

**SPECIAL COUNCIL MEETING MONDAY 20 SEPTEMBER 2021**

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<b>No.</b>	<b>Item</b>	<b>Decision</b>
<b>1.</b>	Apologies	<b><i>Councillors Callan, Schenning</i></b>
<b>2.</b>	Declarations of Interest	<b><i>Nil</i></b>
<b>3.</b>	Annual Accounts 2020/21	<b><i>that Council approve the adoption of the annual statement of accounts as presented.</i></b>

**MINUTES OF THE PROCEEDINGS OF THE SPECIAL MEETING OF  
COUNCIL HELD IN THE COUNCIL CHAMBER AND VIA VIDEO  
CONFERENCE ON  
MONDAY 20 SEPTEMBER 2021 AT 7:00PM**

**In the Chair** : The Mayor, Councillor Holmes (C)

**Present** : Alderman Baird (R), Boyle (R), Duddy (C), Fielding (C),  
Finlay (C), Hillis (C), McKeown (R), Knight-McQuillan  
(R), McKeown (R), S McKillop (R), Robinson (R)

Councillors Anderson (R), Beattie (R), Chivers (R),  
Dallat O'Driscoll (R), Hunter (R), McAuley (R),  
McCandless (C), McCaw (R), McCorkell (R), McGurk  
(R), MA McKillop (R), McLean (R), McMullan (R), P  
McShane (R), Nicholl (R), Peacock (R), Quigley (R),  
Scott (R), Watton (C), Wilson (R)

**Officers Present** : D Jackson, Chief Executive (C)  
M Smyth, Director of Finance (Interim) (C)  
M Quinn, Director of Corporate Services (R)  
D Wright, Chief Finance Officer (R)  
E Callaghan, Project Accountant (R)  
P Donaghy, Democratic & Central Services Manager (R)  
S Duggan, Civic Support & Committee & Member Services Officer (C)

**Officers In Attendance** : A McAuley, PR Manager (R)  
J Keen, Committee & Member Services Officer (R)

C Thompson, ICT Officer (C)  
A Lennox, ICT Mobile Operations (C)

**In Attendance:** Press (4 No) (R)  
Public (1 No) (R)

**Key –** C = Attended in the Chamber  
R = Attended Remotely

Chief Executive undertook a roll call.

The Mayor advised Council of its obligations and protocol whilst the meeting was being audio recorded; and with the remote meetings protocol.

## **1. APOLOGIES**

Apologies were recorded for Councillors Callan and Schenning.

## **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **3. ANNUAL ACCOUNTS 2020/21**

Report, previously circulated, presented by the Director of Finance (Interim).

The purpose of this report is to present the annual accounts for Causeway Coast and Glens Borough Council for the financial year ended 31 March 2021 for approval.

### **Background**

Councils and other public bodies are required to prepare and submit to the Department for Communities (DfC) by 30 June each year their annual accounts for the previous financial period. We complied with this requirement. Under current regulation the approval of the accounts now occurs after completion of the audit meaning Council are approving what will eventually be published. Northern Ireland Audit Office (NIAO) are in the process of completing their work in this regard and the accounts are presented in conjunction with the reports from NIAO.

### **Detail**

A draft copy of the Annual Statement of Accounts for Causeway Coast and Glens Borough Council was circulated. At the time of writing this report NIAO are still completing aspects of the audit therefore the accounts being approved may contain a few amendments when compared to the accounts appended, any such changes will be advised verbally at the Council meeting, these are not expected to be significant.

Income and Expenditure that was controlled by Budget Holders is £8.604k (page 77) surplus to budget. The surplus was supported by Central Government subventions that totaled £7.041k (incl furlough), and from this, £4,488k is placed into a new Covid reserve.

The Comprehensive Income and Expenditure Statement (CIES) recorded within the Annual Accounts includes expenses outside the control of Budget Holders. It includes property, provisions and pension revaluations and accumulated absences. Some of these adjustments are accounting entries or future long-term liabilities that are based on pension assumptions and will only materialize on retirements.

The main figure members will be interested in can be found in being the Movement in Reserves statement which details an in-year movement in the General Fund Summary of an increase of £761k giving a carrying total of

£4,531k. Under regulation we are recommended to carry a minimum fund balance in the range of 5% to 7.5% of our Net Operating Expenditure (£57,028k) which translates into a recommended balance between £2,851k and £4,277k. Causeway Coast and Glens Borough Council is compliant with these recommendations.

Whilst the result is positive and welcome it should be noted that in addition Council has increased other useable reserves by £6,577k to a total of £12,094k. The major contribution to this increase was the creation of a COVID recovery reserve, the purpose of which is to mitigate any future losses which arise because of the ongoing pandemic.

The breakdown of these reserves is shown in the table circulated within the report.

The Covid Recovery Reserve of £4,488K relates to:

- £1.950k that Council approved at the striking of the rates to support future business rates, events, and caravan improvement fund.
- £1.987k DfC funding provided at the end of the financial year to support future Covid related events.
- £0.550k additional Rates Support Grant provided in March with the subsequent lowering of our 2021/22 Rates Support Grant in April.

The Financial Performance Outturn was detailed in the table circulated within the report.

Financial Performance - Outturn

For the year ended 31 March 2021 the Council increased its General Fund by £761,393. The movement in the General fund is analyzed in the table circulated:

Wages and Salary costs were £2.759 Million favourable against budget due to continued gapping of posts and overtime moratorium throughout Covid 19.

Premises costs were £1.1 Million favourable against budget largely due to premises closures.

Diesel costs at the outset of the pandemic and significantly reduced travel meant a further £0.966 Million saving against the transport budget.

Council received an additional £0.923 Million of rates finalisation, £0.943 Million of general grant and Covid 19 Support funding of £1.987 Million - all of which are included under Taxation and Non-Specific

Grant Funding - £0.55 Million of Rates Support grant and £1.95 Million of Covid Funding (via Council decision at rates estimates meeting for 2021/22) have been transferred

**It is recommended** that the Council approves of the adoption of the annual statement of accounts as presented and where applicable any amendments notified during the meeting.

The Director of Finance (Interim) provided an update to Council, he advised in addition to the reports presented he would bring some matters to the attention of Council.

The Director of Finance (Interim) advised there were no numerical changes to the draft accounts issued. The Audit Office had given an Unqualified Opinion as it had done every year. The Audit Office were content the accounts that give a true and fair representation.

The Director of Finance (Interim) stated management accounts controllable costs gave £8.6M surplus in the year, supported by £7M government subventions, increased Useable reserves by £6.6M and this will safeguard the ratepayer against future shock and rate rises. The General fund increased by £0.8M to £4.5M, when considering an operating profit £57M are compliant with Reserves limits. The debt position decreased by £5.4M this year, in comparison with other Council's, moved from most indebted Council at the time of merger to 7<sup>th</sup> position of the most indebted Council. The figures will be compared when the 2020/21 accounts are submitted. Liquidity/cash reserves increased by £5.7M to £11.2M and places Council in a strong position should Covid issues materialise.

The Director of Finance (Interim) outlined efficiency savings and Audit Findings Report To Those Charged With Governance, decreased from fourteen issues to four, and expected to clear them this year.

The Mayor addressed Council, he advised of a turnaround in financial performance that was to be commended, a great deal of focus had been on financial performance and the results spoke for themselves in the Accounts.

The Mayor commented that debt had reduced by £5.4M, whilst other NI Councils' debt had increased by £5.2M. Council delivered one of the lowest rates increases in N Ireland since its amalgamation, last year generated a surplus of £8.6M and despite the second lowest level of support from Department of Communities (DfC).

The Mayor thanked the Chief Executive David Jackson, Mark Smyth, and David Wright and the Finance team and all of the staff who worked to deliver a great performance, and to be passed on throughout the organisation.

In response to questions from Elected Members, the Director of Finance (Interim) clarified:

- Regarding surplus, other Councils had not released their figures and comparisons would be made on 30 September. The Chief Executive clarified he was aware via media, of Derry and Strabane surplus of £1.3M;

- clarified the breakdown on Page 4, that five parties gave subvention, a total of £7M subvention, £4.465M from DfC, Causeway Coast and Glens Borough Council drew the second lowest level of Central Funding from DfC;
- Clarified Useable Reserves General Fund increased by £0.8M-£4.5 M, Unusable Reserves, eg: revaluations of Assets, increased by £6.6M to £12.1M;
- Confirmed there was no indication the funding had to be given back, and advised caution with what the future holds regarding Covid;
- Clarified that Directors do live within budget.

Elected Members respectively congratulated the Senior Officers and their teams.

Alderman Hillis congratulated the good news story.

Alderman Finlay suggested sending a letter of thanks to the UK Prime Minister for their support.

Alderman Duddy referred to unfounded negativity, the situation looking more positive and the challenge continuing, the Directors were focused on maintaining within budgets.

Councillor McCandless referred to improvement, that it was important for Council to move beyond recent narratives, that the public had been misinformed.

Councillor P McShane commented, the four Priority 1 Findings had become meaningless, the debt analysis saved by a global pandemic, and he looked forward to doing better in the future.

The Mayor clarified the improving position at Audit as Priority 1 Findings were down from nine.

Proposed by Alderman Duddy  
Seconded by Councillor McCandless and

**RESOLVED** - that Council approve the adoption of the annual statement of accounts as presented.

Alderman Duddy requested a Recorded Vote.

The Chair put the motion to the Council to vote.  
29 Members voted For, 1 member voted Against, 1 Member Abstained.  
The Chair declared the motion carried.

Councillor Quigley advised she had joined the meeting late and was the reason for abstaining from the vote.

### Recorded Vote Table

For <b>(29)</b>	Alderman Boyle, Duddy, Fielding, Finlay, Hillis Knight-McQuillan, McKeown, S McKillop, Robinson; Councillors Anderson, Baird, Beattie, Chivers, Dallat O'Driscoll, Holmes, Hunter, McAuley, McCandless, McCaw, McCorkell, McGurk, MA McKillop, McLean, McMullan, Nicholl, Peacock, Scott, Watton, Wilson
Against <b>(1)</b>	Councillor P McShane
Abstain <b>(1)</b>	Councillor Quigley

This being all the business, The Mayor thanked everyone for their attendance and the meeting concluded at 7.37pm.

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Mayor