

Sent: Tuesday 23 June 2020 14:21  
To: Cllr Seamas McGrattan  
Cc: Fiona Murphy; finoff@dublincity.ie

Aire Stáit do Rialtas Áitiúil agus Athchóiriú Toghchán  
Minister of State for Local Government and Electoral Reform

Ref: HPLG-MoSP-00228-2020

23 June 2020

Cllr Seamus McGrattan  
Chairman of the Finance SPC  
Dublin City Council  
City Hall  
Dublin 2

Dear Cllr

I have been asked by Mr. John Paul Phelan TD, Minister of State for Local Government and Electoral Reform to reply to your recent letters to Minister Murphy regarding an invitation to the forthcoming meeting of Dublin City Council's Finance SPC, which were passed to Minister Phelan given his responsibility in relation to local government.

I regret that the Minister is unavailable to attend but he has asked me on his behalf to respond to the concerns expressed in your correspondence regarding the impact of the COVID pandemic on rates and local authority funding.

Since the outbreak of the Covid-19 pandemic, the Department of Housing, Planning and Local Government has taken a number of measures to assist local authorities with the financial difficulties they are experiencing.

At the outset and to minimise cash flow challenges, the Department arranged for the early payment of Local Property Tax (LPT) to all local authorities. As a short term measure, the Department made €136m available to local authorities as cash flow support in early April, in order to ensure that vital services that local authorities deliver can be maintained. This support was comprised of the early payment of the LPT allocation ordinarily paid from the Local Government Fund in May and July.

The Department has engaged with the Departments of the Taoiseach, Public Expenditure and Reform, Business, Enterprise and Innovation, Employment Affairs and Social Protection, and Transport, Tourism and Sport in relation to commercial rates and local authority funding issues, as well as the role that local authorities may be in a position to play in supporting economic recovery.

On 20 March 2020 it was announced that local authorities agreed to defer rates payments due from the most immediately impacted businesses for a least a three-month period. Subsequently on 2 May 2020, the Government announced that the initial deferral had been replaced by a waiver of commercial rates to apply to all businesses that have been forced to close due to public health requirements, from 27 March 2020, for a three-month period. These costs will be met by the Exchequer. The administration by local authorities of this measure will be by way of a credit in lieu of commercial rates. The Department of Housing, Planning and Local Government is currently preparing further guidance on the scope and application of the waiver for local authorities.

Government has also decided that the position following the end of the 3-month waiver will be reviewed at a later date, as part of a wider review of options to support enterprise and employment, and associated local authority funding implications, once the unwinding of public health restrictions has advanced.

Separately, the Government announced a €250m Restart Fund, the terms and conditions of which are managed by the Department of Business, Enterprise and Innovation, to provide direct grant aid to micro and small businesses to help them with the costs associated with reopening and reemploying workers following COVID-19 closures.

In order to support the local government sector, the Department will continue to keep local authority income, expenditure and cash flow generally under review and will continue to work with all local authorities, both collectively and individually, on issues arising.

Yours sincerely

Aisling Glynn  
Private Secretary

Please note: the Minister of State for Local Government and Electoral Reform is a Designated Public Official under the Regulation of Lobbying Act, 2015 (details available on [www.lobbying.ie](http://www.lobbying.ie))