



Rialtas na hÉireann
Government of Ireland

Value for Money Unit

Local Government Audit Service

**An Overview of the impact of the COVID-19
pandemic on Local Authorities**

November 2021

Prepared by the Department of Housing, Local Government and Heritage

[gov.ie/housing](https://www.gov.ie/housing)

Local Government Audit Service

The Local Government Audit Service (LGAS), incorporating the Value for Money (VFM) Unit, being an external audit service, provides independent scrutiny of the financial stewardship of local authorities.

The sectoral goals of the LGAS are to:

- Carry out the audits of local authorities and other bodies in accordance with the Code of Local Government Audit Practice thereby fostering the highest standards of financial stewardship and public accountability.
- Promote the achievement of value for money in local authorities by undertaking Value for Money audits and publishing reports thereon.

It is the responsibility of local authority management to ensure that value for money is achieved by establishing and maintaining sound arrangements including procedures for planning, appraisal, authorisation and control of resources.

This report was prepared on the basis of information, documentation and explanations obtained from the public bodies included in this report. The draft report was sent to all local authorities, relevant Government departments and agencies for comment and where appropriate the comments received were incorporated in the final version of the report.

The website of the Department of Housing, Local Government and Heritage is the primary means of publishing reports of the Value for Money Unit of the Local Government Audit Service. Should any errors arise they will be corrected in the report published at

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1. Introduction

The COVID-19 pandemic and the emergency measures taken to mitigate it have had a significant impact on the finances of local authorities. This has resulted in a reduction in and uncertainty over various income sources, together with increased levels of unexpected expenditures. Reductions in income have also had a bearing on the cash flow of the local authority and their ability to deliver services.

COVID-19 had a major impact on general government revenue and expenditure overall, especially the targeted government supports and public health measures. The global economic shock created by the COVID-19 pandemic has been faster and more severe than the 2008 financial crash and it will be some time before there is any clarity on the overall cost of the pandemic or the financial impact on local government funding and projects for local authorities.

Local authorities have continued to provide services during this period supporting individuals, communities and businesses as part of a national effort to respond to the economic and social challenges arising from the pandemic.

At a national level, the Government introduced a number of schemes including the Rates Waiver scheme and Restart Grant schemes to support businesses, as noted in Section 2 and Section 3 below. With the continued public health measures remaining in place for many business sectors into 2021, support under the Rates Waivers Scheme has continued with a new updated scheme for businesses and details of this are set out in Section 3 of this report.

In addition, the Department of Housing, Local Government and Heritage (the Department) reimbursed local authorities for the loss of income from goods and services and for additional COVID-19 expenditure incurred by them as set out under Section 4 below.

The availability of government financial supports, through the Rates Waiver scheme and the additional support provided for loss of income from Goods and Services and increased COVID-19 related expenditure, were critical to ensuring the financial stability of the local government sector throughout 2020. Some of these supports have continued into 2021, through extensions or new updated schemes, with the continued public health measures remaining in place for many business sectors.

Exhibit 1 below sets out the full range of COVID-19 related supports received and administered by local authorities.

Exhibit 1: Breakdown of the COVID-19 related Government supports received and administered by local authorities in 2020

Type and Description of Support	Funding Department	Breakdown Amounts Paid (€millions)	Amount Paid (€millions)
Supports received under the Local Government Fund			
Rates Waiver Scheme			
March 2020 to December 2020 (9 mths)	Department of Housing, Local Government and Heritage (DHLGH)		729
July Stimulus Fund			
Housing Voids programme			42
Other COVID-19 related supports			
Reimbursement for loss of Goods and Service income	DHLGH/Department of Public Expenditure and Reform(DPER)	71	
Reimbursement for additional COVID-19 expenditure (incl ICT infrastructure)		60	131
Total Government Supports to Local authorities			902
Government Supports administered by local authorities			
Restart Grants Schemes			
Restart Grants	Department Enterprise Trade and Employment (DETE)	195	
Restart Grants Plus		437	632
July Stimulus Fund			
Online Trading Voucher schemes	Enterprise Ireland (EI) /Department of Environment Climate and Communications(DECC)		53
Government Supports administered by local authorities			685

Source: Department of Housing, Local Government and Heritage /Local Government Management Agency

2. Rates Waiver Scheme

As the public health measures required businesses to close resulting in a loss of income for all but a small number of categories of businesses, the Government introduced an initial three-month waiver of rates for businesses forced to close due to COVID-19.

In recognition of the fact that in addition to the many ratepayers forced to close due to the public health requirements, many that remained open suffered significant reductions in turnover, the waiver was extended initially from three to six months with a further extension until the end of December 2020.

A 100% waiver was applied to all businesses with the exception of a small number of categories, mainly banks, utilities, large supermarkets and corporates. The rationale for the exclusion of certain categories of ratepayers was based on the fact that their operations may not have been as severely impacted by the pandemic, and the support package was appropriately provided to those businesses in most need of assistance.

A total of €900 million was allocated by Government to fund the cost of a waiver of commercial rates for eligible businesses, for nine months to the end of December 2020. The actual amount paid out in support for those businesses to the end of December 2020 was €729 million.

In order to continue supporting ratepayers, and in recognition of the ongoing impacts of COVID-19 and the associated public health restrictions, the Government put in place a new, more targeted commercial rates waiver, initially for the first quarter of 2021 and later extended to the end of September 2021, with a funding allocation of €160m per quarter.

3. Restart Grant Schemes

With the requirement for commercial micro and small business to close as part of the public health measures, the Government decided to give support, by way of the Restart Grant Scheme and later the Restart Grant Plus Scheme, to those businesses that had a rateable premises. Using funding allocated by DETE for the scheme, co-ordinated through Enterprise Ireland with an agreed service level agreement, the local authority were the granting authority in its area, in accordance with the criteria for the scheme.

Local authorities adapted existing ICT systems to identify qualifying businesses and to arrange for the online application forms to be available through its websites and for ongoing technical management of the site.

They also had the responsibility, within their area, for processing all applications, issuing payment approvals and the payment of grants under the schemes. No payments under the schemes could be made to eligible businesses until funding was received from Enterprise Ireland to make the payments to businesses.

There were two separate schemes i.e. the Restart Grant (RG) Scheme and the Restart Grant Plus (RGP) Scheme and businesses could apply for the RGP scheme even where they had received support under the RG scheme. Additional top up grants were also available with some additional eligibility requirements. The RGP scheme, including the automatic top-ups ended on the 31 October 2020.

A new COVID-19 Restrictions Support Scheme (CRSS) was established as part of Budget 2021 and is being operated by the Revenue Commissioners and this effectively ends the successful implementation of the above schemes by all local authorities.

On 11 March 2021, the Government introduced the Small Business Assistance Scheme for COVID-19 (SBASC). The scheme is available to companies, self-employed, sole traders or partnerships with a minimum turnover of €50,000 who are not eligible for the Government's COVID-19 Restrictions Support Scheme (CRSS), the Fáilte Ireland Business Continuity grant or other direct sectoral grant schemes. In Quarter 2 of 2021 this eligibility criteria was dropped from €50,000 to €20,000 and businesses working from non-rateable premises were also eligible.

The grant payment is available via the local authorities, based on an online application with eligible applications receiving an initial payment of €4,000 for Quarter 1 2021. In Quarter 2 the grant payments also changed based on the turnover range criteria outlined above.

Payments were made on the basis of turnover range for example, if turnover was between €20,000 and €49,999 the payment was €1,000, while turnover over €50,000 the grant payment increased to €4,000.

The VFM Unit has completed a separate report "An Overview of the Restart Grants and Restart Grants Plus Scheme in local authorities".

4. Additional COVID-19 financial supports

With the increased level of expenditure and the impacts on other significant sources of income, other supports were also required and provided for both the loss of income of Goods and Services and for the additional COVID-19 related expenditure that local authorities incurred.

The total support given for the loss of income of Goods and Services for 2020 was €71 million and for the additional COVID-19 expenditure incurred by local authorities due to the emergency was €60 million, bringing the total financial support provided by the Department to €131 million.

5. Other COVID-19 related initiatives

A strong theme in all of the COVID-19 initiatives was the co-ordination of the response and collaboration within the sector. All local authorities worked together, with smaller local authorities reaching out for support on a regional basis and this co-ordinated approach has been managed and led by the City and County Management Association (CCMA) and the Local Government Management Agency (LGMA).

The specific initiatives highlighted in this section of the report were the rollout of the Community Call initiative and the upgrading of their ICT equipment and infrastructure to help local authorities continue to deliver services while working remotely at home in line with public health guidelines.

Community Call Initiative

One of the primary responses to COVID-19 was the establishment of the Community Call initiative through helplines operated by all 31 local authorities.

In the period from its establishment to the end of December 2020 there were a total of 65,437 calls received to the helpline and these calls required a range of services such as collection and delivery of essential items like food, 'meals-on-wheels', household items, fuel or medicine, and support for those experiencing social isolation.

ICT Infrastructure and Capability

Under public health measures, staff were required to work from home and work remotely with virtual on line meetings. This applied to all sectors of the public service and included local government. Within a very short timeframe, local authorities implemented remote working and provided laptops for their staff.

This involved remote access and rolling out a virtual platform with video conferencing. Very quickly, the majority of local authorities were ready for the challenge they faced with the remainder upgrading their systems with the help of the LGMA and remote working was facilitated. Local authorities adapted well to a changed work landscape and this will bring even greater benefits and efficiencies into the future with longer-term benefits for the sector as a whole.

6. Summary

The long-term repercussions of COVID-19 will become more apparent over the coming months and into 2022 and may continue to affect the financial position of local authorities – in terms of the long term impact on the commercial rates base, vacancy levels in town centres, business closures and car parking and other local income sources.

In the wider economy, the longer term impact on jobs, commercial activity and businesses will have to be considered particularly when Government supports for businesses and local authorities are wound down. Some sectors may not recover as quickly as others from this pandemic and this may impact on the income levels available to local authorities to achieve the required service delivery in the medium and longer terms into 2022 and beyond.

1. Introduction

1.1 Background

Once the first case of COVID-19 was announced in Ireland on the 29 February 2020, the Government acted quickly to respond to the pandemic, introducing public health measures to support vulnerable individuals and providing support to businesses facing a major reduction in income.

On 19 March 2020, all people over 70 years of age and those who were medically vulnerable to COVID-19 were advised to ‘cocoon’, i.e. to stay at home at all times, and minimise all interaction with other people. The aim of this measure was to protect people who could become very ill if they became infected with COVID-19.

On 20 March 2020, the Health (Preservation and Protection and Other Emergency Measures in the Public Interest) Act 2020 was signed into law and was extended until at least 9 November 2021 by the Health and Criminal Justice (COVID-19) (Amendment) Act 2021. The Dáil has voted to extend these powers until 9 February 2022. This legislation gives the Minister for Health the power to make regulations to introduce measures to slow down the spread of the virus.

On 20 March 2020, the Government announced a rates collection freeze, for a 3-month period beginning on 27 March 2020. It was decided on 2 May 2020 that commercial rates for all businesses that had been forced to close due to public health requirements would be waived. The Government agreed an initial fund of €260 million to cover fully the cost of this initiative, based on a detailed analysis completed by local authorities. This measure was re-examined and changed as the pandemic worsened and further support was needed throughout 2020 and into 2021.

In May 2020, the Government announced the “Roadmap For Reopening Society and Business” while in September 2020, the ‘Resilience and Recovery 2020–2021: Plan for Living with COVID-19’ was published. This included a plan to manage COVID-19 using different restriction or lock down levels.

Arising from the Government announcement in September 2020, a framework for the local government sector was put in place with the co-ordination of the CCMA and assistance from the LGMA.

The framework identifies which services should operate during each of the five levels of public health restrictions identified in the policy document “Resilience and Recovery 2020–2021: Plan for Living with COVID-19”. A full timeline of all of the COVID-19 events and public health measure announcements are set out in Appendix 1.

1.2 Impact on Government Finances

The COVID-19 pandemic had a major impact on general government revenue and expenditure overall, especially the targeted government supports and public health measures. General government revenue was €85.8 billion in 2020 while expenditure was €104.2 billion, giving a deficit of €18.4 billion (5.0% of GDP) compared with a surplus of €1.8 billion in 2019. The COVID-19 pandemic led to a drop of 3.9% in government revenues and a rise of 19.1% in government expenditure.

According to the Central Statistics Office, 'Government revenues were €3.5 billion lower than in 2019. Overall tax revenues were down €2.5 billion (a 3.9% drop on 2019), with a fall of 12.5% in indirect taxes, compared with a rise of 2.6% in direct taxes (including corporation tax and income taxes)'.¹

At a local government level, COVID-19 and the emergency measures taken to mitigate it have had a significant impact on the finances of local authorities. This has resulted in a reduction in and uncertainty over various income sources, together with increased levels of unexpected expenditures. Reductions in expected income streams have also had a bearing on the cash flow of local authorities and their ability to deliver services.

Local authorities have continued to provide services during this period supporting individuals, communities and businesses as part of a national effort to respond to the economic and social challenges arising from the pandemic.

At a national level, the Government introduced a number of schemes including the Rates Waiver scheme and Restart Grant schemes to support businesses, as noted in Section 2 and Section 3 below. Local economies and businesses were supported through the local government sector's administration of these schemes, which were dealt with efficiently at a challenging time for service delivery.

In addition, local authorities were reimbursed by the Department of Housing, Local Government and Heritage (the Department) for the loss of income from goods and services and for additional COVID-19 expenditure incurred by them as set out under Section 4.

¹ Central Statistics Office

<https://www.cso.ie/en/releasesandpublications/er/gfsa/governmentfinancestatisticsapril2021/>

1.3 Scope of this report

This overview report collates information on the impact of COVID-19 which resulted in reduced income and increased expenditure in local authorities and the related government supports provided to the sector.

This report does not assess the value for money, or effectiveness, of individual measures. Actual costs incurred in relation to local authority's response to COVID-19 is currently subject to review as part of the local government statutory audit process of individual local authority Annual Financial Statements (AFS) for 2020. Given the volume and nature of the expenditure, the Local Government Audit Service (LGAS) has updated audit procedures for this audit cycle to include further procedures in a number of areas including:

- Commercial Rates Waiver Scheme
- Restart Grants schemes; and
- Other COVID-19 related expenditure.

1.4 Sources of information

The following information sources were used for the review;

- LG Circulars and Guidance
- Local Government Finance information
- Local Government Management Agency publications
- CCMA Heads of Finance working group - co-ordination of the data gathering exercise
- Acute Financial Matters Group reports
- Local Government Audit Service (LGAS) Overview Report for 2019
- 2019/2018/2017 Annual Financial Statements
- 2020/2021 Annual Budgets.

2. Rates Waiver Scheme

2.1 Introduction

Local authorities are obliged by law to levy rates on commercial property, which has been entered in the valuation list by the independent Commissioner of Valuation. Rates are levied annually on commercial and industrial property. The Annual Rate on Valuation (ARV) is decided by the elected members every year as part of local authorities' budgetary process. The ARV is then applied to the valuation of each property, to calculate the rates payable. Budgeted income from commercial rates in 2020 was €1.664 billion.

During the pandemic, public health restrictions intended to limit the spread of COVID-19 meant many businesses were forced to close, while many businesses that remained open operated at a reduced level, resulting in a dramatic loss of income for commercial ratepayers. Exhibit 2 below sets out the estimated potential impact on commercial rates income of the public health measures introduced as a result of COVID-19.

Exhibit 2: Estimated % Impact of COVID-19 on Commercial Rates by Business Category				
Business Category	Total Budgeted Annual Commercial Rates 2020	% of overall Commercial Rates	% of this category Impacted	% of this category not Impacted
Retail (Shops)	€335,314,461	20.10%	16.50%	3.60%
Industrial Uses	€430,511,530	25.90%	14.10%	11.80%
Office	€263,772,777	15.80%	12.60%	3.20%
Hospitality	€138,869,789	8.30%	8.20%	0.10%
Miscellaneous	€63,346,239	3.80%	2.70%	1.10%
Retail (Warehouse)	€40,013,893	2.40%	2.30%	0.10%
Leisure	€33,615,927	2.00%	2.00%	0.00%
Utility	€94,234,545	5.70%	1.70%	4.00%
Health	€28,287,201	1.70%	1.10%	0.60%
Fuel/Depot	€25,316,320	1.50%	0.90%	0.60%
Minerals	€10,559,647	0.60%	0.40%	0.20%
Central Valuation List	€200,461,733	12.00%	0.00%	12.00%
Total	€1,664,304,062	100%	62.50%	37.50%

Source: AFM Report No 32: Analysis of Rated properties impacted by COVID 19 Final

In the analysis completed by local authorities, it was estimated that the quarterly impact of business closures and COVID-19 restrictions on the commercial rates base would be in the region of €260.6 million per quarter. In May 2020, Government announced a 3 month waiver of commercial rates, backdated to 27 March 2020 and supported by an allocation of €260 million to the local government sector.

In recognition of the fact that not only were many ratepayers forced to close due to the public health requirements, but many that remained open suffered significant reductions in turnover, in July 2020 the waiver was extended to a duration of six months to the end of September 2020. Simultaneously the categories of enterprise eligible for the waiver were expanded. A revised allocation of €300 million per quarter was announced. Subsequently, the commercial rates waiver scheme was extended to nine months duration, with a total funding allocation of €900 million. The final cost of the commercial rates waiver for the nine month period was €729 million. The remaining funding was allocated to additional supports as set out in Section Four of this report.

Exhibit 3: Breakdown of the potential Rates Income and Business categories impacted in 2020 as estimated in April 2020		
Business Category	9 months Rates Income impacted	% of the category
Retail (Shops)	206,514,442	82
Industrial Uses	175,817,753	54
Office	158,301,091	80
Hospitality	103,454,825	99
Miscellaneous	33,429,806	70
Retail (Warehouse)	28,282,547	94
Leisure	25,211,945	100
Utility	20,208,774	29
Health	13,376,426	63
Fuel/Depot	11,369,688	60
Minerals	5,911,630	75
Total amount estimated for 9 mth Rates Waiver Scheme	781,878,927	63%
Total Rates Waiver Scheme actually paid in 2020 net of refunds	728,996,713	

Source: AFM Report No 32: Analysis of Rated properties impacted by COVID-19 Final

Exhibit 3 above is taken from the AFM Report No 32: Analysis of Rated properties impacted by COVID-19 Final as prepared by the Acute Financial Matters sub-group of the CCMA Finance Committee.

This exhibit sets out an analysis, carried out in April 2020, of the estimated value of impacted rates income in the affected business categories for the 9 months to end of December 2020. A full breakdown of the actual amount paid and the number of rates accounts impacted in each local authority is set out in Appendix 2.

Refunds were made by some local authorities to the Department (see Appendix 2) as some ratepayers returned the rates waiver to local authorities, or where following an end of year status review of the business, the rates waiver should not have been applied.

2.2 Accounting for the Rates Waivers Scheme

Payments made to eligible businesses under the Rates Waiver scheme is disclosed in the Annual Financial Statements (AFS) in Appendix 1 under Payment of Subsidies and Grants as part of the Operational expenses heading. The income received under the scheme is disclosed in Appendix 3, Grants and Subsidies income as part of the COVID-19 grant under Miscellaneous .

The income collection movements for Commercial Rates are reported in Appendix 7 in the AFS and for 2020, the credit in lieu received under the Rates Waiver scheme is included here under Waivers/Credits. The full rates warrant accrued income for 2020 appears in the Income and Expenditure account as normal.

Where ratepayers had paid in full or in part for their 2020 rates, even though they were eligible for the Rates Waiver scheme, this income was treated as deferred income in 2020 for offset against the rates 2021 demand. This situation might occur due to the payment arrangements by some ratepayers and the timing of the issue of the terms of the Rates Waiver scheme. Some ratepayers have a monthly installment arrangement in place that continued into 2020.

2.3 Excluded Businesses under the Rates Waivers Scheme

In recognition that there was a small number of ratepayers for whom their businesses were not affected by the pandemic, these ratepayers were not eligible for the automatic waiver.

However, a fund was provided for any ratepayers in these ineligible categories who could demonstrate to their local authority that the pandemic had a significant negative impact on their business. In such instances the local authority sought documentary evidence to support eligibility.

The following were the excluded businesses categories:

- Public Service
- Global Utility Networks on the Central Valuation List
- Vacant Properties
- Individual Office Premises with an annual rates bill of €100k or greater in 2020*
- Individual Industrial Premises with an annual rates bill of €100k or greater in 2020*
- Supermarkets greater than 500 m2 (Categories Supermarket 2 and Supermarket 3)
- Data Centres
- Incinerator, Generating Stations
- Landfill Sites
- Network (Cable)/Network (Storm Water)/Network (Water)
- Windfarms
- Generating Stations
- Banks/Building Societies
- Building Societies
- Pharmaceutical Manufacturing
- Computer/Technology/Electronic manufacturing
- Premises contracted to provide services related to the COVID-19 pandemic to/on behalf of the State, where the State is already compensating for rates as part of the contract between the occupier or service provider and the State.

2.4 New Rates Waivers Scheme in 2021

The new Rates Waiver scheme for 2021 modified its criteria and is a separate standalone waiver scheme from the scheme that applied in 2020.

In order to continue supporting ratepayers, and in recognition of the ongoing impacts of COVID-19 and the associated public health restrictions, the Government put in place a new, more targeted commercial rates waiver, initially for the first quarter of 2021 and later extended to the end of September 2021, with a funding allocation of €160 million per quarter.

The 2021 commercial rates waiver scheme has narrower eligibility criteria and applies to businesses most seriously affected by public health restrictions. The waiver is intended to continue supporting eligible businesses as they adjust to the reopening of the economy and recover from the impact of the pandemic. The waiver will take the form of a credit in lieu of rates and the value is the equivalent of 25% of the annual rate bill for 2021 per quarter.

Automatic eligibility applies to hospitality including hotels, pubs and restaurants, leisure and entertainment, personal services such as hairdressers and barbers, and various other sectors.

Categories of commercial property, such as offices, industrial premises, banks, building societies and credit unions are not automatically eligible, but may qualify if they can provide proof, to their local authority, of serious impact.

This waiver ended on 30 September and has been followed by a limited waiver scheme for the final quarter, targeting certain sectors that may need further support. This separate quarter four waiver scheme is supported by an allocation of €62.3 m announced as part of Budget 2022, and will apply to businesses in the hospitality, tourism and entertainment and leisure sectors.

2.5 COVID-19 and its longer term impact on Commercial Rates

The risk of business closures due to COVID-19 has been mitigated by the business support measures provided by Government, including the commercial rates waiver scheme. The future challenge for local authorities is the reduction in rates income that may materialise once these government supports end. For those local authorities, particularly those that rely heavily on a large tourism, or hospitality industry customer bases and their connected industries, their rates income may be impacted.

A further challenge identified in a previous VFM report 'An Overview report of Commercial Rates in Local Authorities' was the number of local authorities who are reliant on a very small number of rates customers contributing a large percentage of their total rates income. In some cases up to 30% of the total rates income came from these few customers. The risk of losing one of these large rates customers would greatly affect their funding going forward. In 2020, this risk has materialised for three local authorities with the closure and reducing operation of a large commercial semi-state customer. In the case of one of these local authorities, this has resulted in a loss of over 30% of their rates income.

COVID-19 has also impacted on the revision programme of the Valuation Office and its endeavours to clear the backlog of valuation revisions and to bring the revaluation programme up to date. While difficult to quantify, the consequential loss of income to local authorities is real and meaningful.

The pandemic has also brought many opportunities for businesses to operate in an online environment but this has resulted in further challenges for the stability of the rates income of local authorities.

The increase in online trading since the start of the pandemic has raised uncertainty about the consequent impact on the rates base and the wider impact on the vibrancy and vitality of urban centres and shopping streets in terms of attracting businesses and consumer footfall.

3. Restart Grant Schemes

3.1 Introduction

During 2020, the Government decided to support commercial micro, small and medium businesses, through the Restart Grant Scheme (RG) and later the Restart Grant Plus (RGP) Scheme. Many businesses, even while closed, continued to incur costs including fixed costs without being able to generate revenues. It is recognised that businesses also incurred costs in preparing their businesses to reopen and meeting the needs of employees and customers.

The significant increase of €16.7 billion (19.1%) in government expenditure in 2020 was primarily due to COVID-19 measures. There was a rise of €11.3 billion in subsidies (including the Temporary/Employment Wage Subsidy Scheme) and social transfers (including the Pandemic Unemployment Payment (PUP)). Intermediate consumption rose by €2.0 billion, mostly due to extra spending by the health sector. Preliminary estimates of the impact of COVID-19 on government expenditure show that Restart Grant and Restart Grant Plus schemes accounted for €0.6 billion in 2020.

Local authorities responded in challenging times to the successful implementation of administering the RG and RGP schemes, based on a service level agreement with Enterprise Ireland on behalf of the Department of Business, Enterprise and Innovation (DBEI) now the Department of Enterprise, Trade and Employment (DETE). The scheme was required to be rolled out within a very tight timeframe.

The VFM Unit has completed a separate report “An Overview of the Restart Grants and Restart Grants Plus Scheme in local authorities”.

3.2 Restart Grant Schemes

The RG Scheme and later RGP Scheme were introduced to support commercial micro and small business that had a rateable premises and that had experienced loss of turnover due to the COVID-19 restrictions and required assistance with the costs of reconnecting with the marketplace, reopening their business and re-employing staff.

Using funding allocated by Enterprise Ireland (EI) for the schemes, each local authority was the granting authority in its area, in accordance with the criteria for the schemes.

There were two separate schemes i.e. the RG scheme and the RGP scheme and businesses could apply for the RGP scheme even where they had received support under the RG Scheme.

Additional top up grants were also available with some additional eligibility requirements.

3.3 Funding Received and Paid to businesses

In 2020, the total funding provided and received by local authorities under both schemes totalled €633 million, comprising of €229 million under the RG scheme and €404 million under the RGP scheme.

The total amount paid out under the schemes totalled €633 million made up of €195 million under the RG scheme and €438 million under the RGP scheme. Exhibit 4 sets out the analysis of the funding under the scheme in 2020.

Exhibit 4: Analysis of Funding under Restart Grants Schemes 2020			
Grant Category	No. of Applicants	Payments made to eligible businesses	Total Funding Received
	No.	€	€
Restart Grant scheme	57,345	195,251,053	228,672,066
Restart Grant Plus scheme	65,841	437,978,801	404,557,788
Total Applications	123,186	633,229,854	633,229,854
Less: Total rejected and refunds due as at October 2021	(14,693)		(929,917)
Restart Grant scheme	49,208	194,991,988	
Restart Grant Plus scheme	59,285	437,307,949	
Net Funding Received and Paid out to Businesses	108,493		632,299,937

Source: Local Government Management Agency

There were 123,186 applications made under the RG and RGP schemes (57,345 and 65,841 respectively) of which 88% (108,493) were paid and 12% (14,693) were rejected. The number of rejected has increased following instruction to local authorities to reject any application for businesses that did not hold or where the local authority was awaiting a valid tax clearance certificate and arrange for a refund of grant payment to be refunded to Enterprise Ireland as at October 2021.

There is a total refund due in eighteen local authorities of €929,917 of which €519,533 has been paid so far to mid October 2021. A full breakdown by local authority is set out in Appendix 3.

3.4 Legislative Basis

Local authorities were charged with administering the RG and RGP schemes on behalf of the Department of Business, Enterprise and Innovation (DBEI) under a service level agreement through the aegis of Enterprise Ireland and all local authorities. This scheme was administered in accordance with Section 7 (1) (i) of the Industrial Development (Enterprise Ireland) Act 1998².

3.5 On line Trading and Business Continuity Voucher schemes

A total of €53 million was provided to businesses through a number of COVID-19 related business supports and these schemes were administered through local enterprise offices in all local authorities. Exhibit 5 sets out the breakdown of the funding over the various business supports provided and administered by local authorities.

Exhibit 5: Analysis of Other Funding received in 2020		
Department /State Agency	Scheme /Grant Type	Total Funding Received
		€million
Department of Enterprise Trade and Employment	On line Trading Voucher Scheme	4.8
Department of the Environment, Climate and Communications		18.2
Department of Enterprise Trade and Employment	Business Continuity Voucher Scheme	21.9
Department of Enterprise Trade and Employment	Client Stimulus Fund	8.4
Total		53.3

Source: Enterprise Ireland /Department of Environment Climate and Communications /DETE

²Enterprise Ireland - <http://revisedacts.lawreform.ie/eli/1998/act/34/revised/en/html>

Under the trading online voucher scheme, funding of €18.2 million was provided by the Department of the Environment, Climate and Communications while the Department of Enterprise, Trade and Employment (DETE) provided €4.8 million via Enterprise Ireland.

The financial assistance to small businesses was to assist them to develop their online trading technology and increase their level of online transactions through marketing.

A voucher of up to €2,500 each was provided, with co-funding of at least 10% from the business.

In addition to the above funding DETE also provided a total of €21.9 million under the business continuity voucher scheme in 2020. This scheme offered businesses with up to 50 employees, across all sectors, a voucher of up to €2,500 towards third party consultancy costs. The objective of the scheme was to assist them to develop strategies to prepare their businesses for the eventual reopening once the COVID-19 related restrictions have been eased or lifted.

DETE through Enterprise Ireland also provided an additional €8.4 million under the client stimulus fund for the purpose of sustaining existing clients of local enterprise offices involved in the manufacturing and internationally traded services sectors, through the provision of a cash stimulus, to help support operational costs, with up to €20,000 available to eligible businesses.

3.6 Summary

The effective implementation of all of the above new schemes by local authorities within such a short timeframe demonstrates that local government has the capacity to work together to provide local services and quickly implement national schemes such as these and many other initiatives introduced in response to COVID-19. The successful roll-out of the RG schemes by the Economic Development service divisions within local authorities underline how adaptable and flexible they are in being able to quickly respond to policy demands from central government and effectively deliver a new national scheme at the local level within the required timeframe.

4. Other Financial Supports Provided

4.1 Background

The 2020 budget for all local authorities adopted in November 2019 would not have taken into account the financial impacts of COVID-19 or the related public health measures.

This resulted in significant impacts on the finances of local authorities, which led to

- Locally generated income levels being at risk of reduction
- Expenditure programmes/plans interrupted and/or stood down
- Unplanned and unexpected expenditure that was not budgeted for.

Local authorities have taken a number of steps to address the financial impacts of COVID-19 at both local and national levels including:

At a Local Level:

- Applying the 9 month commercial rates waiver to qualified ratepayer accounts and claiming the credit in lieu from the government fund
- The monitoring of the impact of COVID-19 on the Council's income from goods and services. The sources of income identified included leisure and tourism activities, fire safety control, planning receipts and parking charges
- The monitoring of COVID-19 -related expenditure by allocating a specific job code in each subservice or a COVID-19 specific opcode to a current job code in the financial management system in an attempt to quantify the increased level of expenditure due to the pandemic
- Providing key financial information to council members setting out the impact of COVID-19 including the preparation of management accounts on a monthly basis to set out the financial position of the council
- Seeking sanction and approval of bank overdraft facilities from the Department and also from Council members
- The preparation of the 2021 budget was on the basis of maintaining a balanced budgetary position for year end financial out-turn. Local authorities stressed the need for continued Government supports to take account of the financial implications of COVID-19 in 2021 to ensure that key services were not affected.
- The annual budget meeting was held by all local authorities in November 2020 and the 2021 budget was adopted by the council members.

At a National Level:

To help local authorities at a national level, the Department provided financial support in a number of ways by providing advance payments of the 2020 LPT allocation to all local authorities. This assisted greatly with the short-term cash-flow position of local authorities.

As set out in Section 2 of this report, the Rates Waiver scheme provided for a 100% waiver of commercial rates for the period initially from 27 March to 27 September 2020 but further extended to the end of December 2020. The scheme applied to all ratepayers with the exception of a small number of categories and the local authorities were reimbursed from the Department for the waiver applied.

Further support was provided for the additional COVID-19 related expenditure and the loss of income of Goods and Services that all local authorities were impacted by because of the pandemic. The continuation of these supports for 2021 underpin maintaining a balanced budgetary position and are key to ensuring that local authorities continue to deliver the essential services that support individuals, communities and local businesses in response to the pandemic. A detailed breakdown of this support is set out in this section of the report.

Working with the local government collectively through the LGMA and the CCMA working groups, there was wide consultation on the impacts of the COVID-19 pandemic. All local authorities participated in a data gathering process to assist with the completion of a number of specific acute financial management reports by this Acute Financial Matters (AFM) working group to determine the exact number of supports required, namely:

- AFM Report No 31: Indicative figures calculating the impact of COVID-19 on 2020 Commercial Rates
- AFM Report No 32: Analysis of Rated Properties impacted by COVID-19
- AFM Report No 33A: Analysis of Local Government Goods & Services Income impacted by COVID-19
- AFM Report No.34: Analysis of Local Government emergency costs associated with the public health emergency COVID-19. Subsequently updated with AFM Report No: 38: COVID-19 spend and Goods and Service income final
- AFM Report No.35: Assessment of Local Government Funding losses as a result of extended application of temporary exemptions on Local Property Tax

- AFM report No.36: Analysis of 2020 Commercial Rates related to Hospitality Industries/ Estimated Cost of COVID-19 Rates Waiver by Local Authority
- AFM Report No.37: Commercial Rates Valuations – New Listings/Lost Income 2020 Update
- AFM Report No. 38: Analysis of Local Government Goods & Services Income & Expenditure impacted by COVID-19 – December Update

These reports and data analysis formed the initial basis for determining the estimated financial support required to be provided by the Department to the sector. The Department completed their own analysis and following verification actual financial support packages were determined and paid out to local authorities.

Exhibit 6 below sets out the breakdown of other supports provided to local authorities and the basis of the assessed amounts in 2020.

Exhibit 6: Breakdown of the Other Supports provided in 2020		
Impact	Basis of Assessment	Value €
Loss of Goods & Service Income	Impacted across a number of income types for the period of March 2020 to the end of 2020.	€ 71,096,091
Additional COVID-19 expenditure incurred	Unplanned emergency spend incurred by the sector that was over and above the adopted budget values for operational spend in 2020.	€60,213,213
Total Financial Supports provided in 2020		€131,309,304

Source: Department of Housing, Local Government and Heritage

The total support required was for the loss of income of Goods and Services for 2020 of €71 million and for the additional COVID-19 expenditure of €60 million incurred by local authorities due to the emergency, bringing the total additional financial support provided by the Department to €131 million.

4.2 Loss of income of Goods and Service

Goods and Services income in local authorities account for 26% or €1.56 billion of their budgeted total income for 2020. This includes amongst others parking charges, planning fees, and other tourist and leisure activities.

The public health measures taken to deal with COVID-19 impacted on the ability of local authorities to deliver on nine of these income sources for 2020 resulting in a loss of income in these categories.

The nine categories selected were those that were most severely impacted by COVID-19. Based on the original 2020 budget adopted in 2019 the total budgeted goods and service income for these income categories was €200.96 million and their actual goods and service income was €129.78 million leaving a shortfall of €71.18 million for this category of income.

See Exhibit 7 below for a breakdown of the income categories under Goods and Service income.

Exhibit 7: Calculation of Loss of income of Goods and Services in 2020			
Goods & Service Income Categories	Budgeted Income Original Budget 2020	2020 Calculated Actual Income (Actuals to Oct + Est Nov/Dec)	Shortfall on 2020 G&S Budgeted Income
	€	€	€
Parking charges	103,773,512	58,639,446	45,134,066
Road opening licences	6,604,775	4,860,355	1,744,420
Planning receipts	25,157,714	22,589,519	2,568,195
Civic amenity sites	14,137,020	13,572,699	564,321
Litter fines	914,200	641,470	272,730
Fire safety control	11,545,051	9,006,928	2,538,123
Library receipts	924,565	540,999	383,566
Leisure / Tourism facilities	36,471,395	19,355,759	17,115,636
Casual trading	1,433,670	570,911	862,759
Totals	200,961,902	129,778,086	71,183,815

Source: AFM Report 33A: Updated Analysis of Local Government Goods and Services Income impacted by COVID-19 – Final

In relation to Goods and Services income, the local government finance section in the Department carried out a verification process on a sample of ten local authorities randomly selected, and their actual financial data in respect of their loss of income of Goods and Services due to COVID-19 was requested.

The financial data supplied was required to be certified by the Head of Finance as an extract from the financial management system. This data was then compared against the data in the earlier analysis to ensure the figures aligned. There were no significant adjustments and €71 million was reimbursed to the sector. See Appendix 4 for a full breakdown by local authority.

4.3 Additional COVID-19 Expenditure

In addition, local authorities were reimbursed by the Department for the additional COVID-19 expenditure incurred by them as a result of specific requirements under the public health measures.

The most significant element of COVID-19 specific additional expenditure encompassed what is effectively emergency expenditure across a range of areas, including;

- Costs associated with converting/adapting to remote working
- Costs associated with adapting office space and other facilities including libraries, vehicles etc. to protect staff and customers
- Costs associated with setting up Community Call services
- PPE equipment purchased outside of the OGP contract, including specific PPE for local authority emergency services i.e. fire services and the Civil Defence
- Cleaning contracts across services and public spaces e.g. public toilets, parks, playgrounds
- Hire of equipment and machinery necessary for works associated with emergency works/cleaning
- Cleaning materials, including sanitisers, gloves, and masks
- Communications, signage, and advertisements.

Circular FIN 07/2020 was issued to all local authorities and it outlined how these costs should be captured (COVID-19 job code or COVID-19 operational code). The amount under this category of additional COVID-19 related expenditure was initially calculated at €66 million however, following verification by the Local Government Finance Section in the Department based on an extract from the financial reporting system, the figure was revised to €60.2 million. See Appendix 4 for a full breakdown by local authority.

Funding for this part of the financial supports was provided by the Department following sanction by the Minister for Public Expenditure and Reform. This sanction allowed for the use of any unspent funds from the overall rates waiver allocation of €900 million to local authorities to help minimise the impact of the loss of other income categories and assist with the additional COVID-19 related expenditure associated with the response to the pandemic.

Local Government Purchasing Arrangements

Local authorities also purchased personal protective equipment (PPE) from the Health Service Executive (HSE), which was organised through the LGMA. The total costs amounted to €1.4 million. For administrative simplicity, the Department agreed that the Local Government Fund would reimburse the HSE directly, rather than making a separate recoupment to each local authority. This approach was preferred given the time that was required to coordinate the returns process.

The LGMA coordinated the returns system for PPE that was no longer required in the sector or which was otherwise unsuitable. The purchase value was in the region of €7.8 million and following cancellation of some elements and conclusion of the returns process, the HSE submitted an invoice for €1.4 million. The LGMA confirmed in writing that this was in order before the Department processed the payment. A payment of €1,352,367 was made directly to the HSE from the LG Fund, on behalf of the local government sector.

Support for Housing in Local Government

As part of the COVID-19 response, support was provided to local authorities from the Department under the Vacant and Voids housing programme with an allocation of €40 million to the sector. This was in an effort to bring 2,500 vacant social homes back into use, and 2,565 social homes were refurbished and allocated to people on the social housing list. The actual amount paid out to February 2021 was €41,605,080, which was made up of €3,709,744 paid out in July and August 2020 with a further €37,895,336 under the July stimulus package paid from October 2020 to February 2021. This support was focused on those who are experiencing homelessness in order to get them into permanent homes. The voids programme remains a very important tool in increasing the number of social homes available and was particularly relevant and important during the pandemic in light of the shutdown in construction.

Additional support was also provided to the housing standards in the rental sector with a total of €94,250 provided for increased number of virtual housing inspections.

Support for Traveller Accommodation in Local Government

At the start of the pandemic, the Department recognised that extra measures were needed to protect the Travelling community living in Traveller-specific accommodation in each local authority area to reduce the risk of the spread of the virus.

Circular 06/2020 was issued in March 2020 and it identified the following measures:

1. Extra toilets
2. Running water
3. Additional mobile accommodation / space where there is overcrowding
4. Extra refuse collection
5. Access and egress on sites
6. Additional units (either mobiles on site or houses elsewhere) that will allow for self-isolation/ quarantine.

Funding of €4.4 million was paid for COVID-19 related measures on Traveller-specific accommodation sites on both authorised and unauthorised sites. This funding was provided for:

1. The purchase of additional mobile homes, touring caravans and demountable accommodation units
2. The setting up of additional temporary sites or reopening vacant bays to facilitate isolation and alleviate overcrowding
3. Extra sanitation, water and electricity supplies have been provided
4. Cleaning and disinfecting sites
5. The removal of rubbish.

The Department implemented a streamlined process for funding applications by local authorities and were in a position to issue approvals for funding within 24 hours. The Department have continued to provide funding for COVID-19 support measures identified by local authorities and have worked with the sector to share examples of good practice.

5. Other COVID-19 Initiatives

5.1 Introduction

Local authorities have been working collectively as a sector through organisations such as the LGMA and the CCMA for many years. These organisations have helped all local authorities to collaborate to identify efficiencies and provide solutions to the potential challenges that the sector faces.

This is achieved by the establishment of a number of working committees with representatives from all local authorities within the sector. The CCMA has established a finance committee and from this committee there are a number of subgroups including a Heads of Finance group, an Internal Audit group and a specific group called the Acute Financial Matters Group (AFM).

This specific subgroup is tasked with identifying specific finance issues and developing business cases on the matters that impact the sector. This group had a key role in identifying the financial implications of COVID-19 on the sector and the supports required to respond effectively to the pandemic.

5.2 Engagement with Central Government

While there has always been ongoing engagement with the Department on a range of matters at an individual local authority level, the above Acute Financial Matters subgroup can also bring specific matters affecting the local government sector as a whole to the attention of central government in a co-ordinated way.

This engagement has had a key role in the co-ordination of the supports required due to the pandemic with the group completing a number of reports with detailed COVID-19 related costs and expenditure, which were used to determine the level of supports required.

Local authorities are very experienced at dealing with emergencies and the sector has worked together in an innovative and practical manner for the successful implementation of many new initiatives in response to COVID-19 public health measures. Local authorities showed their capacity to adapt and rise to the COVID-19 challenge. As in the wider public sector, staff were willing to provide support where needed across the organisation to ensure systems and support were in place, within a very short time frame.

A strong theme in all of the COVID-19 initiatives was the co-ordination of the response and the collaboration within the sector. All local authorities worked together with smaller local authorities reaching out for support on a regional basis and this co-ordinated approach is due to the role of the CCMA and the LGMA.

The various plans and actions undertaken by local authorities were designed to support the Government’s Roadmap for Reopening Society & Business by building confidence among business owners and the public.

5.3 Community Call initiative

One of the primary responses to COVID-19 was the establishment of the Community Call initiative through helplines operated by all 31 local authorities. Exhibit 8 breaks down the types of calls and services and the total number of calls received from the start of the initiative to July 2021 was 65,419.

Exhibit 8: Number of Community Calls received between March 2020 to date	
Category of Calls	Total Calls Received
¹ Some calls included more than one category and therefore the total no. of calls remains at 65,419	No.
Collection and Delivery Calls	13,177
Social Isolation Calls	11,237
Follow up Calls	24,702
Other Requests Calls	30,426
Other Health Service Calls	4,491
Meals Service Calls	4,389
Total Number of Calls¹	65,419

Source: <https://community-call-covid-19-geohive.hub.arcgis.com/>

The costs associated with setting up Community Call services, which was reimbursed by the Department as set out as follows:

Exhibit 9: Analysis of Costs associated with the Community Call initiative to February 2021

Cost Category	Budgeted Amount	Amt Paid Out to Feb 2021
	€	€
Community Call Leaflet	192,314	192,314
Community Call COVID-19 data hub	26,378	26,378
	218,692	218,692

Source: Department of Housing, Local Government and Heritage

The Community Call initiative was implemented with the co-operation and joint organisation by An Garda Síochána, HSE and local authorities and other local charity organisations such as Age Action and Alone. The response also required supports to combat social isolation and to provide a relevant source of information and assistance to service users.

This initiative provided for a co-ordinated and integrated approach to community based services to support those aged over 70 and the medically vulnerable during COVID-19.

Local authorities could successfully co-ordinate this support through their knowledge of their local area, the specific services already available and the age profile of the citizens that they serve in each local area. Under this programme, each local authority established a COVID-19 Community Call forum, and a telephone helpline to centralise the supports and provide a key information hub on the availability of local support services.

Each local authority forum worked with related state agencies and community and voluntary groups to provide supports or services to any person requiring assistance, particularly those cocooning or unable to leave their homes during COVID-19 restrictions, as a result of age or underlying illness.

The operation of the Community Call initiative

Local authorities operated a Community Call helpline through the re-deployment of staff from other areas of the local authority and the service operated seven days a week, taking calls from those who needed help and reaching out to vulnerable members of the community.

The helpline team harnessed services and volunteers from members of a response forum and other local community and voluntary groups, to arrange or provide supports for those in need. This included arranging collection and delivery of food, essential household items, fuel, medication and meals and a whole range of other items.

The Community Call helpline was closely aligned to the national helpline operated by Alone, a charity for older people, to ensure that those requiring more complex supports in relation to social isolation could be directed to the appropriate agency and supported.

Such supports and services included collection and delivery of essential items like food, 'meals-on-wheels', household items, fuel or medicine, and support for those experiencing social isolation. There was a facility for those in need of these services could contact the local authority helpline, or email and their request would be directed to the appropriate service provider in the area.

5.4 ICT Infrastructure and Capability

During COVID-19, the adaptability of local authorities has been demonstrated. In a very short space of time, all local authorities were in a position to implement remote working, either through their existing standard ICT systems or by upgrading quickly.

The move to remote working involved rolling out a virtual platform with video conferencing, and whilst some local authorities were more prepared than others, all adapted well to a changed work landscape. This should ensure greater benefits and efficiencies into the future and bring longer term benefits for all local authorities.

5.5 Other COVID-19 related initiatives

Local authorities successfully delivered a range of additional services and schemes in response to the pandemic, in addition to those highlighted in this report e.g. Community Support Line, numerous business supports and schemes, in all of their service divisions such as public enhancement, additional street and beach cleaning and facilities to enhance outdoor dining, on-line library services and other on-line services for the public.

A report in May 2020 completed by the LGMA highlighted some of the innovative ways that local authorities had used their ICT infrastructure to streamline services and transform their day-to-day activities to work within the public health measures and provide an enhanced level of service to their communities and public/businesses.

Specific measures highlighted in the report are set out in Exhibit 10 below:

Exhibit 10: Examples of COVID-19 related local authority innovations	
Enhanced provision of online services to public/businesses	Online library services, online payment options, customer apps, online health and wellbeing initiatives, online expert talks, online motor tax, mortgage payment break applications, community alert systems, educational resources
Enhanced provision of community/delivery services to public/businesses	Community Call Centre delivery of services to public, libraries, dog walking, heritage initiatives, provision of PPE to HSE, use of 3D printers to produce PPE, waste collection for those cocooning, supporting businesses online presence, extended park opening hours/one-way park routes
Staff redeployment - internal/external	Internal/external staff redeployment
Increased staff communications/welfare initiatives	Staff training, app development for contact tracing, health and wellbeing initiatives staff welfare, information purposes, mental and physical health
Enhanced IT to work from home	Procurement, recruitment, staff salaries
Enhanced IT functionality - Internal Services	Remote councillor meetings, Community Call Centre technical set-up, app development Roads, IT to support senior management meetings, external data used to support internal decisions e.g. environmental (NASA), drones used for waste management

Source: LGMA Report 'Overview report on local authority Covid-19 innovations' May 2020

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- Department of Housing, Local Government, and Heritage, Local Government Finance Unit and personnel consulted
- The Local Government Management Association
- CCMA / Heads of Finance working group
- The local authorities - Finance sections
- Local Government Audit staff.

References

Sources

Central Statistics Office

<https://www.cso.ie/en/releasesandpublications/er/gfsa/governmentfinancesstatisticsapril2021/>

Local Government Management Agency

Overview report on local authority COVID-19 innovations' May 2020

CCMA Working Groups - Acute Financial Matters Group

COVID-19 related reports

- AFM Report No 31: Indicative figures calculating the impact of COVID-19 on 2020 Commercial Rates
- AFM Report No 32: Analysis of Rated Properties impacted by COVID-19
- AFM Report No 33A: Analysis of Local Government Goods & Services Income impacted by COVID-19
- AFM Report No.34: Analysis of Local Government emergency costs associated with the public health emergency COVID-19. Subsequently updated with AFM Report No: 38: COVID-19 spend and Goods and Service income final
- AFM Report No.35 - Assessment of Local Government Funding losses as a result of extended application of temporary exemptions on Local Property Tax
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- AFM Report No.37 - Commercial Rates Valuations – New Listings/Lost Income 2020 Update
- AFM Report No. 38 - Analysis of Local Government Goods & Services Income & Expenditure impacted by COVID – December Update

Institute of Public Administration

IPA Research series: Leading the Local Response to Covid-19: The role of Local Government

National Economic and Social Council

NESC Secretariat Paper No 22: Community Call Initiative - February 2021

Enacted Legislation

Restart Grants - Section 7 (1) (i) of the Industrial Development (Enterprise Ireland) Act 1998³.

Department Circulars

- Circular Fin 04/2021; Accounting Treatment of Loss of Income and additional COVID-19 Expenditure
- Circular Fin 6/2020 - notified local authorities of the initial three month commercial rates waiver and funding of €260m for same.
- Circular Fin 07/2020 - The capture of COVID-19 related expenditure
- Circular Fin 08/2020 - The accounting treatment for Restart Grant (Expenditure)
- Circular Fin 09/2020 - The accounting treatment for Restart Grant (Income)
- Circular Fin11/2020 - extended the eligibility criteria for the commercial rates waiver and increased the term from three to six months.
- Circular FIN 16/2020 extended the waiver under FIN 11/2020 for a further three months on the same basis as Circular FIN 11/2020, bringing the waiver coverage to nine months.

Other related circulars

- Circular 06/2020 - Traveller Accommodation Unit – Electronic Correspondence
- Circular 29/2020 - Arrangements to assist borrowers who are experiencing financial difficulties
- Circular 38/2020 - The treatment of the COVID-19 Pandemic Unemployment Payments (PUP) when assessing/reviewing eligibility for social housing supports.

³Enterprise Ireland - <http://revisedacts.lawreform.ie/eli/1998/act/34/revised/en/html>

Appendices

Appendix 1	COVID-19 Timeline in 2020
Appendix 2	Rates Waiver Scheme payments for 2020
Appendix 3	Restart Grants Received & Paid as at October 2021
Appendix 4	Additional COVID-19 Supports Funded in 2020

Appendix 1: COVID-19 TIMELINE in 2020

Timeline	Key COVID-19 events or public health measures
29 February 2020	First case of COVID-19 in Ireland announced.
9 March 2020	Government cancelled St Patrick's Day festivals across the country. According to the authorities, Ireland was in the containment phase. By now, 24 cases had been reported around the country.
11 March 2020	The first death in Ireland linked to coronavirus was announced.
12 March 2020	Schools, colleges and childcare facilities were initially closed until 29th March. Limits were placed on the size of indoor and outdoor gatherings. All public and cultural amenities were forced to shut.
15 March 2020	All pubs were asked to close until 29th March.
18 March 2020	The Temporary Assignment Scheme was introduced for the public service.
19 March 2020	Government asked those over 70 years of age, and people considered medically vulnerable to COVID-19, to 'cocoon'. In effect, this meant staying at home and minimising social contacts.
20 March 2020	Government announced an agreement with local authorities for ratepayers to defer rate payments for a three month period.
27 March 2020	Additional public health measures were announced. 'Local emergency response will be led by local authorities,' declared the Taoiseach.
2 April 2020	The nationwide Community Call was launched by the Government.
14 April 2020	The Minister announced a mortgage payment break for local authority mortgage holders for an initial three months. This period was later extended.
2 May 2020	Roadmap for reopening society and business was launched. Under this roadmap, Government announced a three month commercial rates waiver, back dated to 27 March at a cost of €260m.
May–July, 2020	The publication of local authority plans to support local businesses and stimulate economic growth.
23 July 2020	Government launched €7.4 billion Jobs Stimulus Plan to help businesses re-open, and get people back to work and promote public confidence. As part of the Stimulus Plan Government announced an extension of the commercial rates waiver for a further three months, with extended eligibility criteria, at a cost of €300m per quarter.

Timeline continued	Key COVID-19 events or public health measures
July - September 2020	Under the Government's July Stimulus Fund, local authorities received extra funding to aid economic recovery, targeted at those most impacted by COVID-19.
15 September 2020	The Government published its framework for restrictive measures, Resilience and Recovery 2020–2021: Plan for Living with COVID-19. The strategy was to be reviewed in six to nine months.
13 October 2020	In Budget 2021, the Government extended the commercial rates waiver for a further three months meaning the waiver would now apply for nine months from 27 March 2020, with a total funding allocation of €900m.
20 October 2020	Minister for Housing Local Government and Heritage signed an order to allow local authority council members to hold meetings and vote remotely.
21 October 2020	Ireland placed under Level 5 restrictions for six weeks.
29 October 2020	Taoiseach launched 'Keep Well' campaign to support people and communities with minding their physical and mental health. Local authorities were key implementers of the strategy.
1 December 2020	The country was moved to Level 3 restrictions with modifications.
24 December 2020	Level 5 restrictions were reintroduced nationally.

Source: IPA Research series: Leading the Local Response to Covid-19: The role of Local Government / Department of Housing Local Government and Heritage

Appendix 2: Rates Waiver Scheme Payments for 2020

City and County Councils	No of Rates Accounts impacted	Actual Amount Paid under the Rates Waiver Scheme	Refund made under the 2020 Rates Waiver Scheme	Rates Waiver Scheme paid net of refunds	Overall % Businesses Impacted by COVID-19
	No.	€	€	€	%
Carlow County Council	1,945	7,666,442	46,221	7,620,221	65
Cavan County Council	1,661	5,968,335		5,968,335	52
Clare County Council	3,321	13,779,572		13,779,572	44
Cork City Council	8,166	54,540,035		54,540,035	77
Cork County Council	9,109	34,727,285		34,727,285	74
Donegal County Council	4,155	14,987,401	15,218	14,972,183	56
Dublin City Council	18,775	160,435,140	1,095,036	159,340,104	72
Dún Laoghaire-Rathdown County Council	4,914	44,574,282	10,196	44,564,086	75
Fingal County Council	5,894	81,035,615		81,035,615	61
Galway City Council	3,478	21,149,487		21,149,487	80
Galway County Council	3,508	10,491,034	218,344	10,272,690	53
Kerry County Council	4,231	18,469,939	231,422	18,238,517	60
Kildare County Council	4,001	22,282,065	263,971	22,018,094	55
Kilkenny County Council	2,268	8,641,953		8,641,953	58
Laois County Council	1,394	5,987,788	109,173	5,878,615	53
Leitrim County Council	591	2,176,750	443,149	1,733,601	46
Limerick City & County Council	4,518	25,016,190	132,185	24,884,005	58
Longford County Council	945	4,003,797		4,003,797	55
Louth County Council	3,237	19,432,674		19,432,674	69
Mayo County Council	3,330	13,090,158		13,090,158	56
Meath County Council	3,562	18,629,990	6,918	18,623,072	57
Monaghan County Council	1,934	6,137,862		6,137,862	60
Offaly County Council	1,674	4,668,816		4,668,816	50
Roscommon County Council	1,421	4,014,759		4,014,759	46
Sligo County Council	1,503	5,469,375		5,469,375	61
South Dublin County Council	6,740	59,229,298		59,229,298	60
Tipperary County Council	2,547	12,746,687	253,592	12,493,095	49
Waterford City & County Council	3,563	14,920,084		14,920,084	53
Westmeath County Council	2,007	8,221,948		8,221,948	70
Wexford County Council	3,434	15,997,679		15,997,679	53
Wicklow County Council	3,520	13,329,698		13,329,698	57
Total	121,346	731,822,138	2,825,425	728,996,713	63

Source: Department of Housing, Local Government and Heritage (DHLGH)

Appendix 3: Restart Grant Received & Paid as at October 2021

City and County Councils	Total Applications Received	Total Applications Rejected		Total Applications Paid		Total Funding Received	Refunds due to Enterprise Ireland October 2021	Net Funding Received and Paid
	No.	No.	%	No.	%	€	€	€
Carlow County Council	1,467	109	7%	1,358	93%	7,493,149	0	7,493,149
Cavan County Council	2,272	194	9%	2,078	91%	9,851,417	0	9,851,417
Clare County Council	3,185	334	10%	2,851	90%	15,062,331	4,380	15,057,951
Cork City Council	6,458	1,126	17%	5,332	83%	36,951,411	0	36,951,412
Cork County Council	11,946	1,257	11%	10,689	89%	34,124,468	49,900	34,074,568
Donegal County Council	4,599	210	5%	4,389	95%	24,298,505	24,166	24,274,339
Dublin City Council	14,993	2,759	18%	12,234	82%	98,022,805	404,038	97,618,767
Dún Laoghaire-Rathdown County Council	3,780	563	15%	3,217	85%	26,088,577	10,479	26,078,098
Fingal County Council	4,646	599	13%	4,047	87%	30,091,628	45,060	30,046,568
Galway City Council	3,244	467	14%	2,777	86%	18,897,889	24,364	18,873,525
Galway County Council	4,178	745	18%	3,433	82%	17,016,277	0	17,016,277
Kerry County Council	4,842	692	14%	4,150	86%	23,540,813	0	23,540,813
Kildare County Council	4,171	482	12%	3,689	88%	25,448,466	43,397	25,405,069
Kilkenny County Council	2,462	268	11%	2,194	89%	11,325,394	0	11,325,394
Laois County Council	1,611	237	15%	1,374	85%	7,693,446	26,405	7,667,041
Leitrim County Council	984	72	7%	912	93%	4,203,787	0	4,203,787
Limerick City & County Council	5,034	536	11%	4,498	89%	26,576,902	74,141	26,502,761
Longford County Council	1,407	71	5%	1,336	95%	6,196,951	0	6,196,951
Louth County Council	3,611	559	15%	3,052	85%	18,281,163	0	18,281,163
Mayo County Council	4,423	461	10%	3,962	90%	20,241,131	20,736	20,220,395
Meath County Council	3,681	223	6%	3,458	94%	18,973,679	13,770	18,959,909
Monaghan County Council	1,983	85	4%	1,898	96%	9,357,678	0	9,357,678
Offaly County Council	1,955	163	8%	1,792	92%	9,167,835	2,000	9,165,835
Roscommon County Council	1,779	64	4%	1,715	96%	8,242,244	0	8,242,244
Sligo County Council	1,850	23	1%	1,827	99%	9,009,109	1	9,009,108
South Dublin County Council	4,851	1,150	24%	3,701	76%	30,976,222	122,273	30,853,949
Tipperary County Council	4,500	231	5%	4,269	95%	20,401,593	9,297	20,392,296
Waterford City & County Council	3,106	278	9%	2,828	91%	15,779,673	0	15,779,672
Westmeath County Council	2,441	143	6%	2,298	94%	11,483,918	0	11,483,918
Wexford County Council	4,460	281	6%	4,179	94%	22,534,110	27,957	22,506,153
Wicklow County Council	3,267	311	10%	2,956	90%	15,897,283	27,553	15,869,730
Total	123,186	14,693	12%	108,493	88%	633,229,854	929,917	632,299,937

a. All local authorities received communication from LGMA late in 2021 requiring them to refund cases to EI where the business did not have a valid TCC (tax clearance cert) and this has resulted in a small variation in the no. of cases and percentages.

Source: Local Government Management Agency

Appendix 4: Additional COVID-19 Supports funded in 2020

City and County Councils	Loss of Income Goods and Services	Additional COVID-19 Expenditure	Total COVID-19 Expenditure 2020
	€	€	€
Carlow County Council	225,000	1,100,027	1,325,027
Cavan County Council	626,855	519,415	1,146,270
Clare County Council	4,454,328	1,923,809	6,378,137
Cork City Council	5,428,750	2,460,397	7,889,147
Cork County Council	2,249,646	4,507,437	6,757,083
Donegal County Council	1,070,596	2,478,940	3,549,536
Dublin City Council	23,611,216	10,466,751	34,077,967
Dún Laoghaire-Rathdown County Council	4,407,077	2,149,100	6,556,177
Fingal County Council	952,850	3,715,031	4,667,881
Galway City Council	3,921,080	368,575	4,289,655
Galway County Council	1,013,526	1,464,153	2,477,679
Kerry County Council	2,019,391	3,332,950	5,352,341
Kildare County Council	1,128,486	2,118,679	3,247,165
Kilkenny County Council	1,105,648	1,184,699	2,290,347
Laois County Council	493,654	517,754	1,011,408
Leitrim County Council	191,892	739,227	931,119
Limerick City & County Council	1,549,447	2,103,102	3,652,549
Longford County Council	1,088,035	629,570	1,717,605
Louth County Council	1,392,527	1,239,881	2,632,408
Mayo County Council	2,368,648	1,752,543	4,121,191
Meath County Council	622,949	1,142,256	1,765,205
Monaghan County Council	333,232	825,566	1,158,798
Offaly County Council	626,673	673,839	1,300,512
Roscommon County Council	80,924	725,177	806,101
Sligo County Council	1,117,660	1,287,909	2,405,569
South Dublin County Council	437,637	1,571,188	2,008,825
Tipperary County Council	2,320,354	2,425,503	4,745,857
Waterford City & County Council	1,516,957	1,684,874	3,201,831
Westmeath County Council	1,636,699	1,233,568	2,870,267
Wexford County Council	1,660,585	2,523,326	4,183,911
Wicklow County Council	1,443,769	1,347,967	2,791,736
Total	71,096,091	60,213,213	131,309,304

Source: Department of Housing, Local Government and Heritage (DHLGH)

gov.ie/housing

