**To the Mayor and Each Member**

**Annual Revenue Budget 2021**

Dear Member,

The attached budget is presented in the statutory format and has been prepared in consultation with the Corporate Policy Group and takes account of Elected Members’ views generally. The context and budgetary considerations are dominated by the ongoing COVID-19 (coronavirus) pandemic including human, financial and broader socio–economic implications. While somewhat secondary, the budget is clearly cognisant of our corporate commitments, national government policy and a future beyond this current crisis. The 2021 Budget underpins our ongoing role in the provision of essential services, supporting business and community resilience at this very difficult time, while continuing investment priorities in key areas such as housing, community, youth and recreation services, enterprise and employment, climate action and a sustainable future. It also seeks to protect and expand our front-line service delivery in so far as resources and circumstances allow. The Budget for 2021 provides for total expenditure of €268,019,900 which represents an increase of over 5% on 2020. This increase is primarily associated with increased activity in housing services including HAP and RAS which are fully funded, obligations under the national wage agreement, insurances and cost increases associated with new developments.

**Economic Context and Financial Considerations**

The onset of the Coronavirus pandemic in March resulted in very significant socio–economic implications which are ongoing. Many businesses are closed for the second time, unemployment is currently at 16%, while domestic consumer demand has reduced by 7.5%. Nationally, government had to provide an additional €16.75 billion in 2020 to support employment, business and essential public services. While hope increases of a vaccine and the prospect of a gradual return to economic stability, the prevailing view is that 2021 will require continued economic stabilisation measures, business supports, community health and wellbeing programmes, together with significant capital investment to support employment and position the economy for a swift recovery in the short term. The government has provided an additional €8.5 billion for 2021 in recognition of this likely scenario together with a recovery fund of €3.4 billion.

The impact locally is reflected in the €30,000,000 allocated to businesses under the Business Restart Scheme and the requirement to provide nine months rates support to over 6,000 impacted businesses to the value of €54,000,000. This Council’s reliance on rates income (50%) underlines its vulnerability to economic shocks such as that now being experienced. General fee income associated with economic activity reduced by €1,500,000 in the same period, while the debt collection environment has been challenging. Nevertheless, careful financial management and planning in the past, affords some resilience and flexibility in the short term to maintain services and continue to plan for the future through targeted capital investment.

In the context of the foregoing the Budget has been prepared with the following considerations in mind:

* The need to have clear regard for the vulnerable financial climate and the flexibility to adjust to circumstances as they emerge in the year ahead. This is best reflected in the retention of budgets for a whole range of community and business supports which can be adapted and repurposed as necessary, depending on the level of activity across business and society
* Continue to provide essential services subject to government and national health directives, while mindful of the health and safety of all our staff
* Provide the best possible support to business, enterprise, and employment
* To show clear community leadership and to remain vigilant in the protection and support of our most vulnerable, including our younger and older generations who face particularly challenging circumstances at present
* Protect what we have, including our investment in community infrastructure to ensure we are ready to fully reactivate our services and programmes once circumstances allow
* Look to and plan for a brighter more sustainable future beyond this current crisis

**Community Resilience, Wellbeing, Equality and Social Inclusion**

In the period since March, Local Government has been central to the continued provision of essential public services including community supports. Given the COVID restricted circumstances, we have had to engage with communities in a very different way. Moving programmes online, click and collect services, online health and wellbeing activities and the very successful “Community Call” initiative, have all been part of the response to support and galvanise community resilience during this difficult time. In this regard the budget seeks to:

* Place a significant emphasis on physical activity, arts, culture and sport, including their delivery through alternative mediums as required
* Maintain and expand outdoor recreation including the continued availability of parks, playgrounds, playing fields and allotments with restrictive measures as appropriate
* Maintain funding for all community support programmes including grants and subventions to the value of €2,200,000, in the hope that as many as possible can be reactivated and where not, the money used to fund alternative online and innovative approaches to community engagement in the interests of social inclusion and positive mental health
* Maintain full funding for our arts activities including the South Dublin Arts Office, The Civic Theatre, Rua Red, Music Generation and the Creative Ireland Programme, including Cruinniú na nÓg. Spend in this area is approximately €1,000,000. A lot of consideration is being given to moving performances and presentations online and outdoors, to help sustain this important sector and provide our communities with much needed access to arts activities and performances
* Provide funding for a range of social inclusion and equality initiatives, including the Community Call, South Dublin Age Friendly Strategy implementation, the establishment of a South Dublin LGBTI+ Network, Women in Politics, a new Migrant Integration Forum and a Traveller Engagement Initiative
* Continue the “Community Call” support framework with our various partners to cater for those feeling most isolated in this restricted environment
* To expand our library services including the opening of new libraries in Tymon and Clondalkin, two new mobile libraries and the continued online reading, education and mental health support programmes
* Maintain our focus on keeping communities engaged through innovative online consultation, social media messaging and new online delivery channels for sports and social inclusion programmes
* A modest budget of €10,000 has been set aside to follow through on the Mayor’s initiative to celebrate front line workers and remember our recently deceased at an appropriate time
* Particular emphasis has been placed on youth and younger persons activities as outlined below

**Supporting Business, Enterprise and Employment**

The devastating impact of COVID – 19 on local trading conditions for business has been recognised by government, with the provision of a nine-month rates waiver for impacted businesses, together with the ReStart Grant Scheme. The consequences of ongoing restrictions in areas such as food, hospitality, entertainment, arts, leisure and individual professional services are not yet fully known. Recognition of this and the collateral impact on employment is an immediate concern for the local economy. In this regard, the following measures in the budget and our three-year capital programme are important local economic interventions that will be of assistance in the short term;

* As a local employer of up to 1,300 people and an overall current spend of €268,019,900, this Council will continue to make a significant contribution to the local economy. We will maintain our employment levels and add approximately 12 graduates and apprentices, together with 16 seasonal workers to assist with summer activities
* Our Capital Programme will see the commencement of non-housing projects worth €80,000,000 and housing projects initiated by South Dublin County Council worth €430,000,000 in the next 12 months. The labour intensity of capital investment in construction is estimated at 12 jobs per €1,000,000 spend. In this context, these projects will, over their construction, sustain over 5,000 jobs
* The LEO office and our Economic Development office will continue to work with the local Chamber in implementing government support programmes and making our €1,000,000 Business Support Fund available for training and repurposing grants
* A local indigenous prospectus/ promotional brochure is in the final stages of production and will be launched in early 2021
* In early 2021 we will complete the infrastructure contract to facilitate the opening of an additional 500 acres in our Grange Castle Business Park
* During 2021 we will commence construction of the Tallaght Innovation Quarter including the new €14,000,000 Innovation Centre
* While Tourism investment has been delayed in the Dublin Mountains and the Rathfarnham Castle Stables Projects, work will proceed on the upgrade of Corkagh Park, the completion of the Dodder Greenway and the ongoing enhancement of our villages with €3,000,000 investment planned for Templeogue and Lucan
* Our new District Enhancement Programme will commence next year, with the first four centres of Castletymon, Bawnogue, Neilstown and Ballyroan-Rosemount being prioritised

**Climate Action and Our Sustainable Future**

Our Climate Change Action Plan 2019–2024 and the current review of the County Development Plan provide further opportunities to reinforce worthwhile achievements to date, in the interests of a sustainable future. Budget 2021 provides additional support in this regard, as does the ongoing capital development programme. Among the initiatives underway and provided for are:

* A full programme of Climate Action Plan initiatives, including a repeat of the 2020 €300,000 Climate Action Innovation Fund. This will see particular attention placed on:
	+ The soon to be published EV Charging Point Strategy
	+ The commencement of the Tallaght District Heating Project later this year
	+ The launch of our Biodiversity Plan
	+ The continuation of the roll out of our County Pollinator Plan
	+ Our Tree Planting Programme will accommodate up to 2,000 trees planted to augment our urban forestry programme while a further €350,000 will be invested in tree pruning
	+ The launch of Cycle South Dublin, our ten-year strategy for the development of cycling as a travel mode of choice, into the future. In addition, a specific budget of €250,000 has been included for the upkeep of cycle lanes. A further €55,000 has been provided for data analysis including traffic counts and €40,000 for bicycle lockers. It is anticipated that 10 projects in 2021 will deliver an additional 30km of cycle lanes
	+ The continued development of the Dodder Greenway and the final planning of the Liffey Valley Greenway via Lucan between the Grand and Royal canals
	+ Following the appointment of a Fleet Manager, a detailed decarbonisation policy for Council vehicles will be completed to follow on from our successful trial of electric vehicles
	+ The continuation of our public lighting LED replacement plan, with plans for a further 200 lights to be replaced in 2021, bringing the total to 12,000 since 2015. A further 9,000 remain to be completed by 2026, with total anticipated energy cost savings of €760,000 per annum on completion
* The review of the County Development Plan is underway and will include the development of a Mobility Strategy incorporating plans for cycling, Bus Connects, Dart+ and park and ride facilities. The plan will also for the first time, incorporate green infrastructure and open space strategies and will look to maximise the development of brownfield sites including the Naas Road, for which a new masterplan will be completed next year
* An important element of forward planning is the animation and bringing to life of Local Area Plans. In this regard, a specific funding provision of €60,000 has been made to advance micro plans for areas within LAP’s like the Airton Road linear park, Carrigmore Park in Citywest, the Burgage South Park in Newcastle and the 12th Lock at Lucan

**Housing**

Housing remains a key priority and while we are making progress on our housing and homeless numbers, challenges remain. Our housing programme although disrupted with COVID restrictions, will continue next year with the advancement of schemes at Riversdale, Homeville, St. Catherines, Templeogue Village, Greenfort Gardens, Old Bawn, Nangor Road and Balgaddy.

In terms of our major sites, Kilcarbery will commence before the year end, Killinarden is at tender stage and the award for the design of Clonburris Phase 1 will be awarded in the coming weeks. We have also agreed the development of an affordable apartment scheme at Belgard North which is now going forward for detailed design. Across all project types, investment of €430,000,000 in housing is expected in projects to commence next year.

Plans for an affordable housing scheme are to be confirmed by government by the year end and we are well positioned to avail of this opportunity when it arises.

The €10,000,000 Planned Maintenance Programme is well funded with a further €1,400,000 being provided in 2021. Contractors are now in place to advance this programme. The €300,000 for estate roads has again being provided in 2021.

**Supporting our Youth**

Investing in our youth has always been a priority and in these difficult times is even more important. The planned investments in recreational and sporting infrastructure as outlined below will help to counteract the negative experience of living through COVID -19 and will serve us well into the future.

* The completion of Lucan Leisure Centre in late summer 2021
* The completion of new libraries in Tymon and Clondalkin later this year
* The development of new community centres in Saggart, City West and Balgaddy
* New sports pavilions in Griffeen and Corkagh Park
* The opening of a new music studio in Clondalkin library
* The fit out of a new “Think Big “space in our Foróige centre in Tallaght in conjunction with AWS. This is the first of its kind in Europe and has been successfully developed by AWS in the US
* The upgrade and redevelopment of our open spaces at Killinarden, St Cuthberts, Kiltipper and Corkagh Park
* The provision of a further €500,000 for our Teenspace Programme with nine locations now agreed at Collinstown, Ballycragh, Kingswood, Avonbeg, Esker Park, St. Cuthberts, Bancroft Park, Griffeen and Templeogue
* Designs for a new intergenerational centre in Templeogue will be agreed by the year end, which will greatly assist youth activity in the area
* Additional monies have been provided for Comhairle na nÓg and Cruinniú na nÓg
* Our new Playing Pitch Strategy will commence with the development of a new astro pitch in Tallaght, early in 2021

**Conclusion**

The Budget as presented, while mindful of current circumstances, is positive in the context of the plans to support businesses and communities during this difficult time. Substantial plans for immediate investment in physical and social infrastructure will serve the local economy well during construction and society well for decades to come. The delivery of these services and the design and development of these projects have continued in as normal a way as possible by our tremendously dedicated staff. I want, in the preparation of this budget, to express sincere appreciation for their efforts. As always, I also want to sincerely thank the CPG, the expanded Council membership and particularly Ronan FitzGerald, Head of Finance and his team for the advice, support and hard work involved in the preparation of this Budget, which I am happy to commend for adoption.

Yours sincerely,

Daniel McLoughlin

Chief Executive