

Local Authority Sector

**3 Year Covid Support
Proposal**

2021 to 2023



2020 Budgeted Local Authority Income

	€'m	% of Income
Government Grants & Subsidies	€1,999	36%
Goods / Services	€1,482	27%
Commercial Rates	€1,661	30%
Local Property Tax	€410	7%
Total	€5,552	100%

Funds Local Authority spend of €5,552 million

2020 Budgeted Local Authority Expenditure Profile

	€'m	% of Income
Housing & Building	€1,927	35%
Road Transportation & Safety	€1,092	20%
Water Services	€389	7%
Development Management	€477	9%
Environmental Services	€673	12%
Recreation & Amenity	€503	9%
Agriculture, Education, Health & Amenity	€46	1%
Misc Services	€445	8%
Total	€5,552	100%

Local Authority Spend Priorities

	€m	%	
Gross Budgeted Spend 2020	€5,552		
Less....			
Non-Discretionary Spend • Grant related expenditure	(€1,999)	36%	All costs related to Grant Allocation levels/requirements
Non-Discretionary Spend • Other Fixed Costs	(€2,942)	53%	Pay (Non-Grant related), Pensions, Loans, Insurance, Irish Water SLA, Fire & Emergency Services etc.
Total Non Discretionary Spend	(€4,941)	89%	
Net Budgeted Spend • Discretionary	€610	11%	

Income Loss/Exp. Increase 2021

▶ Uncollectable Rates (after waiver)	€ 98m
▶ Goods and Services **	€139m
▶ Bad Debt Provision	€100m
▶ Covid Spending	<u>€30m</u>
▶ Total	€367m

Estimated 2021 Covid Impact of €367m
accounts for 60% of €610m Discretionary
Spend and would trigger massive austerity

**Goods and Services – Best Case Scenario

Goods/Service	2019 Income €M	2021 Loss €M
Housing Rents	552	30
Planning Fees	25	12
Parking	104	24
Recreation/Amenity	32	15
Property Rental/Leasing	19	8
NPPR	32	8
Fire Charges	17	7
Miscellaneous	190	35
TOTAL		139

Estimated Covid Impact 2020 to 2023

	Rates Waiver Support	Rates Uncollected /Bad Debt	Goods & Services Loss	Covid Additional Spend	Total Estimated Impact
2020	€600m	€150m	€78m	€90m	€318m
2021	??	€198m	€139m	€30m	€367m
2022	??	€100m	€120m	€20m	€240m
2023	??	€50m	€60m	€10m	€120m

Recovery from Covid impacted by other factors

- Limited Buoyancy in Local Property Tax
- Limited Buoyancy in Rateable Valuations

Impacts – cuts to all areas of discretionary spending including.....

- ▶ Local Roads Maintenance
 - ▶ Public Lighting
 - ▶ Housing Maintenance
 - ▶ Housing Supports
 - ▶ Community Supports
 - ▶ Environmental Initiatives
 - ▶ Arts and Festivals
 - ▶ Book Purchases
 - ▶ Economic supports etc.
 - ▶ No matching funding for Capital Programme
 - ▶ No discretion to spend in Town/City Centres
 - ▶ **Non-replacement of staff**
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Proposal to Share Impact of Covid 2021 to 2023

	Total Estimated Impact	Central Government Supports Requested	Impact remaining with Local Authorities
2021	€367m	€294m	€73m
2022	€240m	€192m	€48m
2023	€120m	€96m	€24m

80% Support for the impact of Covid requested from Central Government

Local Messaging

- ▶ **Need to share pain locally**
 - ▶ **Government support will assist in**
 - Limiting increased local charges for households
 - Keeping cuts in local services to a minimum
 - No additional charges to businesses
 - ▶ **Overall objective will be to sustain local services**
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