

Minutes of Meeting of Mid Ulster District Council held on Monday 12 February 2018 in the Council Offices, Circular Road, Dungannon

Members Present: Councillor Ashton, Chair

Councillors Bateson, Bell, Burton, Clarke, Cuddy, Cuthbertson, Doris, Elattar, Forde, Gildernew, Gillespie, Glasgow, Kearney, Mallaghan, McAleer, McElDowney, McFlynn, McGinley, B McGuigan, S McGuigan, McKinney, McLean, McNamee, McPeake, Milne, Molloy, Monteith, Mulligan, O'Neill (7.17pm), M Quinn, Reid, Robinson, G Shiels, J Shiels, Totten and Wilson

Officers in Attendance: Mr A Tohill, Chief Executive
Ms Campbell, Director of Culture and Leisure
Ms Canavan, Director of Organisational Development
Mr Cassells, Director of Environment and Property
Mr Kelso, Director of Public Health and Infrastructure
Mr McCreesh, Director of Business and Communities
Mr Moffett, Head of Democratic Services
Ms Mezza, Head of Communications
Mr JJ Tohill, Director of Finance
Mrs Forde, Member Support Officer

The meeting commenced at 7 pm.

SC8/18 Apologies

Councillors Buchanan and Mullen

SC9/18 Declarations of Interest

The Chair reminded Members of their responsibility with regard to declarations of interest

SC10/18 Chair's Business

None

Matters for Decision

SC11/18 Minimum Revenue Provision Policy

The Director of Finance drew attention to the previously circulated report regarding the 2018/2019 Minimum Revenue Provision Policy and sought approval that the policy as detailed for year 2017/18 be retained for the incoming year.

Proposed by Councillor Cuddy
Seconded by Councillor S McGuigan and

Resolved That the 2017/18 Minimum Revenue Provision Policy be retained for year 2018/19.

SC12/18 Robustness of the Estimates

The Chief Executive drew attention to the previously circulated report on the robustness of the Rate Estimates for 2018/19. He reminded Members that he had a legal duty to present a report to the Council on the robustness of the estimates and that the Council had a legal duty to have regard to this report. The Chief Executive drew attention to key issues outlined highlighting in particular:

- Funding on capital expenditure as detailed in 3.6 of the report;
- That the rates estimates have been prepared on the basis of Council surrendering its recurrent (since 2017/18) £300k allocation towards a fund to be used to take advantage of opportunities or address threats as and when identified, to mitigate recurrent financial pressures in the preparation of the 2018/19 rates estimates; and
- The uncertainty surrounding the quantum of the Rate Support Grant which will ultimately be allocated to Council. It was noted that the grant funds approximately 7% of Council's net cost of services, a shortfall in RSG received (compared to budget) will have the potential to significantly impact on Council's ability to finance its services in 2018/19.

The Chief Executive concluded that, based on the estimates of income and expenditure presented by the officer team he was confident that the proposed rates estimates are sufficiently robust to enable Council to deliver its services in 2018/19.

Proposed by Councillor McPeake
Seconded by Councillor McGinley and

Resolved That the report and associated comments of the Chief Executive in relation to the robustness of the rates be noted

SC13/18 Adequacy of Council's Reserves for 2018-19

The Director of Finance drew attention to the previously circulated report on the adequacy of Council's reserves drawing attention to the key issues outlined in the report.

Proposed by Councillor S McGuigan
Seconded by Councillor R McGinley and

Resolved That Members note the report Adequacy of Council's Reserves for 2018/19.

SC14/18 Estimates of Income and Expenditure for financial year 1 April 2018

The Director of Finance drew attention to the previously circulated report regarding the Estimate of Income and Expenditure for financial year 2018/2019. He referred to previous meetings and party group meetings held in recent weeks to explain the process. The Director drew attention to key issues effecting the rates such as the anticipated 8% cut in the rate support grant equating to £325k, the net amount required for services, the penny product, the proposed savings identified by officers, £1m savings from the cost of the local government reform loan which was used for staff redundancies. He drew attention to the proposed figures outlined in the Rates Estimate Booklet and advised that officers were satisfied that this should reflect Council's aspirations.

Councillor Forde expressed concern regarding the proposed closure of the civic amenity facility at Castledawson and asked how the closure had been decided, and emphasised that it would be a major issue for people in the area.

The Chief Executive stated that it was only a proposal for consideration and drew attention to the potential savings in the waste management tender of £160,000 which could offset some of these proposals if the Council was minded to do so.

Councillor Forde stated that she would like further discussion prior to any closures.

The Director of Environment and Property reiterated the Chief Executive statement that at present it was a proposal as he had been requested to consider savings. He advised that the proposal had been made in relation to through put, terms of tonnage and the distance from other facilities.

Councillor Mulligan concurred with Councillor Forde and highlighted the proposed closures listed in the report for Tullyvar and Clogher amenity sites. The Councillor stated there was a decimation of services to the west of the Mid Ulster region and yet large sums of money was being allocated to develop other areas. He emphasised that the proposal must be revisited

Councillor Burton concurred with comments of Councillor Mulligan and said that it had been previously proposed to close the Clogher amenity site in February of 2016, at which time the local Councillors had argued strongly against it. The Councillor recalled numerous public consultations in the area and an assurance had been given that improvements would be made at the site and yet the proposal for closure was being put forward again. Councillor Burton highlighted that the tonnage at Tullyvar and Clogher were not the lowest in terms of performance and expressed concern that the Clogher Valley DEA had 'drawn the short straw' in relation to cuts as the public convenience in Caledon was also included on the 'hit list'. Councillor Burton emphasised that Council lambasts statutory agencies for not consulting and talks about rural proofing yet at the proposals. Councillor Burton concluded by reminding officers there had been a strong campaign against the closure of the civic amenity facility in Clogher and emphasised that she protested against the proposed closures in the Clogher Valley DEA.

Councillor McLean stated that he had issues in relation to the overall process and could not understand the £1m loan coming to an end, he also made reference to the two amounts of £500k and how they were to be used.

Councillor O'Neill entered the meeting at 7.17pm

In response the Director of Finance stated that the three figures aforementioned one of the £500k amounts had been in the rates last year 2016/17, the second £500k is the rates cap for the current year 2017/18 and the £1m is from the first year which had been previously used to repay the local government reform loan which after March 2018 payment would be complete. The Director stated that it was up to Council to decide how they wished to allocate the money did they wish to use it for capital, infrastructure or to alleviate end of year pressures.

Councillor McLean sought clarity as to what the £1m would allow Council to lever in loans. In response the Director of Finance said if Council were to maximise the amount it could borrow £16m or alternatively if it were to apply the amount without borrowing it could for example pay for a survey in relation to a bypass around Dungannon which if a bypass project was funded by the relevant department could be worth approximately £40m.

Councillor McLean referred to the £161k that the Chief Executive had mentioned as savings from the waste management tender and asked how far it would go in salvaging the proposed cuts. In response the Director of Environment and Property stated that each closure would save approximately £40k so three would be £120k and the toilet in Caledon would cost approximately £30k.

Councillor McLean highlighted the £51k spent on corporate signage and branding yet no figure could be given for dual language signage for roads. Recalling the Director of Finance's comments regarding using £1m to offset in-house pressures Councillor McLean highlighted dual language signage applications stating that there was 18 presented to committee in December and a further 12 in January and queried how an officer could put forward a budget when there is no target set?

The Chief Executive stated that the estimate of £41m would be spread across departments and spending outside of this budget wouldn't be permitted without further approvals from the Council. He advised that Council could 'ring-fence' monies and stipulate that it is not to be used for in-house pressures but also referred to conversations in relation to investments highlighting that major projects such as by passes at main towns, broadband infrastructure, skills deficit that aforementioned amounts could be used to unlock projects which would alleviate the issues and improve the local economy. The Chief Executive stated that the money could be used for in year pressures, that each department was allocated a budgetary amount but that any authority to spend beyond that would have to come from the Council.

Councillor McLean stated that was concerning, if for example the Environment and Property budget falls short Council will take a decision to pass the money to fund dual language signage. He emphasised the need to look forward and 'ring-fence' money for certain projects by striking a budget as to do otherwise leaves it vulnerable

for Sinn Féin to do what they want and spend where they want and the minority unionist parties would have no say. Councillor McLean concluded stating that the 'proof of the pudding was in the eating'.

Councillor Gildernew stated that the proposed cuts in the Clogher Valley area was very unfair stating that to cut three services was unacceptable.

Councillor Kearney queried the savings in closing the leisure centres on bank holidays to alleviate pressure.

In response to Councillor Kearney's query the Director of Leisure and Outdoor Recreation advised that the proposal was to close on bank holidays with the exception of the two in May and one in August as these would affect the swimming programme. In relation to legacy practices the Director advised various practices had operated and emphasised that it was expensive to keep the centres open on bank holidays when usage was not high she stated that to strike a balance it was proposed to open the centres on the three aforementioned bank holidays as these showed usage to be higher.

Councillor Wilson raised the issue of the increase in car parking charges highlighting the £60k in the report. In response the Director of Environment and Property advised there was three elements to the proposal, one introduction of car parking charges in Cookstown, harmonise the charges in Magherafelt and charge £1 for 3 hours parking instead of £1 for 5 hours parking. It was noted that there was still a consultation in relation to car parking in Cookstown

Councillor Wilson stated that Council often complain that prior to consultations other agencies have their minds made up and emphasised that he opposed car parking charges in Cookstown.

Councillor Mulligan stated that following on from the Chief Executives earlier comment that if these are estimates he asked would they be reviewed and brought back to Council or reviewed and proposals pushed through.

In response, the Chief Executive stated that if Council accept the rates estimates the budget is allocated across departments and if it doesn't run as per the proposals it would have to be brought back to Council. He highlighted that if Council decides to retain the amenity sites and not charge for car parking this would be brought back to Council as the money to operate services has to come from somewhere. He stated that officers can't take money out of the budgets as they need to identify where it is coming from he emphasised that the meetings decision would set the overall financial quantum and if that changes it would be brought back to Council.

Councillor Mulligan stated that the savings in relation to the amenity sites was £120k of the budget which was miniscule and would have no major impact. In response the Chief Executive stated that if the proposed cuts did not proceed the money had to come from somewhere and as previously suggested the savings of £160k from the waste management tender could be used to offset the cost.

Councillor Mulligan referred to the conference and training allowance for councillors and asked were unspent monies diverted to.

In response the Chief Executive stated that Members were prudent in relation to attendance at conferences and that unspent budget flows back into cash reserves for the 'general pot'. He reminded Members that this budget had been cut last year and that Council was endeavouring to attain Elected Member Development Charter Status and thus money for training was required.

Councillor Mulligan stated Council were 'penny pinching' regarding services in the Clogher Valley.

Councillor McAleer expressed concern in relation to the proposed cuts in the Clogher Valley DEA stating that as local Councillors they have to face the constituents.

Councillor McGinley stated that it was clear that the £160k savings aforementioned could be used to alleviate the cost of the services highlighted in the Clogher Valley and proposed to defer the decision in relation to the services.

Councillor Wilson seconded the proposal

Resolved That the decision in relation to proposed cuts to services within the Environment & Property Department be deferred.

Proposed by Councillor McGinley
Seconded by Councillor McPeake

That Council confirm:

- (i) Strike a non-domestic rate of 24.2371 (2.97% increase from previous year) for 2017/18; and
- (ii) Strike a domestic district rate of 0.3219 (2.98% increase from previous year) for 2017/18;
- (iii) Authorise the associated expenditure
- (iv) Authorise the Chief Executive to vire such amounts between budget headings as he deems necessary to secure Council's objectives in 2018/19.

Proposed by Councillor Wilson
Seconded by Councillor McKinney

That out of the £1m identified loan savings that Council use £350k to reduce the rate to 2.2% and keep it in line with the rate of inflation.

Councillor Wilson stated that he appreciated that Council needed to build money but that it had a duty to the rate payer and this would still leave £1.5 million to draw down funding.

Proposed by Councillor McLean

That the Meeting adjourn to permit parties to discuss proposals.

The Chief Executive on a point of clarity stated that if Council accepted the first proposal the district rate would be set.

Councillor Wilson said that what he proposed was an amendment to Councillor McGinley's proposal.

The Chief Executive stated that the Member tabled his proposal as a proposal and did not state that it was an amendment. He noted that ultimately it was a matter for the Chair to accept or not.

The Chair, Councillor Ashton stated that she was conscious it was a very important decision that was being taken and that if parties were of a mind to adjourn.

Councillor McFlynn seconded Councillor McLean's proposal for an adjournment.

Resolved That the meeting adjourn for ten minutes.

The Chair Councillor Ashton declared that the meeting was adjourned for ten minutes and that parties should resume at 7.50pm

The meeting adjourned for 10 minutes at 7.40pm

The meeting re-convened at 7.50pm

The Chair Councillor Ashton called for a vote on Councillor Wilson's amendment

Proposed by Councillor Wilson
Seconded by Councillor McKinney

That out of the £1m identified loan savings that Council use £350k to reduce the rate to 2.2% and keep it in line with the rate of inflation.

FOR 7
AGAINST 30

The Chair Councillor Ashton stated that the amendment was defeated.

The Chair, Councillor Ashton called for a vote on Councillor McGinley's proposal

Proposed by Councillor McGinley
Seconded by Councillor McPeake and

That Council confirm:

- (i) Strike a non-domestic rate of 24.2371 (2.97% increase from previous year) of for 2017/18; and
- (ii) Strike a domestic district rate of 0.3219 (2.98% increase from previous year) for 2017/18;
- (iii) Authorise the associated expenditure
- (iv) Authorise the Chief Executive to vire such amounts between budget headings as he deems necessary to secure Council's objectives in 2018/19.

FOR 23
AGAINST 14

The Chair, Councillor Ashton declared the proposal carried.

SC15/18 Duration of Meeting

The meeting was called for 7.00 pm and ended at 7.55 pm

CHAIR _____

DATE _____