

Minutes of Statutory Budget Meeting of Offaly County Council
Held on 20 November 2023 at 2.00 pm, in Áras an Chontae, Charleville Road,
Tullamore and via Zoom

The Meetings Administrator carried out a roll call to confirm attendance

Present

Cllr. Eddie Fitzpatrick, Cathaoirleach

Cllr. John Carroll	Cllr. Declan Harvey
Cllr. Clare Claffey	Cllr. John Leahy
Cllr. John Clendennen	Cllr. F. Moran
Cllr. Noel Cribbin	Cllr. Tony McCormack
Cllr. Eamon Dooley	Cllr. R. McDermott
Cllr. Sandra Feehan Smollen	Cllr. Peter Ormond
Cllr. John Foley	Cllr. Danny Owens
Cllr. Mark Hackett	Cllr. Liam Quinn

Apologies

Cllrs. N. Feighery and S. O'Brien

Officials in Attendance

Ms. A. Delaney, Chief Executive; Mr. T. Mawe, A/H.O.F.; Ms. S. Kennedy, D.O.S.; Ms. A. Dillon, D.O.S.; Mr. T. Shanahan, D.O.S.; Mr. E. Fennell, S.E.O.; Mr. G. Bruton, Meetings Administrator and Ms. L. Carbery, C.O.

1. Draft Budget 2024

Ms. A. Delaney, Chief Executive, brought the members attention to the Draft Budget 2024. She welcomed the increased funding of €3,595,926 for 2024, as a result of the national LPT baseline review noting that this is the first increase since 2012. She acknowledged the members resolution to maintain 15% for Local Property Tax for 2023 and 2024, providing an increase of €732k for match funding. As in previous years, this funding is over seen by the CPG and progress will be updated to the members. She further welcomed the funding of €1.7m from Central Government to compensate for the loss of rates income as result of closure of Shannonbridge. She advised that there will be no increase in rates evaluation and €400k has been allocated to reduce the deficit. She highlighted the increased General Municipal Allocation of €576k, broken down to €200k for Tullamore Municipal District, €192k for Birr Municipal District and €184k for Edenderry. She outlined the allocations across a range of service areas including housing for Voids, DPG'S (OCC own stock), repairs and maintenance; for roads for county roads and winter maintenance; for planning for plans, digitisation of services; for economic

development initiatives; for library and heritage services; for area-based services including street cleaning, parks, playgrounds, swimming pools.

She outlined the proposed allocation for the implementation of the provisions of the Official Languages Act, 2003, including provision for signage and promotion of the Irish language. Provision is also made for national pay agreements, commencing at national level and also including the national agreement for retained firefighters.

She noted the progress on initiatives in 2023 as outlined for the members in the Directorate reports, including housing allocations and retrofitting. She welcomed the opening of Esker Arts by President Michael D. Higgins and the signing of contracts for the new Fire Services Training Centre. She noted that the Clara Fire Station has received approval from the Department to appoint design consultants for Part VIII. She welcomed the progress on URDF, TVR, Birr Destination Town projects and Part VIII for Edenderry Library and Arts Centre. She welcomed the progress on plans for the convent in Ferbane and Birr, Edenderry, Portarlinton and Tullamore Local Area Plans. She also welcomed the establishment of the Climate Action team, the appointment of a Biodiversity Officer and the implementation of policies and procedures regarding derelict sites.

She advised the members that the Local Enterprise Office commissioned a 5 Year Economic Strategy and Action Plan for Offaly, which has been completed, with actions now being implemented. This will form part of the new Local Economic and Community Plan (LECP). She welcomed two priority actions reports completed in 2023 the “Data Centre Integration with Renewables Report” and the “Rhode Renewable Hydrogen Report” . She noted the Grand Canal Dock, Tullamore Masterplan is nearing completion and the new Offaly Tourism and Marketing Strategy is being finalised and due to be completed by year end, 2023. She noted the Community Response Forum continues to provide a very effective network for supporting and coordinating the response to the war in Ukraine and has met regularly throughout the year. She thanked the Cathaoirleach, members and management team, in particular Thomas Mawe, for their co-operation and work. She acknowledged the staff for their prudent management of resources in providing efficient services.

Mr. T. Mawe, A/H.O.F., provided the members with an overview of the Draft Budget 2024. He advised them of the timeline and the requirement to adopt the budget within 14 days of the Statutory meeting. He highlighted the challenges facing balancing the budget including international factors, such as oil supply, instability in Middle East and Ukraine and due to these uncertainties, he expressed the need to be cautious in this current climate. He highlighted the increase in interest rates and hoped that they would now stabilise or decrease. He noted the loss of rates from the closure of West Offaly Power and welcomed the Central Governments funding of €1.7m to offset the loss of these rates. He stressed the main focus of the budget is to maintain spending at 2023 levels and allow targeted expenditure of areas of critical public expenditure.

He welcomed the members decision to maintain 15% for Local Property tax for 2023 and 2024 which will provide additional income of €722,376 to use for match funding for projects of scale across the county. The Draft Budget has been prepared in the context of increased funding of €3,595,926 for 2024, as a result of the national LPT baseline review. This provides additional funding in key service areas. This is the first real increase since 2012, with the realignment for Irish Water/Uisce Eireann in 2014. The LPT allocation for 2024 is €11.252m, an increase of €3.596m or 47% . Offaly’s share of the LPT fund has increased from 2.16% to 2.62%. This 5 year review process brings certainty from a budget context, allows inflation proofing and expansion of some services in the budget for 2024.

Mr. T. Mawe, A/H.O.F. read the summary of the Draft Budget 2024 from Table A as below:

TABLE A - CALCULATION OF ANNUAL RATE ON VALUATION FOR THE FINANCIAL YEAR 2024 - PREALLOCATION								
Offaly County Council								
Summary by Service Division	Expenditure	Income	Estimated 2024 Net Expenditure		Expenditure	Income	Estimate Net Outturn 2023 Net Expenditure	
	€	€	€	%	€	€	€	%
Gross Revenue Expenditure & Income								
A Housing and Building	13,662,827	13,997,684	(334,857)	-1.1%	12,244,075	12,972,012	(727,937)	-2.9%
B Road Transport & Safety	19,752,115	15,030,541	4,721,574	16.1%	19,209,290	15,143,029	4,066,261	16.2%
C Water Services inc Irish Water Agency	3,278,531	4,763,681	(1,485,150)	-5.1%	3,528,693	5,089,750	(1,561,057)	-6.2%
D Development Management	12,026,130	6,624,428	5,401,702	18.4%	10,220,859	5,566,781	4,654,098	18.5%
E Environmental Services	10,483,360	4,778,459	5,704,901	19.4%	7,485,955	2,325,798	5,160,157	20.5%
F Recreation and Amenity	3,901,132	125,279	3,775,853	12.9%	3,464,083	133,733	3,330,350	13.3%
G Agriculture, Education, Health & Welfare	568,564	234,631	333,933	1.1%	558,498	228,437	330,061	1.3%
H Miscellaneous Services	7,367,921	9,368,687	(2,000,766)	-6.8%	6,955,705	8,882,698	-1,926,993	-7.7%
J Central Management Charge	13,945,588	686,795	13,258,793	45.1%	12,531,312	734,042	11,797,270	47.0%
	84,986,168	55,610,185	29,375,983	100%	76,198,470	51,076,260	25,122,210	100%
Provision for Debit Balance	400,000		400,000		50,000		50,000	
Adjusted Gross Expenditure & Income	85,386,168	55,610,185	29,775,983		76,248,470	51,076,260	25,172,210	
Local Property Tax/Equalisation Fund			11,974,590				8,317,793	
Amount of Rates to be Levied C=(A-B)			17,801,393				16,854,417	
Net Effective Valuation (D)			80,989,039				76,892,035	
General Annual Rate on Valuation (C)/(D)			0.2198				0.2198	

He advised the members there is no proposal to vary the General Annual rate on valuation which remains at 0.2198 and there is provision for €413,000 to fund additional interest rate costs on Offaly County Council non mortgage borrowings. The income for the rent review has been re-invested in housing services for 2024 and €150,000 from Offaly County Council own resources has been allocated for roads to make up the shortfall from NPPR. A further €150,000 has been provided for County Roads from the Revenue Account in 2024 and the Roads Winter Maintenance Budget for 2023 has received an additional €90,00. Income and expenditure levels of national programmes like Roads Funding, Leader, SICAP, etc. have been reviewed and reflect levels of funding being received and no increase for customers is proposed for any Offaly County Council charges.

He advised the members that the implementation of the Labour Court recommendation on retained fire fighters pay presents a considerable funding challenge in 2024 and the funding of this is assumed in the budget to be provided by the Department, however, the full details of the implementation of agreement have yet to be clarified and there may be some residual cost of Offaly County, but this is not known at this point. In addition the department continue to fund pay restoration and talks have begun for a new pay deal that may result increases over a staggered time frame.

He noted that an allocation of €300,000 has been made for Climate actions in Offaly County Council buildings and €400,000 to reduce the deficit. Some smaller allocations have been made for the Arts , Civil Defence, Biodiversity and IT costs and additional posts have been budgeted for in 2024, which in some cases are funded by external bodies. These include posts in Climate action, Tenancy Management, Homeless Prevention, Planning, Economic Development, Housing admin and Tourism.

Mr. T. Mawe read out the detail on principal amount added for 2024:

Additional Housing Provision for Voids/Prelets	637,000
Additional Housing Stock Maintenance Expenditure	264,000
Funding for Own stock Housing DPG's	100,000
Additional County Roads / Winter Maintenance Allocation	240,000
Additional resource for Public Lighting	100,000
Parking meter modernisation/ contract revision	144,000
Additional Costs increased borrowing costs in 2024	413,000
Increase in Deficit reduction provision	350,000
Additional Funding for Climate Action	300,000
Library Buildings and Utilities	104,000
Library book fund (including Edenderry library)	80,000
Economic development initiatives	82,000
UVR match funding	100,000
Forward Planning - Statutory plans and digitisation	110,000
Municipal District Allocations	66,000
Burial ground capital provision	20,000
Greenways and Trail maintenance	55,000
Street Cleaning	120,000
Parks and open spaces	90,000
Graveyard maintenance	30,000
Playgrounds Repair and renewals	90,000
Area Office signage allocation	30,000
	3,525,000

An allocation for swimming pools was also referenced.

He advised the members that Uisce Éireann have assumed full responsibility for the operation of water and waste waters services, with transitional arrangements for staff transfers and Central Management Charge (CMC) funding agreed. The draft budget anticipates this arrangement will have a small impact on the revenue account of Offaly in 2024.

He noted that significant provisions in the Local Government rates and Other Matters Act 2019, have commenced which will see significant changes in the rates billing and collection process for 2024. This requires further clarification, however implications for rates include 1 moiety a year, Property Entry Levy (PEL) will no longer apply, Interest will be applicable to uncollected rates debts from 1st January 2025, giving some rate payers chance to catch up if in arrears. New measures regarding the vacancy abatement scheme will be in place and additional measures around the obligation of a liable person to notify the local authority about changes in status of the property. Most changes will streamline the process and should make it an easier process for both rate payers and the Local Authority.

He informed the members that housing rents, annuities and loans collection rates have held up well throughout 2023, rates collection dipped during the Covid 19 pandemic and the difficult economic climate outlined earlier present a challenge for all businesses. A government support scheme proposed by central government may help to alleviate some of the cost pressures on business. Also a new initiative, MYcoco.ie will be rolled out whereby rates payers and tenants can access directly details of their accounts and balances due, as well as make payments online. He noted the Finance Department primary role is to assist in achieving the strategic priority of developing and delivery of quality services with particular regard to Financial Management and Value for Money. Finance will continue to maintain core financial services and the solvency of the council's finances in the face of a continued

economic uncertainty. He thanked all of the staff in Finance, Motor Tax, IT and Procurement sections for their diligence and commitment, adaptability and team work right throughout 2023.

The members thanked the management team for their comprehensive update and voiced their support for the budget 2024. Cllr. E. Dooley proposed that any underspend in 2024 for members training and conferences be redirected to funding for burial grounds. They welcomed the increased Local Property Tax funding, the provision for the deficit and the increases in spending in various areas. They called for a more permanent funding model to offset the loss of rates due to de-carbonisation programme. They agreed that business supports are very important and they supported no increase in rates. They acknowledged the extent of projects undertaken that have reached all parts of the county and supported many communities. They welcomed the provision for the promotion of the Irish Language.

They raised concerns about public lighting and sought clarity on cost and savings from the PLEEP scheme. They sought information about the climate funding. Cllr. R. McDermott highlighted the increased pressure on roads and bridges due to heavy goods traffic following from the development of wind farms in North Offaly and the need to examine the classification and funding for roads in this area. They expressed the need for permanent funding from Central Government to offset the loss of rates. Cllr. J. Carroll queried the progress on wind farm rates appeals and the status of Offaly County Council loans. Cllr. F. Moran sought a breakdown for the swimming pools allocation. Cllr. S. Feehan Smollen called on funding for road safety awareness and better traffic management. Cllr. M. Hackett sought funding for the implementation of the recommendations of the sub group of the JPC in relation to gender based violence.

In response Mr. T. Mawe agreed to facilitate dispersal of any underspend on training and conferences to burial grounds in 2024. He advised the members that there is continued engagement with government on funding and this has been successful to date. He outlined the climate action funding will focus on energy saving actions for Offaly County Council buildings and fleet adaptation. He confirmed the swimming pools are allocated €55k per the three pools, Clara, Birr and Edenderry. He advised that the final wind farm appeal has been certified and following adjustments there is no impact on the revenue account. He noted there is a loan for the land fill that is due to end in 2025. He advised that funding for implementation of the recommendations in relation to gender based violence is included in the corporate services budget.

Mr. T. Shanahan advised the members that the hold up with the public lighting are 75% in relation to delays in pole replacement or other service requirements and the contractor is now prioritising the urgent lighting issues. The PLEEP scheme is due to commence in Offaly early next year and the energy savings will be seen by end of 2024. He noted there is a working group established to progress bus shelters and public transport with Local Link and traffic management is funded through the NRA. The road safety strategy is being revised in conjunction with an Gardai.

On the proposal of Cllr. E. Dooley, seconded by Cllr. P. Ormond, the members adopted the Budget 2024.

On the proposal of Cllr. J. Carroll, seconded by Cllr. J. Leahy, the members adopted the 100% Vacant Properties scheme.

2. Draft Capital 2024 - 2028

Mr. T. Mawe brought the members attention to the Capital Budget 2024 – 2028.

He informed the members on the reports:

- Report 1 analyses the movement in development contributions since last reported to you in November 2022. This report shows that OCC currently has a balance available of €12.094m development levies to fund upcoming projects, an increase of €3.32m on this time last year.
- Report 2 which analyses the €12.094m balance over the various sources of development funds levied under the Development Contribution Scheme 2021 to 2025.
- Report 3 provides a summary of the projected capital expenditure and income/development levy funding requirement and shortfall by Division for the period 2024-2028.
- Report 4 details the projects in each division that are proposed to be undertaken in the years 2024 - 2028.

He summarised the details of the Draft Capital Budget 2024 – 2028, advising the members that over the next five year period the current balance of €12.094m plus projected income of €5.0m (€1.0m x5) will provide total available for disbursement of €17.094m against a projected requirement of €20.990m, giving a capital budget shortfall of €3.896m. This anticipated shortfall may restrict Offaly County Council ability to undertake some capital projects and it also means that some projects may have to be deferred or prioritised having regard to the funds available.

On the proposal of Cllr. E. Dooley, seconded by Cllr. J. Clendennen, the members adopted the Capital Budget 2024 – 2028.

MINUTES CONFIRMED:

CATHAOIRLEACH

RUNAÍ

18 December 2023

