

**MINUTES OF STATUTORY BUDGET MEETING HELD IN THE DUNAMAISE ARTS
CENTRE & THEATRE, PORTLAOISE ON THE 9TH OF NOVEMBER 2020**

<u>PRESENT:</u>	Councillor	Catherine Fitzgerald In the Chair	
	Councillors	Conor Bergin	Paddy Bracken
		Ben Brennan	Ollie Clooney
		Thomasina Connell	Caroline Dwane Stanley
		John Joe Fennelly	Willie Aird
		Padraig Fleming	James Kelly
		John King	Seamus McDonald
		Paschal McEvoy	Aisling Moran
		Aidan Mullins	Mary Sweeney
		Noel Tuohy	
<u>APOLOGIES:</u>	Councillor	Tom Mulhall	

IN ATTENDANCE:

Messrs John Mulholland, Chief Executive, Gerry Murphy, Head of Finance, Simon Walton, Director of Services, Donal Brennan, Director of Services, Joe Delaney, Director of Services & Ms. Michelle McCormack, Executive Secretary.

124. DRAFT BUDGET 2021

The Chief Executive, Mr. John Mulholland referred the Members to his report of November 5th 2020. He outlined the process that had been undertaken in relation to the preparation of the budget.

Mr. Mulholland indicated that while the last number of revenue budgets were prepared against a backdrop and under the residual influence of the 2009/2010 recession, the Council now has a new set of pressures against which the 2021 budget must be considered. Since the onset of the Covid-19 pandemic the Members have been regularly updated regarding its impact on the finances of Laois County Council.

The impact of Covid-19 on small business, hospitality, entertainment and tourism is massive. Historical experience will tell us that a minimum reduction of 10% in GDP and a minimum increase of 10% in unemployment will translate straight to the bottom line of Laois County Council's Revenue Budget and will impair significantly the Council's capacity to provide services in a number of areas. In the current year 2020, we know that income streams via commercial rates, planning fees, parking charges and road opening fees will be negatively affected by about €500,000. In addition, the Council has incurred additional expenditure of about €400,000 in providing community supports, health protection measures, public messaging, retrofitting public offices and IT improvements in response to the public health threat.

Fortunately, in respect of 2020 the Government has put in place measures to:

- support local business through the Business Restart Grants, and
- assist Local Authorities by way of the Rates Waiver Support grant.

The Chief Executive advised that the Council receive around €6 million in respect of loss of income from rates in 2020. In addition, it is expected that there will be support forthcoming in respect of income losses from goods and services and additional Covid-19 expenditure for 2020.

He further advised that looking ahead to the next 12 months, there is a reasonable expectation of further Government support for the Council to cover expected losses under the income headings of commercial rates and Covid-19 costs. On the other less positive side it is expected that business vacancy rates will inevitably increase giving rise to further uncollectable income from this source in 2021.

Members should note that despite the very difficult prevailing circumstances every effort has been made to ensure the Council's Revenue Budget provides a business/community stimulus effort and more importantly that it protects the most vulnerable people in our community.

At a summary level, therefore, the 2021 Revenue Budget aims to:

- (i) Provide assistance and support to those most at risk of homelessness;
- (ii) Stimulate social and community recovery in collaboration with the community fora, the PPN and leveraging the various schemes sponsored by Central Government Departments
- (iii) Stimulate economic and business recovery through local development and investment and infrastructure;
- (iv) Promote County Laois as a location of preference for remote working and environmentally friendly tourism;
- (v) Promote a clean and pristine environment conducive to a good standard of public health and wellbeing, and;
- (vi) Make provision for the many challenges to be addressed under the Climate Action Plan

The main factors shaping the drafting of the 2021 budget are:

On the income side:

1. An assumption of continued financial support from Central Government to compensate for loss of commercial rates and Covid-19 costs,
2. Retaining an increased income from the Local Property Tax, as in 2020, in the amount of €504,256,
3. An increase of €500,000 from rents on Council owned houses,
4. Broadly similar allocations to the Council under the non-national roads programme as compared with 2020,
5. Some buoyancy in commercial rates income, particularly from large utility providers and new business in the county, and
6. An expectation of increased vacancy levels in certain retail and business sectors

On the expenditure side:

1. The requirement to commence a planned maintenance programme to address heating system upgrades in Council housing stock.
2. A requirement to provide matched funding to support a number of projects and initiatives including:
 - a. Town and Village Renewal Schemes,
 - b. Rural Regeneration Development and Urban Regeneration Fund projects,
 - c. Fáilte Ireland Tourism Destination Town scheme and
 - d. CLAR programmes
3. The requirement to meet targets and develop actions to comply with Public Sector obligations in the Climate Action Plan 2019.
4. The requirement to ensure resilience and community wellbeing during the Covid-19 pandemic.
5. The requirement to provide support to business and tourism recovery.
6. To provide improvements in quality of life in the County's main towns and villages.

The Annual Budget for 2021 provides for a significant and continued level of investment in the social, cultural and economic wellbeing of County Laois. The gross revenue expenditure required to run public services in Laois on a day to day basis is €78,883 million representing an increase of 0.6% in comparison with 2020.

The following areas of expenditure are of particular note:

- **€125,000** is provided to progress a planned maintenance programme aimed specifically at upgrading heating systems in Council owned houses. This represents a shift in direction towards a more systematic approach to address heating needs and to prepare for a possible future Government led scheme under the Climate Action Plan and the Just Transition programme for the midlands area.
- An additional sum of **€40,000** to resource work on housing relets.
- **€210,000** for the restart of activities at Council owned Leisure Centres,
- **€67,000** towards match funding for TVRS schemes at Ballyroan, Rathdowney, Durrow, Killeslin, Donaghmore, Clough, Stradbally, Abbeyleix, Portarlinton and Mountmellick,
- An additional **€60,000** for footpath improvements,
- **€120,000** towards matched funding for urban renewal in Portlaoise and Portarlinton,
- Additional funding of **€32,000** towards heritage projects on churches and graveyards, Tinnakill Heritage House and heritage works in Donaghmore and Rathdowney,
- An increase of **€35,000** for preparations for the world ploughing championship and a paint enhancement scheme for Portarlinton,
- **€48,000** for Rathdowney playground,
- A book fund of **€25,000** in respect of the new County Library.
- An additional sum of **€28,000** for community projects to be decided at Municipal District level,
- Continued support for small businesses through the rates incentive and vacant property incentive schemes.

It was noted that all aspects of the draft budget were discussed in detail at the information meeting held on the 5th of November 2020. Mr. Gerry Murphy, Head of Finance then proceeded to advise the members on a division by division basis of the Council's Expenditure & Income proposals for 2021.

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Councillor John Joe Fennelly proposed the draft Budget for 2021 as presented and this was seconded by Councillor John King.

The Members collectively and individually complemented Mr. Gerry Murphy, Head of Finance and all the staff involved in the preparation of the budget. The Chief Executive, Head of Finance & Directors of Services responded to the various queries raised by the Members.

The Chief Executive extended his appreciation to Mr. Gerry Murphy, Head of Finance and staff in the Finance Section for their work in the preparation of the budget. He also extended his appreciation to the Directors of Services and their staff members for their commitment and hard work over the past year. The Chief Executive thanked the Cathaoirleach, Councillor Catherine Fitzgerald and her predecessor, Councillor Willie Aird, the Corporate Policy Group, the Chairs of the Municipal Districts and the Elected Members for their assistance during the year.

This concluded the business of the meeting.

SIGNED: _____
CATHAOIRLEACH

CERTIFIED: _____
DIRECTOR OF SERVICES
CORPORATE AFFAIRS