

COMHAIRLE CHONTAE NA GAILLIMHE

Minutes of Galway County Council Budget Meeting

Held at Áras an Chontae, Prospect Hill

Monday, 4th December, 2023.

CATHAOIRLEACH: Cllr. Liam Carroll

Cathaoirleach of the County of Galway

I LATHAIR FREISIN:

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

Oifigh: Mr. L. Conneally, Chief Executive, Ms. K. O'Connor, Head of Finance, Mr. L. Hanrahan, Director of Services, Ms. E. Ruane, Director of Services, Mr. M. Owens, Director of Services, Mr. D. Pender, Director of Services, Ms. E. Ruane, Director of Services, Mr. A Farrell, A/Director of Services, Mr. Michael McGovern, Management Accountant, Ms. Áine Fenton, Financial Management Accountant, Ms. J. Brann, Meetings Administrator, Ms. M. Jordan, Administrative Officer.

Thosnaigh an cruinniú leis an paidir.

Item No. 1 Consideration and adoption of Budget for Year 2024

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Cathaoirleach welcomed Members to the annual statutory Budget 2024 Meeting and noted no apologies. The Draft Budget 2024 Report as prepared by the Chief Executive was circulated.

The Chief Executive welcomed everyone to the Budget meeting and said that the budget takes into account the National Programme for Government, and in particular the Galway 'Housing for All' targets which is anticipated to reach 1,717 social housing units by 2026 and due to increase further in the coming years arising from clear signals from the Department. He said that commencement of public pay talks will increase demand on the revenue account. Increased inflation costs, energy costs and other service area costs are not anticipated to the same extent next year. The Climate Action plan implementation currently on public display will be brought to Members in February 2024, meeting for adoption.

Administration of the €726,000 Climate Action Fund for new community action projects will continue in 2024. Projects in progress or planned include public lighting energy retrofit, social housing retrofit, 70 active travel initiatives, development of an Electric Vehicle charging strategy and a range of biodiversity initiatives. The Council are committed to obligations under Delivering Effective Climate Action 2030 which will be actioned through the Climate Action Unit. The Council's economic strategy will include the preparation of the Galway Airport masterplan, working with stakeholders to deliver the Garraun Oranmore train station URDF project and the support for twin tracking the Athenry-Oranmore Rail Corridor. The Chief Executive remarked these measures will require the Council to discuss collaborations and partnerships to achieve each project advancement.

The Chief Executive said national issues aside the proposed Budget will deliver a significant work programme for County Galway. He commented on the expansionary nature of the Council's proposed 2024 budget, delivering on housing and community services for individuals and communities in need which will be delivered through the Council's strategic workforce plan. The Workforce plan is currently reviewing current structures to identify best practice and introduce changes to strengthen the organisation as it embarks on new service areas such as economic development and marine spatial planning. It will also identify technical and innovative positions to deliver services through increased staff at Municipal District level including outdoor general operative recruitment.

He stated the 2024 Roads work program will maintain and improve over 400km of road network, and advance strategic economic and infrastructure projects such as the Galway Ring Road for which preparatory works in anticipation of Bord Pleanála's information request are ongoing.

The presented Budget is a balanced book with an expansion uplift across all divisions. This budget is a result of the commitment from Elected Members, Management team and staff working together. The Chief Executive introduced Ms. O' Connor, Head of Finance, to detail the programmes proposed in the Budget document, with questions from Members to be addressed thereafter.

Ms. O'Connor greeted Members and sought by resolution to adopt the Draft 2024 Budget for Galway County Council, in compliance with Section 103 of the Local Government Act, 2001.

She confirmed that the five Municipal Districts (MD) budget plans were passed and added that comments on the draft plan for the Municipal Districts were incorporated into the formation of the 2024 Council Budget.

Ms. O'Connor informed the Council of a letter issued by the Chief Executive to the Department of Housing, Local Government and Heritage seeking additional funding, the Assistant Secretary responded by explaining that the level of increased expenditure on Local Governments experienced by the Department had escalated significantly, to include:

- €75m in Local Property Tax (of which Galway County Council obtained the second highest baseline review of €5.79m)
- €26m relating to the WRC agreement with the Retained Firefighters. The provisional allocation to Galway County Council is €1.5m
- €90m outlay on the Stranded Costs relating to the Uisce Éireann transition. Of this, Galway County Council have obtained an amount for Stranded Costs of €2.5m.

Due to these increased expenditures incurred by the Department Ms. O'Connor conveyed no additional funding was made available to Galway County Council for this Budget although the Council are committed to seek additional funding throughout 2024.

Preparation of the Budget comprised of 8 pre-budget meetings: 5 MD meetings and 3 Budget workshop meetings. The first two workshops were held with the party leaders and the Chairs of the SPCs while the third workshop was held with the full council.

Ms. O'Connor outlined under each service division the Budget has delivered on a proposed increase in expenditure for each of the Directorates with an increase in the total expenditure of over 9%. She stated this is clearly an expansionary budget.

Ms. O'Connor outlined the total projected income from grants, subsidies and other sources relating to the service divisions of €115m, this is an increase of €5m compared to the prior year budget. The figure for the Local property tax is €20.3m and the commercial rates figure is €36.9m. This figure is driven by the National Revaluation Programme which was undertaken for County Galway in 2023 by Tailte Éireann on behalf of Government and in compliance with the Statutory Instrument issued to the Council by the Department. The commercial Rates Figure for 2024 is €36.9m.

Ms. O'Connor referred to the rates limitation order which requires an amount for successful appeals on the actual valuation of the business (G Factor) to be provided at €2m which is included in the €36.9m figure. Further adding that the G factor is effectively like a provision based on the timing and likely outcome of the appeal made on the valuation, the net impact of the National Revaluation Programme undertaken by Tailte Éireann on behalf of the Government resulting in an uplift on rate income of net €2.1m.

Ms O'Connor then presented the budget expenditure by division.

Housing and Building: increase in the overall proposed expenditure when compared to the previous adopted budget of €6.6m.

- A07 relates to the rental accommodation schemes (RAS) and leasing programmes. This is where the Local Authority, work with Approved Housing Bodies to lease or rent private residential properties for applicants on the housing list. There is a proposed €3m increase yearly in this area with matched funding.
- Maintenance and improvement of Local Authority housing units proposed increase of €1.2m.
- A05 sees an increase in the administration of homeless services; and
- In A09 there is an increased expenditure for matched funding for housing grants. This was previously match funded by the Council via the revenue budget and internal capital receipts (ICRs) however from 2024 we have received direction from the Department that we can no longer match fund this through ICRs so an increase is proposed in the revenue budget spend for the disabled persons grants of €375k.

Road Transport & Safety: Galway is the second largest County in the Country, Galway County Council maintains 6,513km's of regional and local roads, second only to County Cork in terms of length.

The main areas of expenditure here include a proposed spend in subsections B03 and B04 of over €49million in the maintenance and improvement of both local and regional roads.

Also, included in the overall budget of €58m spend in this Directorate includes areas in public lighting, traffic management improvement and maintenance and improvement on the national primary and secondary roads.

Water Services: GCC continue to support Uisce Éireann on the delivery of public water and wastewater services in the county, while protecting the environment and safeguarding water supplies.

The expenditure in code C01 relates to the expenditure which is recouped from Uisce Éireann. It is anticipated expenditure and income will reduce here due to the transition to Uisce Éireann under the new Service Level Agreement.

The other main activity here under C05 is the Group Water Schemes budget which is fully recoupable from the department.

Development Management: This Section continues to guide and facilitate the sustainable development of the County supporting forward planning, economic, community and social initiatives.

As you will be aware the Chief Executive has a particular focus on planning and economic development, growing jobs in the County, which in turn will provide future income through rates, for example: Dexcom's new global manufacturing facility, the BIA innovator and the Masterplans for the old Airport site.

The recently adopted tourism strategy will focus on another key economic sector for the County and working with all the relevant stakeholders, this will strive to benefit each part of the County. The breakdown of the proposed expenditure in Directorate D06 - €4.6m of the Community and Enterprise Function which include items on empowering communities, creative Ireland programmes and social inclusions works and D09 economic development and promotion proposed expenditure which has a budget of €3m. This includes the works done by the various regeneration projects, the Shared Island Funds, and other such projects and initiatives.

The main increases in this section relate to the proposed budget spending on additional enforcement costs, to include legal fees, this is due to the anticipated increase in legal cases and judicial hearings.

Under Environmental Services: Subsection E11 and E12, the operation of fire services which incorporates approx. €16.3m of the total spend in this directorate and includes litter management with a proposed spend of €1.9m, street cleaning has a proposed budget of €1.4m, and other areas of proposed expenditure, such as Maintenance of burial grounds, recycling facilities, climate change, water quality, air and noise pollution, Illegal dumping and environmental awareness.

Increased expenditure against Fire services of €1.7m and Climate Change and Flooding of €526k.

Recreation and Amenity: Proposed expenditure on the operation of our library Services of €6.3m. F06 community employment schemes (CES) €2m, this is a contra item.

Subservice code F03 proposes €1m on outdoor leisure areas parks, pitches and open spaces playgrounds and beaches. The increases in this directorate include in the community employment schemes of approximately €400k.

Agriculture, Education, Health & Welfare: Spends in areas such as the operation and maintenance of piers and harbours, land drainage and veterinary services. The proposed expenditure here has remained relatively stable year on year.

Miscellaneous Services: Includes spends in areas such as subsection H03 Administration of Rates of €6.6m in the current year. Included in this is the administration of rates balance, an amount for the bad debt provision of €3.9m; the g factor relating to the rates of €2m; and other support service costs.

In the prior year there was a provision here relating to the rates rebate of 6% for rate payers who paid on time. Given that in Budget 2024 the government announced a 50% waiver on commercial rates for those businesses whose rates bill is €20k or less, it was proposed at a CPG meeting to remove the 6% rebate given locally, as this is double accounting for the rebate to smaller businesses.

Hence you can see a movement in code H03 of an increase of €1.1m, to summarize broadly, an increase in the G Factor of €2m netted by a decrease year on year in the Bad Debt Provision of €400k and a decrease in the rate rebate of €583k.

Also included in miscellaneous services is €2m in relation to costs regarding our local representatives and the annual allowances and €2m in relation to the costs associated with the operation of motor taxation services.

Detailing the 3 Year Capital Programme 2024 to 2026, Ms. O'Connor remarked that details therein were based on best estimates at a point in time and include built in grant funding which has not yet been approved and due to the multi annual nature of the Capital Programme and given the level of economic uncertainty these are fluid and subject to change.

Ms. O'Connor concluded that Budget 2024 is an expansionary budget with increased expenditure across all Directorates, stating that Galway County Council will continue to serve the County of Galway in the advancement of a number of substantial national and local policies none-the-less in order to achieve these there will be need to look both internally and externally in terms of funding and consider items for perpetual income increases, such as a rise in the local property tax rate for 2025, a rise in the Annual Rate of Valuation for 2025, a rent review to be performed in 2024, a review of the areas of potential income earners in the County, i.e. car parking and increase in staffing across Directorates to draw-down further State grants and funding into County Galway.

Ms. O'Connor thanked each of the Councillors, Director of Services, Finance Team Áine Fenton and Michael McGovern, the Cathaoirleach and the Chief Executive for their continuous support and input into the budget.

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

- The Members thanked the Chief Executive, Ms. O'Connor, Directors of Services and the Finance staff for the preparation of the Budget Report 2024.
- They welcomed the pre-budget meetings which included 5 MD meetings and 3 workshops.
- The increased budget presented the Council with the opportunity to make Galway a better place to work, live and visit.
- An update on the Castlerea Fire Station was requested.
- The increase funding in the budget is welcome but the level of funding is not adequate and additional funding should be sought from the Department.
- The N84 project should be kept on the agenda.
- The workforce plan was welcomed as without the staffing it is difficult to deliver the work programme. Galway County Council is understaffed and needs the right approach to attract employees by suggesting a need for LGMA to use spring boarding to upskill and address lack of specialised posts such as planners and engineers.

- The budget falls short of income for retrofitting housing stock and this requires lobbying at national level.
- Consideration should be given to the establishment of a Corporate Development Office to align with Municipal Districts.
- The Just Transition Tourism post should be filled.
- The outright purchase of the Airport Site should be considered by Galway County Council.
- Dealing with anti-social behavior should be a priority in Galway County Council Housing Estates. An inter-agency approach should be taken.
- The security for housing sites over Christmas was raised.
- Funding for the School Traffic Warden in Claregalway was welcomed.
- The budget is underfunded and there is a need to lobby for €15 to €20 million in extra funding and engagement should take place with Mr. McGrath to have extra funding and a better platform for delivery of services.
- With ICR's being eliminated how will the Council mitigate these funds without the income.
- Upgrade the Councils Website and Instagram account needed.
- Welcomed confirmation from the Director of Services that the infrastructure works on the coast road will commence in 2024 for Ros a Mhíl development.
- Emphasis needed on the increase in housing maintenance and the delivery of extra housing units.
- Tourism Officer to balance business in East and West.
- The Tourism Strategy was raised and the need for commitment to support Joyce Park Country lakes to ensure funding going forward for UNESCO status.
- Coastal protection should be a priority and concerns were raised for roads and villages on the coastline and the need to ringfence funding for coastal protection along Galway's expansive coastline.
- Commented on small projects and issues with funding for playgrounds, additional money to help community groups and provide a caretaker for Renville Park for the weekends.
- Matter of coastal erosion Clarinbridge damage and minor flood relief works was raised.

- Commitment was sought to assist businesses in Oranmore and Clarinbridge following the recent storm damage.
- audit conducted on space in burial grounds hoped to be completed in year ahead. Given volume of multi-national religions plan to anticipate purchasing spaces for future would be prudent.
- Coastal erosion research completed on worst affected areas take priority.
- There is a need for machinery and fleet investment.
- Consideration to be given towards modular homes as construction costs are an affordable housing option and look at that element in affordable capacity which would reduce cost of building.
- In relation to Gort Town Project Part 10 funding available to maintain services.

Members queries were responded to as follows by the Chief Executive:

- The Council website is a priority and accepted transactional business of Galway County Council needs a modern website for payments, information, public notices and he added that this is an item that will be dealt with and provided for in 2024 in conjunction with the National ICT Strategy under the rollout of the LGMA.
- The Council will continue the URDF rural schemes, outdoor renewal schemes and leverage national funding.
- Castlerea Fire Station was raised with the Chief Executive of Roscommon County Council. with further conversations to be held.
- Uisce Éireann citing An Spidéal 4m Wastewater Treatment as example, future proof developments that could be rolled out in all MD's as there is an excess of 100 settlements in need to encourage growth and infrastructure.
- Workforce plan will inform the manpower need to allow stage one of staff increases. The labour market is a contested space with corporate and private employers. It is difficult to compete and attract employees but through family friendly policies and other quality of life attractions that Galway provides and the desire of staff to serve communities this can be achieved.
- The Airport site remains in public ownership in partnership with Galway City Council. It has the potential for more infrastructure provision and to roll out a travel strategy that will need engagement to develop a master plan with experts in this area.
- The Strategic Workforce plan is currently in preparation and will align staff resources to Council services and identify new staff training and upskilling requirements.
- Climate Action plan implementation will require significant funding. Allocated funding for retrofit of social houses separate to this funding for vulnerable tenants.
- Importance of Ring Road is critical to improve link to west and facilitate business.
- Tourism infrastructure improvements in parking and emergency services access.
- NOAC Indicators identified need to look at capital and revenue spend in libraries.
- Harbour\Piers provision is increased next year.
- Joyce's Park will be kept on the agenda for 2024.

- Capital deficit from central funds to advance coastal and future economic plans.
- A new Capital Project Management Office will focus delivery on capital projects.
- Just Transition Fund tourism business post will be recruited as soon as possible.
- In response to a query on Health and Safety of Staff the Chief Executive highlighted that it is a key priority in all aspects of Galway County Council work and that he will work in partnership with staff and other agencies to retain our ISO status.
- If an opportunity arises for the purchase of the Galway Airport site, the Chief Executive will examine the options.
- Housing stock, CAS\CALF are top priority, along with Affordable loans and other schemes with intention to expand home ownership and housing our citizens and immigration in 2024.
- Small project playgrounds are priority.
- Assistance to businesses in Clarinbridge\Oranmore is priority and have been given commitment.
- Burial grounds demand, med- long term demand and different religions addressed as part of formal plan. The number of plots available will be assessed and a database of need will be put in place based on evidence.
- Coastal Erosion, capital projects of scale will need central funding and the Council will carry out minor works ahead of larger schemes.
- Just Transition fund recruitment for post and engagement with the LCDC's LECP and other external agencies(Failte Ireland) to ensure expertise provided in that area.
- Update of Council's fleet happening in 2024
- Inflation costs energy variance procure important like any business the Council will tender for contractors frameworks.
- The Ukranian and IP responses are anticipated to be multi-annual.
- The Local Improvement Schemes should be open for applications from time to time and will be funding dependant.
- Audit will be taken place on burial ground needs for the County.
- Discretionary funding in the budget is limited.

Members queries were responded to as follows by Mr. Owens

- The area of the Housing for All delivery is an ambitious programme.
- The role of the Local Authority also supports AHB, RAS and CALF schemes.
- There is a focus on capital supply, maintenance, tenancies and estate management to ensure ongoing progress in these areas.
- The housing supply must be maintained after construction and there is an ongoing focus on tenancy and estate management. Work closely with Gardai and other agencies.
- Garda vetting is carried out in the allocation of housing.
- As ICR's are no longer used as a provision to fund, match fund of €750K, 10% uplift in housing has addressed this through additional funding.

A discussion ensued on the funds generated on the planned events to take place at the Galway Airport Site.

Concluding the Chief Executive commented on the joint Members/staff approach in the preparation of the budget process and that he intends this level of engagement to continue in future budgets and he confirmed an ambitious Council work programme for 2024. The Chief Executive paid tribute to the Corporate Policy Group for their engagement, Ms. O'Connor, Head of Finance, the Finance and Senior Management Teams, the Cathaoirleach and all Elected Members for the new collaboration approach in 2024 Budget preparation.

On the **PROPOSAL** of Cllr. Maher **SECONDED** by Cllr. C. Keaveney the Members **AGREED**:

"The transfer from conferences and training budgets 2024 as follows:

Training transfer to Notice of Motion - Roads	€36,200
Training transfer to Community Support Schemes	€ 3,200
Conference transfer to Notice of Motion – Roads	€ 7,250
Conference transfer to Community Support Schemes	€ 1,050

On the **PROPOSAL** of Cllr. Byrne **SECONDED** by Cllr. Welby the Members **AGREED**:
to adopt Budget 2024.

The Cathaoirleach confirmed the Draft Budget 2024 as amended was **ADOPTED**.

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, 2024.

4267

On the **PROPOSAL** of Cllr. Maher **SECONDED** by Cllr. McKinstry 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 December, 2024".

ITEM No. 3 Resolution to Approve The Estimated Outturns 2023.

4268

On the **PROPOSAL** of Cllr. Finnerty **SECONDED** by Cllr. Maher the Members **AGREED** to approve the estimated outturns for 2023.

ITEM No. 4 To note the Report on the Three Year Capital Programme.

4269

On the **PROPOSAL** of Cllr. Charity **SECONDED** by Cllr. King the Members **NOTED** the Report on the Three-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).

4270

On the **PROPOSAL** of Cllr. McHugh **SECONDED** by Cllr. Geraghty 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).

Chriochnaigh an Cruinniú Ansin.

Submitted, Signed and Approved

Cathaoirleach:



Date:

30-1-2024

