

CASTLEREAGH BOROUGH COUNCIL

Minutes of the proceedings of the Special Finance & General Purposes Committee meeting, held in committee, in the Council Chamber, Civic & Administrative Offices, Bradford Court, Upper Galwally, Castlereagh, BT8 6RB, on Wednesday, 29 June 2011 at 7.00 p.m.

- PRESENT:** Alderman J Beattie MBE
(in the chair)
- ALDERMEN:** G Robinson (from 7.11 pm – 7.50 pm)
S Duncan
- COUNCILLORS:** A Beattie
M Chambers
D Drysdale (until 8.21 pm)
M Gregg (from 7.30 pm)
T Jeffers (from 8.15 pm)
M Long (until 8.10 pm)
T Morrow
P O'Reilly (until 8.45 pm)
T Sandford
J White
- IN ATTENDANCE:** Chief Executive, Director of Finance, Senior Accountant, Planning Officer, Economic Development Manager and Members' Services Officer
- APOLOGIES:** Apologies were received on behalf of Aldermen Rice and Henderson and Councillors Cochrane, Hall, Hanvey, Howard and Spratt. Councillor Jeffers would be arriving late to the meeting.

F&GP/2011/104 : DECLARATIONS OF INTEREST

Members and officers were invited to declare any pecuniary and non-pecuniary interests (including gifts and hospitality) they should have in respect of items on this agenda. The following Councillor declared in interest:

- Councillor Gregg declared an interest in the Consultation on the Regional Transportation Strategy 2011.

Noted.

F&GP/2011/105 : REPORT FROM THE ECONOMIC DEVELOPMENT MANAGER RE: TENDER EVALUATION REPORT

Tabled: Tender Evaluation Report from the Economic Development Manager (copy previously circulated)

The Economic Development Manager advised that tenders had been advertised in the Belfast Telegraph, the Irish News and Newsletter (in accordance with the funder's policy) on 24 May 2011 and on the Council's website to develop a Business Resource website to support the Evolution Project (EP). Twenty four sets of tender documents had been requested and eight tenders had been submitted by the closing date, 10 June 2011, which had been verified for accuracy.

The works to the website included the design for the new element of the website. Design of material templates, Database Development, CRM Development, CMS Development and Integration of the website into NIBusinessInfo website.

The contract period would continue until 31 March 2013 with development work programmed to commence on 4 July 2011 and completion of the newly constructed website by early September 2011. The budget for development of the website was £15,000 with a further £5,000 for improvement / development work as and when required throughout the lifetime of the contract. The cost of the successful tender for development was £14,250.

Councillor Chambers asked if the Officer could clarify if this was an ongoing project which would receive continued funding from Invest NI and DETI or if Council would have to fund it when the contract period ended.

The Economic Development Manager responded that subject to a positive economic appraisal this was a pilot project until 2013, it was anticipated that the Council would re-submit a bid to secure funding for the project until 2015.

It was proposed by Councillor White, seconded by Councillor Drysdale, and

RESOLVED: That the tender submitted by Tibus, with the highest score, scoring 354 out of 500 be accepted as the most economically advantageous tender.

F&GP/2011/106 : CONSULTATION ON THE REGIONAL TRANSPORTATION STRATEGY 2011

Tabled: Report from the Planning Officer re: Consultation on the Regional Transportation Strategy 2011 (copy previously circulated)

This correspondence had been tabled at the June Council Meeting but had been subsequently deferred to the Special Finance & General Purposes Committee meeting and the Committee had been given executive powers to deal with the matter.

The Planning Officer advised that the Department for Regional Development (DRD) were reviewing the current Regional Transportation Strategy (RTS) 2002-2012 and had developed proposals for a revised draft Regional Transport Strategy (dRTS) with support for sustainable economic growth at its core.

Alderman Robinson entered the meeting at 7.11 pm.

She highlighted the Strategic Objectives and Members made a number of comments in relation to the dRTS, namely:

- Cycle lanes should be made much safer for use by cyclists.
- Park & Rides – there should be more park & ride facilities introduced, especially in locations such as Newtownards/Lower Ards and Comber, as more park & ride facilities would take traffic away from town centres and subsequently improve air-monitoring levels.

There should be greater deployment of PSNI Officers and Parking Attendants to police bus lanes, especially on the main arterial roads into Belfast to ensure there is no unlawful parking which would prohibit the smooth operation of the bus services.

- Public Bus Routes - The lack of cross-Borough links and threat to existing bus services was highlighted and Members expressed the need to ensure that remaining services within the Borough were protected.

Although timetables for the Metro bus service were displayed on bus shelters, no bus time-tables were displayed for the Ulsterbus blue service or for connections to local Rail links and Airports.

More thought should be given to make better use of existing public transport services with regard to better connections to link existing routes across the Borough.

Consideration should be given to the addition of more buses on to existing routes travelling into Belfast as many buses and trains were packed at peak hours and therefore unable to accommodate the numbers of existing passengers.

The more specialised the Health Service in Northern Ireland becomes – the greater need for better transport links to access them. Hospitals had indicated they were prepared to put on link buses, therefore the DRD must ensure that they work in consultation with them to link up with the different hospitals and medical facilities.

The existing bus service at Cregagh/Woodstock should be extended to stop outside the new Health Clinic at Forestside and to access Tesco's at Newtownbreda.

As 22% of population in Castlereagh Borough were elderly and the figures were likely to increase in coming years, there was a need for DRD to meet the needs of this growing elderly population.

The inadequacy of the current bus service provision during Public & Bank Holidays/evenings needed to be addressed urgently, especially due to the fact that Belfast was a major city and its associated volumes of visitors and tourists.

The DRD should be mindful that any increase in public transport fares would detrimentally impact on the volumes of usage by the public.

(Councillor Gregg entered that meeting meeting at 7.30 pm).

The Planning Officer advised that due to the limited budget and the number of priorities that needed addressed, the DRD would not be able to deliver on all of them. She queried how the DRD assessed which of the issues raised should be given priority status and she expressed concern that funding may have to be spread too thinly over various projects to make any significant impacts.

RESOLVED: That the Planning Officer be authorised to respond to the Consultation on the Regional Transportation Strategy 2011 highlighting the Council's concerns, as outlined above.

F&GP/2011/107 : CORRESPONDENCE FROM THE NI HOUSING EXECUTIVE RE: HOUSING SELECTION SCHEME PRELIMINARY CONSULTATION

Tabled: Correspondence dated 9 May 2011 from the NI Housing Executive re: Housing Selection Scheme Preliminary Consultation (copy previously circulated)

This correspondence had been tabled at the June Council Meeting but had been subsequently deferred to the Special Finance & General Purposes Committee meeting and the Committee had been given executive powers to deal with the matter.

The Housing Executive had launched a Preliminary Consultation paper seeking views on four inter-connected aspects of the Housing Selection Scheme. Following the Preliminary Consultation period, the Housing Executive's Board and Department for Social Development would fully consider the views of respondents before determining proposals for change and all views and proposals would be subject to an Equality Impact Assessment.

Members discussed the Preliminary Consultation and raised a number of concerns, namely:

- Housing transfers due to anti-social behaviour needed to be addressed as they did not resolve the problem but just moved it on to a different location. When such tenants were relocated, the anti-social behaviour normally continued and the new community suffered as a result, especially elderly residents and families with young children.
- Tenants in accommodation that was unfit for habitation, e.g. severe damp conditions etc., should be awarded a higher points rating on the scoring system when they requested a transfer due to the health implications, especially for elderly residents and young children.
- In transfer cases regarding intimidation, NIHE should review the decision-making process regarding the allocation of housing in such instances. Furthermore, the NIHE should ensure that there was sound evidence to substantiate requests of this nature, to ensure that the most deserving cases did not lose out.
- The NIHE must maintain a consistent basis in relation to its decision-making approach to transfers relating to antisocial behaviour/intimidation. Elected Members expressed concern that at present each District Manager differed in their approach and the policy should be much more uniform and concise.
- Concerns were expressed in relation to the cessation of the 'across the counter' rental payment system. The closure of this service greatly impacted on elderly tenants who did not have access to transport and needed the personal interaction that this service offered.
- NIHE was currently 'top heavy' in the top tiers of its organisational structure and this should be revisited.
- Elected Members advised that constituents had referred to the fact that the present NIHE telephone customer service was not 'user friendly' and staff were giving conflicting advice, especially in relation to housing benefits. The NIHE should ensure that staff were adequately trained and that they adopted an information system similar to the system introduced by the Planning Service, to ensure that their advice was consistent throughout each Department.
- Concerns were raised in relation to the breakdown of social fabric in local towns as part of NIHE's 'Social Engineering' policy; subsequently families were being broken up due to the fact that they could not be allocated social housing close to their families. This impacted on the support network that families shared, especially in relation to childcare in which grandparents/parents provided a child-minding service for family members going out to work. Without this service, tenants were being forced to incur expensive childcare costs and inevitably fell into poverty. The NIHE should look at its scoring system with a view to introducing additional points allocation in circumstances whereby it was

a necessary requirement for a prospective tenant to be located close to family members for child minding purposes etc.

- NIHE should continue to liaise with Community Workers within the Borough to gain their input into local community needs.
- Elected Members sought a requirement for more social housing units suitable for the elderly, especially for those in need of care, and expressed concern that many elderly tenants were presently occupying 2-3 bedroom houses which would be more suitable to accommodate families.
- More should be done by the NIHE to ensure that suitable accommodation for the elderly was provided within their own community and that those families being decanted into these 2-3 bedroomed houses should also be local to that particular area.

(Alderman Robinson retired from the meeting at 7.50 pm and Councillor Mrs Beattie temporarily left the meeting at 7.50 pm and re-entered at 7.52 pm.)

RESOLVED:- That, the Council would respond to the Housing Selection Scheme Preliminary Consultation based on the concerns as outlined above.

F&GP/2011/108 : CONSIDERATION OF THE COUNCIL'S FINAL ACCOUNTS FOR THE 2010/2011 YEAR

Tabled: Summary of the Council's Final Accounts for the 2010/2011 year (copy circulated at meeting)

The Director of Finance outlined to the Committee the amount of detail and complexity contained in the Council's final accounts which totalled some 87 pages. He felt that the accounts had now reached such a stage that it was difficult to trace the various figures back to source documentation and therefore expressed his concerns at the lack of transparency which could result in errors not being detected by Audit.

He also stated that the Council needed to be aware of the costs involved in not only preparing the accounts but also in auditing the figures.

The Senior Accountant advised that the financial statements for the Council had been prepared under a new DOE Accounts Direction that had required the Council to change to International Financial Reporting Standards (IFRS) and the process had been a lengthy and complex one.

The Financial Statements for the previous years had been restated under IFRS and the Balance Sheet reflected 2 years of restated figures, namely 2008/09 and 2009/10.

The Senior Accountant took Members through the Financial Statements, which included many new primary statements and additional note disclosures and compared the figures over the past three years.

He discussed, in detail, the content of the Financial Report, Balance Sheet, Summary of Other Point/Notes and the LPS Land and Buildings – Assets Indices.

(Councillor Jeffers entered the meeting at 8.15 pm.)

Members expressed concern at the number of Officers and length of time which had been dedicated to restating the Financial Statements. Furthermore, the complexity of the calculations meant that the final reports had been extremely difficult for Members to comprehend.

(Councillor O'Reilly temporarily left the meeting at 8.23 pm and re-entered at 8.27 pm.)

The Senior Accountant advised Members that the Pension Reserve had been included in the Financial Statements to balance against Pension Liability.

He also indicated that it had been prudent to build a Capital Fund into the statements to absorb the future costs of waste and landfill projects over the next 3-4 years.

At this point the Senior Accountant responded to a number of questions from Members, namely:

- The Financial Statements showed a reduced pension liability in 2010/11 due to the change from RPI to CPI. Contributions from Employees/Employers had subsequently been increased and banded to address this deficit.
- The Council's ability to borrow monies had now potentially been reduced, as land/building values had been revalued downwards.
- Officers were asked to calculate the costs to the Council in relation to the allocation of staffing hours to restate the last 3 years' Financial Statements and Balance Sheets and to report back to the next meeting of the Finance & General Purposes Committee.
- The Council's External Auditor now had to refer to guidance due to this change in legislation and the complexity of the new accounts, subsequently, the Council's auditing costs had now increased as a result.
- This was the second time that Councils had been asked to change their Financial Statement format in the past few years.

The Senior Accountant commented that he was deeply concerned at the length of time his team had been involved to carry out this work, which had impacted on the fact that he had been unable to oversee internal controls and management accounting within the Finance Department for nearly 3 months.

(Councillor O'Reilly retired from the meeting at 8.45 pm).

Councillor Chambers expressed concern that the Financial Statements were being presented to Committee for approval but the present format meant that Members could not understand them, nor where they reconcilable. She therefore suggested that an addendum be included stating this fact, prior to their submission to the DOE.

Members commended the Senior Accountant and his team for their hard work in completing these accounts. They stressed it was more important than ever to monitor expenditure to ensure that budgets were maintained.

Councillor Chambers indicated that it was now vital for the Council to implement its own POP system.

It was proposed by Councillor White, seconded by Councillor Mrs Beattie, and

RESOLVED:- That,

- (a) The Financial Statements be approved, as presented, and signed prior to delivery to the DOE by 30 June 2011, as required by the Accounts Direction. However that an addendum be attached to the Statements outlining that due to the complexity of IFRS, the Members of Castlereagh Borough Council had grave reservations that they were being asked by the DOE to sign off financial Statements without a sound understanding of the content.
- (b) Council would arrange to send a delegation to meet with the Finance Minister to voice Members' concerns as outlined above.

ANY OTHER BUSINESS

F&GP/2011/109 : HM REVENUE & CUSTOMS

The Director of Finance informed Members that he had received correspondence from HM Revenue & Customs advising that they were not reimbursing the compound interest on VAT. He indicated, however, that he would be following this matter up.

Noted.

F&GP/2011/110 : PEACE III

The Director of Finance referred to a Peace III meeting he had attended with Councillor Jeffers yesterday and he expressed deep concern regarding the

lack of administration of the Peace III Programme and the prospect that Castlereagh Borough could lose out on vital funding .

Following this meeting, he had raised the matter with the Chief Executive and the Community Services Manager to ascertain the Council's position in relation to its claims.

The Director indicated that approx £29k of the Council's claims had been registered but they had yet to be processed by Lisburn City Council. He stated that it was important that immediate action was taken to ensure that these claims met their deadline.

Councillor Jeffers concurred with these comments and stated that he was meeting with Lisburn City Council tomorrow and an assurance had been given that progress would be made and update given to ensure that Castlereagh Borough Council would be reimbursed the £29k owed.

In response to a query from Councillor White, the Chief Executive advised that he would contact Lisburn City Council Chief Executive to ensure that this matter be prioritised.

The Director of Finance expressed concern that despite Castlereagh Borough Council submitting its Monitoring Reports and claims within the timescale, two top Departmental Officials had identified serious weaknesses in the administration of the present Peace III system. These concerns were expressed by the Officials at Tuesday's meeting.

Councillor Jeffers reiterated that Lisburn City Council's Director of Leisure Services had given an assurance that the matter was now in hand and would be resolved.

There being no further business, the meeting concluded at 9.05 pm.

CHAIRMAN

CHIEF EXECUTIVE

Adopted by the Council this _____ day of
_____ 2011 with the exception of
Minute Nos. _____

MAYOR