

Report on	Minimum Revenue Provision Policy
Reporting Officer	Director of Finance
Contact Officer	JJ Tohill

Is this report restricted for confidential business? If 'Yes', confirm below the exempt information category relied upon	Yes	
	No	X

1.0	Purpose of Report
1.1	To provide Members with an update in relation to Council's 2018/19 Minimum Revenue Provision Policy.
2.0	Background
2.1	Members will recall that Council considered and adopted a Minimum Revenue Provision (MRP) Policy as part of the process of striking its Rate for the financial year 2017/18.
2.2	<p>This report is prepared to facilitate Council's duty under Regulation 6 of the Local Government (Capital Accounting and Finance) Regulations (Northern Ireland) 2011 which states:</p> <p>"During the financial year beginning on 1st April 2012 and every subsequent financial year, a council shall determine for the current financial year an amount of minimum revenue provision which it considers to be prudent and—</p> <p>(a) shall charge to the general fund that minimum revenue provision for that financial year; and</p> <p>(b) may charge to the general fund any amount in addition to that minimum revenue provision,</p> <p>in respect of the financing of capital expenditure incurred by the council in that year or in any financial year prior to that year."</p>
3.0	Main Report
3.1	Council previously adopted a MRP policy in 2017/18 which confirmed the basis of calculating MRP for inclusion in the Rate estimates.
3.2	Prior to striking the 2016/17 Rate, the officers, having reflected on the adequacy and appropriateness of its original (2015/16) policy which specifically calculated the estimated useful lives of relevant asset categories, e.g.

	<ul style="list-style-type: none"> • Land and buildings – 25 years • Vehicles – 8 years • ICT – 5 years • Assets under construction – not applicable, <p>considered that the policy should also allow Council to match its MRP with associated loan principal repayment schedules where it is deemed appropriate.</p>
3.3	Council accepted the officers' recommendation to amend the 2015/16 MRP Policy prior to striking the 2016/17 Rate. This amended MRP Policy was confirmed by Council prior to striking the 2017/18 Rate.
3.4	The officers, being satisfied that the existing (2017/18) MRP policy is sufficient to enable Council to fund its capital programme on a consistent and prudent basis, therefore recommend that the 2017/18 MRP Policy is retained for 2018/19.
3.5	The draft proposed Rate estimates have been prepared on the basis of this recommendation.
4.0	Other Considerations
4.1	<u>Financial & Human Resources Implications</u> Financial: See above Human: N/A
4.2	<u>Equality and Good Relations Implications</u> N/A
4.3	<u>Risk Management Implications</u> N/A
5.0	Recommendation(s)
5.1	That Council retains the 2017/18 MRP Policy as discussed above.
6.0	Documents Attached & References
6.1	N/A