

**FINANCE COMMITTEE MEETING HELD THURSDAY 13 OCTOBER 2022**

	<b>Item</b>	<b>Summary of Key Recommendations</b>
1.	Apologies	<b>Alderman A McQuillan</b>
2.	Declarations of Interest	<b>Nil</b>
3.	Minutes of Finance Committee meeting held Thursday 8 September reconvened Tuesday 27 September 2022	<b>Signed as a correct record</b>
	<b>'In Committee' Items 4-11 inclusive</b>	
4.	P5 Management Accounts	<b>Information</b>
5.	Debt Management Report	<b>Information</b>
6.	Prompt Payment Statistics	<b>Information</b>
7.	Treasury Management mid-year review	<b>Information</b>
8.	APP Forecast	<b>Information</b>
9.	Mayor's Expenses	<b>Information</b>
10.	Income and Expenditure analysis	<b>Information</b>
11.	Budget Timetable	<b>to recommend that Council agree the proposed timetable for setting the annual budget</b>
12.	Landfill Performance Deed	<b>to recommend that Council approve the attached performance deed be updated as detailed and proceed to full council for sealing replacing the</b>

		<b>document dated 1 February 2022</b>
<b>13.</b>	Annual Tenders	<b>to recommend that Council approve the appointment of above named companies and proceed with award of contract(s) for a period of 12 months commencing 14 October 2022 with an option to extend for a further period of 12 months, subject to performance</b>
<b>14.</b>	Vehicle Hire Tender	<b>to recommend that Council approve the appointment of above named companies and proceed with award of contract(s) for a period of 12 months commencing 14th October 2022 with an option to extend for a further period of 12 months, subject to performance</b>
<b>15.</b>	Any Other Relevant Business (notified in accordance with Standing Order 12 (o))	<b>Nil</b>

**MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE  
FINANCE COMMITTEE HELD  
IN THE COUNCIL CHAMBER, CIVIC HEADQUARTERS AND VIA VIDEO  
CONFERENCE ON THURSDAY 13 OCTOBER 2022 AT 7PM**

**In the Chair:** Alderman McLean (C)

**Members Present:** Alderman Duddy (C), Hillis (C), A McQuillan (C);  
Councillors Bateson (R), Beattie (R), Callaghan (C),  
Callan (R), Holmes (R/C), C McQuillan (R), Nicholl (R),  
Peacock (R), Schenning (R), Scott (R), Wilson (R)

**Officers Present:** D Wright, Chief Finance Officer (C)  
J Keen, Committee & Member Services Officer (C)

**In attendance:** C Thompson, ICT Officer (C)  
C Ballentine, ICT Officer (C)  
A Lennox, ICT Mobile Operations Officer (R)

The Chief Finance Officer undertook a roll call.

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

**1. APOLOGIES**

Apologies were recorded for Alderman A McQuillan.

**2. DECLARATIONS OF INTEREST**

There were no Declarations of Interest.

**3. MINUTES OF FINANCE COMMITTEE MEETING HELD THURSDAY 8  
SEPTEMBER RECONVENED TUESDAY 27 SEPTEMBER 2022**

Summary previously circulated.

The Chair advised the Minutes of the Finance Committee meeting held Thursday 8 September reconvened on Tuesday 27 September 2022 had been passed by Council at its meeting in October.

**AGREED** – The Minutes of the Finance Committee Meeting Held Thursday 8 September Reconvened Tuesday 27 September 2022 were confirmed as a correct record.

**MOTION TO PROCEED ‘IN COMMITTEE’**

Proposed by Alderman Duddy  
Seconded by Councillor Callaghan

**AGREED** – that Committee move ‘*In Committee*’

***The information contained in the following items is restricted in accordance with Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.***

#### **4. P5 MANAGEMENT ACCOUNTS**

The Chief Finance Officer provided a verbal update:

At P5 Council are £489K positive; this is a positive variance against budget not £489K surplus. The budget that was set had a £1.8K applied balance. If Council run according to budget we would be dipping into reserves to the amount of £1.8M and would run a deficit of £1.8M. If Council continue as we are until the end of the year the deficit would be £1.3M.

Rates Support Grant – Council has budgeted to receive £2.1M Rates Support Grant. By P5 two instalments should have been received; this has not been received. The third instalment, not included in P5 Management Accounts has not been received. The reason for this is the Department for Communities do not yet have an agreed budget due to Stormont not functioning. The loss is not shown in the management accounts as Council were working on the assumption that the Rates Support Grant will come, from P6 the accounts will show the Rate Support Grant as it is; the favourable variance will go to adverse variance.

Pay Award – included in the Management Accounts to date is an accrual for the pay award. The costs reflected are based on the offer in place at the time of writing; this has since been superseded and not reflected in these accounts. Also included is an accrual for the NJC offer of £1925 payment per employee. If an improved offer is accepted we will have to adjust the accounts accordingly and this will reduce the positive variance. Council will only be exposed to any improvement on the pay award offer should it come to pass.

Utilities – at P5 electricity is £390k over budget, gas is £85k under budget, water is £7k over budget, fuel is £120k over budget, heating oil is £26k under budget. Utility costs will continue to be monitored. An increase to last years budget for utility costs has had the desired effect up to this point. Government assistance with utility costs has been announced and as more information is provided on how this will be delivered it will be presented to the Finance Committee.

In response to questions from Elected Members the Chief Finance Officer provided clarity on the rates support grant and pay award negotiations. The Chief Finance Officer further confirmed there will have been costs associated with the Airshow given it was cancelled at short notice and advised further details can be provided at the next Finance Committee. In response to questions regarding utility costs the Chief Finance Officer advised there was not enough information to forecast costs into next year and confirmed that a comparison between this year and last years costs can be emailed to

Committee Members. In response to a question about few members of Agency staff transferring to permanent posts the Chief Finance Officer advised he would pass this query to Human Resources.

## **5. DEBT MANAGEMENT REPORT**

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Purpose of Report**

This report informs members of the current position surrounding debt owed to the Council by its customers.

### **Background**

Council implemented a revised Debt Management Policy in February 2017.

Due to the timing of the previous committee meeting the data being presented is jumping two months, the previous report containing July information as August information was not available at the time of writing.

### **Detail – Aged Debt Analysis**

Tables previously circulated as at 30 September 2022 and 30 September 2021

Table previously circulated showing Movement and comparison between last year and this year (30 September 2021 and 30 September 2022)

The 30 days and over figure includes £158,914 relating to Business Improvement District (BID) invoices whilst the 90 days and over includes BID invoices amounting to a further £18,439, the BID debt belonging to a third party. In addition the 90 days figure includes £244,662 relating to caravan site fees and rents which are being paid by direct debit. Adjusting for these figures the debt which Council staff are actioning in accordance with the debt management policy amounts to £181,169 as reported previously it should be noted that £135,291.37 relates to the debtor who has gone into administration.

Tables previously circulated detail the status of any debt which was over 90 days in excess of £10 at the previous report but which has now been cleared.

### **Over 90 Days analysis**

The tables previously circulated detail the status of any debt which was over 90 days in excess of £10 currently (excluding BID and direct debit accounts).

### **Options**

#### **Debt write-off under £1,000**

In accordance with our debt management policy the Chief Finance Officer is required to report to Council any debts under £1,000 which the Chief Finance Officer has the authority to write-off. There are no such debts this month.

#### **Car parking write-off**

In accordance with audit requirements, the Chief Finance Officer is required to report periodically to Council any write-offs relating to car parking revenue. For the 6 months to 30<sup>th</sup> September 2022 a total of 971 notices were written off on appeal which equates to £43,695 at £45 per notice. The total number of notices issued during this period was 4,672 meaning 20.78% of issued notices were cancelled. As these are individually below £1,000 the delegated authority to the Chief Finance Officer enables these to be written off.

### **Debt Write-off over £1,000**

In accordance with Council's debt management policy, Council approval is sought in order to write off any debts in excess of £1,000. Whilst there is no write-off required at this point Council is reminded that a significant debtor has gone into administration. Further detail was provided within the confidential report previously circulated.

In response to questions the Chief Finance Officer advised that car parking fees are written off for a variety of reasons and that each appeal is considered on its own merit.

## **6. PROMPT PAYMENT STATISTICS**

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Background**

The Department for Communities (DfC) requires Council to record and publish statistics regarding the payment of supplier invoices with specific reference to two distinct measures namely invoices paid within 10 working days and invoices paid within 30 calendar days.

### **Detail**

These figures are published on a quarterly basis by DfC with Councils required to do likewise. The purpose of the statistics is to encourage Councils to support businesses especially those local and/or small businesses for whom cash flow is of vital importance to their continued survival. In addition, as part of Council's performance improvement plan for this year the payment of our suppliers has been identified as one of the performance improvement objectives with a target of 90% of suppliers being paid within 30 calendar days. Due to the timing of this committee meeting the latest available data is for July, normally it would be the previous month but at the time of writing August data was not available, the previous report presented to committee was at the June committee therefore comparatives are the last reported data which was for May 2022. The tables previously circulated detail Council's performance since April 2019 the latest data being for quarters 1 and 2 of 22/23 year being up to and including end of September 2022. The excellent start in terms of performance for 2022/23 has seen a drop in performance initially during Q2 but slowly recovering albeit not to Q1 levels. In September 59.21% (49.05% for July) of invoices were paid within 10 working days and 89.89% (80.46% for July) of invoices were paid within 30 calendar days.

### **Improvement Actions**

Whilst the recent figures have declined from previous months, they are still good but Council cannot afford to rest on its laurels. There is still room for improvement as other Councils have performance that is higher than Causeway Coast and Glens Borough Council therefore, we must now strive to firstly recover the earlier reported levels of performance and with the implementation of a new finance system seek to identify efficiencies in our processes especially where the new technology can offer electronic solutions to manual tasks. It should be noted that the process of implementing the new finance system is ongoing and Council should be able to expect future improvements once the implementation is complete.

UNCONFIRMED

Prompt Payment Statistics 2019/2020						
	Q1	Q2	Q3	Q4	Total	
Total No of Invoices	5453	7504	7102	7923	27982	
Total amount paid	£ 11,235,850	£ 14,304,005	£ 11,816,835	£ 15,184,690	£ 52,541,380	
Number of invoices paid within 10 days	1767	2648	3078	3818	11311	
% of invoices paid within 10 days	32.40%	35.29%	43.34%	48.19%	40.42%	
Number of invoices paid within 30 days	4177	5924	5723	6404	22228	
% of invoices paid within 30 days	76.60%	78.94%	80.58%	80.83%	79.44%	
Number of invoices paid outside 30 days	1276	1580	1379	1519	5754	
% of invoices paid outside 30 days	23.40%	21.06%	19.42%	19.17%	20.56%	
No. of Disputed Invoices	36	80	107	99	322	
% of disputed invoices	0.66%	1.07%	1.51%	1.25%	1.15%	
Average Payment Days	23.52	24.26	21.55	21.68	22.7	
Prompt Payment Statistics 2020/2021						
	Q1	Q2	Q3	Q4	Total	
Total No of Invoices	3424	5544	5802	6296	21066	
Total amount paid	£ 5,602,247	£ 10,310,263	£ 10,622,455	£ 17,216,296	£ 43,751,261	
Number of invoices paid within 10 days	2414	3804	4308	4087	14613	
% of invoices paid within 10 days	70.50%	68.61%	74.25%	64.91%	69.37%	
Number of invoices paid within 30 days	2846	4951	5184	5383	18364	
% of invoices paid within 30 days	83.12%	89.30%	89.35%	85.50%	87.17%	
Number of invoices paid outside 30 days	578	593	618	913	2702	
% of invoices paid outside 30 days	16.88%	10.70%	10.65%	14.50%	12.83%	
No. of Disputed Invoices	10	82	102	57	251	
% of disputed invoices	0.29%	1.48%	1.76%	0.91%	1.19%	
Average Payment Days	15.52	13.85	16.26	17.06	15.74	
Prompt Payment Statistics 2021/2022						
	Q1	Q2	Q3	Q4	Total	
Total No of Invoices	5830	6442	7117	6567	25956	
Total amount paid	£ 12,255,753	£ 14,938,664	£ 11,824,362	£ 16,652,683	£ 55,671,462	
Number of invoices paid within 10 days	4139	4113	5240	4331	17823	
% of invoices paid within 10 days	70.99%	63.85%	73.63%	65.95%	68.67%	
Number of invoices paid within 30 days	5447	5886	6613	5893	23839	
% of invoices paid within 30 days	93.43%	91.37%	92.92%	89.74%	91.84%	
Number of invoices paid outside 30 days	383	556	504	674	2117	
% of invoices paid outside 30 days	6.57%	8.63%	7.08%	10.26%	8.16%	
No. of Disputed Invoices	32	26	48	28	134	
% of disputed invoices	0.55%	0.40%	0.67%	0.43%	0.52%	
Average Payment Days	15.80	17.23	15.27	16.81	16.27	
Prompt Payment Statistics 2022/2023						
	Q1	Q2	Q3	Q4	Total	
Total No of Invoices	6461	1904			8365	
Total amount paid	£ 17,214,458	£ 4,008,325			£ 21,222,783	
Number of invoices paid within 10 days	4446	934			5380	
% of invoices paid within 10 days	68.81%	49.05%	#DIV/0!	#DIV/0!	64.32%	
Number of invoices paid within 30 days	5872	1532			7404	
% of invoices paid within 30 days	90.88%	80.46%	#DIV/0!	#DIV/0!	88.51%	
Number of invoices paid outside 30 days	589	372	0	0	961	
% of invoices paid outside 30 days	9.12%	19.54%	#DIV/0!	#DIV/0!	11.49%	
No. of Disputed Invoices	33	10			43	
% of disputed invoices	0.51%	0.53%	#DIV/0!	#DIV/0!	0.51%	
Average Payment Days	16.24	20.19	#DIV/0!	#DIV/0!	17.14	
* Incomplete period						



## 7. TREASURY MANAGEMENT MID-YEAR REVIEW

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Background**

Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.

### **Detail**

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. In addition, the Department for Communities (DfC) issued *Guidance on Local Authority Investments* in November 2019 that requires the Authority to approve an investment strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Finance Act (Northern Ireland) 2011* to have regard to both the CIPFA Code and the DfC Guidance.

### **Review**

The purpose of this report is to provide a review of what has taken place in terms of Treasury Management within the Council during the first half of the 2022/23 financial year.

### **Borrowing**

Council borrowing is used to fund various capital projects as approved by Council and as a result of this activity Council has an extensive portfolio of current loans. The table previously circulated shows a breakdown of these loans at the end of each quarter during 2021/22.

The trend of low interest rates at the start of the year and with Council having significant cash reserves no new loans were borrowed during the year, Council instead utilising cash reserves in the short term to finance capital expenditure thus avoiding incurring interest on loans which would not be offset by the low returns available on investments. With interest rates now rising officers will be assessing whether or not a change of strategy would be prudent and potentially draw down some of the longer terms loans, currently being financed out of available cash, to secure as low a possible interest rate for the life of the loan. Advice will be taken from Council's treasury management advisors and a meeting has been arranged for this purpose.

### **Investments**

Council has carried significant cash reserves into 2022/23 and as stated above the low interest rates prevailing have meant that it was more prudent to utilise cash to finance capital expenditure rather than borrow. The table below, previously circulated, details the cash held by Council at the end of each quarter during 2022/23.

The next table, previously circulated, details actual investments made by Council during the first half of the year and the returns associated with those investments, these are in addition to the amounts in the table above, previously circulated.

### **Treasury Management Strategy**

In line with Council's Treasury Management Strategy and with increasing interest rates Council will seek to make more investments like those detailed in 1.5 above over the remainder of the 2022/23 financial year where there are now sufficient returns to justify the action and whilst those returns are still likely to be modest they will still none the less provide an income stream to Council and assist to offset a little of the financial pressures currently being faced.

In response to questions the Chief Finance Officer advised that when borrowing Council will endeavour to borrow at the lowest interest rates and adapt their strategy accordingly as interest rates change.

## **8. APP FORECAST**

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Background**

Land and Property Services (LPS) who issue bills and collect rates on behalf of Councils issue in year forecasts on the Actual Penny Product (APP) and projected outturns with regards the amount of rates actually collected.

### **Detail**

LPS has issued to Councils the first formal in year forecast for the APP based on figures at 30 June 2022. The forecast for Causeway Coast and Glens Borough Council indicates that we are on course to receive a positive finalisation in terms of rates income amounting to approximately £235k. In addition, LPS has provided monthly updates up to and including August 2022 and these are detailed in the table at 2.1, previously circulated, together with the formal June figure.

### **Monthly Analysis**

Table, previously circulated, detailed the monthly analysis.

### **EPP analysis**

The table below, previously circulated, sets out the variance of the APP forecast from the Estimated Penny Product (EPP) used when setting the rate. This table demonstrates that the positive position is mainly generated by domestic properties. This underlines Finance Officers' concerns around the

status of the non-domestic sector given the current levels of subvention by Central Government, which will end, the ongoing challenge cases regarding the last revaluation of non-domestic properties and the impending next planned revaluation of non-domestic properties having the potential to exacerbate the number and level of challenges to subsequent revaluations and continuing uncertainty around our town centres and their economic recovery.

### **Assumptions**

The assumptions used by LPS in calculating these figures are set out below:

Gross Rate Income (GRI) calculated to 30 June 2022 from the rating system without any further adjustments.

Rates foregone from vacant property in the non-domestic sector for the initial 3-month exemption period have been calculated based on the monetary value of losses used in the EPP, at 31 March 2022 or 30 June 2022, whichever is the higher. In the case of Causeway Coast and Glens Borough Council the forecast has calculated these based on the losses used in the EPP. Losses in the "50%" and "Exempt" categories were also calculated on the monetary value of losses used in the EPP, at 31 March 2022 or 30 June 2022, whichever is the higher. In this regard losses built into the forecast exceed actual losses in the LPS accounting system at 30 June 2022 by £105K inclusive of district and regional rates. Accordingly, unless losses in those categories increase by that amount between now and year end then there is the potential for improvement in the forecast. We will look at this in more detail in the second quarter.

Rates foregone (exclusions including developer exclusions) from REH have been calculated based on the monetary value of losses used in the EPP, at 31 March 2022 or 30 June 2022, whichever is the higher.

Discount by way of landlord allowances has been calculated based on the monetary value of losses used in the EPP, the position at 31 March 2022 or the position at 30 June 2022, whichever is the higher loss.

Write-offs based on losses of £16.5 million (split across the 11 Councils) based on the higher of the losses used in the EPP, the position at 31 March 2022 or the position at 30 June 2022, whichever is the higher loss. From recent meetings you will be aware that LPS is ramping up legal recovery action for this year to help reduce the overall debt position, however it may take some time to reach pre-Covid levels. I can advise that the actual write-off as at the end of June is £105K, against a total of £732K included in the forecast. LPS will keep the situation under scrutiny and will be alerting you to how this changes throughout the year.

Cost of Collection estimated at £19.1 million for the rating year apportioned across the 11 Councils on the basis of statutory formula. Rateable Values used were the average of those in the Valuation Lists at 31 December 2021 and 30<sup>th</sup> June 2022.

The CAP based on losses in the system at 30 June 2022

## **Revaluations**

Whilst the current figures are encouraging Council must be mindful that a number of outstanding challenge cases against previous revaluations remain, in particular with regards the University and Schools which, if successful, could cause a significant impact of these figures when back dating of the claims is taken into account.

- \* **Alderman A McQuillan joined the meeting in the Chamber at 7:41pm**
- \* **Councillor Holmes joined the meeting in the Chamber at 7:41pm**

## **9. MAYOR'S EXPENSES**

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Background**

The Finance Committee has requested an analysis of expenditure with regards the Mayor's expenses.

### **Detail**

The table, previously circulated, sets out the expenditure incurred by each Mayor since the inception of Causeway Coast and Glens Borough Council, the current annual budget for the Mayor's expenses is £24,000, however the Mayoral period does not run concurrent with the financial year and the figures in the table reflect the actual spend from Annual General Meeting (AGM) to the next AGM, one exception being the first Mayor who had a fourteen month period in office.

Discussion ensued regarding how to manage the Mayor's budget.

In response to questions the Chief Finance Officer confirmed that civic events such as the Freedom of the Borough are not included in the Mayor's budget and that reports on the mayoral spending can be completed on request.

## **10. INCOME AND EXPENDITURE ANALYSIS**

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Background**

The purpose of this report is to provide an analysis of Council income and expenditure under various categories which demonstrate where Council has the most ability to influence budgets.

### **Detail**

All Council operations and services are legislatively enabled however there are areas where the legislation is more prescriptive than others when it comes to how that service is delivered. This report sets out in the two tables previously

circulated at 1.3 – Gross Expenditure and 1.4 – Gross Income under the categories as follows:

Business – where Council engages in a mostly commercial activity  
Discretionary – where Council has full control over the scope  
Funded – where the activity is fully or part funded  
Obliged – where Council has some control over the scope  
Past decisions – cost incurred as a result of past decisions  
Statutory – where Council has no control over the scope

All figures are based on the 2021/2022 financial year and are taken from the recently certified annual accounts.

### **Gross Expenditure**

The table, previously circulated, detailed the breakdown of Council gross expenditure at Head of Service level under each of the categories previously set out and expresses them as a percentage of the total expenditure.

### **Expenditure Analysis**

Statutory services, where Council has no control over the scope of the service, account for the largest share of expenditure with 37.49%. This expenditure is dependent mainly on the demand for the service from service users.

Obliged services, where Council has some control over the scope, is quite similar with 36.83%. In these areas Council can amend certain aspects of the service whilst fulfilling its legislative requirements.

The category Past Decisions accounts for 13.40% of expenditure. This category deals with mainly Minimum Revenue Provision and interest payments both of which are driven by capital expenditure decisions, there is also a small element of pension fund payments arising out of decisions to agree to retirement packages in the legacy Councils.

Funded services are the next category accounting for 4.86% of expenditure. These services are, as the name suggests, funded either partly or wholly by another party therefore a reduction in any of these services will result in a consequential reduction in the associated income therefore the potential saving to Council is smaller than the reduction in expenditure.

Discretionary services account for 3.73% of expenditure, these are services where Council has the most ability to set the scope and nature of the service.

Business services account for 3.68% of expenditure. These are services which operate in sectors/markets which are more commercial in their nature, consequently these services need to be assessed in terms of both income and expenditure and not either in isolation. In terms of income these services generate just under £6.5m in total meaning that this category actually subsidises the others.

### **Gross Income**

The table, previously circulated, detailed the breakdown of Council gross income at Head of Service level under each of the categories set out in 1.2 and expresses them as a percentage of the total expenditure.

### **Income Analysis**

The income picture is dominated by statutory services with 81.5% of the total and in particular the taxation and non-specific grant income section which contributes 72.51% of Council's income. The vast majority of this is rates income which alone accounts for 64.83% of income. In practical terms this means that restricting the increase in the rate means that other areas have to work much harder to have the same effect, for example if we need to increase total gross income by 1% but the rates cannot increase then all other income will need to increase by 2.84% to have the same effect.

The next biggest area of income generation at 7.68% is general grant which is a combination of Rates Support Grant, De-rating Grant and Transferred Functions Grant. This demonstrates how vitally important these three sources of funding are and whilst De-rating and Transferred Functions Grants are protected by legislation Rates Support Grant is not, despite being an extremely important source of funding for Council.

The business category is the next biggest contributor with 8.45% and has been already mentioned in 1.4 above.

Obligated services contribute 5.75% of total income with funded adding a further 3.63%. Discretionary services contribute the least income at just 0.56%

### **Summary**

The aim of this report is to allow members to use this information in the rates setting process giving consideration to the ability of service proposals to either reduce cost or increase income for the overall benefit of the rate payer.

Discussion ensued regarding the content of the report and how it would be useful to have more detail.

Proposed by Councillor Holmes  
Seconded by Councillor Peacock and

**AGREED** – to recommend to Council that a workshop is held after the next Finance Committee meeting for the Committee Members to receive a breakdown of the information presented in the report.

Councillor Wilson spoke about how Council analyse inwards regarding Council's own finances and stated it would be useful to measure ourselves against other Councils.

During discussion, it was proposed by Councillor Wilson and seconded by Alderman Duddy to receive information regarding the inherited capital debt, current reserves and cumulative rates increases to date for all 11 Councils.

The Chief Finance Officer advised that he will bring this information back to the Finance Committee; that a proposal is not required.

In response to questions, the Chief Finance Officer informed Committee of what stage the Management Team was at regarding budget setting.

## 11. BUDGET TIMETABLE

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Background**

District councils are obliged under legislation, Section 3 of the Local Government Finance Act (Northern Ireland) 2011, as part of the annual budget procedures to submit estimates of income and expenditure of the council for the next financial year. Regulation 3 of the Local Government (Capital Finance and Accounting) Regulations (Northern Ireland) 2011 states the prescribed date for the annual budget for a financial year beginning on or after 1st April 2012 shall be 15 February. There is a possibility that this date may be delayed to March 2022 due to the ongoing Covid-19 pandemic. This report proposes a timetable for the annual Council budget setting.

The suggested programme reflects the uncertainty relating to the Covid-19 pandemic and its impact on Council services and costs.

### **Proposed budget setting timetable**

A proposed timetable for setting the annual budget is tabled below at Appendix 1 (previously circulated).

### **Recommendation**

**It is recommended** that Finance Committee agrees the proposed timetable for setting the annual budget.

The Chief Finance Officer corrected a date in the budget timetable from the 1 February to the 7 February 2022.

Proposed by Alderman Duddy  
Seconded by Councillor Holmes and

**AGREED** – to recommend that Council agrees the proposed timetable for setting the annual budget.

## 12. LANDFILL PERFORMANCE DEED

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Purpose of Report**

Northern Ireland Environment Agency (NIEA) requires Council under the Pollution Prevention & Control (Industrial Emissions) Regulations (Northern Ireland) 2013 SR 160 (as amended) (“the PPC Regulations”) to make and maintain adequate financial provision in relation to and/or arising from its duties and obligations under the Permit which was issued to Council in accordance with the PPC Regulations.

### **Detail**

In order to fulfil Councils obligations under the PPC Regulations Council are required to provide a deed of performance in relation to its operational landfill site at Craighuliar. This deed sets out a financial obligation which council is bound to as a result of the operation of the landfill site. There is a calculation model agreed with both NIEA and Northern Ireland Audit Office (NIAO) which determines the level of the financial obligation, this calculation being based upon factors such as remaining capacity and quantity of material being landfilled. As is normal with such a document this requires sealing at a Council meeting prior to submission to NIEA.

### **Annual Updating**

In this case the sealed document requires an annual update to take into account additional usage and consumption of the landfill site thereby affecting the level of financial obligation required. With that in mind this document is before committee in the first instance this being the second update of the document. The performance deed attached at appendix 1 dated 6<sup>th</sup> December 2022 will supersede the document dated 1<sup>st</sup> February 2022 and sealed at Council in February 2022. Subsequent updates will occur annually thereafter following conclusion of the audit of annual accounts, the figure to be included in the performance deed being agreed as part of the audit process. As the accounts for the financial year ended 31 March 2022 have now been certified the deed has been prepared for Council approval prior to sealing and submission to NIEA.

### **Recommendation**

**It is recommended** that council approve the attached performance deed be updated as detailed and proceed to full council for sealing replacing the document dated 1 February 2022.

In response to questions from an Elected Member the Chief Finance Officer provided further detail on how the fee paid by Council is calculated and advised on how close to capacity the landfill site is.

Proposed by Alderman Duddy  
Seconded by Councillor Scott           and



**AGREED** – to recommend that Council approve the attached performance deed be updated as detailed and proceed to full council for sealing replacing the document dated 1 February 2022.

\* **Councillor Nicholl left the meeting at 8:19pm**

### **13. ANNUAL TENDERS**

Confidential report, previously circulated, presented by the Chief Finance Officer.

#### **Purpose of Report**

To inform members of the committee of a procurement exercise conducted to engage with suppliers for goods and services.

#### **Background**

A tender exercise was conducted to engage with a suppliers for goods and services.

The previous tender competition for annual tenders for goods and services was ran in 2018-2019, this competition has been held to address contractual gaps within the supply chain and ensure that council has valid contracts with all suppliers.

The tender exercise was run from 6 May 2022 to 6 June 2022 on councils tendering portal eSourcing, a poor response to the overall package of 20 sublots was noted, a reluctance to price items with prices held throughout the year being a primary example of what has been an uncertain market with above inflation increases in materials resulting in many suppliers not being able to hold pricing for 12 month periods.

Twelve suppliers submitted a tender response, all submissions were assessed on cost only, submissions were checked for completeness and compliance with the requirements of the tender before being assessed in accordance with the scoring criteria, responses were fully compliant with the specification required.

Tenders were assessed on 15 August 2022 using the scoring criteria set out in the tender documentation, the criteria was lowest cost to council and retention of suppliers on a preferred supplier and a secondary supplier basis.

Responses received from the following companies along with the lots which rates were submitted and evaluated, with a recommendation to proceed to engage with on a contractual basis.

Horticultural –	Barron Yenni Peat
Plumbing Supplies –	Bassetts
Electrical Supplies -	City Electrical Factors
Supply of Concrete Products -	FP McCann
Supply of Ready Mix Concrete-	FP McCann

Supply of Quarry Materials -	FP McCann
Plumbing Maintenance and Repair-	J McGilloway
Provision of Trade Services -	MN Contracts
Window Cleaning -	Precision
Electrical Maintenance -	RHK Davidson
Sports Pitch Maintenance -	WM Contracts
Cleaning Supplies -	Clean Care

### **Financials**

Cost to council per annum is estimated at £250,000 per annum variable depending on demand for particular products, this contract is initially a 12 month contract with the potential to be extended by a further 12 months period if the supplier has been deemed to provide a quality service.

### **Options**

N/A

### **Recommendation**

**It is recommended** that Council approve the appointment of above named companies and proceed with award of contract(s) for a period of 12 months commencing 14 October 2022 with an option to extend for a further period of 12 months, subject to performance.

Proposed by Councillor Schenning  
Seconded by Councillor Holmes and

**AGREED** – to recommend that Council approve the appointment of above named companies and proceed with award of contract(s) for a period of 12 months commencing 14 October 2022 with an option to extend for a further period of 12 months, subject to performance.

In response to questions, the Chief Finance Officer advised the companies who tendered were asked to hold their prices for one year; that it would be reassessed if prices were to be increased.

## **14. VEHICLE HIRE TENDER**

Confidential report, previously circulated, presented by the Chief Finance Officer.

### **Purpose Of Report**

To inform members of the committee of a procurement exercise conducted to engage with suppliers on a contractual basis for hire of vehicles.

### **Background**

A tender exercise was conducted to engage with suppliers for vehicle and large plant hire.

### **Recommendation**

**It is recommended** that Council approve the appointment of above named companies and proceed with award of contract(s) for a period of 12 months commencing 14<sup>th</sup> October 2022 with an option to extend for a further period of 12 months, subject to performance.

In response to questions, the Chief Finance Officer advised the companies identified had been used before with no issues, that all the companies who tendered were not included due to the varying prices. The Chief Finance Officer confirmed that further information could be brought to the next Finance Committee in relation to the leasing of vehicles.

Proposed by Alderman Duddy  
Seconded by Councillor Scott and

**AGREED** – to recommend that Council approve the appointment of above named companies and proceed with award of contract(s) for a period of 12 months commencing 14<sup>th</sup> October 2022 with an option to extend for a further period of 12 months, subject to performance.

**15. ANY OTHER RELEVANT BUSINESS (NOTIFIED IN ACCORDANCE WITH STANDING ORDER 12 (O))**

There were no matters of Any Other Relevant Business.

**MOTION TO PROCEED ‘IN PUBLIC’**

Proposed by Alderman Duddy  
Seconded by Councillor Callaghan and

**AGREED** – that Committee move ‘*In Public*’.

This being all the business The Chair thanked Elected Members for their attendance and the meeting closed at 8:35pm

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Chair

UNCONFIRMED