



***Managers Report on the Draft Local Authority Budget
for the financial year ending 31/12/14***

6th January 2014

Don Méara agus Gach Ball Do Chómhairle Bhaile Thrá Lí

RE: Local Authority Draft Budget 2014

Dear Councillor,

I refer to the Draft Local Authority Budget prepared for Tralee Town Council for the financial year 2014 enclosed with this correspondence.

Unification of Kerry Local Authorities

As you are aware the proposed amalgamation of Tralee Town Council with Kerry County Council will occur in June of this year. Despite this however the Budget presented to you is for a twelve month period to December 2014 for both income and expenditure. Upon unification the financial and management accounts of all Kerry local authorities will be combined under the merger approach to accounting. It is essential, therefore that this budget allows for the continuation of services beyond the lifetime of the current Council and also that it sets a template for future budget allocations for the town.

Local Government Fund

Local Authority financing will radically change in 2014, Irish Water will assume responsibility for the delivery and funding of Water Services, the Local Property Tax will operate on a full year basis and the Non-Principal Private Residence Charge will be discontinued. The Local Government Fund allocation for 2014 reflects this change which resulted in a county at large allocation of €1,043,837. This is inclusive of the allocation for Kerry County Council, Tralee, Killarney and Listowel Town Councils. The adjusted allocation for Tralee Town Council has been calculated at €22,426. This amount while reflecting an overall decrease in the local Government Fund allocation is also reflective of the major cost burden of water which has been removed

from the Council and now is the responsibility of Irish Water. The size of the Local Government Fund allocation also highlights the dependence on locally raised finance for the majority of Town Council services.

Irish Water

Kerry Local Authorities will continue to provide water services to the people of Kerry, as an agent of Irish Water under a Service Level Agreement. The cost of providing these services will be recouped directly from Irish Water. The cost of payroll and a portion of the Council's central management charge will be recouped from Irish Water and is reflected within the Draft Budget 2014. It is anticipated that all other expenditure on water services, such as goods and services, will be done through the Irish Water Financial Systems. However, it may be necessary to purchase some goods and services for water/waste water operations through our own financial system, AGRESSO, during 2014 and, subsequently, recoup same from Irish Water. We will be seeking members' approval for this over-expenditure as it arises as provided for in section 104 of the Local Government Act 2001, as is usual. Considerable financial and operational uncertainties remain as we embark on our new Service Level Agreement with Irish Water.

General

The Budget has been balanced following a thorough analysis of the services provided by Tralee Town Council. The cost of running these services and the income from all sources, which Tralee Town Council will generate in 2014, has been carefully assessed, recognising the continuing difficult economic climate that presently prevails, and most specifically the contracted commercial sector that has emerged over the past five years, despite some recent modest recovery. I am satisfied that this Draft Budget sets out the estimated expenditure necessary to carry out the functions of Tralee Town Council effectively and efficiently for the entire financial year 2014. The Budget takes into account both the need to maintain essential services, to minimise cuts in service provision that will impact on communities within the town and to protect and mobilise the significant capital investment made in recent years. The Budget also strikes a balance between the various services provided by the Council

The **total proposed expenditure** of €17,055,846 for 2014 as outlined in the draft budget is somewhat exaggerated, in that it includes an item for uncollected and irrecoverable rates totalling €3,653,556, which for accounting purposes has been deemed expenditure since 2013. Disregarding this sum the adjusted expenditure for the coming year is estimated at €13,402,290, which represents a decrease of 14.7% compared to a corresponding figure of €15,830,821 for 2013. This is the fifth year in succession that expenditure has declined. **The reduction in the current year in both expenditure and income is almost entirely associated with the loss of the responsibility of water services from 1st January 2014.**

Context for Budget 2014

The following are the main factors that influence the preparation of the Budget for 2014.

- The transfer of the financial responsibility of water services to Irish Water and the resultant reduction in overall income and expenditure in the proposed budget

- The virtual elimination of the Local Government Fund allocation to Tralee Town Council as a result of the transfer of responsibility of Water Services to Irish Water. The allocation in 2014 is €12,426 compared to €2,078,813 in 2013.
- The charge on Non-Principal Private Residences, which was introduced in 2009, will be discontinued in 2013. This income source peaked in 2013 with a yield of €700,000. Tralee Town Council's staff in conjunction with staff of Kerry County Council have been working to identify unregistered properties and a figure of €50,000 for arrears arising from non registration of properties in previous years has been included in the 2014 budget.
- A rates collection performance in 2013 with an outturn of €6.2ml, similar to 2012. This collection performance for rates in 2013, together with the continuing difficult local trading conditions suggest that there will be little scope for increased income in this area in 2014.
- This Budget was framed in the context of a distinct lack of buoyancy in the 2014 income, due in part to the fact that the Valuation Office has failed to value new commercial properties in recent years despite numerous representations from this Council.
- No increase in local income sources and an expected decline in parking income.
- As members are aware a sum of €600,000 from accumulated revenues was set aside in 2011 towards anticipated shortfalls in revenues in the following years. As in 2013 it is proposed to utilize the remaining €300,000 of this sum in 2014 to bridge the gap between income and expenditure. The initial outturns show that the Council will not record a deficit in 2013.
- The national moratorium on filling staff vacancies continues leading to ongoing reductions in staff numbers. Irrespective of the moratorium the financial position of the Council does not allow for additional recruitment either on a permanent or seasonal basis. Reduction in staff numbers, substantially reduced overtime, and non engagement of seasonal staff will impact on the delivery of services as staff numbers fall further
- The County Charge for 2014 has been notified as €3,008,838 a reduction of €30,392 (1%) on 2013. This modest saving is reflective of the overall reduction in expenditure on County at Large services by Kerry County Council.
- Increase in housing rents income of €107,000 to meet the cost of Local Property Tax on Council social housing stock.
- Increased energy costs

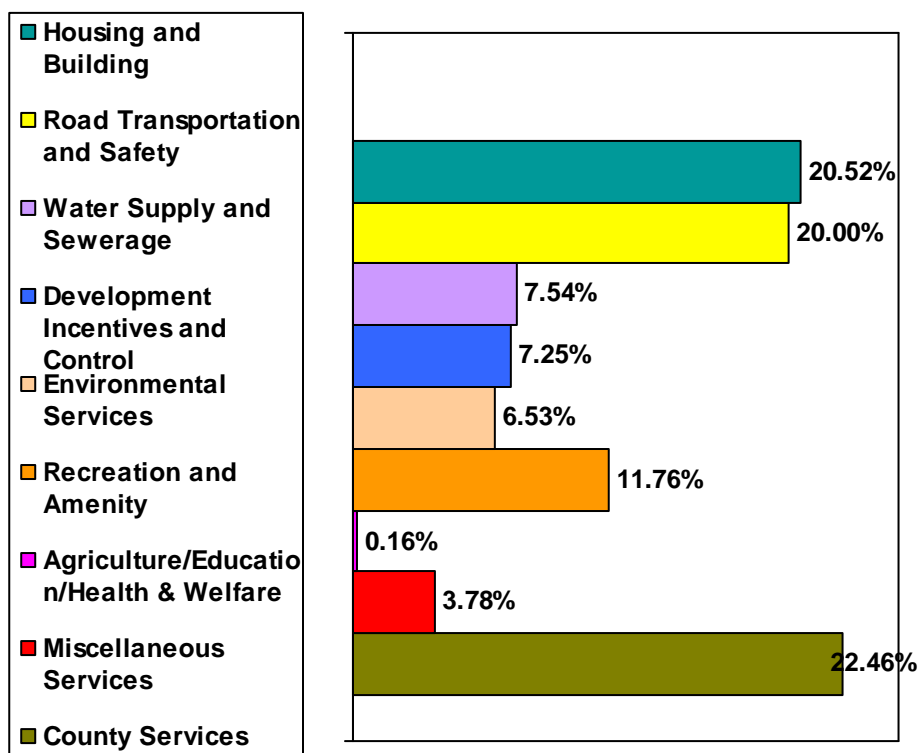
REVENUE EXPENDITURE PROPOSED FOR 2014

The following Tables summarises the Expenditure broken down over Eight divisions and the County charge.

Gross Revenue Expenditure

Division	2013	2013
A. Housing & Building	2,750,276	2,342,105
B. Road Transportation and Safety	2,680,589	2,694,408
C. Water Supply and Sewerage	1,009,895	3,711,232
D. Development Incentives and Control	971,724	1,065,943
E. Environmental Protection	875,941	869,973
F. Recreation and Amenity	1,576,353	1,578,509
G. Agriculture/Education/Health & Welfare	21,827	23,433
H. Miscellaneous Services	4,160,403	4,144,422
H* Miscellaneous Services	506,846	505,988

County Services	€3,008,838	€3,039,230
	€17,055,845	€19,469,255
Totals	€13,402,290	€15,830,821



**The above graph disregards the notional expenditure on irrecoverable rates*

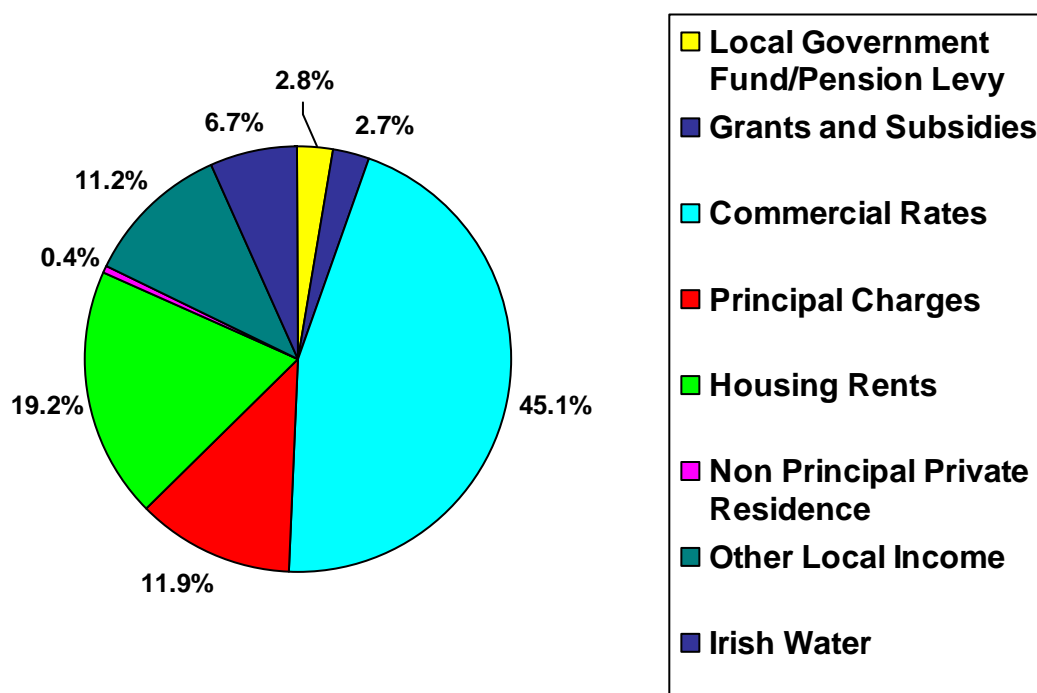
GROSS REVENUE INCOME

The following table sets out the projected revenue Income for 2014

Gross Revenue Income

Division	2014	2013
A. Housing & Building	3,011,233	2,564,590
B. Road Transportation and Safety	1,939,104	2,118,202
C. Water Supply and Sewerage	926,699	1,115,718
D. Dev/ment Incentives and Control	171,280	142,739
E. Environmental Services	197,044	206,467
F. Recreation and Amenity	199,714	201,101
G. Agriculture/Education/Health & Welfare	5,500	5,500
H. Miscellaneous Services	524,232	952,083

Local Government Fund Grant	€377,426	€2,349,248
	*€0,706,615	*€9,813,607
Rates (Gen. Annual R.V.)	€6,050,059	€6,175,173
	*€17,055,846	*€19,469,255
<u>Totals</u>	<u>€13,402,290</u>	<u>€15,830,821</u>



**The above graph disregards the notional income on irrecoverable rates*

PRINCIPAL CHARGES REQUIRED TO ACHIEVE PROJECTED INCOME

Annual Rate on Valuation

€79.90

The Council is conscious of the necessity to maintain the commercial competitiveness of the town and the difficult economic commercial environment that exists at present. The current ARV is the highest in the country. In an effort to stimulate economic activity and to support the economic recovery of the economy which appears to be underway it is proposed to reduce the commercial rates for the coming year by 1.57% bringing the ARV below €80.00 for the first time in six years. It is an important statement to the commercial community that the Council is mindful of the impact of overheads on commercial activity in the retail, services and manufacturing sectors.

Despite the contraction of the rate base in the past year the Council has been able to achieve this reduction due to the reductions in staff numbers and additional cost saving measures. The Council has met with businesses for the past four years in relation to their rates demands and have responded positively to businesses that have clearly demonstrated financial difficulties through their audited accounts. It is also clear that some businesses are not meeting their commitments in relation to payment of rates and the Council will pursue all defaulters vigorously.

Commercial Water

Irish Water has the power to set non-domestic and other water services charges. Irish Water has confirmed that the current water services charges should continue to apply until further notice.

Parking Charges

Parking revenue has been a crucial income source for the council for many years. It is not proposed to increase charges in this area in 2014, continuing the policy of no increases since 2005. Income from this area shows a decrease in 2014 of €105,000 based on the outturn of 2013 which reflects the impact of parking incentives introduced at various times during the year. While parking concessions are popular and if properly targeted have a positive influence on commercial activity, such concessions impact negatively on Council resources.

Revenue from Capital Reserve

Prudent financial management in previous years has allowed the Council to introduce revenues from the capital reserve, specifically set aside following the 2011 financial year surplus, in the current year to ensure the maintenance of essential services within the town. In the short term this alleviates to a certain extent the requirement to reduce services further. The sum of €300,000 was brought into the current budget in 2013 and a similar sum is being brought into the 2014 budget. This retained surplus has proved invaluable in producing balanced budgets over the past four years.

It is also proposed to utilize reserves of €345,600 from the capital land account to cover the loan charges which are now due in relation to the lands acquired by Tralee Town Council for housing purposes.

Similarly a sum of €13,200 is earmarked for retirement gratuities for Councillors from a specific reserve in the capital account set up for this purpose.

Capital Programme

The Council will also look to utilise the capital programme to ensure continued improvements for the infrastructure of the town and an element of funding for the permanent work force. The Council has successfully targeted central government funding, particularly in the housing, energy and amenity areas over the past couple of years and where the appropriate skill base is available and efficiencies allow Council employees are utilized on these projects.

Since 2010 services were curtailed in the areas of street cleaning, parks and open spaces and other areas, resulting from a reduction in the labour force and the non-continuation of seasonal employment. This will continue in the coming year. However this has been compensated by much greater involvement and co-operation from the business community, the voluntary sector and residents associations in terms of the overall presentation and appearance of the town and has resulted in improvements year on year in our performance in the Tidy Town competition and IBAL litter league. I am confident that this will continue in 2014.

The following will be among the priorities for 2014.

Division A

- Delivery of the Mitchel's Regeneration Project
- Continued targeting of Exchequer funds to improve housing stock
- Retrofitting Voids
- Estate enhancement schemes
- Radon testing/amelioration works

Division B

- Provision for additional Public Lighting
- Footpath improvements
- Car Park upgrading
- Town Centre Improvements
- Continued provision for maintenance of Flood Relief Scheme

Division C

- Service Level Agreement with Irish Water
- Concentration on management of Leaks
- Old pipe replacement programme
- Pump replacement

Division D

- Protected Structures
- Tourist promotion
- Tourism projects/Wetlands/Windmill
- Town promotion
- Tidy Town Initiatives retained

- Entente Florale

Division E

- Revamped cleansing schedules
- Co-ordinated Community, Business effort
- Provision for burial grounds
- Derelict sites improvements

Division F

- Grass cutting focus on public areas
- Museum
- Residents Associations
- Capital improvements
- Cultural activities retained

Significant reductions and cost savings have been implemented over the past four years and these are reflected in the 2014 draft budget. It is imperative that the income from all sources set out in this budget is realised in 2014. The Council cannot sustain its current permanent workforce or provide services at a level that does not undermine the investment in public infrastructure in the town over the past number of years if the Council's income base is further eroded. The Council will continue to strive for greater efficiencies throughout the services being provided and continue reviewing the effectiveness of our various work programmes to ensure the public gain the maximum benefit from the significant investment that the Town Council is responsible for in Tralee. The Town Council continues to provide the lead in the provision of tourism infrastructure in the town and proposes to make a significant contribution to the marketing of the town in 2014.

I wish to thank the Mayor and the Members of the Council for their co-operation throughout the year and in particular, for your advice and assistance, at the pre-budget meeting. The proactive approach of this and previous Councils has positioned Tralee favourably to withstand the current economic difficulties and to take advantage of the future upturn in the economy.

I wish to thank all the Staff of the Town Council for the valuable contribution they made during 2013 in ensuring the work programmes, set out at the beginning of the year, were completed as far as resources allowed. I also wish to acknowledge the co-operation received from staff in implementing revised work schedules and taking on extra areas of responsibility due to a reduction in overall staff numbers.

A special thanks to all Staff involved in the preparation of this Budget and in particular to John McCarthy and his staff for their diligence in producing the draft budget in a difficult financial climate.

Considerable effort has been made in this budgetary process to ensure that the resources of the Council are protected while at the same time ensuring that the budget provisions make a significant effort to boost the local economy, maintain jobs and position the town to play its part in the economic recovery of the region.

Mr. Mayor and Members of the Council, I now recommend that you adopt this Budget and pass the necessary resolutions accordingly.

***M.McMahon,
Town Manager.***



**Report on Individual Divisions & Central Management
Charges
2014**

Capital Works Programme 2014 -2016

DIVISION A - HOUSING & BUILDING

A.0. General

The activities of the Housing Department focus principally on the following areas:

- Estate Management/ Tenant Participation/ Social Support Services
- Management of the Housing Stock through planned upgrades and general housing maintenance
- Regeneration of Mitchel's area
- Housing Assessment/Rent allowance

The 2014 budget has been framed to continue work in these broad areas to ensure the maximum support for the continued development of a housing stock of modern standard and a growing involvement of tenants in the management of their own estates. Work in this area has been beneficial to the participating estates and ensures the Council's investment is supported by the local communities.

A.01. Maintenance Improvement

2013 was a record year in relation to the improvements carried out to the Tralee Town Council housing stock. These improvements were achieved through targeting various government initiatives and grants, supplemented by specific Council resources set aside for the housing improvement programme. These works were concentrated in improving the energy efficiency of homes and will result in long term fuel savings for our tenants as well as more comfortable homes. It is essential that the Council has at its disposal ring fenced funds for house improvements as all government initiatives require a minimum local contribution.

A number of modest house sales in 2013 have resulted in some funds being available in 2014 from ICRs to continue this work. The Council will also have at its disposal an additional fund of €100,000 from a revenue surplus to continue the window and door replacement programme and roof upgrades.

The works outlined above will be in addition to voids which will be brought up to the highest standards prior to re-letting. There will again in 2014 be specific funding under the Social Housing Investment Programme to finance the improvement of long term voids and the local contribution will be provided from Part V funds. The level of local contribution required will be critical to the level of work that can be carried out.

The sum of €762,000 allocated for general maintenance is being retained at 2013 levels. Given the overall level of improvement in the housing stock and increased value for money, this will allow all routine maintenance to continue and individual house upgrades including window/door replacement to be carried out.

A dedicated sum has been retained in the budget for improvements to Old Person's Dwellings.

The work completed in 2013 includes the following:-

- Attic Insulation - 291 units
- Wall Insulation - 226 units
- Casual Vacancies upgraded - 8 units
- Energy Efficiency upgrades - 12 units
- Air to Air heating systems - 5 units
- Window & door replacement - 66 units
- Disabled Persons Grants - 9 units
- Estate enhancement projects - 4 estates

A02 Assessment of Housing Needs

There are currently 2,243 households or individuals on the Council's housing list. The ongoing assessment of the housing waiting list/rent allowance assessment is a significant challenge to the manpower resources within the housing section. To the end of November, 1306 housing eligibility assessments had been carried out by the staff of the housing section.

A total of 31 tenancies were allocated in 2013 through casual vacancies, house completions and house purchases.

A03 Housing Rent and Tenant Purchase Administration

The figure included for housing rent income is increased from €2.4million in 2013 to a projected income of €2.577million in 2014, reflecting the additional charge to cover the cost imposed on Tralee Town Council under the Local Property Tax. The arrears figure for outstanding rent increased by €5,000 in 2013 to €43,000. There has been a significant increase over the past three years and is a cause of concern and must be reversed. Tenants in serious arrears and who are unwilling to deal with the issue are being pursued through the courts. Tenants who find themselves in difficulty should approach the Council and not allow the rent arrears to escalate. The vast majority of our tenants pay their rent in a responsible manner. Despite the increase in arrears the sum collected has also increased each year as a result of a reduction in vacant properties and new units being added to stock. The Council will continue to promote deductions at source and household budgeting to augment the collection service provided by the Council's rent collectors.

A04 Estate Enhancement

This element covers the cost of staff associated with tenancy enforcement and community liaison. It also continues a fund introduced targeted at the general environment of Council estates, outside RAPID areas, in order to improve the overall appearance and facilities of these areas. This sum has been retained at 2013 levels (€50k) and this will allow a number of projects to commence in 2014 which, though modest in expenditure will have a significant impact on the estates involved. This is a very worthwhile use of funds and supports the growing community participation in our estates.

Mitchel's Community Regeneration Scheme

The Mitchels Regeneration Project is a significant capital programme being undertaken by Tralee Town Council in the Mitchels Crescent area. €3.1million was recouped from the Department of Environment, Community and Local Government in 2013.

The following projects were completed in 2013

- St Brendans Park – 5 housing units.
- Roof replacement programme – 24 units
- Minor sundry works
- Community Social Projects

The following projects are underway or will commence in 2014

- Mitchels Integrated Services Centre.
- Service Upgrades & Environmental Improvements Phase 1A.(Mitchels Square to Mitchels Road)
- Extension and New Build at Urban Terrace.
- Review of Masterplan
- Design of Traveller Specific Accommodation
- Town Council Housing Upgrades

A project team of four staff is funded under the project, which otherwise would be funded from revenue.

Community Social Projects

Central to the regeneration process is the ongoing involvement of the community. The Department of Environment, Community and Local Government has provided assistance to establish a small grants scheme which has enabled the Regeneration Steering Committee to provide financial support to local groups and projects that are contributing towards improving facilities and promoting the positive impact of the regeneration project. Projects in 2013 included support for Historical & Heritage working Group, Gathering Reunion, Tralee Boxing Club, KDYS, Community Horse Project, Tobar Naofa Residents Association & outdoor equipment, Computer Training.

A05 Administration of Homeless Service

This includes the Council's contribution to the homeless shelter in Tralee

A06 Support to Housing Capital Programme

The housing capital allocation for 2014 has yet to be announced. It is unlikely that funding outside of regeneration will be available for any major housing development to commence.

A08 Housing loans

A sum of €346,000 is provided in the budget for interest(only) payments on the loan facilities in relation to the land bank acquired by Tralee Town Council in Lohercannon a number of years ago. The Council had made an application to the Housing Agency/Housing & Sustainable Communities Ltd for inclusion of these

lands under the land aggregation scheme. The Council has subsequently been informed that this scheme is discontinued. While in 2014 the Council is in a position to finance this sum from its capital reserves, in the longer term this burden will have a significant impact on resources.

Progress Report

A Housing Progress Report will continue to be brought to the Members of the Council each month to show the progress being made in relation to all aspects of the programme outlined above.

DIVISION B – ROAD TRANSPORTATION AND SAFETY

B04Local Road- Maintenance and Improvement

Provision for urban roads maintenance (own resources) in 2014 has been maintained at 2013 levels with a total of €447,600 proposed. The funding provided will be spent in a targeted and efficient manner to ensure maximum return for the investment available. The improvements carried out in the period 2009-2013 to the local road network within the town have reduced the length of roadway where critical maintenance is required.

For the purposes of clarity flood relief which was formerly in “Division C Water Services” has been relocated to Division B and is included in the B0405 “local roads”.

The sum of €30,000 has been provided for maintenance of the Flood Relief Scheme, which has come under increasing pressure in recent times, an increase of €10,000 from 2013.

In 2013 the following works were carried out;

Road Works

Overlay and reconstruction works were undertaken on the following roads during 2013, Windmill Lane, Church Road, Blennerville, Strand Street, Dean’s Lane, Killeen Road and JJ Sheehy Service Road.

Footpath Works

During the past year footpaths were constructed or reconstructed in the following locations Church View, Blennerville, Manor Village, Old Marian Park, Derrylea, Rahoonane, Shanakill, Fountain Court, Ashgrove, St Brendan’s Park, Connolly Park Bungalows, O’Rahilly’s Villas

Car Parks

The early part of last year saw the re construction of the Abbey Car Park and within the past two months Matt Talbot Road Car Park received an upgrade with the structural reconstruction and re lining of the northern part of the facility.

Other works undertaken include parking bays in Spa Road and Lohercannon.

General

Barrack Lane was re surfaced and also received decorative lighting and Milk Market Lane was reconstructed.

Road Grants

The Road Grant allocation has yet to be announced and the budget figure assumes a similar allocation to 2013. There is a Tralee Town Council local provision of €65,000 to support the grants programme.

B05Public Lighting

Public Lighting operating costs have been retained at €396,000 the 2013 level. This level of expenditure did not materialise in 2013 so the allocation should be adequate to deal with the additional lights provided in 2013 and increases in energy costs. The increase in the number of lights within the control of the Council is a result of direct provision by the Council of additional lighting as well

as the additional lighting that came within the charge of Tralee Town Council as a result of taking estates in charge.

Public Lighting Capital Works 2013	The provision of new lanterns on existing or replacement Public Lighting or Power Transmission Columns was undertaken in the following areas, Ashgrove, Windmill Lane, Spa Rd, Manor Place. New lighting was provided in Woodbrooke Manor, Ashgrove, Lohercannon, Cloonbeg Terrace, Cloghers Drive, Connolly Park, Ragoonane, Market Street, Manor Court, the Abbey Car Park and the River Lee Walk Phase 2.
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The capital reserve over the past number of years to provide additional lights has been exhausted and therefore it is necessary to provide a sum of €30,000 in the revenue budget to allow a modest programme to be undertaken in 2014. As in 2013 a report prioritising improvements will be brought to members at the March meeting for consideration. Submissions by Councillors will be considered as part of this prioritisation programme.

B07 Road Safety Engineering Improvements

Significant traffic calming measures have been carried out over the past three years and while there is a specific allocation of €17,000 for this measure within the roads budget, funding also remains in the RAPID allocation and estate enhancement allocation which can be utilised for specific traffic calming measures within estates.

B08 Road Safety Promotion & Education

The School Warden Scheme will be maintained at 2013 levels of service

B09Car Parking

The costs of Parking Management, Car Parks and parking enforcement show an overall decrease, taking account of a reduction in staff numbers, and the actual outturn for 2013. Other expenditure in this area includes maintenance contracts for the Pay & Display machines and the outsourcing of coin collection. Parking charges for Council operated car parks and on-street parking have not been increased, and projected income from this source is estimated to decline in 2014 reflecting the 2013 outturn and the parking incentives operated by the Council during the year.

The management of car parking within the town is critical to the overall prosperity of the trading sector. The Council has provided an additional car park in the past two years which provides 142 spaces with good access to the town centre. Council car parks in The Abbey Car Park and Matt Talbot Car Park have been considerably upgraded in 2013 with improved surfaces, parking layout and traffic management. Planned improvements will be continued shortly in the Brandon Car Park to upgrade the surfacing, drainage and general appearance of

same. The proposals put forward in the Tralee Transport Strategy in relation to maximum stay areas will be considered for implementation over the coming months.

B10Support to Roads Capital Programme

The development contributions collected since the introduction of the Roads Levy has yielded a fund to the Town Council, which has allowed it to invest in new road construction and improvement within the Town Council area. The enclosed capital programme outlines projected expenditure over the next three years. In 2013 the following sums were collected in relation to Development Contributions associated with Division B. The absence of new private development limits the funds available from this source. The removal of the Town Council roads levy in favour of the Western Ring Road levy also impacts on the Council's resources in this area.

Car Parks	-	€61,412
Ring Road	-	€37,264
Approach Roads-		€9,248

The overall condition of the road network in the town has improved dramatically over the past five years with substantial investment on strengthening and surfacing of all the major roads by both Kerry County Council and the Town Council.

DIVISION C - WATER SUPPLY AND SEWERAGE

C01Water Supply

From 1st January 2014 Irish Water has assumed responsibility for the funding and delivery of water services throughout the country. Irish Water has entered into Service Level Agreements with local authorities throughout the country for their continued involvement in the delivery of services at local level. Kerry County Council has entered into such an agreement and through this agreement Tralee Town Council will continue to provide the service within its administrative area. The cost of providing these services will be recouped from Irish Water. The cost of payroll and a portion of the Council's central management charge will be recouped from Irish Water and is reflected within the Draft Budget 2014. It is anticipated that all other expenditure on water services, such as goods and services, will be done through the Irish Water Financial Systems. However, it may be necessary to purchase some goods and services for water/waste water operations through our own financial system, AGRESSO, during 2014 and, subsequently, recoup same from Irish Water. We will be seeking members' approval for this over-expenditure as it arises as provided for in section 104 of the Local Government Act 2001, as is usual. Considerable financial and operational uncertainties remain as we embark on our new Service Level Agreement with Irish Water.

Capital Projects undertaken in 2012

Cloonbeg Terrace	new pvc watermain, with fire hydrants, and new house connections to replace old lead pipe work in the area
Church Road, Blennerville	new pvc watermain and hydrants from N86 junction to the GAA field; replacement of long service pipes
Stacks Villas Cul de Sac 58-74	new pvc watermain and hydrants, and new house connections to replace old cast iron watermain and old lead service pipes
New Pressure Reducing Valves	areas of very high water pressure were identified (over 50psi) and pressure reducing valves were fitted; this will aid in reducing water losses; Estates where PRVs have been installed includes: St. Brendan's Park, Oakpark Demesne, Mounthawk Manor, Quarryvale, Ard na Sidhe

C04Public Conveniences

The operation and maintenance of the public convenience has been allocated sufficient funds to allow minor refurbishment of the toilets including painting of the interiors in the current year.

Capital Works

As in Division B, considerable resources have been generated through development contributions for water and sewerage facilities over the past number of years. Income from this source has declined from a high of €1.5m in 2007. The following was collected in 2013. These funds will be utilised to finance unfunded

balances in the capital account associated with water service projects carried out in previous years.

Water	–	€73,790
Sewerage	-	€26,065

DIVISION D – DEVELOPMENT INCENTIVES AND CONTROL

D01 Forward Planning

While the review of the Town Development Plan was suspended in 2013 a significant level of background survey work had been undertaken and this will feed into any future local area plan for Tralee.

Work in the forward planning area in 2014 will focus on architectural conservation and an examination of protected structures as a basis for an updated more relevant listing.

D02 Development Management

This sub service shows a reduction in expenditure reflecting the decrease in activity in this area. Salaries and associated expenses such as travelling, training, materials, legal expenses and office equipment make up the bulk of this provision.

A sum of €25,000 has been included as income which includes for the main part; fees associated with planning applications and associated searches, copies of documentation etc. The outturn in 2013 and the estimated income in 2014 reflect the much reduced activity in the construction industry in the current economic climate.

D03 Enforcement

Expenditure in this area is associated with staff costs and legal fees in relation to unauthorised development within the town and ensuring that the conditions attached to planning permissions are being complied with.

D04 Industrial Facilities

Provides for the maintenance of both the Clash and Cloonanorig Business Parks (primarily grass cutting)

D05 Tourism Development and Promotion

This includes provision for the Tourism development officer, 90% of which is recoupable from Kerry County Council.

A sum of €30,000 has been retained in the budget towards improvement works for the steam train/windmill either as a local contribution to grant funding if it becomes available or for essential maintenance.

Tourist facilities operations include staff costs in relation to the operation of the Windmill and a sum of €150,000 in respect of the operation of the Lee Valley Wetlands Centre. While it is planned that the centre will be self sufficient, covering its own costs, it will take some time to achieve this. A major marketing campaign was carried out in 2013 hugely supported by Failte Ireland by providing advice and training for the staff and management of the centre. With additional attractions on site in 2014 it is expected that benefits of this marketing campaign will be seen. This is a major additional tourist attraction for Tralee and

will also continue to provide a wonderful amenity for the local population with a large section of the park free to the public.

The Council's continued development and support of tourist facilities reflects the importance of the tourist industry to the overall economy of the town, and the knowledge that many of the Council's ratepayers depend on the tourist industry to ensure their viability. The windmill/steam train product requires major investment also, and the Council faces a significant challenge in rehabilitating these attractions and sustaining their attractiveness into the future.

D06 Community and Enterprise Function

The RAPID programme was jointly funded by Department of Community, Rural and Gaeltacht Affairs and the Town Council. The department funding for the physical improvements was withdrawn in 2009. The Budget retains funding for the operation of the CCTV cameras, contribution to the community centre and a sum of €30,000 for physical improvements in the two RAPID areas outside the Mitchel's Regeneration area. The communities in each area highlight the projects they wish to progress. The fund to date has provided additional lighting, traffic control measures, additional parking and general estate enhancement measures.

D09 Economic Development and Promotion

Tidy Town Initiatives

The budget includes a sum of €20,000 for tidy town initiatives which the Council will undertake with specific attention to the town centre. This sum is in addition to the significant capital spending that the council undertakes each year from the amenity contributions it receives. This will target flower arrangements and other soft landscaping in the town. There will be renewed efforts to gain the support and co-operation of the business community in improving the town centre areas over the coming weeks. Funding has been maintained to the Tidy Towns and Towards a Better Tralee recognising the valuable contribution these organisations have made to the town and the level of co-operation between these bodies and the Town Council. The Town Council will continue to co-operate with Residents Associations in helping them take care of their own areas. The great success in achieving a Gold Medal in this year's Tidy Town's Competition was a reflection on the continued investment by everyone involved in this area, and shows the Council's efforts in supporting the Tidy Towns effort is worthwhile.

Entente Florale

Tralee has been chosen to participate in the prestigious international Entente Florale competition which should galvanise support for a tremendous effort by all involved to show case Tralee at its best throughout the summer period. An additional fund of €25,000 has been included in the budget to cover the costs associated with competition. There will also be modest Department financial support in respect of same.

The Town Council has made substantial capital investment in the town centre in the past number of years. This capital investment continued in 2013 work concentrating on the completing Barrack Lane upgrade and Milk Market lane. It is proposed to continue town centre improvements in 2014 with a revamped entrance to the town park in Denny Street. It is also planned to prepare a detailed design for upgrading the Mall in association with Kerry County Council.

The Council also carried out improvement works to the street furniture in the town centre area in the past couple of years and this will continue in 2014. In addition, the Council has been supportive of the town centre in funding a significant and increasing portion of the Christmas and festival lighting provision as well as the entire electricity costs.

Provision of 57,000 is included to continue support for Tralee Chamber Alliance (TCA) in 2014. The TCA has made a positive start in their first two years of operation and the Council will continue to work with the business community to promote and improve Tralee.

D10 Property Management

This specific provision relates to maintenance and capital contribution associated with the Ashe Memorial Hall. The maintenance of the town hall and council depot are charged to individual programmes and are included in the service support costs under each individual programme. Major infrastructural improvement works have been undertaken in the Ashe Memorial Hall in 2011 & 2012 including major refurbishment of the roof, insulation, new heating system, internal secondary windows and improved lighting. Much of the work carried out has been supported by grant aid from the SEAI. The Ashe Memorial Hall is a landmark building in Tralee and its long term protection is essential.

DIVISION E – ENVIRONMENTAL PROTECTION

E05Litter Warden Service

This covers the salary of the full time litter warden and associated costs of the service.

E06Street Cleaning

During the past year Tralee achieved a gold medal in Tidy Towns for the second year and retained “litter free” status throughout 2013, finishing the year ranked 9th in the country with a classification of “Cleaner than European Norms”. The IBAL judges concluded as follows; “Tralee’s best ever result. An excellent result for Tralee – eight out of the ten sites surveyed got the top litter grade. Some of these sites were not just clear of litter but very well presented and maintained e.g. Ashe Street, residential area of Brooklawn, Lidl and Pairc an Piarsaig – clearly the latter is a very well respected and cared for environment.”

While we can all be justifiably proud of the progress made in relation to the overall improvement of the presentation of the town, however it is never a job completed and requires a continuous vigilance to ensure that the high standards achieved can be retained and improved upon. It is clear that there are particular difficulties that remain to be tackled, but overall there is an extensive cleaning programme within the town, with substantial resources being provided in this area. There has been significant improvements in relation to the bottle banks, and the Council will again meet with vintners, restaurant owners, and turf accountants in relation to the cleaning the environs of their premises of cigarette waste and the provision of appropriate receptacles. Additional litter bins have been provided in the past couple of years and we will continue this programme where the need is identified.

The provision for Street Cleaning for the coming year has been increased to €61,800 reflecting the outturn for 2013 and the revised cleaning schedule developed in consultation with staff to maximise the effectiveness of same. This level of expenditure will support an extensive town centre programme; however resources in outlying areas will remain curtailed. Individual communities will be required to support the cleaning of their own estates and the Council will work with the estates involved to achieve a greater return in this area. However, in addition to the cleaning of streets, it is important that an active programme of Litter Awareness is continued for both young and old. In this regard, Tralee Town Council will continue its Media and School’s campaign to highlight Litter Awareness during 2014. The efforts of the elected Council in mobilising the public to support tidy town initiatives are extremely helpful as is their active participation within these groups.

E09Maintenance and Upkeep of Burial Grounds

The upkeep and improvements to Rath and St. John’s Cemetery in the coming year will cost €74,400. In addition provision has been set aside for a four year development of new spaces in Rath from the capital account. A programme of improvements of paths in St. John’s Cemetery will be continued in 2014.

E10 Safety of Structures and Places

With the downturn in planning applications, staff in the planning section will continue to devote more time to the management of derelict sites in the town. 2013 saw major improvements to a number of premises while there remain prominent eyesores that need to be tackled. The proper presentation and upkeep of vacant properties will be a challenge in the short term. Significant progress was achieved in 2013 with an overall improvement in this area. The level of economic activity is a challenge in relation to the upkeep of buildings and it was heartening to see a number of vacant properties returning to economic use in the town centre during 2013.

DIVISION F – RECREATION AND AMENITY

F01Leisure Facility Operations

The Sports Complex continues to provide an essential service to the sporting, health and recreational well being of the town of Tralee and beyond. Major improvements over the past number of years including the upgrading of the wet facilities, pool, sauna and steam room, the provision of all weather pitches, major refurbishment of the roof as well as the recent Sports Capital/SEAI funded energy efficiency upgrades has placed the Complex in a positive position going forward. The contribution in the revenue budget for the past number of years has been utilised to clear the outstanding capital balances associated with the improvements outlined above. As the capital balance has now been cleared it is proposed to continue the allocation to the complex as a revenue contribution in support of its day to day activities. Historically the Town Council were responsible for the payment of certain staff wages in the Complex, most recently the caretaker. All staff are now directly employed by the Sports Complex and are paid by them.

F03Outdoor Leisure Operations

The cost of maintaining the Town Park, the river and canal walks and other parks and open spaces in the town in 2014 will be €673,200, the same allocation as 2013. The absence of seasonal workers in this area will mean that the available resources will still have to be more targeted in public areas, thus requiring individual communities to work within their own areas. The response of various organisations, community groups and residents associations in 2013 was very positive and it is important that this level of commitment is built upon and fostered in the coming year.

The addition of new parks to the town over the past few years has added to the recreational benefit of both residents and visitors. However there are significant additional costs associated with maintaining these areas to a high standard. The town is well served by open space amenity areas and compares very favourably with other towns of its size throughout the country.

F04Community Sport and Recreational Development

The budget includes a number of contributions to community associations and offers the Council an opportunity to assist organisations who make a substantial contribution in their areas. While the overall expenditure is modest in this area it provides valuable assistance to the positive work such organisations carry out.

F05Operation of Arts Programme

Provision has been made for contributions to the Festival of Kerry, the Garden Festival, St. Patrick's Day Festival, Easter Festivals, Siamsa Tire, Tralee Pipe Band and other events. It also reflects the clean up costs associated with these festivals. These are significant positive contributors to the cultural, recreational and economic activity of the town. All contributions have been retained, reflecting the importance of these events to the social, cultural and commercial life of the town.

Kerry County Museum

The museum has been at the forefront of Irish Museums over the past number of years. In that period it has attained “museum of the year”, developed both an outreach and in-house education programmes, developed new exhibitions and solidified its role in the heart of the community in Tralee and the wider geographical area. 2013 was another huge milestone in the development of the Museum in achieving full accreditation status under the Museum Standards Programme for Ireland. At the Accreditation Ceremony in Dublin on 25 June, Michael Starrett, Chief Executive of the Heritage Council, stated that ‘This achievement has been the goal of a committed staff, management and governing body, and is a particularly distinguished accomplishment.’ Congratulations are certainly due to the Museum Curator, her staff and the commitment of successive Council’s in supporting this wonderful museum.

In future this will have an impact on qualifying for funding streams and being in a position to host artefacts on loan from both national and international museums.

Expenditure and income for the museum for 2014 are unchanged. The shortfall of income over expenditure for 2014 is projected to remain at €277,000. This is a substantial element in the town council’s discretionary income but remains a positive resource for the town. Support funding of €60,000 is received from Kerry County Council.

A major programme of capital investment was being considered over the past two years, which would have entailed major structural works involving a reworking of the design and layout of the entire museum. This programme was dependent on significant grant support which is unlikely to be available in the short to medium term. Work is now focused on a more modest programme, securing the long term structural integrity of the building, while investing in upgrading the current museum displays.

The museum will continue to be marketed at all Holiday shows along with the other visitor attractions in Tralee. The joint ticketing of the three attractions, the Kerry County Museum, Tralee Bay Wetlands and the Windmill will continue in 2014 and will be marketed earlier to increase the uptake of this attractive offer.

Capital Projects

The Rock St to Mounthawk Walkway was constructed in 2013 although some environmental enhancement works remain outstanding and it is hoped to complete these in 2014.

A pathway linking the Dan Spring Road giving pedestrian connectivity to the Town Park from the River Lee Walk, was constructed, part of which runs through the Western periphery of the Harriers Athletic Grounds. Other footpath reconstruction works were undertaken in the Town Park, mostly on its Southern flank, during December 2013.

The Tralee Bay Wetlands received a ‘boardwalk’ which will open up inaccessible areas for study, thus encouraging more intensive usage, wheelchair accessibility was afforded to the tower and a number of specific planting schemes were

undertaken. Predator exclusion zones were created with specifically designed fencing.

The initial phase of a parkland fronting the Castlemaine Road was constructed and we also undertook works in Cahermoneen to landscape a previously derelict area.

As in most previous years our Tree Planting Programme continued to enhance streetscape and parkland areas.

Minor amenity schemes were undertaken in Ballyrickard, Caheranne Cross and Estate and also Rathoraig.

A large effort was placed on amenity and other engineering works to the Big River and to a lesser extent the River Lee during 2013, all of which had a very positive effect during the recent adverse weather conditions and it is intended that these specifically targeted works will continue in 2014.

The Council continues to undertake capital amenity projects in conjunction with other organisations, private sponsorship and independently through its Development Contributions. The enclosed capital programme outlines projects targeted for this fund. In 2013 the following sums were collected in relation to Development Contributions associated with Division F. Unfortunately with the current level of funding the scope for new projects in 2014 is limited.

Amenity	-	€83,204
Town Centre Amenity	-	€19,665
Arts & Heritage	-	€9,248

DIVISION G -AGRICULTURE /EDUCATION /HEALTH & WELFARE

G04 Veterinary Services

Provision is made for the control of horses in this section.

G05 Educational Support Services

Provision is provided for a continuance of the School Meal Scheme with the appropriate recoupment shown on the income side.

DIVISION H – MISCELLANEOUS SERVICES

This programme group covers a number of expenditure areas which are not directly attributable to direct works programmes. Miscellaneous administration costs, provision of services to Elected Members, rate collection costs, and casual trading are provided for in this programme.

H03 Administration of Rates

This covers the costs of salaries and other expenses associated with the collection of rates. As explained earlier the huge increase in this element reflects a change in the accounting treatment of irrecoverable rates, principally arising from vacant properties.

As outlined in the Manager's Report rates uncollected or irrecoverable is now entered as an expenditure item for accounting purposes.

H07 Operation of Markets and Casual Trading

This covers the costs of licensing and staff costs associated with this project.

H09 Local Representation/Civic Leadership

This relates to the overall costs associated with the elected council, representational payments, expenses etc., and in financing the role the Council plays in honouring citizens of the town and in meeting important visitors to Tralee. The representational payments are set nationally. The representational payments and allowances cover the period January to May to coincide with the life of the Town Council. Also included is a sum of €13,700 in respect of retirement gratuities for outgoing members. This sum has been transferred from a reserve in the capital account

DIVISION J – CENTRAL MANAGEMENT CHARGE

Appendix 1 outlines the various overhead costs that are charged out to the various services and include, cost of buildings maintenance, corporate affairs, finance and human resource functions of the Town Council.



Capital Works Programme 2014 to 2016

The following contains a proposed Capital Works Programme for Tralee Town Council for the period 2014-2016. The works beyond Q2 2014, will be under the remit of the new Tralee Municipal Authority and will be determined by the new Local Authority structure to be in place by June 2014.

With the establishment of Irish Water, the Water and Wasterwater rolling programmes will be a matter for that new entity going forward, and for the first time are not included in a 3 year rolling programme. A multi annual programme of infrastructureal works will no doubt still be required for Water and Wastewater, but these will not be under the remit of the (new) Municipal Authority.

As with the nature of rolling programmes, this 3 year programme will be monitored and reviewed in light of available development contributions, exchequer roads grants , housing grants, Mitchel's Regeneration funding, and any other grants (ie SEAI, etc) that may become available in this period.

The following therefore is a brief estimate of the projected capital expenditure for period 2014 to 2016, along with list of proposed works under the various infrastructural programme headings.

The housing capital budget is almost entirely dependent on the Mitchels Regeneration Project allocation received from the exchequer and while this programme has a huge level of expenditure and investment, these figures may have to be revised downwards on notification of this allocation over the programme duration.

Projected capital expenditure for period 2014 to 2016

Programme	Period	Value
Roads	2014 – 2016	€2,455,000
Recreation and Amenity	2014 – 2016	€75,000
Housing	2014 – 2016	€7,630,000

Total €1,060,000

CAPITAL WORKS PROGRAMME -- ROADS 2014 – 2016

REF	PROJECT	2014	2015	2016	TOTAL
Rd 1	Dev Contrib Road/Town Centre	155,000	100,000	100,000	355,000
Rd 2	New Lighting (Revenue)	- 30,000	50,000	50,000	100,000
Rd 3	Traffic Management Plan	1,000,000	500,000	500,000	2,000,000
	TOTAL	1,185,000	650,000	650,000	2,455,000

CAPITAL WORKS PROGRAMME -- Recreation and Amenity 2014 – 2016

REF	PROJECT	2014	2015	2016	TOTAL
Env 01	Landscape Rock St/Mounthawk Walkway	30,000	-	-	30,000
Env 02	Rackett Lane (Roads)	-	35,000	20,000	55,000
Env 03	Walkway at rear of Casements Ave	30,000	60,000	60,000	150,000
Env 04	Big River Channel & Walkway	25,000	20,000	15,000	60,000
Env 05	Pedestrian Entrance to Park at Denny Street	75,000	-	-	75,000
Env 06	New Entrance to Park at Ivy Terrace	design	50,000	50,000	100,000
Env 07	Town Park Footpaths	20,000	20,000	20,000	60,000
Env 09	High Street Junction Landscaping	20,000	-	-	20,000
Env 10	Parkland Castlemaine Rd	30,000	-	-	30,000
Env 11	Park Glenard	20,000	10,000	-	30,000
Env 12	Park Muing	-	-	20,000	20,000
Env 13	Park Ragoonane	-	20,000	25,000	45,000
Env 14	Environmnet Works Brandon Car Park	30,500	-	-	30,500
Env 15	Estate Enhancement (Revenue)				
	Casement's Avenue	10,000	10,000	10,000	30,000
	Rathoraig	10,000	10,000	10,000	30,000
Env 16	Wetlands -Env. Enhancement Works	15,000	10,000	10,000	35,000
	-Climbing Wall	90,000	-	-	90,000
Env 17	Kileen Wood Development Plan	-	25,000	25,000	50,000
Env 18	Allotments Shanakill	15,000	5,000	-	20,000
Env 19	Allotments Gallows fields	-	10,000	5,000	15,000
Env 20	Trees	15,000	15,000	15,000	45,000
Env 21	Windmill - upgrade displays	50,000	25,000	25,000	100,000
	TOTAL	435,000	270,000	270,000	975,000

CAPITAL WORKS PROGRAMME -- HOUSING 2014 – 2016

REF	PROJECT	2014	2015	2016	TOTAL
	<u>Mitchels/Boherbee Regeneration/SHIP</u>				
1	Env Works Phase 1a Mitchels Ave/Court	1,300,000	-		1,300,000
2	Env Works Phase 1b Hawley Park	1,500,000	1,000,000	-	2,500,000
	Heat Plant No.2	1,000,000	1,000,000	-	2,000,000
4	Env Works Phase 1c Mitchels Rd etc Env.Works + Traffic Calming	-	1,000,000	-	1,000,000
5	Minor Sundry Works and Social Projects	150,000	150,000	150,000	450,000
6	Integrated Services Building Building Const. (Pobal, Credit Union)	500,000	-	-	500,000
7	Boxing Club and Other Community Facilities		600,000		600,000
8	Voluntary housing 30 units		1,500,000	2,000,000	3,500,000
	Sub Total	4,450,000	5,250,000	2,150,000	11,850,000
	<u>Soc. Hous. Inv. Prog. (SHIP)</u>				
	28/29 Urban Tce	330,000			330,000
1	New Crescent Housing		1,500,000	500,000	2,000,000
10	Clonmore Road housing Development		300,000	300,000	600,000
9	Mitchels Road Housing Development		500,000	1,000,000	1,500,000
8	Sub Total	330,000	2,300,000	1,800,000	4,430,000
	<u>Upgrading of Existing units</u>				
	Retrofit Voids	200,000	200,000	200,000	600,000
1	Planned Maintenance • Windows/Doors replacement and Fabric Upgrades	250,000	250,000	250,000	750,000
2	Sub Total	450,000	450,000	450,000	1,350,000
	TOTAL	5,230,000	8,000,000	4,400,000	17,630,000