

**MINUTES OF THE INISHOWEN MUNICIPAL DISTRICT  
BUDGET MEETING  
HELD IN THE CARNDOANGH PSC  
ON THE 01<sup>ST</sup> OCTOBER 2014**

**MEMBERS PRESENT**

Cllrs Paul Canning, Nicholas Crossan, Albert Doherty, Rena Donaghey, Martin Farren, Martin Mc Dermott, Bernard Mc Guinness, Jack Murray and John Ryan.

**OFFICIALS IN ATTENDANCE**

Mr Garry Martin, Mr Stephen Flynn, Mr Seamus Hopkins and Ms Marie Mulhern.

Cllr Crossan opened the meeting and welcomed everyone.

Garry Martin introduced the new budgetary process and advised that the Municipal Districts have a statutory obligation to prepare a draft budgetary plan to set out the general municipal allocation and its proposed application for the forthcoming local financial year. The decisions on the spending of the main, strategic and non-discretionary expenditure of the local authority remains to be considered by the full Council.

The sequence of the budgetary process was then outlined to the members. A detailed draft budget plan is not possible however the members can put forward their budgetary proposals and issues.

Cllr Doherty enquired about the prescribed period for the holding of the meetings for the municipal district to consider the draft budgetary plan. The prescribed period is from the 01<sup>st</sup> October 2014 to 10<sup>th</sup> October 2014, there is no provision for the adjournment of this meeting. The draft budgetary plan is required to be adopted, adopted with amendments or not adopted.

The prescribed statutory requirement for the main plenary council budget meeting is from the 01<sup>st</sup> November to 24<sup>th</sup> November. The provisional date for the plenary budget meeting is 18<sup>th</sup> November 2014, there is a maximum 14 days adjournment period. Cllr Doherty enquired as to when the total county budget will be known. The main council budget includes the LPT allocation, replacing the local government fund and it is envisaged that we will get the same allocation as last year which is €22.7 million, the roads grants are to follow.

Garry Martin then outlined the background to the draft budgetary plan, the general municipal allocation, the process and the requirement in relation to the draft budgetary plan.

The vast amount of expenditure is fixed including salaries, wages, pensions, loan charges, contractual obligations etc. Unlike other semi state bodies that operate on a year to year basis, local government is like a business in that any over expenditure has to be carried forward. The Chief Executive's preference is that the General Municipal Allocation should be maximised in as far as practicable at the Municipal District level, the budget can be flexed to meet the priorities of the area. This is a progressive move and local revenue options are possible i.e. utilising car parking charges to meet local priorities. It is proposed to allocate an initial global sum of €100,000 to each Municipal District as a general municipal allocation, this is equivalent to the 2014 Development Fund Initiative allocation per Municipal District.

Cllr Canning suggested the meeting go into committee for a half hour, the other members concurred and the press left the room.

The following issues and concerns were raised by the members.

Cllr Farren

- The total allocation of government funding to the Council
- What was the allocation for Buncrana Town Council and will it now be allocated to the Inishowen Municipal District
- Budgets for Roads and Housing
- Can the General Municipal allocation of 100,000 be increased
- Increasing the service delivery from the PSC, Carndonagh

Cllr Murray

- What are the broad expenditure headings and is there a breakdown available
- What are the members being asked to adopt

Cllr Canning

- Unfinished housing estates, this is a county wide issue and should be dealt with at county level.

Cllr Ryan

- How is the pot divided up at Municipal District level
- Funding of the Ferry
- How is the roads budget allocated, is this decided from Lifford
- Future of Buncrana Town Council office
- Take over of Housing estates
- Is the Council repaying the loan interest only or is the capital being repaid

Cllr Doherty

- County wide areas of funding need to be identified
- Cost of pensions per area
- Upgrading roads to national status to save the area money

- Getting to know the size of the cake, would like to look at the benefits of Derry airport

#### Cllr Donaghey

- Bunrana Leisure Centre
- Blue Flag beaches
- Need an economic development fund

#### Cllr Mc Guinness

- Takeover of roads and housing estates
- Unfinished estates
- What will be dealt with centrally, i.e., Slieve League, Letterkenny theatre are all flagged as county wide expenses
- Cost of staffing if Finance is relocated
- Bunrana Town Council office
- Ferry
- Strategic development of Malin Head
- It would be more beneficial to know the central budget
- Total amount of rates collected in Inishowen versus the other Municipal Districts
- What is discretionary expenditure in terms of the Municipal District
- Ferry
- Planning and County Development Plan, developments are not being allowed outside the core of the town
- Planning funds kept in the DED

#### Cllr Mc Dermott

- Last years budget versus this years

#### Cllr Crossan

- Bunrana Town Council office
- Permits for casual trading should be utilised

#### Garry Martin advised as follows:

- The issues and concerns will be documented to the Chief Executive
- €100,000 is the minimum amount of the General Municipal Allocation and it can be increased
- The amount of local government funding from the Department would not be reduced and would be the same as last year, which is €22.7 million. The Council will receive 80% of the LPT collected locally with the balance funded from an equalisation fund, also financed from the LPT at a National level.
- All staffing costs are funded centrally as are loans.
- Assets in any county wide project should probably be funded by county wide resources
- There is an argument for the future of capital budgets
- Development fund should be flexed to reflect members numbers

- The members fund is €6,300 per member
- The rate base in each area has its strengths and weaknesses
- Legacy issues do exist from the Town Councils
- Unfinished estates are a big challenge. National funding would need to be identified.
- Car parking charges could be explored.
- Expenditure for some non-mortgage loans is currently interest only
- Means of developing an economic development fund is possible.
- Fortunate to have a choice of airports. A product like a European golf experience could be investigated by Community and Development
- Additional flexibility to move from one functional area to another
- Area plans can be discussed in a workshop

The meeting then returned to open session.

On proposal of Cllr Donaghey and seconded by Cllr Murray, the Draft Budgetary Plan was adopted with amendments.