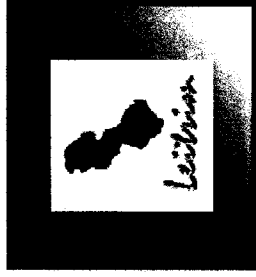


COMHAIRLE CHONTAE LIATROMA



# ANNUAL BUDGET

For the Financial Year Ended  
31st Day of December 2010  
Incorporating

County Manager's Report & Explanatory Tables.

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## Manager's Statement for 2010 Budget

Comhairle Chontae Liatroma  
Áras an Chontae  
Carrick-on-Shannon  
Co Leitrim

23 December 2009

**Cathaoirleach agus Gach Ball,  
Comhairle Chontae Liatroma**

**Re: Annual Revenue Budget 2010**

Dear Member,

In Circular FIN 11/2009 the Minister for the Environment, Heritage and Local Government has prescribed periods for the holding of the statutory budget meetings of Local Authorities. The prescribed period for County Councils is the 24<sup>th</sup> November 2009 to 13 January 2010. The Budget Meeting for Leitrim County Council is scheduled for 11<sup>th</sup> January 2010. The Corporate Policy Group was consulted and advised of the assumptions made in relation to income and expenditure in framing this budget. Please find attached the proposed Budget of Leitrim County Council for the financial year ended 31<sup>st</sup> December 2010 set out in the required statutory format.

### **Budget 2010 - Financial Context**

#### **Local Government Fund**

Leitrim County Council have been notified of a provisional Local Government Fund allocation of €14,489,435 representing a 2.25% decrease on the 2009 actual allocation. Local Authorities are also permitted to retain 65% of the payroll savings accruing in their authorities during 2010. In the Budget Tables, the Local Government Fund is shown net of the retained Pension Levy deductions and net of 35% of the payroll savings repayable to Central Government.

#### **Non Principal Private Residences Charge**

The newly introduced Non Principal Private Residences Charge has generated income of €500,000 for Leitrim County Council to date in 2009. The €200 charge was introduced by the Department of the Environment Heritage and Local Government under the Local Government (Charges) Act 2009. The charge is based on self declaration by the owner and significant penalties accrue for each month left unpaid. The charge is collected via a bureau service set up by Local Authorities to operate as a shared service initiative. The 2010 Budget reflects a similar level of income from this source.

#### **Commercial Rates**

The Council appreciates that the business community is experiencing very difficult trading conditions. In cognisance of this, no rate increase is proposed for 2010 and the general rate on valuation will be frozen at the 2008 level.

The 2010 Budget has been prepared against the backdrop of a continued deterioration in the economic climate. Income sources across all services particularly construction related income sources e.g. planning fees, fire safety certificates and commencement notices have continued to decline. The economic climate continues to pose serious challenges for the Council and the County in the year ahead.

In light of the foregoing, it has been necessary to adopt a prudent approach to maintaining the stability of the Council's finances. This budget provides for Revenue Expenditure of €40,599,151 during 2010, a decrease of 10% on the 2009 adopted budget.

The reductions in Central Government funding accompanied by a downward trend in all income sources necessitated the reduction in our cost base. This has been, and will continue to be the focus of attention in 2010. Every effort is being made to minimise the impact on services with a clear priority on reducing management costs.

In framing the 2010 Budget the priority has been to allocate available resources in the most effective manner and to restore services eliminated or restricted, particularly as a consequence of the 2009 Supplementary Budget.

## **2009 Review**

The 2009 financial year was very difficult and volatile and there were significant impacts for Leitrim County Council arising from the Government Supplementary Budget in April 2009, most notably a 3.22% (€494k) reduction in the Local Government Fund, and a reduction of €3.5m in road grants. As a consequence, a mid year revision of all expenditure headings was required resulting in a revised revenue budget of €40.5m for 2009 (a reduction of 8% on the 2009 adopted budget). While every effort was made during 2009 to create savings and efficiencies to minimise impact on services the Council is facing a revenue deficit at the end of 2009. Due to the difficult financial position for 2010, it has not been possible to make any provision for the anticipated deficit. However, this matter will have to be addressed during the year in the context of the Annual Financial Statement.

The Council's financial situation and the challenges arising from the economic downturn provided the key focus during 2009. Measures undertaken during the year to reduce the Council's cost base included the following:-

- Re-tendering of services for machinery and plant hire; mobile phones; stationery; energy supply
- Restructuring of Council loans
- Reduction in professional fees sought in line with Government Direction
- Reduction in mileage and subsistence expenses and implementation of mileage allocations for all staff
- Reduction in overtime
- Compliance with Government Directive on implementation of savings measures on public service numbers
- Continued focus on creating efficiencies through process reviews and redeployment of resources as necessary
- Centralisation of purchasing
- Non-replacement of staff

Progress was also made during the year on the advancement and completion of numerous projects and initiatives across all services. Key initiatives progressed during the year included the following:-

- A new programme aimed at improving energy efficiency in Local Authority Housing Stock was introduced in 2009 by the Department of Environment Heritage and Local Government. 8 units were completed by Leitrim County Council under the scheme with the energy rating of the houses improved from G to B3 in two cases and to C1 in all other 6 cases. The total cost was €162,440 – 75% funded by the Department and 25% co-financed by the Council.
- Submissions were invited during 2009 by the Department of Environment Heritage and Local Government for pilot proposals under the new Leasing Scheme. The Council is currently progressing one proposal comprising 8 units.
- The Carrick-on-Shannon by-pass route was upgraded to a Type 2 dual carriageway and extended to meet the Dromod/Roosky by-pass. Consultants were appointed in 2009 and the Preferred Route will be selected in January 2010, with progression to CPO stage, subject to NRA approval before the end of 2010.
- Work on the provision of the Carrick-on-Shannon footbridge was substantially completed in 2009 and it will be opened to the public in early 2010. The new footbridge also incorporates a cycle lane, which will integrate with an extensive proposal for cycle lanes throughout Carrick-on-Shannon, funding for which is anticipated from the Smarter Travel Programme in 2010.
- Significant progress was made on the Water Services Investment Programme during 2009 with improvement both in quality and capacity throughout the County.
- Under the Town and Villages Sewerage Schemes and Carrick-on-Shannon Sewerage Improvement Schemes, good progress was made in the provision of the new Treatment Plants and it is anticipated that all of the Town and Villages Plants will be operational by end of 2010 while the Carrick on Shannon Treatment Plant will be completed by mid 2011.
- The Rural Water Programme was also advanced during 2009 in line with investment allocation of €4.5m. In all cases the works carried out addressed quality deficiencies in private Group Water Schemes and included the provision of eight temporary treatment plants to address, in particular, water quality issues pending connection to the public mains.
- A significant emphasis was placed on pursuing outstanding development levies with the redeployment of staff resources to this area. This resulted in a better than anticipated collection level. Action, including legal proceedings, is ongoing against those who have failed to pay development contributions.

- A new County Development Plan for the period 2009 to 2015 was adopted and came into effect during the year.
- A number of Per Cent for Arts Projects were advanced during the year. Installation of the Riverside Park Sculpture at the Riverside Amenity consisting of 4 no. wind harps commenced in the last quarter of 2009 and should be complete in Spring 2010. Progress is also ongoing on the writer in residence programme at Shannonside View, Carrick-on-Shannon and Photography Project in Manorhamilton.
- Additional recreational facilities were provided in 2009 including Drumkeerin and Dromod Playgrounds, Carrick-on-Shannon Town Park and an all-weather playing pitch at Mohill.
- Working through Leitrim County Development Board, the “Goal for Work” Programme was initiated which will facilitate the training of seven soccer coaches for the County. The initiative proved very successful and the FAI have adopted the programme on a pilot basis for national roll-out. It is hoped to introduce this programme to other sports in 2010.
- The County Leitrim Sports Partnership completed its first year of operation and is currently concluding the development of its three year strategic plan.
- Leitrim County Development Board completed its new three year action plan 2010 – 2012. The operation of the Leitrim Joint Policing Committee (JPC) commenced in 2009 and the first public meeting will be in the first quarter of 2010.
- The promotion and marketing of the County as a tourist destination continued in 2009 in conjunction with Fáilte Ireland, Regional Fisheries Board and the Tourism Trade in the County.

## **Budget 2010 Overview**

Every effort has been made to ensure that Council services to the public will be maintained. Attention is drawn in particular to the following:-

- The 2010 Budget sees the total expenditure on housing grants reflected in the revenue account as opposed to the capital account as heretofore. Activity under the Housing Grants Schemes in Leitrim has been very significant over the years. In view of high levels of activity under all grant schemes and difficulties in meeting funding commitments from own resources, it was necessary to suspend the housing grant schemes on a temporary basis during 2009. In 2009, grants totalling €1.413m were paid. The Council's own liability in this regard was €340,650. In addition a total of €94,000 was spent on disability grant works on Council owned houses. A major review in relation the older grants approved under the former ERG/DPG schemes (discontinued from October 2007) was undertaken during 2009. This exercise resulted in a significant reduction in the Council's overall liability under the various housing grants schemes. A very substantial budgetary provision to co-fund existing commitments under these schemes has been maintained for 2010.

- The introduction of the leasing scheme and the ongoing implementation of the Rental Accommodation Scheme will enable the Council to meet the longer term needs of households on the housing list.
- Proceeds from the sale of Council houses (internal capital receipts) are primarily intended to improve Council housing stock through various schemes - energy efficiency, planned maintenance, extensions, disability improvement works etc. Over the past number of years, the Council has also directed internal capital receipts to co-fund housing grants. There has been a very sharp decline in the sale of Council Houses and this will have a significant impact on the Council's ability to fund its improvement works programme and housing grants into the future.
- In preparing the Budget, I have assumed that the allocation for Road Grants will be similar to the revised allocation for 2009. The focus will be on maximising the use of allocated resources to achieve value for money while building on the significant investment in the road network over the past number of years.
- Substantial provision has been made for the running costs of the DBO contracts which are expected to be operational from June 2010.
- The Carrick-on-Shannon Local Area Plan will be completed in 2010.
- Water Framework Directive river and lake monitoring will continue in 2010 with a minimum requirement of 9 no. rivers and 7 no. lakes being sampled four times per year
- As a result of the introduction of new Surface Water Regulations, there is a requirement to review all Section 4 licence discharges in 2010. There are currently 11 no. active licences and three of those will be reviewed as a priority in 2010.
- The 3 River Basin Management Plans will be presented to the Members for adoption by end of February 2010 following which it will be necessary to prioritise measures to ensure that water bodies that are classified as "Good" and "High" in drinking water abstraction areas and in SACs/SPAs are maintained in such condition and that rivers that are classified as "Good" and "High" are protected to prevent deterioration. Measures will also be required to ensure that water bodies that are classified as "Bad" and "Poor" are brought up to the higher standards by the target dates.
- While the budget shows a reduction in the costs of operation of the Library and Archive Services, I can confirm that adequate provision is made in order to maintain the frontline services i.e. branch operations at similar levels to 2009. Therefore, there should be little or no change in current opening hours. There has however been a reduction in the book fund. Other cost savings have been secured through reductions in rent of premises, heating and other branch operational costs.
- The budget provision for the Arts Service in the County is dependent not only on the availability of resources from the Council but also from the Arts

Council. The budget has been framed in such a way as to take into account potential reductions from the Arts Council in their funding of the county art programme with a view to minimising the impact on community arts, young people and the arts, artists and other art organisations in the county.

- In this regard adequate provision is made to continue with three flagship art initiatives for the County i.e. McGahern Seminar and Summer School, Dervish traditional music residency and TRADE. In addition funding is provided to restore a number of initiatives which were suspended in 2009 such as Community Art Grants including Amateur Drama, and Artist in Schools service.
- The budget also makes provision for the operational subsidy of the DOCK Arts Centre. While this provision has been reduced, the Board of Directors of the Centre will be making adjustments in such a way so as to prioritise the full year operation of the facility.
- The budget maintains the 2009 provision in relation to the operation of Leitrim Tourism initiative and the funding, in conjunction with Failte Ireland of a destination marketing campaign as well as other tourism marketing and promotion initiatives. In this regard provision is also made to support the second Sean MacDiarmada Summer School which is expected to build on the very successful inaugural event held in 2009.
- The budget makes a similar provision to last year in relation to economic and social development initiatives. In this regard the Council will again sponsor Rehab in relation to the Person of the Year Awards and will also build on the successful Goal to Work Programme. Opportunities to promote access to sport for people with a disability will also be a priority and will be developed through the Sports Partnership.
- The area of Broadband, both in regard to availability and effectiveness, will be a priority for 2010 and a 'Get Connected Week' will be developed and ran as a means to promote awareness of connection availability and business uses of the web.
- In order to progress the implementation of the Lough Allen Catchment Plan a promotional leaflet on visitor and business services in the catchment will be launched and a weekend event, aimed at promoting the area, will also be developed in conjunction with other relevant organisations.
- Following publication of the Creative West study by the Western Development Commission it is anticipated that a number of actions in relation to the creative industry sector will be prioritised at both county and sub regional basis.
- The budget also provides for a full year operation of the County's Sports Partnership which is funded through the Irish Sports Council. The County Leitrim Sports Partnership is currently concluding the development of its three year strategic plan.
- The budget contains adequate provision for the operation of Drumshanbo

Swimming Pool in 2010. However, a review will be carried out in relation to the pool's operations for 2009 and some amendments may be necessary. It is expected to complete the review in the first quarter of 2010.

- In order to continue to invest in and support the vibrant community and voluntary sector in the County the budget makes provision to restore the Community and Voluntary Grant Scheme to 2008 levels and to recommence the Floral Pride initiative.

The Budget for 2010 as presented will require strict monitoring and control in order to maintain a stable financial position. A process of continuous improvement and efficiency gains is fundamental to the sustainability of the Council's operations in the coming years. The savings gained to date will be built upon in the coming year with further emphasis on redeploying staff where necessary to achieve greater efficiencies and work on areas where substantial savings can be achieved e.g. sustainable energy.

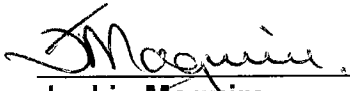
The Government in the recent budget announced an efficiency review of Local Government examining such areas as shared services, procurement etc. The Council will gladly participate in this review and any initiatives arising there from.

In conclusion I wish to thank the Cathaoirigh, Jim Joe Shortt, Francis Gilmartin and Thomas Mulligan and the members of the Council for their contribution and support over the past financial year.

I wish also to sincerely thank all staff involved in the preparation of the Budget and in particular to record my appreciation to Katrina Murphy, Head of Finance and her Team, for their work in preparing the Budget.

Finally, I formally recommend the Budget as presented to the Members for adoption.

Yours sincerely

  
\_\_\_\_\_  
**Jackie Maguire**  
**Leitrim County Manager**

