

COMHAIRLE CHONTAE UÍBH FHAILÍ

**MINUTES OF IN_COMMITTEE MEETING
OF OFFALY COUNTY COUNCIL**

**HELD IN ÁRAS AN CHONTAE, TULLAMORE
ON MONDAY, 12TH DECEMBER 2011 AT 2.00 P.M.**

PRESENT:	Cllr. D. Owens (Presiding), Cllrs. N. Bourke, M. Buckley, J. Butterfield, J. Carroll, P. Clendennen, D. Dolan, E. Dooley, S. Dooley, E. Fitzpatrick, J. Foley, N. Hogan, T. McKeigue, T. McLoughlin, J. Leahy, S. Moylan-Ryan, P. Ormond, G. Plunkett and P. Rowland.
APOLOGIES:	Cllrs. C. Hanniffy and L. Quinn.
IN ATTENDANCE:	Mr. P. Gallagher, County Manager, Mr. D. Kirrane, D.O.S., Mr. S. Murray, D.O.S., Mr. D. Conlon, H.O.F., Mr. F. Heslin, D.O.S., Ms. M. Cleary, Meetings Administrator, T. Mawe, Financial Management Accountant, Mr. T. Shanahan, S.E., Mr. D. Mahon, S.E.O., Ms. A. Dillon, S.E.O., Mr. H. O'Donoghue, Head of I.S., Mr. D. Hogan, S.E., Ms. M. Stuart, Co. Librarian and Ms. S. O'Reilly, Arts Officer.

DRAFT BUDGET 2012

The Cathaoirleach, Cllr. D. Owens invited the County Manager and the Head of Finance to introduce the Draft Budget 2012.

The Co. Manager informed the meeting that the prescribed period for holding 2012 budget meetings was 24th November 2011 to 13th January 2012. He informed the meeting that he had met with the C.P.G. to consider the budget on 21st November and 7th December 2011. The Manager drew the members' attention to the Local Government Act, 2001 requiring members to adopt a balanced budget, and, having regard to the resources available to them, the requirement to maintain essential services with a reasonable balance between the different service areas.

The Manager highlighted the Council's reliance on exchequer funding and advised that the Local Government Fund (L.G.F.) for 2012 was reduced by 6.68%. However, due to a reduction in the pension levy element the net reduction in the L.G.F. was €987,622. Prior to notification of the reduced L.G.F. the Council had addressed (in the Draft Budget) financial reductions in the sum of €3.2m. However, the overall adjustment to be made to the Draft Budget 2012 was €4.2m.

The Manager highlighted that between 2008 and 2012 the Council's revenue budget had decreased by 13%; capital expenditure had decreased by 66% between 2008 and 2011; and there was a 23% decrease in whole-time equivalent staff numbers between mid-2008 and mid-2011.

The Manager informed the meeting that, given the constraints on the Council's income and the cumulative effect of reductions in expenditure since 2008, it had proven extremely difficult to prepare a balanced Draft Budget for 2012.

The commitment and flexibility shown by staff to date was recognised by the Manager and he acknowledged the support of the Cathaoirleach and members. He advised that the proposed cuts included in the Draft Budget 2012 would inevitably impact on the Council's capacity to provide services.

Mr. D. Conlon, H.O.F., drew the members' attention to the revised Table F, which was circulated at the meeting. He informed the members that the budget deficit to be addressed for 2012 was €4,202,764. He outlined the significant budget deficit issues for 2012 and the main areas where it was proposed to reduce expenditure in 2012.

In relation to the Capital Budget 2012-2014 and the Development Contribution Report 2012 Mr. Conlon advised that the Capital balance available in November 2011 was €5,436,000 and gave an analysis of where it was projected, by division, to allocate the funding between 2012 and 2014. He outlined where capital funding, in the sum of €8,754,000, had been spent in 2011.

The Cathaoirleach thanked the Manager and Head of Finance for their reports. He noted the significant reduction in the Council's revenue, capital and staff numbers and acknowledged the commitment of staff in maintaining service delivery. He invited the members to comment on the Draft Budget 2012 and advised that if they did not agree with a suggested reduction that they should identify where the required funding could be sourced.

A lengthy discussion on the Draft Budget 2012 ensued during which the following issues were raised/clarified:

- Members requested Management to identify where discretionary funding was available. Mr. D. Conlon, H.O.F., advised that following three years of austerity that their discretionary budgets were eliminated and that it was now a matter of prioritising services;
- Members suggested that a review of library operations might provide greater efficiencies;
- The Council provided €350,000 towards HAGS and MAGS in 2011 (€150,000 from the Council's revenue account, €200,000 from Internal Capital Receipts achieving with Department funds a budget of €1,793,725). The Draft Budget 2012 proposed a budget of €627,058 (€50,000 from Council's revenue account and €75,000 from Internal Capital Receipts achieving with the Department's funds a budget of €627,058). In responding to the members' objections to the proposed reduction in HAGS and MAGS, the Manager advised that the members had provided significant funds over the past three years allowing for the backlog of applications to be addressed and suggested that significant works could still be done with the proposed budget;
- In noting that a loan on the Derryclure landfill is to conclude in December 2012, Mr. D. Conlon, H.O.F. recommended the amortisation of the Council's €4m deficit (agreed to be paid over 5 years) be deferred until 2013;
- It was further noted that two loans remained outstanding on the landfill, and that residual landfill costs must be met;
- Mr. D. Kirrane, D.O.S., advised that legal charges for planning enforcement cases, in spite of being awarded costs in the High Court, remained difficult to collect;
- The members expressed their disappointment that the corresponding savings from the reduction in the number of Fire Stations (previously eight, now five) had not been realised. They requested that Management review this position with a view to delivering greater efficiencies within the service;
- The members were advised that payments to the Joint Drainage Boards and Coroners were required under legislation and that a significant portion of the Veterinary Service and Dog Warden service were recouped from the Food Safety Authority of Ireland and ISPCA;
- The reductions to the Register of Electors and Swimming Pools were noted;
- The reduction in allocations to the Arts service, tourism and Conservation grants were acknowledged and the members expressed their disappointment that these services which, in their view, could provide a catalyst for business activity had to be cut;
- Mr. D. Conlon, H.O.F., advised that pensions, salaries and wages amounted to €21.7m.

The members sought that €100,000 be restored to the HAGS and MAGS budget and that €100,000 be restored to the housing maintenance budget.

On the proposal of Cllr. T. McKeigue, seconded by Cllr. E. Dooley, the members agreed to adjourn the meeting and to meet again, in committee on Monday, 19th December 2011 to consider the Draft Budget 2011 further.

This concluded the business of the meeting.

MINUTES CONFIRMED:

CATHAOIRLEACH

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16th JANUARY 2011