

BALLYMONEY BOROUGH COUNCIL

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BALLYMONEY BOROUGH COUNCIL

Minutes of Meeting No. 928 held, “*in committee*”, in the Council Chamber, Riada House, Ballymoney, on Monday 18th October 2010 at 7.00 p.m.

In the Chair: The Mayor, Councillor B Kennedy

Present:

Aldermen: F Campbell H Connolly	C Cousley, MBE (Deputy Mayor) J Simpson
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Councillors: A Cavlan R Halliday P McGuigan A Patterson I Stevenson	J Finlay M McCamphill C McLaughlin E Robinson
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Apologies: M Storey, MLA

In attendance: Director of Borough Services (Deputising for Chief Executive)
Director of Central & Leisure Services
Head of Corporate & Development Services

923.1 Economic Pressures facing Local Government

A copy of the SOLACE briefing paper on Economic Pressures facing Local Government was circulated to members under date of 28th September and was to be tabled at RTG. However, since Council subsequently decided to hold a meeting to deal with rates on 18th October, the paper is now tabled (further copy circulated for members convenience).

The Chief Executive's notes on the briefing paper, set out below, were presented by the Director of Borough Services who invited members to consider if they wished to take any action or make a recommendation.

“Regional Risks”

7. The possibility of rate capping was raised by the DoE Minister. At a briefing to the Causeway Coast Transition Committee an official stated that this was not being considered at present.

Sector Issues

Income risks

1 There are strong signals from DoE officials that the recent cut in-year to the Resources Element of General Grant will not be the last in 2010/12. For that reason, it is felt that the Department is likely to propose cutting this grant further as a way of meeting its share of reduction, since no change in legislation is required. The following points can be made in opposition to this possibility:

- Resources grant is paid to the councils whose ability to meet their legal responsibilities is hampered by the relative weakness of their resources. To cut this grant therefore will bear most heavily on those councils least able to afford the loss;
- Ballymoney's Resources grant is 15% of its budgeted net expenditure in 2010/11 - only Strabane Council depends more heavily of this grant (19%), so the impact of any reduction will affect Ballymoney more than most other councils;
- In general any cut in resources grant will disproportionately affect the more rural districts – none of the greater Belfast area councils (Belfast, Castlereagh, North Down, Newtownabbey and Lisburn) receives resources grant.
- There may be an argument that cutting this support for councils is a policy change which requires an EQIA – the Department is reported to be of the view that this is not the case.

It is important to note that the three year period for removal of the grant is not a proposal from the DoE at this stage – it is merely an illustration of the sizeable effect that this one measure would have on Ballymoney council finances. **Because of that it is all the more important that councillors use whatever influence they have through their parties to ensure that this cut is not imposed or that the amount of any reduction is small.**

Expenditure Issues

2 The costs associated with waste are well known but the factor not mentioned in this list is the additional expenditure required to ensure that NILAS targets are met and fines avoided. These costs will have to be budgeted for in 2011/12 since 2012/13 is the next step change in landfill allowances.

“Council is invited to consider if it wishes to take any action or make a recommendation.”

Councillor Robinson advised that NILGA had already met the Minister with regard to the cut in resources grant and made detailed comments to him about the impact on Councils. The Director of Central & Leisure Services advised that the Finance Officers Association had also made representations. She indicated that the cut in grant was first notified in December 2009. The cut to date was 10.8% which equated to 4 employees and Council had not filled 4 posts last year, but all in-year savings required by Council (£61,000) had not yet been made. If the resources element was phased out over four years it would equate to an 18% increase in council rates and savings of this level would equate to 34 employees or 27% of the Council's workforce, based on average salaries, which would have a severe impact on services. At the request of the Mayor the Director of Borough Services updated the meeting on council's co-operative working with LPS regarding recovery of uncollected rates income. If unpaid rates monies were received it would have the effect of reducing rate as penny product would increase.

After discussion it was proposed by Councillor Finlay seconded by Councillor Halliday and **AGREED:**

To write to the Environment and Finance Ministers setting out the specific case for Ballymoney with regard to loss of block grant, the impact of rates money owed in the area and inconsistencies in not trying to recover rates money owed.

The Council's representations to be copied to NILGA, Environment and Finance Committee Chairs, and MLAs.

923.2 Rate Estimate 2011-12

Members were invited to give initial consideration to the rate estimate for the year commencing 1st April 2011.

The Corporate Management Team has given consideration to budgets and schedule of information, collated by the Director of Central & Leisure Services, on possible rate increases, circulated, together with schedule of salaries and wages budgets requested by a member at the Corporate & Central Services committee meeting on 27th September 2010.

The Director of Central & Leisure Services presented table of possible increases in 2011/12 budgets, totaling £664,594, an increase of 12.54% on rates, increasing to 18.56% in 2011/12 should the resources element of the general grant be phased out over three years. The assumption has been made that the penny product will not increase. Issues contributing to the projected increase included salaries and wages, including unfilled posts (2.5) from last year, energy, building maintenance, various waste disposal costs, landfill closure costs, Christmas lights, bonfire site clearance, recruitment of independent members to DPP, economic development contributions to village regeneration programmes and townscape heritage project, a local election, planning consultancy for northern area plan examination and loan charges on three capital projects. It was noted that if council left the unfilled posts not filled in the current year a saving of £77,901 would accrue.

During the ensuing debate, the Directors and Head of Service responded to queries on estimated service costs within their areas of responsibility and a number of issues engaged members attention, including; bad debt, days lost through absence, overtime costs, approach by some other councils in delivering leisure centre capital projects through public/private sector partnerships, balance in capital fund. The level of increases over the past few years was reviewed and the level of reserves (£337,805 at 31/3/2010) noted.

It was proposed by Councillor Finlay seconded by Councillor Halliday: ***That management should aim to produce a rate estimate at 0% increase.***

After further discussion the Mayor put the motion to the meeting and it was passed, 8 members voting for and no member voting against. Voting was recorded as follows at the request of Councillor Finlay.

For the Motion (8)

Councillor Patterson, Councillor Robinson, Councillor Halliday, Councillor Stevenson, Councillor Finlay, Alderman Simpson, Councillor Kennedy, Alderman Cousley.

Against the Motion (0)

The Mayor declared the motion carried.

The Director of Central and Leisure Services advised that the first draft rate estimate book would be issued for the meeting on 8th November. She drew attention to details of employee information, circulated, as requested by a member.

923.3 Notice of Motion

Consider the following Notice of motion, as given by Councillor Stevenson on 6/10/1210.

“To refer the filling of the post of Head of Amenities back to the Resources Task Group for further discussion to take place and not to fill the post until it is thoroughly discussed.”

The Director of Borough Services, in response to questions, advised on the interim arrangements in place to fulfill the duties of the post and maintain services as required.

The Head of Corporate and Development Services, in response to comments by a member, clarified the decision of Council with regard to the filling of the temporary committee clerk vacancy.

It was proposed by Councillor Stevenson seconded by Councillor Halliday:

To refer the filling of the post of Head of Amenities back to the Resources Task Group for further discussion to take place and not to fill the post until it is thoroughly discussed.

On being put to the meeting 8 members voted for and no member voted against.

The Mayor declared the motion carried.

The meeting closed at 9.15 p.m.