



Number 29 of 1997

**LOCAL GOVERNMENT (FINANCIAL PROVISIONS) ACT,
1997**

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Acts Referred to

City and County Management (Amendment) Act, 1955	1955, No. 12
Finance Act, 1961	1961, No. 23
Finance Act, 1989	1989, No. 10
Finance Act, 1991	1991, No. 13
Finance Act, 1992	1992, No. 9
Finance Act, 1993	1993, No. 13
Finance Act, 1994	1994, No. 13
Finance Act, 1995	1995, No. 8
Finance Act, 1996	1996, No. 9
Finance (Excise Duties) (Vehicles) Act, 1952	1952, No. 24
Finance (No. 2) Act, 1992	1992, No. 28
Local Government Act, 1941	1941, No. 23
Local Government Act, 1955	1955, No. 9
Local Government Act, 1994	1994, No. 8
Local Government (Delimitation of Water Supply Disconnection Powers) Act, 1995	1995, No. 18
Local Government (Financial Provisions) Act, 1978	1978, No. 35
Local Government (Financial Provisions) (No. 2) Act, 1983	1983, No. 21
Local Government Acts, 1925 to 1994	
Local Government (Sanitary Services) Act, 1962	1962, No. 26
Public Health (Ireland) Act, 1878	1878, c. 52



Number 29 of 1997

**LOCAL GOVERNMENT (FINANCIAL PROVISIONS) ACT,
1997**

AN ACT TO ENABLE LOCAL AUTHORITIES TO ENJOY THE REVENUES FROM DUTIES CHARGED UNDER THE FINANCE (EXCISE DUTIES) (VEHICLES) ACT, 1952, AND FROM DUTIES AND FEES CHARGED UNDER CERTAIN OTHER ENACTMENTS, TO REMOVE THE POWER OF LOCAL AUTHORITIES TO MAKE CHARGES FOR THE SUPPLY OF WATER FOR DOMESTIC PURPOSES OR FOR THE DISPOSAL OF DOMESTIC SEWAGE, TO ENABLE STEPS TO BE TAKEN FOR THE PURPOSE OF SECURING THE PROVISION BY LOCAL AUTHORITIES OF SERVICES IN A MORE ECONOMICAL AND EFFICIENT MANNER, TO OTHERWISE MAKE PROVISION IN RELATION TO LOCAL GOVERNMENT (IN PARTICULAR FOR THE PURPOSE OF ENSURING THAT THE REVENUES FROM DUTIES AND FEES AFORESAID ARE APPORTIONED AMONG LOCAL AUTHORITIES ON AN EQUITABLE AND FAIR BASIS) AND TO PROVIDE FOR RELATED MATTERS.

[20th May, 1997]

BE IT ENACTED BY THE OIREACHTAS AS FOLLOWS:

1.—(1) In this Act, unless the context otherwise requires—

Interpretation.

“the Act of 1952” means the Finance (Excise Duties) (Vehicles) Act, 1952;

“car tax” means the duty imposed by the Act of 1952 in respect of a licence taken out under section 1 of that Act in relation to a vehicle referred to in—

(a) subparagraph (a) or (b) of paragraph 1, or

(b) subparagraph (d) of paragraph 6,

of Part I of the Schedule to the Act of 1952 (inserted by the Finance Act, 1991, and amended by section 163 of the Finance Act, 1992), and as chargeable, leviable and payable in accordance with the provisions of the Act of 1952;

[No. 29.] *Local Government (Financial Provisions) Act, 1997.* [1997.]

- S.1 “the Central Motor Tax Account” has the meaning assigned to it by the Road Vehicles (Registration and Licensing) Order, 1958 (S.I. No. 15 of 1958);
- “the Council” has the meaning assigned to it by *section 7*;
- “the Department” means the Department of the Environment;
- “driver licence duties” means duties imposed by section 4(1A) (inserted by the Finance Act, 1961, and amended by the Finance Act, 1989) of the Act of 1952, and as chargeable, leviable and payable in accordance with that section;
- “enactment” includes an instrument made under an enactment;
- “estimate of expenses” has the meaning assigned to it by the City and County Management (Amendment) Act, 1955;
- “functions” includes powers and duties and a reference to the performance of functions includes, with respect to powers and duties, a reference to the exercise of the powers and the carrying out of the duties;
- “the Fund” has the meaning assigned to it by *section 4*;
- “local authority” means—
- (a) the council of a county,
 - (b) the corporation of a county or other borough,
 - (c) the council of an urban district, and
 - (d) the commissioners of a town;
- “local government auditor” means an auditor referred to in section 68 (2) of the Local Government Act, 1941;
- “the Minister” means the Minister for the Environment;
- “Motor Tax Account” has the meaning assigned to it by the Road Vehicles (Registration and Licensing) Order, 1958;
- “motor vehicle tax” means the duty imposed by the Act of 1952 in respect of a licence taken out under section 1 of that Act, and as chargeable, leviable and payable in accordance with the provisions of that Act;
- “prescribed” means prescribed by regulations made by the Minister under this Act;
- “urban authority” means the corporation of a borough, other than a county borough, or the council of an urban district.
- (2) In this Act—
- (a) a reference to a section is a reference to a section of this Act unless it is indicated that reference to some other enactment is intended,
 - (b) a reference to a subsection or paragraph is a reference to a subsection or paragraph of the provision in which the

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reference occurs unless it is indicated that reference to S.1 some other provision is intended,

- (c) a reference to any enactment is a reference to that enactment as amended, extended or adapted by or under any subsequent enactment (including this Act).

2.—(1) The Minister may make regulations prescribing any matter or thing which is referred to in this Act as prescribed or to be prescribed or for the purpose of enabling any provision of this Act to have full effect. Regulations, orders and directions.

(2) Without prejudice to any other provision of this Act, a regulation or order under this Act may provide for such incidental, consequential, supplementary or transitional provisions as may appear to the Minister to be appropriate for the purposes of this Act or any regulations or order made thereunder.

(3) If in any respect any difficulty arises in bringing any provision of this Act into operation or in relation to the operation of any such provision, the Minister may by regulations do anything which appears to him or her to be necessary or expedient for the purposes of removing that difficulty, for bringing that provision into operation, or for securing or facilitating its operation, and any such regulations may modify any provision of this Act or any other enactment so far as may be necessary or expedient for the purposes aforesaid but no regulations may be made under this subsection in relation to a provision of this Act after the expiration of 2 years from the commencement of that provision.

(4) Regulations or an order made under this Act may—

- (a) apply to local authorities generally or to a specified local authority or local authorities,
- (b) contain different provisions in relation to different local authorities.

(5) A regulation or order under this Act (other than an order under *section 20(3)*) shall be laid before each House of the Oireachtas as soon as may be after it is made and, if a resolution annulling such a regulation or order is passed by either such House within the next 21 days on which that House has sat after the regulation or order has been laid before it, the regulation or order shall be annulled accordingly but without prejudice to the validity of anything previously done thereunder.

(6) The Minister may by order amend or revoke an order under this Act (other than an order under *section 20 (3)*) but including an order under this subsection).

(7) The Minister may give a direction for the purpose of anything mentioned in this Act as being the subject of a direction.

(8) The Minister may give a direction amending or revoking a direction given by him or her under this Act (including a direction under this subsection).

(9) A direction given for the purposes of this Act shall be in writing.

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Retention of car tax by local authorities.

3.—Notwithstanding anything contained in any other enactment but subject to the provisions of this Act, car tax that is collected by a local authority, on or after the commencement of this section, shall, in lieu of being paid into the Central Motor Tax Account, be retained by the authority and enjoyed by it as revenue.

Local Government (Equalisation) Fund.

4.—(1) There shall stand established, on the commencement of this section, a fund which shall be known as the Local Government (Equalisation) Fund and is in this Act referred to as “the Fund”.

(2) The Minister shall manage and control the Fund.

(3) The Fund shall consist of such accounts as the Minister may determine.

(4) The said accounts shall be in such form and be prepared in such manner as the Minister may determine.

(5) As soon as may be after the end of each financial year, the Minister shall submit the accounts of the Fund to the Comptroller and Auditor General for audit and the Minister shall cause a copy of an abstract of the accounts as so audited together with a copy of the report of the Comptroller and Auditor General thereon to be laid before each House of the Oireachtas.

(6) This section is subject to the provisions of *section 7*.

Payments into the Fund generally.

5.—(1) In this section “miscellaneous fees and duties” means—

(a) duties imposed by section 21 of the Finance (No. 2) Act, 1992;

(b) fees payable under the European Communities (Vehicle Testing) Regulations, 1991 (S.I. No. 356 of 1991);

(c) fees payable under the Road Traffic (Licensing of Trailers and Semi-Trailers) Regulations, 1982 (S.I. No. 35 of 1982);

(d) fees payable to a local authority under the Road Traffic (Public Service Vehicles) Regulations, 1963 (S.I. No. 191 of 1963);

(e) any other fees which prior to the commencement of this section were payable into a Motor Tax Account; and

(f) such fees or other moneys as the Minister may specify by order for the purposes of this subsection.

(2) Notwithstanding anything contained in any other enactment, there shall be paid into the Fund by each local authority—

(a) 20 per cent., or such other percentage as the Minister may, from time to time, by order specify in relation to the local authority, of the amount of car tax collected by it in each local financial year,

(b) the amount of motor vehicle tax, other than car tax, collected by it in each such year,

(c) the amount of driver licence duties collected by it in each such year, S.5

(d) the amount of miscellaneous fees and duties collected by it in each such year.

(3) Any moneys that the Minister receives, in each financial year, other than moneys from the Fund or moneys provided by the Oireachtas, in connection with the collection of motor vehicle tax, including in connection with the provision of information from records established and maintained under section 60 of the Finance Act, 1993 (as amended by section 86 of the Finance Act, 1994), shall be paid into the Fund by the Minister.

(4) The Minister may from time to time pay into the Fund, out of moneys provided by the Oireachtas, such an amount as he or she thinks appropriate.

(5) Any amounts required to be paid into the Fund by this section shall be so paid in such manner and at such times as are specified in a direction given by the Minister for the purposes of this section.

(6) A reference in this section to the collection by a local authority of an amount of any tax, fee or duty referred to in *subsection (2)* includes a reference to an amount of any such tax, fee or duty collected by it, under a relevant arrangement (within the meaning of *section 9*), on behalf of another local authority.

(7) A reference in this section to an amount of any tax, fee or duty shall be construed as a reference to the amount of the tax, fee or duty concerned after there has been deducted therefrom any amount under and in accordance with *section 11*.

(8) Without prejudice to *subsection (7)*, the reference in *subsection (2)(a)* to an amount of car tax shall be deemed to exclude a reference to so much of that amount as would not have been liable to be collected by the local authority concerned but for the making by it of a decision under *subsection (2) or (3) of section 9* or, as the case may be, but for the making by another local authority under the said *subsection (2) or (3)* of a decision which, by virtue of *subsection (5) of section 9*, has effect in relation to car tax collected by the local authority concerned.

6.—(1) Whenever and so often as the Minister considers that it is appropriate that such a payment be made in respect of expenses incurred or to be incurred by one or more local authorities in performing its or their functions generally, the Minister may pay out of the Fund to that local authority or those local authorities such an amount of moneys as he or she determines for the purposes of defraying, in whole or in part, the expenses incurred or to be incurred by it or them in performing those functions. Payments out of the Fund generally.

(2) The Minister may from time to time pay out of the Fund an amount of moneys equal to the expenses incurred by him or her in taking from time to time steps (which the Minister is hereby empowered to take)—

(a) to promote or secure the making of improvements in the quality of services provided by local authorities,

(b) to encourage local authorities to perform their functions in a more economical, efficient and effective manner.

(3) The Minister may from time to time pay out of the Fund such an amount of moneys as he or she determines for the purposes of defraying, in whole or in part, the expenses incurred by him or her, on or after the 1st day of January, 1997, in connection with the collection of motor vehicle tax, including in connection with the provision of information from records established and maintained under section 60 of the Finance Act, 1993 (as amended by section 86 of the Finance Act, 1994).

(4) Any amount of moneys paid out of the Fund under *subsection (2) or (3)* shall be paid into, or disposed of for the benefit of, the Exchequer in such manner as the Minister, with the consent of the Minister for Finance, may determine.

(5) Pending the first making of an order under *section 7 (4)* conferring the functions of the Minister under *section 6 (1)* on the Council (in *subsection (6)* referred to as a “*section 6 (1) functions order*”), the Minister may establish a committee (one or more members of which shall be an officer or officers of a local authority or local authorities) to advise the Minister with respect to the performance by him or her of the said functions and a committee so established may advise the Minister accordingly.

(6) The committee referred to in *subsection (5)* shall stand dissolved on the commencement of a *section 6 (1) functions order*.

(7) This section is subject to the provisions of *section 7*.

Local Government
(Equalisation)
Council.

7.—(1) There shall stand established, on the commencement of this section, a body which shall be known as the Local Government (Equalisation) Council and is in this Act referred to as “the Council”.

(2) The Council shall—

(a) be a body corporate with perpetual succession and an official seal and power to sue and to be sued in its corporate name,

(b) consist of such and so many members as the Minister determines.

(3) The members of the Council shall be appointed by the Minister; a person shall not be eligible for appointment as such a member unless he or she is a member or ex-member or an officer or ex-officer of a local authority, an officer of the Minister or a person whom the Minister considers otherwise possesses qualifications or experience that make him or her suitable for appointment as such a member.

(4) The Minister may by order confer on the Council one or more of the following functions of the Minister, namely—

(a) the functions under *subsections (2) and (5) of section 4*,

(b) the functions under *subsection (1) of section 6*,

(c) so much of the functions under *subsections (2) and (3) of section 6* as relate to the payment out of the Fund of an amount of moneys referred to in either of the said subsections,

(d) the functions under *subsections (2) and (3) of section 10*,

(e) the functions under *subsection (1) of section 11*,

and any such function or functions so conferred on the Council shall, for so long as the order remains in force, be performable by the Council and not by the Minister.

(5) The Minister may, by a direction given by him or her for the purposes of this subsection, require the Council to prepare and furnish to the Minister a report in relation to any matter concerning the operation of the Fund (and such a report may include recommendations of the Council in relation to that matter).

(6) An order under *subsection (4)* that confers on the Council the functions of the Minister under *subsection (5) of section 4* may provide that the Council shall, in performing the said functions, submit, for audit, the accounts referred to in the said *subsection (5)* to a person other than the Comptroller and Auditor General, being a person whom the Minister is satisfied possesses such qualifications as will enable him or her properly to conduct such an audit, and, for so long as an order under *subsection (4)* provides as aforesaid, each reference in *subsection (5) of section 4* to the Comptroller and Auditor General shall be construed as a reference to such a person.

(7) An order under *subsection (4)* that confers on the Council the functions referred to in *paragraph (c)* of that subsection may provide that the said functions shall be performed by the Council subject to such conditions as are specified in the order, being conditions requiring the payment out of the Fund, in such amounts and at such times as are specified in a direction given by the Minister for the purposes of those conditions, of moneys referred to in *subsection (2) or (3) of section 6*.

(8) Without prejudice to *subsections (4) and (5)*, the Minister may, if he or she so thinks fit, by order confer on the Council such functions in relation to the acquisition, use or disposal by local authorities of the resources necessary for the performance of their functions as he or she considers appropriate.

(9) The Minister may by order provide for such one or more of the following as he or she considers appropriate, namely—

(a) the terms of office of members of the Council,

(b) the payment to such members (at such rates as are determined, with the consent of the Minister for Finance, by the Minister) of remuneration or allowances for expenses,

(c) the removal of such members from office,

(d) the quorum of such members necessary for any decision at a meeting of the Council to be properly taken,

(e) the payment out of the Fund of moneys for the purpose of meeting any remuneration or allowances for expenses referred to in *paragraph (b)*,

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- (f) the employment by the Council of staff or the supply to it by the Minister or a local authority of the services of staff of the Department or the authority, as the case may be,
 - (g) the keeping by the Council of accounts,
 - (h) transitional provisions in relation to cases where an order under *subsection (4)* is made, amended or revoked,
 - (i) provisions enabling the Council to perform effectively its functions,
 - (j) any matters consequential on, or incidental to, the foregoing.

(10) The Minister may, from time to time, give to the Council a general directive in writing as to policy regarding the performance by it of any of its functions and the Council shall in performing its functions have regard to any such directive.

(11) Nothing in *subsection (10)* shall be construed as enabling the Minister to exercise any power or control in relation to the performance, in particular circumstances, by the Council of any of its functions.

Closing of Central Motor Tax Account and payment into the Fund of amounts of rate support grant.

8.—(1) In this section “rate support grant” means a grant made under section 9 of the Local Government (Financial Provisions) Act, 1978, as inserted by section 46 of the Local Government Act, 1994.

(2) The Minister shall cause the Central Motor Tax Account to be closed with effect from the commencement of *section 3* and all balances remaining to the credit of that account immediately before such commencement to be paid into the Fund.

(3) A local authority shall pay into the Fund, on or before the date specified in that behalf in the direction concerned, such an amount of the rate support grant made to it in the local financial year which commenced on the 1st day of January, 1997, as is specified in a direction given by the Minister for the purposes of this subsection.

Local variation of car tax rates.

9.—(1) In this section—

“local authority” means, unless the context otherwise requires, the council of a county or the corporation of a county borough;

“relevant arrangement” means—

- (a) an agreement entered into under section 59 of the Local Government Act, 1955;
- (b) a scheme made pursuant to the Dublin (Preparations for Reorganisation) Regulations, 1993 (S.I. No. 52 of 1993);

or

- (c) arrangements made pursuant to Article 5 of the Local Government (Reorganisation) Act, 1985, (County Borough of Galway Order, 1985 (S.I. No. 426 of 1985));

“relevant period” means—

(a) a period of 12 months beginning on any 1st day of April or such other date as may be prescribed, S.9

or

(b) such other period as may be prescribed.

(2) Subject to the provisions of this section, a local authority that is not a party to an arrangement referred to in *subsection (3)* may decide, in relation to car tax that is liable to be collected by it in respect of a relevant period, that the rate at which such tax shall be paid shall, in lieu of the rate standing specified for the time being under any enactment in respect of such tax, be such rate as is specified in the decision (being a rate that is greater than the rate standing so specified under the enactment).

(3) Subject to the provisions of this section, a local authority which, under a relevant arrangement, collects, on behalf of another local authority or authorities, car tax may decide, in relation to both, and only both, car tax that is liable to be collected by it—

(a) on its own behalf in respect of a relevant period,

and

(b) on behalf of the said other authority or authorities (each of which is referred to in *subsections (5)* and *(10)* as a “facilitated local authority”) in respect of the said period,

that the rate at which such tax shall be paid shall, in lieu of the rate standing specified for the time being under any enactment in respect of such tax, be such rate as is specified in the decision (being a rate that is greater than the rate standing so specified under the enactment).

(4) Where a local authority makes a decision under *subsection (2)* or *(3)*, the car tax concerned referred to in *subsection (2)* or, as the case may be, *subsection (3)* shall, in respect of the relevant period concerned, be paid at the rate specified in the decision and the provisions of every enactment relating to the charging, levying and paying of the said tax and all other matters in respect thereof shall apply and have effect in relation to the said tax payable at the said rate as they apply and have effect in relation to the said tax payable at the rate standing specified for the time being under any enactment.

(5) If, in relation to a facilitated local authority, the relevant arrangement concerned referred to in *subsection (3)* ceases to be in force before the expiry of the relevant period in respect of which the decision concerned under that subsection was made, the said decision shall be deemed to operate so as to have effect in relation to car tax that is liable to be collected in respect of the said period by that facilitated local authority.

(6) Where the amount of car tax that would, apart from this subsection, be payable, by virtue of a decision under *subsection (2)* or *(3)*, in relation to a vehicle in respect of a relevant period is a whole number of pounds and a fraction of a pound, the amount of such tax that shall be so payable shall be the said amount rounded up to the nearest whole number of pounds.

(7) A decision under *subsection (2)* or *(3)* shall not specify, as a rate at which car tax is to be paid, a rate that will result in the amount of such tax that would, apart from *subsection (6)*, be payable in relation to a vehicle being—

- S.9 (a) in case the relevant period to which the decision relates is a period beginning on the 1st day of April, 1998, an amount that is greater than 3 per cent.,
- or
- (b) in case the relevant period to which the decision relates is a period other than the period aforesaid, an amount that is greater than 6 per cent.,

more than the amount of such tax that would be payable in relation to the vehicle if the rate at which such tax was to be paid were the rate standing specified for the time being under any enactment in respect of that tax.

(8) The making of a decision under *subsection (2)* or *(3)* shall be a reserved function.

(9) A local authority which is a council of a county shall, if it proposes to make a decision under *subsection (2)*, request each urban authority (if any) situate in that county to make a submission in writing to it as to the rate that the urban authority considers ought to be specified in the decision.

(10) A local authority which is a party to an arrangement referred to in *subsection (3)* shall, if it proposes to make a decision under that subsection, request—

- (a) each facilitated local authority concerned,
- and
- (b) if the first-mentioned local authority is a council of a county, each urban authority (if any) situate in that county,

to make a submission in writing to it as to the rate that the local authority or, as the case may be, the urban authority considers ought to be specified in the decision.

(11) Where—

- (a) pursuant to a request under *subsection (9)*, one or more urban authorities make to the local authority concerned a submission or submissions in writing of the kind referred to in that subsection,
- or
- (b) pursuant to a request under *subsection (10)*, one or more local authorities (which expression in this subsection includes one or more urban authorities) make to the local authority concerned a submission or submissions in writing of the kind referred to in that subsection,

the local authority concerned (“the first-mentioned authority”) and the said local authority or authorities shall endeavour to agree as to the rate to be specified in the decision proposed to be made by the first-mentioned authority and, if they agree as to the rate to be so specified in the decision, the rate agreed by them shall be the rate specified in the decision and, if they do not so agree, the rate to be so specified shall be a rate decided by the first-mentioned authority.

(12) The following shall be reserved functions—

- (a) the making of a submission of the kind referred to in *subsection (9)* or *(10)*,

(b) the entering into an agreement under *subsection (11)*. S.9

(13) The Minister may make regulations for the purpose of enabling this section to have full effect and, in particular, may make regulations—

- (a) specifying procedures to be followed by—
 - (i) a local authority in making a request under *subsection (9)* or *(10)*,
 - (ii) an urban authority or a local authority in making a submission of the kind referred to in *subsection (9)* or *(10)*,
 - (iii) each local authority and, as the case may be, urban authority concerned in endeavouring to enter into an agreement under *subsection (11)*,
- (b) specifying as a condition for the thing being regarded as validly and effectually done for the purposes of this section that anything that may be done, or is required to be done, under this section be done before a specified date in a local financial year,
- (c) requiring a local authority to publish, in a specified manner, notice of the making by it of a decision under *subsection (2)* or *(3)*.

10.—(1) In this section “local authority” and “relevant arrangement” have the same meaning as they have in *section 9*.

Apportionment of revenue from car tax among local authorities.

(2) A local authority that is a council of a county shall pay to—

- (a) each urban authority situate in that county,
- and
- (b) each such other local authority situate in that county being the commissioners of a town as is specified in the direction concerned,

such an amount of the car tax collected by it in a local financial year as is specified in, or determined in accordance with, a direction given by the Minister for the purposes of this subsection.

(3) If a local authority, under a relevant arrangement, collects car tax on behalf of another local authority, it shall pay to that other local authority such an amount of that tax collected by it in a local financial year as is—

- (a) specified in, or determined in accordance with, an agreement entered into between it and that other authority,
- or
- (b) in default of such an agreement being entered into, specified in, or determined in accordance with, a direction given by the Minister for the purposes of this subsection.

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- (4) A direction referred to in *subsection (2) or (3)* may—
- (a) provide that the amount concerned shall be determined in accordance with a specified formula or specified procedures,
 - (b) require the payment of the amount concerned to be made in such instalments and at such times as are specified in the direction.
- (5) An agreement referred to in *subsection (3)* may—
- (a) provide that the amount concerned shall be determined in accordance with a specified formula or specified procedures,
 - (b) require the payment of the amount concerned to be made in such instalments and at such times as are specified in the agreement.
- (6) A reference in this section to an amount of car tax shall be construed as a reference to the amount of that tax after there has been deducted therefrom any amount under and in accordance with *section 11*.

Deduction by local authority of expenses from amounts of motor vehicle tax and other fees and duties.

11.—(1) A local authority may, for the purposes of defraying, in whole or in part, the expenses incurred by it in collecting the tax, duty or fee concerned, deduct from any amount of motor vehicle tax, driver licence duties or miscellaneous fees and duties (within the meaning of *section 5*) collected by it in a local financial year such an amount (if any) as is specified in, or determined in accordance with, a direction given by the Minister for the purposes of this subsection.

(2) A direction referred to in *subsection (1)* may provide that the amount concerned shall be determined in accordance with a specified formula or specified procedures.

(3) This section is subject to the provisions of *section 7*.

Removal of power of local authorities to make charges for supply of water for domestic purposes, etc.

12.—(1) In this section “section 65A of the 1878 Act” means section 65A of the Public Health (Ireland) Act, 1878, as inserted by section 7 of the Local Government (Sanitary Services) Act, 1962, and amended by section 8 of the Local Government (Financial Provisions) (No. 2) Act, 1983, and sections 2 and 3 of the Local Government (Delimitation of Water Supply Disconnection Powers) Act, 1995.

(2) Section 65A of the 1878 Act is hereby amended by—

(a) the substitution of the following subsections for subsections (1), (1A) and (1B):

“(1) A sanitary authority may make charges for water supplied, whether within or outside their functional area, by them, but after the 31st day of December, 1996, a sanitary authority may not make a charge for a supply by them of water for domestic purposes.

(1A) Nothing in subsection (1) of this section shall be construed as preventing a sanitary authority from recovering a charge made by them, on or before the 31st

day of December, 1996, for a supply by them of water S.12 after that date.”;

- (b) the substitution in subsection (11) of “to a dwelling house or a group water supply scheme” for “whether the supply is or is not to a dwelling house”;
- (c) the addition to subsection (11), after subparagraph (e), of the following subparagraph:

“(f) a supply to a sanitary authority.”;

- (d) the addition, after subsection (11), of the following subsections:

“(12) Where water supplied by a sanitary authority constitutes, or may constitute, a supply for domestic and other purposes, a sanitary authority may make such estimation, as they consider reasonable, of the proportion of that supply likely to be used for domestic purposes and may have regard to any such estimation in determining whether, and on what basis, to make a charge for a supply of water under this section.

(13) In this section—

‘dwelling house’ means a building or part of a building used by a person as his or her place of private residence (whether as his or her principal place of such residence or not) and includes accommodation provided in such a residence to one or more students to enable them to pursue their studies but does not include any part of a building used for the provision, for the purposes of reward, with a view to profit or otherwise in the course of business, of accommodation, including self-catering accommodation, (other than accommodation provided in a place of private residence aforesaid to one or more students for the purposes aforesaid) unless the person to whom the accommodation is so provided uses the accommodation as his or her principal place of private residence;

‘group water supply scheme’ means a scheme whereby there is provided a private supply of water by means of a common or shared source of supply and distribution system.”.

(3) Section 4 of the Local Government (Financial Provisions) (No. 2) Act, 1983, is hereby amended by the substitution of the following subsections for subsection (1):

“(1) Section 2 of this Act shall not apply to any service—

- (a) consisting of the supply by a local authority, after the 31st day of December, 1996, of water for domestic purposes or the disposal by it of domestic sewage,
or
- (b) which for the time being stands specified in an order made by the Minister under subsection (2) of this section.

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(1A) Nothing in subsection (1) of this section shall be construed as preventing a local authority from recovering a charge made by it, on or before the 31st day of December, 1996, for a disposal by it of domestic sewage after that date.

(1B) The reference to the supply of water for domestic purposes in subsection (1) of this section shall be construed in accordance with section 65A (11) of the Public Health (Ireland) Act, 1878, as amended by the *Local Government (Financial Provisions) Act, 1997*."

Estimates adopted by local authority in local financial year, 1997, not affected by Act.

13.—Nothing in this Act shall operate to deprive of its effect for the purposes of any enactment an estimate of expenses adopted by a local authority in relation to the local financial year which commenced on the 1st day of January, 1997.

Local Government (Value for Money) Unit.

14.—(1) In this section "local authority" means a local authority for the purposes of the Local Government Act, 1941, or such other body as may be prescribed.

(2) The Minister shall, as soon as may be after the commencement of this section, establish within the Department an administrative unit which shall be known as the Local Government (Value for Money) Unit and is in this section referred to as "the Unit".

(3) The Unit shall comprise such and so many officers of the Minister and local government auditors as the Minister may from time to time determine and those officers and auditors who for the time being comprise the Unit are referred to in this section as "the Unit personnel".

(4) Whenever and so often as the Minister requests the Unit personnel to do so, the Unit personnel shall carry out, or cause to be carried out, a study of systems, practices and procedures (including systems, practices and procedures employed outside the State), being a study which they consider will enable them to make recommendations under *subsection (6)* with respect to measures that could be taken to—

(a) secure the provision by local authorities of services in a more economical, efficient and effective manner,

(b) improve the manner in which local authorities are managed.

(5) Each local authority shall provide to the Unit personnel or any person who is carrying out, on their behalf, a study referred to in *subsection (4)*, such information, records or documents in its possession or which may be reasonably procured by it as the Unit personnel or the said person reasonably require for the purposes of a study referred to in *subsection (4)* and request the authority to provide them to the personnel or him or her.

(6) The Unit personnel shall make a report to the Minister of the results of any study carried out, or caused to be carried out, by them under *subsection (4)* and shall, having regard to such results, make recommendations to the Minister with respect to the matters referred to in *paragraphs (a) and (b) of subsection (4)*.

(7) The Minister shall publish, in such manner as he or she thinks fit, any report or recommendations made to him or her under this section.

15.—(1) A local government auditor may, in the course of an audit of the accounts of a local authority or at any other time, carry out such examinations as he or she considers appropriate for the purpose of ascertaining—

Value for money audit.

(a) whether and to what extent the resources of the local authority—

(i) have been used, and

(ii) if acquired or disposed of by the local authority, have been so acquired or disposed of,

economically and efficiently, and

(b) whether any such disposal has been effected upon the most favourable terms reasonably obtainable.

(2) Without prejudice to the generality of *subsection (1)*, a local government auditor may examine the systems, procedures and practices employed by a local authority for the purposes of enabling the local authority to evaluate the effectiveness of its operations.

(3) Without prejudice to the generality of *subsections (1) and (2)*, a local government auditor may, in carrying out examinations under this section—

(a) make such comparisons, including comparisons of systems, procedures and practices, as he or she considers appropriate, and

(b) (i) examine the extent to which a local authority has implemented, or is implementing, recommendations made to the Minister by the personnel of the Unit referred to in *section 14*,

(ii) to the extent that those recommendations have been, or are being, implemented by the local authority, examine the measures taken by it for those purposes.

(4) In this section “local authority” has the same meaning as it has in *section 14*.

16.—Section 61 (which confers on the Minister power to make certain regulations) of the Local Government Act, 1955, is hereby amended by the substitution, in subsection (2), for all the words from “and any previous provisions” to the end of that subsection of “and so much of any previous provisions, whether made by or under statute, applying to that authority and relating to those matters as is specified in the regulations shall cease to have effect as respects that authority to the extent specified in the regulations”, and the said subsection (2), as so amended, is set out in the Table to this section.

Amendment of section 61 of Local Government Act, 1955.

TABLE

(2) From and after the commencement of regulations under this section, the matters with respect to which the regulations were made shall, as respects any local authority concerned, be governed by the provisions of the regulations and so much of any previous provisions, whether made by or under statute, applying to that authority and relating to those matters as is specified in the regulations shall cease to have effect as respects that authority to the extent specified in the regulations.

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Amendment of
Finance (No. 2)
Act, 1992.

17.—The Finance (No. 2) Act, 1992, is hereby amended—

(a) by the insertion in section 18 of the following definition after the definition of “the register”:

“ ‘registered owner’ has the meaning assigned to it by the Road Vehicles (Registration and Licensing) (Amendment) Regulations, 1992 (S.I. No. 385 of 1992), as amended for the time being;”

(b) in section 20 (as amended by section 117 of the Finance Act, 1995)—

(i) by the deletion of the proviso to paragraph (a) of subsection (1),

(ii) by the substitution of the following paragraph for paragraph (b) of subsection (1):

“(b) The said duty shall not be charged, levied or paid on—

(i) a vehicle in respect of the period commencing on the date of entry of the vehicle in the register and ending on the date on which it is first used in a public place after such entry if the registered owner produces to the licensing authority concerned, not later than the date of the making of the application hereafter referred to in this subparagraph, such evidence as satisfies that authority that the vehicle—

(I) in case the evidence is produced before the date of making of the said application, has not been and will not be used,

or

(II) in case the evidence is produced on the date of the making of the said application, has not been used,

in a public place by or on behalf of the registered owner or with his or her consent without first making or, as the case may be, before the making of, an application to the licensing authority for a licence under section 1 of the Act of 1952 in respect of the vehicle, or

(ii) a vehicle referred to in section 143 (1) of the Act of 1992.”, and

(iii) by the deletion of subsection (2), and

(c) by the insertion of the following section after section 20:

“20A. So much of the duty of excise paid by a person before the commencement of *section 17* of the *Local Government (Financial Provisions) Act, 1997*, in respect of a licence taken out by him or her under section 1 of the Act of 1952 in relation to a vehicle as was chargeable,

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leviable and payable in respect of the period commencing S.17
on the date of entry of the vehicle in the register and
ending on the date on which it was first used in a public
place after such entry shall, on application being made
to it in that behalf, be repaid by the licensing authority
concerned to the person if the person produces to the
authority such evidence as satisfies the authority that the
said vehicle was not used by or on behalf of the person
or with his or her consent in a public place before the
making of the application by him or her to the authority
for the said licence.”.

18.—The following are hereby repealed: Repeals.

(a) section 9 of the Local Government (Financial Provisions)
Act, 1978,

(b) section 140 of the Finance Act, 1996.

19.—The expenses incurred by the Minister in the administration Expenses.
of this Act shall, to such extent as may be sanctioned by the Minister
for Finance, be paid out of moneys provided by the Oireachtas.

20.—(1) This Act may be cited as the Local Government Short title,
(Financial Provisions) Act, 1997. collective citation,
construction and
commencement.

(2) The Local Government Acts, 1925 to 1994, and this Act may
be cited together as the Local Government Acts, 1925 to 1997, and
shall be construed together as one Act.

(3) This Act shall come into operation on such day or days as, by
order or orders made by the Minister, may be fixed therefor either
generally or with reference to any particular purpose or provision
and different days may be so fixed for different purposes and differ-
ent provisions.