



Comhairle Cathrach
& Contae **Luimnígh**

Limerick City
& County Council

Unaudited Annual Financial Statement 2020



AFS 2020 Documents

1. Report to Mayor and members on AFS 2020
2. The Annual Financial Statement includes:-
 - The Statement of Accounting Policies (Pages 7-12).
 - Income and Expenditure Account Statement (Page 14).
 - Balance Sheet (Page 15).
 - Funds Flow Statement (Page 16)
 - Notes to the Accounts (Pages 17-28).
 - Appendices 1 to 8 (Pages 29-44).
3. Report to Mayor & members regarding authorising additional expenditure

Unaudited AFS 2020

Members are requested to

1. Consider the Annual Financial Statement of 2020 under Section 108 of the Local Government Act 2001 (as amended by the Local Government Reform Act, 2014).
2. Authorise additional expenditure for financial year ended 31st December 2020 under Section 104 of the Local Government Act 2001 (as amended by the Local Government Reform Act, 2014), including Capital transfers.



Summary

- **AFS presented to the Council**
 - Challenging year as a result of Covid – significant uncertainty in funding and supports
 - Surplus for the year on the Revenue Account
 - Government Supports including:
 - 9 month Rates Waiver
 - Funding for additional Covid Costs and Covid impact on Goods & Services Income
 - Restart Grants
 - Schedule of Municipal District works
 - Provide match funding to advance projects which members have considered as part of 3 year capital programme.
 - These projects may not otherwise have commenced or would have to be funded from loan drawdown which would be a draw on the Revenue account over a number of years
 - Example includes
 - Limerick Greenway
 - Croom Distributor Road
 - Major Repair Works to Mulgrave Fire Station
 - Commencement of a number of strategic capital projects
 - In compliance with General Government Borrowing (GGB)



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AFS 2020

Revenue Account

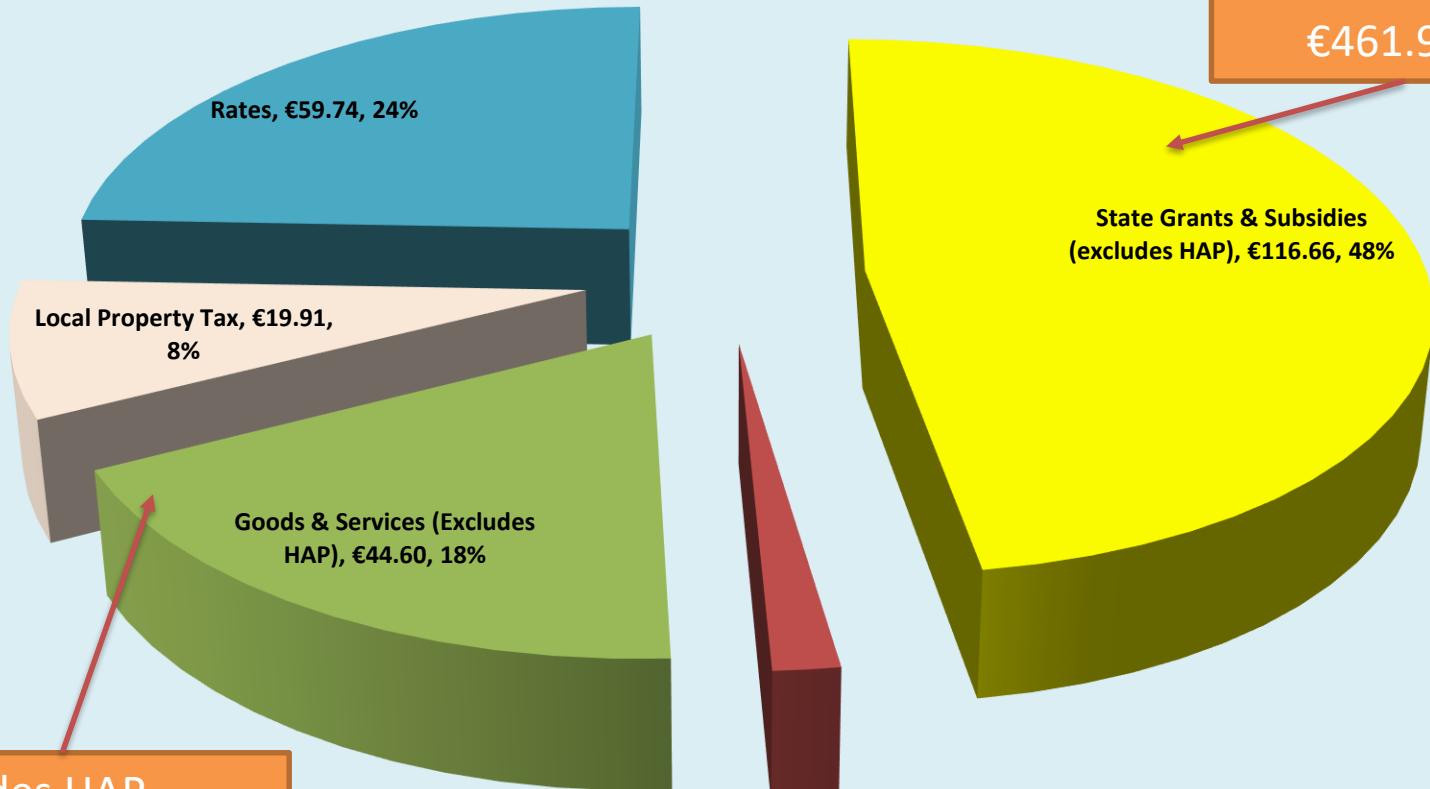


Summary

	Actual 2020	Actual 2019	Actual 2018	Actual 2017	Actual 2016	Budget 2020
Income	€849.38m	€661.94m	€518.28m	€352.92m	€228.21m	€825.41m
Expenditure	€849.33m	€661.93m	€518.27m	€352.92m	€228.16m	€825.41m
Surplus for the year	€0.050m	€0.010m	€0.011m	€0.002m	€0.05m	-
Retained Reserve prior year	€0.833m	€0.823m	€0.812m	€0.810m	€0.760m	-
Retained Reserve @ year end	€0.888m	€0.833m	€0.823m	€0.812m	€0.810m	-
Expenditure above includes transfers to Reserves as follows: Note: the transfers include principal element of non-mortgage loans	€17.59m	€10.16m	€12.36m	€12.83m	€15.91m	



Sources of Income 2020 (Excl HAP)



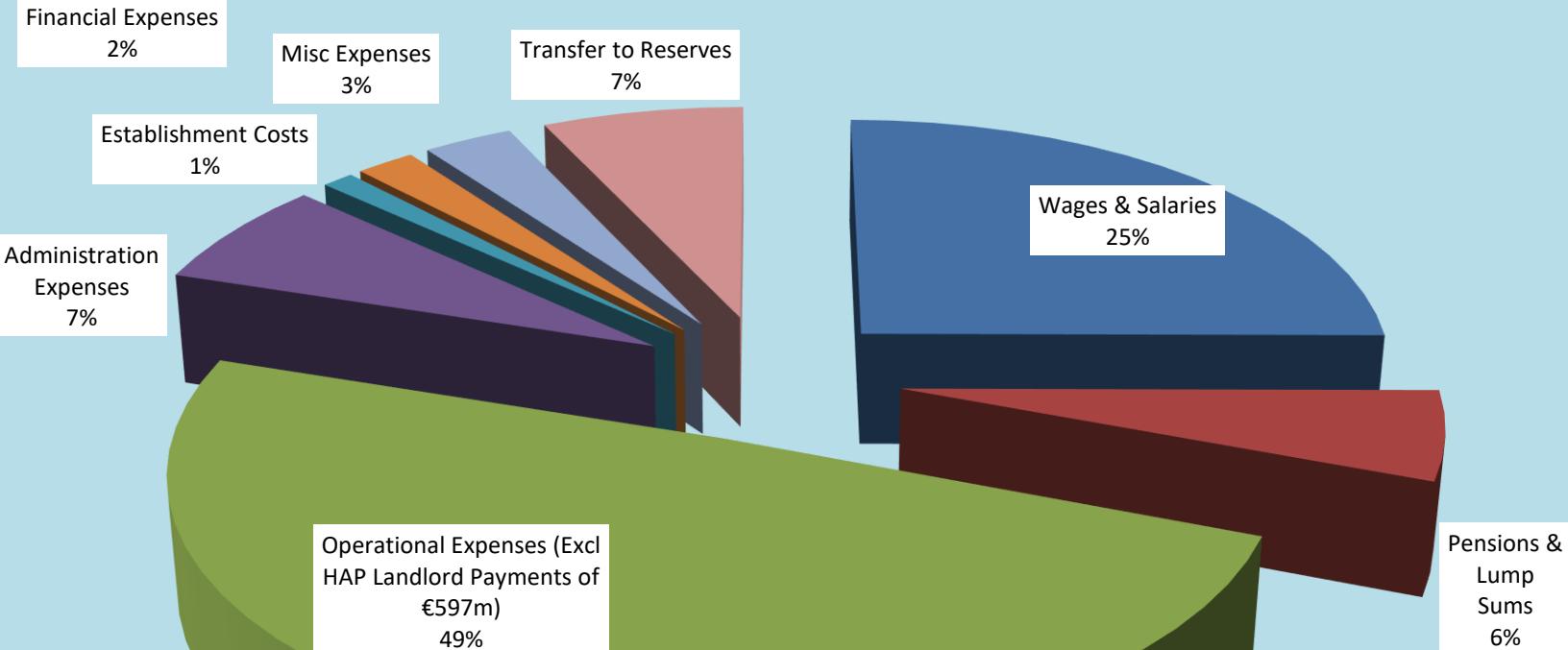
Excludes HAP
Differential Rent of
€141.9m

Excludes HAP
Recoupments
from DHPLG of
€461.92m

Contributions from other
Local Authorities, €4.01, 2%

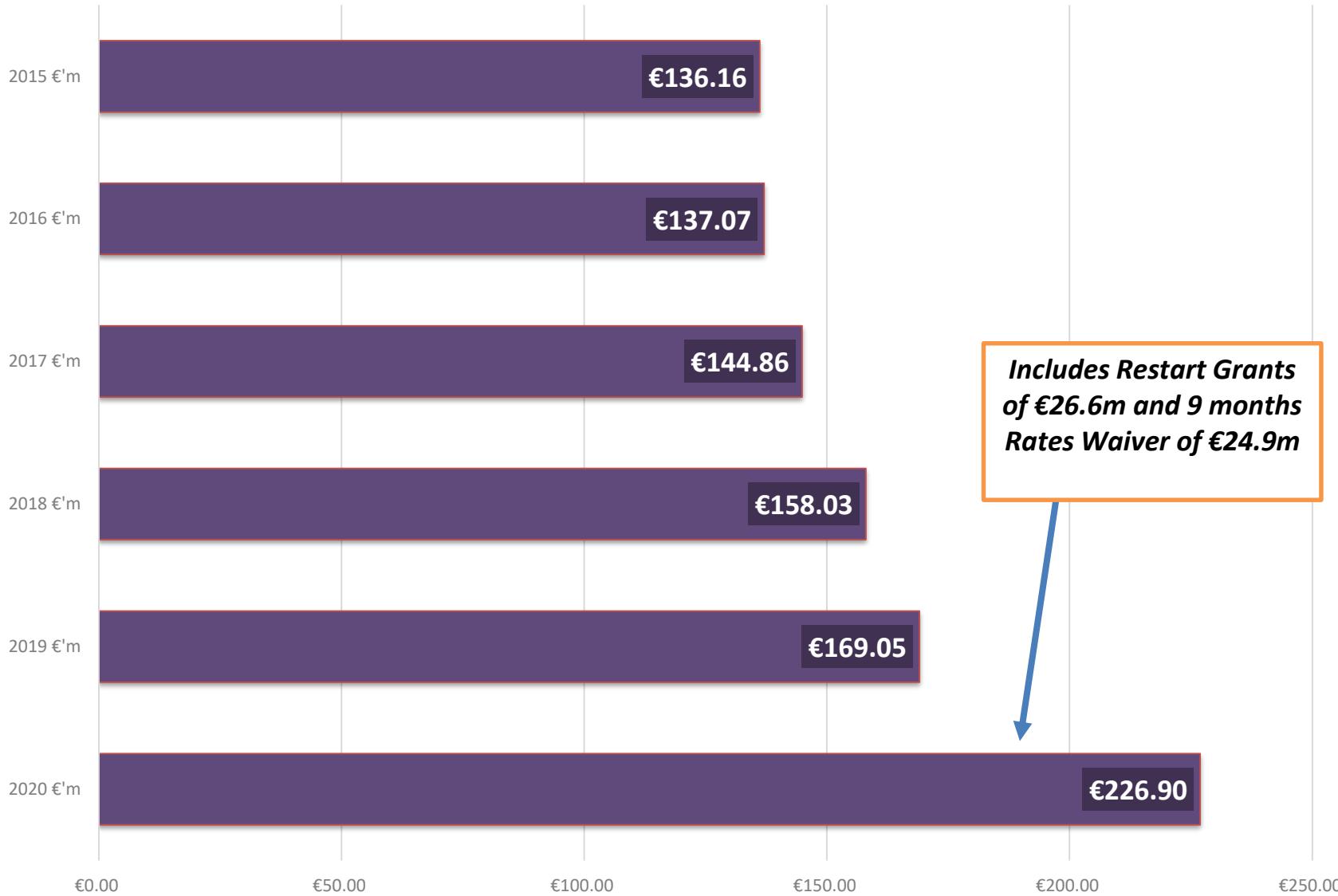


Analysis of Revenue Expenditure by Category



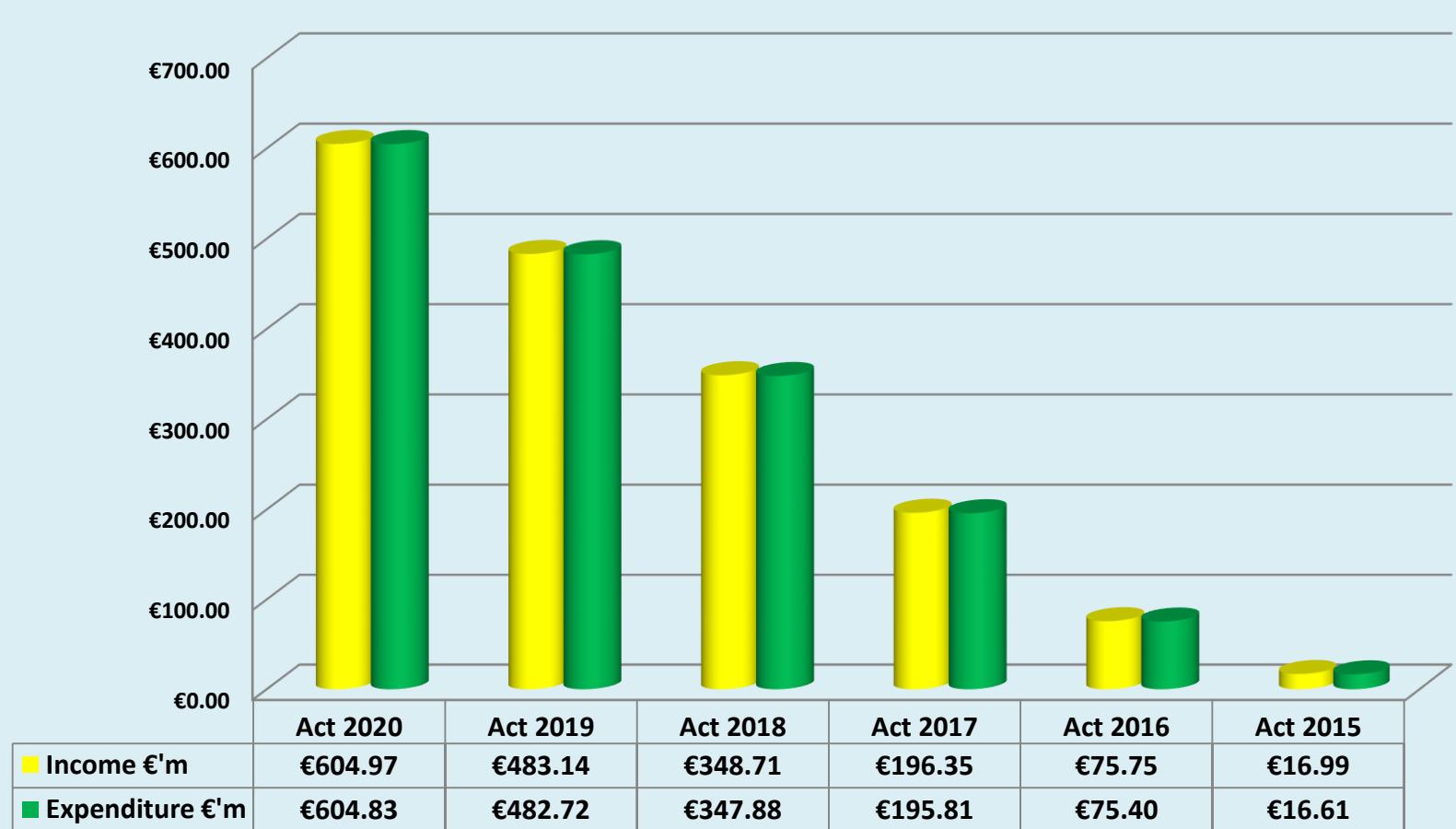


Revenue Expenditure Analysis (excluding HAP & Transfers) €'m





HAP Transactional Shared Service Hub



Contribution to Central Management Costs of €1.1m

Summary

Division A
Housing (Excl HAP SSC)
Actual versus Budget

- Add expenditure of €7.3m
- Add income of €5.7m

Differential
Rent Income
up €1.5m on
budget

Provision of €3.31m
for serviced sites
match fund &
unfunded balances

HAP SSC under
budget by
€36.9m both on
income and exp

Emergency Covid
spend on
Homelessness of
€517k

€4.9m Additional Expenditure
matched by Income
- RAS & Leasing
- Homeless



Additional expenditure 2020 in excess of Budget 2020 by Service (including Transfers to Capital)

Division A – Housing & Building

SVC	Division & Services	Actual Outturn 2020	Budget 2020	Over Exp	Transfer	Notes
A01	Maintenance / Improvement of LA Housing Stock	€14.53	€11.22	€3.31	€3.21	Provision for match funding for Service Sites Fund and also provision for unfunded capital balances including CCTV Emergency Covid Spend - €713k
A02	Housing, Assessment, Allocation & Transfer	€0.91	€0.89	€0.02		Additional payroll resource
A03	Housing Rent and Tenant Purchase Administration	€1.48	€1.33	€0.15		Increased provision for Bad Debts for Housing Rents
A05	Administration of Homeless Service	€7.92	€6.66	€1.26		Additional expenditure partly matched by additional grant income obtained (90% funded)
A07	RAS & Leasing Programme	€13.99	€10.65	€3.34		Increase in Expenditure offset by increase in Income
A09	Housing Grants	€1.039	€1.035	€0.003		Increase in match funding required
A11	Agency & Recoupable Services	€2.64	€2.33	€0.31		Increased Regional Homeless expenditure matched by recoupment/income received



Summary

CIS income up
€272K on
budget & LIS
income down
€58k

Division B
Road Transportation & Safety
Actual versus Budget

- Add expenditure of €5.2m
- Add income of €3.4m

Local and
Regional Road
income up
€3.3m on
budget

National
Primary and
Secondary
Road income
up €350k on
budget

Parking Income
down €1m on
budget – reflects a
58% reduction

Provision of €1.14m
for Croom Distributor
Road, Canal Bank
Walkway & Public
Lighting



Additional expenditure 2020 in excess of Budget 2020 by Service (including Transfers to Capital)

Division B - Road Transport & Safety

SVC	Division & Services	Actual Outturn 2020	Budget 2020	Over Exp	Transfers	Notes
B01	NP Road - Maintenance and Improvement	€2.55	€2.14	(€0.41)		Additional expenditure matched by additional grant income obtained.
B02	NS Road - Maintenance and Improvement	€0.75	€0.70	(€0.051)		Additional expenditure matched by additional grant income obtained.
B03	Regional Road - Maintenance and Improvement	€13.59	€11.11	(€2.48)		Additional expenditure matched by additional grant income obtained.
B04	Local Road – Maintenance & Improvement	€21.64	€20.13	(€1.51)	€0.70	Additional expenditure matched by additional grant income obtained. Provision for Croom Distributor Road
B05	Public Lighting	€3.65	€3.14	(€0.51)	€0.29	Additional expenditure of €436k for Public Lighting Energy Costs & €84k for maintenance Provision for public lighting energy project €290k
B07	Road Safety Engineering Improvement	€1.06	€0.68	(€0.37)		Additional expenditure on interim mobility measures matched by income of €304k
B11	Agency & Recoupable	€1.53	€1.27	(€0.26)		Storm Ellen and Shannon Flooding event (fully recouped)



Division C – Water Services

SVC	Division & Services	Actual Outturn 2020	Budget 2020	Over Exp	Transfers	Notes
C08	Local Authority Water and Sanitary Services	€0.42	€0.02	(€0.4)	(€0.34)	Provision for unfunded Health and Safety Works to non-Irish Water assets

**Division C
Water Services
Actual versus Budget**

- Reduced expenditure of €1.8m
- Reduced income of €2.2m

Provision of €0.34m
for unfunded Health
& Safety Works to
non IW assets,
including TIC



Summary

Division D Development Management Actual versus Budget

- Increased expenditure of €26.54m
- Increased income of €26.9m

Restart Grants
€26.6m
income and
expenditure

Planning Fee
Income down
€100k on
budget

SME Support
Grant –
€623k paid
out

Provision of
€1.15m for
Limerick
Greenway &
€0.08m for
lighting of
Clancy Strand



Additional expenditure 2020 in excess of Budget 2020 by Service (including Transfers to Capital)

Division D – Development Management

SVC	Division & Services	Actual Outturn 2020	Budget 2020	Over Exp	Transfers	Notes
D04	Industrial & Commercial Facilities	€0.013	€0.009	(€0.003)		
D05	Tourism Promotion	€3.24	€2.25	(€0.99)	€1.15	Provision for match funding for Limerick Greenway
D07	Unfinished Housing Estates	€0.12	€0.12	(€0.003)		Increase in Payroll Costs - Unfinished Housing Estates
D09	Economic Development & Promotion	€33.87	€7.99	(€25.89)		Includes additional expenditure of €26.6m relating to restart grants matched by income
D11	Heritage and Conservation Services	€0.34	€0.31	(€0.03)		Increased expenditure matched by additional grant income.



Summary

Division E
Environmental Services
Actual versus Budget

- Increased expenditure of €1.95m
- Reduced income of €0.1m

Gortadroma
Income Gas to
Energy €400k
on budget
versus costs
€280k

Fire Safety
Certs Income
down €200k
on budget

Provision of
€1.894m for
upgrade of
Mulgrave street fire
station, burial
ground capital fund,
Civil defence works
& match funding for
flood relief scheme



Additional expenditure 2020 in excess of Budget 2020 by Service (including Transfers to Capital)

Division E – Environment

SVC	Division & Services	Outturn 2020	Budget 2020	Over Exp	Transfers	Notes
E02	Recovery & Recycling Facilities Operations	€0.62	€0.58	(€0.04)		Additional expenditure on Civic Amenity Sites matched by increased income
E03	Waste to Energy Facilities Operations	€0.305	€0.302	(€0.003)		
E06	Street Cleaning	€5.22	€5.05	(€0.17)		Increased insurance costs
E07	Waste Regulation, Monitoring & Enforcement	€0.65	€0.65	(€0.004)		
E08	Waste Management Planning	€1.45	€1.11	(€0.33)		Additional expenditure on DCCAE Waste Campaign Project Work and all funded (through South Regional Waste Management Office)
E09	Maintenance & upkeep of Burial Grounds	€1.76	€1.39	(€0.37)	€0.40	Provision of Capital Fund for burial grounds
E11	Operation of Fire Service	€16.70	€16.09	(€0.61)	€0.87	Provision for capital works to Mulgrave Street Fire Station
E14	Agency & Recoupable Services	€3.86	€3.77	(€0.09)		Additional expenditure relating to MRCC matched by additional income.
E15	Climate Change and Flooding	€0.98	€0.08	(€0.89)	€0.60	Increased climate action adaptation expenditure of €312k matched by income Provision of match funding of €600k to Kings Island Flood Relief Scheme



Summary

Division F Recreation & Amenity Actual versus Budget

- Reduced expenditure of €0.25m
- Reduced income of €0.03m

Festivals &
Concerts Exp
down
€349k

Provision of €389k for
Culture Prog, Festival &
Events Strategy, Gallery
outreach programme &
works to NCW Library



Additional expenditure 2020 in excess of Budget 2020 by Service (including Transfers to Capital)

Division F – Recreation & Amenity

SVC	Division & Services	Actual Outturn 2020	Budget 2020	Over Exp	Transfers	Notes
F01	Leisure Facilities Operations	€0.93	€0.81	(€0.12)		Covid support costs to associated Companies
F02	Operation of Library & Archival Service	€6.17	€6.17	(€0.002)	€0.20	Provision for upgrade works at NCW Library
F06	Agency & Recoupable Services	€0.008	€0.007	(€0.001)		Additional expenditure relates to operation of service

Summary

Division G
Agriculture, Education, Health &
Welfare
Actual versus Budget

- Reduced expenditure of €0.16m
- Reduced income of €0.16m

Income
Control of
Horses down
€119k on
budget

School meals
Expenditure
down €95k on
budget

Summary

Division H Miscellaneous Services Actual versus Budget

- Increased expenditure of €21.90m
- Increased income of €26.20m

Additional
NPPR Income
over budget of
€292k

9 Month Rates
Waiver of
€24.9m

DHLGH Covid
support for Covid
costs & loss of
income from Goods
& Services of
€3.65m

Provision of
€300k included
for Fleet
replacement



Additional expenditure 2020 in excess of Budget 2020 by Service (including Transfers to Capital)

Division H – Miscellaneous Services

SVC	Division & Services	Actual Outturn 2020	Budget 2020	Over Exp	Transfers	Notes
H02	Profit / Loss Stores Account	€0.25	€0.20	€0.05		Increased expenditure due to operating costs of Stores and stock adjustment
H03	Administration of Rates	€30.43	€6.12	(€24.31)		Increased expenditure relating to 9 months Rates Waiver of €24.9m matched by income
H11	Agency & Recoupable Services	€1.01	€1.00	(€0.07)		Covid redeployed staff cost of €210k



Summary

Division J Central Management Costs Actual versus Budget

- Reduced expenditure of €0.758m
- Reduced income of €12k

Pension and
Lump Sum
€1m under
budget

Post Covid
Recovery Cost
Provision of
€2m

Provision of €90k
for ICT Capital
Works

Rates Income up
of €1.18m on
budget

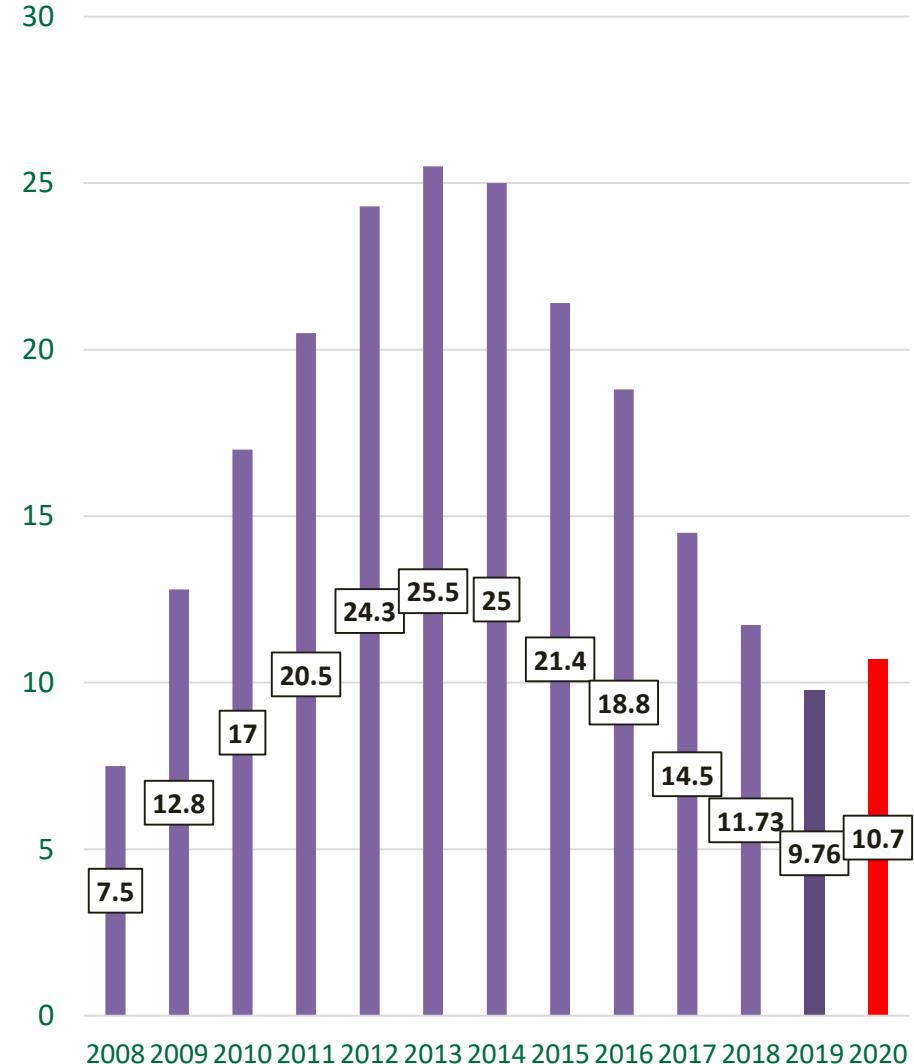
Cyber Liability
Insurance €45k



ANALYSIS OF NPPR RECEIPTS €'M



Analysis of Commercial Rates Arrears



AFS 2020

Capital Account

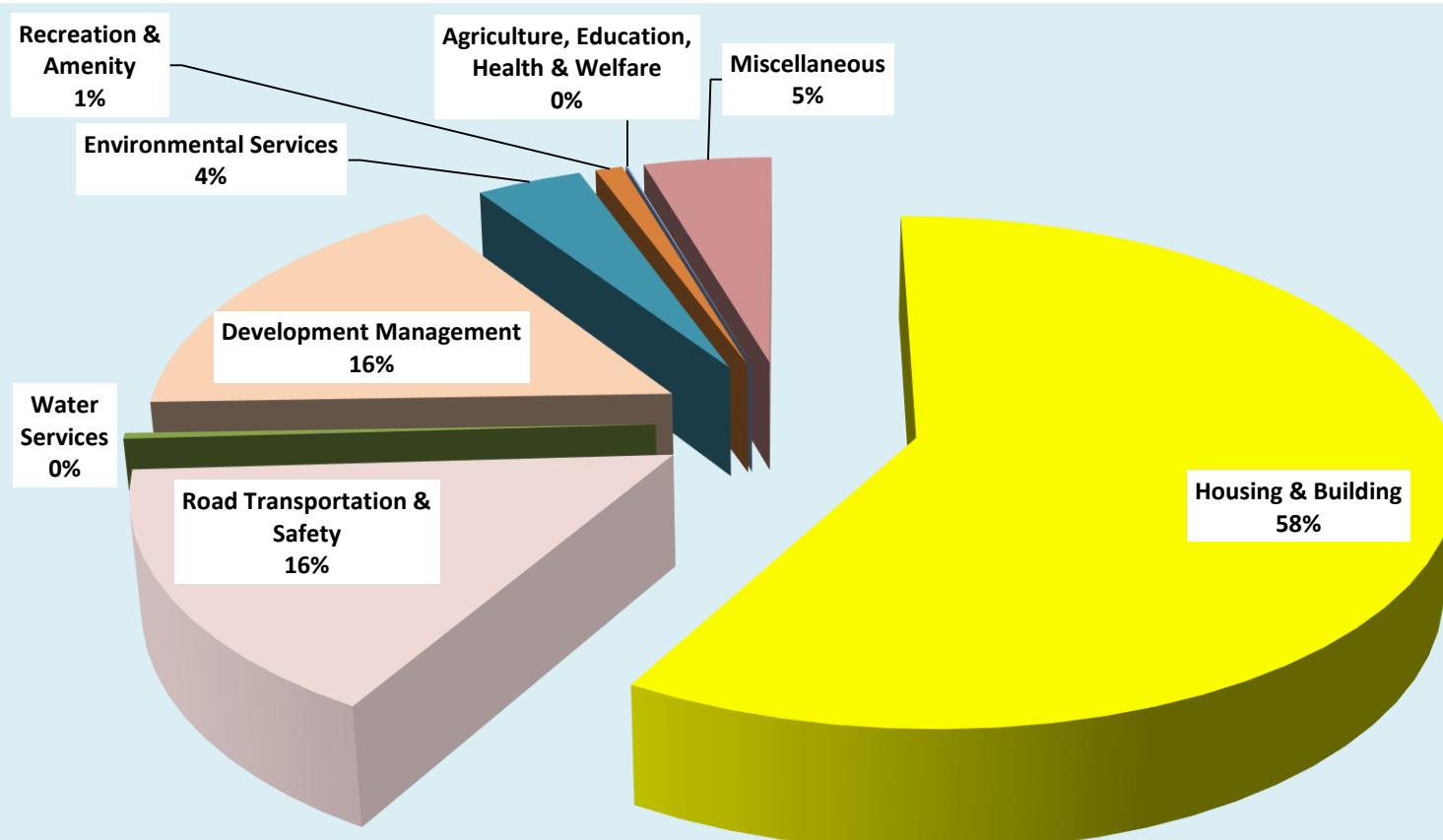


Summary

	Actual 2020	Actual 2019	Actual 2018	Actual 2017	Actual 2016	Actual 2015	Actual 2014
Income (Excl transfers)	€129.23m	€91.46m	€108.61m	€95.96m	€95.55m	€58.00m	€57.30m
Expenditure (Excl transfers)	€113.42m	€114.55m	€95.68m	€138.6m	€79.98m	€58.50m	€60.90m
Net Transfers from Revenue	€14.65m	€5.32m	€9.21m	€9.558m	€13.00m	€9.98m	€3.10m

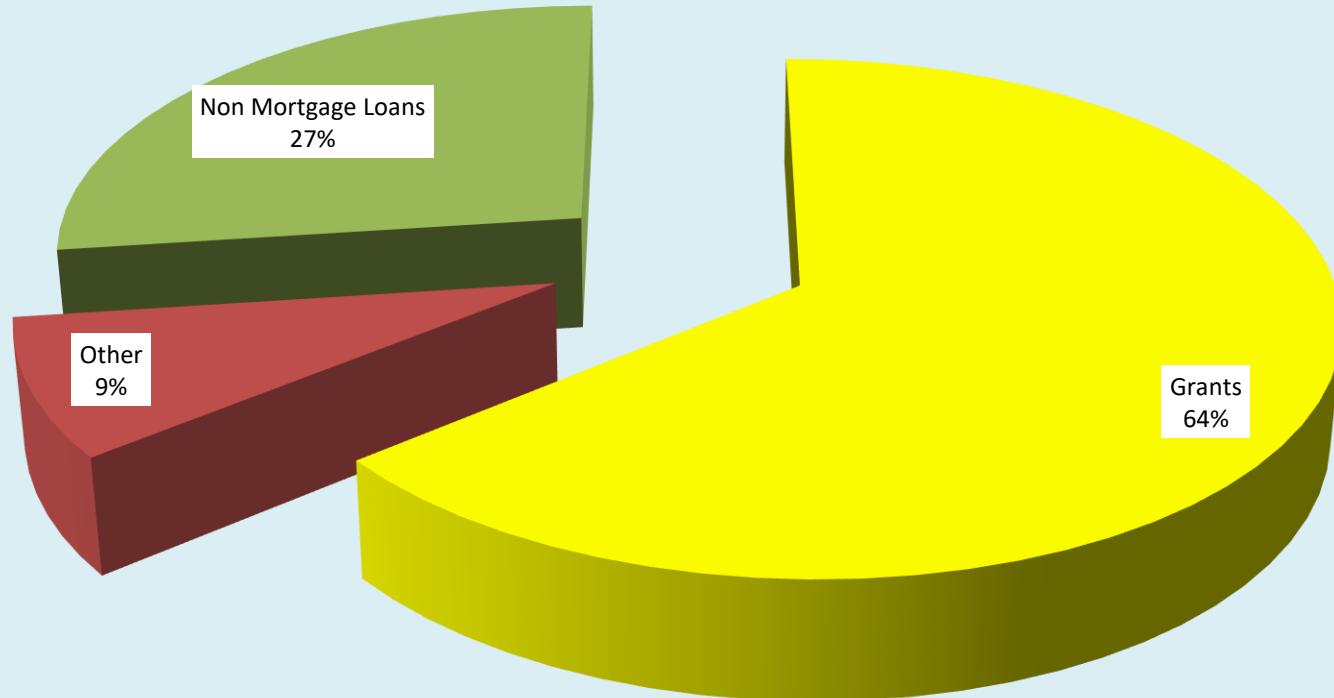


Analysis of Capital Expenditure 2020





Analysis of Capital Income 2020





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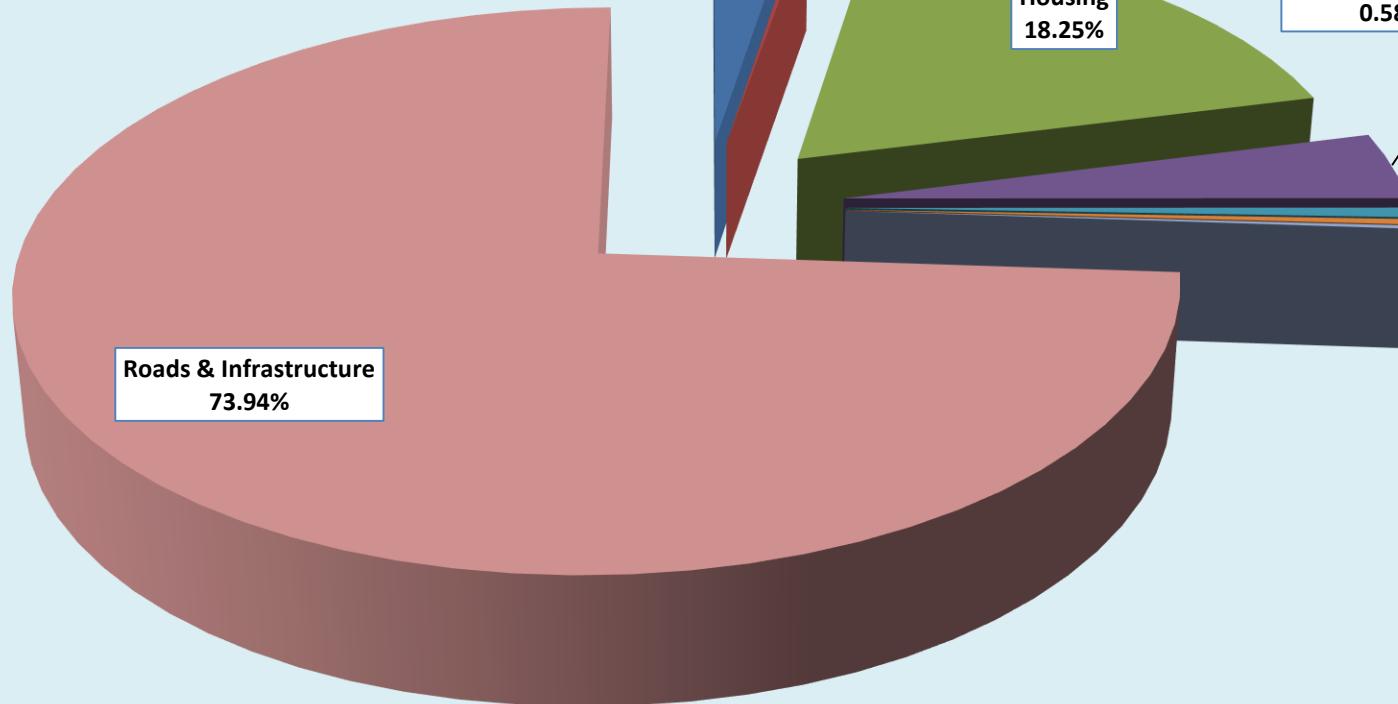
AFS 2020

Balance Sheet



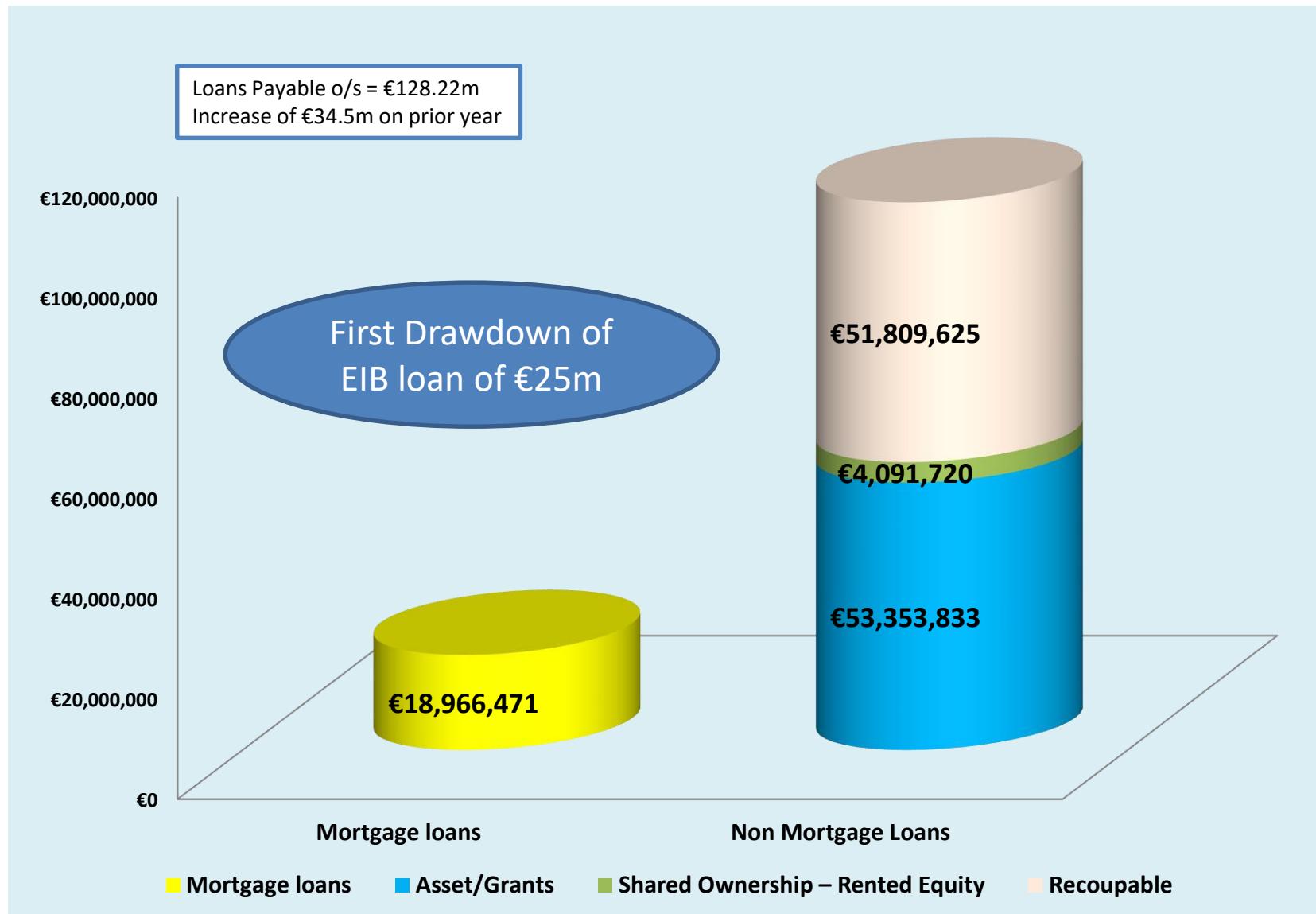
Fixed Assets @ 31/12/2020

Fixed Asset Value =
3.38bn





Loans Payable @ 31/12/2020



Collection Accounts - % Collection

	2020	2019	2018	2017	2016	2015	2014
Commercial Rates	81%	88%	85%	82%	77%	75%	65%
Rents and Annuities	96%	96%	95%	96%	94%	89%	87%
Housing Loans	84%	78%	75%	78%	74%	78%	77%

The increase in the % yields, reflects a positive trend and in relation to Commercial Rates has been helped by the focused incentive schemes adopted by the Council and promotion of Direct Debit.

Collection Accounts – Value Arrears

	O/S @ Dec '20	O/S @ Dec '19	O/S @ Dec '18	O/S @ Dec '17	O/S @ Dec '16	O/S @ Dec '15	O/S @ Dec '14
Commercial Rates	€10.70m	€9.759m	€11.72m	€14.50m	€18.79m	€21.45m	€24.97m
Rents and Annuities	€6.323m	€6.314m	€5.893m	€2.872m	€2.175m	€2.269m	€2.053m
Housing Loans	€358k	€447k	€487k	€461k	€538k	€478k	€550k



Conclusion

AFS 2020

- shows a surplus after transfer of €50k
- represents significant support from Government

Reflects

- the efforts and support of Council Members
- Commitment of staff
- Schedule of Municipal District Works completed
- Additional costs associated with Covid
 - PPE
 - Community Response
 - Remote Working
 - Council Buildings
 - Emergency Homeless
 - Backup Fire Station
- Covid impact on Goods and Services Income
- Provision for match funding for capital projects



Unaudited AFS 2020

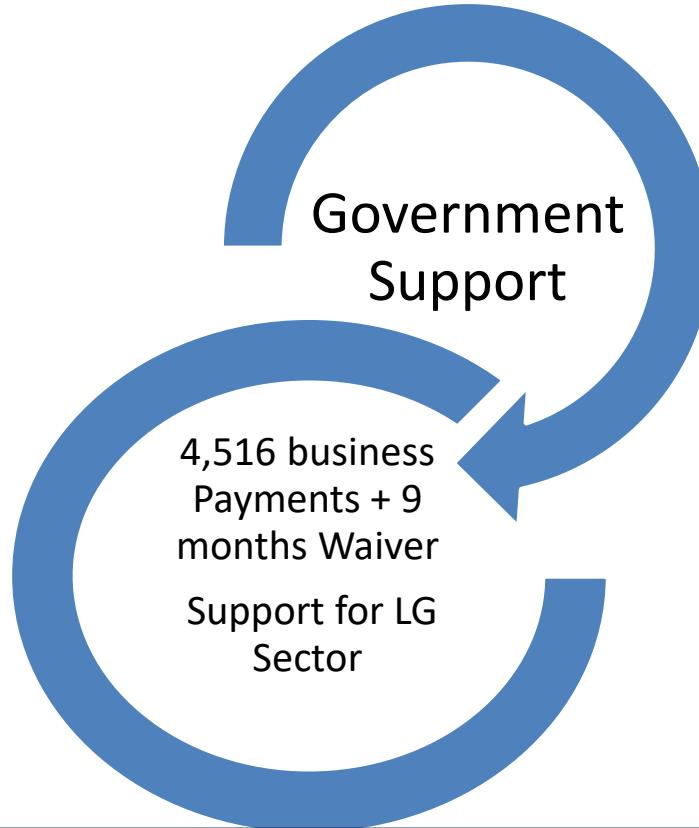
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Financial Update

2021
Year-to-date

Covid 19 – 2020 Update



- Commercial Rates Waiver - **€24.9m**
- Covid Costs / Goods and Services - **€3.65m**
- Restart Grant Overall - **€26.6m**

Covid 2021

- Scaled back Waiver scheme for qtr1 and qtr2 -
- Waiver for Q3 / 4 needed in the interests of customer facing business
- Income for Goods & Services impact & Covid Exp



Summary

- Cashflow
 - No requirement to use Overdraft Facility yet
- Revenue Account
 - Key supports to Business
 - Covid Impact on Income headings being monitored
 - Schedule of Municipal District Works progressing
- Capital Account
 - Advance projects which members have considered as part of 3 year capital programme - €700m over 3 years

Examples Include:

- Opera Project
- O'Connell Street Public Realm
- Limerick Greenway
- NCW Athletics Track