Planning Income	D02	D0201	(€70,000)		(€70,000)
Fire Income	E11	E1101	(€50,000)		(€50,000)
Landfill Aftercare	E01	E0103		(€50,000)	(€50,000)
Small & Medium Business Support/Tourism Support Scheme	D09	D0905		€144,878	€144,878
Commercial Rates	ARV	0.2459	€1,282,339		€1,282,339
Balance			(€29,207)	€29,207	€0

Councillor Sheahan (J) seconded the amended Budget as proposed by Councillor Collins (M).

Councillor Sheahan (J) went on to say that he too wished to thank Members, the Chief Executive and his staff, and the media for their support throughout the budgetary process. He added that the Budget, as proposed, was set against the backdrop whereby there was no increase in the Local Property Tax for 2016 and a significant decrease in rates income due to the revaluation process. He referred to the growth in the economy of Limerick and stressed the need to create buoyancy in relation to rates income going forward.

Councillor Prendiville requested that additional costings be calculated based on the additional income and cost savings as outlined in the Fianna Fáil / Fine Gael proposal, plus €500,000 additional for the Refuse Subsidy Scheme and an extra 2% increase on rates for the top businesses. On the proposal of Councillor Sheahan (J), seconded by Councillor Collins (M), it was agreed to take a short adjournment to allow for a costing in this regard.

When the Meeting reconvened, It was pointed out that there had been a number of amendments to the Budget proposed throughout the day. These would now be drafted into formal proposals for the adoption of the Draft Local Authority Budget, with or without amendment. These would be taken in the order in which they had been received.

Councillor Browne, on behalf of the Sinn Féin Party, indicated that the position regarding the request for a meeting with the Valuation Office had been covered in the correspondence from the Valuation Office and that the issue regarding writing to the Minister for Finance had been dealt with by way of Notice of Motion at the November Council Meeting. Accordingly, these matters could be considered as having been dealt with.

The Meetings Administrator then proceeded to read out the formal proposal to take account of the original amendment proposed by Councillor Prendiville and seconded by Councillor Keller. Following some discussion on the matter, it was pointed out that what was before the Council at this stage were formal proposals for the adoption of the Budget, with or without amendment. There was some debate on the sequencing of the proposals and it was agreed that the correct procedure was to take them in the sequence in which they were submitted. Councillor Prendiville then indicated that he would not be putting forward his amendment in the format of a formal proposal for the adoption of the Budget.

The Mayor indicated that, on this basis, he would be moving on to the next proposal. Following some discussion in relation to this matter, the Mayor adjourned the Meeting for a period of 10 minutes.

On resumption of the Meeting, the Meetings Administrator referred to the amendment on behalf of the Labour Party as proposed by Councillor Daly, seconded by Councillor Leddin, which was set out in detail in the circulated costed document, and this was read into the record by the Meetings Administrator as follows:

“That, the draft Annual Budget for the financial year ending 31st December, 2016, prepared and circulated by the Chief Executive, be amended as per the Labour Party costed document.

And That, the amendments required to service support costs in each sub-service are hereby approved on the basis that the total expenditure for 2016 will be €239,750,267.

And That, as so amended, the Annual Budget be and is hereby adopted as per amended Tables A, B, D, E and F, in accordance with Section 103 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014.

And That, in accordance with the Annual Budget thus amended and adopted, 0.2476 be and is hereby determined as the General Annual Rate on Valuation to be levied for the several purposes specified in the said Tables, as amended, for the financial year ending on 31st December, 2016, in accordance with Section 103 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014.

And That, in accordance with Section 135 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014, the Report on Capital Projects 2016-2018, as presented to the Meeting, is considered.”

The Mayor indicated that a vote would be taken on the adoption of the Draft Budget as circulated, subject to the amendment proposed by Councillor Daly and seconded by Councillor Leddin, and the result of the voting was as follows:

For

Councillors Gilligan, Leddin, Secas. **(3)**

Against

Councillors Browne, Butler, Byrne, Clifford, Collins (J), Collins (M), Crowley, Donegan, Galvin, Gleeson, Hourigan, Hurley, Keary, McCreesh, McMahon, Mitchell, Neville, O'Brien, Cmhr. Ó Ceallaigh, O'Dea, O'Donnell, O'Donoghue, Quinlivan, Ryan, Scanlan, Sheahan (J), Sheahan (K), Sheahan (M), Sheehy, Teefy. **(30)**

Abstentions

Councillors Keller, Prendiville.

The Mayor declared the amendment defeated.

The Mayor then indicated that the amendment proposed by the Fianna Fáil / Fine Gael Group would now be taken. This amendment, as proposed by Councillor Collins (M), and seconded by Councillor Sheahan (J), which was set out in detail in the circulated costed document, was read into the record by the Meetings Administrator as follows:

“That, the draft Annual Budget for the financial year ending 31st December, 2016, prepared and circulated by the Chief Executive, be amended as per the Fianna Fáil / Fine Gael Group costed document.

And That, the amendments required to service support costs in each sub-service are hereby approved on the basis that the total expenditure for 2016 will be €239,505,948.

And That, as so amended, the Annual Budget be and is hereby adopted as per amended Tables A, B, D, E and F, in accordance with Section 103 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014.

And That, in accordance with the Annual Budget thus amended and adopted, 0.2459 be and is hereby determined as the General Annual Rate on Valuation to be levied for the several purposes specified in the said Tables, as amended, for the financial year ending on 31st December, 2016, in accordance with Section 103 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014.

And That, in accordance with Section 135 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014, the Report on Capital Projects 2016-2018, as presented to the Meeting, is considered.”

The Mayor indicated that a vote would be taken on the adoption of the Draft Budget as circulated, subject to the amendment proposed by Councillor Collins (M) and seconded by Councillor Sheahan (J). The result of the voting was as follows:

For

Councillors Butler, Byrne, Clifford, Collins (J), Collins (M), Crowley, Donegan, Galvin, Gleeson, Hourigan, Hurley, Keary, Mitchell, Neville, O'Brien, O'Dea, O'Donnell, O'Donoghue, Ryan, Scanlan, Sheahan (J), Sheahan (K), Sheahan (M), Teefy. **(24)**

Against

Councillors Browne, Gilligan, Keller, Leddin, McCreesh, McMahon, Cmhlr. Ó Ceallaigh, Prendiville, Quinlivan, Secas, Sheehy. **(11)**

There were no abstentions.

The Meetings Administrator declared the Motion to adopt the Budget, incorporating the amendment proposed by Councillor Collins (M) and seconded by Councillor Sheahan (J), as carried and it was also agreed that the following resolutions, as set out hereunder, would be adopted by the same voting:

“That, the Annual Budget for Limerick City and County Council for the financial year ending 31st December, 2016, prepared and circulated by the Chief Executive, as amended in accordance with the Schedule set out hereunder, is hereby adopted as per Tables A,B,D,E and F, in the sum of €239,505,948, in accordance with Section 103 of the Local Government Act, 2001, as amended by Local Government Reform Act, 2014:

Summary of Adjustments

	Svc	Subsvc	Income Adj	Exp Adj	Adj
			(- = add income)	(+ = add exp)	
DECLG Grant	H03	H0301	(€1,191,546)		(€1,191,546)
Rural Dev. Programme	D06	D0601		€101,666	€101,666
Irrecoverable Rates	H03	H0303		(€167,337)	(€167,337)
Planning Income	D02	D0201	(€70,000)		(€70,000)
Fire Income	E11	E1101	(€50,000)		(€50,000)
Landfill Aftercare	E01	E0103		(€50,000)	(€50,000)
Small & Medium Business Support/Tourism Support Scheme	D09	D0905		€144,878	€144,878
Commercial Rates	ARV	0.2459	€1,282,339		€1,282,339
Balance			(€29,207)	€29,207	€0

“**And That**, in accordance with the Annual Budget adopted, 0.2459 be and is hereby determined as the Annual Rate on Valuation to be levied for the financial year ending on 31st December, 2016, in accordance with Section 103 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014,”

“**And That**, in accordance with Section 135 (2) of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014, the Report on Capital Projects 2016-2018, as presented to the Meeting, is considered,”

“**And That**, the proportion of commercial rates refund that applies be set at the following levels:

Band	% Refund
Up to €2,624 Annual Rate Demand	100%
€2,625 to €10,449 Annual Rate Demand	50%
Over €10,450 Annual Rate Demand	25%”

“**And That**, the Small and Medium Business Support Scheme 2016, as set out in report of the A/Head of Finance dated 12th November, 2015, be adopted in accordance with Section 66 of the Local Government Act, 2001, as amended by Section 43 of the Local Government Reform Act, 2014,”

“**And That**, the Tourism Sector Support Scheme 2016 be adopted, as set out in the report of the A/Head of Finance dated 12th November, 2015, in accordance with Section 66 of the Local Government Act, 2001, as amended by Section 43 of the Local Government Reform Act, 2014,”

“**And That**, the Extension of the existing Limerick City and County Council Business and Retail Incentive Scheme for Vacant Property from 1st January, 2016, to 31st December, 2016, as set out in report of the Director of Economic Development and Planning dated 11th November, 2015, be adopted in accordance with Section 66 of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014, subject to finances available.”

Councillor Gilligan raised the position regarding his Motion and it was pointed out by the Chief Executive that this was not a valid Motion as it did not cover the City and County as a whole.

The Mayor and Members thanked the Chief Executive, A/Head of Finance and staff for their assistance in the formation of the Budget.

This concluded the business of the Meeting.

Signed: _____
Mayor

Dated: _____