

Ballymoney Borough Council

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890.1 Rate Estimate 2009-10

BALLYMONEY BOROUGH COUNCIL

Minutes of Rates Meeting No CM 890 held 'in committee' in the Council Chamber, Riada House, Ballymoney, on Thursday 20th November 2008 at 10.30 am

IN THE CHAIR

Councillor J Finlay, Mayor

PRESENT**Aldermen**

C Cousley, Deputy Mayor

F Campbell

H Connolly

J Simpson

Councillors

A Cavlan

P McGuigan

T McKeown

A Patterson

E Robinson

I Stevenson

APOLOGIES**Councillors**

B Kennedy

M McCamphill

D McKay, MLA

M Storey, MLA

IN ATTENDANCE

Chief Executive

Director of Borough Services

Director of Central & Leisure Services

Head of Corporate & Development Services

Committee Clerk

890.1 RATE ESTIMATE 2009/10

A copy of the Rate Estimates Booklet (version 2) had been circulated to members prior to the meeting, (summary of estimate included as Appendix 1).

* **Alderman Simpson arrived at 10.37 am.**

Chief Executive welcomed members to the meeting to facilitate the rates process which, at the request of Council, has commenced earlier than usual. He extended thanks to Directors and Heads of Service for their contribution to the process, pointing out to members that the book includes six months actual expenditure and income figures for the current year and care should be taken not to extrapolate 12 months figures as expenditure is not incurred in equal instalments.

He advised that as Council moves through the next two to three months, a better understanding of the current spend would emerge. The figures included in the book contain proposals that have not been approved by Council. He referred to the current difficult time for ratepayers, stating that members will not want to impose further hardships through a large increase. He advised that the current climate poses a difficult time for Councils in:

- Massive increases in energy prices
- Unions are seeking to protect their members' pay in the next pay round.
- A fall in the estimated penny product
- Reduction in reserves to pay for single status

A member requested the percentage increase for each department. The Chief Executive pointed to the increase which was at an unacceptable level and invited members to give the Management Team some idea of the level of increase which would be acceptable.

Landfill Closure

In response to queries about £1.2M 'actual spend' figures for closure of the landfill site, the Director of Central & Leisure Services explained that this is the discounted cost in 07/08 for the closure of the landfill site, based on the Consultant's cost of closure in 2013/14. The balance of capital fund is around £900,000. Under statutory accounting requirements, known costs have to be reflected in the accounts. In order to increase the capital fund to the level required to close the site, Council agreed to transfer £150,000 in 07/08. A similar amount will be made in 08/09. The Director also confirmed that the amount of £150,000 was taken out of reserves in 2007/08. The proposal is that £150,000 for the year 2009/10 will be added to the rates.

The Chief Executive explained that there are certain assumptions built into all the figures for closure of the site. The year that work might commence is based on best estimates. Figures reflect the availability of material from A26 dualling work, which would be of a suitable nature to cap the site. Additional costs could be incurred if cover materials have to be purchased.

* **Councillor McKeown arrived at 10.55 pm.**

The Director of Central & Leisure Services gave an overview of the information in the rates book indicating that some factors are out of Council's control.

RATES ESTIMATES 2009/2010

Information Included in Rates Book - Version 2.

Estimated Penny Product

Land & Property Services have advised a reduced EPP for 2009/10.

This is due mainly to 2 factors - a substantial increase in vacant domestic and non-domestic properties and a substantial increase in the allowances given on domestic properties.

General Grant

The grant allocation for 2009/10 has not yet been issued by the Department.

The grant included in the Rates Book is the same as the 08/09 allocation.

Salaries and Wages

The salaries and wages budgets include an estimated pay award of 3.50% plus the employers pension

contribution of 16% - an increase of 1% on last year.

In addition the following proposed new posts are included -

Part time committee clerk	11000
Part time development officer	20850
2 x 8 mths grounds maintenance operatives	30000
Part time civic amenity site attendant	6360
Street sweeping crew	40000
Full time environmental health officer for health & safety work	36000
Management accountant	35000
	<u>179210</u>

Running Expenses etc

Budgets within each service have been increased for service needs purpose.

Details of budgetary increases above inflation will be made available to members at the next meeting.

Loan Charges

A schedule of proposed capital projects has been issued with the Rates Book.

Where the projects have an estimated cost a loan charge has been calculated and included on the Rates.

Credit Balance

No balance has been applied from the reserves to reduce the rates.

Capital Charges

Capital charges are unchanged from 2008/09 at this stage.

Fixing the Rates for 2009/2010

In accordance with Section 53 of the Local Government Act (Northern Ireland) 1972 the Council shall consider and approve the estimates for the following year, shall authorise the expenditure included in the estimates and shall fix the rates by 15 February 2009.

Rough Analysis of Rates Increase.

Services - increses in budgets above inflation	17.00
Salaries and Wages - pay award and pension	4.65
Salaries and Wages - additional posts	3.77
Estimated Penny Product reduction	1.62
No Balance Applied from Reserves	4.21
Capital Projects per schedule	10.57
	<u>41.82</u>

The Director of Central & Leisure Services indicated that the need for additional resources for Management Accounting was based on additional information requested by the Resources Task Group and the Management Team.

The Chief Executive outlined the proposed posts in the Office of the Chief Executive, a Development Officer suggested by Members to support community group bids for EU funding and a Committee Clerk to cover additional meetings. Additional hours payment would increase cost of Committee Clerk services arising from the implementation of Single Status agreement.

The Director of Borough Services referred to additional proposed, posts in his Directorate – additional grounds maintenance, staff to deal with increase in Council's estate, a second person at Crosstagherty civic amenity site on a Saturday, a street sweeping crew to cover housing sites developed post 2001, additional Environmental Health Officer to deal with Corporate Health & Safety, to be tabled for discussion at next meeting of the Health & Environmental Services Committee.

The Chief Executive indicated that new posts are for consideration but not increasing the establishment will have an impact on the level of service to the public.

There was agreement among members that the level of increase at 40% was too high in the current economic climate and it was noted that £3/4M additional money had been provided in the rates last year than had been spent the previous year. A member suggested that where work or income was reducing, staffing levels should be looked at.

Referring to capital project, the Chief Executive suggested that a workshop be held, as suggested by the Audit committee, to enable a decision to be taken as to what projects could or could not be undertaken before 2011. It was agreed that at the next rates meeting, additional time would be allocated to discuss the capital projects. A status report on all projects would be provided.

Other issues discussed included:

- Details of overspend in 07/08 (information awaited from members to which Chief Executive would respond as agreed by the Resources Task Group).
- Level of reserves.
- The estimated Penny Product and the increasing level of vacant properties in the borough.
- Increases which cannot be avoided and areas of potential reduction – abandon capital projects and new posts, reduce increase beyond existing budget, cut services.
- Potential for rural development and interreg funding to support community projects.

- Decline in the current economic situation and the potential affect on reducing income at Joey Dunlop Leisure Centre and Drumaheglis Marina.

It was agreed that officers, taking account of member comments, review the rates book, version 2 looking at a minimum necessary to maintain services on facilities at acceptable level until 2011 and produce a revised version of the rates book for consideration.

The date and time of the next meeting was discussed with a suggestion of 9th December(evening), this to be agreed at Council's meeting on 1st December.

The meeting closed at 12.50 pm.

Appendices attached:

APPENDIX 1: 2009/10 General Estimate of Rates – Ballymoney Borough Council

APPENDIX 1**2009/2010 GENERAL ESTIMATE OF RATES - BALLYMONEY BOROUGH COUNCIL**

SERVICES	Capital Charges £	Other Expenditure £	Misc. Income £	Net Cost £
Cultural Facilities	36,305	258,449	5,000	289,754
Town Hall	70,115	113,868	15,750	168,233
Sports Development	0	114,496	37,498	76,998
Indoor Leisure	295,045	1,430,385	650,000	1,075,430
Summer Scheme	0	13,900	0	13,900
Sports Grounds Parks & Open Spaces	292,275	865,684	34,600	1,123,359
Tourist Facilities	77,740	165,448	105,000	138,188
Tourism	0	143,486	20,000	123,486
Community Services	32,409	69,692	5,665	96,436
Community Relations	0	133,176	116,443	16,733
Cemeteries	4,441	91,897	15,000	81,338
Public Conveniences	8,989	54,688	0	63,677
Environmental Health	2,816	514,419	72,125	445,110
Dog Control	2,141	101,407	15,750	87,798
Licensing	0	22,951	8040	14,911
Street Cleaning	11,957	275,067	15,750	271,274
Waste Collection	63,000	733,795	251,035	545,760
Waste Disposal	37,187	1,488,870	44,750	1,481,307
Building Control	0	281,163	140,000	141,163
Other Community Assets	0	95,908	0	95,908
Minor Works		11,475		11,475
Economic Development		241,631		241,631
Members Allowances		217,500		217,500
Mayors Allowance		9,250		9,250
Official & Courtesy Visits		26,000		26,000
Democratic Representation	-	221,416		221,416
Corporate Management Costs	0	488,842		488,842
Non Distributed Costs		10,805		10,805
Registration Births Deaths & Marriages		43,120	43,120	0
Election Expenses		3,000		3,000
Emergency Planning		15,000		15,000
Contributions		22,500		22,500
S115 Expenditure		7,000		7,000
District Policing Partnership		139,808	104,856	34,952
Community Safety Partnership		76,847	76,847	0
Bank Interest			75,000	-75,000
Totals	934,420	8,502,944	1,852,229	7,585,135
Total Expenditure		9,437,364		7,585,135
Deduct Capital Charges				996,819
Add Loan Charges				1,686,637
LJ/JMc				7

Total Net Expenditure		<u>8,274,953</u>
General Grant -	Derating	293,965
	Resources	<u>1,118,710</u> 1,412,675
		6,862,278
Balance Applied		0
Net Amount To Be Raised		6,862,278
Est Product of 1p Rate		215,330
District Rate -	Non - Domestic Property	31.8687
	Domestic Property	0.012833 0.4090
Domestic Rate Increase		0.1212 42.10%