

**LIMAVADY BOROUGH COUNCIL
COMHAIRLE BHUIRG LÉIM AN MHADAIDH**

**MONTHLY COUNCIL MEETING
7 FEBRUARY 2012**

Minutes of meeting held in the Council Offices, 7 Connell Street, Limavady at 8.00 pm on the above date.

PRESENT:

In the Chair: Councillor S McGlinchey

Aldermen M Coyle, G Robinson and J Rankin. Councillors O Beattie, A Brolly, B Chivers, B Douglas, T McCaul, J McCorkell, C McLaughlin, G Mullan, D Nicholl, A Robinson and E Stevenson.

IN ATTENDANCE:

Committee Clerk, Head of Finance and the Chief Executive.

APOLOGIES: - None.

MINUTES:

The minutes of meeting held 10 January 2012 were approved and signed on the proposal of Alderman Coyle, seconded by Councillor Chivers.

MATTERS ARISING:

Cuts to Community Pharmacy: The Chief Executive circulated a response from the Pharmacy and Prescribing Branch of the Department of HSSPS to Council's concerns at the alleged cuts to funding for the community pharmacy. It was noted that a judicial review of remuneration and reimbursement arrangements for community pharmacy in Northern Ireland for 2011/12 had been held in September/October 2011 and that whilst Mr Justice Tracey had provided his full written judgement on January 2012, a formal remedy hearing still had to take place.

**NOTICE OF MOTION SUBMITTED BY ALDERMAN ROBINSON,
COUNCILLOR ROBINSON & COUNCILLOR McCORKELL:**

The Mayor welcomed members of the public seated in the viewing gallery who had attending the meeting to listen to the debate on the following motion. Alderman Robinson, Councillor Robinson and Councillor McCorkell proposed that:

‘This Council, in its entirety as a corporate body, object to the current planning application for a human waste sludge cake site at the former quarry on the Broad Road and wish the Minister and senior planners to be made aware of the council's total opposition in writing.’

Speaking in support of the motion the DUP delegation made the following points:

- This was an emotive issue and that the DUP had accumulated a vast array of correspondence over a three year period from the public and various government departments on the human waste site.
- If the site was approved it would have a negative impact on flora and fauna and leave a stain on Limavady.
- Council must play a role in making the Minister aware that the site was not wanted in Limavady.
- The facility had the potential to pollute the River Roe and if this happened the Department would then be forced to take action.
- There was also the potential for pollution to the roads from vehicles drawing waste to the site and for this to be carried further by other vehicles.
- Deep concerns were voiced about the smell in the AONB area.
- Questions needed to be asked on how the facility would be operated on a full time basis as there were failings when it was in part time operation.
- Guidelines set out in PPS11 should convince planners to the level of opposition of the facility.
- Reference was made to putrescible waste and the Departments refusal of an application if ‘this lead to an unacceptable pollution problem.’

The motion was seconded by Councillor Broolly and given full party support by Sinn Féin and the SDLP. Both parties highlighted that if the application for the human waste facility was approved, it could have an impact on tourism.

Concern was voiced that some of the comments made were unfair on the applicant. There was a call for members to be united in their opposition to the proposed planning application.

The motion was put to the meeting and carried unanimously, 15 for, 0 against.

COUNCIL ESTIMATES 2012/13 – DISTRICT FUND BALANCE AS % OF NET EXPENDITURE:

The Head of Finance outlined that DOE guidance recommends that the District Fund Balance should be between 5% and 7.5% of Net Expenditure. He said that the district fund balance as a % of Net Expenditure was 6.45% for 2012/13.

The Head of Finance outlined some of the risks that the SMT had considered in preparing the rates estimates.

COUNCIL ESTIMATES FOR 2012/13:

Following the meeting of Council's Support Services Committee on 12 January 2012, Councillor McCaul Chairperson of that committee proposed:

- The adoption of the projected estimated net expenditure of £9,025,761 for 2012/2013;
- The authorisation of the expenditure as set out in the Estimates; and
- The adoption of a Domestic Rate of 0.4050 pence and a Non-Domestic Rate of 27.7302 pence for the year 2012/2013.

This represents an increase of 1.12% from the year 2011/2012.

Councillor McCaul stated that Council will develop and implement a new corporate plan for the period 2012-2015 with the overall mission to provide leadership, deliver quality services and promote the area for everyone. He said that Council is most conscious of the need to maintain tight and effective budgetary control, strike a reasonable rate for the incoming year and endeavour to maintain reasonable reserves in line with Local Government Auditor Guidance.

Councillor McCaul outlined that Council's reserves were currently £482,000. This equates to 5.4% of Council's net expenditure, which is in line with the level recommended by the Department of Environment of 5% to 7.5%. He said that Council was committed to providing high quality services for all residents and ratepayers and as it moved into a new financial year, Council would continue to look at ways in which service delivery could be improved and offer value for money. He added that to help offset costs to the ratepayer Council would endeavour to attract external funding to minimise the cost of delivering programmes and capital projects.

From April 2012 Council will concentrate on the following areas of activity:

- Provision of a Household Recycling Centre for the Dungiven area.
- Development of a recycling education and awareness programme.
- Continued upgrading of outdoor, sporting, and recreational facilities across the Borough and enhancement of existing open space provision.
- Provision of play facilities for young people including up to 2 new play areas and improvements to 2 existing play areas.
- Continued improvements to disability access to services and facilities.
- Raising the profile and importance of Limavady as a tourism destination through support for the local tourism industry, development of Council's key tourism products and facilities, partnership working through regional and national tourism organisations, and support for the Magilligan to Greencastle ferry service.
- Support the local business and retail sectors through the economic recession by providing training, encouraging business start-ups, skills development, and working closely with Roe Valley Chamber of Trade.
- Support for the voluntary and community sector and continued efforts to improve Good Relations across the community
- The health, well-being and safety of the community are important to Council. Over the coming months Council will continue to provide quality recreational, leisure and cultural facilities for all sections of the community. Council will also continue its practice of working in partnership with a wide range of organisations to deliver programmes which will improve the health and well-being of the community.

The Rates Estimates for 2012/2013 consist of:

Loan Charges of £1,202k – this represents an increase of £73k or 6.44%. This increase is due to the completion of the Roe Valley Arts and Culture Centre costing £35k, the development of the 3G pitch and upgrade existing pitches and pavilion costing £22k and various improvements to other Council facilities costing £16k.

Wages and Salaries of £5,170k - this represents an increase of £219k or 4.43% and is due to 6 new employees costing £111k, who are 100% grant funded i.e.

cost neutral, an increase in employer's pension contribution rate from 18% to 19% costing £43k, a 53rd week for weekly-paid staff costing £44k and other items costing £21k.

Other Expenses of £4,702k - this represents an increase of £52k or 1.11%. The increase in these expenses is due to:

- Increase in Landfill Tax, associated with the disposal of 8,600 tonnes, of £46k.
- Increase in energy costs of £94k
- Increase in buildings maintenance costs of £52k
- Increase in costs for the new 3G Pitch/Pavilion of £39k – which will be balanced by increased income.
- Increase in costs for Neighbourhood Health / Active Communities of £21k and a new Cohesion Officer of £28k – which are all 100% funded and therefore result in no additional cost to Council.
- Increase in costs for Community Service Grants of £28k
- Decrease in gate fees for Council's grey bin disposal saving £67k
- Decrease in gate fees for Council's blue bin disposal saving £87k
- Decrease in deficit funding for the Lough Foyle Car Ferry Service of £34k.
- Decrease due to 2011 Local Government Election of £40k.
- Decrease due to establishment of Policing & Community Safety Partnership of £65k

Other items net off to an increase of £37k

Income of £2,048k - this represents an increase of £192k or 10.35%. The increase is due to:

- Increase in income for the Roe Valley Arts & Culture Centre of £19k
- Increase in income for Benone Tourist Complex of £23k
- Increase in income for the new 3G Pitch/Pavilion of £52k
- Decrease in income for trade waste collection of £15k
- Increase in grants for Neighbourhood Health / Active Communities, Cohesion Officer and Community Wardens of £160k (of which £111k relates to new employees)
- Increase in grants for Community Service Grants of £24k
- Decrease in grants due to establishment of Policing & Community Safety Partnership of £56k

Other items net off to a decrease of £15k. This results in net expenditure of £9,026k – an increase of £151k or 1.71%.

The General Grant generates £1,430k - a decrease of £52k.

A balance applied of £212k means the net amount to be raised by the rates is £7,808k which is equivalent to a District Domestic Rate of 0.4050 pence in the pound – an increase of 1.12% and a District Non-Domestic Rate of 27.7302 pence in the pound – an increase of 1.12%.

The proposal was seconded by Councillor Chivers and the rate was struck without debate.

COUNCIL FORECAST FOR 2012 TO 2015:

The Head of Finance gave an overview of forecast figures for loan/lease charges, wages & salaries, other expenditure and income for the years 2012 – 2015. Noted.

MINIMUM REVENUE PROVISION POLICY REPORT:

The Head of Finance explained that under regulation 6 of the Local Government (Capital Finance and Accounting) Regulation (NI) 2011, councils now had a statutory requirement to charge to its general fund an amount of Minimum Revenue Provision (MRP) which it considered to be prudent. He said this replaces the current requirement whereby the revenue charge was broadly equivalent to the amount of loans and leasing principal paid in any one year. He added that the regulations also stated that authorities were required to prepare an annual statement of their policy on making MRP for approval by the council.

The Head of Finance gave an overview of MRP Policy whereby it was proposed that the asset life (annuity) method would be used for capital expenditure incurred from 1 April 2012 which would be financed by borrowings. He said that based on this policy an amount of £421,625 had been included in the Council's 2012/13 estimates in respect of MRP.

It was agreed on the proposal of Councillor McLaughlin, seconded by Councillor McCaul that Council would accept the proposed Annual MRP Statement for 2012/13 as set out within the Minimum Revenue Provision Policy Report.

TREASURY MANAGEMENT POLICY (INCLUDING PRUDENTIAL INDICATORS):

The Head of Finance informed members that Regulation 19 of the Local Government (Capital Finance and Accounting) Regulations (NI) 2011 requires the Council in carrying out its capital finance functions to have regard to the CIPFA Code of Practice in 'Treasury Management in the Public Services.' He said that the Local Government Finance Act (NI) 2011 section 25(1) also requires Council to have regard to guidance issued by the Department of the Environment on Local Government Investments.

The Head of Finance stressed that in terms of importance when investing council's money, security was foremost, followed by liquidity and finally yield. He advised that Council would invest with institutions that had a high credit rating assigned by any of the three credit ratings agencies, Fitch, Moody's and Standard & Poor's and to be deemed highly rated (investment grade) the institution must satisfy at least the minimum of Standard and Poor's criteria of (a) long term credit rating of BBB+ and (b) short term credit rating A-3.

It was noted that short term credit rating was within 1 year and that regardless of the credit rating assigned to an institution or whether it was covered by a guarantee, if there was any doubt over its financial standing exists then the Council would not invest with that institution.

It was also noted that the Council delegates the responsibility for the implementation, regular monitoring and approval of its treasury management

policies and practices to the Support Services Committee and for the execution and administration of treasury management decision to the Head of Finance. The Council would receive reports on its treasury management policies, practices and activities, including as a minimum, an annual strategy and plan in advance of the year, a mid year review and an annual report after the close of the financial year. The Audit Committee would have responsibility for the scrutiny of treasury management practices.

The Head of Finance highlighted that The Local Government Finance Act (NI) 2011 requires Council to adopt the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities and that in so doing Council was required to set and monitor a series of Prudential Indicators to ensure that the capital investment plans were affordable, prudent and sustainable. He then gave an overview of the Prudential Indicators under the heading of external debt, capital expenditure, affordability, prudence and treasury.

It was recommended that Council accept the proposed Treasury Management Policy, including the adoption of the key principles of CIPFA's Treasury Management in the Public Sectors: Code of Practice; the adoption of CIPFA's Prudential Code for Capital Finance in Local Authorities and approval of an Affordable Borrowing Limit for 2012/13 of £17,447,304. Agreed on the proposal of Councillor Chivers, seconded by Councillor McCorkell.

CAPITAL EXPENDITURE 2010/11 TO 2014/15:

The Head of Finance outlined actual and forecast capital expenditure for the years 2010/11 to 2014/15 as required by the Prudential Code.

CHIEF EXECUTIVES REPORT:

The Chief Executive presented his report for February 2012 which was approved by Council subject to the following:

RPA/ICE Programme: The Chief Executive circulated notes from a meeting between Newry and Down Councils Voluntary Transition Committee with Minister Attwood in which he publically indicated that he would be implementing the proposed 11 Council model as part of RPA. He said that the VTCs would be empowered with statutory powers on a timeframe which would see shadow councils in place by 2014. He added that the Minister had said that the RPA process had to be self financed, possibly from Councils reserves or from savings made through the ICE programme.

Appointment of Members to Policing & Community Safety Partnerships (PCSPs): Councillor Chivers proposed, seconded by Councillor Brolly that Councillor Nicholl replace Councillor McLaughlin on the PCSP as he had been nominated as a substitute to the interview/shortlisting panel for Independent Members. It was acknowledged that the substitute position had been offered to Unionist members but due to other commitments they were unable to accept the post. The proposal was put to the meeting and declared carried, 5 for and 1 abstention. Councillor Douglas voiced his objection to the decision.

Integrated Emergency Plan: It was agreed that Joan McCaffrey would present to Council on Councils Emergency Planning and Business Continuity procedures at the 6 March 2012 Monthly meeting of Council.

Review of Police Buildings - PSNI 'G' District: A discussion took place on the review of police buildings across PSNI G district in which the views of Council were sought on the closure of Dungiven police station. An array of views were expressed to the station current opening hours, use by the public and costs associated with keeping the station open.

Councillor Douglas proposed, seconded by Alderman Robinson that Dungiven Police Station be reinstated to its former status. The proposal was put to the meeting and declared lost, 6 for and 8 against.

EXTERNAL MINUTES NOTED:

- ◆ Western Health & Social Care Trust – 3 November 2011

CONSULTATIONS:

The following consultation documents were reviewed by members:

- Department of Justice – Provision of Victim Impact Statements and Victim Impact Reports, submission by 23 March 2012: *Noted by Council.* .
- Department of Justice – Encouraging Earlier Guilty Pleas, submission by 27 April 2012: *It was suggested that individuals would plead guilty just to get a lesser sentence. Noted by Council.*
- Department of Justice – Consultation on Committals, submission by 27 April 2012: *Noted by Council.*

COURSES/CONFERENCES: - None.

SEAL LEGAL DOCUMENTS:

Release of Easement: Council agreed to the removal of an easement over land owned by Corvally Health Care Estates dating back to 1951 regarding the maintenance of a water pipe and for the seal to be applied to a 'Release of Easement' agreement.

FORMAL CORRESPONDENCE:

- Staff Commission Annual Report and Accounts 2010/11
- Consumer Council Analysis of the McIldoon Report- Orphans in the Energy Storm
- Consumer Council – Complain, Campaign and Gain: Championing Consumers 2009-2011
- OFMDFM – Annual Report on Public Bodies and Public Appointments
- Community Foundation for NI – Discussion paper on Community Planning: How can communities get the most from the Power of Well-being
- LCDI – Consumer Credit Counselling in Northern Ireland 2001 to 2011
- Equality Commission for Northern Ireland – Summary of Monitoring Returns 2010.

ANY OTHER BUSINESS:

- Members were reminded that training on Anti Fraud and Anti Bribery had been arranged for 6 March 2012 at 6 pm.
- A letter was circulated from the United Services Club requesting funding of £325 + VAT to pay for electrical work with regard to lighting at the War Memorial. There followed a discussion in which it was suggested that the club hold an event to help raise the funds needed for the work.

Alderman Robinson proposed, seconded by Councillor McCorkell that Council agreed to the request for funding. The proposal was put to the meeting and declared carried, 9 for, 0 against and 6 abstentions.

NEXT MEETING: - 6 March 2012.

THE BUSINESS CONCLUDED AT 10.00 PM

Signed: _____
Chair of Meeting