

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

**SUPPORT SERVICES COMMITTEE
24 JANUARY 2013**

Minutes of special meeting held in the Council Offices, 7 Connell Street, Limavady at 7.00 pm on the above date.

PRESENT:

Aldermen J Rankin, M Coyle and G Robinson. Councillors A Brolly, B Chivers, B Douglas, G Mullan, J McCorkell (Chair), S McGlinchey, C McLaughlin, D Nicholl, A Robinson and E Stevenson.

IN ATTENDANCE:

Committee Clerk, Head of Finance, Head of Human Resources, Director of Development, Director of Environmental Services and the Chief Executive.

APOLOGIES: - Councillor O Beattie and Councillor T McCaul

RATES ESTIMATES 2013/2014:

Notes:

The Head of Finance opened the discussion on the rates estimates by circulating a report to movement on the net amount to be raised from what was discussed at the Estimates Workshop on 17 December 2012 and that it was noted that the amount to be raised had decreased from £8,068,186 to £7,965,852. He also circulated a report on capital expenditure for 2014/15 and 2015/16.

Draft Estimates 2013/14 Booklet:

The Head of Finance circulated a booklet which set out the key elements of the rates calculation and comparison of estimates. He highlighted the increases/decreases on loan charges, other expenditure, salaries & wages and income, which resulted in a net expenditure at £9,538k, an increase of £512k or 5.67%.

The Head of Finance outlined the amount of the General Grant was £1,523k – an increase of £93k. After deducting a balance applied of £49k, the amount to be raised by the rates was £7,966k which is equivalent to a Domestic Rate of 0.4145 pence in the pound – an increase of 2.35% and a Non-Domestic Rate of 28.3775 pence in the pound – an increase of 2.33%.

General Grant:

The Head of Finance stated that the DoE would not finalise its budget until February/March 2013. Therefore the General Grant was currently an indicative figure, however, by the time the DoE finalises its budget the rate will have been struck. Therefore, if the General Grant were to change when the DoE finalises its budget it would be too late to affect the rates. He said that once the General Grant was finalised by the DoE the Resources Element of the General Grant would not change during the year 2013/14.

The Head of Finance explained figures set out in the appendices. He also indicated that even though there would be capital expenditure of £3.5 million,

Council would have to take out loans for 2013/14 of only £1.1 million due to running down the deposit balances.

Reference was made to the District Fund balance as a percentage of Net Expenditure which was 7.53% - slightly above the recommendation of 5 – 7.5% from the DoE. The risks that might impact on the rates were noted.

The Senior Management Team answered a number of queries from members on items included in the draft estimates as follows:

- Loan charges of 8% was queried and it was confirmed that this for the most part related to previous capital expenditure.
- 26% of net expenditure related to waste management.
- Businesses in the Borough would not react well to an increase in the rates, especially in light of it being revealed that money in Stormont had gone unspent and the suggested pay increase to MLA's.
- Despite what had been reported in the media, it was anticipated that the pay increase for staff would not be more than 1%.
- The tracking system had resulted in a substantial saving on fuel.
- No decision had been made on the number of pitches that might be provided in Dungiven.
- Capital projects set out in appendix 10 had little impact on the rates.
- It was stressed that spend on the Leisure Centre and Benone were important to maintain the facilities to a reasonable standard.

Councillor A Robinson proposed, seconded by Alderman G Robinson that officer's look at bringing the district rate down by 0.5% by reducing the district fund, which was currently forecast to be 7.53% of net expenditure at 31 March 2014.

The Chief Executive sought clarification on the proposal and it was confirmed with members that the proposal would bring the district rate down from 2.35% to 1.85% and that would be the basis on which proposals would be brought back to Council on 5 February 2013. The actual reduction to the rate payer from the proposal was also explained to the Council.

It was agreed that the rate would be struck at the February 2013 Monthly meeting of Council.

ANY OTHER BUSINESS: - None.

THIS CONCLUDED THE BUSINESS
(The meeting ended at 8.35 pm)

Chair: _____