

Minutes of Special Meeting held on 25th September, 2015

Chair: Cllr. M. H. Cavanagh

Cllrs: T. Breathnach, M. Shortall, K. Funchion, D. Kennedy, B. Gardner, P. McKee, P. Millea, P. Fitzpatrick, E. Aylward, P. Cleere, G. Frisby, D. Fitzgerald, P. Dunphy, J. Brennan, M. Doran and J. Malone.

Officials: C. Byrne, M. Prendiville, M. Melia, M. Mulholland, S. Walton, M. Delahunty, D. McDonnell, D. Shortall and A.M. Walsh.

Apologies: - Cllrs. M. Noonan, F. Doherty, M. McCarthy, M. O' Neill, P. O' Neill and M. Doyle.

Cllr. M. H. Cavanagh opened the special meeting to consider the Managers Report on the Local Property Tax and advised that members had requested more time to consider the report. It was proposed by Cllr. T. Breathnach, Seconded by Cllr. P. McKee: - "That the meeting be adjourned for 15 minutes to 3.45p.m." This was agreed by all.

The meeting resumed at 3.45p.m. Cllr. M. H. Cavanagh referred to report issued to the members by the Chief Executive and it is taken to be read by all members. She stated that every member has had an opportunity to be briefed by the Executive.

Cllr. J. Brennan proposed that there be no increase in Local Property Tax. Cllr. P. Millea seconded this.

Contributions were received by members in relation to the property tax and the Chief Executive's report. Members welcomed the opportunity to meet the Chief Executive and Head of Finance in advance of this meeting. The members must consider the impact on services if the property tax is reduced.

Cllr. Millea stated that he could not contemplate increasing the tax. It is disappointing that €300k has to be included each year for the CAS Bridge.

Cllr. McKee stated that a decrease for the homeowner is marginally but there would be a huge impact on the delivery of services and he acknowledged the only submission made by Ballyragget Development Association.

Cllr. Doran stated that members would like to decrease the tax but based on the projected spend for 2016 this is not possible.

Cllr. Funchion advised that she would be seeking a 5% reduction as people are struggling to pay. The reduction in income can be offset against the €478,000 reduction in the Pension Levy. This should be sought from the Government.

Cllr. M. H. Cavanagh sought clarification on the €478,000 reduction in pension levy and what the impact of a 5% decrease is for each householder.

Ms. C. Byrne Chief Executive advised the members that a case has been made to the Department but there is no guarantee that the local authority will be funded this reduction of €478,000. Decision on property tax has to be made without the benefit of the full budget for 2016. The Department has not confirmed that this reduction will be covered by them.

Mr. Prendiville advised that a reduction of 5% on the property tax would amount to €367,000 reduction in income. The impact on the householder with a valuation less than €100,000 is a reduction of €4.50 per annum. Reduction of 5% would not equal the reduction of the pension levy. There would still be a shortfall.

Cllr. D. Kennedy supported the proposed reduction of 5%. Cllr. B. Gardner also voiced her support to the reduction of 5%. She stated that she was disappointed and angry that the finger was been pointed at certain people in relation to the additional costs on the bridge. She stated that if Kilkenny County Council had done its work correctly we would not be in this situation.

Cllr. M. H. Cavanagh asked Cllr. Gardner to withdraw her last statement.

Cllr. Millea supported Cllr. Cavanagh.

Cllr. Cavanagh stated that meeting is adjourned until the statement is withdrawn or Cllr. Gardner leaves the meeting.

Ms. C. Byrne stated that the High Court found that Kilkenny County Council did nothing wrong.

Cllr. Gardner stated that she was happy to leave the Chamber.

Cllr. Cavanagh reconvened the meeting and stated that the executive and senior officials did everything legally and correctly and the cost of the bridge is only a part of the overall list of issues for 2016 that need to be considered.

Ms. Byrne advised members that her report outlines the very best estimate at the current time. Members are required to make one decision today in relation to the property tax.

Cllr. Dunphy expressed concern that decision has to be made without knowing the full budget. He stated that the member's job is to maintain services. Reduction in housing income is also as a result of national policy.

Cllr. Cleere complimented the householders in Kilkenny for paying their property tax which has a 97% compliance rate. He stated that there is a still a deficit to be considered even if members decided to impose a 15% increase on the property tax. Members would like to reduce the tax by 15% but members have to be prudent and responsible.

Cllr. Fitzpatrick stated that it is more important to protect services and the reduction to the household is quite small. Cllr. Aylward stated that there is a great need to increase staff in the rural areas and note in the report there is no provision for this. The redevelopment of the Diageo site will generate badly needed Revenue.

Cllr. Shortall spoke about the projected deficit and further discussion will be required in order to ensure services are maintained. The provision for CAS additional expenditure is a small amount in the overall budget of €66.5m.

Cllr. Malone asked if staff are being recruited currently. Services need to be maintained. Cllr. Fitzgerald spoke about the need to focus on job creation, need to maintain current level of services and reduction in property tax will mean a reduction in some services.

Members will need to consider the other issues outlined in the report for the budget and will need to be realistic in seeking additional funds from the Government.

Cllr. Frisby referred to the submission received and stated that there was no submission to reduce it. He noted that a provision of €50,000 is being made for the Boundary Review, this should be funded by the Government as the review was initiated by them.

At this stage Cllr. Gardner re-entered the Chamber. Cllr. Cavanagh asked her to withdraw her comments.

Cllr. Gardner stated that she did not say anything personal.

Cllr. Funchion proposed a reduction of 5% in the local property tax, this was seconded by Cllr. D. Kennedy.

Cllr. Cavanagh advised that a vote will be taken on the amendment i.e. reduction of 5% on the property tax.

Three (3) members voted in favour of the amendments – Cllr. B. Gardner, D. Kennedy and K. Funchion.

Fourteen (14) members voted against the amendments- Cllrs. J. Brennan, M. H. Cavanagh, P. Fitzpatrick, P. Millea, M. Shortall, P. Cleere, M. Doran, D. Fitzgerald, J. Malone, P. McKee, E. Aylward, T. Breathnach, P. Dunphy and G. Frisby.

The amendment was defeated by 3 votes to 14 votes

Cllr. Cavanagh put the proposal of Cllr. Brennan, seconded by Cllr. P. Millea: -
“That we, the members of Kilkenny County Council in pursuance of the provisions of Section 20 of the Finance (Local Property Tax) Act, 2012 (as amended), hereby resolve that the basic rate of local property tax should stand unchanged for the period 1st November, 2015 to 31st October, 2016 in respect of relevant residential properties situated in the administrative area of Kilkenny County Council. The invariable rate shall take effect from the liability date in the year in which notification is sent to the Revenue Commissioners”.

Fourteen (14) members voted for the resolution:- Cllrs. J. Brennan, M. H. Cavanagh, P. Fitzpatrick, P. Millea, M. Shortall, P. Cleere, M. Doran, D. Fitzgerald, J. Malone, P. McKee, E. Aylward, T. Breathnach, P. Dunphy and G. Frisby.

Three (3) members voted against the resolution: - Cllrs. B. Gardner, D. Kennedy and K. Funchion.

The resolution was passed with 14 members voting in favour and 3 members against.

Cllr. Cavanagh advised Cllr. Gardner that she would be seeking legal advice in relation to her statement before the next Council Meeting.

The meeting then concluded.