

FINANCE COMMITTEE MEETING HELD THURSDAY 14 DECEMBER 2023

No	Item	Summary of Key Recommendations
1.	Apologies	Councillors Huggins, McGlinchey, Mairs, Schenning
2.	Declarations of Interest	Nil
3.	Minutes of Finance Committee meeting held Thursday 9 November 2023	Signed as amended
4.	Minutes of Finance Working Group held Thursday 9 November 2023	Noted
5.	Management Accounts P7	Noted
6.	APP forecast	Noted
7.	EPP Forecast	Noted
8.	Prompt Payments	Noted
9.	Finance Business Plan 2023/2024 mid year review	Noted
10.	Scheme of Allowances 2023/2024	Noted
11.	Correspondence - Rating Policy Division	Noted
	FOR CONFIDENTIAL CONSIDERATION (Items 12 - 15 inclusive)	
12.	Debt Management	Noted
13.	Procurement - Fuel Purchases	To recommend that Council approve usage of the current system of benchmarking to

		<i>purchase liquid fuel, this has produced consistently lower costs and to extend the authority to use the CCS fuel framework to the use of other suppliers where more competitive pricing can be demonstrated.</i>
14.	Procurement - Energy Contracts	<i>To recommend that Council approve extension of the current energy contract arrangements until 31st March 2025.</i>
15.	Legal Proceedings Update	<i>Noted</i>
16.	Any Other Relevant Business (notified in accordance with Standing Order 12 (o))	<i>Nil</i>

**MINUTES OF THE PROCEEDINGS OF THE
FINANCE COMMITTEE HELD
IN THE COUNCIL CHAMBER, CIVIC HEADQUARTERS AND VIA VIDEO
CONFERENCE ON THURSDAY 14 DECEMBER 2023 AT 7PM**

In the Chair: Councillor Peacock (C)

Members Present: Alderman Callan (R), Coyle (C), Knight McQuillan (R), S McKillop (R); Councillors Holmes (R), Kane (C), Kyle (C), McQuillan (R), Nicholl (R), Scott (C), Wisener (C)

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

In Attendance: C Thompson, ICT Officer (C)
C Ballantine, ICT Officer (C)

Key: (C) Attended in the Chamber
(R) Attended Remotely

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 Councillor Huggins, Councillor McGlinchey, Councillor Mairs and Councillor Schenning.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF FINANCE COMMITTEE MEETING HELD THURSDAY 9 NOVEMBER 2023

Summary previously circulated.

Alderman S McKillop stated she had sent apologies for the Finance Committee Meeting held Thursday 9 November 2023 and requested this be added to the Minutes.

AGREED – to recommend that the Minutes of the Finance Committee Meeting held Thursday 9 November 2023 are confirmed as amended.

4. MINUTES OF FINANCE WORKING GROUP HELD THURSDAY 9 NOVEMBER 2023

Minutes, previously circulated, presented as read.

Committee NOTED the report.

5. MANAGEMENT ACCOUNTS P7

Report, previously circulated, was presented by the Chief Finance Officer.

Background

Causeway Coast and Glens Borough Council (CC&GBC) consists of 4 legacy councils that merged on 1 April 2015 into 1 council. The council is currently made up of 3 directorates (Leisure and Development, Environmental Services, Corporate Policy and Resources) and includes a Planning, Finance and Legal department, that are reported separately in this report. The Annual Budgeted Spend for 2023/24 controlled by the Directorates is £78.818m (excludes depreciation, actuarial adjustments, provisions, accumulated absences, and it is these figures that change the figures in the Audited Accounts). Gross Income is budgeted at £76.206m the difference being a budgeted applied balance of £2.612m for the year.

Financial Overview by Directorate

The table below (circulated) details a summary of the financial position at period 7 (up to and including 31 October 2023)

Income and Expenditure Analysis

The overall position with regards staffing costs is shown in the table below (previously circulated) by Directorate.

Council is showing a favourable variance against budget at period 7 amounting to £953,483 which is an encouraging position to be in just past the midpoint of the financial year. It should be noted that this however is not a surplus but rather a positive variance against budget, Council set a deficit budget for 2023/24 of £2.612m therefore if this position was maintained until the end of the year Council would still be in deficit by £1.659m, reducing reserves by this amount.

Council is currently adverse against budget in terms of staffing, and this is expected to be the case as the current pay award offered to employees exceeds the budgetary provision included by Council in the rates estimates. An accrual has been included in these accounts for the pay award based on the current employer's side offer, it is vital to estimate what the eventual effect will be and include in the accounts to avoid significant false positive variances at this stage which would become significant negative variances once the pay award is implemented.

The table below (circulated) sets out the budgetary position of all other areas of expenditure against budget by Directorate.

At period 7 this is £357k adverse however it should be noted that this includes £139k relating to insurance costs for which the full charge for the year has already been included in the accounts thereby generating the adverse variance against the annual budget. Maintenance and materials are the other areas which are showing adverse at this stage across Council's entire estate. Other significant factors include waste where increased tonnages at our landfill site have led to increased landfill tax (this is offset by landfill tax income and increased dumping fees), the cost of the election being in excess of the Election reserve that had been previously set aside and extra ordinary audit costs.

Income levels are currently reporting favourable against budget as detailed in the table below (circulated) by Directorate.

At this stage we already know Rates Support Grant to be received by Council will be under budget by £273k therefore we have taken account of this in these accounts. The figure for Corporate Services includes release from the Election Reserve to meet the costs of the recent Election thereby offsetting the majority of the overspend on the expenditure side.

Leisure And Development Directorate

Background

Council has approved the annual budget for Leisure and Development and delegated authority to officers to utilise this budget in the provision of services to the rate payers. The L&D budget for 2023/24 is £13,248,062 (*this includes estates transfer of £1,351,637 not included below). The net budget is a calculation of the forecast:

- Gross Expenditure of £22.301m.
- Gross Income of £9.053m.

Table 1, Illustrates a P7 Net Position of £4,551,611, which is favourable by £445,170.

The service area financial positions are also shown in Table 1.

Income and Expenditure

Generally, the budgetary performance of Leisure and Development at Period 7 is performing well and as estimated at the start of the calendar year 2023, main areas to highlight are:

- Salaries and Wages.

The table below (circulated) shows the position regarding staffing costs across the Directorate, currently adverse by £603k, mainly due to the expected overspend as a result of the anticipated pay award.

This has increased from P6.

- Energy and Utilities.

At Period 7, energy costs and utilities have a favourable variance of £257k, this is likely due to more improved pricing than anticipated. There are also invoices outstanding as not all utilities are monthly, generally water bills are bi annually and the budget may need profiled accordingly.

- Repairs and Maintenance.

At Period 7, scheduled and reactive repairs / maintenance are adverse by £51k, this will be impacted by the withdrawal of estates transfer.

- Supplies and Services

At period 7 Supplies and Services are currently showing a favourable variance of £30k.

- Customer & Client Receipts

Is currently showing a favourable variance of £478k mainly in Tourism & Recreation income (36k) and Sport & wellbeing (£410k).

Income Opportunities / Cost Reduction Measures

Whether inflation remains high and / or increases further, officers will reduce expenditure and increase income, through both immediate cost mitigation and the continuation of ongoing initiatives:

- Essential maintenance only throughout the Estate.
- 'Gapping' vacant posts.
- Reducing the use of agency staff.
- The continual drive to increase income at Council facilities, including the leisure centres and HALPs.
- The critical 'belt-tightening' exercise to minimise expenditure wherever possible.

Environmental Services Directorate

Background

Council has approved the annual budget for Environmental Service and delegated authority to officers to utilise this budget in the provision of services to the rate payers. ES budget for 2023/24 is £28,731,095.78. This is based on expenditure budget of £34,228,754.98 and income budget of £5,497,659.20

The Environmental Services position at Period 7 shows a £464,973.78 positive variance. This includes predicted increases in employee costs based on the proposed National Pay Award which is greater than the predicted budget increase.

The main costs and income attributing to the ES P7 position are summarised as follows as variances against budget.

Estates.

£683k favourable mainly due to Employee costs which are £408k favourable. This is a result of difficulty in recruiting the number of seasonal grounds maintenance staff. A number of vacant posts within the Estates section remain unfilled. Income is positive by £93k.

Health and Built Environment.

£146k positive. Employee costs are £48k favourable. Fee Income is favourable by £189k including £98k from Building Control and £55k grant from Consumer Protection at P7.

Infrastructure.

£485k favourable mainly due to income favourable by £152k. Car Park income is favourable by £107k and Harbour and Marina income is favourable by £49k. Employee costs are £72k favourable mainly due to the Asset Realisation Officer post not having been filled and Harbour and Marina structure not permanently filled.

Operations.

£815k adverse variance in Period 7. Employee costs are adverse by £546k, this includes an accrued pay award which was underprovided for in the budget estimates agreed by Members. Seasonal profiling has not been completed. A breakdown of the variances are as follows (table circulated)

ES Business Support.

£30k adverse due to increased employee costs.

ES Centrally Managed.

£5k positive variance.

In-year Savings

Officers have and will continue to manage and scrutinise the budget to identify opportunities for reducing expenditure and increasing income. This includes

- not filling vacant posts,
- reducing season staff durations,
- not filling staff on sick leave in all non-essential service areas.
- completing only essential maintenance on ES properties.

Therefore, at Period 7 ES financial position has a positive variance of £464,973.78.

Corporate Services

The table below (circulated) demonstrates the financial position for Corporate Services at period 7.

Planning

Planning is showing a variance of over £44k favourable position at end of Period 7 based on the Management Accounts.

The gross income received as of the end of Period 7 was £863,096.09 including Property Certificate income, sitting in a favourable position at £101,530.40 at end of Period 7 (Budget £761,565.69 v Actual £863,096.09).

In terms of expenditure, Salaries and Wages (including Agency staff) are showing an overspend of over £85,554 due to increased staff costs.

Savings in other expenditure codes will be reduced throughout the year as some payments are made on an annual basis and as current legal cases conclude.

Chief Executive

The table below (circulated) demonstrates the financial position for areas reporting directly to the Chief Executive at period 7.

The variance under Performance includes Insurance costs for the year being adverse by £139k.

Finance, Investment Income, Interest and Rates

The table below (circulated) demonstrates the financial position relating to Finance, Investment Income, Interest payments, Central Government Support and Rates as at the end of period 7.

Whilst the figures in this table are dominated by the adverse position regarding Rates Support Grant it should be noted that Investment Income is £103k favourable and this position should improve as the year progresses.

Cashflow

The table below (circulated) sets out a projected cashflow for the next three months.

Summary

Whilst this report does present a welcome and healthy position for Council it must be noted that Council did approve a budget with a £2.612m deficit therefore if this position remained until the end of the year Council would still reduce reserves by just over £1.659 million. All expenditure and income streams require continued management and scrutiny in order to reduce that deficit and help protect Council's Reserves.

Projected Outturn

The table below makes projections to the end of year position on a best/worst/likely case scenario. The assumptions which have been made to reach the projected outcome for each scenario are also included in the table:

Committee NOTED the report.

In response to questions the Chief Finance Officer confirmed the number of staff and the gaps in staffing for each Directorate will be added to the Management Accounts monthly report going forward.

6. APP FORECAST

Report, previously circulated, was 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 interim in year forecast for the APP based on figures at 30 September 2023. 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 £334k, down slightly from the June forecast of £421k. The figure has fallen steadily since the June forecast and could be as a result of the impact of revaluation challenges, certainly the drop does appear to be mainly on the non-domestic sector. Council will continue to monitor these figures over the remainder of the financial year in case the positive finalisation could turn into a deficit leading to a clawback of rates income by LPS.

Monthly Analysis

Month	April	May	June	July	August	September	October
Forecast	£280	£340	£421	£412	£374	£322	£334

All figures £'000

APP analysis

The tables below set out the analysis of the APP forecast for the current financial year in terms of both domestic and non-domestic properties. These tables demonstrate that the positive position is mainly generated by domestic properties which is consistent with the makeup of our rates income with approximately 63% of rates revenue being raised on domestic properties. The steady growth experienced in this sector in recent years does appear to be continuing for the time being which is encouraging. With regards the non-domestic sector the situation in respect of revaluation challenges will continue to be monitored and assessed. The obvious knock on effect at this time of year will be potentially be seen in the Estimated Penny Product figure which is used in the setting of the rate, any negative impact on this figure results in an increased additional burden on the ratepayer.

Tables circulated detailing rate income and losses for domestic and non domestic properties.

Revaluations

Whilst the figures remain positive Council must be mindful of the potential effect which challenge cases against previous revaluations may have, Non-domestic properties were revalued for 2023 and with Causeway Coast and Glens being one of only 4 Council areas with an increase in the overall Net Annual Value (NAV) of it's non-domestic property we may be exposed to a higher risk of appeals against those revaluations which, if successful, may lead to a reduction in the overall NAV figure and therefore subsequently rates income. It would appear that the decrease in this forecast in recent months has occurred mainly in the non-domestic sector and may therefore be as a result of revaluation appeals being processed. We have recently been told informally that a potential significant case is due to be settled and the possible effect of that settlement could be as high as £390k which, if it materialises, will, based on the current projections, move Council into a clawback scenario.

Recommendation

It is recommended that Council note the report.

Committee NOTED the report.

Councillor Nicholl commented on the NILGA event he attended on raising revenue through rates; to consider where rates were coming from and to consider the statistics when the slides from the NILGA presentation were provided to Council. Councillor Nicholl referred to the relevant the consultations currently available, to participate in.

The Chief Finance Officer advised a Council Officer attended the NILGA event and that Council had not received the slides with the statistics yet. The Chief Finance Officer advised that draft responses to the consultations would be brought to the next Finance Committee Meeting along with the statistics provided in the slides from the NILGA event. The Chief Finance Officer stated it was important for Council to respond to the consultations, due to the significant impact of the policy decisions arising.

7. EPP FORECAST

Report, previously circulated, was presented by the Chief Finance Officer.

Background

Land and Property Services (LPS) who issue bills and collect rates on behalf of Councils issue forecasts on the Estimated Penny Product (EPP) which is used in the rates setting process by Councils in order to determine the rate to be struck.

Detail

LPS have issued to Councils the second in year forecast for the EPP based on figures at 31 October 2023 and subsequently updated this forecast. The 2nd forecast for Causeway Coast and Glens Borough Council gives an EPP of £2,008,450, slightly up from the first draft of £2,005,970 but still well down when compared to £2,028,940 from last year which was used in calculating our rate for the current year. This represents a decrease of around 1.01% compared to

last year, the majority of this arising on the non-domestic side which is showing a 3.66% decrease. On the domestic side we see approximately 0.37% of growth therefore this Council continues to see growth but relatively slower in this area. It is clear Council cannot rely on rates base growth to overcome the ongoing cost pressures in the provision of services, other efficiencies or sources of revenue generation must be explored and maximised to minimise the impact upon our ratepayers. Officers are currently investigating any potential sizable properties which have been approved recently or are imminent so that they could be added to our EPP thereby reducing potential additional ratepayer burden.

Updated information

Council officers have held a meeting with LPS to discuss the figures and at this meeting the significant decrease in non-domestic Rateable NAV's was highlighted and questioned. LPS were asked to explore how the figure had reduced by £3.3m approximately in such a short time, was this the effect of revaluation challenges and if so, would these filter through to the Actual Penny Product forecasts for 2023/24. Subsequently LPS issued an updated 2nd forecast explaining that the original forecast was using pre-revaluation NAV's and once these were updated a new improved forecast was generated. The updated forecast gives an EPP for this Council of £2,036,500 which is approximately 0.4% higher than the EPP used in last year's rate setting. Council officers will continue to investigate any significant properties that may come onto the rating lists before 1 April to assess whether further adjustments can be made to the EPP figure.

EPP analysis

The tables below sets out the variance of the EPP forecast from the Estimated Penny Product (EPP) from previous calculations, the first table is the domestic property side and the second sets out the non-domestic calculations.

Tables circulated detailing the losses for domestic and non domestic rates

Committee NOTED the report.

8. PROMPT PAYMENTS

Report, previously circulated, was presented by the Chief Finance Officer.

Background

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. The tables below detail Council's performance since April 2020 the latest data being for quarter 3 of 23/24 year, up to and including end of November 2023. The implementation of the new Finance system on 1 April has had a negative impact on these statistics however we can see they have begun to recover in quarters 2 and 3, that improvement continuing during November, and it is anticipated that this improvement will continue.

Improvement Actions

The statistics will continue to be reviewed over the coming months to ensure this decline continues to be reversed and performance should be improved to pre-implementation levels and better with the enhancements of the new system taking effect. During November 90.94% (October 88.83%) of invoices were paid within 30 days, the year-to-date figure now being 85.90%, a steady improvement from the 82.89% recorded in Q1.

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	6090	6825	6265	25641
Total amount paid	£ 17,214,458	£ 17,078,164	£ 12,851,511	£ 35,804,964	£ 82,949,097
Number of invoices paid within 10 days	4446	3487	4806	4628	17367
% of invoices paid within 10 days	68.81%	57.26%	70.42%	73.87%	67.73%
Number of invoices paid within 30 days	5872	5267	6252	5829	23220
% of invoices paid within 30 days	90.88%	86.49%	91.60%	93.04%	90.56%
Number of invoices paid outside 30 days	589	823	573	436	2421
% of invoices paid outside 30 days	9.12%	13.51%	8.40%	6.96%	9.44%
No. of Disputed Invoices	33	35	61	20	149
% of disputed invoices	0.51%	0.57%	0.89%	0.32%	0.58%
Average Payment Days	16.24	18.55	15.92	14.28	16.22
Prompt Payment Statistics 2023/2024					
	Q1	Q2	Q3*	Q4	Total
Total No of Invoices	6512	7263	5042		18817
Total amount paid	£ 23,864,802	£ 17,139,245	£ 10,793,790		£ 51,797,836
Number of invoices paid within 10 days	3675	5233	4000		12908
% of invoices paid within 10 days	56.43%	72.05%	79.33%	#DIV/0!	68.60%
Number of invoices paid within 30 days	5398	6232	4534		16164
% of invoices paid within 30 days	82.89%	85.80%	89.92%	#DIV/0!	85.90%
Number of invoices paid outside 30 days	1114	1031	508	0	2653
% of invoices paid outside 30 days	17.11%	14.20%	10.08%	#DIV/0!	14.10%
No. of Disputed Invoices	33	162	83		278
% of disputed invoices	0.51%	2.23%	1.65%	#DIV/0!	1.48%
Average Payment Days	18.71	15.59	12.50	#DIV/0!	15.65
*Incomplete period					

Committee NOTED the report.

9. FINANCE BUSINESS PLAN 2023/2024 MID YEAR REVIEW

Report, previously circulated, was presented by the Chief Finance Officer.

Purpose of Report

The purpose of this report is to present to Council an update on the Finance department's Business Plan

Background

Each Council section is required annually to provide Council with a Business Plan for approval and a subsequent 6 month update on progress.

The Finance department Business Plan update is attached as an appendix (circulated) to this report.

Recommendation

It is recommended that the Finance Committee note the progress of the Finance Department Business Plan as detailed in the appendix.

Committee NOTED the report.

In response to questions, the Chief Finance Officer advised the findings in the budgetary control internal audit report had either been addressed or substantially addressed. Rates setting for this year was currently in progress so need to continue; next year the budget setting process would be included in the Finance Business Plan.

10. SCHEME OF ALLOWANCES 2023/2024

Report, previously circulated, was presented by the Chief Finance Officer.

Background

Causeway Coast and Glens Borough Council has established a scheme of allowances payable to Members for the current period. The scheme provides for the payment of allowances to Councillors on the basis that:

- 1 – The maximum level of basic allowance as determined by the Department for Communities (DfC) is paid
- 2 – The maximum level of carers allowances as determined by the DfC are paid
- 3 – The maximum level of mileage rates as determined by the DfC are paid
- 4 – Councillors' payments are made on the third last banking day of each month

Detail

The updated scheme of allowances, a copy of which has been included with this report, takes into account a number of factors:

- 1 – basic allowance – budget had allowed for 4% increase, 2023 – 2024 increase has been advised by Department.
- 2 – mileage rates
- 3 – rates for dependant carer's allowance
- 4 – Special Responsibility Allowance (SRA)

The four items are in keeping with the normal periodic update of the scheme of.

Amendments

Circular LG 23/2023 (attached as an appendix) from DfC dated 28 November 2023 sets out the revised consolidated Councillor's Allowances guidance, as our scheme is predicated on the inclusion of the maximum rates allowable under departmental guidance any updates to rates of basic allowance will be automatically applied should Council approve this report. The Basic allowance has increased to £17,030 per annum, it should be noted that a 4% increase had been allowed for in the rates estimates in line with the previous increase, the notified increase is approximately 3.9%.

Recommendation

It is recommended that Council note the updated scheme as approval had been granted at the Finance Committee on 9 March 2023 to apply any annual increases after notification by DfC

Committee NOTED the report.

11. CORRESPONDENCE - RATING POLICY DIVISION

Correspondence received from the Rating Policy Division detailing their response to Council's correspondence re: rating of second homes.

Alderman Knight McQuillan expressed disappointment on the negative response contained within the correspondence; referred to what Scotland and England are considering and expressed hope for similar in Northern Ireland.

In response to questions the Chief Finance Officer confirmed the correspondence from Council was issued to the Rating Policy Division. In response to a question regarding writing to the Permanent Secretary the Chief Finance Officer suggested another option would be to put concerns into the consultation process which is currently ongoing; rating on second homes is a key issue in this area.

In response to the Chief Finance Officer Alderman Callan stated it is good to follow the advice of the Chief Finance Officer and Council should consider writing to the Permanent Secretary to raise concerns or ask NILGA to keep the pressure on.

The Chair confirmed Council's concerns will be raised through the consultation process.

MOTION TO PROCEED 'IN COMMITTEE'

Proposed by Alderman Scott
Seconded by Councillor Kyle

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.

12. DEBT MANAGEMENT

Confidential report by virtue of paragraph(s) 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

Report, previously circulated, was 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 July 2023.

Detail – Aged Debt Analysis

Tables circulated detailing the aged debt analysis as at 30th November 2023 and as at 30th November 2022

Table circulated detailing movement and comparison between last year and this year (30th November 2022 and 30th November 2023).

Within the 90 days and over figures there are customers who have entered administration totalling another £10,670.05, in due course we will be informed if Council will receive any settlement from these companies following which any debts requiring written off will be informed to this committee or if required authority to write off will be sought. A further £92,748 included within the 90 days and over figure relates to invoices which are not Council debt but are invoices issued and collected on an agency contract for a third party under relevant legislative direction. The 30 days and over figure includes £33,041 from customers who are paying by direct debit.

Over 90 Days analysis

The tables (circulated) below detail the status of any debt which was over 90 days in excess of £10 currently (excluding third party invoices and direct debit accounts)

The table below (circulated) sets out such debts that have been cleared since last month.

Options

Debt write-off under £1,000

In accordance with our debt management policy I am required to report to Council any debts under £1,000 which the Chief Finance Officer has the authority to write-off. There is one such debts this month.

Debt Write-off over £1,000

In accordance with our debt management policy, Council approval is sought in order to write off any debts in excess of £1,000.

There are no such debts this month.

13. PROCUREMENT - FUEL PURCHASES

Confidential report by virtue of paragraph(s) 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

Report, previously circulated, was presented by the Chief Finance Officer.

Purpose of Report

To inform members of the committee of the use of Crown Commercial Framework RM6177

Options

- 1.1 Council continues to use the benchmarking system currently being used by officer, producing savings of 15-20% dependent on litres purchased at time of order.
- 1.2 Use CCS framework solely for all liquid fuel purchases.

Recommendation

It is recommended that Council approve usage of the current system of benchmarking to purchase liquid fuel, this has produced consistently lower costs and to extend the authority to use the CCS fuel framework to the use of other suppliers where more competitive pricing can be demonstrated.

Proposed by Councillor Kyle
Seconded by Alderman Scott and

AGREED – to recommend that Council approve usage of the current system of benchmarking to purchase liquid fuel, this has produced consistently lower costs and to extend the authority to use the CCS fuel framework to the use of other suppliers where more competitive pricing can be demonstrated.

14. PROCUREMENT - ENERGY CONTRACTS

Confidential report by virtue of paragraph(s) 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

Report, previously circulated, was presented by the Chief Finance Officer.

Purpose of Report

To inform members of the committee of an upcoming potential extension to the current gas and electricity supply contracts.

Options

If council does not have a valid energy contract in place, we will move onto a “deemed” contract which potentially attracts significantly higher cost than the current tendered contract and is not compliant with Public Contracts 2015 directives.

Recommendation

It is recommended that Council approve extension of the current energy contract arrangements until 31st March 2025.

Proposed by Councillor Wisener
Seconded by Councillor Kane

AGREED - To recommend that Council approve extension of the current energy contract arrangements until 31st March 2025.

15. LEGAL PROCEEDINGS UPDATE

Confidential report by virtue of paragraph(s) 5 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.

Report, previously circulated, was presented by the Chief Finance Officer.

Purpose of Report

This report updates members on the legal proceedings and investigations resulting from a breach of Council Office security.

Recommendation

It is recommended that Council note the report.

Committee NOTED the report.

*** Alderman Knight McQuillan left the meeting at 8:12pm**

Alderman Callan stated that it was right to engage legal proceedings; costs should be recovered, and that staff needed to be protected. Alderman Callan requested that once the process has been completed, a report was tabled on the Full Council Agenda and all Elected Members updated.

Councillor Kane stated that as a new Councillor the report was useful in providing background to what had happened. He stated it was important issues on security had been flagged up; it was right to pursue wrongdoing and enquired on the wellbeing of staff.

The Chair, Councillor Peacock, stated the report was useful for all Councillors as they were not aware of what was happening. She acknowledged staff need to be protected but Elected Members need to be kept informed; it was a very anxious time for Elected Members. Councillor Peacock noted that some simple measures could be implemented to improve security.

In response to questions and comments from Committee Members, the Chief Finance Officer advised of what security measures had been implemented since the breach of security; that he would chase up insurance in relation to recovering legal costs and that legal costs would be brought back, Council would try and recover costs. The Chief Finance Officer provided an update on how staff were. The Chief Finance Officer provided clarity on comments made regarding the serving of injunctions and confirmed that a report could be brought to Council once the process had been completed.

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

There were no items of Any Other Relevant Business

MOTION TO PROCEED ‘IN PUBLIC’

Proposed by Councillor Kyle
Seconded by Councillor Kane 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 8:23pm.

Chair