

**Minutes of Budget Meeting of Leitrim County Council held in the Council Chamber, Áras an Chontae, Carrick on Shannon, on Tuesday, 16<sup>th</sup> December 2008 at 5pm**

**Members Present**

Bohan, Mary,	McDermott, Sean
Brennan, Damian	McElgunn, Liam
Colreavy, Michael	McGloin, Enda
Dolan, Frank	McGowan, Sean
Dolan, Gerry	O'Rourke, Paddy
Ellis, Caillian	McTernan, John
Ferguson, Tony	Mulligan, Thomas
Flynn, Aodh	Reynolds, Gerard
Guckian, Sinead	Stenson Enda
Hughes, Gordon	
Kenny, Martin	

*And Councillor Francis Gilmartin, Leas-Cathaoirleach presiding*

**Apologies:** Jim Joe Shortt

**Officials Present:**

- Ms. J. Maguire, County Manager
- Ms K. Murphy, Head of Finance
- Mr Martin Dolan, Director of Services, Planning, Environment & Emergency Services
- Mr. J. Gilhooly, Director of Services, Community and Enterprise Development
- Mr John McGuinness, Director of Services, Infrastructure
- Ms Mary Quinn, Director of Housing & Corporate Services
- Mr Brian Kenny, Senior Engineer
- Mr W. Lowe, Senior Engineer
- Mr Shay O'Connor, Senior Engineer
- Finian Joyce, Chief Fire Officer
- Mr Francis Gaffney, Senior Executive Engineer
- Mr Michael Gallagher, Senior Executive Engineer
- Ms Carmelita Caslin, Senior Executive Officer
- Mr Vincent Dwyer, Senior Executive Officer
- Ms Angela Carr, Financial Management Accountant
- Ms. A. McGovern, Meetings Administrator

**08/650  
16/12/08**

**Votes of Sympathy**

The members unanimously extended a vote of sympathy to the following;

- Eddie Stokes & Family, 47 Breffni Crescent, Carrick-on-Shannon on the death of Sean Patrick Mongan
- Sonny Reynolds, Lisnagat, Carrick-on-Shannon on the death of Rebecca Reynolds
- Paul Williams, Corrahole, Ballinamore on the death of Mrs Patrica Williams.
- Finian Joyce, Chief Fire Officer, Leitrim County Council on the death of Mrs Joan Joyce.

08/651

**16/12/08 Mental Health Supervised Residential Unit at Bank House, Manorhamilton**

The Chairperson, Councillor Gilmartin indicated that he was permitting Councillor Michael Colreavy to raise an urgent motion. He advised that he would also permit one representative from each of the parties to speak in relation to the motion. This was agreed by the Members.

Councillor Colreavy thanked the Chair and the members for permitting consideration of the matter.

***To consider the following Notice of Motion submitted by Councillor Michael Colreavy;***

“Leitrim County Council condemns the proposal of the Health Services Executive to close the Mental Health Supervised Residential Unit at Bank House, Manorhamilton and transfer the eight (8) people living there to various other residences. We regard this proposal as unfair treatment of vulnerable people who will be asked to leave their home of several years. The Health Service Executive decision means there will be no Supervised Residential Unit for people with mental illness in North Leitrim for respite, short-term or longer-term accommodation and care. We ask that the HSE rescind this decision pending a full review of community mental health facilities in the county and discussions with the residents, their families, the staff at Bank House and other statutory and voluntary bodies concerned with supporting people with mental illness. That this motion be sent to the Minister for Health, (Mary Harney), the Chief Executive of the Health Service Executive, (Professor Brendan Drumm) and the Local Health Manager PCCC, Health Service Executive West, (Mr Pat Dolan).”

Councillor Colreavy outlined that the HSE has unilaterally decided to close the facility and transfer the residents to anywhere that a bed can be found. He outlined that there had been absolutely no consultation in relation to the matter which is about cost saving rather than patient care. He stated that the decision amounted to state abuse of vulnerable people. He outlined that the decision is to take effect in January

Councillor Frank Dolan strongly supported the motion. He outlined that he understood however that it is perhaps already too late to impact on the decision which he is advised has come about as a result of an overview over the last couple of months. He stated that it is regrettable that the Government can be so narrow-minded in launching an attack on the most vulnerable in our society.

Councillor Flynn also supported the motion and indicated that he understood that the decision was made by the Operations Manager in the HSE without any consultation with the residents. He outlined that the HSE is not going to reverse the decision. He advised that the matter was raised at the Hospital Management meeting and was informed that this was not within their brief.

Councillor Gerry Dolan supported the motion and stated that it is critical that everything is done to reverse this decision.

***Proposed by Councillor Michael Colreavy, seconded by Councillor Fank Dolan AND UNANIMOUSLY RESOLVED;***

“That Leitrim County Council condemns the proposal of the Health Services Executive to close the Mental Health Supervised Residential Unit at Bank House, Manorhamilton and transfer the eight (8) people living there to various other residences. We regard this proposal as unfair treatment of vulnerable people who will be asked to leave their home of several years. The Health Service Executive decision means there will be no Supervised Residential Unit for people with mental illness in North Leitrim for respite, short-term or longer-term accommodation and care. We ask that the HSE rescind this decision pending a full review of community mental health facilities in the county and discussions with the residents, their families, the staff at Bank House and other statutory and voluntary bodies concerned with supporting people with mental illness. That this motion be sent to the Minister for Health, (Mary Harney), the Chief Executive of the Health Service Executive, (Professor Brendan Drumm) and the Local Health Manager PCCC, Health Service Executive West, (Mr Pat Dolan).”

**08/652**

**16/12/08 Car parking in Carrick-on-Shannon during Christmas**

Councillor Reynolds welcomed the decision in relation to the free car parking in Carrick-on-Shannon from the 17<sup>th</sup> December 2008 up to the 24<sup>th</sup> December 2008 inclusive. Councillor McElgunn supported this but outlined that this free parking only applies to certain areas in the town i.e. St Mary's Close, the Quays and Park Lane.

This was noted and welcomed by the members.

**08/653 Conferences**

**16/12/08**

***Proposed by Councillor Martin Kenny, seconded by Councillor Michael Colreavy AND UNANIMOUSLY RESOLVED;***

That Leitrim County Council approves of the following:-

- The attendance of Councillor Gerry Dolan at the Clare Tourism Conference on the 27<sup>th</sup> to 30<sup>th</sup> November 2008 in Clare.
- The attendance of Councillor Gerry Dolan at the seminar on Effective Communications for Councillors in the Sligo Park Hotel on 12<sup>th</sup> December 2008 to the 14<sup>th</sup> December 2008.
- The attendance of Councillor Gerry Dolan at the training seminar for councillor on Homelessness in Ireland in the City West Hotel on the 5<sup>th</sup> to 6<sup>th</sup> December 2008.

**08/654**

**16/12/08 Consideration of Draft Budget for the financial year ending 31<sup>st</sup> December 2009**

The County Manager referred to the draft Budget for the Financial Year ending 31<sup>st</sup> December 2009 and to her report dated 5<sup>th</sup> December 2008 as circulated to each

member. She outlined that the preparation and balancing of the budget for 2009 had proven extremely difficult. She advised that Katrina Murphy, Head of Finance would give a general presentation in relation to the Draft Budget and then go through the Budget document Division by Division.

Ms. Maguire outlined that the overall Revenue Expenditure for 2009 at €44,699,267 represents a decrease of 3.5% on the 2008 Budget. She outlined that Leitrim County Council is over 82% dependant on the Local Government Fund which has been reduced by over €1m, or 5.95%, for 2009. She advised that this reduction is compounded by a significant reduction in our own income sources particularly in the planning area. She outlined that a number of meetings of the Corporate Policy Group and Party Whips had been held to consider the draft budget. She advised that, in line with members' wishes, no rate increase is being recommended for 2009. She advised that all discretionary expenditure has been cut to a minimum with most budgets at 2007 levels or less. She advised that efforts are also being made to find greater efficiencies internally. Ms. Maguire advised that the Budget as presented is aimed at trying to keep services at a level comparable to 2008 while having regard to increasing costs relating to energy, water and waste water treatment, general pay agreements, vat increases, bank interest rate increases and regulatory requirements. She also outlined that the Budget is drafted on the basis of a number of assumptions including the assumption that the level of Road Grants funding will be similar to 2008 levels. She advised that, as in other years, it will be mid to late January 2009 before the Council is notified of the roads allocation. She outlined however that some of the Development Levy works have been held over for 2009 to counteract some of the negative impacts of a reduced roads allocation.

Ms. Maguire advised that the Budget has only been balanced on the basis that a further €360k in savings can be achieved through a Voluntary Redundancy Scheme which has been offered to staff. She outlined that the closing date for expressions of interest in the scheme, which will have to be approved by the Department, has been extended to 19<sup>th</sup> December 2008. She advised that she is hopeful that the required level of savings can be achieved.

In relation to the Local Government Fund, Ms. Maguire clarified that the allocation as notified is based on the assumption that €40m will be collected nationally on foot of the €200 charge to be levied in respect of non principal private residences. She advised that this is not additional income for the sector and if the €40 million is not collected nationally, the Fund will have to be re-examined and it is anticipated that allocations will be reduced accordingly. She advised that no decision has been made to date in relation to whether this charge will be collected locally or centrally. She asked the members to bear in mind that the Budget as presented has been balanced on the assumption that the full Local Government Fund allocation as notified will be received.

Ms. Maguire advised that there is very little room for manoeuvre in the Budget as presented which will require very strict monitoring as the year progresses. She also advised that the Budget as presented complies with the national requirement to reduce payroll costs by 3%.

Councillor Reynolds queried whether the full Local Government Fund allocation had been paid over in respect of 2008. Ms. Maguire confirmed that 98% of the allocation had been paid over with an indication that the balance of 2% would be paid early in 2009, additional to the notified 2009 allocation. Councillor Reynolds also queried

what would happen if the level of voluntary redundancies anticipated is not achieved. Ms. Maguire advised that in that event she would have to revert to the Council in relation to where the necessary cuts could be made.

Ms. Katrina Murphy, Head of Finance gave an overview of Budget 2009 in terms of the main provisions, assumptions and format - the presentation delivered to the members by Ms. Murphy appears as **Appendix I** to the Minutes of this Meeting in the Minute Book. It was agreed that Ms. Murphy would give an overview of each individual Division explaining what is provided and questions arising would then be addressed.

Ms. Murphy outlined that Service Support Costs are included at every service throughout the Budget. She outlined that these costs relate to the costs of central services eg. ICT, Finance, Corporate Services, Human Resources etc, and are allocated/charged against each service in accordance with Department guidelines in this regard.

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

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division A – Housing & Building.

Councillor Bohan queried the significant apparent drop in expenditure on Housing Maintenance between 2008 and 2009. Ms. Mary Quinn, Director of Services, Housing & Corporate Services advised that this is due to the completion of the national Central Heating Programme in 2008 and also an augmented Planned Maintenance Programme in 2008 which arose due to a carry-over balance of Internal Capital Receipts which are used to fund Planned Maintenance works. She advised that the budget provided for routine maintenance for 2009 is adequate. She also advised that the reduced level of resources available from Internal Capital Receipts for Planned Maintenance and other Programmes would result in a slow-down in these programmes and would have to be kept under ongoing review.

Councillor Kenny queried the significant increase in expenditure under the RAS Programme and asked if this would mean that it would be easier for people to avail of the programme. Ms. Quinn confirmed that it is intended to fully implement this funded scheme in 2009 and the budget reflects this anticipated increase in activity levels. She advised that there are currently 114 potentially eligible persons living in County Leitrim.

Councillor Colreavy queried whether there would be the same level of Revenue Collectors employed in 2009 and if there is a reduction whether it is realistic to anticipate collecting a similar level of rent. Ms. Katrina Murphy, Head of Finance advised that the rationalisation of the Revenue Collector function is currently under negotiation. She advised that various other means of payment are being implemented and examined and it is anticipated that collection levels can be maintained. Councillor Ferguson queried whether it is intended to use the An Post facility for rent collection. Ms. Murphy confirmed that discussions have taken place with An Post in this regard.

Councillor McGloin queried where the €300k match funding for Housing Grants is coming from and how long it is anticipated that this funding will last. Ms. Quinn advised that the €300k is coming from Internal Capital Receipts. She advised that €300k would equate to a potential allocation from the Department of €1.2m compared to €1.6m in 2008. She advised that details of the 2009 allocation are awaited. She further advised that all payments on hands have been cleared up to our 2008 allocation limit. She advised that once the 2009 allocation is notified by the Department the likely impacts will be

considered and a report in this regard will be presented to the Housing & Corporate Services SPC and the Council. This was welcomed by the members.

Councillor Brennan complimented the staff dealing with the Housing Grants. He outlined that he would be against any system of prioritisation of applications and stated that applications should be processed and paid as they are received and a further allocation can be sought mid-year if necessary.

Councillor Gilmartin also expressed concern that the Housing Grants would be maintained at a level to meet the need. Councillor McGowan referred to a motion which he had raised earlier in the year in relation to the inclusion of replacement of aluminium windows and doors under the Housing Grant Schemes. Ms. Quinn advised that this matter had been considered by the Housing & Corporate Services SPC as agreed and formed part of the report which was circulated to the Members at the December Council meeting. She advised that it had been agreed that there would be no changes to the current works approved under the Schemes and that the matter would be reviewed in the context of the 2009 allocation. Councillor McGowan proposed that these works be included under the Scheme as a matter of urgency.

Councillor Ellis highlighted a situation where a family member was ineligible for a Disability Grant due to living with parents. He requested that this issue be taken up with the Minister.

Councillor Flynn queried whether house purchases would be considered as part of the Housing Programme. He also sought assurances that the Rural housing programme and extension programmes would be continued. This was supported by Councillor Ferguson and Councillor McDermott. Ms. Quinn confirmed that house purchases would be considered. She also confirmed that Rural Houses will continue to be built where appropriate to meet needs and that extensions will be provided as appropriate based on the available Internal Capital Receipts. Councillor Stenson outlined that the purchase of private houses could be a contentious issue and needed to be carefully considered. Ms. Quinn confirmed that the Housing Programme would be based on the needs identified.

Councillor Hughes queried whether the Housing Estate Management Budget includes provision for private estates which are taken in charge. Ms. Quinn advised that this budget relates to local authority developments only.

Councillor Guckian supported the purchase of houses as part of the Housing Programme and particularly former local authority houses which come on the market. She also referred to the proposed refurbishment of Mohill Halt Site and how this would be funded. Ms. Quinn advised that the refurbishment of the Mohill site is included in the Draft Traveller Accommodation Programme which is currently on public display. She advised that any refurbishment programme would require capital funding and a submission in this regard would be made to the Department following adoption of the Programme. She confirmed however that in the interim a clean-up of the site has been organised for the current week.

Councillor Reynolds queried the number of people working in Housing, the % of the Budget relating to salaries and pensions, the total housing stock, the number currently on the Housing List, the number of Council houses sold in 2007 and 2008, the number of houses built in 2007 and 2008, the level of income from housing rents and the % collection, the number of housing loans, the number of housing units still requiring repairs (windows/doors etc), how the new facilities at Rosebank, Carrick on Shannon are to be

maintained, what is included in the Estate Management budget and what is included under the Homeless Budget. He also queried what had happened in relation to the North West Simon proposal in relation to tenancy sustainment.

Ms. Katrina Murphy, Head of Finance advised that Rent collection stands at 96-97% and substantial progress has been made in 2008 with tenants who were in arrears. She advised that there are in the region of 100 loan accounts most of which are old fixed interest loans. Ms. Mary Quinn advised that the Estate Management Budget includes the costs of the Housing Liaison Officer, the Grant Scheme for Residents Associations and our contribution to the FÁS CE Scheme. She advised that the Homeless budget relates to the costs of the provision of emergency accommodation for persons presenting as homeless and is 90% recoupable from the Department. She advised that the North West Simon pilot project is up and running and is due for review in May 2009. She advised that the project is currently dealing with 6 tenancy sustainment cases. In relation to Rosebank she advised that the Council have a Halting Site Caretaker who visits both Council sites regularly. She advised that it is also proposed to establish a Residents Association and work with the local residents in maintaining the new facilities in Carrick on Shannon to the appropriate standard. Ms. Quinn advised that there are currently 427 approved applicants on the Housing List including 61 transfer applicants. She advised that the Housing Stock is currently approximately 970 units and a total of 77 casual vacancies arose in 2008. She advised that windows and doors have been replaced in a total of 292 units and that a detailed housing stock survey is scheduled to be completed in 2009 which will determine the Planned Maintenance Programme going forward. She advised that she would revert to Councillor Reynolds in relation to the numbers employed in Housing and the numbers of sales and completions in 2007 and 2008.

Councillor Colreavy outlined that he understood that SEI (Sustainable Energy Ireland) have a grant scheme for cavity wall insulation available in some counties. He requested that the Council write to SEI requesting that they ensure that this scheme is available in Leitrim in 2009. He further suggested that Leitrim County Council should offer to undertake a pilot scheme in relation to energy conservation in a selection of our housing stock, with before and after energy audits to be conducted and the scheme to be funded by the Department and SEI.

### **Division B - Road Transport & Safety**

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division B – Road Transport and Safety. She advised that, as in other years, the provisions currently reflect anticipated allocations for 2009 based on actual receipts in 2008 and this position may change when the 2009 allocation is notified.

Councillor Brennan queried what the future projection is in relation to the Outdoor Roads staff. The County Manager advised that a similar level of allocation to 2008 is assumed and that on this basis there should not be a difficulty in relation to the retention of the Outdoor Staff. She acknowledged the significant cut in the local roads contribution but advised that the allocation covers the level of wages required for existing staff. She outlined that some of the Development Levy monies for 2008 have been held over to ensure that there is sufficient resources and work for staff.

Councillor Brennan outlined that the massive drop of €0.5m in own contribution to the Roads Programme in respect of local roads was an issue of huge concern and that it was absolutely essential that the level of funding be reinstated to the 2008 level at a minimum.

He stated that he could not in conscience accept a 50% reduction in this provision and appealed for the matter to be reviewed.

Ms. Jackie Maguire, County Manager stated that the decision in this regard had not been made lightly. She outlined that the Roads Programme is one of the few areas where we have discretionary spend. She outlined that every aspect of the budget had been pared back as far as possible based on still providing 'a level of service'. She outlined that the costs associated with the local elections in 2009 and the provision of ICT equipment etc have had to be provided for over a number of years. She advised that the budget had been gone through line by line and she could see no scope for the reallocation of resources to local roads without another service being cut and the possible part-closure of some service eg. Arts Centre, a Library etc. She outlined that even having made the various cuts across service areas, balancing the budget was still dependent on achieving a significant level of voluntary redundancies.

Councillor Brennan acknowledged this but stated that an essential service such as local roads maintenance could not be cut and the money will have to be found. Mr. John McGuinness, Director of Services, Infrastructure accepted that the cut is very disappointing but outlined that the local road network has improved dramatically. He outlined that he was very aware of the importance of protecting the investment that has been made in the road infrastructure and advised that a very detailed programme will be brought to the Roads meetings. He reiterated that all programmes have been cut back as far as possible and stated that he did not see where any reallocation could be made.

Councillor Bohan welcomed the assurances in relation to the outdoor Staff. She also welcomed the fact that no increase in rates or water charges is being proposed. She stated that it is very important that we try and maintain the standard of road which we have. She supported Councillor Brennan in seeking to increase the allocation in any way possible but accepted that it was difficult to see how this could be achieved. She requested that any funding that can be secured be ring-fenced for local roads.

Councillor Ellis supported the comments made and stated that we must seek to maintain the standard of our roads infrastructure. Councillor O'Rourke also supported the comments made and queried whether the Council is owed money from Eircom for road reinstatement etc. Councillor McGowan outlined his disappointment at the shortfall in the local roads fund. He also queried the position in relation to the footbridge at Rooskey and the provision of lay-by's on the Dromod Rooskey By-Pass. Mr. John McGuinness advised that Rooskey Bridge is included in the Special Improvement Grants applications as a co-funded job and is at the top of this list. In relation to the Dromod Rooskey By-Pass he advised that the NRA are reviewing the standards in relation to this type of roadway and lay-by's may or may not be provided. He advised that locations have been identified and notified to the NRA in this regard.

Councillor Mulligan also outlined concern in relation to the reduction in local road maintenance and stated that this is one of the most essential services. He outlined that he had attended the CPG meetings in relation to the Budget preparation and was well aware of the difficulties. He stated that this level of cut could only be considered for one year provided that funding for local roads is prioritised in subsequent years.

Councillor McTernan stated that local roads in the Dromahaire area have not improved in recent years. He queried whether the road reinstatement contribution had been received from the ESB in respect of damage arising from works carried out and also stated that forestry should not be allowed on our roads over the winter months. Mr. Shay O'Connor,

Senior Engineer confirmed that the funding had been received from the ESB. He also confirmed that there was a particular time constraint in relation to the forestry issue but that the Area Engineer is in discussion with the forestry company and activity has stopped pending agreement.

Councillor Gerry Dolan outlined his disappointment in relation to the road maintenance cuts. Councillor Stenson stated that all members are on the same wave-length in relation to this matter. Councillor Flynn queried whether there was any juggling that could be done to make up at least half of the shortfall involved. Councillor Guckian also concurred with the concerns expressed.

Councillor Hughes outlined that he understood the difficulties in preparing the budget but considers the level of cut in relation to local roads unacceptable. He sought clarification in relation to the outdoor staffing position. He also queried if any money is allocated towards the gritting of footpaths, particularly adjacent to schools. The County Manager reiterated the position in relation to outdoor staff – that no guarantees can be given in the absence of details of the roads allocation but it is considered that adequate provision has been made. Mr. John McGuinness advised that footpaths can be looked at in the context of gritting activity in towns but there was no scope to cover the entire county.

Councillor Reynolds queried the position in relation to the numbers employed in Roads & Transport, the number of temporary staff, the number of casual outdoor staff employed in 2007 and 2008, the amount allocated to staff training, the level of travel budget and the % of the budget that relates to pensions. He stated that local roads maintenance is an essential service in a rural county and a 50% cut in provision is drastic. He also stated that it was very optimistic to assume the same level of grants as received in 2008. He also raised the issue of a lack of co-ordination between sections of the Council in relation to issues such as Road Openings which he stated must be addressed.

Ms. Katrina Murphy, Head of Finance advised that Staff Pay and Pensions constitutes 44.9% of the Budget overall. She advised that the total Travel and Subsistence budget is €450k compared to €640k in 2008. She outlined that the Training Budget is a central service covering all staff and the provision is circa €200k for the organisation. She advised that there is also an additional funded training element that is specific to Roads of approximately €40k. Mr. John McGuinness outlined the staffing structure in the Roads & transport area. Ms. Jackie Maguire, County Manager outlined that she did not accept that there was no co-ordination between sections. She outlined that Roads and Water Services had been combined to form the Infrastructure Directorate to facilitate greater co-ordination. She advised that a formal complaint can be made in relation to specific incidents and that she was happy to discuss any case with Councillor Reynolds.

Councillor McDermott welcomed the opening of the new stretch of road on the N16. He stated that the cut in local roads funding is unacceptable and he could not vote for a budget on this basis. Councillor Frank Dolan concurred with this and said that a 50% cut in any essential service is not acceptable. Councillor McElgunn also outlined his disappointment. Councillor Ferguson outlined that he appreciated the difficulties involved. He stated that the welcome but difficult decision had been taken not to increase the rates and unless money can be reallocated within the budget there is nothing that can be done in relation to the local roads funding.

Councillor Colreavy raised the issue of having to consider a Budget based on assumptions in relation to allocations and requested that this matter again be raised with

the Department. He also raised the issue of the significant cost implications associated with revised Health & Safety requirements in relation to Road works.

Councillor Gilmartin acknowledged that the cut in relation to local roads is significant and very disappointing. He advised however that the budget had been the subject of detailed discussion at CPG meetings and was the best position achievable. He suggested that if the CPG process was working effectively there should not be the requirement for such lengthy discussion in relation to this matter. Councillor Gilmartin also raised the issue of the adequacy of road gritting and the need, in seeking to achieve value for money, to properly repair and seal potholes rather than doing patching jobs which are ineffective.

Councillor Brennan proposed that the amount of money for local roads remain at a similar level to 2008 and that a way must be found to do this. The County Manager reiterated that all discretionary spend has already been cut and the members will have to determine which other services they want to cut in order to increase the level of local roads funding. She outlined that no provision has been made for EPA Licence Fees and Local Election costs are being funded over 5 years etc. Councillor Brennan queried if Development Charges could be used to make up the balance. Ms. Maguire advised that this is precluded by regulations. The members queried whether there were savings which could be made in relation to Consultancy fees. Ms. Katrina Murphy, Head of Finance advised that the bulk of Consultancy fees relate to Capital Projects which are funded. She advised that the only provision in the Revenue Budget is €165k in respect of legal costs, audit fees, coroners fees etc none of which are discretionary.

Councillor Reynolds suggested that consideration of the budget should be deferred until details of the uptake in the Voluntary redundancy Scheme are known. The County Manager advised that this will not affect the roads issue. She advised that she expects that the figure of €360k will be achieved but that it is extremely unlikely to be exceeded. She further advised that the Scheme will have to be approved by the Department and this may take until mid-late January. She further advised that cuts in other areas will result in closure or part-closure of services.

Councillor Guckian pointed out that the overall roads budget is some €17.5m and the 50% cut relates specifically to one aspect of the Roads Programme and not the overall programme.

Councillor Brennan stated that he held his view very seriously in relation to this matter.

### **Division C - Water Services**

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division C – Water Services.

Councillor Flynn queried water leakage levels for the county. Mr. John McGuinness, Director of Services advised that the level of Unaccounted For Water for the County is approximately 37.6% which while high is not out of line with the rest of the country. He advised that it is generally accepted that the minimum level achievable is 20-25%. He advised that a significant water conservation programme is being put in place.

Councillor Hughes and Councillor Reynolds queried the Service Support Costs and how these are allocated. Ms. Katrina Murphy, Head of Finance again outlined what is included in the Service Support Costs and that they are allocated based on guidelines from the

Department. She referred members to Appendix 1 on page 36 of the Budget document which provides a breakdown of the Service Support Costs.

Councillor Brennan sought clarification on the cost of running the water and wastewater treatment facilities in the county. He suggested that within this €6m programme and in each of the other programmes it should be possible to find €85k in savings to put back into local roads. The County Manager confirmed that provision is made for the operation and maintenance of the plants and the maintenance of the networks. She advised in relation to water charges that it would be necessary to get to full cost recovery over time. She outlined however that no increase in water charges is proposed. She highlighted a proviso in this regard however in that no provision is made for loan charges arising from borrowings in relation to the Leitrim Towns and Villages and Carrick Schemes. She advised that it is hoped that these can be pushed out to the latter end of the year with the impact to be addressed in 2010 but stated that if this happens sooner she may have to come back to the members in relation to water charges. She advised that there was no real scope within this Programme to make savings and that certain provisions have not been made including EPA Licences application fees etc. Mr John McGuinness, Director of Services confirmed that the budget has been cut very tightly and it will take extreme management to operate within the budget as provided.

Councillor Reynolds sought clarification in relation to the water charges issue and whether the Manager could come back at a later point in the year seeking an increase in the charges. The County Manager reiterated that she may have to come back to members in this regard depending on when loan charges in respect of the Towns & Villages and Carrick Sewerage Schemes Contracts kick in. She advised however that she was hopeful that this could be held off until 2010.

Councillor Reynolds also raised the condition of the road at Kilnagross on foot of Water Scheme works. Mr. McGuinness confirmed that he would try and get temporary reinstatement works carried out on this stretch of road before Christmas. He advised that the contract includes for substantial reinstatement works at the end of the project. This was welcomed by the members.

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

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division D – Development Management.

Councillor Colreavy queried the position in relation to Development Charges and the apportionment of same. The County Manager advised that Development Charges are apportioned in accordance with the Development Contributions Scheme adopted by the Council in 2004. She advised that Development Charges cannot be pulled into the Revenue account.

Councillor O'Rourke queried the provisions in relation to Unfinished Housing Estates and the action being taken in this regard. This was supported by Councillor McGloin who stated that the Council is facing a very serious situation in this regard. He asked that priority be given to pursuing developers who are still in a reasonable financial position with a view to getting some of these estates completed. He stated that there was a need to improve the overall taking in charge performance. He also stated that developers need to be supported in relation to the process.

Mr. Martin Dolan, Director of Services, Planning, Environment & Emergency Services confirmed that they are following all developers in relation to unfinished developments including pursuing the legal system in relation to liquidation cases. He advised that there are currently 23 applications for taking in charge all of which are at various stages. He advised that the Council are adhering to the Policy as adopted in relation to this matter and are working very closely with the developers in this regard.

Councillor Hughes outlined that taking in charge is a very significant issue for the Council and not enough is being done to support developers. He also stated that there should be one point of contact within the Council to deal with this issue and that developers are being passed from 'pillar to post' in this regard. This was supported by Councillor Reynolds and Councillor McTernan. Mr. Dolan refuted this and advised that the process is dealt with by the Building Control Section. He advised that an internal cross-sectional group has been established to ensure co-ordination in relation to the process. He stated that the delays in the process are on the Developers side and the Council is fully adhering to the Policy as adopted.

Councillor Hughes sought a breakdown of the Economic Development & Promotion budget. Ms. K. Murphy outlined that this includes €60k for the promotion of the county and provision for contributions to regional bodies etc. Ms. Joseph Gilhooly, Director of Services, Community, Cultural & Enterprise Development outlined the ongoing and proposed economic development initiatives. Councillor Flynn questioned the value of such activities in the current economic climate. Councillor Colreavy outlined that economic development is needed now more than ever and every effort must continue in this regard. Councillor Brennan stated that all expenditure areas must be looked at closely and any savings that can be made channelled back into local roads. He stated that it must be possible to find €85k in each of the Programme Groups to put back into roads. Ms. Katrina Murphy advised that the discretionary spend amounts to approximately 10% of the overall budget. She reiterated that all programmes have been cut back as far as possible.

Councillor Flynn queried the provisions in relation to Social Inclusion. Mr. Joseph Gilhooly outlined the various initiatives and projects being developed and supported in this regard.

Councillor Ferguson queried the position in relation to statutory demands from statutory bodies. The County Manager advised that the Council is obliged to meet such demands. She advised however that a letter had issued to the various regional bodies asking that they keep their costs to a minimum bearing in mind the difficulties being faced in relation to the budget. Councillor McDermott queried the % cutback in the ICBAN contribution and expressed concern in this regard. This was supported by Councillor Ellis. The County Manager advised that a 50% reduction has been applied and advised that she was not aware of what other counties have done. Mr. Gilhooly pointed out that ICBAN is currently in a state of flux pending details of how the Interreg IV Programme will be rolled out, and should be looking at reverting to its core role as a representative body.

Councillor Brennan queried the provision in relation to Statutory Plans and Policy. Ms. Murphy clarified that this relates to the staffing costs in relation to the preparation of the County Development Plan, Local Area Plan etc. She outlined that this work would previously have been done by Consultants. Councillor Reynolds queried the level of planning staff and in the context of the drop in planning application activity queried whether some of the Planners could be redeployed into other areas. Mr. Martin Dolan advised that a total of 932 planning applications have been received to date in 2008 compared to 1,373 in 2007. He advised that there are 6 permanent planning staff, 2 of

whom have been redeployed to the County Development Plan. He advised that these staff are Planners by profession. He advised that the temporary planning staff will be let go as their contracts expire and that the focus for the Planners can now be more in the enforcement area, unfinished estates etc. He outlined that work had recently been undertaken in relation to identifying developments which had commenced without a Commencement Notice having been submitted and which would, in the absence of a Commencement Notice, not have been identified as owing Development Contributions. He outlined that it was the first time that the Planning Section was in a position to make a concerted trawl in this regard. This was welcomed by Councillor Hughes who stated that such cases should be picked up on an ongoing basis.

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

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division E – Environmental Services.

Councillor McGloin outlined concern in relation to Derelict Sites and highlighted a particular property in Drumshanbo. Mr. Martin Dolan, Director of Services, Planning, Environment & Emergency Services advised that this particular case is coming near a conclusion.

Councillor McElgunn complimented the work of the Fire Service and stated that this is one area that he would not like to see cut. Councillor Flynn queried when it was expected to see development on the new Fire Station in Manorhamilton.

Councillor Guckian queried whether there is any funding for landfill aftercare costs and whether there is any other potential for these sites. Ms. Katrina Murphy, Head of Finance advised that the provision is in respect of the cost of borrowing in respect of the rehabilitation of Carrick and Mohill sites. Mr. Martin Dolan advised that we are required to maintain a monitoring programme at present and there is currently no scope for anything else. The County Manager advised that a Risk Assessment would be required in relation to the level of development that could be accommodated on such a site.

Councillor Hughes queried the provision in relation to the Enforcement of Waste Regulations. Mr. Dolan advised that this relates largely to staff costs associated with inspections and following up on complaints. He advised that some of this expenditure is recoupable and that there are significant activity levels in this area. Councillor Brennan queried the provision in relation to Water Quality Management. Mr. Dolan advised that this relates to costs associated with testing of water. He advised that this will be particularly important in the context of the River Basin Management Plans. Councillor Brennan highlighted the range of new regulatory requirements with no associated funding and stated that this cannot be sustained. This was supported by all the members.

The County Manager stated that local authorities have taken on a huge amount of new functions and there will be more to come in the context of Water and Environmental legislation etc. She advised that the funding issue is flagged to the Department at every opportunity but local authorities are being advised that they must absorb the costs.

Councillor Flynn queried the provision in relation to street cleaning. He also queried whether there is a grant available to local communities in respect of the maintenance of burial grounds. Mr. Dolan clarified that the provision in this Division re street cleaning relates only to the emptying of litter bins. He advised that there is no grant available to local communities in respect of the maintenance of burial grounds.

Councillor Reynolds queried the numbers employed in Waste/Environment. He also queried the necessity for 4 Fire Officers given decreasing level of activity re Fire Safety Certificates etc. Mr. Dolan advised that there are a total of 10 staff including 2 temporary staff employed in the Waste/Environment area. In relation to the Fire Service, the County Manager outlined that a significant body of work has been carried out and is ongoing in relation to the new Major emergency Plan. Mr. Finian Joyce, Chief Fire Officer also advised that the focus has now moved to the whole area of planning and unfinished housing developments etc.

### **Division F - Recreation & Amenity**

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division F – Recreation & Amenity.

Councillor Brennan queried the significant increase in Library operation costs. He also queried the Administration provisions in relation to the Arts Programme. Mr. Joseph Gilhooly, Director of Services, Community, Cultural & Enterprise Development advised that the Library increase relates to how the Service Support Charges are allocated – he advised that these charges were allocated in 2008 on the basis of 12 staff but the allocation for 2009 is based on the full staffing complement of 25 including Branch Librarians etc. He advised that the overall cost of the Library Service is €1.264m v €1.285m in 2008. He also outlined a breakdown of the Arts Programme provision.

Councillor Reynolds stated that the cost implications of the Aura Leisure Centre were significant but that this is a tremendous facility. He also stressed the importance of promoting The Dock and complimented the Arts Officer on the Arts Programme. Councillor Mulligan queried whether the Council is subsidising the day to day running of the facility. He also suggested that an approach should be made to Roscommon County Council seeking a contribution towards the costs of the facility given that it serves a significant portion of the Roscommon population. The County Manager confirmed that we do not subsidise the running costs. She advised that an approach could be made to Roscommon County Council but she would not be hopeful of success.

Councillor Stenson queried whether the Sports Co-ordinator and Sports Administrator have been appointed. Mr. Gilhooly advised that the Sports Co-ordinator will be in position in early January 2009 and it is envisaged that the administrator will also be appointed in the first Quarter.

Councillor McDermott acknowledged the provision in respect of the Sean MacDiarmada Summer School and the significant work which has gone into its development and stated that this initiative would serve to kick-start tourism in North Leitrim.

### **Division G - Agriculture, Education, Health & Welfare**

Ms. Jackie Maguire, County Manager gave an overview of the provisions in Division G – Agriculture, Education, Health & Welfare.

Councillor Hughes queried the reduction in the provision in respect of joint drainage bodies. He stated that he was opposed to any reduction in this provision. This was supported by Councillor Ellis. The County Manager advised that if this provision is increased the members will have to identify which areas are cut. She outlined that both Members had been in attendance at the CPG meeting where the provision had been

agreed. Councillor Hughes stated that he had not agreed to anything at the CPG meetings.

Councillor McGowan outlined concerns in relation to the reduction in the drainage provision. He outlined however that he could accept a reduction of €5k to the Rinn & Black for one year. Councillor Brennan also outlined his concerns and supported reinstating this provision to 2008 levels. He stated that this was another area where rural people were being hit.

Councillor Bohan paid tribute to the Leitrim Animal Welfare Service for the service provided. Councillor Gilmartin outlined that his experience of the service had been less than satisfactory. Councillor Ferguson outlined that a bigger issue was the level of unlicensed dogs in the county.

### **Division H - Miscellaneous Services**

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division H – Miscellaneous Services.

Councillor McGloin queried whether there is any recoupment in relation to Coroners expenses. Ms. Murphy confirmed that there is no recoupment.

Councillor Colreavy asked if any provision had been made in respect of Sligo Leitrim Mountain Rescue as had been requested. Ms. Murphy confirmed that no provision had been made in this regard. Councillor Colreavy advised that he wished to give €2,000 of his Conference Allowance towards this group. Councillor Bohan pointed out that the Conference Allowance was in respect of expenses actually incurred and was not a fund that was available to members to allocate as they wished. A number of members indicated that they had not used their full allowance for 2008 but had been advised that it could not be reallocated and would go back into the general Council fund. Members indicated that they all had particular organisations that they would like to assist. Following discussion it was suggested that the Community Grants Scheme would be the most appropriate means of funding such a group and Councillor Colreavy agreed to progress the matter via an application for funding under the Community Grants Scheme.

The meeting was adjourned at this point for a short recess.

### **General**

Councillor Reynolds queried the impact of National Wage Agreement in relation to payroll. The County Manager advised that accounting for a full year impact of the September 2008 increase and the proposed increase from September 2009 would represent circa €500k.

Councillor Gilmartin outlined that the position was that Councillor Brennan is seeking an additional €500k for local roads and the County Manager has advised that she cannot find this amount. The County Manager stated that if there was any additional funding there it would have been included. She reiterated that everything has been cut back as far as possible and that things that should have been provided for have not. She stated that the cuts could only be made in areas of discretionary spend. She stated that other

services will have to be cut to put any additional resources back into local roads. She stated that the members would have to tell her where to make the cuts.

Councillor Brennan stated that there was no question of any rate increase and after this it was a matter of priorities. He stated that local roads are a priority service and the only area taking a 50% cut. He stated that jobs will be lost in addition to running down an asset and he would not be supporting it. Councillor Stenson stated that when it is put like that it was impossible for other members to support the budget. Councillor Guckian said she fully supported the comments made and it was very disappointing that the level of funding available had to be cut so significantly. She reiterated however that this must be considered in the context of an overall Roads Budget of €17.5m. Councillor Ferguson outlined that maintaining a 0% increase in rates and increasing the local roads funding were incompatible. It was agreed however that there was no question of an increase in rates.

Ms. Maguire, County Manager reiterated that it is the aim to maintain the level of full time outdoor staff and to take on levels of casuals as needed. She advised that she could not guarantee that the same level of staff would be used in 2009 as in 2008. She advised that everything possible has been done to maintain maximum staffing levels.

Councillor Bohan outlined that all members are concerned in relation to staffing and securing jobs, particularly for the outdoor workers. She stated however that every county is in a very difficult situation in terms of achieving a balanced budget for 2009. She stated that a budget must be adopted and that difficult decisions had to be made and she appealed to the members to continue to work together in the interests of the county. She stated that it was a matter of adopting the budget as presented or identifying where cuts should be made to allow an increase in the allocation for local roads. Councillor Brennan stated that it is a matter for the Manager to identify the cuts. The County Manager advised that she had presented the draft Budget. She advised that it is a matter for the members to identify where cuts should be made. She reiterated that further cuts would have to involve the cutting of services. She stated that if there was any source of funding that she could identify she would have done it. She advised that any additional resources that do become available will go into roads.

The issue of Development Charges was again raised and the County Manager reiterated that Development Charges cannot be used to supplement the Revenue Budget. She outlined that Development Charge works have been held over to 2009 to ensure that there is an additional level of work and funding available.

Following further lengthy discussion and two short adjournments Councillor Gilmartin outlined that the Draft Budget had been debated at length and in detail. He advised that the Manager had given a guarantee that any extra money will go to Roads. He advised that it was now a matter of the members accepting or rejecting the Budget as presented. He outlined that the Council had worked very hard to achieve a 0% rate increase, conference expenses had been cut by 33%, there is no rise in water charges, development contributions are the lowest in the country and the members have worked tirelessly in relation to the Development Plan all in an effort to make Leitrim a better place to live and work.

08/655

**16/12/08 Adoption of Draft Budget for the financial year ending 31<sup>st</sup> December 2009**

Councillor Francis Gilmartin proposed that the Budget be adopted. This was seconded by Councillor Aodh Flynn.

Councillor Damian Brennan stated that he could not accept the 50% cut in the local roads budget and he proposed that the Budget be rejected. This was seconded by Councillor Sean McDermott.

The Chairperson pointed out that as there are two proposals before the meeting a vote would have to be taken and that the vote on the counter-proposal made by Councillor Brennan would be taken first.

In advance of taking a vote, the County Manager advised that if the members reject the Budget without any further instruction to her as Manager she would have to notify the Department that the Council had failed to adopt a budget. She advised that the members have 21 days from today to adopt a Budget. She reiterated that the members would have to identify where any cuts are to be made.

Following further consideration Councillor Brennan advised that he wished to withdraw his proposal.

A poll was then taken of the members present and voting, in relation to the proposal to adopt the Budget as presented.

<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Absent</b>
Bohan, Mary	Brennan, Damian	Colreavy, Michael	Dolan, Gerry
Ellis, Caillian	Dolan, Frank	Stenson, Enda	Kenny, Martin
Ferguson, Tony	Hughes, Gordon		Shortt, James J.
Flynn, Aodh	McDermott, Sean		
Gilmartin, Francis	McGloin, Enda		
Guckian, Sinead	McTernan, John		
McElgunn, Liam	Mulligan, Thomas		
McGowan, Sean	Reynolds, Gerry		
O'Rourke, Paddy			
<b>9</b>	<b>8</b>	<b>2</b>	<b>3</b>

The motion was declared carried.

***Proposed by Councillor Francis Gilmartin, seconded by Councillor Aodh Flynn AND AGREED;***

“That Leitrim County Council adopts for the financial year ending 31<sup>st</sup> December 2009, the Budget set out in Tables A - F, and further resolves to determine in accordance with the said Budget the rates set out in Table A to be the annual rate on valuation to be levied for 2009 for the purposes set out in those Tables.”

**08/656**

**16/12/08 Determination of Annual Rate on Valuation**

***Proposed by Councillor Sean McGowan seconded by Councillor Francis Gilmartin AND UNANIMOUSLY AGREED;***

“That Leitrim County Council hereby determine in accordance with the Budget, as so adopted, the Annual Rate on Valuation to be levied for the several purposes specified in the Budget for the financial year ending 31<sup>st</sup> December 2009.”

**08/657**

**16/12/08 Certification**

The Cathaoirleach and County Manager then signed the Statutory Certificate to the effect that at the Budget Meeting of Leitrim County Council held this 16<sup>th</sup> Day of December 2008, the Council by resolution adopted for the financial year ending 31<sup>st</sup> December 2009, the Budget set out in Tables (A to F) and by resolution determined in accordance with the said budget the Rates set out in Tables (B and C) to be the annual rate on valuation to be levied for that year for the purposes set out in those tables.

The Chairperson, Councillor Gilmartin thanked the Manager, the staff and the press for their forbearance during the deliberations on a difficult budget. He also thanked the members for their contribution. He stated that the Council had kept its promise to the business and the farming community and have done what is in the best interests of the county. The Members in turn thanked the Cathaoirleach and staff for the manner in which the meeting had been presented and conducted. Ms. J. Maguire, County Manager thanked all involved in the preparation of the Budget and in particular Katrina Murphy, Head of Finance. She also thanked the Chairperson and the members. She advised that it gave the Executive no pleasure to have to present such a difficult budget and assured the members that every effort will be made to stay within budget in the coming year.

*This concluded the business of the meeting at 2.45 am*

**SIGNED: Jim Joe Shortt  
CATHAOIRLEACH**

**SIGNED: Aideen McGovern  
MEETINGS ADMINISTRATOR**

**DATE: 12th January 2009**