

**Minutes of Finance Committee Meeting of Westmeath County Council held on Monday, 30<sup>th</sup> January, 2017 at 2.00pm in the Council Chambers, Áras an Chontae, Mullingar**

Presiding: Cllr. Frank McDermott, Cathaoirleach

Members Present: Cllrs. P. Hill; B. Collentine; A. Whitney; J. Shaw; K. Glynn; F. Keena; A. O'Rourke; L. McDaniel; J. Penrose; M. Dollard; E. Wallace; A. Duncan; T. Farrell; P. Hogan; S. Clarke; U. D'Arcy; M. O'Brien.

Officers Present: P. Gallagher, Chief Executive; J. Dalton, Head of Finance; D. Keating, Financial Accountant; B. Kehoe, Director of Services; D. Hogan, Director of Services; M. Moore, A.O., Finance; B. Daly, A.S.O., Corporate Services.

At the request of the Cathaoirleach, Mr. Dalton presented the Finance Report as circulated, following which discussion ensued as follows:

A number of Members welcomed the carry over of €172,000 for Housing Grant funding to 2017 and Mr. Dalton clarified that there would be no gap in the processing of applications as it was understood that the level of grant funding for 2017 would be similar to last year.

Cllr. Dollard asked a number of questions, including the number of applications received under the Tenant Purchase Scheme; where the proceeds of property sold under Section 183 Notices goes and what the current position is in relation to the Council owned property at Bishopsgate Street? Mr. Dalton replied that at the end of December 36 Tenant Purchase Scheme applications had been received and the January 2017 Management report would be available to the Members shortly with updated figures. In relation to Section 183 Notices, he clarified that many relate to rectification of title for which nominal funding is involved. Any other income received from sale of property forms part of the Council's own resources which funds the ongoing 3 year Capital programme agreed by the Members at the annual budget meeting. He also informed Cllr. Dollard that the feasibility of the Council owned property at Bishopsgate Street for social housing is currently being considered.

Cllr. Clarke queried the number of staff affected by the re-instatement of the €1,000 under the Lansdowne Road Agreement and Mr. Dalton replied that 456 staff were under the €65,000 per annum threshold.

Cllrs. Farrell and Hogan welcomed the announcement of grant funding for the N55 and Mr. Kehoe explained that this initial funding would be used for preliminary surveys and the appointment of Design Consultants and it would be a few years before construction could begin.

When the time reached 3pm the Cathaoirleach sought a proposer and seconder to adjourn the January Council meeting until the conclusion of the Finance Committee meeting. This was proposed by Cllr. Glynn and seconded by Cllr. D'Arcy and resolved.

From the outset, and throughout the meeting, all of the Members expressed serious concern at the Revaluation process recently carried out by the Valuation Office and the difficulties experienced by ratepayers in understanding the Valuation Certificates which issued on the 12 January 2017. The Members cited various examples of significantly increased rates liabilities and referred to the confusion among property owners as to the methodology used to establish their valuations. There was general consensus that Small and Medium Enterprises would be

particularly hard hit by the Revaluation and a number of Members expressed concern at the possible adverse affect that this would have on rural Westmeath. Cllr. O'Rourke suggested that increases in valuation should have been introduced on a phased basis over a number of years which would allow businesses time to plan ahead for increased costs. He was supported in this by a number of Members who also suggested that the valuation should be based on turnover rather than the rental value of the property.

In response Mr. Dalton outlined the background to the process, informing the Members that it was the first time that the whole county had been valued since the 1850's. He stated that there was a need to provide more transparent valuations which could be easily established, but also more challengeable, when based on information that could be substantiated. He agreed that the process was difficult and the documentation confusing and he encouraged the Members to impress upon aggrieved business people the need to make representations to the Valuation Office before the deadline of 21 February 2017. He outlined a number of sample questions which ratepayers should ask in order to prepare for the representation process and he advised that if the results were still unacceptable, there was a further avenue of appeal to the Valuation Tribunal which is a quasi-judicial independent body set up for this purpose.

Mr Dalton advised members that the ARV of 0.2 is indicative only as:

1. It is based on the total value of proposed valuations for Westmeath as calculated and advised by the Valuation Office and this value may change as a result of representations made by a ratepayer.
2. The ARV is set by Westmeath County Council at its statutory budget meeting each year.

He further advised members that our ARV of 54.54 for 2017 is the lowest nationally which in turn is reflective of a low indicative ARV vis-à-vis other local authorities having gone, or going through, the revaluation process.

He informed the meeting that while individual rates liabilities may increase or decrease, the revaluation would not increase the overall commercial rates income for the local authority as it is capped in the year following a revaluation. However, the Members stated that if the revaluation resulted in a number of commercial properties going out of business, then the nett income could reduce significantly.

The Members commended the Head of Finance and his staff in the Rates Department for the expertise and assistance provided to both them and their constituents in explaining the documentation from the Valuation Office.

Cllr. Hill requested that a Motion be put forward to Government requesting the suspension of the Revaluation process and the Cathaoirleach stated that the correct platform for this would be through the monthly meeting. He asked the Members to prepare an emergency Motion which would be dealt with at the start of the January monthly meeting.

This concluded the business of the Finance Committee meeting.

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Cathaoirleach

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Date