**Minutes of Statutory Budget Meeting held on Friday 21st November, 2014 at 3.00pm**

**Chair:** Cllr. P. Millea

**Cllrs:** M.H. Cavanagh, M. Shortall, J. Brennan, P. Fitzpatrick, M. McCarthy, M. Doyle, A. McGuinness, M. Doran, D. Fitzgerald, K. Funchion, P. McKee, M. Noonan, E. Aylward, T. Breathnach, F. Doherty, P. Dunphy, G. Frisby, P. Cleere, P. O’Neill, M. O’Neill, B. Gardner, D. Kennedy and J. Malone

**Officials:** J. Mulholland, J. McCormack, M. Prendiville, P. O’Neill, S. Walton, C. McCarthy, K. Hanley, M. Mullally, M. Delahunty, B. Tyrrell, S. Kavanagh and A.M Walsh

Cllr. P. Millea opened the Statutory Budget meeting at 3.00pm.

Cllr. M.H. Cavanagh proposed that the Statutory Budget meeting be adjourned until the members have completed their deliberations on the budget in committee. Cllr. A. McGuinness seconded the proposal and all members agreed.

The Statutory Budget meeting resumed at 4.40pm.

Cllr. P. Millea advised members that this was the most important meeting of the year for the members. It is our duty to ensure that the Council has adequate funds to maintain the services in the County. The Cathaoirleach asked Mr. Mulholland to present his report on the budget.

Mr. Mulholland advised members that Mr. Prendiville will go through each service area with the members. He stated that the draft budget for 2015 is for the unified local authority area. It was a difficult budget taking into consideration the decision made on the property tax and the harmonisation of the rate. There has been a reduction in funding over the years since 2008. In addition there has been unforeseen additional cost on the Central Access Scheme. This is placing a significant burden on the Council and an amount of €300,000 is being included in the draft budget for 2015. The draft budget shows a reduction of €6m in water services as Irish Water has taken over all non-payroll costs.

In 2015, the re-structuring of the area office will take place. There has been a reduction of 26% in our staff levels. Additional responsibility has been given to the local authority in the area of economic and community development i.e. Local Enterprise Office and Local Community Development Committee.

Mr. Mulholland stated that despite reduction in finances, the budget has been presented to include provision to deal with all our core services and we have been able to provide additional budget for housing repairs, street cleaning and amenity grants. Job creation will also be a focus for 2015 and a provision has been made of €230,000 for local enterprise and development of St. Francis Abbey. Details of our sources of funding are included in page 7 of report.

Commercial rates have not increased since 2008. Members must adopt an ARV for 2015. There is no impact on the rates for 2015. Kilkenny continues to have the lowest rate in the Country and if we had the average national rate we would have additional income of €3m.

Kilkenny County Council has been involved in shared services due to the reduction in staffing levels. These shared services will continue and the local authority will implement efficiency and reform measures in 2015 in the fire and library services in accordance with Government policy.

Local economic development is critical and will form the centrepiece of our functions. The development of Belview and the Diageo site will continue to be encouraged. Initiatives in the area of third level education, agri-business, tourism and arts will also be supported.

Improvements to the scheduled towns will also continue. Kilkenny has done exceptionally well in the Tidy Towns over the last few years and all the communities and volunteers and local authority staff are to be commended.

Mr. Mulholland stated that it is fundamental to the management and operation of Kilkenny County Council that a sufficient level of control and oversight is in place at all time. Resources have been provided for Internal Audit and the Internal Audit Committee is in place. The Local Government Reform Act 2014 provided for a new National Oversight and Audit Commission to scrutinise local government performances.

Mr. Mulholland thanked all the members both present and past, SPC Chairs for their continued work in advancing the interests of the County. He acknowledged and paid his appreciation to the staff for their hard work and assistance in preparing the budget for 2015.

Mr. Mulholland recommended to the Council the formal adoption of the Draft Budget for 2015 and the General Rate of Valuation of €56.00 to be the agreed as a single ARV (new harmonised rate).

Cllr. P. Millea thanked the Chief Executive for his report and asked Mr. Prendiville to give an overview on each service area and requested members approval to each service division.

Mr. Prendiville outlined the following:

1. **Service Division A – Housing and Building**

Total Budget - €12.85m

* Increase of €100,000 in Housing Repairs
* Additional provision for support to Housing Capital Programme
* RAS – Increased activity in this area
* Loans – No increase in interest rate anticipated

On the proposal of Cllr. M.H. Cavanagh, seconded by Cllr. J. Brennan and agreed that “expenditure and income in service division A was considered and noted.”

1. **Service Division B – Road Transportation and Safety**

Total Budget - €16.925m

* Road grants will be notified during 2015
* Provision of €2.1m has been included from local resources
* Provision of €200,000 for Municipal District allocation
* Provision of €300,000 for Central Access Scheme additional costs
* Public Lights – similar in 2014
* Car Parking – provision for upgrading equipment
* Car Parking – Income increased by €130,000

On the proposal of Cllr. M. Shortall, seconded by Cllr. M. O’Neill and agreed “that expenditure and income in service division B was considered and noted.”

1. **Service Division C – Water Services**

Total Budget - €7.236m

* Irish Water responsible for all non-payroll cost
* Central management charge due by Irish Water is still under discussion
* Provision of €65,000 for toilets
* Grants to Group Water Schemes is similar to 2014

On the proposal of Cllr. G. Frisby, seconded by Cllr. P. Dunphy and agreed “that expenditure and income in service division C was considered and noted.”

1. **Service Division D – Development Management**

Total Budget - €6.001m

* Re-allocation of staff costs
* Reduction in budgets for Tourism – agreed to come back to Council for approval to all groups on receipt of applications
* Provision made for Local Enterprise Office of €50,000 from Council’s own resources
* Provision of €70,000 for PPN and LCDC
* Provision of €50,000 for unfinished housing development
* Provision of €130,000 for St. Francis Abbey Quarter
* Reduction of €100,000 for City Walls – deferred to 2016

On the proposal of Cllr. J. Brennan, seconded by Cllr. M.H. Cavanagh and agreed “that expenditure and income in service division D was considered and noted.”

1. **Service Division E – Environmental Services**

Total Budget - €8.334m

* Terminate refuse collection service in City
* Re-deploy staff to street cleaning
* Burial Grounds – increase due to unification of Borough service – St. Kieran’s Cemetery
* Water Safety – additional cost for provision of lifeguards at Thomastown
* Fire Safety – savings to be achieved through shared services

On the proposal of Cllr. M. Shortall, seconded by Cllr. P. Dunphy and agreed “that expenditure and income in service division E was considered and noted.”

Cllr’s M. Noonan, K. Funchion, D. Kennedy and M. O’Neill stated that they are disappointed that the Refuse service in the City is being terminated and requested that their reservation to this are noted.

1. **Service Division F – Recreation and Amenity**

Total Budget - €5.756m

* Watershed – Provision for capital funding reduced
* Library Service – Provision made for capital balance on new City Library, balance on Ferrybank Library cleared
* Allocation for book fund is €73,000
* Provision for Amenity Grants is €67,000
* Provision has been made to fund capital balance for the Parade project
* Arts – reduction in contribution to the Watergate, Rothe House and Arts Programme

On the proposal of Cllr. P. Dunphy, seconded by Cllr. G. Frisby and agreed “that expenditure and income in service division F was considered and noted.”

1. **Service Division G – Agriculture, Education, Health and Welfare**

Total Budget - €1.598m

* Additional provision for animal welfare service
* Payment of third level grants will be phased out by 2016

On the proposal of Cllr. M. Doyle, seconded by Cllr. J. Brennan and agreed “that expenditure and income in service division G was considered and noted.”

1. **Service Division H – Miscellaneous Services**

Total Budget - €6.847m

* Provision for strike off in rates reduced by €50,000
* Budget for franchise - reduced staff costs
* Provision for coroner increased from 2014 as budget was underestimated
* Local representation – reduction of €50,000
* Motor Tax – reduction in costs – driver licence service has been transferred to RSA

On the proposal of Cllr. T. Breathnach, seconded by Cllr. D. Kennedy and agreed “that expenditure and income in service division H was considered and noted.”

Mr. Mulholland advised that the harmonisation of the ARV is a requirement during this budget process and recommends that a rate of €56.00 be approved by members.

Cllr. M. Doran proposed ARV of €54.90 and asked that the Executive use the media to inform the businesses of this requirement due to the unification of both local authorities. Cllr. M.H. Cavanagh seconded this proposal and stated that she had concerns that the rates payable by the rural businesses will be subject to increase over the coming years.

Mr. Mulholland advised the members that an explanatory note will be issued with the 2015 rate demands. We will also use the local authority page in the Kilkenny People to inform the businesses.

It was proposed by Cllr. M. Doran, seconded by Cllr. M.H. Cavanagh and agreed “that in accordance with Section 29 of the Local Government Reform Act 2014, Kilkenny County Council agree a harmonised single Annual Rate on Valuation (ARV) of €54.90 for the revised County area.”

Cllr. P. Millea advised the members that they now have received a detailed overview of the draft budget for 2015 and asked for a proposal to adopt the budget.

Cllr. P. Fitzpatrick asked for clarification on the increase budget for Homeless. Mr. Mulholland advised that there would be a re-allocation of €22,000 from Code 63106028 – Parade refurbishment to Code 11316005 – Homeless.

Cllr. M. Doran thanked the Chief Executive and Head of Finance and staff for all their work in producing the draft budget. He thanked all the members for their contributions during the deliberation of the budget. He welcomed the policy on allocation of grants to all the various bodies and festivals. This was a difficult budget as a provision was required to fund the additional costs on the Central Access Scheme.

Cllr. D. Fitzgerald thanked the Executive and noted that this is the first budget since the merger of both local authorities. He acknowledged the role of the Executive and staff in preparing this budget and their commitment in implementing the Haddington Road Agreement. There is a major crisis in Housing and investment is needed at National level to provide additional accommodation. He raised concerns that significant resources are now being earmarked for animal welfare particularly in the control of horses and is not sustainable into the future.

He complimented the Executive on their efforts to include as much as possible to festivals, arts etc. to enable local bodies/communities to provide flagship projects for the County. He hoped that the Diageo project will act as a stimulus for economic development and the provision of third level campus for the region.

Cllr. D. Fitzgerald stated that projects should not proceed in the future until the public has bought into them.

It was proposed by Cllr. M. Doran, seconded by Cllr. D. Fitzgerald and agreed unanimously by all members.

*“That the following amendments be made to the 2015 Draft Budget”*

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| --- | --- | --- | --- | --- | --- |
| ***Service Division*** | ***Code*** | ***Description*** | ***Expenditure Budgeted by Chief Executive*** | ***Expenditure Adopted by Council*** | ***Net Change*** |
| *Housing and Building A0501* | *11316005* | *Homeless Grants and Other Bodies* | *385,000* | *407,000* | *+22,000* |
| *Recreation and Amenity* | *63106028* | *Parade Refurbishment* | *500,000* | *478,000* | *-22,000* |

It was proposed by Cllr. M. Doran, seconded by Cllr. D. Fitzgerald and agreed unanimously by all members.

*“That the Budget of Kilkenny County Council for the financial year ending 31st December, 2015 as set out in Table B, be adopted by members.”*

It was proposed by Cllr. M. Doran, seconded by Cllr. D. Fitzgerald and agreed unanimously by all members.

*“That the rates set out in Table A, of the Draft Budget of Kilkenny County Council for the year ending 31st December, 2015 be determined in accordance with the said Budget to the Annual Rate of Valuation to be levied for that year for the purposes set out in Table A as amended.”*

Cllr’s K. Funchion, M. Noonan, B. Gardner, T. Breathnach and M.H. Cavanagh thanked the Executive and staff and the Cathaoirleach and members for their contribution to the budget meetings and their co-operation in agreeing the budget for the year 2015.

Cllr. K. Funchion and Cllr. M. Noonan expressed their reservations on the abolition of the Refuse collection service for the City and acknowledged that it was not financially viable to maintain it due to the investment required.

Members acknowledged that the local authority is a major spender within the County and all projects undertaken are for the betterment of the people of Kilkenny and the tourists. It was recommended that the Council continues to promote the County in the Kilkenny People and use the paper to promote all the projects undertaken.

Mr. Mulholland thanked all involved and welcomed an agreed budget by all members.

Cllr. P. Millea concluded by thanking all involved.

Meeting concluded at 5.45pm.

Signed:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
 **Cathaoirleach**