

MINUTES OF STATUTORY BUDGET MEETING HELD ON FRIDAY, 27TH NOVEMBER, 2020 AT 3.00 P.M. VIA MS TEAMS

Chair: *Council Chamber:* Cllr. Andrew McGuinness.

Cllrs: *MS Teams:* Eamon Aylward, Tomás Breathnach, John Brennan, Martin Brett, Mary Hilda Cavanagh, Peter Cleere, John Coonan, Deirdre Cullen, Michael Delaney, Fidelis Doherty, Maria Dollard, Matt Doran, Michael Doyle, Pat Dunphy, David Fitzgerald, Pat Fitzpatrick, Ger Frisby, Denis Hynes, Joe Lyons, Joe Malone, Michael McCarthy, Eugene McGuinness & Patrick O'Neill.

Officials: *Council Chamber:* Colette Byrne, Martin Prendiville & Anne Maria Walsh.

MS Teams: Tim Butler, Mary Mulholland, Sean McKeown, Sheasky McGuire, Gerry Tyrrell & Kevin Hanley.

Cllr. Andrew McGuinness opened the Statutory Budget Meeting and welcomed all the Members who were joining remotely.

Chief Executive, Ms. Colette Byrne welcomed all to the meeting. She stated that the year 2020 has been very challenging due to Covid 19 with all the Council's income streams under pressure whilst there was still a demand for all services to be delivered. Support from Central Government is critical to enable the Council to continue to deliver the services. We are still awaiting a final decision on the amount of compensation from Government for the losses of income in rates, parking charges, housing rents etc.

The 2021 Budget has been prepared on the assumption that the principle of government support for the Local Government Sector will continue in 2021 as Covid-19 will continue to have a significant impact on our operations.

It is critical that services continue to be delivered to our citizens and that our citizens maintain confidence in the Local Government Sector. Ms. Colette Byrne referred the Elected Members to her report with the draft Budget and the many capital projects which has commenced or are in the pipeline. The decision of the Council to hold the Local Property Tax at the 2020 level has provided €1.1m towards the Budget and this enables the Council to fund many worthwhile organisations and to maintain the level of funding for numerous grants schemes for 2021.

This Budget will support the work of all communities across Kilkenny and provides for the continued delivery of our statutory obligations and delivery of our day to day services. Ms. Colette Byrne, Chief Executive recommends that the Budget for 2021 be adopted.

Cllr. Andrew McGuinness thanked the Chief Executive for her report. He then asked the Head of Finance to proceed to give an overview on the Draft Budget.

Mr. Martin Prendiville advised that work commenced on the draft Budget in September 2020. Several Workshops/Meetings have been held with the Members. He referred to a number of issues which relate to the budget:

- (i) Council were in a balanced position coming into 2020.
- (ii) Covid has had a severe impact on the Council's finances, details of final compensation is awaited, difficult to estimate what the impact will be for 2021. Budget is prepared on the assumption that Government support will be available.

- (iii) **Rates**
A number of Rates Demands are still under appeal with the Valuation Tribunal, to-date €768,000 has been lost in income. The total estimated loss when all appeals have been heard is expected to be in excess of €1m. This loss has been provided for in the Budget. There is no change proposed to the ARV, it will remain at .2 for 2021. The vacancy refund remains at 90%. Prompt Payment incentive of 3% will remain for 2021 (*subject to a cap of €250 per account*).
- (iv) **Insurers**
€327k is included as additional income for the insurance rebate being provided by IPB in 2021. There is also a reduction of €55k on insurance costs for 2021. The Council has a strong focus on claims management with IPB.
- (v) **Income**
No changes proposed to Parking Charges. Additional rate income of €220k from national revision of utility companies and new additions to rate book. Increase in housing rents is based on the assumption that a full rent review be carried out in Q1.
- (vi) **Arrears Management:**
Kilkenny County Council continues to achieve very high collection rates for rates, rents and housing loans but Covid will have an impact on collection rates in 2020 and 2021.
- (vii) **Non Mortgage Loans**
Provision has been made for the existing term loan repayments and for an increase of €200k to fund an additional €3m of loans for capital projects. This will bring the total non-mortgage loans balance to €24.2m.
- (viii) **Capital Budget**
Review of the Capital Programme will be undertaken in Q1 of 2021. The Council will seek additional grant funding for key projects to minimise the level of match funding required.
- (ix) **Pensions**
Provision of €5m has been included. This is an increase of €350k as there is a significant number of staff due to retire.
- (x) **Challenges**
- Extent of Projected Income Loss in 2021.
 - Funding for Capital Projects.
 - Maintain and manage income collections.
 - Maintain same level of expenditure for services.
- (xi) **Summary**
- Total Draft Expenditure€89.92m
 - Income Goods/Services€57.1m
 - Local Property Tax.....€11.8m
 - Rates.....€21m

Mr. Martin Prendiville referred Members to the Report which outlines the key provisions in the 2021 Budget. He advised that due to the uncertainty, it will be necessary to defer committing expenditure of at least €3m for a number of months until greater clarity is available regarding the level of income for 2021.

Cllr. Andrew McGuinness thanked Mr. Prendiville for the detailed overview of the Budget. He advised that we will now proceed with the formal resolutions which need to be considered in adopting the Budget for 2021. At this stage Mr. Prendiville was asked to highlight some of the major items in each Service Division and referred Members to the first Service Area.

1. Service Division A: Housing & Building

Total Budget €20.08m

On the proposal of Cllr. Peter Cleere, seconded by Cllr. Martin Brett and agreed:

"That the expenditure and income in Service Division A was considered and noted."

2. Service Division B: Road Transportation Safety

Total Budget €25.5m

On the proposal of Cllr. Ger Frisby, seconded by Cllr. Pat Dunphy and agreed:

"That expenditure as amended and income in Service Division B was considered and noted."

3. Service Division C: Water Services

Total Budget €7.11m.

On the proposal of Cllr. Mary Hilda Cavanagh, seconded by Cllr. Eamon Aylward and agreed:

"That the expenditure and income in Service Division C was considered and noted."

4. Service Division D: Development Management

Total Budget €10.68m

On the proposal of Cllr. Pat Fitzpatrick, seconded by Cllr. Fidelis Doherty and agreed:

"That expenditure as amended and income in Service Division D was considered and noted."

5. Service Division E: Environmental Services

Total Budget €11.75m

On the proposal of Cllr. Mary Hilda Cavanagh, seconded by Cllr. Deirdre Cullen and agreed:

"That the expenditure as amended and income in Service Division E was considered and noted."

6. Service Division F: Recreation & Amenity

Total Budget €6.65m

On the proposal of Cllr. Maria Dollard, seconded by Cllr. Pat Dunphy and agreed:

"That expenditure as amended and income in Service Division F was considered and noted."

7. Service Division G: Agriculture, Education, Health & Welfare

Total Budget €672,400

On the proposal of Cllr. John Coonan, seconded by Cllr. Mary Hilda Cavanagh and agreed:

"That expenditure and income in Service Division G was considered and noted."

8. Service Division H - Miscellaneous Services

Total Budget €7.52m

On the proposal of Cllr. Fidelis Doherty, seconded by Cllr. Joe Lyons and agreed:

"That expenditure and income in Service Division G was considered and noted."

It was proposed by Cllr. Martin Brett, seconded by Cllr. Pat Fitzpatrick and agreed:

"That for the financial year ending 31st December 2021, in accordance with Section 31 of the Local Government Reform Act 2014 and SI 226 of the Local Government (Financial and Audit Procedures) Regulations 2014, the owners of vacant premises in all local electoral areas within the Council's administrative area shall be entitled to avail of a strike off up to a maximum of 90% of the total rates due (less arrears) for 2021".

It was proposed by Cllr. Mary Hilda Cavanagh, seconded by Cllr. Pat Dunphy and agreed:

"That for the financial year ending 31st December 2021, Kilkenny County Council revises the Rates Incentive Grants Scheme to a grant of 3% of the 2021 rate demand (excluding arrears) up to a maximum value of €250 subject to the satisfying of existing terms and conditions."

Mr. Martin Prendiville thanked all involved in the Budget process especially the Elected Members for their contribution and discussions on the various issues during the Workshops. He also thanked the Management Team, the Finance staff and all staff involved in preparing budgets and reports.

It was proposed by Cllr. Mary Hilda Cavanagh, seconded by Cllr. Peter Cleere and agreed:

"That the Budget of Kilkenny County Council for the financial year ending 31st December, 2021 as set out in Table B be adopted".

It was proposed by Cllr. Mary Hilda Cavanagh, seconded by Cllr. Peter Cleere and agreed:

"That the rates set in Table A, of the Draft Budget of Kilkenny County Council for the year ending 31st December, 2021 be determined in accordance with the said Budget to the Annual Rate on Valuation to be levied for that year for the purposes set out in Table A".

Cllrs. Mary Hilda Cavanagh and Peter Cleere spoke and acknowledged all the work involved in preparing the 2021 Budget in these unprecedented times. The challenges faced in 2020 by all will continue into 2021. This Budget provided for the same level of services and grants to organisations and communities. It also provides for some additional funding to projects to enable them to continue to operate for the people of Kilkenny and further afield. Both thanked their Members for engaging fully in the preparation of the Budget and thanked the Chief Executive and the Executive for their incredible work in presenting a balanced Budget in these challenging times. They thanked the Executive for all the meetings with the Members and for being available to answer their queries.

Contributions were also received from Cllrs. Tomás Breathnach and Maria Dollard. Thanks were extended to the Chief Executive and Management for the time given to Members to deal with their questions on this budget. This is an ambitious Budget which spends €900 per person in the County delivering a diverse range of services.

Cathaoirleach Cllr. Andrew McGuinness thanked the Chief Executive and Management Team and all staff for the tremendous work in presenting the Budget for 2021. All the Workshops and meetings greatly facilitated the Elected Members in passing this Budget unanimously and without any change. He referred to the changing environment with Covid and this is the first time that the Council has adopted a Budget with all members in their own homes and not in the Council Chamber. He said we can look forward to 2021 with many exciting projects in the pipeline such as the Skate Park, development at the Abbey Quarter, Greenways etc.

He commended all the frontline emergency services, Fire Services, Civil Defence and Community Helpline for all their work during this Covid Pandemic.

Chief Executive, Colette Byrne thanked the Members for adopting the Draft Budget as presented. She thanked the Cathaoirleach Cllr. Andrew McGuinness and his predecessor Cllr. Peter Cleere and all Members for their support during the year.

She thanked Mr. Martin Prendiville and his team and all Directors and staff for all their work in bringing this Budget together. She further advised that the newsletter has gone to print and will be distributed shortly to 18,000 households throughout the County.

All Members and staff have adapted to new ways and working over the year. We face 2021 with a high degree of uncertainty but we will work in partnership to deliver for the people of Kilkenny.

That concluded the business of the meeting.

CATHAOIRLEACH

DATE