



**WITH REFERENCE TO REVISED EXPENDITURE FOR 2017 SUBMITTED IN
ACCORDANCE WITH SECTION 104 LOCAL GOVERNMENT ACT 2001**

Section 104 of the Local Government Act 2001 requires that the City Council are advised of expenditure incurred above the values agreed by the members in the adopted budget. Actual incurred expenditure for the financial year 2017 amounted to €874.4m. The value of budgeted expenditure for this year as adopted during the 2017 Adopted Budgeting Process was €862.6m, resulting in a variance of €11.8m incurred expenditure above the value of adopted budgeted expenditure.

Service Divisions	Budgeted Expenditure 2017	Actual Expenditure 2017	Expenditure (Greater)/ Lesser than Adopted Budget
Housing & Building	323,030,014	338,529,759	(15,499,745)
Roads Transportation & Safety	94,990,657	104,040,851	(9,050,194)
Water Supply & Sewerage	61,746,524	57,127,813	4,618,711
Development Incentives & Controls	47,658,552	45,768,653	1,889,899
Environmental Protection	184,522,062	188,023,379	(3,501,317)
Recreation & Amenity	86,815,743	87,354,393	(538,650)
Education, Health & Welfare	2,740,540	2,427,900	312,640
Miscellaneous Services	61,072,238	51,100,327	9,971,911
Total Service Divisions Groups	862,576,330	874,373,075	(11,796,745)

Actual expenditure was above the adopted budget value in the following service divisions: Housing & Building, Roads Transportation & Safety, Environmental Protection and Recreation & Amenity. All incurred expenditure above budgeted values was offset by increased income or by savings made in other areas of expenditure. The background to each service where incurred expenditure was above budgeted values as follows:

Housing & Building (€15,499,745)

The increase of €15.5m of expenditure in 2017, compared to the original budget, relates to additional expenditure of €7.6m incurred by Homeless service for the provision of a range of services to meet the higher than expected demands from persons who presented as homeless. RAS Programme had €4.1m of extra expenditure, which was match by additional grand income. Grants to community groups increased by €0.8m and €1.2m of additional Disable Persons Grants were paid out during the year. These additional costs were partially funded by grants. €3m of expenditure relating to Housing maintenance (Voids) charged to capital was transferred to revenue and €3m of additional funding was provided in revenue for these works. There were savings made in other areas of expenditure which partly helped offset these increased costs.

Roads Transportation & Safety (€9,050,194)

The adopted budget for Roads, Transportation & Safety for 2017 did not include €7.0m increased claims & insurance costs due to the changeover from self insurance to full ground up cover. Additional Regional and Local Roads improvement & Maintenance programs costs of €2m were funded by increases in income.

Environmental Protection (€3,501,317)

There were increases and reductions across several areas of the Environment Protection services but at year end the increases were mainly in the area of Pooled Tipping and Claims increases. €1.5m relates to Fire Brigade pay arrears. These additional costs were funded by increased income and savings made in other areas of expenditure. Government grant funding for the costs of the implementation of national payment agreements for fire brigade remains outstanding and is being pursued.

Recreation & Amenity (€538,650)

Additional costs were incurred in areas including – Community Sport & Recreational Activities (€600k), Outdoor facilities (€200k) and Art programme (€400k). These costs were funded by increased income and savings in other areas of expenditure.

Transfers to Capital Accounts and Reserves

Approval of the elected members is sought for transfers to reserves, not specifically already provided for in the budget. The net transfers to/from reserves amount to €36.6m in the Income & Expenditure Account.

Transfers to Reserves	€39.9m
Transfers from Reserves	€3.3m
Net transfers	<u>€36.6m</u>

Of the net €36.6m transferred to reserves, €4.8m was not specifically already provided for in the budget. The details are as follows:

Transfers not specifically already provided for in the budget	€m
Contribution to Environmental Services Projects	1.2
Contribution to Fire Brigade Building Maintenance	0.5
Contribution to Pension Reserve	0.7
Contribution to Active Land Management	0.3
Contribution to IS and Civic Offices Reserves	1.1
Contribution to Area Offices Projects	1.0
TOTAL	4.8

Approval is sought of the elected members to:

- a) The revised expenditure as detailed above, in accordance with Section 104 of the Local Government Act 2001, and
- b) Transfers to Capital Account and Reserves.

Owen P. Keegan
Chief Executive
Dublin City Council

21st May 2018