

COUNCIL MEETING NO. 911 – 9TH DECEMBER 2009**TABLE OF CONTENTS**

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BALLYMONEY BOROUGH COUNCIL

Minutes of Meeting No. 911 held "in committee" in the Council Chamber, Riada House, Ballymoney, on Wednesday 9th December 2009 at 2.00 p.m.

IN THE CHAIR Alderman F Campbell, Mayor

PRESENT

Aldermen:
H Connolly
C Cousley, MBE, Deputy Mayor
J Simpson

Councillors:
J Finlay
A Patterson
E Robinson

APOLOGIES

Councillors:
M McCamphill
T McKeown
I Stevenson
M Storey, MLA

911.1 RATE ESTIMATE 2010-11

The draft rates book 2010-11 (v.1) and 6th month variance report 2009/10 were circulated.

Before proceeding to consider the draft rate book the Chief Executive put forward suggested ground-rules, as follows, for producing an acceptable rate and invited members comments.

1. RPA is not to be a cost to ratepayers – so exclude entirely from budget any provision for RPA.
2. Some budgets in current year are already, as described by members, teetering on the brink and have been reduced by almost 3% in-year. The approach will be to try and achieve, as far as possible, no net service cost increases overall across the organisation (apart from salaries and wages). Unavoidable extra costs to be offset within service, within Directorate or within Council. Management will identify what services will be reduced or removed as a result.

3. Identify net cost savings on non-essential services and consequences for service delivery.
4. Permanent employees' jobs to be protected at this stage. That means that all other ways of saving money on pay short of redundancies must be explored:
 - a. No new posts except where essential and then only where saving is identified to offset cost. Identify what won't be covered and consequences to service delivery.
 - b. Posts currently vacant to be left unfilled until all other ways of covering work considered e.g. prioritise and redeploy staff. Management will identify what won't be covered and the consequences to services. *(this applies across the organisation, whether posts funded by grant or not)*
 - c. Review use of Agency staff with a view to ending contracts where possible and prioritising cover to ensure delivery of most important services. Management will identify what won't be covered and the consequences to services.
 - d. Funded posts - terminate when funding ends or identify where saving can be made to offset cost if they are to be retained. Identify what won't be covered and the consequences to service delivery.
 - e. Review all non-contractual overtime to identify if cheaper alternatives are available.
5. Protect public facing services. If further savings are needed look to management, support services and non-essential civic services. Identify what won't be covered and consequences to service delivery.

The meeting offered no objections to the proposed ground-rules.

911.2 TRANSITIONAL GOVERNANCE ARRANGEMENTS FOR THE EDUCATION SECTOR: EDUCATION AND LIBRARY BOARD APPOINTMENTS

The Mayor, at the request of Councillor Finlay, agreed to defer consideration of the rate estimate to allow consideration of this item.

Correspondence, 8/12/2009, from the Education Minister on this subject was circulated.

The Minister's letter stated that the Education Bill provides for the replacement of the five Education and Library Boards with the new Education and Skills Authority (ESA) and, in this respect, the terms of appointment of the existing Board members will end on 31 December 2009. However, the Assembly has not yet passed the legislation required for the establishment of ESA and the date of 1 January 2010 that was agreed by the Executive is no longer achievable. She referred to her Statement to the Assembly on 1 December setting out the transitional governance and management arrangements to be put in place for the period from 1 January to when ESA is established, with the aim of

ensuring that momentum towards ESA is not lost and that the convergence of services across existing organisations continues.

The legislation provides that the maximum number of members to be appointed to a Board shall be determined by the Head of the Department. The Minister indicated that she had decided to reduce the sizes of the Education and Library Boards. The legislation states that each District Council in the area of a Board may nominate at least one member, and the total number of council members shall be as nearly as possible equal to two-fifths of the total membership.

Under the transitional arrangements each Council in North Eastern Education and Library Board area has been allocated 1 post on the Board. The Commissioner for Public Appointments regulates Ministerial appointments to the Education and Library Boards and in accordance with the Commissioner's Code of Practice, Departments should request at least 2 nominees for each vacancy.

The Minister therefore invites the Council to nominate for this post by submitting the names and addresses of at least two councillors who would be willing to serve during the transition period. The Department will issue an application form for completion by each individual. The application form will request the nominees to describe how they meet certain key requirements for appointment to the post, and will be in line with the Office of the Commissioner for Public Appointments (OCPA) guidance.

The appointment process will be carried out as follows:

1. An eligibility sift of the application forms will be completed by the Department with an independent assessor appointed by OCPA.
2. 'Conversations with a purpose' (in line with OCPA guidelines) will be held with eligible candidates, to confirm and validate the suitability of candidates for the post.
3. The decision on those who will be appointed will be made by the Minister and in consideration of ensuring that each Board's membership is balanced in terms of diversity of skills and experience.
4. Appointments will be for the transitional period until ESA is established.

Council's nominations should be submitted to the Department by **16 December**.

Councillor Finlay expressed concern at this revised approach to appointing councillors to Education Boards, contrary to previous arrangements whereby Council appointed directly to the Board. His view was supported by Alderman Connolly who confirmed that this had been the case, as he understood it, since Council was established.

It was proposed by Alderman Campbell seconded by Councillor Robinson and unanimously **AGREED**:

that Council put forward the name of Councillor John Finlay, its existing representative on the North Eastern Education & Library Board.

911.3 REVIEW OF PUBLIC ADMINISTRATION

The Chief Executive presented the following assessment of the current progress on the Reform of Local Government, based on information from a senior DoE official given to the Causeway Coast & Glens Transition committee meeting on 3 December in Ballymoney and to a SOLACE meeting on 4 December in Antrim. In summary the position is that we are facing two main political hurdles which have to be overcome before matters can progress.

The first is that the report of the Boundary Commissioner on council and ward boundaries has not been accepted by the DoE Minister who has power to make minor modifications to the report. The modifications he proposes are to do with the location of Dunmurry, which he wants to remain within Lisburn. That council is threatening Judicial Review if it is removed into Belfast and other parties in the Executive are refusing to agree the change which the minister is proposing. The result is stalemate and that prevents the second essential piece of boundary work from being taken forward (the drawing up of the District Electoral Areas which group the wards together for the purpose of holding elections). That will take eight to nine months to be completed, then it has to be agreed by the Minister and the Executive. It is not clear what is the absolute deadline for this work to start so that it can be completed in time for elections to be held in May 2011, but time is rapidly running out.

The second hurdle is how the cost of the reform will be met. The Minister believes that it should be through a mixture of central government funding and the provision of loans to the new councils, which would begin to be repaid only when the savings achieved by reorganisation are realised. In that way it should not add an extra burden onto ratepayers, which he is committed to avoiding. The Finance Minister wants to avoid having to take money out of the NI block grant to fund grants or loans to councils, so Treasury in London will have to agree extra funding for that to happen. However, while money is scarce, that issue may be easier to resolve than the first one. Discussions on funding are ongoing and the PwC report will be considered by the Strategic Leadership Board at its meeting on 9 December, when a summary of the comments from this council and many others as well as from SOLACE, NILGA and the Finance officers will be presented. The Minister will consider the views of the SLB before coming to a decision on the way forward.

Other pieces of legislation are being held up because of problems in the Assembly and Executive over issues such as Education and Policing & Justice but the powers to create statutory Transition Committees will be provided by January or February 2010, when there is likely to be more clarity about the future. There have been rumours that elections to the 26 councils might be held in 2010 but that seems unlikely to happen. However, if delays mean that the elections to the 11 new councils can't happen in May 2011 because the new boundary legislation is not passed, the legal position is that there will have to be elections to the existing 26 at that time. In that event, existing legislation stipulates that the term of a council is 4 years but that could easily be changed to a shorter period if there was political agreement for that to happen. The Minister remains committed to the timetable he announced earlier this year and it is still possible that matters will be sorted at the Assembly for that to be achieved.

On other operational matters to do with the RPA, at the Local Government Reform Joint Forum a staff redundancy scheme is nearing completion and should be agreed early in 2010. Funding for that is one of the many elements which make up the estimated cost of £118 million in the PwC report and has not yet been agreed. Further guidance on posts at risk was due in December but will not be issued until the New Year so the current list of posts at risk still applies.

There is no more clarity on how the senior posts in the new councils will be filled. A legal opinion is being sought jointly by the employers and staff sides of the Forum and should be available in January 2010. If there is to be a delay in the date for creation of the new councils it is likely that will affect the date when senior staff are appointed. Currently that is to happen in the first quarter of 2010/11.

911.4 RATE ESTIMATE 2010-11

The Mayor returned to this item, deferred from 911.1 above and referred members to version 2 of the rate estimate book 2010-11 (dated 9/12/2009), previously circulated, together with summary of proposed budget increases of £1,077,647, representing 22.68%.

The Director of Central and Leisure Services outlined the summary of proposed budget increases, some of which were outside Council's control, eg, loss of vacant property rates, reduction in bank interest, landfill site closure provision, salaries and wages increase. Other increases related to contingency to build reserves, RPA resource, service budget increases and capital projects. She explained that the final figures for general grant and estimated penny product have not yet been finalized. However she was aware that the total resources element of the general grant had been cut by £1M for 2010-11. A sum of £100,000 had been included to build up the general reserve, in respect of which the DOE was soon to issue guidance that the required level of reserve should be 5% of total net expenditure. Salaries and wages budgets include a pay award of 1% and employers pension contribution of 1%. A general inflationary increase had not been included. She also advised that the Local Government Auditor had written to require provision for landfill site closure to be made. She advised that the capital projects included were the Robert Dunlop Memorial Garden, Grave Shoring System and IT Equipment, a total cost of £287,000, with loan charges of £28,025 in the incoming year.

The Director of Central & Leisure Services indicated that to achieve a rate increase of no more than 5% would require savings of £831,725 to be made. The Chief Executive emphasised that to identify some £800,000 was a massive task which cannot be underestimated. Referring to the proposed in-year (2009-10) savings paper, the view was put forward by some members that reductions should not be made from budgets where grants could be levered. The Chief Executive indicated that management was working on the basis of 3% savings across all 2009-10 budgets, where possible, with savings being identified by managers.

In the ensuing discussion an issue which engaged member's attention was the loss of income from vacant properties, the failure by LPS to adequately address the matter and

consideration by management on how council might assist based on a cost benefit analysis.

Of particular concern was that Council pays in the region of £210,000 to LPS for the collection of its share of domestic and commercial rates, it appears that the agency is unable to deal with its workload without unpaid assistance from Council staff. There was a consensus view among members that if LPS were not capable of carrying out the full task for which council was paying, it would be preferable if the function of rate collection were transferred to local government which has a vested interest in ensuring that collection is maximized.

It was proposed by Councillor Finlay seconded by Alderman Connolly and **AGREED:**

that the Chief Executive write to the DFP Minister expressing councils views and concern on issues of valuation and rates collection, as set out above, and that the representations be copied to the Chief Executive of LPS.

Councillor Robinson undertook to raise the matter with NILGA and seek support for council's representations.

Arising from discussion on contributions currently being made to external bodies the Chief Executive undertook to reissue, for members benefit, the schedule of contributions approved by Council during the last rate setting process, amended to include additional budgets approved by council in-year (2009-10)

The Mayor and other members commended the officers for the work done to date on the draft rate estimate for 2010-11.

The next meeting to further consider rates is 11th January 2010 at 2.00 p.m.

This concluded the business of the meeting the time being 4.30 p.m.