

## **Kildare County Council**

**Minutes of Budget Meeting held at 2.00pm on Monday,  
18 November 2019 at Arás Chill Dara, Naas, Co Kildare**

**Members Present:** Councillor S Doyle (Cathaoirleach), Councillors V Behan, A Breen, A Breslin, F Brett, B Caldwell, M Coleman, A Connolly, Í Cussen, B Dooley, K Duffy, T Durkan, A Farrelly, A Feeney, D Fitzpatrick, C Galvin, P Hamilton, N Heavey, I Keatley, C Kelly, N Killeen, V Liston, V P Martin, P McEvoy, F McLoughlin Healy, S Moore, J Neville, N Ó Cearúil, P O'Dwyer, T O'Dwyer, C Pender, R Power, P Ryan, E Sammon, M Stafford, M Wall, P Ward and B Wyse.

**Apologies:** Councillors B Clear and B Weld.

**Also Present:** Mr P Carey (Chief Executive), Ms. F Millane A/Head of Finance, Messrs J Boland, S Kavanagh, E Ryan, T McDonnell, N Morrissey, (Directors of Services), Ms M McIvor (Meetings Administrator) and Ms K Keane (Meetings Secretary).

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### **Consideration of Budget**

The Cathaoirleach welcomed the members to the meeting.

As due notice of the meeting and of the preparation of the budget having been given as required by law, the council considered the draft budget for the year ending 31 December 2020.

The Cathaoirleach thanked the members who attended the briefing on the 11 November 2019 and outlined the process for the meeting confirming the Capital Budget would be dealt with once the Revenue Budget had been adopted. She

invited the Chief Executive to address the main issues contained in the Draft Budget. She confirmed that Ms Millane, A/Head of Finance would explain the statutory tables and any questions from the members would be dealt with by the relevant Director of Service.

The Chief Executive stated that despite the positive economic conditions over the past couple of years, balancing this budget had been challenging. He outlined that for 2020, there were minimal changes to the budgets from 2019 and as advised to the Finance Committee, CPG, the October meetings of the municipal districts and full council in September, non-grant income had remained broadly stagnant. He confirmed that the key changes were around -

- Insurance – small increases in costs but also local authorities have been advised that there will be no dividend for 2020
- IT – introduction of Office 365 plus the need to move off a ‘free’ community version of CRM to a paid for product.
- Provision of a Climate Action Officer and €50k towards a climate action fund
- Increase in Rates provisions – increase of €364k
- Extending the Public Realm team and the need to augment it due to the significant activity in that area
- Payroll increases - FEMPI requirements, recruitment of additional staff and statutory increases over the next 12 months.

He stated that Kildare County Council were showing leadership in the area of climate action by allocating €3.2 million to climate related actions. He noted that this was the eleventh year where there was no increase being sought on commercial rates which demonstrated the significant support the council was giving the business community.

Ms Millane stated that the process of preparing the Budget involved a number of stages including CPG considering the broad parameters of the budget followed by a detailed review of income and expenditure headings by Management Team. The decision to vary the Local Property Tax rate had to be made before the end of September and the draft budgetary plans were discussed at each of the municipal

district meetings in October. She outlined that a number of reserved functions would be determined at today's budget meeting including:

- The adoption of the budget (with or without amendment)
- The determination of the Annual Rate on Valuation
- Approval of the vacancy refund rate
- Noting the 3-year capital programme

Ms Millane gave an overview of the income, rental income and rates budget changes and confirmed that the Valuation Office has committed to dealing with Kildare's priority new valuation cases in Quarter 4 2019/Quarter 1 2020 and that there had been an increase in the budget allocated to the payroll code to cover the estimated increase in payroll costs based on the reversion of the Financial Measures in the Public Interest.

Ms Millane outlined that the budget book was divided into 3 main sections:

- The report of the Chief Executive – this report provides the context for the figures in the budget.
- The 'Key Features' (coloured pages) – historically council looked for additional detail than that provided in the statutory budget. As there is no provision to amend the format or detail of the statutory budget, some additional detail is provided here.
- The actual statutory budget (pages T1 to T29) – this comprises statutory and explanatory tables which council (with or without amendment) shall adopt.

She confirmed that the format of the budgetary tables was prescribed under the Accounting Code of Practice and outlined the detail of the statutory tables. She stated that as per the Chief Executive's report, 69% of income was locally generated – ie rates, LPT and goods and services and that the out-turn for 2020 was showing as roughly the same as budget 2019. She noted that service support costs appearing on the budget were primarily the reallocation of the Central Management Charge (Appendix 1).

### **Division A - Housing and Building**

Ms Millane outlined the following:

A0499 Have provided for additional TLO (tenant liaison officer) to provide support to communities and tenants of Kildare

A0502 Homelessness (which is partially recoupable) is expected to increase so we have provided for a 14% increase – ie €400k (90% for preventative work and 7% for the rest – budget therefore as 85%)

A0602 based on the way this is reflected in the Annual Financial Statements (AFS) we are now showing the repayments of principal for voluntary housing in the budget – this is a contra item (ie an in and an out) therefore it has no impact on the budget – it will, however, reduce the need to seek approval for over expenditure in this area as part of the AFS.

A0702 Social Housing Initiatives – there is significant uptake in this area and the budgets are proposed to increase from €5 to €10m, with matching increases to income

A09 – the various housing adaptation schemes are being maintained at 2019 levels – these will be reviewed, and if necessary amended, when the Department advises how much the 2020 grants will be.

A1201 - additional resources being provided due to the positive uptake in the scheme.

Following discussion, the members raised a number of queries and Ms Millane confirmed that only the interest on loan charges for the purchase of housing is shown in the budget as these monies are fully recoupable. Mr McDonnell confirmed rental income is offset against long term leasing, the council carries out its governance requirements as set down by regulations, emergency accommodation is budgeted for and Cuan Mhuire was in the main an addiction treatment center and received its funding from the HSE. He noted that the HSE had requested a meeting with all the local authorities where Cuan Mhuire was based.

### **Division B - Roads and Transportation**

Ms Millane outlined that most of the changes to Roads budgets related to grant aided works. She confirmed the council had not yet been advised of the roads grants for 2020 – these were usually advised in Quarter 1 of the year.

As such, Roads will come back to each of the municipal districts in Quarter 1 with the Road Works programme for 2020 which will reflect the actual grants received but that for the moment we are estimating based on the grants received in 2019.

The other major change to the budgets, which is reflected in the specific areas but is not visible in the budget book, is that the staffing of the engineering areas has been adjusted to take account of the realignment of the boundaries. There have also been movements in staffing between headings.

Public Lighting's budget had reduced – the council has been putting money aside each year towards the new Public Lighting Project to reduce the amount we will need to borrow. This is a national project which is expected to roll out in Kildare in 2020 and 2021. The expected loan repayment has been provided for in this budget. This project is expected to have a significant impact on energy usage.

Pay-parking has been discussed as part of the municipal district meetings in October and the figures included in the budget are those that were brought to the municipal districts at that time.

Following discussion, the members raised queries in relation to investment in, cycling infrastructure design, public lighting, and the roadworks programme, Mr Morrissey confirmed cycling infrastructure design would form part of all future capital project, public lighting upgrade is being rolled out over a number of year and the roadworks programme for each municipal district would be agreed by the end of March and the members could input into the process at municipal district level.

### **Division C – Water Services**

Ms Millane confirmed that Water Services are operated under an SLA with Irish Water – the costs under the SLA are fully recoupable.

C05 the cost of Group Water Schemes is not included in the SLA but the direct costs are recoupable.

### **Division D - Development Management**

Ms Millane confirmed there were some additional staff costs in Planning, which was reflected in D0101 Statutory Plans, D0201 Development Management and D0301

Enforcement. For information the non-payroll cost of statutory plans is estimated on a 5-year cycle which is reviewed based on number of plans etc every couple of years.

D0501 – further to the Chief Executive’s commitment to increase tourism over the coming years an additional €50,000 has been provided here

Taking in Charge and Building Control D0701 and D0802 also have additional staff costs provided

D0901 Urban and Village Renewal has a cost of €600,000 included – this is a contra item.

D0905 Economic Development – the increase here reflects a) a provision towards Broadband project (25k) and b) the staff cost of the public realm team.

D0906 Local Enterprise Office – the increased cost is staff related – most of LEO costs are recoupable from Enterprise Ireland

D1101/D1102 Heritage and Conservation – the reduction in the budget reflects the allocation of planning staff – in 2019 a portion of some planning staff was included here - the budgets for these staff have been budgeted elsewhere in 2020.

The members raised the issue of Taking in Charge of estates and how this item was being budgeted for. Mr Morrissey said staff resources were being increased in this area and stated that the council was down to under 10 problem estates where a legal procedure had to be gone through. He stated that it was hoped that the new Government fund to deal with developer led infrastructure that had failed, will resolve some of these issues.

### **Division E - Environmental Services**

Ms Millane confirmed costs were reasonably static and outlined the following -

E0103 Landfill aftercare costs – there had been a reduction to the provision for 2020 of €50,000 (was 150k)

E0503 Litter Management (see E0501) reduction to costs was based on re-apportionment of payroll costs.

E0901 Operation & Maintenance of Burial Grounds reduction in the revenue to capital provision – this has been some development levy funding (5.11% rec and amenity levies per scheme) available, so for 2020 a reduction in revenue to capital of

€50k would not adversely affect plans.

E11 and E12 needed to be taken together – there is no reduction but there is a reallocation of costs as per the Chief Fire Officer

E1301 Water Quality Management – increased due to additional staff costs

E1501 Climate Change – new for 2020 there is a provision for Climate Change Officer plus as requested by council, €50,000 towards leveraging funds for projects/ grants.

The members queried the method of funding for the Covenant of Mayors and funding for alternatives to glyphosates was contained in the budget. Ms Millane confirmed this budget item was listed under Parks and Mr Boland confirmed that funding for the additional resources to preform under the Covenant of Mayors would be as a result of energy efficiency savings made on foot of the Covenant. In relation to a query regarding funding for emergency works that have not been budgeted for, Ms Millane confirmed the council cannot overspend and would have to cut funding elsewhere to resource these type of emergency scenarios.

### **Division F - Recreation and Amenity**

Ms Millane outlined the following –

F0101 Leisure Facilities Operations – reduction of €300,000 in costs – however there was a matching reduction in income. This related to the Leisure Centre in Newbridge and instead of reflecting the full cost and full income in Kildare's books, it was now being operated under a SLA with KSLF who managed the pools in Naas and Athy. The residual costs related to some payroll and the swimming pool loans.

F0201 Operation of the Library Service had increased as a result of staff costs

F0301 Parks and Open Spaces – increase was due to additional staff costs.

On the income side - Library fines and fees were now gone resulting in reduced income – this should take away the last barrier to anyone joining the library and using the services.

Following enquires, Ms Kavanagh stated that the Parks department was the biggest user of glyphosates but that the council had to bear in mind the research that was out there in this area as the impacts of alternative methods of weed control was still largely unknown. Ms Kavanagh stated a commitment had been given by the council

to look at alternatives in this area noting however, the main issue with alternatives is that they have not been fully thought through in terms of the effects on ground water, soil, drains, carbon footprint etc. In relation to queries regarding tree planting, Ms Kavanagh confirmed the budget was remaining the same as in previous years and the members input into identifying suitable sites suitable for planting saplings which was mainly in housing estates which would also involve consultation.

### **Agriculture, Education Health & Welfare**

Ms Millane outlined the following -

G0101 Land Drainage has increased due to additional staff costs – most of the work done by this team is Capital and therefore capital funded – however some work relates to the ongoing river drainage maintenance (formerly done by specific boards – eg Barrow drainage board/ Lerr drainage board/etc)

Ms Millane confirmed that Higher Education Grants were now gone.

### **Miscellaneous Services**

Ms Millane outlined the following -

H0303 - Refunds and irrecoverable rates reflected the level of irrecoverable rates in 2018 plus/minus anything that we were aware of in 2019.

H0401 - Register of elector costs – this reflects the allocation of staff costs

H0905 – increase reflects likely additional SPC (proposals currently to move from 5 to 6)

Other Income on T27 – increase of €500k – we have been advised that a staff member in the Valuation Office has been assigned to specific new valuations in Kildare – they have not been assigned to every new valuation sent, but based on the ones they have been assigned to additional valuations, leading to a Property Entry Levy (PEL) in 2020 have been budgeted for.

Government Grants on T27 have reduced by €1.8m – this is a mixture of the Irish Water Rates Recoupment (€2.5m) now being gone (replaced by actual rates of €2.1m) and an increase in FEMPI (financial measures in the public interest) recoupment of €700k.

### **Central Management Charge**

Ms Millane outlined the following -



Corporate Affairs – corporate services increase is staff cost related €90k of which is a reallocation from other divisions

Corporate buildings increase was insurance related ie public liability.

IT applications was a mix of Office 365 and the new CRM

The Cathaoirleach thanked Ms Millane for the overview and advised the members that the motions that had been submitted by the members would be taken at this point of the meeting.

**Motion – Councillor Tim Durkan**

That all unspent money generated from LPT and Paid Parking within the municipal districts are retained for use within that municipal district for future years.

The motion was proposed by Councillor Durkan and seconded by Councillor McEvoy

**Resolved** on the proposal of Councillor Durkan, seconded by Councillor McEvoy and with the agreement of the members, the motion was passed.

**Motion – Councillor Kevin Duffy**

That the members approve the allocation of €17,000 for a School Traffic Warden at St Evins School, Drogheda Street, Monasterevan in budget line (BO801) and reduce the publicity and promotion budget (BO802) by the same amount. The allocation is within the same budget category, with a focus on physical measures to child road safety as opposed to only training and education.

The motion was proposed by Councillor Duffy and seconded by Councillor Ryan.

Mr Morrissey stated the budget for publicity and events run by the Road Safety Officer was €70k out of an overall budget of €245/350K and to reduce this by the requested amount would have a negative impact and advised the members against so doing.

Councillor Duffy stated that a school warden was needed on Drogheda Street and sought the members support in this regard.

**Resolved** with 15 members voting in favour of the motion, 21 members voting against the motion and 1 member abstaining, the motion fell.

**Motion – Councillor Vanessa Liston**

That Kildare County Council define an amount of €60k for to support alternatives to the use of glyphosates from FO301.

The motion was proposed by Councillor Liston and seconded by Councillor Cussen.

Ms Kavanagh noted there was already an amount of €15k set aside for this initiative and if the members were seeking additional monies as outlined, a reduction would have to applied in another element of the Parks budget ie. Grass cutting contract, tree planting etc.

Following discussion, the members agreed that each municipal district consider allocating additional funding to support alternatives to the use of glyphosate during the forthcoming 2020 LPT discussions.

**Resolved** on the proposal of Councillor Liston, seconded by Councillor Cussen and agreed by all the members that the allocation of additional funding to support alternatives to the use of glyphosate be considered by each municipal district, during the forthcoming 2020 LPT discussions.

**Motion - Councillor P McEvoy**

Given rapid changes to the socio-economic profile of the county and shortfalls in funding, that the council examine projected income and expenditure levels toward 2024 as part of a consultative process on the Annual Ratable Valuation and the delivery of appropriate levels of services to people that live, learn, work, visit and do business in the county.

The motion was proposed by Councillor P. McEvoy and seconded by Councillor I. Keatley.

A discussion ensued amongst the members in which the following points were raised:

- Biggest challenge for the county is housing being built without the required level of services
- An audit of projected income and expenditure levels could be carried out at municipal district level
- Legislation is currently being looked at where councillors would be given the power of reducing commercial rates
- Next year, the budget might be looked at with even more 'Climate Action' focus
- Kildare County Council is the second lowest funded local authority in the country and should be lobbying Central Government for additional funding

**Resolved** on the proposal of Councillor P McEvoy, seconded by Councillor I Keatley and agreed by all the members, the motion was passed.

The members thanked Ms Millane, Ms Sweeney and all the team in Finance for the work that had gone into preparing the budget. They also thanked the Cathaoirleach for the smooth and effective running of the budget meetings.

Councillor I Keatley proposed the adoption of the budget and Councillor K Duffy seconded this proposal with all members in agreement to adopting the Budget 2020.

The Meetings Administrator read the Resolution for the Budget.

### **Adoption of Budget**

**Resolved** on the proposal of Councillor I Keatley, seconded by Councillor K Duffy and with all members unanimously voting in favour, that pursuant to Section 103(7) of the Local Government Act 2001, Kildare County Council do hereby adopt for the financial year ending 31 December 2020 the budget set out in tables A, B, C, D and E of the draft budget presented to the council and do hereby determine in accordance with the said budget the annual rate on valuation set out in Tables A to E of €0.2246 to be the annual rate on valuation to be levied for that year for the purposes set out in those tables.

### **Vacancy Relief**

**Resolved** on the proposal of Councillor M Stafford, seconded by Councillor A Connolly, with all members agreeing that this council continue to effect vacant premises relief as outlined in Section 14 of the Local Government Act 1946.

### **Capital Programme**

Ms Millane outlined that the capital programme 2020-2022 was a €440m programme. It was a rolling programme and was prioritised based on income, primarily grants, that is anticipated in this period. She noted the capital programme was only a commitment to progress projects once funding had been committed.

**Resolved** on the proposal of Councillor C Pender, seconded by Councillor P McEvoy, that the Capital Budget 2010 – 2022 be noted.

The Cathaoirleach thanked the Chief Executive, Ms Millane, Ms Sweeney and the Management team for all their work in the preparation of this budget. She stated that hard questions would have to be asked of the Government in relation to funding for basic line services in the county adding that the key threats for the council is that other stakeholders have a huge impact on how this council operates.

The Chief Executive thanked the Cathaoirleach and the members for unanimously adopting the budget today. He thanked Ms Millane, Ms Sweeney and the Management Team for delivering a balanced budget and for all the work that had gone into same. He stated that it was a matter of timing before an increase in commercial rates would be sought as the level of activity in the county was phenomenal. He also urged caution as month on month, the council was being asked to do and deliver different things and that this was very challenging given the limited resources at the council's disposal.

Mr Carey further stated that the support given to business was acknowledged by the business community which was through match funding ie. Merits Innovation Hub, Food and Drink Hub in Athy, Equine Innovation Hub and Climate Change/Innovation

initiatives. He also stated that the Public Realm programme required match funding and that if the council was to be proactive in Tourism ie. Blueway/Greenway, it needed to put the relevant funding in place along with being proactive with funding supports for infrastructural projects

The meeting concluded.