





Oifig an Aire
Office of the Minister

13 July, 2010.

Ms. Mary Maguire, Meetings Administrator, Corporate Services Department, South Dublin County Council, County Hall, Tallaght, Dublin 24.



RE: REP4146/JG/10

Dear Ms. Maguire,

I have been asked by Mr. John Gormley, T.D. Minister for the Environment, Heritage and Local Government, to respond to your recent letter in connection with the Local Government Fund.

General Purpose Grants (GPG) from the Local Government Fund are this Department's contribution to local authorities towards the cost of providing their day-to-day services. Enabling all local authorities to provide a reasonable level of service is one of the stated objectives of the GPG allocation process and this process is structured to ensure that each authority will have sufficient resources, from both central grants and its own local income base, to do so. In determining these grants a number of factors are taken into account including the overall funding available for this purpose, the estimated cost to each authority of providing a reasonable level of day to day services to their customers, the income each



authority could generate from local sources and the necessity to provide each authority

with a baseline allocation that will ensure financial stability.

The distribution of GPG funding on a fair basis is, and will remain, a challenging issue. There is substantial variation in terms of both the costs faced by authorities in providing services and the level of local income which authorities can feasibly generate to fund those services. Local costs and income levels are affected by a range of factors including

population size, density, demographic and geographical distribution and the number of

rateable properties and businesses within each authority's boundaries.

Given the finite amount of resources available for GPG purposes and the need the ensure that all local authorities are adequately resourced, it is with reference to the overall funding position of each authority, including available local resources, that individual allocations must be calculated. The level and distribution of funding provided through general purpose grants makes a significant contribution towards enabling all local authorities to provide a

reasonable level of services to the public.

Yours sincerely,

Private Secretary