

**Ballymoney Borough Council**  
**Council Meeting No 976 – 11<sup>th</sup> February 2013**

**Table of Contents**

<b>976.1</b>	Declarations of Interest	<i>None</i>
<b>976.2</b>	Rate Estimate 2013/14 MRP Policy Statement & Prudential Indicators	<i>Rate set Approved</i>

**BALLYMONEY BOROUGH COUNCIL**

Minutes of Council Meeting No 976 held in the Council Chamber, Riada House, Ballymoney on Monday 11<sup>th</sup> February 2013 at 7.00 pm.

**IN THE CHAIR:** Councillor E Robinson, Mayor

**PRESENT:**

**Aldermen**  
F Campbell  
H Connolly  
C Cousley, MBE, Deputy Mayor  
B Kennedy

**Councillors**

J Atkinson  
W Blair  
J Finlay  
R Halliday  
R McAfee  
P McGuigan  
T McKeown  
C McLaughlin  
I Stevenson

**APOLOGIES:**

**Councillors**  
A Cavlan  
M Storey, MLA

**IN ATTENDANCE:**

Chief Executive  
Director of Central and Leisure Services  
Deputy Director of Borough Services  
Head of Corporate & Development Services  
Committee Clerk

**976.1 DECLARATIONS OF INTEREST**

There were no Declarations of Interest.

**976.2 RATE ESTIMATES OF INCOME AND EXPENDITURE FOR 2013/14**

Rates estimate V4, 5/2/13, previously circulated, was re-presented to the meeting for consideration of revenue budgets, the Capital Programme having been approved on 5/2/13.

The Chief Executive drew attention to evaluation of benefits of NW200 and NIMC, requested by Councillor McAfee and circulated to all members.

The Director of Central & Leisure Services advised that arising from the decision at the last meeting on 5<sup>th</sup> February 2013, moving one project from 2014/15 – 2013/14 MRP had been calculated and confirmed. She presented and explained the MRP Policy Statement 2013/14 (included at Appendix A) and Prudential and Treasury Indicators (Appendix B), she **RECOMMENDED** that Council accept the proposed Annual MRP (Minimum Revenue Provision) Statement for 2013/14 and Prudential Indicators, as circulated.

Responding to questions by Councillor McKeown on % of rates revenue going to pay debt and if this was best use of rates income, the Director of Central & Leisure Services advised that no limit had been set on level of debt and financing that from rates.

It was proposed by Councillor Stevenson, seconded by Alderman Kennedy and **AGREED:**

***that Council approve the proposed Annual Minimum Revenue Provision (MRP) Policy Statement 2013/14 and Prudential Indicators attached as Appendix A & B to these minutes.***

The Director of Central & Leisure Services advised that the cost of borrowing for the 2012/13 capital schemes not completed and carried forward to 2013/14 (£1.5M) was included in the MRP policy statement for 2013/14 and with slightly increased balance applied (£36,000), the rate increase remained at 0%.

It was proposed by Councillor Stevenson, seconded by Alderman Cousley and **AGREED:**

***that Council 'move into Committee' to receive and respond to points of clarification on NILAS compliance figures. landfill haulage and gate fees.***

Following the discussion, Council moved 'out of Committee'.

At the request of a member, the Director of Borough Services explained funding allocations for community infrastructure projects, in particular Glebeside and Cloughmills Bio Park and projected project timelines, which in respect of Glebeside project was dependent on determination of Social Investment Fund funding bid.

Alderman Kennedy said members had now had detailed debate on the rate estimate over a number of meetings. He commended the officers for their diligent work and said the public should be happy with a 0% increase while still enabling investment in a capital programme of community and other infrastructure schemes.

### **MOTION 1**

It was proposed by Alderman Kennedy, seconded by Councillor Finlay

***that Council set the rate per V2 rate estimate and approve estimate of income and expenditure with total net expenditure of £7,762,723, and set district rates, non domestic rate of 27.4675p and domestic property rate of 0.3525 pence for financial year 2013/14, an increase of 0%.***

Councillor Stevenson asked that the meeting be adjourned as he wished to consult on amendments to about 10 budgets. However, following comments the member provided the meeting with the amendments he planned to put forward indicating that additions and deductions would, overall, not lead to any change in the 0% increase.

The proposed amendments put forward were:

Page 11	out	£7,500 (product development)
Page 25	out	£13,366 (clerical support building control)
Page 23	out	£64,868 (NILAS compliance on basis if this was needed would be taken for reserves)
Page 28	Add	£5,000 (town wardend/eis)
Page 29	Add	£5,000 (conference budget councillors)
Page 37	Add	£1,000 (contributions for RSC)
Page 10	Add	£68,500 (Christmas Lights)
Increase balance applied £30,000		

The Mayor clarified in response to query that the additional revenue funding rather than capital funding for Christmas Lights would enable the amount of £68,500 to be available in the next financial year for NILAS compliance.

### **Proposed Environmental Services Changes**

The proposed operational enhancements as regards both street cleansing and waste collection services in Environmental Services, placed before Council via the Health & Environmental Services Committee (386 on 27/11/2012) are again put before Council for decision, as they have Capital and Revenue implications.

Proposed Changes		Additional cost per annum			
1.	Street Cleansing Enhancement	Capital	Revenue	Total	
	To sweep all borough residential developments @ the same frequency as sweep pre-2001 residential developments	£14,368	£57,021	£71,389	
2.	Waste Recycling Enhancement	Capital	Revenue	Potential Savings year 1.	Total
a.	Slimming the "black" bin	£25,964	£28,750	-£40,529	£17,185
b.	Provide "kitchen" waste service	£60,934	£236,376	-£169,107	£128,203

No decision was reached. The item reverts to Committee.

The Director of Central & Leisure Services in response to a question advised that reserves at March 2012 was £875335 bringing this to estimated £1 million.

## MOTION 2

It was proposed by Councillor Stevenson, seconded by Councillor Halliday

***that Council approve the revisions to budgets set out above and amend the rate estimate accordingly.***

Alderman Kennedy asked that his motion now be put.

On being put to the meeting 6 members voted for and 8 against.

The Mayor declared the motion lost.

The Mayor then put Motion 2 to the meeting and this was carried by 8 members voting for and 6 against.

Councillor Finlay expressed strong opposition to the revised proposals particularly the addition to the conference budget and the revenue spend on Christmas Lights when the cost would have been less if the scheme had been capitalised. Councillor Atkinson concurred with the remarks while Councillor McGuigan voiced concern at the loss of clerical resource, spend on Christmas Lighting which would be in place for only a short period and increase in conference budget which would have no support in the community. Alderman Kennedy expressed concern at the £5,000 addition to conference budget as the full budget in current year had not been spent and believed members would live to regret their support for these last minute amendments. Councillor McAfee also voiced concerns about conference budget while supporting new Christmas Lights.

The Director of Borough Services advised that he was not confident of the amounts planned for NILAS compliance 2014/15 or Christmas Lights budget

which was a rough estimate as no scheme had been prepared. He also expressed discontent that funding for Building Control Clerical support had been removed resulting in his service being treated differently from all other service areas in Council.

The Chief Executive indicated that time was required for the Director of Central & Leisure Services to revise the budget figures. She having indicated 15 minutes would be sufficient, it was proposed by Councillor Stevenson, seconded by Councillor Halliday and **AGREED:**

***that the meeting adjourn for 15 minutes.***

**The meeting reconvened at 8.23pm.**

The Director of Central & Leisure Services advised that the revised calculations were:

	£	
Total net expenditure	7755462	
Balance applied	29500	
Net amount to be raised	6277651	
District Rate	Non domestic property	27.4685
	Domestic property	0.3525
Domestic Rate Increase	0.0000	0.00%

**Alderman Kennedy left the meeting at this stage.**

It was proposed by Councillor Stevenson, seconded by Alderman Cousley and **AGREED:**

***that Council approve estimates of income and expenditure with total net expenditure of £7,755,462, and set district rates, non-domestic property rate of 27.4685 pence and domestic property rate of 0.3525 pence (summary – Appendix C), for the financial year 2013/14, an increase of 0%.***

On being put to the meeting 8 members voted for and 5 against.

The Mayor declared the motion carried.

**This being all the business, the meeting closed at 8.30pm.**

**Appendix A - Annual Minimum Revenue Provision (MRP) Policy Statement 2013/14**

**Appendix B – Prudential Indicators**

**Appendix C – Summary General Estimate of Rates 2013/14**

**Ballymoney Borough Council****APPENDIX A****MRP Policy Statement 2013-2014**

It is proposed to use Option 1, the Asset Life (Equal Instalment) Method, for capital expenditure incurred from 1 April 2012 which is financed by borrowings. Therefore The Minimum Revenue Provision Policy Statement for 2013/14 is as follows:

In accordance with the Local Government (Capital Finance and Accounting) Regulations (Northern Ireland) 2011 the Council's policy for the calculation of Minimum Revenue Provision in 2013/14 will be the Asset Life (Equal Instalment) method for any capital funded by borrowing incurred after 31 March 2011.

MRP will begin in the year after the capital expenditure is incurred. The Council retains the right for schemes lasting a number of years to begin the charging of MRP in the year after the asset becomes operational.

For capital expenditure incurred before this date MRP will be made on the basis of existing loans or lease principal repayments relating to those assets. All capital spend not yet financed at this date will be provided through MRP over a 20 year period or average asset life. This is regarded as a prudent approach to provide for that debt.

Based on this policy an amount of £899,302 has been included in the Councils 2013/14 Estimates in respect of MRP, as follows: -

	<b>2013/14</b> <b>£</b>
Forecasted Loans Principal Payment (on expenditure incurred before 31.3.11)	577,469
MRP on Internal Borrowing (financing from own resources)	54,458
Voluntary extra provision	133,444
MRP on Capital Expenditure incurred after 31.3.11	133,931
<b>TOTAL MRP Charge</b>	<b>899,302</b>
Interest Costs on Borrowing	483,148
<b>TOTAL COST for Estimates</b>	<b>1,382,450</b>

The use of internal resources to finance capital expenditure is only a temporary measure until loans are drawn down.

The policy will be reviewed on an annual basis.



**RECOMMENDATION:**

**It is recommended that the Council accept the proposed Annual MRP (Minimum Revenue Provision) Statement for 2013/14 as set out above. Approved by Council on: 11.02.2013**

**APPENDIX B**



Prudential  
Indicators.pdf

**Prudential and Treasury Indicators**

**Ballymoney Borough Council**

**1. EXTERNAL DEBT INDICATORS**

The authority will set for the forthcoming financial year and the following two financial years an operational boundary for its total external debt, excluding investments and separately identifying borrowing from other long-term facilities. The operational boundary will provide in year monitoring and is set lower than the authorised limit as it is based on an estimate of the most likely level of external borrowing at any point during each year.

**a) Operational Boundary**

*Maximum level of external debt projected (most likely prudent view)*

	Prior Year	Current Year	2013/14 Year +1	2014/15 Year +2	2015/16 Year +3
£	9,022,775	9,527,823	12,341,406	11,508,645	15,336,989

The authority will set for the forthcoming financial year and the following two financial years an authorised limit for its total external debt, excluding investments and separately identifying borrowing from other long-term facilities. The authorised limit will contain sufficient headroom to provide for any unanticipated payments as well as being based on the authority's capital investment plans.

**b) Authorised Limit**

*The operational boundary plus headroom for unusual cash movements (£500,000)*

	Prior Year	Current Year	2013/14 Year +1	2014/15 Year +2	2015/16 Year +3
£	10,068,775	10,027,823	13,341,406	12,008,645	16,336,989

**c) Actual External Debt**

The prudential indicator for Actual External Debt is considered at a single point in time and hence is only directly comparable to the authorised limit and operational boundary at that point in time.

	Current Year		
£	Amount £	Ave Rate %	Ave Life (Yrs)
Actual Borrowing	9,527,823		
Other Long Term Liabilities	0		
	<u>9,527,823</u>		
Held at Fixed Rates	9,527,823	7.4%	25
Held at Variable Rate	0	0.0%	0
	<u>9,527,823</u>		

**APPENDIX C**



Summary Estimates  
of Income & Expendit

**2013/2014 GENERAL ESTIMATE OF RATES - BALLYMONEY**  
**BOROUGH COUNCIL**

<b>SERVICES</b>	<b>Capital Charges £</b>	<b>Other Expenditure £</b>	<b>Misc. Income £</b>	<b>Net Cost £</b>
Cultural Facilities	22,348	253,398	0	275,746
Town Hall	26,965	108,079	39,360	95,684
Sports Development	0	108,360	45,350	63,010
Indoor Leisure	293,565	1,480,966	575,000	1,199,531
Summer Scheme	0	15,000	0	15,000
Sports Grounds Parks & Open Spaces	418,155	776,113	40,000	1,154,268
Tourist Facilities	75,716	268,702	110,000	234,418
Tourism		130,763	15,000	115,763
Community Services	48,881	72,030	12,750	108,161
Community Relations	0	149,707	109,841	39,866
Cemeteries	2,930	82,989	20,000	65,919
Public Conveniences	6,064	45,138	0	51,202
Environmental Health		748,537	315,000	433,537
Dog Control	2,140	95,426	23,000	74,566
Licensing	0	23,812	14,000	9,812
Street Cleaning	25,873	250,065	16,800	259,138
Waste Collection	82,240	822,767	174,350	730,657
Waste Disposal	46,158	1,181,106	27,000	1,200,264
Building Control	0	234,273	122,500	111,773
Other Community Assets	17,368	58,379	0	75,747
Minor Works	0	4,100		4,100
Economic Development		183,289		183,289
Members Allowances		210,665		210,665
Mayors Allowance		10,000		10,000
Official & Courtesy Visits		17,000		17,000
Democratic Representation	-	224,861		224,861

Corporate Management Costs	0	434,290		434,290
Non Distributed Costs		12,290		12,290
Registration Births Deaths & Marriages		37,811	37,811	0
Election Expenses		3,000		3,000
Emergency Planning		5,000		5,000
Contributions		24,000		24,000
S115 Expenditure		0		0
Policing & Community Safety Partnership		170,838	133,648	37,190

<b>Totals</b>		<b>1,068,403</b>	<b>8,242,754</b>	<b>1,831,409</b>	<b>7,479,747</b>
---------------	--	------------------	------------------	------------------	------------------

Total Expenditure		9,311,157		7,479,747
Deduct Capital Charges				1,106,735
Add MRP and Interest				1,382,450

<b>Total Net Expenditure</b>				<b>7,755,462</b>
------------------------------	--	--	--	------------------

Grants -	De-rating		281,698	
	Rates Support		1,166,613	1,448,311
				6,307,151
Balance Applied				29,500

<b>Net Amount To Be Raised</b>				<b>6,277,651</b>
--------------------------------	--	--	--	------------------

Est Product of 1p Rate				228,540
------------------------	--	--	--	---------

<b>District Rate - Non - Domestic Property</b>				<b>27.4685</b>
--	--	--	--	----------------

<b>Domestic Property</b>	0.012833			<b>0.3525</b>
--------------------------	----------	--	--	---------------

<b>Domestic Rate Increase</b>	<b>0.0000</b>	<b>0.00%</b>
-------------------------------	---------------	--------------