

Minutes of Budget 2023 Meeting of Clare County Council

Location: Held in the Council Chamber, Áras Contae an Chláir, New Road, Ennis, Co. Clare and via MS Teams

On: Friday, 25th November, 2022

Time: 2:30 p.m.

Present:

Councillors:

M. Howard, C. Collieran Molloy, P. Murphy, A. Norton, P. Daly, J. Cooney, A. O’Callaghan, T. O’Brien, J. Crowe, M. Begley, P.J. Ryan, P. McMahon, G. Flynn, D. McGettigan, J. Killeen, J. Garrihy, L. Grant, P.J. Kelly, B. Chambers, G. Keating, C. Murphy, I. Lynch.

Attending via MS teams: Cllrs. P. Hayes, P. Burke, P. O’Gorman, S. Talty,

Apologies: Cllr. J. Flynn

- Mr. Pat Dowling, Chief Executive.
- Ms. Ann Reynolds, Meetings Administrator.
- Ms. Sinéad Armstrong Lynch, Assistant Staff Officer.
- Ms. Anne Haugh, Director of Social Development.
- Mr. Liam Conneally, Director of Economic Development.
- Mr. Leonard Cleary, Director of Rural Development.
- Dr. Carmel Kirby, Director of Physical Development.
- Ms. Noeleen Fitzgerald, Director of Finance and Support Services.
- Mr Jason Murphy, A/Director of Ukrainian Response Team.
- Ms. Caroline O’Connor, Management Accountant.
- Ms. Trina Rynne, Financial Accountant.

The Cathaoirleach, Cllr. Tony O’Brien presided. At the outset he reminded the members of the purpose of this meeting:

1. Consider the Chief Executive’s Draft Budget of Clare County Council for year ending 31st December 2023.
2. Consider the Capital Programme 2021-2023 in accordance with Section 135 (2) of the Local Government Act, 2001, as amended by the Local Government Reform Act, 2014.

3. Adopt the eight resolutions for the adoption of the budget, the annual rate on valuation, the vacant property scheme and associated draft budget 2023 grant schemes.

The Cathaoirleach and members took the opportunity to congratulate the staff and elected members of Clare County Council on winning 2 awards at the Chamber's Ireland Excellence in Local Government Award and also the overall category of Local Authority of the Year award.

The Cathaoirleach then called on the Chief Executive, Pat Dowling to introduce Budget 2023. Mr Dowling addressed the meeting and presented Clare County Council's Draft Budget 2023.

Mr. Dowling reminded the members of the decision, by a majority vote of the members, concerning the Local Property Tax (local adjustment factor) for period 2023/2024 as agreed on 12th September 2022.

Mr. Dowling stated that we cannot, and must not, underestimate the scale of the challenges which continue being faced by governments all across the world in coping with events that have changed our society on a permanent basis. The magnitude of climate change, inflationary volatility, war, legacy of global pandemic and more – all humble us to the realities of life and its uncertainties/frailties. Clare County Council has shown its ability to effectively re-prioritise its work programme, it has demonstrated its flexibility and resourcefulness at a time of crisis. Clare County Council has been and will continue to be adaptable, responsive, and exemplary.

Mr. Dowling further stated such events and challenges require all in public service to pay its way but, moreover, to respond and resource those individuals, families, communities, businesses, and agencies to at least minimise such impacts.

Mr. Dowling informed the meeting that the total budget for Ireland for 2023 is €90.4 billion which includes €4.5b in non-core to address externally driven and temporary challenges such as energy conditions of the international market, the situation in Ukraine and the Horn of Africa. So overall spending will increase by over €1b, an increase without historical precedence. Much of the increase is required to meet inflation in the economy hitting 10% in the second half of 2022 and 7% and more in 2023, along with a provision of some €2.6b to meet the commitments of Government support for Ukraine. In Clare there are currently 28 active accommodation providers across 14 settlements, totaling 3,643, placing Clare sixth nationally. We will be undertaking a comprehensive Socio-Economic Impact Assessment of this situation early in 2023.

In terms of meeting inflation costs for local government, a sum of €60m was set aside to meet increased costs like energy which will fall upon the 31 local authorities in period ahead. Such increases in national exchequer spend, while welcome and required, do not translate directly to local government. While total exchequer funding from Housing, Local Government and Heritage comprises €2.6b capital and €1.4b current – this does not alter the financing model that runs the local authority sector and Clare County Council. NOAC have in its reporting clearly stressed the uncertain financial situation faced by local authorities.

Mr. Dowling stated that while it was apparent and welcome, local government is increasingly being used by national government as a service platform of last resort but doing so without increasing the capacity of the system to generate the necessary resources which would provide the necessary capital co-financing but also critically, the necessary income flows to address increased day to day spending consequent on the increased capital investment. This is in stark contrast to other parts of the public sector as recently seen in HSE, Gardaí, Armed Forces and others – Coillte, etc. More recently the Defence Forces have been freed of departmental shackles on foot of recommendations of the Commission on Defence. Mr. Dowling urged the members and national parliamentarians to continue to fight for real and meaningful local government financing.

Mr. Dowling acknowledged that in the meantime, we must manage our local authority to ensure balanced finances for the year ahead, while continuing to provide services to the best of our ability.

Mr. Dowling reminded members, that for over 25 years leading up to 2016, Clare County Council carried a deficit on its annual account. At the height of this period the Council had an accumulated loss of over €9m. In recent years the Council returned a balanced situation with a slight surplus and the Council is determined to maintain this situation. The proposed current/revenue account totals €151.9m in 2023, an increase of €13.2m over 2022. Also, a projected capital spend of over €23m over the 3 years period 2023 – 2025, which is dependent on income and matching funding.

Mr. Dowling noted the budget book sets out the detailed plans to advance a range of capital projects, initiatives, and programmes across the Physical, Economic, Social, Rural and Ukrainian Services Directorates. Members will be continually updated and engaged on the vast number and variety of projects across the county being driven by Clare County Council. While recent news concerning major capital projects across the county is welcomed, the Council's current expenditure must be adequate to service such loans and continue to focus on the strategic development of the county.

Mr. Dowling thanked the Cathaoirleach, Cllr Tony O'Brien for his ongoing loyalty and support and thanked all the members who engaged constructively in the preparation of this budget at Municipal District and County level. In particular, he thanked the members of the SPC who gave many hours work over recent weeks. Mr Dowling acknowledged the hard work of our finance team under Noeleen Fitzgerald, Director of Finance, ably supported by Trina Rynne, Caroline O'Connor, and others. Mr. Dowling recommended the Draft Budget 2023 to Council for consideration.

Noeleen Fitzgerald, Director of Finance and Support Services gave a presentation on Clare County Council's Draft Budget 2023 and outlined the purpose of the meeting as follows:

Ms. Fitzgerald presented details of the revenue and capital expenditure as well as details of the capital expenditure for 2018 – 2023. She noted to the members there are many areas to considered based on the last 9 months: inflation, the cost of energy, interest rates increase, post covid, war and to supporting the business community.

Ireland's inflation rate went from -0.3% in 2017 to 9.16% in 2022. Similar has happened with interest rates which has an affect on some of the variable loans the Council has, which is a significant increase cost and must be considered part of our budget. Energy cost has doubled since 2019, there will be €1.9m support from government to assist in this. This Draft Budget for 2023 has provided for some element of increased resources while some areas have adjusted downwards from previous years in order to balance the budget, but it will be looked at, at a more positive time. The budget has been framed with no increase in commercial rates.

Ms Fitzgerald concluded by thanking the Cathaoirleach for his ongoing support, the members of the Corporate Policy Group, Strategic Policy Committees and the elected members for the various discussions/meetings at Municipal District level and at county level. She thanked the Chief Executive and the Directors of Service. She particularly acknowledged the work of her colleagues in Finance, Caroline O'Connor, Trina Rynne and Barry Keating in the preparation of this budget.

Social Development Directorate

Cllr. G. Flynn, Chair of the Social Development S.P.C. addressed the meeting and provided an outline of activities for the Social Development Directorate which administers responsibility for the housing, cultural and recreational services delivered by Clare County Council. 2022 marked the beginning of a five-year delivery programme for social housing aimed at construction of 833 additional new homes in the county by 2026. With 200 new units Clare County Councils target of 2022, this has been exceeded by over 80 units. This year also seen a record number of new allocations of up to 400 households were appointed to properties.

Cllr. G. Flynn also noted as Clare is one of 14 local authorities who were deemed not to have an affordability challenge at a countywide level, no affordable housing delivery targets have been imposed on the council under Housing For All. There is work underway in the Housing Department in close consultation with the Department of Housing Local Government and Heritage to support the inclusion of Ennis and Shannon as eligible locations for affordable housing.

Cllr. G. Flynn also provided details of the successful submission by the Council which sees Clare now included in the redress scheme for homeowners whose properties have been impacted by defective concrete blocks, it is anticipated that the work programme for 2023 will include the roll out and administration of the new scheme in conjunction with the Housing Agency. There will be no impact on Budget 2023 with regard to this new service.

Cllr. G. Flynn also outlined provisions for library and arts service as well as the leisure facilities, which has been significantly influenced by increased energy costs. He advised the members that the construction of the new County Library is anticipated to be completed towards the end of 2023. The fit-out period of which will take approximately four months. The completed project is estimated to cost €17m and this will see the delivery of one of the largest capital projects in the county.

Physical Development Directorate

Cllr. J. Crowe, Chair of Physical Development S.P.C. addressed the meeting and provided a summary of activities for the Physical Development Directorate. He welcomed the appointment of a dedicated Climate Action Co-Ordinator.

Cllr. J. Crowe state a key feature of the budget is the rising energy costs, with Public Lighting the Council's largest consumer of power. Energy saving measures are being investigated.

Cllr. J. Crowe provided details of capital projects being managed by the Council's Project Management Office together with projects being undertaken by the Road Design Office, the General Design Office and the Emergency Services.

Under the Environmental Services resources will be directed to maintain the quality of our 13 bathing waters to retain their Blue Flag Status. The services of the 54 bring banks and 5 recycling centres will continue.

Cllr. J. Crowe informed the members under Emergency Services, a new Community Fire Safety programme will continue in 2023. The budget also provides for an increase in the cost of fire cover and communications equipment.

Ennis Municipal District continues to support the implementation of the Niche Destination Plan for Ennis, as well as supporting festival and events.

Clare County Council will continue to manage and operate water services on behalf of Irish Water under the terms of the Service Level Agreement.

Economic Development Directorate

Cllr. P. McMahon, Chair of the Economic Development S.P.C. addressed the meeting and outlined key objectives for the Economic Development Directorate for 2023. He noted the Local Enterprise Office spent €1.1m in grant aid, training, mentoring and trading online vouchers in supporting small businesses. Clare County Council has worked with micro and SME enterprises across the county, with the creation of over 100 jobs.

The Council will continue to participate in positively on the Government's Shannon Estuary Taskforce. In partnership with the University of Limerick an application was made to Government for the University of Limerick/South Clare Campus Strategic Development Zone (SDZ).

The Rural Regeneration (RRDF) funding of €3.53m allocated will progress the establishment of a third level "Clare Maritime Training Facility" in Kilrush.

Cllr. P. McMahon informed the members that the Ennis 2040 Economic and Spatial Strategy, in 2023 the 2040 DAC will progress a number of projects to planning and construction stage in 2023.

It is anticipated to apply for a major Shannon Town Centre URDF funding application.

Significant work has been completed on the preparation of a new County Development Plan 2023-2029, with the members amendments to the Draft plan on public display until the 3rd of January 2023.

Cllr. P. McMahon provided an update to the members on development management, development contributions, taking in charge and property management.

The Economic Directorate work programme for 2023 is extensive and its delivery will involve help from both inside and outside the organisation.

Rural Development Directorate

Cllr. Joe Killeen proved the update on behalf of Pat Hayes, Chair of the Rural Development S.P.C. Cllr J. Killeen provided an overview of the main activities in this area which included a review of our Clare Rural Development Strategy. The implementation Clare Digital Strategy has seen the completion and upgrade of 11 Digital Hubs, across the four Municipal Districts.

Budget 2023 plans for significant investment in the implementation of the Clare Tourism Strategy 2030 supported by Clare Tourism Advisory Forum, linked to this is the preparation of a draft Cliffs of Moher Strategy 2040, which is currently at research and consultation stage. The Due Diligence process on Shannon Heritage was completed in 2022.

Cllr. J. Killeen provided details of rural and community projects that were supported by grant funding at local level with €427,000 being proposed for the 2023 Community Grants Scheme. Along with funding for general Rural Development projects and services, Twinning, Leisure and Sports facilities, Burial Grounds, the Cliffs of Moher, tourism projects and attractions.

Cllr. J. Killeen informed the meeting that investment continues at a multi-million euro level in Clare RRDF projects at Inis Cealtra (Holy Island), Loop Head Lighthouse and Vandeleur Walled Garden. There will also be large scale improvements to the visitor facilities at the Cliffs of Moher which will be self-funded.

Cllr. J. Killeen in concluding advised that recent government capital funding had been approved for small to medium projects and will engage with the 2023 budget and further national grants will be administered by the Rural Directorate in 2023.

The elected members thanked Pat Dowling, Chief Executive, Noeleen Fitzgerald, Director of Finance and Support Services, her team and all the Council executive for their work and support in preparing Budget 2022. The members acknowledged the engagement by the Council executive in sourcing solutions and addressing these issues in the budget for 2023 while it is also important to produce a budget that balanced.

Nonetheless, a number of members raised concerns at the reduction in Community Grants and the General Municipal Allocation (GMA) and the lack of consideration of a minor increase in commercial rates. The discussion continued with concern that the reducing in the grants and GMA would impact rural communities more so than urban areas. The Chief Executive was asked that if monies or funding becomes available in 2023 that these would be allocated to the Community Grants funds and GMA. P. Dowling informed the members that we can only deal with the information available to us at this time.

Resolutions

The eight resolutions were read out by the Meetings Administrator and were adopted by the members:

Ar moladh Cllr. J. Cooney
Cuidithe ag Cllr. G. Flynn agus glacadh leis

- (i) That pursuant to Section 103 of the Local Government Act 2001 (substituted by Section 58 of the Local Government Reform Act 2014) the Draft Budget 2023 as presented by the Chief Executive is hereby adopted.

Ar moladh Cllr. P.J. Ryan
Cuidithe ag Cllr. J. Crowe agus glacadh leis

- (ii) That the Council hereby determine in accordance with the draft budget 2023 as presented by the Chief Executive, the General Annual Rate on Valuation for the County of 75.76 set out in Table A.

Ar moladh Cllr. A. O'Callaghan
Cuidithe ag Cllr. M. Howard agus glacadh leis

- (iii) That in accordance with the provisions of Section 31 of the Local Government Reform Act, 2014, and Part 5 of the Local Government (Financial and Audit Procedures) Regulations, 2014, and Section 14 of the Local Government Act, 1946, that the proportion of commercial rates refund / credit that applies on vacant properties in 2023 will be 25%.

Ar moladh Cllr. P. Daly
Cuidithe ag Cllr. I. Lynch agus glacadh leis

- (iv) That to encourage the beneficial use of commercial property, approve in accordance with Section 66 of the Local Government Act, 2001, as amended by Section 43 of the Local Government Reform Act, 2014, a tiered vacancy property refund/ credit scheme as outlined in the Chief Executive Report and below

Band	%
Up to €20,000 Annual Rate Demand	75%
€20,001 to €50,000 Annual Rate Demand	50%
€50,001 to €100,000 Annual Rate Demand	25%
Over €100,001 Annual Rate Demand	0%

Ar moladh Cllr. J. Garrihy
Cuidithe ag Cllr. I. Lynch agus glacadh leis

- (v) To consider the adoption of the *Small and Medium Business 5% Support Scheme 2023* in accordance with Section 66 of the Local Government Act, 2001, as amended by Section 43 of the Local Government Reform Act, 2014.

The SME 5% Support Scheme for 2023 is in respect of occupied properties, with a total rate value up to €10,000, will provide for a 5% against the subsequent year commercial rates liability where the customer discharges their rates invoice by direct debit in the year of discharged in full by 31st August 2023. Exceptions to the scheme:

- Pipeline, Mast/Antenna, Generating Station, Advertising Station, Global Valuations and ATM

Ar moladh Cllr. M. Begley
Cuidithe ag Cllr. P. Murphy agus glacadh leis

- (vi) To consider the adoption of the Hospitality 5% Support Scheme 2023 in accordance with Section 66 of the Local Government Act, 2001, as amended by Section 43 of the Local Government Reform Act, 2014.

The Hospitality 5% Support Scheme 2023 is in respect of occupied Hospitality Sector properties, with a total rates value above €10,000, will provide for a 5% credit, against the subsequent year commercial rates liability where the customer discharged their rates invoice in the year or are in an agreed payment plan to discharge the total balance due by 31st December 2023.

Ar moladh Cllr. C. Colleran Molloy
Cuidithe ag Cllr. C. Murphy agus glacadh leis

- (vii) To consider the adoption of the Long-Term Vacant Property Incentive Scheme 2023 from 01/01/2023 until 31/12/2023 in accordance with Section 66 of

the Local Government Act, 2001, as amended by Section 43 of the Local Government Reform Act, 2014.

By encouraging the re-occupation of vacant premises that were previously occupied and now vacant, the grant scheme is a grant of the following where the commercial rates are paid in full in the financial year. The scheme for 2023 will be reviewed and realigned to the commercial rate calendar year.

- 75% of commercial rates payable in year one up to a maximum of €3,750
- 50% of commercial rates payable in year two up to a maximum of €2,500
- 25% of commercial rates payable in year three up to a maximum of €1,250”

Ar moladh Cllr. G. Keating
Cuidithe ag Cllr. J. Crowe agus glacadh leis

(viii) That pursuant to Section 66 of the Local Government Act, 2001, as amended by Section 43 of the local Government Reform Act, 2014, that total assistance, in the form of both cash and non-cash payments, to the bodies outlined below is hereby approved.

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|--------------------------|----------|
| • Lahinch Seaworld | €141,000 |
| • Shannon Leisure Centre | €144,500 |
| • Kilkee Waterworld | €120,000 |
| • Glór | €270,000 |

The Cathaoirleach thanked the members, Chief Executive, Directors of Service and Director of Finance and Support Services and their staff for their co-operation in the preparation and adoption of the Budget for 2023. He also thanked members of the Corporate Policy Group and all members for their input into the Budget process.

The meeting then concluded at 4:10 p.m.

Signed: _____
Riarthóir Cruinnithe

Signed: _____
Cathaoirleach

Date: _____