

Minutes of Special Meeting of Mid Ulster District Council held on Monday 12 February 2024 in the Council Offices, Circular Road, Dungannon and by virtual means

Chair Councillor Molloy

Members Present Councillors Bell*, Black, Brown, W Buchanan, F Burton, J Burton, Cahoon, Carney, Clarke*, Corry, Cuthbertson, Forde, Gildernew, Graham*, Groogan, Kelly, Kerr, Mallaghan, Martin, Mallaghan, McAleer, McConnell*, McElvogue, McGuigan, McLean, McLernon, McNamee, D McPeake*, S McPeake*, McQuade, Milne*, Monteith, Quinn, Robinson, Totten*, Varsani and Wilson*

Officers in Attendance Mr McCreesh, Chief Executive
Mr Black, Strategic Director Communities and Place (SD: CP)
Ms Campbell, Strategic Director of Environment (SD:ENV)
Ms Canavan, Strategic Director of Organisational Development Strategy and Performance (SD: ODSP)
Mr Tohill Strategic Director of Corporate Services & Finance (SD: CSF)
Mr McGuckin, Head of Strategic Services and Engagement (HoSSE)
Ms McNally, Assistant Director Corporate Services & Finance (AD:CSF)
Mrs Forde, Committee and Member Services Manager
Mr C McKeown ICT

* Denotes Members present in remote attendance

** Denotes Officers present by remote means

*** Denotes Others present by remote means

The meeting commenced at 7 pm.

The Chair, Councillor Molloy welcomed everyone to the meeting and those watching the meeting through the Live Broadcast. The Chair in introducing the meeting detailed the operational arrangements for transacting the business of the meeting in the chamber and by virtual means, by referring to Annex A to this minute.

SC001/24 Notice of Recording

Members noted that the meeting would be webcast for live and subsequent broadcast on the Council's You Tube site.

SC002/24 Apologies

Councillor McFlynn

SC003/24 Declarations of Interest

The Chair, Councillor Molloy reminded Members of their responsibility with regard to declarations of interest.

SC004/24 Chair's Business

None

Matters for Decision

SC005/24 Minimum Revenue Provision Policy (MRP)

The SD:CSF presented previously circulated report which provided an update in relation to Council's 2024/25 Minimum Revenue Provision Policy.

Proposed by Councillor Mallaghan
Seconded by Councillor Brown and

Resolved That Council confirms its existing MRP policy as being appropriate for the financial year 2024/25.

SC006/24 Robustness of Rates Estimates 2024/25

The Chief Executive presented previously circulated report in relation to the robustness of the 2024/25 Rate estimates and stated that the figures within the report were challenging as costs escalated, inflation remained uncertain, and the cost of living was ever increasing. He said the budgets were prudent but ambitious and would deliver services to those who needed them most. He acknowledged that the macro environment was ever changing and highlighted the rates support grant had reduced significantly over the past three years, there was impacts on front line services and inflation was hitting hard. He said budgets had been reduced both in capital and revenue expenditure and a proposed rate increase (from the previous year (2023/34) for both district and non-domestic was 7.4%. He said with this it was hoped to deliver to the community, manage uncertainties and estimate as prudent and conservatively in line with what is anticipated. The Chief Executive concluded that, as had been the case in recent years, Council had to prepare its Rate estimates in the absence of a confirmed rate support allocation from the Department for Communities and as was always the case, knowledge of national pay awards, but from his prospective the Rate estimate was sufficiently robust.

Proposed by Councillor Varsani
Seconded by Councillor and McNamee

Resolved That Members have regard to the Chief Financial Officer's comments in relation to the robustness of the estimates when considering the Rate estimates.

SC007/24 Adequacy of Reserves 2024/25

The SD: CSF presented previously circulated report in relation to the adequacy of Council's projected reserves for 2024/25. He stated that, if the district Rate struck for 2024/25 reflected an increase of 7.4% from the 2023/24 district Rate, he was satisfied that the Councils' reserves would be adequate in the medium term. However, he reminded Members that Council should always be mindful that it would be prudent to have cash reserves available so that it is prepared if difficult financial times occur. He concluded that Council had sufficient reserves.

Proposed by Councillor McGuigan
Seconded by Councillor Mallaghan and

Resolved That Members have regard to the Chief Financial Officer's comments in relation to the adequacy of the reserves when considering the Rate estimates.

SC008/24 Rates Estimates 2024/25

The SD:CSF drew attention to the previously circulated report regarding the 2024/25 Rate estimates. He stated that it was one of the most important papers presented to Council in any year and drew attention to the fact that Council continues to feel the effects of applying a balance than in the previous year and impacts from the reduction in rates support grant in 2022/23 and 2023/24. The SD:CSF outlined that for 24 of the past 26 years, i.e., every year bar 2022/23 and 2023/24, the rates support grant had been no less than approximately £16m divided between the seven (formerly thirteen prior to local government reform on 1 April 2015) eligible councils. He reminded Members that rate support grant had been cut to approximately £9m in year 2022/23 and further reduced to approximately £5m in year 2023/24 which had had dramatic financial consequences for all councils impacted. It was noted that now the NI Assembly was sitting again it is reasonable to anticipate that locally elected representatives will better appreciate the significance of rate support grant for eligible councils and that it is not unreasonable to anticipate that the minimum rates support grant will re-instated to at least just under £16m as it had been prior to the suspension of the Assembly. The SD:CSF outlined that officers had considered the estimated penny product and had thought long and hard prior to compiling the calculations which underpinned the Rate estimates, noting that Council appeared to be in a moderately stable financial position compared to other some other councils. Referring to the previously circulated report, he explained the officers' thinking in relation to what was, in their opinion, a relatively cautious but appropriate course of action considering the macro (economic) and micro (internal) factors and costs. On the basis of assumptions outlined within the previously circulated report, he recommended a 7.4% increase on both domestic and non-domestic district Rate which should leave Council in a reasonable position to face all reasonably foreseeable financial challenges in 2024/25, bearing in mind that as recent years had shown with Covid and the cost-of-living crisis both Council and society could face unforeseeable challenges.

The Chair, Councillor Molloy sought comments.

Councillor McLean said whilst often parties disagree for different reasons the Rate setting brings on a different type of seriousness as it impacts every single rate payer

and member of each constituency. He concurred with the comments made by the Chief Executive and the SD: CSF and spoke of the hard work and time spent in reaching a Rate proposal. He commended Councillor Brown, the DUP number cruncher, for time spent looking at proposals from DUP perspective. He acknowledged there was a science in striking the Rate, that there was understanding of the rate support grant, the impact of inflation especially on capital projects as each recent project due to increasing labour and material costs were finishing some 10% over budget. Councillor McLean spoke of the cost-of-living crisis and whilst many across the district had a good quality lifestyle many did not as some families in the district were living on the breadline. With this in mind he said it would be rash and reckless not to consider the impact of any increase on rate payers, he spoke of disparity in the LPS process in relation to the estimated penny product and understood that in balancing all out officers had opted to recommend an increase of 7.4%. He said that, in his opinion, by taking money out of different pots the figure could be squeezed and noted that, although mentioned by the DUP Members previously to the officers these specific reductions did not appear to be reflected in the officers' proposal. Councillor McLean proposed a 5.9% rise in the rate.

Councillor Brown seconded the proposal.

The Chair, Councillor Molloy sought Members direction as to whether they wanted more detail or to go straight to vote.

Councillor Wilson thanked officers for their proposals. He said that the Rate had been increased by approximately 7% in the previous year and that the UUP feel there could be more reason to reduce from 7.4% to 6% which is in the region of the DUP proposal. He said that Council could look at cutting back for example some additional funding allocated to community grants as this was a major issue. He acknowledged that Council was not in a position to bid for big events but noted that as it is one of the lowest borrowing councils, on occasions like this he would reiterate what Councillor McLean had stated with regard to the cost of living and suggested that Council could borrow against its assets to lower the Rate.

The Chair, Councillor Molloy with there being no further proposals called for a vote on Councillor McLean's proposal of a 5.9% rise in the rate.

For	32
Against	7
Abstained	0

The Chair, Councillor Molloy declared the proposal carried.

Proposed by Councillor McLean
Seconded by Councillor Brown and

Resolved That Council agree a 5.9% rise in its domestic and non-domestic Rate and, in doing so it would:

- (i) To strike a non-domestic and domestic rate of 26.9452 and 0.3983 respectively;
- (ii) Approve the Rate estimates as presented by the officers and authorise the associated net expenditure in the amount of £59,383,371.
- (iii) Authorise the Chief Executive to vire such amounts between budget headings as he deems necessary to secure Council's objectives in 2024/25.

The Chief Executive thanked Members for the consideration of the figures prepared by the SD:CSF and said that the officers would provide clarity in due course of how the difference in the increase in Rate from 7.4% to 5.9% would be met. He said it was doable but Council may have to further dip into its reserves; however, it was a manageable risk. He said that Council had one of the lowest costs per capita in its district and would remain so as it continued to be a prudent and productive organisation.

The Chief Executive outlined that while continuing to deliver on essential services, the incoming year will see the Council continuing to secure external funding such as PEACE Plus and Levelling Up for a range of capital investment and community projects, to help us invest further in our local area for the benefit of residents and business communities. He highlighted that the villages of Coalisland, Moy, Bellaghy, Clady, Castledawson, Moneymore and Castlecaulfield will benefit from £3.46M of investment thanks to the Small Settlements Regeneration Programme, and at the same time, Maghera is set to benefit from £9M Levelling Up funding for three interrelated projects to support economic growth and drive regeneration in the town. In addition, on-going investment in pitch, play and leisure facilities as part of the Council's Pitches, Play, and Outdoor Recreation Strategies is also planned in the year ahead, including the significant development of pitches and walkways all of which are important to Members and the public alike.

In stating that whilst central government is retracting Council is stepping up and will work in partnership with the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, in co-operation with the Department for Communities to deliver a £4M investment programme to enhance Bellaghy and Bellaghy Bawn by creating a literary hub of international significance.

The Chief Executive drew attention to how through the MSW Growth Deal, the Council will progress the delivery of critical economic infrastructure including the A29 Cookstown bypass and spoke of the forthcoming conceptual design and indeed the plans for a Dungannon bypass. He further highlighted the plans through the MSW Growth Deal for development of industrial lands at Desertcreat with the aim of the first decarbonised site in the country. He said too that Council will develop investment to improve our active travel network through the development of a new Active Travel Masterplan for the district.

Speaking of enterprise, the Chief Executive highlighted that as part of the new enterprise and business support service "Go Succeed", will support 388 local entrepreneurs to achieve their start-up ambitions and support 400 businesses annually across Mid Ulster, to stimulate 128 new business starts and create 400 new

jobs. That through the Mid Ulster Labour Market Partnership (LMP), we will also support over 100 residents on a pathway back into employment or to gain new skills, improving their prospects of progression within the local labour market.

Advising that digital transformation remains a priority the Chief Executive said that Council aimed to deliver efficient services to our ratepayers, whilst leaving no-one behind. Noting a number of internally focused transformation proposals; some will be progressed over the next year and some over the longer term. Commenting on Council's plant and machinery he said there was plans to progress from fossil fuel dependency to carbon neutral. In conclusion he said that often in the smoke of the figures, outcomes are forgotten.

Councillor McLean thanked all who supported the proposal and acknowledged it may not be where all wanted to be. He extended his thanks to the officer team and in conclusion said that he believed all had been considered in the proposal and to those who did not vote for it, he posed the question were they willing to go with the officer proposal?

Councillor Burton left the meeting at 7.40pm

Councillor Mallaghan said that when people pay rates Council receive 42% and it is with that it delivers and outlined that the rates also pay towards roads, funding the National Health Service and such like. He said that society had come through a difficult period with workers on strike and Sinn Féin was glad to have stood with them. He said whilst it was difficult to calculate rates it was understood that you need to pay more and referring to Councillor Wilson's comments that Council could borrow, he said he did not feel that is the best way forward. Councillor Mallaghan said that there had been difficult decisions over the past eight years and Sinn Féin had made these as all Members demand more and more good services yet when it comes to resourcing the decision is left to others. He extended appreciation to the Chief Executive and SD:CSF for the time taken with parties and said with the increased rate intake and potentially lowering inflation it would be interesting to see how the rates estimates would play out. Stating that council was one of the best of the 11 councils he said there was good connections, relationship and value for money but there was those Members who did not vote with the 5.9% and the public should hear what they want and where do they want the money to come from to pay for it.

Councillor Monteith said he had not expected the debate to move so quickly and emphasised that he was opposed to any rate increases. He said there was much talk about projects, but people are not seeing them on the ground. Continuing he said it was being preached by the great and the good that no one should be paying more, and he would not be lectured by rejecting increases that impacts all. Speaking of the rates support grant he said it has been continually asked that this is reviewed but nothing happens. He also said that rates in the north are overburdened and businesses would be forced to close because the money comes out of peoples pockets. He said that town centres are closing, people cannot make a living and now the British government were making it easier to turn retail premises into housing. He reiterated he would not be lectured on rejecting increases.

Councillor Kerr said that he voted against the increases as many people are experiencing financial hardship, that he was working class and sees much poverty in the community especially through his volunteer work at the foodbank. He concluded that he too refused to be lectured as those who were increasing the rates were the same as those who wanted to close local recycling centres.

Councillor Quinn said that Council is increasing the rate as funding had been cut and drew attention to the fact that those residents in the former Dungannon and South Tyrone district had seen an increase of some £200 per annum in rates as the rates support grant had halved and the regional rate had increased. He said that rate payers are being punished because governments are not doing their jobs but now hopefully with Stormont up and running there would be change. He said it was good that people were not expected to pay water rates but are expected to pay additional rates. He said the SDLP had supported worker, but no one was receiving either a 7.4% rise or a 5.9% rise and stated that the vote had moved quite quickly. He concluded in volunteering with St Vincent de Paul he had witnessed the people seeking help doubling and people should not be paying more.

The Chair, Councillor Molloy said that in relation to comments regarding the vote moving quickly he suggested Members go home and listen to the meeting to see how long the silence lasted until the vote was called.

Councillor Mallaghan stated 'bluff and bluster' with no responsibility for anything. He stated that to sit in the chamber across several mandates and say to the community there had been no improvements was an insult to years of hard work and to officers especially when Councillor Monteith's slogan for election had been 'Look at one has done, see what two can do!'. He concluded that if you wanted a difference you had to pay for it.

Councillor S McPeake said he had been sitting at home listening attentively to debate what he thought would be two proposals. He stated he was flabbergasted at the claims that the situation had been bounced upon some Members. Councillor S McPeake said that everyone had had a fair chance to make their proposals, there had been every opportunity to highlight individual parties plans for the rate but instead there had been a deafening silence which he called political cowardice.

The Chair Councillor Molloy thanked Members for their contributions and the officers for their time in preparing the rates proposals.

SC009/24 Approval of Rates Estimates 2024/25

- Resolved**
- (i) Authorisation of the expenditure included in the Rates estimates;
 - (ii) Fixing for the financial year beginning 1 April 2024 the amount to be raised by means of Rates and striking the domestic and non-domestic Rate for 2024/25.

The live broadcast concluded at 7.50pm

SC010/24 Duration of Meeting

The meeting was called for 7.00 pm and ended at 7.50 pm

Chair _____

Date _____

Annex A - Introductory Remarks from Chairperson

Good evening and welcome to our meeting of Mid Ulster District Council in the Chamber, Dungannon whether you have joined us remotely or in the Chamber.

I specifically welcome the public watching us through the Live Broadcast. The Live Broadcast will run for the period of our Open Business but will end just before we move into Confidential Business. I let you know before this happens.

Just some housekeeping before we commence. Can I remind you:-

- If you have joined the meeting remotely please keep your audio on mute unless invited to speak and then turn it off when finished speaking
- Keep your video on at all times, unless you have bandwidth or internet connection issues, where you are advised to try turning your video off
- If you wish to speak please raise your hand in the meeting or on screen and keep raised until observed by an Officer or myself
- Should we need to take a vote this evening I will ask each member to confirm whether they are for or against the proposal or abstaining
- When invited to speak please introduce yourself by name to the meeting
- For any member attending remotely, if you declare an interest in an item, please turn off your video and keep your audio on mute for the duration of the item
- If referring to a specific report please reference the report, page or slide being referred to
- Lastly, I remind the public and press that taking photographs of proceedings or using any means to enable anyone not present to see or hear proceedings, or making a simultaneous oral report of the proceedings are not permitted

Thank you and we will now move to the first item on the agenda – apologies and then a roll call of members in attendance.