

COMHAIRLE CHONTAE NA GAILLIMHE
MINUTES Of BUDGET MEETING OF GALWAY COUNTY COUNCIL
Held at ÁRAS AN CHONTAE, PROSPECT HILL
Monday, 28th November, 2022

CATHAOIRLEACH: Cllr. Michael 'Moegie' Maher

Cathaoirleach of the County of Galway

I LATHAIR FREISIN:

Baill: Comh./Cllr. T Broderick, J. Byrne, I. Canning, L. Carroll, J. Charity, D. Collins, D. Connolly, M. Connolly, G. Cronnelly, D. Ó Cualáin, T. O Curraoin, J. Cuddy, S. Curley, A. Dolan, G. Donohue, G. Finnerty, D. Geraghty, S. Herterich Quinn, M. Hoade, D. Kelly, P. Keaveney, D. Killilea, M. Kinane, G. King, P. Mac an Iomaire, E. Mannion, J. McClearn, A. McKinstry, P. Murphy, E. Francis Parsons, A. Reddington, P. Roche, J. Sheridan, N. Thomas, S. Walsh and T. Welby.

Oifigh: Mr. J. Cullen, Chief Executive, Mr. L. Hanrahan, Director of Services, Mr. M. Owens, Director of Services, Mr D. Pender, Director of Services, Ms E. Ruane, Director of Services, A Farrell, A/ Director of Services, Ms. J. Brann, Meetings Administrator, Ms. M. Jordan, Administrative Officer, Ms C. Walsh, Staff Officer, Ms M. Glancy, Staff Officer.

Thosnaigh an cruinniú leis an paidir.

ITEM NO. 1 CONSIDERATION AND ADOPTION OF BUDGET FOR YEAR 2023

4073

The Cathaoirleach welcomed all to the meeting and he thanked the Head of Finance and the Finance staff for preparing the budget. He also expressed his sympathy to Ms Fenton, A/Head of Finance on the death of her mother. He thanked Ministers Dara O'Briain and Peter Burke and all the Oireachtas Members for the extra funding provided to GCC for the Budget 2023. He highlighted the extra once off funding of €2.75m and the €1.7m provided to cover the increased energy costs. He said that he believes when Local Authority baselines are reviewed, this process starts next year, it will ensure extra funding for GCC for the 2024 budget. The Cathaoirleach said that the Chief Executive would outline the budget for 2023.

The Chief Executive said that he wished to thank Ms Fenton and the staff of the Finance unit on their preparation of the Budget 2023. He also expressed his sympathy to Ms Fenton on the death of her mother last Friday. He then read the following from the Draft Budget Report 2023;

"I enclose for your consideration the Draft Budget for 2023 together with a report from the Directors of Service in respect of activities in their functional areas which is submitted as an annual progress report of the Corporate Plan.

The Council considered and made its determination in relation to the local adjustment factor for the Local Property Tax at its meeting held on 24th October 2022 at which it was decided not to vary the Local Property Tax rate.

Circular letter Fin 09/2022 dated 11th August 2022 confirmed the prescribed periods for the 2023 budget meeting and budget related matters. The prescribed period for the holding of the budget meeting is 1st November to 30th November and the Draft Budgetary plan for the Municipal Districts took place between 7th November and 15th November 2022, as required.

The Council may by resolution amend the Draft Budget but is obliged to adopt the Draft Budget with or without amendment and determine, in accordance with the budget so adopted, the annual rate on valuation to be levied. The council is required to complete the statutory process within a period of 14 days. This allows for the adjournment, if necessary, of the statutory meeting scheduled for 28th November 2022, but the process must be completed by 11th December 2022.

The Local Property Tax:

Under the new model of Local Property Tax funding, all equalisation funding will be met by the exchequer to ensure all local authorities receive, at a minimum, an amount

equivalent to their baselines. As the projected Local Property Tax receipts for 2023 are less than the council's baseline, Galway County Council will be in receipt of equalisation funding. In effect the council's allocation from Local Property Tax in 2023 will be €14,517,890, unchanged from previous years.

On 9th November 2022, the council was informed that it would receive an additional once-off financial support in 2023 of €2.75m. This is a very welcome additional support, and it brings the overall support funding for Galway County Council in 2023 to over €12m, including Pay, Pensions and other supports. For your information I have set out on page 15 of the Draft Budget Report 2023 the breakdown of these supports from 2022 to 2023.

Obviously, the supports in relation to payroll and energy are being made available to all local authorities and they are much needed in any event. The additional support of €2.75m is, however, specific to Galway County Council and, although specified as a once-off allocation it has been necessary to include it in the budget to support all operational programmes.

You will see from the budget tables that the draft budget for 2023 is €158,884,698 compared to €143,295,409 for 2022.

The current financial position of the council has been discussed in detail by the Corporate Policy Group and full council on many occasions and the funding available to the council remains a critical issue. As I reported in September, there is a requirement for additional funding in almost every area of council activity, including housing and estate maintenance, road maintenance, street cleaning, verge trimming, swimming facilities, libraries, tourism and economic development.

Naturally, because of the prevailing economic circumstances the overall budget for 2023 is significantly larger than 2022 and expenditure increases occur across all service areas as a consequence. And while I have highlighted some of the main changes, it is indicative only and it is the Statutory Tables A-F that require consideration by the council, pages 15 and 17 refer to the main changes but you should refer to the statutory tables for the figures.

The foregoing is a headline summary of some main budget movements, but it is important to refer to the statutory tables where all expenditures and incomes are distributed across all service headings.

Work Programme

Despite the financial constraints the council will still deliver a significant programme of works and public services in 2023 to the benefit of the citizens and economy of the county.

In March 2022 as a result of the Russian invasion of Ukraine, the Ukrainian Refugee Response was required to be put into action by all local authorities. Immediately staff of the Council responded and stood up, with the support of the community in

Oranmore, staffed 24 hr weekend reception centres over the course of a number of weekends. We will continue to do everything we can to support the response to the refugee situation.

Galway County Council has a key role to play in implementing the various housing initiatives under the Government's Action Plan for Housing and Homelessness. The Housing Delivery Action Plan, published earlier this year, set out ambitious targets to deliver 1,717 social housing units delivered between 2022 and 2026. The budget available for housing maintenance and estate management is less than what is needed, but an increase of €500,000 in 2023 has been budgeted to help minimise the time taken to re-let properties and bring void units back in to service. There will be a focus, too, on vacant homes and the operation of the Croí Cónaithe Fund Scheme. The draft budget also provides for an increase of €50,000 towards the council element of the D.P.G's and an increase in housing rent income from new tenancies. We will meet the 2022 targets and come close to the 2023 targets.

As the council will not receive notification of its road grants until early 2023, the budget has been drafted on the basis of the grant allocations for 2022. It is hopeful there will be an increase in 2023 as the impact of inflation will erode the output of works, otherwise. Under the various grant works in 2022 the council carried out maintenance and improvement works on over 393KM of the road network.

In 2022, the council received an allocation of €7.89m to develop and implement active travel measures. This enabled intervention to take place at many locations around the county. It is expected the programme will continue in 2023 enabling further works to be carried out.

The council is continuing to co-operate closely with the OPW on Flood Relief Schemes in South Galway, Ballinasloe and Clifden and continues to seek funding for minor flood relief works which are of immense value to local communities.

For a county with 689KM of coastline, 4 inhabited islands and many piers, harbours and slipways of various sizes, the marine function of the council is seriously under resourced. It is imperative that we begin to resource a Marine Section within the Infrastructure and Operations department to specialise in marine related functions and capitalise on available funding opportunities. Subject to available funding it would be my intention to recruit a resource to that area in 2023.

As part of the much needed modernisation of the council fleet and equipment it is planned to replace 3 No. lorries in the first quarter of 2023 and it is expected that a new patching unit will be delivered by the end of 2022 with the recruitment also of an additional driver.

After a marathon process from issues papers, draft plan, material alteration, ministerial direction and the consideration of nearly 3,000 public submissions, the County Development Plan 2022 – 2028 was finally made in June 2022. While I am conscious of the importance of the plan for the development management function, it is vital that we have a much stronger emphasis on delivery of key strategic objectives

of the plan in areas, such as economic development, transport and movement, climate change, energy and renewable resources and tourism.

The council has been to the forefront in the introduction of e-planning which enables the making of planning applications on an online portal and through which applicants will be kept updated on the progress of their application. To date over 1,000 applications have been made using the portal and during 2023 we will engage further with agents to increase the volume even further.

We will continue to work closely with IDA, Enterprise Ireland and other stakeholders to attract inward investment to help stimulate economic development and job creation in the region. The Strategic Economic Corridor in the County Development Plan has superb accessibility, and we will engage actively to attract specialist enterprise of significant scale and high value to the land banks assembled by the IDA, and the County and City Council in this area.

There is continued strong interest from stakeholders in the Food Sector in the Bia Innovator Campus Development in Athenry. Although construction completion has been delayed it is expected that tenants will be in occupancy in Q1 2023. The council has been successful in funding applications under a number of programmes and has sourced €10.99M to date under the Rural Regeneration Fund. Subject to our capacity to meet the match funding required we will continue to pursue funding for projects in 2023 under Rural Regeneration, ORIS, Town and Village Renewal, Street Enhancement, Clár, LIS and other schemes as they arrive.

In response to our obligations under "Delivering Effective Climate Action, 2030" I have established the appropriate governance structure for responding to Climate Change. This structure will ensure the effective development and implementation of the Climate Action Plan.

Councillors will be acutely aware of the value of the library services throughout the county and the role they play in enriching lives in communities. Unfortunately, spending on library services in Galway is well below the level needed and is the lowest per capita in the country. While it may take some time to address that deficit, the draft budget provides for an additional €70,000 towards library books.

Our Blue Flag beaches and swimming areas are of critical importance to the tourist economy of the County. It has been particularly difficult in the last few years to recruit and retain lifeguards for the designated beaches. Ring buoys and safety measures need urgent upgrade and additional provisions have been included in the draft budget for lifeguards and safety measures.

Our ICT unit was very instrumental in our ability to continue service delivery across all units at the onset of the Covid 19 pandemic.

Cyber security and the protection of our data and information continues to be a key priority for the ICT unit and for the entire organisation, and increased ICT security is needed for monitoring and protection of all of our systems from potential threats.

Staffing:

The workforce plan was further implemented during the course of 2022, where it was possible to do so in the context of our financial resources. I have taken a phased approach in this regard identifying the critical & immediate needs in the first instance and also responding to emerging local and national priorities. But we remain critically low in terms of staff members. Opportunities to increase staff in 2023 appear very limited and will remain under constant review. But as indicated earlier we urgently need additional staff in all areas of action.

Commercial Rates:

As indicated previously, the two primary sources from which a local authority can derive income are by varying the rate of local property tax and the annual rate of valuation for commercial rates. As part of Budget 2022, it was agreed to increase the ARV, the first such increase since 2009. It was accompanied by a rates payment incentive scheme with up to 88% of ratepayers eligible for the scheme.

I am very conscious that the impact of rising energy costs, wage and inflation costs are being felt right across the board. On 27th October 2022 the Minister for Enterprise, Trade and Employment and Minister for Public Expenditure and Reform announced details of a new €200M Ukraine Enterprise Crisis Scheme. There will be funding under the scheme to assist viable but vulnerable firms of all sizes in the manufacturing and internationally traded services and this support will greatly assist many businesses.

The increase from commercial rates has always been a fundamental source for funding the local government systems. As I said previously, if the council is to maintain public services at or close to existing levels it must raise additional revenue from commercial rates. It is simply not possible to sustain existing service levels or staff numbers in a situation where costs escalate, and available revenue fails to keep pace. Therefore, I have drafted the budget based on a 6% increase to the annual rate of valuation which will have a gross yield of €1,963,130 in additional revenue.

I have included also a repeat of the rates payment incentive scheme for businesses whose rate demand in 2023 is no greater than €20,000. It is estimated that the net yield from the proposed increase will be €1.65m with more than 90% of ratepayers eligible to apply under the scheme.

Expenditure proposals are set out on page 21 and 22 of the Draft Budget Book 2023.

Conclusion and Recommendation

The draft budget has been prepared against a background of turbulence in the economy with costs rising at rates not seen for many years or ever before in the case of energy. In that context it isn't possible to budget forward with the normal degree of

certainty. The financial supports from the Department of Housing, Heritage and Local Government have been particularly helpful and without them it would simply not have been possible to draft a workable budget for 2023. The council remains underfunded relative to comparable local authorities, and it is to be hoped that when local authority baselines are next reviewed that Galway County Council will receive a deserved uplift.

I wish to thank all the members for their support throughout 2022 and in particular Cathaoirleach Michael 'Moegie' Maher and his predecessor, Cllr. Peter Keaveney for their assistance. I wish to thank also the Corporate Policy Group for their engagement.

I wish to thank also, Ms. Áine Fenton, Ms. Margaret Jordan and the staff of the Finance Unit for their efforts in framing and preparing the Draft Budget. To the Directors of Service and all the staff of the Council, I am indebted for their support.

I am confident that with the support of the Councillors and staff we will implement a programme of work in 2023 that will benefit all the citizens of Galway and accordingly I recommend the adoption of the draft budget as presented."

The Cathaoirleach then invited contributions from the Elected Members. These are summarized as follows;

- The members thanked Ms Fenton and the Finance staff for the preparation of the budget report 2023.
- The members expressed their dissatisfaction at the funding available to Galway County Council considering the size of the County. It is underfunded compared to other Local Authorities with some counties such as Mayo receiving €1,114 per capita while Galway receives €819 per capita.
- The Members said that they hoped the baseline review would deal with the shortfall in funding.
- If services are to be maintained, then proper resources are necessary.
- The Members welcomed the increase in the budgets for street cleaning, library books, and piers and harbours.
- The recruitment of the climate change co-ordinator, bio-diversity officer and the water safety officer was welcomed by members.
- The issue of costal erosion should be dealt with in conjunction with the O.P.W.
- The members said that businesses could not sustain a rate increase and they would not vote in favour of any increase in rates.
- Galway airport is a strategic site. There are ample other development opportunities for the IDA in the other parts of the county.
- The Members welcomed the Mortgage to Rent Scheme and it was felt that it would be beneficial to maximise the scheme to persons who find themselves in a difficult financial situation.
- The reinstatement of the Notice of Motion money was welcome.

In response to a query on the Rates Payment Incentive Scheme the Chief Executive highlighted that this item is no. 6 on the agenda and if agreed by the Members the 2022 scheme would continue in 2023. He also confirmed that if a rate payer qualifies for the scheme but have arrears on their account they will be eligible for the scheme if they enter into a payment agreement with the Council. He said that Galway County Council do not employ a debt management company.

In response to a query by Cllr Sheridan the Chief Executive said that the windfarms at Derrydonnell were not included in the €809,000 received and said it refers to appeals by companies to global valuations.

Members queries were responded to as follows by Ms. Ruane

- Staff retiring from Galway County Council are being replaced.
- There are 849 staff employed by Galway County Council of which 254 i.e. 30% are outdoor staff.
- The funding of equipment for the Civil Defence is €272,876.

Members queries were responded to as follows by Mr. Owens

- There are staff available in Galway County Council to provide a service through Irish.
- Funding has been provided for the opening of Aughrim Interpretative Centre in 2023.

Members queries were responded to as follows by Mr. Pender

- Funding for street cleaning cannot be ringfenced for housing estates.
- A Senior Engineer will be appointed in 2023 in the area of costal erosion.

Members queries were responded to as follows by Mr. Farrell

- The €74,000 reduction in the Athenry MD area has been addressed.

Members queries were responded to as follows by Mr. Hanrahan

- The 183 units in the budget report refers to Galway County Councils units and the Approved Housing Bodies units are not included in this figure.
- The housing unit provide nominees from the housing list to the AHBs.

Cllr. Sheridan **PROPOSED** the following Motion:

"That Galway County Council write to all Ministers and Teachta Dala to highlight and show its support for the re-energisation of Derrybrien (Gort Wind Farm Ltd, site) on the back of a potential sought derogation, appeasement or solution to national legislative and EU Directive pertaining to its "turning back on" in a time of Regional, National and European Energy crises as a "National Energy Park for Communities":

This in essence would be a nationalised type of SPV (Special Purpose Vehicle) that would engage the 7 local parish communities, the turbary righted holders and sustainable Energy Communities across the state as well as a bursary fund for Christmas lights committee across the island of Ireland."

As agreement could not be reached on the motion the Cathaoirleach called for a vote.

The following was the result:

For 16 Cllr Dolan, Cllr Finnerty, Cllr Charity, Cllr Hoade, Cllr Curley, Cllr Killilea, Cllr King, Cllr Sheridan, Cllr Kinane, Cllr Herterich Quinn, Cllr Cronnelly, Cllr Canning, Cllr M. Connolly, Cllr Thomas, Cllr Walsh, Comh. Ó Cualáin

Against 8 Cllr McKinstry, Cllr Reddington, Cllr E. Mannion, Cllr Byrne, Cllr Carroll, Cllr Maher, Cllr P.J. Murphy, Comh. Mac an Iomaire

Abstain 0

No Vote 13 Cllr Kelly, Cllr Collins, Cllr D. Connolly, Cllr Geraghty, Cllr Dr. Francis Parsons, Cllr Donohue, Cllr Cuddy, Cllr McClearn, Cllr P. Keaveney, Cllr Roche, Cllr Broderick, Cllr Welby, Comh. Ó Curraoin

The Cathaoirleach confirmed that the motion was carried.

Cllr. Killilea **PROPOSED** the following Motion:

"I propose that Galway County Council continue to support the occupation of vacant commercial premises. It is important that GCC promotes business and enterprise right throughout our county. In order to do this, I propose to introduce a scheme whereby any commercial rated building that is vacant for two or more years would be rates exempt for any new occupier for a period of two years. We need to ensure that there are incentives in place to reopen derelict properties in our towns and villages."

Cllr. Killilea said that the reason he was proposing this motion was that it would be an incentive for businesses to take up occupation of derelict premises.

The Chief Executive advised that this amendment needed to be further considered as it was not costed and could have implications for the Budget 2023. He asked to be given an opportunity to consider it outside of the budget meeting and he would revert on same at the January plenary meeting. Cllr Killilea agreed with same.

Cllr. Dolan **PROPOSED** the following Motion:

"I propose that based on 2022 road maintenance and road restoration improvement funding, the Athenry/Oranmore Municipal District was only able to service 16 locations under each budget. All other municipal districts serviced over 30 locations with Connemara servicing 74 locations under the restoration improvement and Loughrea servicing 50 locations under restoration maintenance.

It is clear that the Athenry Oranmore MD is seriously underfunded. I am asking for a small contribution from other MDs to help the Athenry/Oranmore area. I am proposing a reallocation of €25,000 from each MD to Athenry Oranmore area for our restoration improvement funding and restoration maintenance funding so that the Athenry Oranmore MD can service more locations."

As agreement could not be reached on the motion the Cathaoirleach called for a vote.

The following was the result:

For 10 Cllr Dolan, Cllr Killilea, Cllr Collins, Cllr Cronnelly, Cllr Charity, Cllr Cuddy, Cllr Sheridan, Cllr Carroll, Cllr Herterich Quinn, Comh Ó Cualáin

Against 23 Cllr Kelly, Cllr Geraghty, Cllr Finnerty, Cllr J. Byrne, Cllr Hoade, Cllr P. Keaveney, Cllr S. Walsh, Cllr A McKinstry, Cllr E. Mannion Cllr. King, Cllr McClearn, Cllr Maher, Cllr Roche, Cllr Broderick, Cllr Reddington, Cllr Donuhue, Cllr Canning, Cllr M. Connolly, Cllr Thomas, Cllr Murphy Cllr Welby, Comh Mac an Iomaire, Comh T. Ó Curraoin

Abstain 3 Cllr Parsons, Cllr Kinane, Cllr Curley.

No vote 1 Cllr D. Connolly.

The Cathaoirleach confirmed that the motion was defeated.

The following amendments to Draft Budget 2023 were **PROPOSED** by Cllr. Byrne **SECONDED** by Cllr. Broderick:

"Table A Calculation of Annual Rate on Valuation for the financial year.

Reduction in amount of Rates to be levied by 1,963,130 thus maintaining the Rate on Valuation of 70.59 (as per 2022)

Funded by:

Reduction in Rate Rebate in H0301 of €300,000

Reduction in Bad Debt provision in H0303 of €500,000

Increase in Rent from Houses in Table F, Div A of €254,130

Allocation of 300,000 from rates Compensate to Division H Other Income Transfer from capital account of €609,000 to Division H Other Income."

The Cathaoirleach called for a vote.

The following was the result:

For 30 Cllr. Kelly, Cllr. McKinstry, Cllr Reddington, Cllr. Dolan, Cllr Killilea, Cllr Collins, Cllr Parsons, Cllr Mannion, Cllr Cronnelly, Cllr Donuhue, Cllr Finnerty, Cllr King, Cllr Byrne, Cllr Charity, Cllr Cuddy, Cllr McClearn, Cllr Carroll, Cllr Hoade, Cllr Kinane, Cllr Maher, Cllr Thomas, Cllr P. Keaveney, Cllr Roche, Cllr Murphy, Cllr Curley, Cllr Herterich Quinn, Cllr Broderick, Cllr Welby, Comh. Ó Cualáin, Comh Mac lomaire,

Against 7 Cllr D. Connolly, Cllr Geraghty, Cllr Canning, Cllr Sheridan, Cllr M. Connolly, Cllr. Walsh, Comh. Ó Curraoin.

Abstain 0

No Vote 0

The Cathaoirleach confirmed the draft Budget 2023 as amended was **ADOPTED**.

On the **PROPOSAL** of Cllr. Byrne **SECONDED** by Cllr. Broderick the Members **AGREED**:

"The transfer from conferences and training budgets 2023 as follows;

<i>Training transfer to Notice of Motion - Roads</i>	<i>€51,500</i>
<i>Training transfer to Community Support Schemes</i>	<i>€ 2,800</i>
<i>Conference transfer to Notice of Motion – Roads</i>	<i>€ 8,400"</i>

ITEM NO. 2 DETERMINATION, IN ACCORDANCE WITH THE BUDGET ADOPTED, OF THE RATE ON VALUATION TO BE LEVIED FOR THE FINANCIAL YEAR ENDING 31ST DECEMBER, 2023 **4074**

On the **PROPOSAL** of Cllr. Byrne **SECONDED** by Cllr. Broderick the Members **AGREED**:

"That Galway County Council hereby determine in accordance with the Budget adopted, of the rate on valuation to be levied at €70.59 for the financial year ending 31st of December 2023".

ITEM NO. 3 RESOLUTION TO APPROVE THE ESTIMATED OUTTURNS 2022 **4075**

On the **PROPOSAL** of Cllr. Byrne **SECONDED** by Cllr. Broderick the Members **AGREED** to approve the estimated outturns for 2022.

ITEM NO. 4 TO NOTE THE REPORT ON THE THREE YEAR CAPITAL PROGRAMME 4076

On the **PROPOSAL** of Cllr. Byrne **SECONDED** by Cllr. Broderick the Members **NOTED** the Report on the 3-year Capital Programme.

ITEM NO. 5 TO NOTE THE ANNUAL PROGRESS REPORT ON THE GALWAY COUNTY COUNCIL CORPORATE PLAN 2020 – 2024 IN ACCORDANCE WITH SECTION 134 OF THE LOCAL GOVERNMENT ACT 2001 (AS AMENDED) 4077

On the **PROPOSAL** of Cllr. Mannion **SECONDED** by Cllr. Broderick the Members **NOTED** the Annual Progress Report on the Galway County Council Corporate Plan 2020 – 2024 in accordance with Section 134 of the Local Government Act 2001 (as amended).

ITEM NO. 6 TO APPROVE THE RATES PAYMENT INCENTIVE SCHEME 4078

On the **PROPOSAL** of Cllr. Mannion **SECONDED** by Cllr. Broderick the Members **AGREED** to approve the Rates Payment Incentive Scheme be approved with the eligibility threshold of €20,000.

Chriochnaigh an Cruinniú Ansin.

Submitted, Signed and Approved

Cathaoirleach:

Michael Maher

Date:

19 / 12 / 2022