

Minutes of Adjourned Budget Meeting of Leitrim County Council held in the Council Chamber, Áras an Chontae, Carrick on Shannon, on Monday, 18th January 2010 at 6pm

Members Present:

Bohan, Mary,	McCartin, John
Colreavy, Michael	McDermott, Sean
Dolan, Frank	McGloin, Enda
Dolan, Gerry	McGloin, Siobhan
Ellis, Caillian	McGowan, Sean
Ferguson, Tony	O'Rourke, Paddy
Gilmartin, Francis	McTernan, John
Guckian, Sinead	Reynolds, Gerard
Hughes, Gordon	Stenson Enda
Kenny, Martin	Ward, John
Kilrane, Gerry	

And Councillor Thomas Mulligan, Cathaoirleach presiding

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
- Michael Flynn, Senior Executive Engineer
- Mr Peadar Griffin, Senior Executive Engineer
- Mr Darragh O'Boyle, Senior Executive Engineer
- Mr Padraic MacSera, Senior Executive Engineer
- Ms Carmelita Caslin, Senior Executive Officer
- Mr Vincent Dwyer, Senior Executive Officer
- Mr John McKeon, Financial Management Accountant
- Mr Michael Gunning, IS Project Leader
- Ms. A. McGovern, Meetings Administrator

10/51
18/1/10

Consideration of Draft Budget for the financial year ending 31st December 2010

The Cathaoirleach, Councillor Thomas Mulligan invited the County Manager to give an overview of the Draft Budget for 2010 as presented to the members.

Ms. Jackie Maguire, County Manager referred to the draft Budget for the Financial Year ending 31st December 2010 and to her report dated 23rd December 2009 as circulated to each member. She outlined that, notwithstanding the less than anticipated cut in funding under the Local Government Fund, the preparation and balancing of the budget for 2010

had again proven extremely difficult. She advised that Katrina Murphy, Head of Finance would give a general presentation in relation to the Draft Budget, to include an overview of the layout and the general principles underlying the budget document for the benefit of the new members, and would then go through the Budget document Division by Division.

Ms. Maguire outlined that a balanced budget has been presented to the members. She advised that the budget as presented represents a 10% decrease on the 2009 adopted budget but outlined that significant changes had had to be made to the 2009 budget as adopted following the Supplementary National Budget in April 2009. She outlined that the case had repeatedly been made to the Department in relation to Leitrim County Council's dependence on Central Government funding. She advised that the cut in the Local Government Fund, at 2.25% of the actual allocation for 2009, was less than had been anticipated, and had assisted in achieving a balanced budget. She advised that the decision to allow local authorities to retain 65% of the payroll savings arising from the recently announced public sector pay reductions had also assisted significantly. She outlined that the newly introduced Non Principal Private Residences Charge had generated income of €500,000 for Leitrim County Council in 2009 and a similar level of income is provided for in 2010. She outlined that a reduction in spend of 10% in 2010 has necessitated cuts across all service programmes but not to the extent that had originally been anticipated. She advised that all existing services are provided for and some services that had to be dropped in 2009 have been reintroduced albeit, in some instances, on a more restricted basis than previously. She further outlined that all permanent jobs have been provided for on a full-year basis, with the exception of scheduled retirements arising during the year.

Ms. Maguire advised that there is no provision for a commercial rate increase in the Budget as presented, in recognition of the extreme difficulties facing rate payers in the county. This, combined with a 0% increase in 2009, means that rates are being held at 2008 levels. In relation to the Roads Allocation she advised that the level of grant aid in 2010 will be held at the same level as the revised 2009 level. She outlined that there is no provision in the Budget for the costs associated with the recent severe weather conditions and additional funding will be sought in this regard. She further advised that there is no provision for the expected Budget deficit in 2009 which will possibly be in the region of €500,000.

Ms. Maguire confirmed that the Budget for 2010 as presented will require strict monitoring and control in order to maintain a stable financial position. She outlined that the process of continuous improvement and efficiency gains will continue throughout 2010. She advised that the Budget as presented makes no provision for any exceptional spend in 2010.

Ms. Katrina Murphy, Head of Finance gave an overview of the format of the Budget for 2010 particularly for the benefit of newly elected members. She also outlined the main provisions and assumptions underlying the Budget. The presentation as delivered, and as circulated to the Members, appears as **Appendix I** to the Minutes of this Meeting in the Minute Book.

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.

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 after each division.

Division A - Housing and Building

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

Councillor Thomas Mulligan sought clarification on the RAS programme. Councillor Colreavy also queried the level of expenditure provided for under this Scheme. Ms. Mary Quinn, Director of Services, Housing & Corporate Services gave a brief overview of the RAS Scheme. She outlined that it is proposed to significantly augment the implementation of the Scheme in 2010 and the budgetary provision relates predominantly to payments to landlords under the scheme which are fully recoupable, and the cost of the administration of the scheme.

Councillor Martin Kenny referred to the discontinuation of the Housing Grants Schemes in 2009 and stated that provision must be put in place in 2010 for the Schemes to be reopened, possibly on a prioritised basis. He stated that these schemes are of huge importance to the grant beneficiaries in addition to stimulating activity in the local economy. He suggested that a provision of at least €100,000 in terms of the Leitrim County Council contribution to these schemes must be provided in 2010.

Councillor Hughes supported the call for the Grant Schemes to be reopened. He queried the level of commitments currently on hands under the Schemes. Councillor Enda Stenson also supported the proposal and stated that the scheme must be reopened in 2010. Councillor Francis Gilmartin stated that the Budget must make adequate provision for the Council to draw down its full allocation under the Schemes in 2010. He outlined that Leitrim County Council had not been in a position to draw down additional available funding in 2009 due to an inability to provide the match-funding.

Ms. Quinn outlined that it is proposed to consider a position paper on the grant schemes at the first meeting of the newly constituted Housing & Corporate Services SPC with a view to bringing a proposal before the members at the March or April Council meeting in relation to the reopening of the Housing Grant Schemes on a strictly prioritised basis. She outlined that the Council had availed of its full allocation of some €1.4m under the Schemes in 2009 and had contributed €340,000 in own resources. She outlined that provision has been made for €300,000 in match-funding own-resources in 2010 which will facilitate grant payments in the region of €1.1m to €1.3m. She advised that the level of commitments on hands under the various schemes has been reduced to approximately €1.3m following a comprehensive exercise undertaken in 2009 in relation to closing off older-approved grants. She advised that this figure includes €450,000 in payment requests on hands. She advised that the exercise to close older applications would be continued in 2010. She advised that the allocation provided allows for the reopening of the Housing Grant Schemes but that any such reopening of the Schemes would have to be on a strictly prioritised basis. She also advised that Leitrim County Council has always operated the Housing Grant Schemes with the level of commitments on hands exceeding the available resources in any given year. She outlined that not all approved applications will necessarily proceed and furthermore that applicants have 12 months within which to complete the works so payment on applications approved in 2010 may not be requested until 2011.

The members welcomed the proposed reopening of the Housing Grant Schemes and requested that this happen at the earliest possible date. They accepted that any reopening of the Scheme would have to be on a prioritised basis. Members also expressed the view that a reasonable level of resources needed to be available for new applicants.

Ms. Quinn outlined that the provision for match-funding of the grant schemes is funded from Internal Capital Receipts – the proceeds from the sale of Council houses. She advised that the level of sales has dropped significantly with serious implications for the Council in terms of the ability to provide match-funding into the future. She also advised that the level of allocation provided in relation to the Housing Grant Schemes limits the Council's ability to provide funding for the improvement of the Council's own Housing stock.

Councillor Michael Colreavy queried the reduction in the costs associated with rent collection. He outlined that, with a reduction of 3 staff working in this area as a result of the Revenue Collector rationalisation, he would have expected a greater downward impact in costs. He also queried whether a 5% increase in housing rents in 2010 is achievable. Ms. Katrina Murphy, Head of Finance clarified that only a portion of these staff costs would have been assigned to the rent collection area, and the full savings are reflected across the revenue collection streams. In relation to the anticipated increase in rental income Ms. Murphy clarified that this reflects a rent review and also additional income arising from a full-year rental income on properties first let in 2009 and new rental properties coming on stream in 2010.

Councillor Mary Bohan suggested that the valuation of properties under the Tenant Purchase Scheme needs to be reviewed in the context of actual market conditions. She outlined that a recent valuation on a property was quite high.

Councillor Colreavy also queried the level of staff which had previously been charged to the Capital Account and must now be provided for in the Revenue Account. Ms. Murphy confirmed that following the 2008 Audit of Accounts any technical staffing costs which cannot be recovered from capital contracts must be charged to the Revenue Budget. She advised that this applies only to the Housing technical staff and approximately €250,000 in Salary Costs that were charged to Capital must now be provided for in the Revenue Budget.

Councillor Sean McGowan queried the overall level of rent which Leitrim County Council is paying annually for rented premises and queried if these rents have been renegotiated. Ms. Murphy confirmed that the overall cost of accommodation rental including library premises etc is in the region of €70,000. She confirmed that all agreements which were up for renewal in 2009 were renegotiated downwards and the same will apply to any further agreements as they are due for renewal. Councillor Gerry Kilrane suggested that any new contracts/leases entered into during the year should provide for downward rent reviews only.

Division B - Road Transport & Safety

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division B – Road Transport and Safety.

Councillor Sean McGowan queried the figures under Other Income for Goods & Services under this Division. The estimate for 2010 is €74,850 compared to an outturn of €409,366

for 2009. Ms. Murphy confirmed that the out-turn figure relates to miscellaneous one-off grants received in 2009.

Councillor Mulligan noted that the income provided for in the 2009 Budget as compared to the actual out-turn was reduced by approximately 1/3. Councillor Colreavy also noted that the out-turn under this Division bears no relation to the Budget as adopted by the Members. The County Manager confirmed that this was attributable to the cuts imposed on foot of the supplementary National Budget in April 2009. She also outlined that the Roads Grant figure as adopted is always based on the previous year's actual receipt and the provision of €13.2m in the 2009 Budget was on the basis of the figure received in 2008.

Councillor Martin Kenny queried if the provision for income under this Division is exclusive of any funding we would hope to receive in relation to the cost of dealing with the recent severe weather conditions. Mr. John McGuinness, Director of Services, Infrastructure confirmed that the Minister has requested that details of costs incurred be submitted and an application for additional funding will be made in this regard. He confirmed that a similar submission had been made in relation to the recent flooding and some funding had been received. The County Manager advised that there has been no indication as to whether additional funding will be made available in relation to the more recent weather conditions. She confirmed that Leitrim County Council would continue to make the case strongly in this regard.

Councillor Mary Bohan expressed concern at the adequacy of the provision for bridge maintenance. She outlined that money had been provided for McKenna's Bridge in 2009 but this was subsequently taken out and she queried if this would be provided for in the current year. Mr. Shay O'Connor, Senior Engineer advised that money had been provided in the originally adopted budget. He advised that this category of grant had been cut by 50% following the Supplementary Budget in April 2009 and this job had to be excluded. Councillor Bohan proposed that this bridge be prioritised in the 2010 Roads programme. Mr. McGuinness advised that this would depend on the level of grant notified.

Councillor Enda Stenson expressed disappointment that work on bridge maintenance on National Roads is being carried out by private contractors. Mr. McGuinness advised that the maintenance of bridges on national routes is the responsibility of the NRA and the Council have no control or responsibility in this regard.

Division C - Water Services

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

Councillor Mary Bohan queried what is included in the Service Support Costs on the Administration of Group and Private Installations which appears high. Ms. Murphy advised that these costs relate to Engineering & Technical Staff costs and circa €100,000 in central overheads relating to ICT, Finance, Corporate Services, Human Resources etc which are charged out against each service area. She advised that approximately six members of staff work in this area. Mr. John McGuinness, Director of Services, Infrastructure outlined that the allocation for 2009 had been reduced and the Council is currently carrying a deficit. He advised that the work ongoing on the ground is greater than ever with a lot of schemes well on / nearing completion and involving very significant input and support.

Councillor Gerard Reynolds queried the additional costs associated with the burst pipes and extra maintenance works carried out as a result of the recent severe weather conditions. Mr. John McGuinness, Director of Services, Infrastructure advised that the cost of the actual repair of pipes and activities of staff etc would have cost in the region of €100,000. He advised that the costs of the additional production have yet to be established. He advised that the thaw has resulted in leaks etc and staff are likely to be involved in addressing these issues throughout the coming week.

Councillor Enda McGloin referred to the estimated commercial water income of €500,000 as compared to an out-turn of €400,000 in 2009 and queried how it is envisaged this will increase. The County Manager advised that the out-turn figure includes provision for bad debts. She advised that significant efforts are ongoing to collect water charges. She confirmed that the budget provision does not include for an increase in the charge in 2010.

Councillor Martin Kenny queried the level of outside Consultants being employed on Water Schemes. Mr. McGuinness confirmed that there are no consultants involved on the Rural Water side. In relation to the major ongoing Capital Schemes he advised that Consultants are involved and are required. He advised that anything that can be done internally is and will continue to be done internally.

Councillor Mulligan queried why there is no provision under Local Authority Contributions for 2010. Ms. Murphy advised that this related to a secondment arrangement in relation to a staff member which had been in place in 2009 but which is no longer in place.

Division D - Development Management

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

Councillor Sinead Guckian welcomed the re-introduction of the Floral Pride Competition and the Community Arts Grant Scheme. She referred to the former Carrick Area Office building at the Quays, Carrick on Shannon and stated that she felt that this building, which is in a prime location, has significant potential and could be utilised better. The County Manager confirmed that the potential use of this building had been looked at a number of times. She advised that an attractive enough offer had never been received. She advised that the longer term proposal is for the development of this whole Quay area. She advised that the building is currently used for office accommodation but this would not preclude consideration of a good offer.

Councillor John McCartin referred to the Benelux King of Clubs Angling Competition which is again coming to the county and requested that this showcase event be supported to ensure its success and secure its return. This was supported by Councillor Enda McGloin and Councillor Gerard Reynolds. Councillor Gerry Kilrane supported this and also proposed that the Connacht Fleadh be supported. He outlined that this is a 5-yearly event and it is difficult for the committee to raise finance in the current economic climate. This was supported by Councillor Stenson, Councillor McCartin, Councillor McGowan and Councillor Mulligan. The County Manager confirmed that the Council will do what it can to support the King of Clubs Competition and the Connaught Fleadh, either financially or with assistance. Mr. Joseph Gilhooly, Director of Services, Community, Cultural & Enterprise Development outlined that there are a range of items to be funded in the current year under the Tourism budget. He outlined that the budgets available for individual events are quite limited but every effort will be made to support all such events

and we will continue to work closely with all the relevant agencies, committees etc. He outlined that the King of Clubs event was coming back after a one year break – he stated that the return of the event after only one year is a testament to the service provided to the event in previous years. He confirmed that staff would be happy to meet with the organizers etc to discuss the event. He confirmed that the Fleadh is on the list for support in the current year in addition to the Milk Rás, Sean MacDiarmada Summer School and the Anthony Trollope Society event.

Councillor Sean McDermott welcomed the funding for the Sean MacDiarmada Summer School. He queried if there is any potential for further funding to be made available under the Fáilte Ireland Soft Infrastructure Grant Scheme. Mr. Gilhooly advised that there may be some level of assistance available under this scheme in the coming year.

Councillor Michael Colreavy queried if the Council has a Derelict Sites Register. He outlined the legislative provision to levy a charge at a rate of 3% of the market value in respect of properties which are left in a derelict condition and called for this to be imposed. Councillor Kilrane supported the call for greater enforcement in relation to derelict sites. He also queried if the Council receives any income from enforcement. Councillor Enda McGloin also called for greater enforcement of the Derelict Sites legislation and referred in particular to a case in Drumshanbo which has been ongoing for some time. He stated that a solid commitment is required in relation to action under the provisions of this legislation in 2010. Mr. Martin Dolan, Director of Services, Planning, Environment & Emergency Services confirmed that the Council has a Derelict Sites Register in place. He outlined that the provisions in relation to the levy relate to designated 'urban' areas. He confirmed that the Council had successfully made the case to the Department and secured 'urban' status for the main towns and a number of villages in the county. He confirmed that this issue would be actively pursued in 2010. The County Manager outlined that in a lot of cases there are difficulties in relation to title etc in relation to derelict sites and this can hinder the process of having them addressed. In relation to enforcement she confirmed that the Council has received no income through enforcement proceedings.

Councillor Gerard Reynolds queried if the provision for statutory plans and policies relates to a once-off cost for the Carrick Local Area Plan or is an annual cost. He also queried if the provision under Unfinished Housing Estates relates to staff costs or other costs. Councillor Ferguson also queried how the provision for Unfinished Housing Estates would be spent. Councillor Stenson stated that the issue of unfinished housing estates will be an ongoing issue for the Council. This was supported by Councillor McGloin and Councillor Reynolds. The County Manager confirmed that the provision for statutory plans relates to the Carrick Local Area Plan which is required to be reviewed on a 5-yearly basis. She advised that the provision in relation to unfinished housing estates relates to staffing costs associated with inspections, administration etc in relation to this area of work. Mr. Dolan advised that significant work is ongoing in relation to taking in charge of estates. He acknowledged that there are significant issues with unfinished developments but advised that work is ongoing with developers in relation to most of these developments. He outlined the statutory process and time frames involved and confirmed that every effort would continue in this regard.

Councillor Martin Kenny sought an explanation in relation to the reduction in Government Grants under this Division. He also queried the reduction in the provision for Heritage/Conservation Grants and queried if a staff member would be assigned to the role of Heritage Officer. The County Manager confirmed that the provision in relation to Conservation Grants is a contra-item and reflects the anticipated Department allocation

under the scheme. She confirmed that it is proposed to assign a member of staff to the Heritage/Conservation area.

Division E - Environmental Services

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

Councillor John Ward queried if it would be possible to erect CCTV cameras at specific locations throughout the county to deter illegal dumping which is becoming an increasing problem. This was supported by Councillor Stenson who stated that there has been an increase in illegal dumping and litter, particularly in rural areas. Councillor Sean McGowan also raised this issue and supported the Adopt a Road Scheme. Councillor Mary Bohan suggested that the whole area of illegal dumping is something which the Council should come back to. She stated that everyone should be able to prove how they dispose of their waste. She stated that time needed to be devoted to this particular issue at another stage. Councillor Enda McGloin outlined that he understood that a survey had been undertaken recently in relation to how people were disposing of their waste. He suggested that this initiative should be rolled out in 2010, particularly in litter black-spot areas. Mr. Martin Dolan, Director of Services, Planning, Environment & Emergency Services advised that the practicality of the provision of CCTV along the roadway is questionable. He advised that under the legislation public notice must be erected indicating that CCTV is in operation. He advised that the Council is anxious to continue to promote and expand the Adopt a Road Scheme. He outlined that it has become increasingly difficult to identify the perpetrators of illegal dumping. He advised that this is an issue which is not going away despite significant educational awareness activities and initiatives etc. He confirmed that a survey in relation to the disposal of waste had been undertaken in the context of the Waste Presentation Bye Laws.

Councillor Siobhan McGloin queried if it would be possible to erect CCTV cameras at Bring Centres. She outlined that there is a tendency for bags and boxes to be left at the Bring Centre once their contents have been deposited. Councillor McDermott suggested a scheme to maintain Bring Banks. Mr. Dolan confirmed that CCTV is in place at the Civic Amenity Sites and the cost of its provision at other Bring Bank locations is currently being investigated. He confirmed that the Adopt a Bring Bank Scheme works well and the Council are anxious to expand the scheme to additional locations.

Councillor Sinead Guckian proposed that a pilot scheme be considered in relation to a facility at the Civic Amenity Sites whereby items which still have function could be sold on generating additional income. She advised that similar schemes are operated very successfully on the Continent. This suggestion was welcomed by Councillor Colreavy. He suggested that the Council could also be collecting money from aluminium. He expressed disappointment at the changes in opening hours in the Civic Amenity Sites and stated that he would prefer if such decisions were based on customer preferences. Councillor Mulligan also expressed disappointment at the changes in opening hours and stated that the Site in Mohill should be open for at least a short period after lunch on a Saturday. Mr. Martin Dolan stated that the question of selling off usable items at the Civic Amenity Sites is a novel idea which will be considered. He outlined that there are likely however to be questions of Health & Safety, Insurance liability etc which would have to be considered further. In relation to the Civic Amenity Site opening hours he outlined that this decision had been taken following detailed consideration and monitoring of activity. He stated that both sites are being operated in an impeccable manner but it was necessary to achieve efficiencies. He outlined that opening on two consecutive days achieves considerable economies in terms of clean-up requirements etc. He advised that the Saturday afternoon

opening had been monitored and was found to be very quiet and didn't justify Saturday afternoon opening.

Councillor Stenson queried what changes are proposed in relation to the reduction in Fire Services education and training. Councillor Francis Gilmartin also queried how the Fire Service would be maintained with cuts of €137,000. Ms. Murphy advised that much of the cuts relate to the pay reductions as imposed nationally. She further advised that the provision for training reflects the training required to be delivered in 2010. The County Manager pointed out that the overall cost of the Fire Service in 2010 is in excess of €2m which is a very substantial service cost.

Councillor Sean McGowan queried the very high Landfill Remediation costs. Mr. Dolan confirmed that these are the costs associated with monitoring the remediation but also the loan charges associated with the significant borrowings which had funded these remediation works.

Division F - Recreation & Amenity

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

Councillor Siobhan McGloin queried whether the provision of €20,000 for playgrounds was for the maintenance of existing playgrounds or the provision of new playgrounds. She outlined that Kinlough was to get a playground some years ago. She advised that a site is being offered free of charge to the Council in this regard. Councillor Sean McGowan queried if provision is made for a playground in Bornacoola in the current year. Councillor Sinead Guckian acknowledged the efforts made in relation to the provision of a playground in Drumsna. She advised that the committee were taking a different approach and she sought assurances that the commitment towards this project is still there. Councillor John McCartin advised that a local group in Newtown Gore have money available towards the provision of a playground and are anxious that this would be progressed.

Mr. Joseph Gilhooly, Director of Services, Community, Cultural & Enterprise Development advised that there are no funds available at the moment for the development of any new playgrounds. He advised that Kinlough and Drumsna are identified in the Play Policy. He outlined that, outside of the strategic locations which had been identified in the Play Policy, the matter of the provision of a playground is one for the local community. He outlined that the funding which had been available has expired. He advised that the Council would still do what it could to work with the communities in Kinlough, Drumsna and Dromahaire which had been identified. In relation to the other locations mentioned he suggested that the Rural Development Programme may be the most appropriate source of funding. He advised that work has been ongoing with the Rural Development Programme in relation to a town and village enhancement programme which would be developed and implemented on a joint funding basis between the local authority, the rural development programme and the local community. He outlined that under such a programme the local community would be required to contribute 5% of the cost of the project in cash. He advised that insurance issues would have to rest with the local community but various schemes are available in this regard. He advised that as soon as more details are worked out with the Rural Development Programme the information will be brought to the members. He outlined that communities can also work directly with the Rural Development Programme in relation to such projects.

Councillor Enda Stenson and Councillor Thomas Mulligan queried if funding has been provided for the redevelopment of Mohill Library in 2010. Mr. Gilhooly confirmed that this project is currently at the closing stages of finalising the design process and proceeding to tender. He advised that the ability to fund the project has to be reviewed but outlined that various options are being explored in this regard. He outlined that this is a Capital investment. He outlined that there is no Library Capital Development Programme available currently and Mohill Library had been funded under such a scheme originally. In this context he advised that various other funding options are being explored. The County Manager confirmed that the commitment is still there to proceed with the project but innovation will be required in relation to the funding of the project.

Councillor Michael Colreavy queried if library opening hours will be maintained as in 2009. Mr. Gilhooly confirmed that opening hours will be maintained. He outlined that there has been a significant reduction in costs associated with relief staff, the book fund has been reduced and the level of activities in the libraries will also be reduced.

Division G - Agriculture, Education, Health & Welfare

Ms. Katrina Murphy, Head of Finance gave an overview of the provisions in Division G – Agriculture, Education, Health & Welfare.

Councillor Thomas Mulligan welcomed the €15,000 provision for contributions to the Joint Drainage Bodies. Councillor Paddy O'Rourke queried the adequacy of this provision. He also queried whether funding had been made available in 2009 to the Lough Oughter & Lough Gowna drainage Committee. Councillor John McCartin outlined that the remit of the drainage boards appears to extend to a very small amount of drains and he suggested that Leitrim County Council should request that the powers of these boards be broadened. The County Manager confirmed that a contribution of €5,000 had been paid to the Lough Gowna/Oughter Joint Drainage Committee in 2009.

Councillor Gerard Reynolds queried whether the costs of the Veterinary Service are refunded by the Department of Agriculture to the Council. Ms. Murphy confirmed that back-up costs associated with the service including the cost of administration, provision of veterinary cover etc.

Division H - Miscellaneous Services

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

Councillor Gerard Reynolds queried when the Motor Tax Office is relocating to Áras an Chontae. He outlined that some of the local businesses had expressed concern at the associated loss of business for the Park Lane end of the town. Ms. Murphy advised that the Motor Tax office is moving over the coming weekend – she advised that the Motor Tax Office would be closing at Park Lane on Wednesday 20th January and is scheduled to reopen in Áras an Chontae from Tuesday 26th January next.

Councillor Michael Colreavy queried if the provision for Expenses of Local Authority Members reflects the maximum conference allowance announced by the Minister. The County Manager advised that the Budget was prepared in advance of this

announcement, which has not yet been formally notified to the Council, and the conference allowance provision is set at a level similar to the 2009 level.

Councillor Martin Kenny referred to the cost of maintenance of machinery and queried the level of vehicles which the Council has on hire. The County Manager confirmed that the Council maintains a small machinery fleet. She outlined that hiring in can be the cheaper option in that you don't have the replacement costs etc. Mr. John McGuinness, Director of Services, Infrastructure confirmed that the vehicles on hire are predominantly JCB's etc. He advised that all these services were re-tendered in 2009 and significant savings were achieved. Councillor John McCartin queried if all such contracts will be re-tendered in the current year. Mr. McGuinness advised that these rates are re-tendered on an annual basis as standard and we are currently looking at the tenders for 2010.

Councillor Gerard Reynolds queried whether there are still properties in the county that have to be registered under the Non Principal Private Residence Charge (NPPR). Ms. Murphy confirmed that there may be properties which have not been registered as yet. She advised that staff would be reviewing databases etc with a view to seeking to identify such properties. She outlined that the next liability date is 31st March 2010 and any person owning a property in the state which is not their principle private residence on that date will be liable to pay the charge in 2010. Councillor McCartin queried whether fines would be applied. Ms. Murphy advised that the charge would have to be paid by 1st May 2010 following which penalty charges will be incurred.

Councillor Caillian Ellis outlined that he understood that an exemption applies where a family member lives in a second house and that family member is unemployed. Ms. Murphy advised that there is no financial exemption under the scheme. She advised that there are certain exemptions in relation to the family home where it is within a certain distance and is occupied by a family members but these exemptions are not related to employment status.

Councillor Francis Gilmartin queried if people living in the UK who have only one property in Ireland and who have paid the charge are entitled to a refund. Ms. Murphy advised that, irrespective of where you live, either within or outside of the state, you are liable to the charge if the property is not your principle private residence. She confirmed that she could check out the particular case in question.

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

10/52

18/01/10 Adoption of Draft Budget for the financial year ending 31st December 2010

The Cathaoirleach, Councillor Thomas Mulligan outlined that, in light of all the obligations on us, Leitrim County Council must be realistic in relation to what we can do. He outlined that initiatives such as encouraging tourism, enterprise development etc cost money. He stated that he is very conscious of the rate payers of the County. He outlined that Leitrim County Council had done what it could over the last two years with a very small increase in rates in 2008 and a 0% increase in 2009. In light

of this he advised that he was proposing a 0% increase in the rates for 2010. He outlined that approximately €40,000 in additional available funding has been identified – the reduction in Councillors representational payment as imposed nationally provides an additional €12,500 which can be retained by the Council; the cap on Members Conference Allowances of €4,700 results in an additional €6,500 in savings and it is anticipated that an additional €20,000 can be generated through the NPPR Charge in 2010. He outlined that he is proposing that this additional €40,000 be allocated to Roads as a contribution towards addressing the substantial damage caused to our roads as a result of recent weather conditions.

The proposal was seconded by Councillor Gerard Reynolds.

Councillor Michael Colreavy queried how much it would cost for each 1% reduction in the rate of valuation. The County Manager confirmed that the figure is €44,000.

Councillor Sean McGowan noted the additional funding/savings identified. He stated that this is the first opportunity that Leitrim County Council has had to reduce the burden on rate payers. He outlined that deflation is running in the region of 6%. He outlined the difficulties for rate payers over recent years and stated that Leitrim County Council must show leadership in supporting our businesses. He outlined that he was proposing a 4% decrease in the rates in 2010.

This proposal was seconded by Councillor Gerry Kilrane. He stated that a 0% increase in rates is not even a token gesture to rate payers and would be letting the business community down.

The Cathaoirleach outlined that, in order for this proposal to be considered, Councillor McGowan would have to identify where the necessary savings, in the sum of €176,000, were to be made.

Councillor Tony Ferguson outlined that he felt that these savings could be identified. He stated that this is an opportunity for the Council to show leadership. He suggested that further savings could be achieved in relation to Conference Allowances etc. He stated that if some services have to be cut then so be it. He stated that there must be some capacity to make the savings.

The County Manager outlined that it would be everyone's wish to be in a position to achieve a 4% reduction in rates. She outlined that, prior to preparing the budget, she had alerted members to the very significant issues and difficulties facing the Council. She advised that the less than anticipated reduction in the Local Government Fund combined with the provision allowing Local Authorities to retain 65% of the payroll savings had been fundamental to achieving a balanced budget. She stated that the budget is still extremely tight and it is simply not possible to find the kind of savings proposed without seriously affecting service delivery. She confirmed the savings available in relation to the Representational Payment to Councillors and Members Conference Allowances on foot of decisions by Government. She advised that the NPPR income could possibly be stretched by a further €20,000 but this assumes that everyone who paid in 2009 will pay in 2010. She advised that a total of €519,000 had been received in relation to 2009 but advised that this included a level of penalties in respect of late payments which may not be repeated. She reiterated that there is no scope in the Budget as presented for the kind of savings suggested without impacting on staff numbers and front line services.

Councillor Mary Bohan suggested that a small percentage cut in the Service Support Costs across all service areas would achieve the necessary savings. The County Manager referred the members to Page 33 of the Budget Document which provides a summary of the Central Management Charge. She outlined that these costs have been reduced to €5.9m as compared to €6.2m in 2009. She advised that the Pension provision has increased as a result of 12 retirements in 2009 and an expected further 5 retirements in 2010. She outlined that all other costs have been reduced to their core and there is no scope for further cuts. She advised that management costs have been reduced to an all time low and, if the increase in pensions is excluded, the overall central management costs are down by over €400,000. She stated that she cannot make permanent staff redundant.

Councillor Kilrane outlined that he appreciated what the County Manager was saying but stated that a 0.75% cut in Support Services would achieve the necessary savings. The County Manager reiterated the position and queried which bill the members were asking her not to pay. She stated that whatever savings could be achieved were already in the Budget Book as presented. She advised that she could not see further savings in the costs over which she has control, other than to withdraw schemes such as the Floral Pride, Community Grants Scheme etc.

Councillor Bohan suggested that the Budget document is always presented with a level of 'fat'. The County Manager stated that this has never been the case in her time as Manager and the Budget as presented is very tight. She stated that she is more than conscious of the rate payers and her preference would be for any savings that are identified to go towards the rates.

Councillor Bohan queried the figure required to repair the damage caused to the road network as a result of the recent severe weather. Mr. John McGuinness, Director of Services, Infrastructure advised that this is estimated to be in the region of €1m-€1.5m. Councillor Bohan suggested that an additional €40k to roads - €10k for each Electoral Area - represents only a drop in the ocean and would be much more beneficial if it were applied to a rates reduction.

Councillor Michael Colreavy stated that the first priority must be not to damage front line services, the second priority must be not to put a further burden on ratepayers and the final priority must be to present a budget that will allow the county to work. He stated that an additional €40k for roads is not a real suggestion and will make no difference. He stated that the members must show leadership and that there is scope for considerable savings within the Civic Leadership heading.

Councillor Ferguson reiterated that there must be ways of achieving the savings and different ways of doing things. The County Manager outlined that every service had been retendered and the savings achieved have been incorporated in the budget as presented. She also pointed out that much of this retendering involves local suppliers and they have been stripped back to the tightest of margins.

Councillor Sean McGowan stated that Allowances for the Cathaoirleach, Vice Chairperson, Chairs of SPC's and the CDB should be looked at with a view to achieving savings.

Councillor Enda Stenson outlined that some members depend for their livelihood on what they get from the Council. He stated that he wouldn't apologise for what he gets

as he works hard for it. He stated that he has sympathy with the rate payers but we are in the position we find ourselves in.

Councillor Gerard Reynolds stated that he would have no difficulty in agreeing to get rid of all expenses for members but he stated that a number of members are totally dependent on this income and this must be considered. He outlined that he genuinely believed that we are going to have huge difficulties in relation to our roads and we must show where our priority lies. He stated that regrettably many small businesses are in such a state that a 1%, 2% or 3% reduction in rates won't save them.

Councillor Gordon Hughes queried the average amount that ratepayers in Leitrim are paying. Ms. Murphy advised that 72% of ratepayers have a rateable valuation of €50 or less which would equate to an average annual rates bill of €3,000. Councillor Hughes highlighted that a 1% rates cut equates to a saving of €30 on average for the majority of rate payers in the county.

Councillor John McCartin stated that the situation needed to be approached on a factual basis. He stated that he is the owner of two rated businesses – businesses which have been hit hard by the economic downturn. He stated that the rate decrease proposed would make almost no difference to him. He stated that a continued strong service from Leitrim County Council is much more important to his business. He stated that 2009 had brought unprecedented weather conditions and whatever savings could be identified should be put towards the damage caused.

Councillor Mary Bohan stated that the Council has been very prudent over the years in relation to members allowances and expenses. She stated that rate payers had specifically requested members to try and reduce the rates burden. She stated that the case needs to be made strongly for additional roads funding but €40k divided between the Areas will make little or no difference to road conditions.

The Cathaoirleach stated that a very strong case would be made to the Minister for funding. He stated that he would have loved to be in a position to give a rate reduction. He outlined that the road situation is so critical however that the money needs to be put into this area.

Councillor Sinead Guckian stated that a precedent would be set if additional money identified was put towards works as opposed to being passed on as a rates reduction. This was disputed by the Cathaoirleach.

Councillor Francis Gilmartin stated that he could not go back to businesses in his area and advise them that the savings identified went to the roads budget rather than a 1% cut in the rates. Councillor Ferguson again suggested that it must be possible to find savings of €176k in a Budget of €40m and this would require just 0.25% off all Divisions.

Ms. Jackie Maguire, County Manager reiterated that she could not identify this level of savings and she requested instruction in relation to what services should be cut.

It was proposed by Councillor Sean Mc Gowan, seconded by Councillor Sinead Guckian and agreed that the meeting be adjourned for a short recess.

The meeting was adjourned for ten minutes.

In resuming the meeting the Cathaoirleach outlined that there was one proposal before the meeting. He outlined that in order to consider the second proposal it was necessary that the specific cuts to be made be identified.

Councillor Sean McGowan stated that the County Manager has outlined that it is not possible to achieve the level of cuts required to achieve a 4% decrease in the rates. He stated that he was withdrawing his original proposal and was instead proposing a 2% rate cut to be funded as follows:

Representational payment:	less	€12,500
Conference Allowance:	less	€ 6,600
Cathaoirleach Allowance:	less	€12,500
Leas Cathaoirleach Allowance:	less	€ 4,000
SPC & CDB Chairpersons Allowance:	less	€ 5,000 (€1,000 each)
NPPR Income:	plus	€30,000
Shortfall to be found by County Manager:		€17,400
 Total:		 €88,000 = 2% rates reduction

Councillor Gerry Kilrane seconded this proposal which he states sends a message of support to the business community.

The County Manager stated that she couldn't guarantee the proposed increase in NPPR income. She stated that €17,400 in savings will be easier to find than €176,000 but will still have its own impact on programmes/services. She confirmed however that she should be able to balance the books on the basis of this proposal.

Councillor Gerard Reynolds stated that he wished to put forward a counter proposal. He stated that he was suggesting that Members would take a further €1,400 cut in their Conference Allowance on top of the Government imposed cap of €4,700. He stated that he was proposing that an additional €40,000 to be allocated to the Roads Budget and a 1% reduction to be applied to the rates to be funded as follows:

Representational payment:	less	€12,500
Conference Allowance:	less	€37,400
NPPR Income:	plus	€20,000
Shortfall to be found by County Manager:		€14,100
 Total:		 €84,000

Councillor Enda Stenson seconded this proposal.

Councillor Thomas Mulligan stated that he was withdrawing his original proposal in favour of the proposal by Councillor Reynolds.

Councillor Martin Kenny stated that he wished to make a proposal. He suggested that members take an additional cut of €1,000 in their Conference Allowance on top of the Government imposed cap of €4,700 with cuts of €9,000 to be applied to the various Chairpersons Allowances. He proposed that a 2% decrease in the Commerical rates be achieved as follows:

Representational payment:	less	€12,500
Conference Allowance:	less	€28,600
Cathaoirleach Allowance:	less	€ 3,000
Leas Cathaoirleach Allowance:	less	€ 1,000
SPC & CDB Chairpersons Allowance:	less	€ 5,000 (€1,000 each)
NPPR Income:	plus	€20,000
Shortfall to be found by County Manager:		€17,900
Total:		€88,000

This was seconded by Councillor Michael Colreavy.

Councillor Sean McGowan stated that he considered that this was a fair proposal and he withdrew his proposal.

The Cathaoirleach asked if there were any further proposals.

As there were no further proposals the Cathaoirleach outlined that, as there were two proposals before the meeting a vote would have to be taken and that a vote on the second proposal would be taken first. The results of the polls taken were as follows:

Proposed by Councillor Martin Kenny, Seconded by Councillor Michael Colreavy			
“That a 2% decrease in the commercial rates be applied through savings of €8,000 identified as follows: €12,500 on the Representational Payment; €28,600 on the Conference Allowance; €3,000 on the Cathaoirleach’s Allowance; €5,000 through €1,000 each on the Leas-Cathaoirleach Allowance, the SPC Chairpersons Allowances and the CDB Chairpersons Allowance; additional income of €20,000 through NPPR Charge and the balance of €17,900 to be found by the County Manager”			
<i>For</i>	<i>Against</i>	<i>Abstain</i>	<i>Absent</i>
Mary Bohan	Frank Dolan	Gerry Dolan	
Michael Colreavy	Gordon Hughes		
Caillian Ellis	John McCartin		
Tony Ferguson	Sean McDermott		
Francis Gilmartin	Enda McGloin		
Sinead Guckian	Siobhan McGloin		
Martin Kenny	John McTernan		
Gerry Kilrane	Thomas Mulligan		
Sean McGowan	Gerard Reynolds		
Paddy O’Rourke	Enda Stenson		
	John Ward		
10	11	1	0

Proposed by Councillor Gerard Reynolds, Seconded by Councillor Enda Stenson

“That a 1% decrease in the commercial rates be applied together with an additional €40,000 to be allocated to the Roads Budget to be funded through savings of €84,000 identified as follows: €12,500 on the Representational Payment; €37,400 on the Conference Allowance; additional income of €20,000 through NPPR Charge and the balance of €14,100 to be found by the County Manager”

<i>For</i>	<i>Against</i>	<i>Abstain</i>	<i>Absent</i>
Frank Dolan	Mary Bohan	Gerry Dolan	
Gordon Hughes	Caillian Ellis	Michael Colreavy	
John McCartin	Tony Ferguson	Martin Kenny	
Sean McDermott	Francis Gilmartin		
Enda McGloin	Sinead Guckian		
Siobhan McGloin	Gerry Kilrane		
John McTernan	Sean McGowan		
Thomas Mulligan	Paddy O'Rourke		
Gerard Reynolds			
Enda Stenson			
John Ward			
11	8	3	0

Ms. Aideen McGovern, Meetings Administrator outlined that as 11 Members voted in favour of the proposal by Councillor Reynolds, seconded by Councillor Stenson compared to 10 persons voting in favour of the proposal by Councillor Kenny, seconded by Councillor Colreavy the proposal by Councillor Reynolds is deemed to be carried.

Proposed by Councillor Gerard Reynolds, seconded by Councillor John Ward AND AGREED;

“That Leitrim County Council adopts for the financial year ending 31st December 2010, 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 2010 for the purposes set out in those Tables, subject to the amendments as proposed and voted for by the Council.”

10/53

18/01/10 Determination of Annual Rate on Valuation

Proposed by Councillor Gerard Reynolds seconded by Councillor John McTernan AND AGREED;

“That Leitrim County Council hereby determine in accordance with the amended Budget as proposed and adopted by the members, the Annual Rate on Valuation to be levied for the several purposes specified in the Budget for the financial year ending 31st December 2010.”

10/54

18/01/10 **Certification**

The Cathaoirleach and the County Manager then signed the Statutory Certificate to the effect that at the Budget Meeting of Leitrim County Council held this 18th Day of January 2010, the Council by resolution adopted for the financial year ending 31st December 2010, 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, subject to the amendments as proposed and voted for by the Council.

The Cathaoirleach, Councillor Thomas Mulligan in concluding the meeting thanked the staff and the media for staying on throughout the deliberations. He also thanked the County Manager and the Head of Finance for the Budget Book as presented.

Councillor Tony Ferguson, on behalf of the Fianna Fail group, thanked the Cathaoirleach, the County Manager, Katrina Murphy and all the staff for the manner in which the Budget had been presented and the meeting conducted. He stated that the Budget had been a difficult exercise and all members wanted to do the best they could for the people of Leitrim.

Councillor Enda Stenson also thanked the County Manager and staff.

This concluded the business of the meeting at 11.45 pm

**SIGNED: Cllr Thomas Mulligan
CATHAOIRLEACH**

**SIGNED: Aideen McGovern
MEETINGS ADMINISTRATOR**

DATE: 1st February 2010