R0695 PAC33



Halla na Cathrach Bóthar an Choláiste Gaillimh H91 X4K8

City Hall College Road Galway H91 X4K8

BMCG/DH

25<sup>th</sup> June 2021

Éilis Fallon

Committee Secretarial

Committee of Public Accounts

Leinster House

Dublin 2 D02 XR20

Dear Ms Fallon,

I refer to your letter dated 14<sup>TH</sup> June 2021 as a follow up to anonymous correspondence received by the PAC in relation to the Galway European Capital of Culture 2020 project

The replies that are set out hereunder respond to your request for information regarding the following:

- the Council's governance arrangements for Galway 2020 related expenditure.
- details of allocation and expenditure of the funding; and
- whether the Council is satisfied with the use of the funding it received for the project.

Galway City Council's governance arrangements regarding Galway 2020 related expenditure are those set out in Part 12 of the Local Government Act 2001, specifically Chapter 1 Financial Procedures and Chapter 2 Audit, subject to audit by the Local Government Audit Service.

Expenditure by Galway City Council to support the Galway 2020 project constituted of 3 separate elements:

- (a) Direct expenditure by Galway City Council including bid preparation, bid submission and spending to prepare the city of Galway to host the designation as European Capital of Culture in 2020.
- (b) Grant Funding from Galway City Council to the Galway Cultural Development & Activity Company Ltd towards the delivery of a Cultural programme as part of the designation as European Capital of Culture in 2020.
- (c) Grant Funding from the Department of Culture Heritage and the Gaeltacht to agreed elements of the Cultural programme of Galway 2020 and administered by Galway City Council.



Element (a) is governed by Part 12 of the Local Government Act 2001 and associated financial policies and procedures of Galway City Council.

Element (b) is governed by Part 12 of the Local Government Act 2001 and associated financial policies and procedures of Galway City Council and a Service Level agreement between Galway City Council and Galway Cultural Development & Activity Company Ltd.

Element (c) is governed by a Performance Delivery Agreement between the Department of Culture Heritage and the Gaeltacht and Galway City Council.

Galway City Council allocated funding towards direct costs to be incurred by Galway City Council in the preparation of the City for the European Capital of Culture year of designation in 2020 over two annual budgets in 2019 and 2020. This allocation was:

- 2019 €400,000
- 2020 €400,000

In total, Galway City Council allocated funding of €6 million to the European Capital of Culture project. This included:

- Bid and preparatory costs between February 2014 and April 2018 totalling €2,151,386
- Grant aid to Galway Cultural Development & Activity Company Ltd totalling €3,848,614

Funding of €2,831,730 was allocated by the Department of Culture Heritage and Gaeltacht in regard to agreed elements of the cultural programme of Galway 2020. Galway City Council administered this funding on behalf of the Department. These elements included the following 3 projects:

- Gilgamesh delivered by Macnas
- Middle Island delivered by Druid
- Mirrored Pavilion delivered by Galway International Arts Festival (GIAF)

In regard to the final element of your query, Galway City Council did not receive external funding for the European Capital of Culture designation.

I trust the forgoing information addresses the queries of the Committee.

Yours faithfully

brends mp

Brendan McGrath Chief Executive