
(651,500)

PRESSURES' identified/proposed post P&R Committee meeting on 9 January 2019

Additional inflationary amounts - precise apportionments to be agreed by the Chief Executive

Oil, Biomass	TBC	
Vehicle maintenance	TBC	
Building maintenance	TBC	
Grounds maintenance	TBC	
	<hr/>	250,000
IT support contracts inflationary uplift		10,000
Increased costs associated with NILGA		4,000
Additional staffing costs due to fine tuning of matching process		17,000
Holiday pay associated with overtime		30,000
Trade waste and other Environmental Services pressures		14,422
Increased costs associated with NI Commissioner of Complaints		20,000
Increase in property rates payable by Council		15,000
Provision for Carers' Allowance		10,000
		<hr/>
		370,422
Net savings identified/proposed		(281,078)
Revised projected increase in Rate		2.89%

Draft 2019/20 Rate Estimates - For consideration by P&R Committee - 09 January 2019

Directorate	Recurrent
Chief Executive's Department	
Chief Executive	0
Executive Officer	0
Democratic Services	0
Marketing	0
Planning	30,200
Solicitor	0
	30,200
Business and Communities	
Community Development	26,000
Culture	22,500
Economic Development	0
Tourism	6,000
	54,500
Environment and Property	
Environment	Under review
Property	80,000
Additional re fuel, heat, etc (incl separately)	0
	80,000
Finance	
Finance	475,400
IT	58,820
	534,220
Leisure and Outdoor Recreation	
Leisure	40,000
Parks	185,040
	225,040
Organisational Development	
Human Resources	72,040
Organisational Development	10,000
	82,040
Public Health and Infrastructure	
Building Control	0
Environmental Health	121,000
Technical Services	5,000
	126,000
Total Pressures	1,132,000

Budget Pressures 2019/20 - Planning Department

	Department	Pressure	Recurrent	Comment
1	Planning	Centralisation fee re staff pensions (not part of local government scheme)	5,200	Not previously included within Council budgets
2	Planning	50% of Noise Officer - shared with Environmental Health	25,000	Proposed new staff member
		Total	30,200	

Budget Pressures 2019/20 - Community Development Department

	Department	Pressure	Recurrent	Comment
1	Business and Communities	Festive Lights uplift as agreed by Council - (total £74,000 - CD £36,000 and ED £30,000 and Technical £8,000), new budget £100,000	26,000	Explanation: Council agreed to uplift the festive lights grants by £500 for all villages and legacy small settlements as the current grant is not adequate for delivery alongside other small settlements that want to provide lights - provision for 3 new settlements Unavoidable as Council led decision
		Total	26,000	

Budget Pressures 2019/20 - Culture & Arts Programme

	Department	Pressure	Recurrent	Comment
1	Business and Communities/Culture and Arts	Strategic Partner Support	22,500	Re-instatement of shortfall in funding towards Strategic Arts & Culture Partner organisations.
		Total	22,500	

Budget Pressures 2019/20 - Tourism

	Department	Pressure	Recurrent	Comment
1	Business and Communities/Tourism	Annual subscription to Lough Neagh Rescue	6,000	Previously approved by Council but not included in budgets
		Total	6,000	

Budget Pressures 2019/20 - Property Services

	Department	Pressure	Recurrent	Comment
1	Property Services	Ulster Sheltered Employment costs not budgeted	80,000	Amount accidently dropped from 2018/19 budgets
		Total	80,000	

Budget Pressures 2019/20 - Finance

	Department	Pressure	Recurrent	Comment
1	Finance	FINANCE SYSTEM (Excludes Payroll and expenses as included within HR/Payroll procurement)	20,000	Explanation: Council's financial systems are not fit for purpose and current provider has indicated that they will exit the market in short to medium term Unable to reduce support and maintenance costs associated with existing provider (£45,000) in 2019/20 include this amount as a non-recurrent pressure, thereby leaving only £20,000 as a Rates pressure.
2	Finance	INSURANCE -current year shortfall	38,000	Explanation: The actual 2018/19 costs over budget due to: - Impact of Greenvale in post 2017/18 year end declaration on wagheroll sensitive insurances £30k - Need for additional environmental insurance £8k
3	Finance	INSURANCE -ESTIMATED INFLATIONARY UPLIFT	67,500	Explanation: Estimate of up general uplift in insurance premiums
4	Finance	INSURANCE - BREXIT	300,000	Explanation: due to effect of BREXIT on current provider and increased cost of alternative cover
5	Finance	INSURANCE - CYBER	10,000	Explanation: Additional information post 2018/19 renewal suggests that cyber insurance could be effective against loss due to GDPR fines
6	Finance	CIPFA	11,400	Explanation: At time of Finance department restructure it was anticipated that we would not use CIPFA to assist in completing year-end accounts. However, secondment of accountant coupled with two resource intensive systems (Finance and HR/Payroll) will seriously deplete senior Finance resource. Also continue to implement new fixed asset register which requires senior staff resource due to technical nature of capital expenditure and the accounting rules in relation thereto.
7	Finance	PUBLICATIONS	2,500	Essential actual expenditure - CIPFA 1700 / D&B 1200 / PARAGON 500 / LEXUX 100 - plus CIPFA 2018/19 code (£690) and practice notes (£1,640) = £2,330
8	Finance	ARLINGCLOSE	4,500	Treasury management advisers approved by Council but no budget provision
				Typical expenditure includes:

9	Finance	HOSPITALITY	1,000	<ul style="list-style-type: none"> - All councils generally share ALGFO and other collective meetings on basis of no charge plus provide lunch - up to 20 persons - Will need to incur costs re Finance system demonstrations - possibly 4 each likely to each last best part of a day - Will inevitably be other meetings
10	Finance	BANK CHARGES	15,000	<p>Explanation: Banking Services contract no longer free of charge</p> <p>Costs estimated to be £15,000 p.a.</p>
11	Internal Audit	ADDITIONAL STAFF RESOURCE	TBC	<p>Explanation: Dependent on how Internal Audit is to be resourced</p> <p>SMT to discuss</p>
12	Tullyvar	<p>Reduction in income - Tullyvar</p> <p>Additional info from JJ - There is an (presumed) unwritten SLA between DSTBC and Tullyvar which provides for Tullyvar to pay DSTBC £11,000 pa for services such as IT, Procurement, Finance. This amount was therefore previously effectively funded 50% by Fermanagh Omagh DC</p>	5,500	<p>Explanation: no longer receiving SLA from Tullyvar</p>
Total			475,400	

Budget Pressures 2019/20 - IT

	Department	Pressure	Recurrent	Comment
1	ICT/Council	Additional licensing and other costs associated with ever increasing number of staff requiring access to IT resources	5,000	Explanation:Between 10-20 additional staff requiring email , access and computers
2	ICT/Planning	Planning Portal contribution to project management	30,000	Explanation: Reserve provision:The new planning system will require a reserve of resources to replace and collaborate in Procurement Revenue budgets already include £30,000 (being 50% of estimated recurrent cost)
3	ICT/Tourism/Parks	Davagh Equipment & running Costs	5,000	Explanation: New building resourcing and joining to network
4	ICT	Additional WI-FI coverage	4,000	Explanation:Greenvale and other sites to aligned to Council WiFi
5	ICT	Mobile device management	6,000	Explanation: Mobile devices no longer on MDM
6	ICT	Increase in costs for Online Food registrations	1,500	Additional cost to accommodate the increase recurring costs for online food registrations - CIP3 requirement
7	ICT / Env health	Home safety check solution	3,000	Additional recurring cost for proposed system collaboratively procured .
8	ICT/Finance	CIPFA fixed asset software - licence & hosting	4,320	Recurrent costs - licence - £3,000 and hosting - £1,320
		Total	58,820	

Budget Pressures 2019/20 - Leisure Department

	Department	Pressure	Recurrent	Comment
1	Leisure	Energy system maintenance costs	15,000	Not previously included within Council budgets
2	Leisure	Utilities - water charges at GLC	25,000	Existing budget only sufficient for 50% of costs
		Total	40,000	

Budget Pressures 2019/20 - Parks

	Department	Pressure	Recurrent	Comment
1	Leisure and Outdoor Rec	Davagh Dark Skies Project Year 1 costs as per Cogent EA	90,840 55,634	Explanation: Projected EA Report operational costs marketing, programming and licensing costs for the Davagh visitor and Exhibition Centre Projected EA Report staff cost (6month new posts /staff cost)
2	Leisure and Outdoor Rec	Ballyronan Marina and Caravan Park Park Attendant Vacancy	21,566	Explanation: Vacancy 1 x part-time post 25hrs/week. Casual cover not consistent, quality of service compromised. Reduction of casual hours could off-set cost by 50%.
3	Leisure and Outdoor Rec	Service Level Agreement Knockmany Forest	5,000	Explanation: Service Level Agreement with Eskra Community Association for services associated to Knockmany Forest Project
4	Leisure and Outdoor Rec	Seasonal Service Support staff Reception/admin	12,000	Explanation: Seasonal Parks Service (2 x part-time) temporary service support staff/reception/admin. Reduction of casual hours could off-set cost by 50%.
		Total	185,040	

Budget Pressures 2019/20 - Human Resources

	Department	Pressure	Recurrent	Comment
1	Organisational Development	Appointment of graduate HR Officer	35,100	Salary scale on commencement would be SO1 progressing to PO1. From April 18 - 30 September the department has progressed 75 recruitment exercises, 10 formal disciplinaries, 3 grievances and 76 absence meetings....Currently there are 833 employed and 288 casuals in MUDC. We have just completed a Business Support project in conjunction with the unions and full consultation dealing with 40 staff which have been subsequently matched into post. The Leisure transformation project has been operational for approx 6 months and is currently moving at a pace requiring significant time and resources from the OD team. Another major project due for commencement is the implementation of new HR/Payroll software. Both these projects are of such a significant scale that will require dedicated resources in order to ensure success. In looking at the volume of operational matters dealt with in the department the current resources does not allow for any extra capacity.
2	Organisational Development	Westfield Healthcare for Greenvale Leisure Centre	1,940	The inclusion of 36 Greenvale employees in Westfield Health. It enables early invention and in certain absence cases to prevent long term incapacity and also helps to reduce long term sick absence by offering immediate access to wellbeing services. It provides financial support to employees offering cashback on certain treatments and reduces costs associated with absenteeism, whilst providing additional benefits such as improving staff morale, motivation and productivity.
3	Organisational Development	Increase of Medical Fees to facilitate the appointment of an onsite nurse, the procurement of OH Physican and development of an employee assistance programme.	5,000	The current approximate cost of sickness absence to the council is £1,350,000 per year. Sickness Absence case files are being significantly more complex with an increase focus on mental health. We propose to develop an employee assistance programme providing specialist support and early intervention mechanisms including coaching , CBT and specialist counselling. We propose to appoint an onsite OH Nurse and move away from the dependancy of an Occupational Health Service, which currently does not provide all the required services to council.
4	Organisational Development	HR/Payroll Systems Support	30,000	New system approved by Council
Total			72,040	

Budget Pressures 2019/20 - Organisational Development

	Department	Pressure	Recurrent	Comment
1	Organisational Development	Postage	10,000	2018/19 budget reduced to a point where it is insufficient
		Total	10,000	

Budget Pressures 2019/20 - Environmental Health Department

	Department	Pressure	Recurrent	Comment
1	Public Health and Infrastructure (EH)	Community Planning expenditure increase	20,000	Number of Health & Well Being thematic groups requiring time resource. Programme monies.
2	Public Health and Infrastructure (EH)	Clean Neighbourhood expenditure increase	26,000	Depending on what approach is agreed for grafitti removal there may be need for additional resource.
3	Public Health and Infrastructure (EH)	Bonfire Contingency	50,000	Implementation of new Bonfire Management Policy
4	Public Health and Infrastructure (EH)	Environmental Protection	25,000	Specialist Noise Officer (0.5 FTE to be funded by PHI c. £25k, 0.5FTE to be funded by Planning c. £25K)
		Total	121,000	

Budget Pressures 2019/20 - Technical Services Department

	Department	Pressure	Recurrent	Comment
1	Public Health & Infrastructure	Biodiversity & Sustainability Programmes expenditure	5,000	Biodiversity & Sustainability Programmes
		Total	5,000	

Mid Ulster District Council
For discussion at Special Council Meeting to strike District Rate 2019/20 held on Monday, 11 February 2019
 Third Draft High Level Analysis

	2019/20	2019/20	2019/20	2019/20
	£	£	£	£
Estimated net cost of services 2018/19				Total
				41,868,663
Pressures:				
<u>Commitments made in 2018/19 Rate Estimates process</u>				
		<u>Proposed</u>		
<u>Cross Cutting Savings</u>		50,000		
Overime		50,000		
Mileage		25,000		
Advertising		<u>50,000</u>		
Other materials				
			175,000	
less savings delivered (still being evaluated)			<u>(175,000)</u>	
Undelivered cross-cutting savings				0
<u>Other savings</u>	<u>Proposed</u>	<u>Actual</u>	<u>Shortfall</u>	
Savings arising at capped landfill site (Magheraglass)	65,000	65,000	0	
Additional Environmental Services savings	15,050	15,050	0	
Additional Leisure & Outdoor Recreation savings	100,000	100,000	0	
Other departmental savings	<u>250,000</u>	<u>250,000</u>	<u>0</u>	
Undelivered proposed savings (still being evaluated)				0
<u>Income generation</u>	<u>Proposed</u>	<u>Actual</u>	<u>Shortfall</u>	
Increased income in parks and leisure	140,000	140,000	0	
Increased car parking income	60,000	30,000	30,000	
Leisure opening hours reduction (bank holidays)	30,000	20,000	10,000	
Nominal bulky waste collection charge	20,000	20,000	0	
Commercial green waste charge	<u>125,000</u>	<u>75,000</u>	<u>50,000</u>	
Undelivered proposed income (still being evaluated)				90,000
<u>Revised facility opening hours and provision</u>	<u>Proposed</u>	<u>Actual</u>	<u>Shortfall</u>	
Clogher Household Waste & Recycling Centre closure	40,000	N/A	N/A	
Castledawson Household Waste & Recycling Centre closure	42,000	N/A	N/A	
Tullyvar Household Waste & Recycling Centre closure	50,000	N/A	N/A	
Caledon Automatic Public Convenience closure	<u>30,000</u>	N/A	N/A	
Total potential cost savings if above facilities closed	162,000	N/A	N/A	
Offset of anticipated savings arising from residual waste contract	(162,000)	(162,000)	0	
Undelivered proposed savings from residual waste (still being evaluated)				<u>0</u>

Total pressures arising from undelivered commitments made in 2018/19 Rate Estimates process		90,000
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Revenue budgetary pressures experienced in 2018/19

Cost of customers paying by credit card		10,000
Fuel	- initial indicative pressure	200,000
Electricity	- initial indicative pressure	300,000
Leisure income	- recommend do not include as 2019/20 pressure	<u>0</u>

Total revenue budgetary pressures experienced in 2018/19		510,000
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Pressures specific to 2019/20 cost of services

Council wide payroll:

2% NJC Employer Side Offer	732,251
Increments	71,205
NIC	(50,510)
Apprentice levey	(18,973)
HR Review	58,981
1% increase in Employer Superannuation contribution rate	<u>190,901</u>

983,855

Departmental budget pressures

Chief Executive's Department	30,200
Business and Communities	54,500
Environment & Property - interim only (E&P costs continue to be scrutinised)	80,000
Finance	534,220
Leisure & Outdoor Recreation	225,040
Organisational Development	82,050
Public Health/Infrastructure	126,000
Potential expenditure savings identified post 6 Dec 2018	<u>(162,000)</u>

970,010

Total Pressures specific to 2019/20 cost of services		1,953,865
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Adjustments subsequent to P&R Committee mtg on 9 Jan 2019

Corporate	(45,000)
Finance	(300,000)
Env Services - Property	250,000
Env Services - Environment	(23,078)
NI Comm for Complaints	20,000
NILGA	4,000
Additional net savings as per schedule presented to P&R Committee on 7 February 2019	<u>(187,000)</u>

(281,078)

Further adjustments:

N/A at 5 February 2019

0

Rate Support Grant reductions:

Anticipated negative pressure in 2019/20 (from 2018/19 budget):				
Per November 2018 P&R Report	2,796,875	Anticipated reduction	4%	(118,309)

Total Identified Pressures

2,154,478

Estimated net cost of services 2019/20 **44,023,141**

Reduce by RSG pressures identified above to allow for anticipated 2019/20 RSG to be deducted below

Reversal of negative pressure (see above) 118,309

% increase 5.43% 44,141,450 41,868,663

Less estimated Rate Support Grant - amount anticipated to be received in 2019/20 **(2,685,000)**

41,456,450

Less Transferring Functions Grant - methodology to strike Rate shows TFG as nil at this point 0
 Less De-ratng Grant - methodology to strike Rate shows DRG as nil at this point 0

Less balance applied - not a sustainable financial practice 0

Savings to be made to produce acceptable Rate increase **0**

Net amount to be raised **41,456,450**

Estimated Penny Product

Stage 1	EPP formerly £1,454,580		
Stage 2	EPP - £1,466,540		
		1,466,540	1,466,540
Stage 1 and 2	TFG EPP confirmed by J Glass 7 Dec 2018		28,120
Stage 1 and 2	De-rated EPP		167,790
			1,662,450

Non-domestic District Rate (properly rounded to 4 decimal places for calculations) **2.89% increase from prior year** **24.937**

Non-domestic District Rate Poundage 0.24937

Non-domestic Regional Rate Poundage - estimated
 2018/19 actual 0.334100
 Estimated inflationary increase - 3% 3.00% 0.010023 0.344123

Non-domestic Rate Pounding	2.95% increase from prior year	0.593493
Conversion factor to convert non-domestic District Rate to domestic District Rate		0.013283
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Domestic Rate (properly rounded to 4 decimal places)	2.89% increase from prior year	0.3312
Domestic Regional Rate		
2018/19 actual		0.4365
Estimated inflationary increase - 3%	3.00%	<u>0.0131</u>
		0.4496
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Domestic Rate	2.95% increase from prior year	0.7808