Lisburn & Castlereagh City Council

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September 5th, 2024

Chair **:** Councillor N Trimble

Vice-Chair: Councillor N Eaton

Aldermen: A Ewart MBE, M Gregg, A Grehan and H Legge

Councillors: T Beckett, P Burke, A Ewing, A Givan, J Harpur, B Higginson, C Kemp, J Laverty BEM, and G McCleave

Ex Officio: The Right Worshipful the Mayor, Councillor K Dickson

Deputy Mayor, Councillor R Carlin

Notice of Meeting

A meeting of the **Corporate Services Committee** will be held on **Wednesday, 11th September 2024** at **6:00 pm** for the transaction of the undernoted Agenda. Members are requested to attend.

A hot meal shall be available in the **Members' Suite** from 5.15 pm.

David Burns, Chief Executive, Lisburn & Castlereagh City Council

Agenda

1.0 APOLOGIES

2.0 DECLARATIONS OF MEMBERS' INTERESTS

(i) Conflict of Interest on any matter before the Meeting (Member to confirm the specific item).

(ii) Pecuniary and Non-Pecuniary Interest (Member to complete the Disclosure of Interest form).

3.0 REPORT OF DIRECTOR OF FINANCE & CORPORATE SERVICES

3.1 Government Budget Consultations

For Decision

4.0 REPORT OF HEAD OF CORPORATE COMMUNICATIONS & ADMINISTRATION

4.1 Somme Pilgrimage

For Noting

4.2 2025 Anniversaries Programme

For Decision

7.0 CONFIDENTIAL REPORT FROM DIRECTOR OF FINANCE & CORPORATE SERVICES

7.1 Report on Tender Awards

For Noting

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.2 Single Tender Action Quarterly Update - September 2024

For Noting

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.3 Capital Programme Movements

For Decision

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.4 Provision of Catering and Bar Services at Lagan Valley Island

For Decision

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.5 Management Accounts - Period 4 of 2024/2025

For Noting

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.6 Quarterly Finance Reports

For Noting

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.7 Treasury Outturn Report - 2023/2024

For Noting

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.8 Treasury Outturn Report - Q1 of 2024/2025

For Noting

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.9 Tender for Occupational Health Services

For Decision

Confidential for reason of information relating to the financial or business affairs of any particular person (including the Council holding that information).

7.10 Efficiency Review Steering Group

For Decision

Confidential for reason of information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the council or a government department and employees of, or office holders under, the council.

8.0 ANY OTHER BUSINESS

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11th September 2024
Report from:	Director of Finance & Corporate Services

Item for:	Decision
Subject:	Government Budget Consultations

1.0 **Background and Key Issues**

1.1 Public equality impact assessment consultations (EQIA) on funding proposals, as part of budget settlements for the 2024-25 year, have been launched by the following:

- Department for Communities
- Department of Health
- Department for Infrastructure
- The Executive Office

1.2 **Department for Communities**

1.3 In line with Corporate Services approval attained at the June meeting, the Chair and Vice-Chair of Corporate Services Committee considered the response before submission.

1.4 **Department of Health**

The consultation was launched on the 6 June 2024, with the response submitted by the 29 August 2024 deadline.

1.5 **Department for Infrastructure**

The consultation was launched on the 11 June 2024, with response to be submitted by the 6 September 2024.

1.6 **The Executive Office**

The consultation was launched on the 15 August 2024, with response to be submitted by the 12 September 2024.

2.0 **Recommendation**

Members are asked to:

- Note the response to the Department for Communities on budget settlements for 2024-25 financial year (Appendix 1).

- Note the response to the Department of Health and agree retrospective approval for submission (Appendix 2).

- Note the response to the Department for Infrastructure and agree retrospective approval for submission (Appendix 3).

	• Note the response to The Executive Office and agree retrospective approval from Corporate Services Committee, through Council, for submission (Appendix 4).	
3.0	**Finance and Resource Implications** None.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out The screening will be the responsibility of the relevant Department.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. The screening will be the responsibility of the relevant Department.	

Appendices:	Appendix 1 – Response to Department for Communities Appendix 2 – Response to Department of Health Appendix 3 – Department for Infrastructure Appendix 4 – The Executive Office

DfC Budget 2024-25 Equality Impact Assessment Consultation

Communities Minister, Gordon Lyons, has launched an Equality Impact Assessment consultation on his initial decisions on the Department for Communities 2024-25 Budget. The consultation will run from 11 June until 3 September 2024 and ask for views on the allocation of funds for the financial year 2024-25. After consideration by CMT, and consultation with the Chair and Vice-Chair, the following responses to the questions raised were agreed and the response was submitted on 9th July 2024.

1. Are there any data, needs or issues in relation to any of the Section 75 equality categories that have not been identified in Section 6 of the EQIA consultation document? If so, what are they and can you provide details.

No

2. Are there any adverse impacts in relation to any of the Section 75 equality groups that have not been identified in Section 7 of the EQIA consultation document? If so, what are they?

There is limited equality information / data available and this is referenced within the EQIA itself.

In assessing the impact of the budget against obligations under Section 75 of the 1998 Act, the Department concludes in the document that there is evidence of significant and adverse impact in respect of some Section 75 categories. While these Impacts have been considered against the backdrop of available data, it is extremely difficult to assess whether the differential impacts are adverse due to the lack of data presented from an equality perspective. Each has been set out in its own merit but it is impossible to assess one against another in terms of the range of cuts, increases or maintaining of budgets when such important policy areas are 'measured' against each other ie number of new homes to be built verses affordable warmth scheme or urban regeneration. This lack of data makes it almost impossible to assess if due regard has been given to all Section 75 groups and more importantly if the proposals target those most at risk.

***3.* Please state what action you think could be taken to reduce or eliminate any adverse impacts in allocation of the Department's budget.**

LCCC believes that there are a range of actions that could be taken to reduce or eliminate adverse impacts in the allocation of the Department's budget. These are set out below:

Voluntary and Community Sector

LCCC welcomes the decision by the Minister to uplift the funding available to the Voluntary and Community Sector by £1.45m in the 24/25 financial year. This is a vital source of funding at a local government level translating in the effective delivery of the Community Support Programme. However, the impact of the uplift across the 11 councils will be minuscule and it is important to recognise that while the current level of funding is protected in a difficult fiscal environment, the pressures on the community and voluntary sector will not be addressed by this slight increase. This council has had to supplement the Community Support Programme by an additional £100k just to keep the groups at a 'standstill' in covering programming and running costs – this is evidenced in the document when it is cited 'that a large proportion of organisations in this sector operate with very lean budgets'. It is recommended that a much broader, cross-cutting approach is considered when finalising the budget right across the DfC portfolio.

Realising and funding Community Planning powers

A key area for development is further realising the Community Planning powers across each Council to accelerate further collaborative working. In the context of the DfC resource budget, it is requested that funding for each Council is received as one grant and gives the Council the autonomy to spend on a needs driven basis, emanating from the local Community Plan. This in itself may generate efficiencies through removal of duplication in administration of various funding streams provided to Councils.

This translates to the Community Festivals Fund, Community Support Programme and other in year grants coming as one collaborative grant. It is also requested that TEO work with DfC to merge the Good Relations budget with the Community Support budget so have one overall grant. Whilst DoJ fund PCSP and it is recognised that this is a legislative requirement to monitor policing performance, cognisance should be given to the programme costs of this fund forming part of the overall requested collaborative grant.

Again, we believe the Community Planning Framework should be applied to ALB's to ensure greater synergies and collaborative working. Museums and Arts could be collapsed to form one overarching entity and sports could be maximised against local Community Planning Partnerships.

Local libraries could embed in communities through councils' local centres and satellite centres, reducing the need for additional buildings and staff could be co-located to maximise community planning outcomes.

Labour Market Partnership Funding

At a meeting with the Regional DfC on 7th June 2024, it was suggested that though funding for 2024/25 has been secured, this could be resourced over two financial years. Lisburn & Castlereagh City Council welcomes the news that funding will continue to enable delivery of the Labour Market Partnership however any budget reductions will have a negative significant impact on the listed Section 75 groups, who are a priority for the programme. The Lisburn & Castlereagh LMP have developed a number of programmes that specifically targets certain Section 75 groups including Female Returners and those with a disability. We are keen to build upon our successes, however, uncertainty with regards to the budget allocation will have a disproportionate impact on those who are furthest from the labour market.

While the LMP is conscious that budget reductions are difficult and impact across a range of different organisations and services, we believe that a funding reduction for LMPs is short-sighted and will have long term impacts. DfC and Councils have invested time and effort into the development of a local mechanism (LMPs) which has had positive impacts on unemployment and economic inactivity at a local level. The initiative, which is in its third year of operation, has been a success.

The Council is concerned that if a similar approach to budgeting comes forward in following years, this will negatively impact future schemes which have been in planning, thus impacting confidence in the system, the LMP process and its ability to make a difference.

***4.* Are there any other comments you would like to make in regard to this pro forma or the consultation process generally?**

Council welcomes Minister's intention and recent correspondence regarding the winding up of a specific arms length body (ie LGSC). There is unanimous agreement by central and local government that this ALB which is funded directly by Councils should have been closed down several years ago. There was a specific sub grouping Equality and Diversity Group established by LGSC. The Group undertakes valuable Equality work especially in relation to the Diversity Ambassadors and Statutory Duty Network Group but it is unclear who would undertake such work in the future.

There are ALBs within the DfC portfolio where there is significant synergies in terms of objects and target groups e.g. Arts Council and NI Museums –there are opportunities to combine such organisations and deliver better outcomes with savings on resources, structures and governance. Many of these ALB's are small yet require financial investment in buildings, systems and staffing. Equally DfC should look at criteria for any new ALB's so that there is scale and size.

Buildings could be repurposed, given to local government for community asset transfer or sold. The Council would welcome a discussion with DfC in explore opportunities on this matter and if deemed feasible offer to pilot some alternative models recognising that the Council area has substantial offices/accommodation that may allow for shared service provision. In addition, consideration could be given to the planning opportunities of "meanwhile uses" for existing buildings and underutilised properties.

More data is needed than what has been tabled within the consultation document. A current outcome based analysis is required in order to be able to make informed decisions. As an example the consultation refers to an allocation of £3.3m capital investment to fund urban regeneration projects and £1.7m capital investment across cultural, heritage and active community to promote health and wellbeing. However, there is no comparative financial data which would help provide a basis to assess potential equality and other implications.

DoH Budget 2024-25 Equality Impact Assessment Consultation

In mid-June, the Department of Health published an Equality Impact Assessment (EQIA) and a Rural Needs Impact Assessment on the 2024/25 health budget.

The 12-week consultation commenced on 6 June, ended on 29 August and views were sought on the allocation of funds for this financial year. The dates fell outside the committee schedule over the summer and therefore consideration and approval of the response was provided by CMT in consultation with the Chair and Vice Chair of Communities and Wellbeing committee. The following responses to the questions raised were agreed and the response was submitted by 29 August deadline as follows:

1. Are there any adverse impacts in relation to any of the Section 75 equality groups that have not been identified in section 5 of the EQIA Consultation document? If so, what are they? Please provide details.

Section 5 has adequately identified the adverse impacts in relation to all the Section 75 equality groups. The significance of the impacts on the Section 75 groups as a result of unavoidable cuts to services right across the health service could not be fully understood in advance of implementation. However, the 2.3% reduction in funding compared to 2023/34 expenditure will mean that the health and social care system will be adversely limited in capacity and delivery due to increased demand and pay inflation in 2024/25. With an estimated £1bn needed to address fundamental service and structural issues within the health service, the impacts as outlined in the document are likely to be further exacerbated and therefore have even deeper consequences on the most vulnerable sections of our community. This is recognised by the Department of Health in its assessment of the budget available to it and LCCC endorses this position. There is an urgent requirement for an essential additional budget allocation, in the least to break-even on last year's financial settlement.

2. Please state what action you think could be taken to reduce or eliminate any adverse impacts in allocation of the Department's draft budget?

The cost saving measures identified in the 'Health Budget Assessment' as published by the Department of Health are considered to be a comprehensive assessment of robust steps that would need to be taken to attempt to address the shortfall in the department's draft budget. A summary of these include:

- Improved productivity and efficiency eg reform, innovation and capacity building, reduction in agency spend;
- HSC Trust cost saving measures eg reduction in acute and homecare beds, 1200 reduction in staffing provincewide; and
- Departmental led savings eg restrictions on use of new drugs, reduction in support services provided by the community and voluntary sectors.

However, the catastrophic consequences of such measures will inevitably shrink our health service at a time when demand is greatest and they will place additional burden on staff who are already overstretched.

While LCCC understands that improvements in efficiency and effectiveness are necessary to reform the health service, the scale of the cuts appear unprecedented and counterintuitive to aid the delivery of a fit for purpose health service. Reform will not happen within the lifecycle of this budget and it will likely be a number of years before efficiencies are realised.

The Department of Health states in its published document on the overview of the impact of the 2024/25 budget on the health and social care system in Northern Ireland, that '**the emerging picture of a cumulative catastrophic impact on the Health and Social Care system….. that reductions in acute beds, home care hours and care home beds would have significant and sustained consequences for elective care, hospital discharges, patient flow, Emergency Department overcrowding and ambulance handover times. Pressures on services and staff, already at severe levels, will be significantly intensified.'** LCCC expresses its deep concern on this published position by the Department of Health on the widespread impact of the cuts required to ensure that it makes ends meet and the negative consequential impacts this will have not only on the Section 75 groups but those right across our society.

3. Are there any other comments you would like to make in regard to this EQIA or the consultation process generally?

In assessing the impact of the budget against obligations under Section 75 of the 1998 Act, the Department concludes in the assessment document that there is evidence of significant and adverse impact in respect of most Section 75 categories. While these impacts have been considered against the backdrop of available data, it is extremely difficult to assess the level of differential impacts due to the lack of data presented from an equality perspective. It is suffice to say that, at a service wide level, ALL aspects of the health service will be impacted by the cuts as the available budget is insufficient to continue 'business as usual' let alone enhance delivery at any level.

It is impossible to look at a prioritisation of health services and where available budgets should be directed due to the interdependencies that exist within health in addressing the needs of individuals and communities.

Furthermore, LCCC is gravely concerned that if planned cuts go ahead in the community and voluntary sectors, which provides a crucial role in the delivery of care at a grass roots level and are already struggling to meet the demand for its services, how devastating it will be to the people who rely on them at the point of need – such services will include and are not limited to mental health, addiction services, domestic violence.

In submitting this response, council fully acknowledges the challenging fiscal position facing the Northern Ireland Executive and all the central government departments in setting budgets for the 2024/25 financial year.

DfI Budget 2024-25 Equality Impact Assessment

The Department for Infrastructure is seeking comments on the equality implications of its Resource and Capital Budget 2024-25 allocations, which when set against its requirements for both resource and capital fell short.

Proposed response to the consultation which closes 6 September 2024 at 17:00

1. Are there any adverse impacts in relation to any of the Section 75 equality groups that have not been identified in section 6 of the EQIA Consultation document? If so, what are they?

Lisburn and Castlereagh City Council believe by not having the requisite balanced investment in key infrastructure that a number of the groups will be adversely impacted. In particular these relate to those with transport needs and whose circumstances limit their access to public transport.

We would ask the Department to include in their assessment specific investments that are aimed to mitigate limitations on mobility, eg railway infrastructure including station upgrade, road surface repairs and the like. We would encourage the Department to consider timely investment in extending and delivering the BRT into Carryduff as well as linking the RUAS at the Maze with Sprucefield as well as Lisburn City Centre.

We would further suggest the Department needs to work with local Councils to understand and establish local need as there will be investment in capital projects through Councils, sometimes supported by national and regional funding programmes, which are designed to be as inclusive as possible yet when the public transport and the road networks are not maintained they effectively deny access to the provision of the services provided via the Council programmes.

For some categories of people they will, due to their circumstances, dependents, disability etc, be living within very constrained disposable income limits. By limiting budgets on blue/greenway initiatives and more widely key infrastructure projects, this will have an inevitable limitation on these categories of individuals enjoying the same quality of life as others. Associated with this we believe that any intervention impacting on people with disabilities in terms of car parking provision limitations or escalation of fees is adverse to this Section 75 grouping.

In relation to waste and water infrastructure, limitation of investment is already an issue for many proposed developments. These include both domestic and non domestic proposed developments. Some of these developments are aimed at improving services and housing stock to suit the communities in which we live. A limitation of investment in this type of infrastructure and its knock-on effect will have a negative impact on many in the community in which we live.

As well as the points that are already raised about the generalisation of development and its impact on access to key services, it is important in the view of this Council that the Department focuses and resources on its statutory consultee responsibilities for the planning function. It has been acknowledged that the Department has not been able to response in a timely and efficient manner to planning applications. Some, but not all, of these applications are directly and indirectly about improving the quality of life of Section 75 groups.

This Council works closely with other government departments to create employment opportunities for all sections of community. By limiting infrastructure investment and not availing of development opportunities through direct investment, planning reform and working in partnership on strategic sites, local employment opportunities are limited. People with limited social mobility need local jobs in line with a place based economic model. The Department for the Economy are leading a new strategy that emphasises the above, however, if critical infrastructure investment is not matched the opportunities may well be lost to the detriment of Section 75 groupings.

In an ageing population infrastructure is critical in order to maintain parity of lifestyle and opportunity to essential services. Our Council, like others, has an ageing population that requires investment in public transport, nursing care and the like. We would encourage the Department to further consider the needs of the ageing population of Lisburn and Castlereagh when assessing the impact of the budget allocation.

Much of this Council's recent investment decisions eg Dundonald International Ice Bowl, pitch provision in Carryduff and Lisburn North, is for the purpose of providing sport and recreation. This category of provision is mainly used by the youth and again we would ask the Department of consider the impact of its budget allocation in limiting the availability of these facilities to the patrons across the Council area. Specifically public transport is designed and laid out on a radial basis and therefore requires to extend to the full extremities of the Council area even though it cuts across neighbouring Councils. The provision, for example, at the Ice Bowl is paid for by all ratepayers from Glenavy through to Dundrod but yet their accessibility through the lack of infrastructure and investment is not in par with others.

2. Please state what action you think could be taken to reduce or eliminate any adverse impacts in seeking to manage the Department's 2024-25 budget, for both resource and capital?

In assessing consultation we note the consideration of mitigations and alternative policies are not detailed outside of the specific policies to protect concessionary fares and the prioritisation of health and safety development proposals. The Department has conceded it is difficult to mitigate the adverse impacts anticipated. We do not believe by providing for individual screening on specific proposals will be comprehensive enough to mitigate the overall detrimental proposals on development and a programme approach is essential. This programme should incorporate as a minimum the development proposals already in the pipeline for each Council in order to avoid social mobility issues across our Council area population.

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In addition we would ask the Department to take into account of urbanisation trends to be part of its consideration where investment in infrastructure would mitigate against adverse equality impact. Through our mutual obligations in having regard for community planning the provision of services has been specifically designed for all our citizens, therefore mitigation through regard for local Council services needs to be assessed.

We would encourage the Department to mitigate the impact on any budget proposals by further collaboration with our Council including the investment of resources to service prosperity and growth for the benefit of all including Section 75 groups. In particular we would welcome the Department to consider a co-ordinated, regional/sub regional funding programme as provided for through national funding frameworks. This Council is prepared to be flexible within our resources in taking advantage of local Council governance arrangements but would caution that this should not be considered as a transfer of risk or responsibility.

No mitigation is cited for the addressing of already existing limitations in service provision involved in areas such as planning. In fact the Department continues to call in and limit the private sector in mitigating growth opportunity. This has happened at both Sprucefield as well as the proposals at Blaris without due regard or consultation with the Council. A different approach is required and should form part of the mitigation of these budget proposals.

3. Are there any other comments you would like to make in regard to the consultation process generally?

There are no additional comments to make in relation to process with the exception that the budget proposals do not appear to have a wider regard for growth and prosperity. Our Council continues to experience limitations despite private sector opportunity in the area of growth and prosperity.

Consideration should include DfI's budgetary commitments in respect of initiatives aimed at environmental improvements as well as the net zero agenda. There is no evidence presented in the consultation to correlate the impact of the budget reductions in these with Section 75 groupings. We would encourage the Department, in assessing the impact, to understand the extent of any inter-relationship. The reality is that our citizens and specifically our Section 75 citizens requires inter-Council/sub regional/regional solutions across a range of strategic policies, therefore the process needs to consider the limitations it brings as a minimum at a sub regional level.

The Executive Office (TEO) Budget Allocation 2024-25 Equality Impact Assessment Consultation

TEO has launched an Equality Impact Assessment consultation on the initial decisions of its budget allocation for 2024-2025. The consultation will run from 15th August – 8th November 2024 and asks for views on the allocation of funds for the financial year 2024-25, prioritised within 4 weeks closing on 12 September.

The Equality Impact Assessment examines options for reductions and the equality impacts of these options. Consultation responses are also invited on the Rural Needs Impact Assessment (RNIA) and the Children's Right's Impact Assessment (CRIA).
The draft response to the consultation acknowledges the challenges faced within TEO regarding budgetary allocation however highlights the limited information regarding the overall detail of impact on equality as a result of the initial fiscal allocation.

1. Do you agree that TEO has gathered the necessary Section 75 data to inform its decisions around the allocation of its budget?

No.

If you disagree, what Section 75 data is missing?

The EQIA does not fully describe the equality impacts for each S75 category – there is information on Section 75 groups who are supported through the implementation and delivery of the District Councils Good Relations Programme (DCGRP).
The funding allocation, particularly for DCGRP, will likely have a greater impact on minority groups who may not benefit from other funding/support opportunities or participate in programmes resulting in such groups being at a significantly greater disadvantage as a result of this allocation of funding.
The EQIA has not considered the equality impact of the limited funding allocation on localised programmes at a grass roots level. Greater context should be provided regarding organisations and programmes sustainability in the light of the allocation.
The lack of data makes it difficult to assess whether adequate consideration has been given to all Section 75 groups and whether the allocation of funding has been provided to target those most in need.

2. Are there any adverse impacts in relation to Section 75 equality categories that have not been identified?

Yes.

If you answered Yes, what are the adverse impacts that have not been identified?

There is limited equality information and data available included in the EQIA. Given that the councils good relations programmes encourage participation from all communities, anticipated reduction from base line financial allocation will directly impact on these categories.

3. Please state what action you think could be taken to avoid new or exacerbated inequalities.

Whilst the uplift in comparison to the 2023/24 funding contribution towards the delivery of the DCGRP is welcomed by Lisburn & Castlereagh City Council, it is still 38% short of the 2022/23 allocation. This will continue to have an adverse impact in terms of support and programming at a local level.

The DCGRP is one of the only TEO programmes which is based upon needs identified through regular audits. The design of this programme is undertaken with consultation from local communities, politically agreed, accountable and based on local need. The restrictions to fully implement the programmes, due to budget constraints will negatively impact on the potential beneficiaries and relationships which have been harnessed between council and local communities.

Further consideration is required regarding potential duplication of funding. It would be beneficial for TEO to collaborate on an inter-departmental basis to provide one collaborative fund available for councils to deliver against programme for government objectives.

4. Do you agree with TEO's assessment on budget allocations?

No

If you answered No, please provide some additional information as to why.

The EQIA proposes equally distributing an additional £750,0000 between Central and District Council Good Relations. Relatively speaking, the report identifies the Central Good Relations Fund engaging with 20,000 participants in 2023-24. The EQIA indicates that the DCGRP engaged with circa 56,000 individuals which is significantly greater than alternative TEO funded schemes. The document outlines the intention to 'prioritise front-line activity' and therefore it is recommended to undertake significant review of allocation, value for money and programme beneficiaries in order to most effectively allocate funding.

5. What impact did the 2023-24 budget have on any TEO funded service delivery that your organisation is involved in?

Yes

If Yes, what TEO programme or policy was impacted and how?

The DCGRP for Lisburn & Castlereagh was significantly impacted. The number of programmes being delivered were reduced from 11 to 7 overall programmes. This reduction in delivery resulted in a significant reduction in participation and community engagement. Despite best efforts to ensure support was available to address localised needs, initiatives were limited reflecting the overall budgetary reductions. Particularly, the success and enhancement of the council's good relations programme cannot be sustained with the reductions to this budget. Going forward, reduction in delivery will have significant impacts on long term benefits in delivering the desired objectives. In addition, as Lisburn & Castlereagh City Council undertakes a co-design approach and collaborates extensively both internally and with external partners to deliver against the DGCRP priorities, the impact of reduced budgets will impinge on this approach.

6. Do you have any other comments you would like to add about the Equality Impact Assessment?

The EQIA identifies that any additional funding being offered through the DCGRP would require additional match funding by each council. Given the reduction in DCGRP funding having an overall impact on the delivery of the programme, this council has maintained its contribution which is significantly above the mandatory 25%. This should be taken into account for any potential funding which may become available later in the year.
The EQIA presents limited evidence to support the disproportionate budget allocated to the DCGRP. TEO should ensure that good relations work being delivered at a local level is continued to be valued and funded appropriately.
There is limited reference to the statutory obligations to promote good relations within a central and local government setting. It is vital to emphasise the need to think creatively about how budgets are allocated to deliver against good relations priorities. Through a co-design delivery process, consideration should be given to consolidating similar funding streams within TEO to reduce silo working and provide continuation and enhancement of successful localised programming.

7. Do you have any other comments you would like to add about the Rural Needs Impact Assessment?

No

8. Do you have any other comments you would like to add about the Child Rights Impact Assessment?

No

In submitting this response, Council fully acknowledges the challenging fiscal position facing the Northern Ireland Executive and all the central government departments in setting budgets for the 2024/25 financial year.

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11th September 2024
Report from:	Head of Corporate Communications & Administration

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Item for:	Noting
Subject:	Somme Pilgrimage

1.0	**Background and Key Issues**	
1.1	At the Corporate Services Committee Meeting held on 13 September 2023, it was agreed that representation at the Somme from this Council would be the Mayor of the Day, the Chairperson of Corporate Services, the Chief Executive or their nominee plus up to 2 Members who have not previously represented the Council at the Somme, thereby keeping to 1 vehicle.	
1.2	Attached at **Appendix 1** is a highlight report following the trip in July 2024.	
1.3	It was further agreed that attendance at the Somme for the remaining years of the new Council term be in line with the arrangements detailed at 1.1 of this report.	
1.4	Work will commence in the near future to identify attendees for the 2025 Somme attendance to allow flights and accommodation to be secured at best value to the Council.	
2.0	**Recommendation** It is recommended that Members: Note the report on the 2024 Somme Pilgrimage and intention to identify attendees for 2025, subject to the estimates setting process.	
3.0	**Finance and Resource Implications** Funding already exists within existing budget lines to support this initiative.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out The proposal is in accordance with agreed Council policy.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out.	

	The proposal will have no detrimental impact on rural needs.	

Appendices:	**Appendix 1** – Report from the Chief Executive of the 2024 Somme Pilgrimage

The Battle of the Somme Commemoration Visit:

30th June – 3rd July 2024

Introduction

On the afternoon of Sunday 30th June 2024, a delegation from Lisburn & Castlereagh City Council consisting of:

- The Mayor (Councillor Kurtis Dickson), the Vice Chair of Corporate Services (Councillor Nancy Eaton), Councillor Alan Martin and David Burns (Chief Executive)

travelled to France to attend the 108th anniversary of the Battle of the Somme commemorations.

Each delegate was given a detailed reading guide to the locations to be visited. The brief had been prepared by Dr Ciaran Toal, Research Officer at the Irish Linen Centre & Lisburn Museum and highlighted those soldiers who gave their lives, with specific links to the Lisburn and Castlereagh area. Due to a delay in the flight leaving Belfast, the delegation only arrived at their accommodation in Peronne at 10pm.

Monday 1st July 2024

In the lead up to attendance at the Somme, the Chief Executive had asked staff if they had any relatives who had fought at the Somme and may not have full details of their contribution to the war effort. Two members of staff indicated a desire for further information. The Chief Executive worked with our Museums team to find out more information from war and census records from that time. Both relatives had died at the Somme. One remained missing and his name was inscribed on the memorial to the missing at Thiepval whilst the other was buried approximately 30 minutes away from Peronne. As a result, at 6am on our first day, a visit was made to Serre Road Cemetery No.1, near Beaumont-Hamel, to find the grave of the relative of our employee. A number of photos were taken of the cemetery and of the soldier's grave to send back to our member of staff. Later in the day, photographs were taken of the Thiepval Memorial and sent to our other employee, who is also recognised on the Lisburn War Memorial on Castle Street.

Serre Road Cemetery No. 1

After a return to the hotel for breakfast, the next visit was to Martinsart where, on the evening of June 28, 1916, a few days before the commencement of the Battle of the Somme, men of the 13th Battalion of the Royal Irish Rifles were moving out of the French Village of Martinsart. Their instruction was to take up forward positions on the Somme when they were hit by a German artillery shell. Fourteen men died immediately and a further nine died in the days that followed as a result of their wounds. Of the twenty three who died, ten were from Hillsborough, eleven from Dromore and two were from Banbridge.

Martinsart Cemetery

Thereafter, the delegation attended the Commonwealth Service of Remembrance at Thiepval. The Thiepval Tower is inscribed with the names of more than 72,000 soldiers who fell in the Somme region in the first World War where their bodies remain missing or unidentified. Occasionally, bodies are recovered from the French countryside and are given a full military burial. Where their identity is known, their name is removed from the Thiepval memorial.

Following this service, the delegation attended the Ulster Tower and had lunch, provided by the Somme Association. A remembrance service was held shortly thereafter to commemorate the Ulstermen who fought and died in the region.

From there, the delegation travelled to Guillemont for a service of remembrance for those from across Ireland. Part of this service was delivered in Irish and wreaths were laid by a number of dignitaries, including the Junior Ministers from the Office of the First and Deputy First Minister. During each of the three services the delegation laid a wreath on behalf of the people of Lisburn & Castlereagh City Council.

Following the services, the delegation made its way to the Lochnagar mine crater, the largest man-made mine crater created in the First World War on the Western Front. It was laid by the British Army's 179th Tunnelling Company Royal Engineers underneath a German strongpoint called "Schwaben Höhe". The mine was exploded two minutes before 07.30 am Zero Hour at the launch of the British offensive against the German lines on the morning of 1st July 1916.

Service at Thiepval Memorial to the Missing

Northern Ireland Service of Remembrance at the Ulster Tower

Back to Agenda

Irish Service of Remembrance at Guillemont

Tuesday 2nd July 2024

The first stop of the day was a return to the Ulster Tower to meet Austin, a volunteer from the Somme Association. Austin took the group on a pre-arranged tour of the Thiepval Woods, land owned and preserved by the Somme Association. These woods were the starting point for the allied forces prior to attacking the German lines on 1st July 1916. The Somme Association had preserved and reinstated some of the trenches to provide a feel for the living conditions and risk that existed on the front line. Dugouts of both the French and allied forces were visible, as was a mortar launch area. The word "chatting" originated in such trenches in the first World War when British soldiers referred to the process of picking lice off themselves and their clothes, coming from the Hindi word for parasite, "chat". In line with a previously agreed commitment by the Council, a donation was made to the Somme Association for this volunteer led tour.

From Thiepval Woods, the next stop of the day was the Canadian National Memorial at Vimy Ridge. The French Army suffered 150,000 casualties in several battles to try and recapture the ridge from the Germans over several years. In 1917, the task was then given to the Canadian Corps of 4 divisions, the first time that the Canadian Expeditionary Force participated in a battle together. The ridge was heavily defended by 4 divisions of the German 6th Army. Tunnels were dug by Welsh and English miners to enable the Canadian Corps to advance to the front line underground and, accompanied by a well-planned artillery barrage, the Canadians captured the ridge in a day and all their objectives in 3 days, with the loss of 3,598 soldiers killed and 7,000 wounded. An unknown number of Germans were killed and over 4,000 taken prisoner. The fierce battle became a symbol of Canadian national achievement and sacrifice. Today a 100 hectare (250 acres) portion of the battlefield (including the ridge) serves as a memorial park, staffed by Canadian students on voluntary secondments. It has one of the most impressive WW1 memorials, situated on the top of the ridge. During WW2, Hitler gave orders that it was not to be destroyed and a German battalion were tasked to guard it.

Tunnels to the Canadian Front Line at Vimy Ridge and view from the German Trenches to Canadian Front line, 30 metres away

The delegation then made its way towards Ypres, Belgium, a historic city devastated during the Great War (1914-1918).

On route to Ypres, the delegation visited the Irish Peace Tower at Messines and visited the memorial to the battle, which saw the 36th (Ulster Division) and the 16th (Irish) Division fighting side by side.

The plaque at Messines reads:

“From the crest of this ridge which was the scene of the horrific carnage in the First World War on which we have built a peace park and round tower to commemorate the thousands of young men from all parts of Ireland who fought a common enemy, defended democracy and the right of all nations, whose graves are in shockingly uncountable numbers and those who have no graves, we condemn war and the futility of war. We repudiate and denounce violence, aggression, intimidation, threats and unfriendly behaviour.

As Protestants and Catholics, we apologise for the terrible deeds we have done to each other and ask forgiveness. From this sacred shrine of remembrance, where soldiers of all nationalities, creeds and political allegiances were united in death, we appeal to all people in Ireland to help build a peaceful and tolerant society. Let us remember the solidarity and trust that developed between Protestant and Catholic soldiers when they served together in these trenches.

As we jointly mark the armistice of 11 November 1918, when the guns fell silent along this western front, we affirm that a fitting tribute to the principles for which men and women from the island of Ireland died in both World Wars would be permanent peace."

Irish Peace Tower, Messines

The day finished in Ypres where a visit was made to St George's Church, a church and school built in Ypres for British soldiers and their families after the first World War, located there to assist in the rebuild of the city. Later in the evening the delegation participated in a wreath laying ceremony at the Menin Memorial Gate. On every day of the year, The Last Post is sounded here at 8.00 pm in honour of United Kingdom and Commonwealth personnel who fought and died in the Ypres Salient prior to August 1917. The Memorial lists 54,000 names of those who died in the Ypres Salient and who have no known graves. The Menin Gate is undergoing refurbishment works which are due to complete in 2027. Unlike last year, where the service was moved to outside the memorial, on this occasion the service returned to its usual location.

Service of Remembrance at Menin Gate, Ypres

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11th September 2024
Report from:	Director of Finance & Corporate Services

Item for:	Decision
Subject:	**2025 Anniversaries Programme**

1.0 **Background and Key Issues**

1.1 **VE 80**

1.2 The Council has received correspondence (Appendix 1) from Pageant Master, Bruno Peake, requesting the participation of Lisburn & Castlereagh City Council in celebrating VE Day 80 on 8 May 2025.

1.3 An official guide has been developed www.veday80.org.uk for those organisations wishing to take part. This guide provides a range of suggestions for events and activities to mark this anniversary including involvement from local churches and communities.

1.4 It is suggested that councils participate in the following events on Thursday 8 May 2025:

- **0800hrs -** Reading of the VE Day 80 Proclamation
- **0900hrs-** Raising of a unique VE Day 80 flag
- **2130hrs -** Beacon Lighting

1.5 In the guide, there is a particular focus on street parties and outdoor celebrations. It also encourages participation from churches, villages, town halls, pubs, clubs and hotels.

1.6 Organisations are asked to officially register their involvement by **30th April 2025.**

1.7 **VJ 80 & Remembrance 2025**

1.8 There are a number of additional anniversaries that will take place during 2025 including VJ 80. Whilst official guides have not yet been released, we expect to receive guidance from the Pageant Master in due course. It also expected that there will be additional activities associated with Remembrance 2025 in line with these significant anniversaries.

1.9 **Proposal**

1.10 To progress an appropriate programme of events to commemorate significant anniversaries in 2025, a cross party working group (one representative of each political party, plus the Chairperson of Corporate Services Committee, the Chairperson of the Communities and Wellbeing Committee and the Mayor is proposed.

1.11 At its first meeting, the working group would:

- Nominate a Chairperson;
- Agree a terms of reference (draft attached at appendix 2);
- Develop an outline programme of events in line with national guidance for approval by Corporate Services Committee; and

	• Determine an estimated budget for the 2025 Anniversaries Programme.	
1.12	Updates from the working group will be reported as appropriate through the Corporate Services Committee with approval requested for any associated programmes and budget required.	
2.0	**Recommendation** It is recommended that Members agree: • to support the 2025 Anniversaries Programme • to officially register LCCC as part of the VE 80 programme amd other similar events before April 2025; • to establish a working group as outlined to deliver a suitable programme of events for VE Day 80 and other anniversaries associated with the second world war. • to provide party nominations to join the working group to the Members Services Manager by 26 September 2024.	
3.0	**Finance and Resource Implications** A proposed budget will be developed and brought back to Corporate Services Committee for approval. It is proposed that the programme is funded from reserves.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	Yes / **No**
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out This event falls under the Policy on Invitations to Civic Functions which has been screened with mitigations in place.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	Yes / **No**
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. Not required	

Appendices:	1. Correspondence received from Bruno Peake VE 80 2. Draft Terms of Reference

From: Bruno Peek <brunopeek@mac.com>
Sent: Wednesday, July 17, 2024 10:15 AM
To: Karen Ireland <k.ireland@nilga.org>; Bruno Peek <brunopeek@mac.com>
Subject: Fwd: LOCAL COUNCILS IN NORTHERN IRELAND - VE DAY 80 - 'A SHARED MOMENT OF CELEBRATION' - 8TH MAY 2025

80
VE DAY©
80TH ANNIVERSARY
A SHARED MOMENT OF CELEBRATION
8 MAY 2025

Karen Ireland - Communications

Northern Ireland Local Government Association (NILGA)

Bradford Court

Upper Galway

Castlereagh

BT8 6RB

Northern Ireland

17th July 2024

Dear Karen (if I may),

RE: LOCAL COUNCILS IN NORTHERN IRELAND - VE DAY 80 - 'A SHARED MOMENT OF CELEBRATION' - 8TH MAY 2025

Following on from the enormous success of D-Day 80 - 6th June 2024, in which we all commemorated the 80th Anniversary of the D-Day Landings in Normandy, France, through the lighting of over one thousand Beacons and five hundred Lamp Lights of Peace, as well as all other various activities that took place throughout the United Kingdom, Channel Islands, Isle of Man and UK Overseas Territories, which are still able to be viewed on the D-Day 80 website - **www.d-day80beacons.co.uk**, we are now focusing our efforts on the celebration of the 80th Anniversary of of VE Day which marked the end of the war in Europe 80 years ago.

So with this in mind, we would very much like to encourage the involvement of all your Councils within Northern Ireland, in VE Day 80 - 8th May 2025, enabling them to use this occasion to pay 'tribute' to the **44,000 brave Irishmen** that fought for the freedom we all enjoy today, as well as those that sadly paid the ultimate sacrifice while doing so.

The attached Guide To Taking Part outlining the event is also available on the VE Day 80 website - **www.VEday80.org.uk**.

So with this in mind, we would be extremely grateful if you would kindly consider distributing the attached Guide to all your Councils within Northern Ireland, encouraging them to take part please, whether it be through the lighting of a Beacon or Lamp Light of Peace at 9.30pm on 8th May 2025.

We would also like to encourage the involvement of farmers within Northern Ireland too, so would be grateful for any contacts you have within the farming community of NI please.

My warmest regards,

Bruno Peek

Bruno Peek CVO OBE OPR
Pageantmaster
VE Day 80
8th May 2025
Telephone: + 44 (0) 7737 262 913
Email: brunopeek@mac.com
www.VEday80.org.uk

Draft Terms of Reference
2025 Anniversaries Working Group

1. Title

2025 Anniversaries Working Group

2. Aims and Objectives

• To develop and deliver a programme of events and projects to mark the 80th anniversary of VE Day, and the 80th anniversary of VJ day, significant historic events that marked the end of the war in Europe, Japan and WWII as a whole on 8th May and 15th August 1945. This programme will include any additional anniversaries and activities for which national guidance is issued, including Remembrance events in November 2025.

• To work collectively to agree a schedule of activities including a dedicated Beacon Lighting event as requested by Pageantmaster, Bruno Peake.

• To meet monthly as a group to coordinate and review progress on each project within the overall programme; and

• To develop a coordinated approach for publicity and communications in relation to the 2025 anniversaries.

3. Composition of Working Group

• One representative of each political party plus the Chairperson of Corporate Services Committee, the Chairperson of the Communities and Wellbeing Committee and the Mayor.

• Head of Corporate Comms and Administration (or representative)

• Head of Communities (or representative)

• Head of Parks and Amenities (or representative)

• Civic Events Officer

• Administration Manager

• Museum Manager

• Events Officer (Communities and Wellbeing Team)

• Additional working group members may be identified as and when required in line with project planning.

4. Chair, Governance and Administration

• At the first meeting of the working group the Members will nominate a Chairperson.

• In the event that the meeting will not be attended by the Chair, Members will nominate an interim Chair.

• Meetings shall be monthly, however the frequency of meetings may be increased, if deemed necessary, by the Chair of the working group.

• The Civic Events Officer will act as the secretariat for the working group.

• Agenda items will be generated from the actions arising from the previous meeting with one standing item: Review of 2025 Anniversaries Programme schedule.

• Minutes of the previous meeting will be electronically distributed to members in advance of the meeting.

• Minutes of meetings and progress updates will be reported through Corporate Services Committee as appropriate.

• Agendas and relevant papers will be issued at least 3 days prior to the date of the scheduled meeting.

• Members of the working group will be expected to come prepared to all meetings in respect of feedback and items actioned.

• In case of an absence, working group members should endeavour to send a deputising person on their behalf. Should this not be possible, an update in respect of actions should be provided 3 days in advance of the meeting.

• Officers are responsible for regularly updating project progress within their remit in the 2025 Anniversaries document located in the Q Drive.

• Appointed working group members are expected to adhere to the rules and regulations of the terms of reference and fulfil their duties as set out in 3.5 Finance Regulations.

• There is a central budget of [To be Agreed] set aside for delivery of the 2025 Anniversaries Programme.

• Spend for each project is managed by the Directorate's appointed lead.

• It is the responsibility of the lead officer for each project to ensure all relevant approvals are in place in relation to spend.

• A full financial overview of the 2025 Anniversaries programme will be reported through Corporate Services Committee.

5. **Term**

• The Group will be in place until <tbc depending on national programmes released>.

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11 September 2024
Report from:	Head of Corporate Communications & Administration

Item for:	Decision
Subject:	Royal British Legion Festival of Remembrance 2024

1.0 **Background and Key Issues**

Correspondence has been received from The Royal British Legion (attached at **Appendix 1**) asking the Council to consider sponsoring an advertisement in this year's Northern Ireland Festival of Remembrance official programme.

1.1 The Festival of Remembrance event will take place on Saturday 2 November at the Waterfront Hall, Belfast.

1.2 The rates for full-colour advertising are:

1.3

Full page outside back cover advert in the A4 event programme (303mm x 216mm)	£1,200
Full page inside front cover or inside back cover advert in the A4 event programme (303mm x 216mm)	£1,100
Full page advert in the A4 event programme (303mm x 216mm)	£1,000
Half page advert in the A4 event programme (185mm x 134mm)	£500
Quarter page advert in the event programme (90mm x 134mm):	£250

1.4 The sponsorship rates do not include tickets to the event, which can be purchased separately via the Waterfront Hall Box Office or website at a cost of £25 each (to be confirmed when issued on website).

1.5 In previous years the Council has supported this event with a half page advert in the programme and the purchase four tickets for the Mayor plus a guest, and the Chairperson and Vice-Chairperson of Corporate Services Committee or their nominees.

2.0 **Recommendation**

2.1 It is recommended that Members:

- Agree the sponsorship of a half page advertisement in the Festival of Remembrance programme and the purchase of four tickets.
- Agree that representation at the Festival of Remembrance is in line with previous representation as outlined in item 1.5 – (Mayor & Guest, Chairperson and Vice-Chairperson of the Corporate Services Committee or their nominees).

3.0	**Finance and Resource Implications** £600 Costs will be met through the Civic and Ceremonial Budget.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out Decision has been made in line with the Council's Policy on Invitations to Civic Functions, Visits & Council Events. This policy is currently under review following the outcome of a screening exercise in Autumn 2023. Potential impacts on religious, political and racial groups were identified which the Council will address by taking the following mitigating steps: • Church services to be interdenominational to promote inclusivity. • Where possible a balance of cross community representation of schools and/or community groups will be included in civic events. • All events will be considered in the context of the Council's wider programme of events across the year. • The policy on Invitations to Civic Functions, Visits and Council Events to be reviewed to incorporate the above actions.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. Decision has been made in line with the Council's Policy on Invitations to Civic Functions, Visits & Council Events.	

Appendices:	**Appendix 1 – Correspondence from the Royal British Legion**

ROYAL BRITISH LEGION
Patron; His Majesty
The King

19th July 2024

The Royal British Legion
51-53 Fountain Street
Belfast
BT1 5EB
E: [illegible]
M: 07599611749

Northern Ireland Festival of Remembrance 2024

Dear Sir/Madam

The Northern Ireland Festival of Remembrance is recognised as one of the premier occasions in The Royal British Legion's calendar, and this year's event will take place at Belfast Waterfront Hall on Saturday 2nd November 2024.

This year marks numerous important anniversaries, and we would invite you to show your support for the RBL by kindly sponsoring an advertisement in this year's official Festival of Remembrance programme. We are anticipating another sell-out event like previous years with the potential of 1800 people attending.

This year marks the 80th anniversary of key turning points in the Second World War, which marked the beginning of the liberation of Western Europe. We will pay tribute to all those Royal Ulster Rifles that landed on D-Day on the 6th of June. We will recognise those who served and currently serve in Kosovo 25 years after the deployment of a NATO peacekeeping force. Closer to home, we will remember all those from Northern Ireland who paid the ultimate sacrifice in Afghanistan as this year marks 10 years since the end of Operation Herrick. Lastly, we will paying a special tribute to our National President, Vice Admiral Sir Clive Johnstone KBE CB who sadly passed away in May this year after our National Conference.

Through your support, we invite you to take the opportunity to say thank you to those who have served, are still serving, plus those who paid the supreme sacrifice to change the world we live in today.

Our suggested donations for full-colour advertising sponsorship are as follows:

- ***Full page outside back cover*** advert in the A4 event programme (303mm x 216mm): **£1200**
- ***Full page inside front cover*** or ***inside back cover*** advert in the A4 event programme (303mm x 216mm): **£1100**
- ***Full page*** advert in the A4 event programme (303mm x 216mm): **£1000**
- ***Half page*** advert in the A4 event programme (185mm x 134mm): **£500**
- ***Quarter page*** advert in the A4 event programme (90mm x 134mm): **£250**

These rates do not include tickets to the event, which can be purchased separately via the Waterfront Hall Box Office or website from 1st August 2024.

All profits raised by the Northern Ireland Festival of Remembrance and the programme will go directly to the Poppy Appeal, which was created by the Royal British Legion in 1921 to help all those returning from the First World War and it still one of the biggest charities helping to support veterans, serving personnel and their families with any crisis that they find themselves in. By working with us you can support us to reach a wide and varied new customer base and a make a real difference to the Armed Forces Community.

The Northern Ireland Festival of Remembrance programme booking deadline will be Friday 12th September 2024, with a copy deadline of 26th September 2024.

To place a booking or discuss these donation rates further, please do not hesitate to contact me. I look forward to hearing from you.

Yours sincerely,

Harry Alexander

Harry Alexander
Festival of Remembrance Committee

Registered address: Royal British Legion, Haig House, 199 Borough High Street, London SE1 1AA
020 3207 2253 | mylegacy@rbl.org.uk | rbl.org.uk

Lisburn & Castlereagh City Council

Committee:	Corporate Services
Date:	11 September 2024
Report from:	Head of Corporate Communications & Administration

Item for:	Decision
Subject:	Area Integrated Partnership Boards

1.0 **Background**

1.1 Work is underway on the development and implementation of the Integrated Care System for Northern Ireland (ICS NI).

1.2 ICS NI is the new framework for planning health and social care services in Northern Ireland. It is a single planning system that will help to improve the health and wellbeing of our population. The objective is to improve health and wellbeing outcomes and reduce health inequalities through collaboration and partnership working.

1.3 The ICS NI model is outcomes-based and underpinned by a population health approach, that is; looking at the entire life course from prevention, through to early intervention, treatment, aftercare and eventually end of life care.

1.4 To support this, the DoH will establish five Area Integrated Partnership Boards (AIPBs), to work locally in partnership with others to identify local needs, agree priorities and identify what collective action should be taken to effect change with a focus on prevention, early intervention and community health and wellbeing.

1.5 A regional ICS Partnership forum will be established to lead on working regionally in partnership with others to support the work of AIPBs, identify areas for regional collaboration where this would bring the greatest benefit to the whole NI population, and support shared learning.

1.6 Work is currently underway to stand up ICS NI in shadow form from Autumn 2024 to allow for a period of learning and refinement. This will involve a phased approach, with work progressing on the establishment of the Regional ICS Partnership Forum as well as Shadow Area Integrated partnership Boards in the following areas:-

- Southern (transitioning from Test status);
- South-Eastern; and
- Western

The Belfast and Northern shadow AIPBs will be stood up in due course.

1.7 Further information about ICS NI can be accessed here: https://online.hscni.net/our-work/integrated-care-system-ni/

2.0 **Key issues**

2.1 The Department is seeking a single councillor nomination from each relevant Council in the AIPB area, as shown below with a nomination being sought for Lisburn & Castlereagh City Council in both the Belfast AIPB and South Eastern AIPB as it straddles the geographic area of two AIPBs.

Belfast AIPB – Belfast City Council, **Lisburn & Castlereagh City Council**

Northern AIPB – Antrim and Newtownabbey Borough Council, Causeway Coast and Glens District Council, Mid and East Antrim Borough Council, Mid Ulster District Council

South Eastern AIPB – Ards and North Down Borough Council, **Lisburn & Castlereagh City Council**, Newry Moure and Down District Council.

Southern AIPB – Armagh City, Banbridge and Craigavon Borough Council, Mid Ulster District Council, Newry Mourne and Down District Council.

2.3 It is expected that a shadow AIPB member will undertake a term of up to four years pending regulations approval. AIPB Members will typically be required to commit one day per month for attendance at shadow AIPB meetings.

2.4 As an external appointment, and due to its connections to community planning, it is appropriate to allocate these places using the D'Hondt system, with the positions being allocated to APNI (first choice) and UUP.

3.0 **Recommendation**

It is recommended that the Council's nomination to the Belfast AIPB and South Eastern AIPB be made on the basis of the D'Hondt system with the positions being allocated to the APNI (first choice) and UUP.

Confirmation of the nominated members by the relevant Nominating Officers will be provided at the meeting.

4.0 **Finance and Resource Implications**

None.

5.0 **Equality/Good Relations and Rural Needs Impact Assessments**

5.1	Has an equality and good relations screening been carried out?	N/A
5.2	Brief summary of the key issues identified and proposed mitigating actions or rationale why the screening was not carried out	N/A
5.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	N/A

5.4	Brief summary of the key issues identified and proposed mitigating actions or rationale why the screening was not carried out.	N/A

Appendices:	None

Lisburn & Castlereagh City Council

Committee:	Corporate Services
Date:	11th September 2024
Report from:	Head of Finance

Item for:	Decision
Subject:	Estimates 2025-2026 – Schedule of Meetings

1.0	**Background and Key Issues**	
1.1	A schedule of meetings for the preparation of the annual estimates for the financial year commencing 1st April 2025 is attached for Member's approval.	
2.0	**Recommendation** It is recommended that the schedule of meetings for the preparation of the Estimates for 2025/2026 be approved.	
3.0	**Finance and Resource Implications** Not Applicable – for internal scheduling.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out Not Applicable – for internal scheduling.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. Not Applicable	

Appendices:	Estimates Timetable 2025/26

PROPOSED PROGRAMME FOR THE STRIKING OF A DISTRICT RATE FINANCIAL YEAR COMMENCING 1ST APRIL 2025

9th October 2024 (6.00 pm) - Wednesday

Meeting of the Corporate Services Committee at which the first draft of the 25/26 estimates will be considered.

November/December 2024

Directorate updates presented to each home committee.

13th November 2024 (6.00 pm) - Wednesday

Update presented to Corporate Services Committee of the overall 25/26 draft estimates.

11th December 2024 (6.00 pm) - Wednesday

Update presented to Corporate Services Committee of the 25/26 draft estimates.

2nd January 2025 (6 pm) - Thursday

Meeting of the Regeneration and Growth Committee at which the estimates of Regeneration and Growth will be considered.

7th January 2025 (6.00 pm) - Tuesday

Meeting of the Communities and Wellbeing Committee at which the estimates of Leisure and Wellbeing will be considered.

8th January 2025 (6.00 pm) - Wednesday

Meeting of the Corporate Services Committee at which the estimates of Finance & Corporate Services, Organisation Development & Innovation and Governance & Audit will be considered.

9th January 2025 (6.00 pm) – Thursday (proposed new date still to be agreed by ESC)

Meeting of the Environmental and Sustainability Committee at which the estimates of Environmental Services will be considered.

23rd January 2025 (6.00 pm) - Thursday

Special Meeting of the Corporate Services Committee to consider the Striking of a Rate for the Year 25/26 and the making of a recommendation to the Council as to the Rate to be struck.

6th February 2025 (6.00 pm) – Thursday (subject to RGC start time of 6.45 pm)

Special Meeting of the Council to receive a recommendation from the Special Meeting of the Corporate Services Committee as to the Rate to be adopted for the Year 25/26.

Lisburn & Castlereagh City Council

Committee:	Corporate Services
Date:	11th September 2024
Report from:	Head of Finance

Item for:	Decision
Subject:	Car Parking bad debt write off

1.0 **Background and Key Issues**

1.1 The provision of off street car parking transferred to Local Councils on 1 April 2015. While Councils retain responsibility for the overall financial management of the function, they delegated operational management to an independent contractor and the Department for Infrastructure (DfI) up to March 2024.

1.2 Councils were given all of the debt prior to 01/04/2015 relating to the car parks and a bad debt provision.

1.3 The Council must approve the write off of the car park debts to enable DfI to remove the actual write off in the PCN IT system.

1.4 Below are the bad debts that have been recommended for write off:

FY		PCN's
2015/16	£	360.00
2016/17	£	3,225.00
2017/18	£	4,590.00
2018/19	£	3,915.00
2019/20	£	2,430.00
2021/22	£	675.00
2022/23	£	765.00
2023/24	£	765.00
Grand Total	**£**	**16,725.00**

1.5 The individual amounts within the bad debts range from £65 to £135.00 and from a period of December 2015 to March 2024. Details have been provided by DfI of the actions carried out to try to recover the above debts to Finance.

1.6 There remains a number of outstanding debts in relation to the car parking charges. DfI are actively pursuing these debts and have recommended we do not write off these additional amounts at present.

1.7 The Council has made a provision within the balance sheet should any of these additional debts have to be written off. The current balance held for bad debts in relation to car parking is £79,683.60. This is reviewed at each year-end based on the information provided to the finance unit.

2.0	**<u>Recommendation</u>** It is recommended that the debt recorded is approved to be written off the ledgers of the Department for Infrastructure.	
3.0	**<u>Finance and Resource Implications</u>** To be funded through provision held in balance sheet	
4.0	**<u>Equality/Good Relations and Rural Needs Impact Assessments</u>**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **<u>or</u>** rationale why the screening was not carried out Implementing CFC Policy	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **<u>or</u>** rationale why the screening was not carried out. Not Applicable	

Appendices:	

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11th September 2024
Report from:	Head of Human Resources & Organisational Development

Item for:	Noting
Subject:	Workforce Reports

1.0	**Background and Key Issues**	
1.1	Workforce Reports are provided on a quarterly basis to this Committee for review and scrutiny as appropriate and include:	
1.2	**Report on Attendance Management** within the Council for the period up to 31st June 2024 including actions taken by the Council to support attendance and minimise absence levels.	
1.3	**Workforce** This report details the number of staff employed and agency workers engaged with the Council as at August 2024.	
1.4	**Recruitment** This report provides detail of the current position of recruitment of posts as at 7th August 2024, both internally and externally advertised posts.	
2.0	**Recommendation** It is recommended that Members note the attached reports.	
3.0	**Finance and Resource Implications** Captured within current budgets.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out	Report for noting only
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out.	Report for noting only

Appendices:	• **Attendance Management Report: Analysis for Period Ending on 31st June 2024** • **Recruitment Committee Report - Advert & Selection** • **Recruitment Committee Report – Appointments** • **Appendix Workforce Profile**

Lisburn & Castlereagh City Council

ATTENDANCE MANAGEMENT:

ANALYSIS FOR PERIOD

ENDING

30 JUNE 2024

1.0 OVERVIEW

This report provides Council with detailed information in relation to sickness absence levels in the organisation. The report also provides a summary of how sickness absence is being monitored and managed.

2.0 ROLLING YEAR JULY 2023 – JUNE 2024

Full Council	01.05.23 to 30.04.24	01.06.24 to 31.05.24	01.07.23 to 30.06.24
Total Possible Days	158,528.60	158,443.68	158,517.85
Days Lost Through Short Term Sickness	2,488.88	2,439.41	2,478.33
Days Lost Through Long Term Sickness	10,858.74	10,875.24	10,807.24
Total Lost Time Rate	**8.48%**	**8.40%**	**8.38%**
Total Days Lost	**13,347.62**	**13,314.65**	**13,285.57**
Days lost per employee	**16.26**	**16.02**	**15.75**

Days lost per employee differs significantly by directorate, in the financial year ending 30 June 2024, as illustrated by the below table:

Directorate	Days lost per employee
Chief Executives Office (Incl Audit)	3.38
Environmental Services	25.30
Finance & Corporate Services	4.94
Leisure & Community Wellbeing	15.54
Organisation Development & Innovation	3.79
Regeneration & Growth	15.73

2.1 ACTUAL MONTHS APRIL 2024 – JUNE 2024

Full Council	April 2024	May 2024	June 2024	Qtr 1
Total Possible Days	13,174.36	13,126.71	13,264.98	39,566.05
Days Lost Through Short Term Sickness	163.82	182.01	255.14	600.97
Days Lost Through Long Term Sickness	793.00	784.50	795.00	2372.50
Total Lost Time Rate	**7.32%**	**7.36%**	**7.92%**	**4.86%**
Total Days Lost	**956.82**	**966.51**	**1050.14**	**2973.47**
Days lost per employee	**1.32**	**1.34**	**1.44**	**2.65**

2.2 Absence Analysis by Reason Qtr 1 April 2024 – 30 June 2024

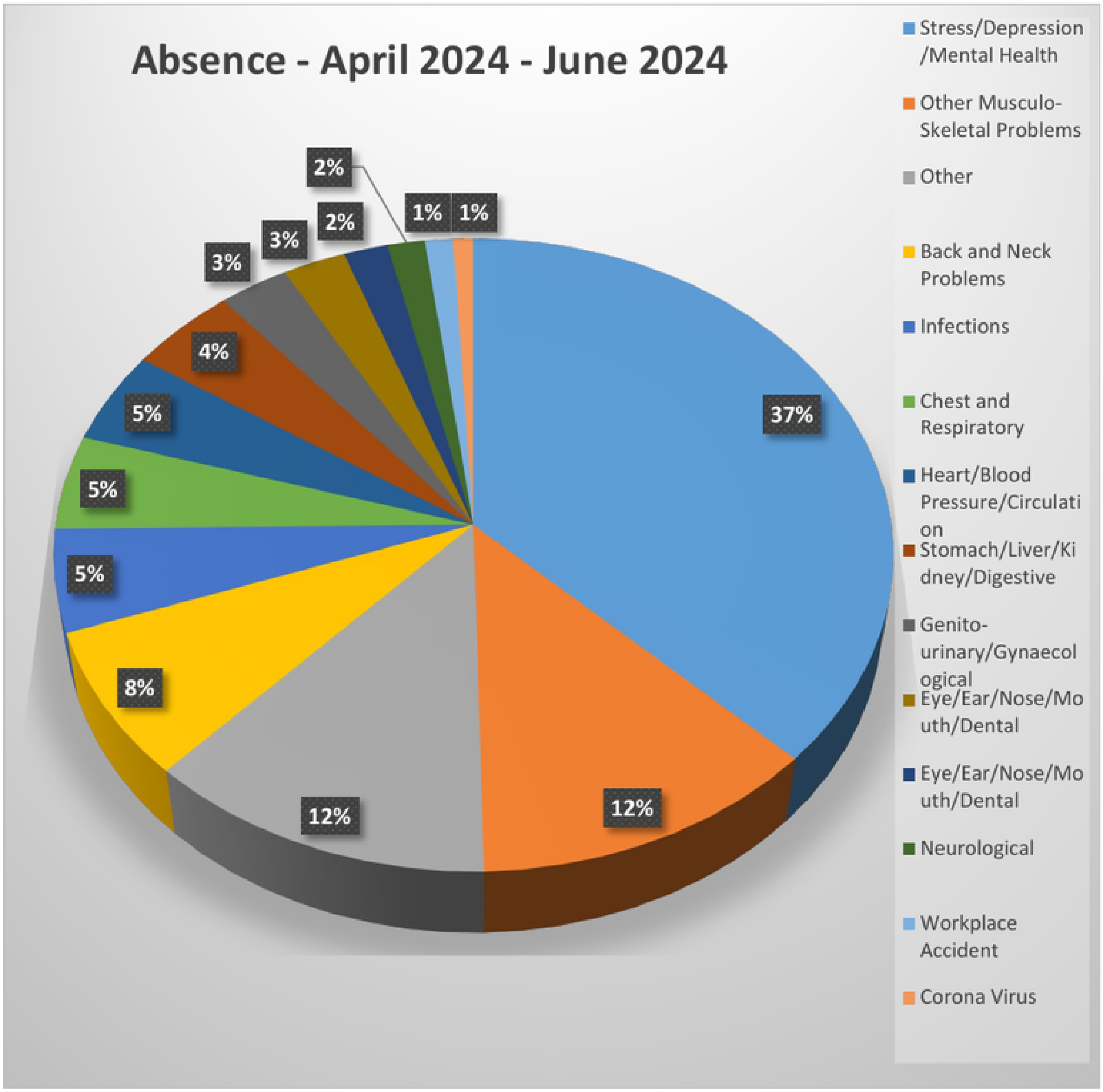
Days Lost Current vs Previous Qtr.

Reason	Days Lost Previous Qtr	Days Lost Current Qtr	Variance
Stress/Depression/Mental Health	1,233.64	1,134.15	-99.48
Other Musculo-Skeletal Problems	462	377	-85
Other	293	376	83
Back and Neck Problems	375	231	-144
Infections	196	159	-37
Chest and Respiratory	146	147	1
Heart/Blood Pressure/Circulation	195	144	-51
Stomach/Liver/Kidney/Digestive	307.00	138.55	-168.45
Genito-urinary/Gynaecological	84	90	6
Eye/Ear/Nose/Mouth/Dental	13	57	44
Neurological	101	48	-53
Workplace Accident	73.50	36.00	-37.50
Corona Virus	61	26	-35

Stress/Depression/Mental Health has consistently been the largest cause of sickness absence. This remains to be the main cause of sickness absence in the first quarter of 2024/2025. However, in comparison to the quarter 3 and 4 of 2023/2024 financial year, the days lost due to **Stress/Depression/Mental Health is continuing to** decrease by **99.48 days**, which again is a marked improvement.

Back, Neck & Other/Musculo-Skeletal problems are again in the top four causes of sickness absence, however, it is pleasing to note that the days lost to both of these absence reasons has reduced by a total of **229 days**.

The pie chart below provides a visual illustration of the reasons for sickness absence for the first quarter of 2024/2025. The list of absence reasons is in descending order e.g. the most frequent cause for long term sickness is **"**Stress/ Depression/ Mental Health" absences (37%).



2.3 Number of Employees Absent Current vs Previous Qtr.

Org Structure	Emp Absence Count Previous Qtr (FTE)	Emp Absence Count Current Qtr (FTE)	Variance
Full Council	190.76	142.57	-48.19

The above table demonstrates that in comparison to the previous quarter, (January to March 2024), there has been a decrease of 48 employees absent in the first quarter of 2024/2025. In the previous quarter more than 1 in 4 employees were absent due to sickness, however in the current quarter this has decreased to around 1 in 5 employees who were absent due to sickness.

2.4 Days Lost - All Employees Previous Qtr vs Current Qtr

Org Structure	Days Lost Previous Qtr	Days Lost Current Qtr	Variance
Full Council	3,551	2973.47	-577.53

The above table shows that in comparison to the previous quarter, (January to March 2024), there has been a decrease of 577 days lost in the first quarter of 2024/2025. This equates to a reduction of 19.4% of days lost due to sickness absence.

2.5 Average Days Lost Previous Qtr vs Current Qtr

Org Structure	Ave Days Lost Duration Previous Qtr (FTE)	Ave Days Lost Duration Current Qtr (FTE)	Variance
Full Council	**4.72**	**3.44**	-1.28

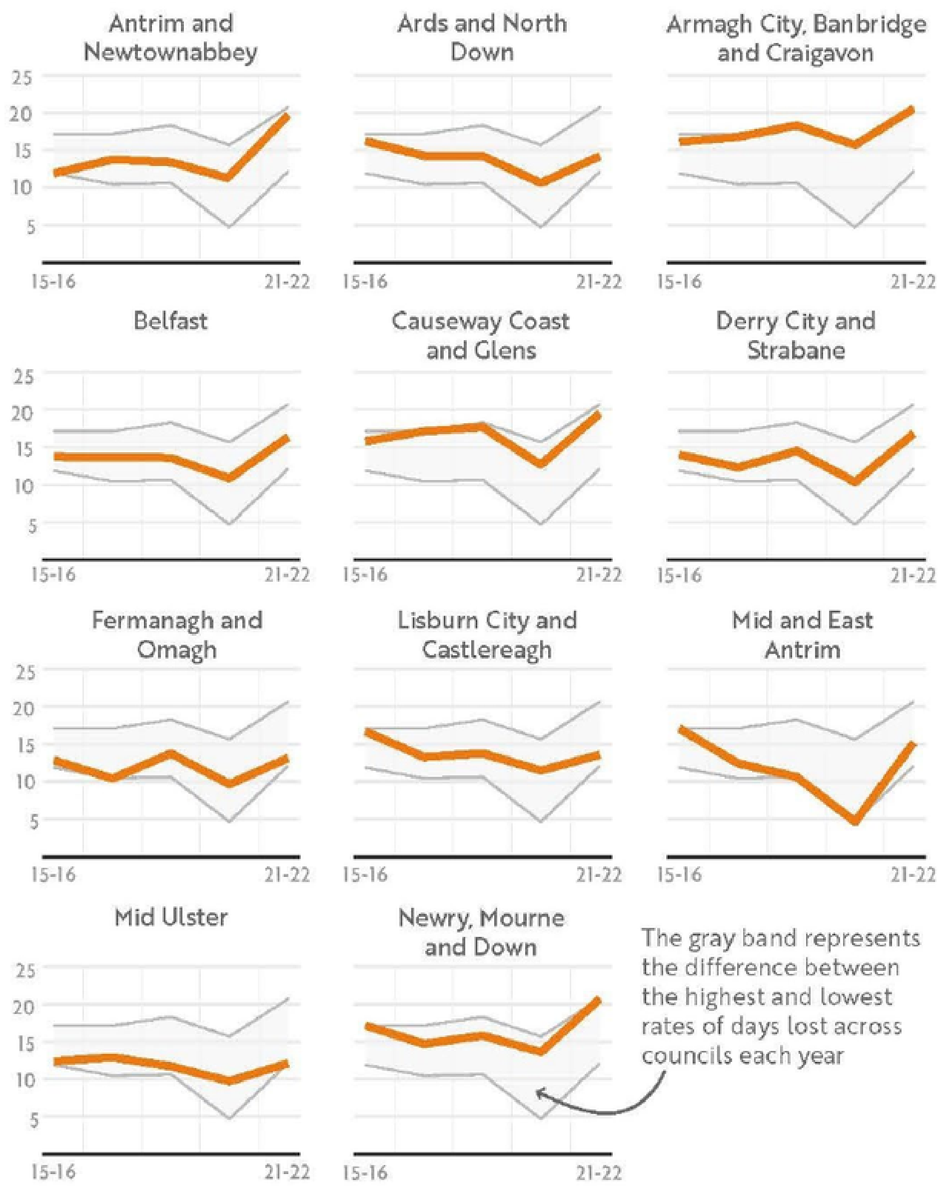
The above table shows the average duration of sickness absence based on FTE has decreased by 1.28 days. This equates to a reduction of 37.2% in days lost per person.

2.6 Northern Ireland Audit Office – Local Government Audit Report December 2021

Whilst there are no Absence figures yet published for 2022-2023 or 2023-2024 the NIAO advised in their Audit report of 21 December 2023 the following:

In all councils, absence levels reduced during the pandemic to their lowest over five years. However, this trend was reversed as we entered the post pandemic environment, and councils recorded their highest average sickness percentage against the previous five years.

Number of days lost to sickness absence per year:



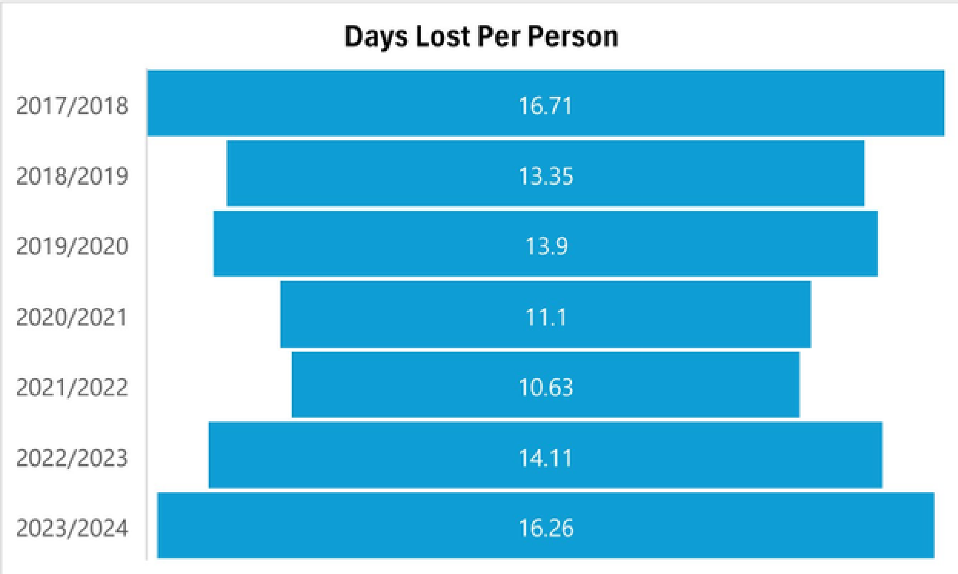
Source: Councils' Annual Audit Letters

In the NIAO report for the 2021/2022 period Lisburn & Castlereagh City Council had the third lowest number of sick days per person at 13.6 (10.63 days per person without Covid-19 absences).

No further absence information has been published from the Department for Communities or Northern Ireland Audit Office for the 2022/2023 period.

2.7 Lisburn & Castlereagh City Council's Yearly Absence Trend

A year-on-year comparison of the Council's own absence has been analysed and is detailed below.



There has been an increase of 2.15 days' absence per employee, in the period 2022/2023 from **14.11 days** (15.81 days incl. Covid 19**)** to **16.26** days in the period 2023-2024.

The growth in absence in the last two years has been driven at least in part by NHS backlogs for treatment, longer recovery times due to treatment delays and inactivity. Long-term absence has been impacted by treatment delays which is evidenced by Occupational Health reports and Absence Interviews with employees.

2.8 Days Lost per Reason

Analysis over the last 3 Financial Years has been carried out on the Absence Categories.
Due to a system upgrade it has not been possible to get data before 2021

Full Council Sickness Categories - Days Lost														
	Back & Neck Problems	Chest & Respiratory	Corona Virus	Eye/Ear/ Nose /Mouth/ Dental	Genito-urinary/ Gynae	Heart/ Blood Pressure /Circulation	Infections	Neuro	Other	Other Musculo-Skeletal	Pregnant exc Mat Leave	Stomach/ Liver/Kidney/ Digestive	Stress/ Depression/ Mental Health	Workplace Accident
2021/2022	381.00	260.50	2,200.50	315.00	100.00	467.00	559.50	533.00	681.00	817.50	74.00	348.50	3,473.00	9.00
2022/2023	509.00	539.00	1,388.50	252.00	250.00	534.00	672.50	662.50	1,989.50	1,474.00	106.00	447.00	3,971.00	157.00
2023/2024	707.5	617.68	247.67	77	435	806.74	489.31	437	1,125	2,011.00	119.00	927.23	5,119.64	197.00
TOTAL	956.82	1417.18	3836.67	644.00	785.00	1807.74	1721.31	1632.50	3795.50	4302.50	299.00	1722.73	12563.64	363.00

3.0 ACTIONS TAKEN

Reducing sickness absence is a top priority for the Council.

It is imperative that all Line Managers follow the processes which are in place, utilise the available support, and spend the time required to make sure their staff are in work, healthy and productive.

This is important in relation to our duty of care to our workforce, as an employer, but also important in terms of finances and productivity as high absence levels can affect the performance of services provided.

As detailed in previous reports we have a HR Officer focusing on improving sickness absence across the Council through a temporary project. This Officer has been meeting with Directors, Heads of Service and their individual Units and Line Managers to analyse absence within their departments.

These sessions have been instrumental in preparing line managers with the skills they need to manage employee absences confidently, but also importantly to provide on-going support when new situations arise which they may be unsure about or to clarify key points of procedure.

3.1 OTHER ACTIONS

BENCHMARKING

Internal & External Benchmarking

Benchmarking exercises have been undertaken as part of the Absence project. Benchmarking was carried out initially internally, an Absence Focus Group has been created with representatives nominated from Heads of Service from their respective Units, a meeting was also held with the HoST Team and individual Management meetings have also been had.

A breakdown of Absence in each area has been provided at all Management meetings, establishing areas that need to be improved and recommendations for inclusion in the new Policy for Managing Attendance and content that require to be focused on with Line Managers and Employees.

According to the CIPD (Chartered Institute of Personnel & Development) mental health sickness is the highest rate of sickness absence in a decade has been recorded in all employment sectors.

As stated above in 2.2 Mental health issues have been increasing, despite workplace health and wellbeing services being put in place.

Absence due to personal stress has increased, personal stress is identified as an event or condition that occurs in a person's life that may adversely impact on the individual's or their family's health or wellbeing. A stressor may occur directly, such as personally experiencing a serious illness, or indirectly, such as having a family member with a serious illness.

There will be a renewed focus on resilience workshops for employees in the coming months to help employees navigate challenges they may be having, A review was undertaken over the past year to determine the causes of this type of absence amongst employees. The main reasons for these types of sickness absence in the financial year 2023/2024 were due to the following:

- Personal Stress due to caring responsibilities for an ill family member. This is known as the 'Sandwich Generation'. The name refers to a generation of people that are caring for two different age types simultaneously e.g. a child/children and elderly parent/s.

  We find there are more 'Sandwich Carers' than ever before in the Council. Over the past 3 years there has been an increase in long term sick leave with employees caring for ill parents or spouses.

  During Absence Interview meetings with employees, we have been advised that the backlog of NHS waiting lists / Social Care Packages for relatives and the Education Authority's SEN provision have all had an impact on the length of time that an employee is off causing them anxiety and stress.

- Bereavement
- Depression
- Anxiety
- Low Mood
- Work Related Stress

External Benchmarking

External benchmarking was carried out with local Councils, local authorities, Queens University Belfast, Education Authority, SERC, NI Water and Coca Cola HBC. Councils in Wales and Scotland were also contacted. A few of the organisations provided their sickness absence figures but some would not as they had not yet been published.

Through these benchmarking exercises, it was hoped to identify best practices, address challenges, and optimise our absence management strategies.

It was quickly established from the councils that were contacted that they are facing workforce capacity pressures, which included staff absence, an ageing workforce and challenges of recruitment and retention, especially since Covid.

When comparing systems, policies and best practice council are managing attendance the same way with Policies and standards in managing both short-term and long-term sickness absence however, some of the organisations had a separate department that solely managed Absence and a separate that manages Health & Wellbeing.

In all the organisations listed above it was confirmed that their main absence reason was at an all-time high with Mental Health / Stress, the major cause of long-term sickness. And in most of the organisations, Musculoskeletal/Back & Neck absence was higher in their front-line operational employees especially in Cleansing, Tradesperson and Recreational roles.

Benchmarking internally and externally has been instrumental in identifying that the Council and other organisations have "Accidental Line Managers". Accidental managers are employees in temporary acting up positions or those employees for which they can find themselves unprepared and untrained as a Line Manager but skilled in the field that they have worked in.

Line managers play such a key role in supporting employees' health and wellbeing including taking primary responsibility for managing both short-term and long-term absence.

In dealing with Sickness Absence, it was identified that this was an area where there was a lack of confidence and competence for some Council Line Managers dealing with sickness, having difficult conversations with employees and making decisions on the next step.

Ongoing training is imperative and regular meetings have been held with the Heads of Service and the Units, HR clinics for line managers continue to be held in the areas which have the highest sickness absence levels to provide them with the necessary support and guidance.

3.2 Health & Wellbeing

Implementing preventative health and wellbeing strategies also requires Line Managers to be skilled and have the confidence to support wellbeing in their employees.

A Health & Wellbeing Survey was developed and sent to all employees in June 2024. Once the results of the survey are reviewed and analysed the draft Health & Wellbeing Strategy will be finalised and training rolled out.

The results of the survey will also be taken into consideration when planning and organising Training and Health & Wellbeing events and initiatives throughout the year. Council plans to implement the finalised Health & Wellbeing strategy in September 2024, in conjunction with the new Managing Attendance Policy.

The Council has 25 Mental Health First Aiders who provide first aid support for employees experiencing mental health problems at work. These employees have also been trained to recognise signs and symptoms of mental ill health and respond appropriately.

There are a number of Health and Wellbeing initiatives which are being utilised to support employees in the workplace on a daily, weekly or monthly basis.

3.3 USEL

The Council continues to work in partnership with USEL a government-based organisation who can assist employers with absence relating to physical impairment or mental health issues. They offer services such as Physiotherapy and Counselling at no cost to the Council.

The Employment Services Officer keeps in regular contact with employees (normally bi-weekly).

Currently there are 12 employees on both the Workable (NI) Programme and Condition Management Programme. Employees must be at work or committed to coming back to the workplace to avail of the programme. All employees have been referred to various programmes and are receiving support and assistance.

3.4 MANAGING ATTENDANCE POLICY & TRAINING

As detailed in previous reports we have undertaken to review the Policy for Managing Attendance. After detailed consultations with local trade union representatives, Heads of Service, CMT and the Absence Working group which consisted of line manager representatives, a draft version of the new policy has been presented to the Corporate Committee. Following consultation with the trade unions, the Council plans to implement the new policy and procedure in September 2024, once the policy is signed off.

A training programme has been developed with materials to provide line managers with the support and advice to both understand their duties and responsibilities under the new policy, but also to ensure that they have the necessary skills to effectively manage sickness absence within their areas.

In the meantime, HR clinics for line managers continue to be held in the areas which have the highest sickness absence levels to provide them with the necessary support and guidance.

3.5 REPORTING

Heads of Service will continue to be provided with sickness absence statistics on a monthly basis to help them effectively monitor and manage sickness absence levels within their units.

Now that our new absence reporting process place is established, and sufficient data within the system, we are undertaking a review of the reporting process to ensure it continues to operate as originally intended.

In addition, we are undertaking a review of how non-compliance issues are captured and reported, to ensure that sickness absence is managed as effectively and efficiently as possible.

Recruitment Committee Report - Advert & Selection

	Primary	Status	Post Title	Department	Unit	Total Number of Posts Required	Type of Post
1	JF3521	00_Pre-Advert	Apprentice Mechanic (Heavy Vehicle)	Environmental Services	Waste Management & Operations	1	Fixed Term - Full Time
2	JF3520	00_Pre-Advert	Apprentice Web Developer/Graphic Designer	Finance & Corporate Services	Corporate Communications & Administration	1	Fixed Term - Full Time
3	JF3526	00_Pre-Advert	Finance Higher Level Apprentice	Finance & Corporate Services	Finance	1	Fixed Term - Full Time
4	JF3522	00_Pre-Advert	Community Arts Events Apprentice	Leisure & Community Wellbeing	Communities	1	Fixed Term - Full Time
5	JF3527	00_Pre-Advert	Community Network Officer (PEACEPLUS)	Leisure & Community Wellbeing	Communities	1	Fixed Term - Full Time
6	JF3519	00_Pre-Advert	Apprentice GGGG	Leisure & Community Wellbeing	Parks & Amenities	1	Fixed Term - Full Time
7	JF3525	00_Pre-Advert	Operation Coordinator	Leisure & Community Wellbeing	Sports Services	1	Fixed Term - Full Time
8	JF3528	00_Pre-Advert	Health and Fitness Officer	Leisure & Community Wellbeing	Sports Services	4	Permanent - Full Time Permanent - Part Time
9	JF3523	00_Pre-Advert	Tourism Apprentice	Regeneration & Growth	Economic Development	1	Fixed Term - Full Time
10	JF3524	00_Pre-Advert	Administration Apprentice	Regeneration & Growth	Economic Development	1	Fixed Term - Full Time
11	JF3510	01_Advert Live	Receptionist	Environmental Services	Waste Management & Operations	1	Permanent - Full Time
12	JF3508	01_Advert Live	Receptionist (full time)	Leisure & Community Wellbeing	Communities	1	Fixed Term - Full Time
13	JF3518	01_Advert Live	Swimming Teachers	Leisure & Community Wellbeing	Sports Services	1	Permanent - Part Time
14	JF3516	01_Advert Live	Funding Officer	Organisation Development & Innovation	IT & Commercialisation	1	Fixed Term - Full Time
15	JF3493	01_Advert Live	Procurement and Contracts Support	Regeneration & Growth	Assets	1	Fixed Term - Part Time
16	JF3517	01_Advert Live	Principal Regeneration Officer	Regeneration & Growth	Economic Development	1	Fixed Term - Full Time
17	JF3514	02_Awaiting Shortlisting	Vehicle Maintenance Fitter	Environmental Services	Waste Management & Operations	1	Permanent - Full Time
18	JF3515	02_Awaiting Shortlisting	Data Protection Training Support Assistant	Organisation Development & Innovation	IT & Commercialisation	1	Fixed Term - Full Time
19	JF3512	02_Awaiting Shortlisting	Principal Planning Officer	Regeneration & Growth	Planning & Capital Development	1	Permanent - Full Time
20	JF3498	04_Awaiting Interview	Health and Fitness Officer	Leisure & Community Wellbeing	Sports Services	1	Permanent - Full Time
21	JF3509	04_Awaiting Interview	HR & OD Advisor	Organisation Development & Innovation	HR & OD	1	Fixed Term - Full Time
22	JF3502	04_Awaiting Interview	Play Park Inspector Labourer	Regeneration & Growth	Assets	1	Fixed Term - Part Time
23	JF3496	04_Awaiting Interview	Capital Programme Manager	Regeneration & Growth	Planning & Capital Development	1	Permanent - Full Time
24	JF3440	10_On Hold	Cleansing Supervisor	Environmental Services	Waste Management & Operations	2	Fixed Term - Full Time

Recruitment Committee Report 2 - Appointments

	Primary	Status	Post Title
1	JF3513	05_Conditional Offer Letter Pending	Higher Level Apprentice - Business Data Management
2	JF3506	05_Conditional Offer Letter Pending	HR & OD Co-Ordinator
3	JF3476	06_Pre-Employment in Progress	Senior Rec Assistants DIIB (Casual)
4	JF3503	06_Pre-Employment in Progress	Plumber
5	JF3501	06_Pre-Employment in Progress	Handyperson (Plant Support)
6	JF3507	07_Firm Offer Pending	HR & OD Advisor
7	JF3459	08_Firm Offer Issued	Environmental Health Placement Student
8	JF3452	08_Firm Offer Issued	Leisure Assistant
9	JF3452	08_Firm Offer Issued	Leisure Assistant
10	JF3478	09_Terms & Conditions Returned	Environmental Health Officer

Department	Unit	Total Number of Posts Required	Type of Post
Organisation Development & Innovation	HR & OD	1	Fixed Term - Full Time
Organisation Development & Innovation	HR & OD	1	Fixed Term - Full Time
Leisure & Community Wellbeing	Sports Services	1	Casual
Regeneration & Growth	Assets	1	Permanent - Full Time
Regeneration & Growth	Assets	1	Permanent - Full Time
Organisation Development & Innovation	HR & OD	1	Permanent - Full Time
Environmental Services	Environmental Health, Risk & Emergency Planning	1	Fixed Term - Full Time
Leisure & Community Wellbeing	Sports Services	1	Permanent - Part Time
Leisure & Community Wellbeing	Sports Services	1	Permanent - Part Time
Environmental Services	Environmental Health, Risk & Emergency Planning	1	Permanent - Full Time

WORKFORCE PROFILE
September Committee Report

Department & Unit	Employees at 1st August 2024						Agency staff as of 5th August 2024					
	FTE			Headcount			Agency FTE			Agency Headcount		
Chief Executive's Office	FT	PT	TOTAL	FT	PT	TOTAL	F/T	P/T	TOTAL	F/T	P/T	TOTAL
Chief Executive's Office	2.0	0.4	**2.4**	2.0	1.0	**3.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Audit, Risk & Performance	5.0	0	**5.0**	5.0	0.0	**5.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Total CEO	**7.0**	**0.4**	7.4	**7.0**	**1.0**	8.0	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	0.0
Finance and Corporate Services												
Corporate Communications & Administration	35.0	6.82	**41.8**	35.0	13.0	**48.0**	1.0	0.0	**1.0**	1.0	0.0	**1.0**
Director - Finance and Corporate Services	2.0	0.41	**2.4**	2.0	1.0	**3.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Finance	14.0	0.93	**14.9**	14.0	1.0	**15.0**	1.0	0.0	**1.0**	1.0	0.0	**1.0**
Total CS	**51.0**	**8.16**	59.2	**51.0**	**15.0**	66.0	**2.0**	**0.0**	2.0	**2.0**	**0.0**	2.0
Environmental Services												
Director - Environmental Services	3.0	0	**3.0**	3.0	0.0	**3.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Environmental Health	38.0	4.8	**42.8**	38.0	8.0	**46.0**	2.0	0.5	**2.5**	2.0	1.0	**3.0**
Waste Management & Operations	156.0	3.45	**159.5**	156.0	7.0	**163.0**	39.0	1.2	**40.2**	39.0	2.0	**41.0**
Building Control	19.0	0	**19.0**	19.0	0.0	**19.0**	3.0	0.0	**3.0**	3.0	0.0	**3.0**
Total ES	**216.0**	**8.25**	224.3	**216.0**	**15.0**	231.0	**44.0**	**1.7**	45.7	**44.0**	**3.0**	47.0
Leisure and Community Wellbeing												
Communities	51.0	6.61	**57.6**	51.0	10.0	**61.0**	5.5	4.4	**10.0**	6.0	9.0	**15.0**
Director - Leisure and Community Wellbeing	1.0	0.6	**1.6**	1.0	1.0	**2.0**	1.0	0.0	**1.0**	1.0	0.0	**1.0**
Parks and Amenities	90.0	1.73	**91.7**	90.0	3.0	**93.0**	8.0	0.0	**8.0**	8.0	0.0	**8.0**
Sports Services	102.0	34.09	**136.1**	102.0	72.0	**174.0**	13.0	2.4	**15.4**	13.0	5.0	**18.0**
Total LCW	**244.0**	**43.03**	287.0	**244.0**	**86.0**	330.0	**27.5**	**6.9**	34.4	**28.0**	**14.0**	42.0
Regeneration Growth												
Director - Service Transformation and Regeneration Growth	2.0	0	**2.0**	2.0	0.0	**2.0**	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Economic Development	21.0	3.31	**24.3**	21.0	6.0	**27.0**	3.0	0.0	**3.0**	3.0	0.0	**3.0**
Planning & Capital Development	31.0	5.41	**39.0**	31.0	8.0	**39.0**	1.0	0.0	**1.0**	1.0	0.0	**1.0**
Assets	27.0	2.77	**29.8**	27.0	5.0	**32.0**	2.0	0.8	**2.8**	2.0	1.0	**3.0**
TOTAL STRG	**81.0**	**11.49**	**95.1**	**81.0**	**19.0**	**100.0**	**6.0**	**0.8**	**6.8**	**6.0**	**1.0**	**7.0**
Organisation Development and Innovation												
Director - Organisation Development and Innovation	2.0	0	2.0	2.0	0.0	2.0	0.0	0.0	**0.0**	0.0	0.0	**0.0**
Transformation Portfolio	15.0	0	**15.0**	15.0	0.0	15.0	3.0	0.0	**3.0**	3.0	0.0	**3.0**
Human Resources and Organisation Development	20.0	5.95	**26.0**	20.0	10.0	**30.0**	2.5	0.0	**2.5**	3.0	0.0	**3.0**
TOTAL ODI	37.0	5.95	**43.0**	37.0	10.0	**47.0**	5.5	0.0	**5.5**	6.0	0.0	**6.0**
Total Employees (FTE / Headcount)	**636.0**	**77.3**	715.9	**636.0**	**146.0**	782.0	**85.1**	**9.4**	94.4	**86.0**	**18.0**	104.0

* These figures include all agency workers who may be placed for the following reasons: to cover vacancies, maternity, long term sick, project or seasonal work

Total Headcount August 2024	**Full-time**	**Part-time**	**Total**
Employees	636	146	782
Agency Workers	86	18	104

Total Headcount May 2024	**Full-time**	**Part-time**	**Total**
Employees	636	152	788
Agency Workers	75	17	92

Other Totals

Detail	**Number**
Total fixed term workers	52
Total current secondments/transfers (internal/external)	10
Total students	4

Committee:	Corporate Services Committee
Date:	11 September 2024
Report from:	Head of Assets

CONFIDENTIAL REPORT

Reason why the report is confidential:	Information relating to the financial or business affairs of any particular person (including the Council holding that information)
When will the report become available:	
When will a redacted report become available:	Following ratification at full Council
The report will never become available:	

Confidential

Item for:	**Noting**
Subject:	Single Tender Action Quarterly Update - September 2024

1.0 **Background**

1. As part of the ongoing review of procurement practices and procedures, a standalone policy detailing how the user should approach a Single Tender Action (STA) (also known as Direct Award Contract) has been approved by this Committee in May 2024.

2. It was agreed at the May 2024 Committee that a quarterly update will be provided on the number of STA's.

3. Currently, under the Terms of Reference for the new Committee structures, certain tenders can be awarded direct to a supplier under controlled conditions which are set out under the Council's predetermined procedure should the circumstance warrant it. The justification for an STA is governed by the Public Contract Regulations 2015, therefore in order to reduce the level of risk to the Council, adherence to the policy is important whilst still permitting the Council to be agile in responding to unforeseeable circumstances.

Key Issues

1. The below table summarises the position on STA's from 1 April 2024 to 20 August 2024 in comparison with the same period in 2023.

STAs for Quarter 1 for in year 24	**11**
STAs for Quarter 1 for in year 23	**20**

	2. **Appendix 1** provides for a more detailed breakdown of the 2024 contract awards under this process. 3. Of these contracts two were new awards whilst six are extensions to existing contracts awarded to the incumbent via an extension of the current contracts. Where required, the Council have issued voluntary award notices in order to mitigate a risk of challenge by third parties. 4. Nine number of these contracts are considered as proprietary in order to service existing equipment and therefore in any case the Council had to award to this supplier as there was no alternative. 5. In some instances, it has been necessary to seek extensions to contracts that have already been previously extended and increase the risk of challenge. For transparency in the last quarter we had three number of these. 6. Since the adoption of the new policy the Council has had a significant reduction in the number of awards using this award mechanism. It is now proposed to publish on the Council's website, in line with the policy, the direct awards and extensions to existing contracts.	
2.0	**<u>Recommendation</u>** It is recommended that Members note the quarterly update of Single Tender Actions as progress against the new policy.	
3.0	**<u>Finance and Resource Implications</u>** None	
4.0	**<u>Equality/Good Relations and Rural Needs Impact Assessments</u>**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **<u>or</u>** rationale why the screening was not carried out. No groups were identified as being adversely affected by the quarterly update.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **<u>or</u>** rationale why the screening was not carried out. No groups were identified as being adversely affected by the quarterly update.	

Appendices:	Appendix 1 – Detail of Contracts awarded under STA

Appendix 1

Detail of Contracts Awarded Under Single Tender Award Process 1 April 2024 – 20 August 2024

1	Spark (Drummers) Performance - Halloween Event	[redacted]	[redacted]	Worldbeaters Ltd
2	PAVA Repairs LVI	[redacted]	[redacted]	Atlasworld
3	Franking Machine Maintenance	[redacted]	[redacted]	CopyText NI
4	SECOND HAND BIN LIFT - FOR MFZ 8396	[redacted]	[redacted]	Manvik Plant & Hire
5	Servicing and maintenance of compactors & containers at Council Household Recycling Centres	[redacted]	[redacted]	Benagh Engineering Ltd
6	UV Controls LVLP	[redacted]	[redacted]	Triogen
7	PAMS & GET GOT Annual Support	[redacted]	[redacted]	Hallmark Solutions Limited
8	NT Pro Workforce System annual support	[redacted]	[redacted]	North Time Data
9	Additional PAVA Repairs LVI	[redacted]	[redacted]	Atlasworld
10	RFZ 4995 Replacement hydraulic drive motor	[redacted]	[redacted]	SP Plant Newtownards
11	Theatre commercial opportunities – September and October 2024	[redacted]	[redacted]	TSW Management Services
	Total Value		[redacted]	

Lisburn & Castlereagh City Council

Committee:	Corporate Services
Date:	11 September 2024
Report from:	Head of Finance

CONFIDENTIAL REPORT

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When will the report become available:	
When will a redacted report become available:	After Full Council
The report will never become available:	

Item for:	Noting
Subject:	Management Accounts – Period 4 2024/2025

1.0 **Background and Key Issues**

Period 4 - Management Accounts

1.1 Attached is the set of Management Accounts for the period ended 31st July 2024 (Period 4).

1.2 This shows a summary of the current position for each Directorate along with any opportunities or risks that may arise before the end of the financial year.

1.3 It is to be noted that the net profiled expenditure for the period is **£26k overspent to approved estimates (0.13% overspent)** for the financial year 2024/2025. This is the position including costs funded from earmarked reserves, which are listed separately in the appendix.

1.4 The overspend as at period 4 (including items funded from reserves) is summarised below:

- Payroll Underspend (£184k)
- Non-payroll Overspent £826k
- Income Overachievement (£616k)

Analysis of current position

1.5 The P4 management accounts reflect the current position in relations to the ongoing NJC negotiations including finalisation of Chief Officer pay deal and ongoing negotiations for all other employees. Whilst the new absence policy has been agreed, work continues to fill current vacancies through a mix of overtime, casuals and agency.

1.6 [redacted]

1.7 [redacted]

1.8 There have been pressures across a number of service contracts which have been reported to Home Committees in terms of above inflation uplifts which are being monitored and tracked.

1.9 Ballymacash Sports Academy have made a claim against the Community Investment Fund (CIF) for £93,442. This is reflected in the Management accounts and will be funded directly from reserves.

1.10 The cost associated with moving the City Centre management team from rental accommodation to the ILC Museum has cost associated to the value of £64,204. These costs were approved by the Regeneration & Growth Committee in February 2024. There was a delay in moving therefore the costs have been reflected in the current financial year.

1.11 In terms of income, there are areas which have over achieved and are offset by areas that have under achieved. Some of the key income streams and performance are detailed below:

- Investment income continues to exceed budget. (Actual - £618,309 v Budget £90,000) at period 4. This is due to the increase in investment interest rates with BOE base rate remaining at above 5%. We continue to maximise all cash investments in line with our Treasury Strategy.
- Vitality membership tracking income at 11.2% ahead of budget (actual £795,541 v budget £715,000).
- Income for building control is 22.3% ahead of budget (£435,104 actual v £355,648 budget). This is mainly driven by an increase in Inspection fees (£220,549 actual v £123,936 Budget)
- Golf Course income is tracking 5.9% less than profiled budget at Period 4, (£519,971 actual v £552,648 budget). There are 2 new revenue streams - Virtual Studio – Castlereagh Hills and the Driving Bay - Aberdelghy. Annual budget has been set high in anticipation of increased usage via the Vitality offering, will continue to monitor in coming months.
- Trade Waste collection tracking 4.97% below budget £21,593 (£412,527 actual v budget £434,120). This will continue to be monitored in the coming months.
- Planning fees income is tracking at 38.01% below budget with actual income of £232,447 compared to period 4 budget of £374,999. Across NI, in 2023/24, Planning applications declined reflecting a slowdown in the construction industry and uncertainty, in particular around mortgage rates. However, the NI economy remains buoyant and mortgage interest rates have stabilised which hopefully will reestablish the housing market to forecast levels. In addition, the Council continues to receive a number of Pre-Application notification for major type planning developments, giving confidence to the forecast income

- Parking charges currently behind the profiled P4 budget by 25.1%. Actual £154,267 v Budget £205,999. This will continue to be monitored in the coming months.

1.12 Penny Product

- The Penny Product is the revenue raised for a District Council by one penny of District rates and is made up of 3 components - District Rates, De Rating Grant and Transferred functions Grant.
- LPS provide a forecasted outturn to Finance in relation to the Penny Product. The forecast outturn for Lisburn and Castlereagh City Council is a positive sum of around £1,391K. This is mainly due to bad debt write off being lower than budgeted. As the year progresses, it is anticipated this will change.
- De Rating Grant – The forecasted outturn based on quarter 1 figures is a negative outturn of £98k, due to a number of properties changing the use of their buildings, therefore not qualifying for de-rating relief.
- Transferred Function Grant – this is set during the estimates process and does not change throughout the year.

1.13 The Penny Product forecasts are not included in the Management Accounts as these are very much subject to change throughout the financial year and are subject to audit before finalisation is approved. They are listed as opportunity/risk for Member's information.

Ongoing Financial Risks for 2024/2025

1.14 Payroll

- Outworkings from the NJC process
- Staff costs are closer to budget with some posts covered by agency due to particular roles not attracting the right permanent candidate.

1.15 Non Payroll

[redacted]

- Increasing prices for current and new contracts, including material costs & contracts Security & Cleaning.
- Waste Services cost particularly from Jan 2025 when the current landfill contract terminates.

1.16 Capital/construction costs

- As with revenue projects, there is a risk of increasing contractor's prices in relation to capital projects.

1.17 Central Government Funding Pressures

- Risk of other reductions in funding from Central Government. Director leisure & Community Wellbeing recently conducted a workshop on 3rd party funding.

Moving Forward

1.18 Finance continue to have regular budget meetings with each Department and will continue to monitor the current and any future risks or opportunities.

2.0	**Recommendation** It is recommended that Members note the information contained in this report.	
3.0	**Finance and Resource Implications** As Above	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. This is a financial report for noting only.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. This is a financial report for noting only.	

Appendices:	Management Accounts – Period 04 2024/2025

LISBURN AND CASTLEREAGH CITY COUNCIL **Period 4** **2024/25**
2024/2025 MANAGEMENT ACCOUNTS

SUMMARY BY DIRECTOR	Annual Budget	YTD P4 Act & Comm	YTD P4 Budget	Variance	
	£	£	£	£	
Organisation Development & Innovation	4,319,980	1,945,777	1,775,610	170,167	9.58%
Finance & Corporate Services	5,458,380	1,253,580	1,714,026	(460,445)	-26.86%
Governance & Audit	492,520	206,352	203,595	2,756	1.35%
Community Health & Wellbeing	15,125,950	5,573,563	5,870,967	(297,403)	-5.07%
Environmental Services	23,100,260	8,013,985	8,146,140	(132,154)	-1.62%
Regeneration & Growth	7,553,220	3,220,313	3,217,512	2,801	0.09%
Total	**56,050,310**	**20,213,571**	**20,927,848**	**(714,278)**	**-3.41%**

Costs excluded from above covered by reserves:	Annual Budget	YTD P4 Act & Comm	YTD P4 Budget	Variance
[redacted]		[redacted]		[redacted]
Spend to save - Parks & Amenities equipment		26,500		26,500
Ballymacash CIF		93,442		93,442
Comm. Group Grants		14,137		14,137
Dday costs		38,059		38,059
	[redacted]			
Total	**56,050,310**	[redacted]	**20,927,848**	[redacted]

RISKS - Costs projected for remainder of Fin Year

De-rating penny product - negative outturn as at Q1	98,066
Government funded programmes-risk of funding gap,	Unknown
Residual waste treatment pressures	Unknown
TOTAL RISKS	**98,066**

OPPORTUNITIES -

Actual penny product Q1 Positive outcome mainly due to write offs being behind schedule	(1,391,236)
TOTAL OPPORTUNITIES	**(1,391,236)**

Payroll/non Payroll/ Income Summary per Directorate to Period 4

Organisation Development & Innovation	Annual Budget	YTD P4 Act & Comm	YTD P4 Budget	Variance		Explanation
	£	£	£			
Payroll	2,447,090	959,989	815,671	**144,318**		Use of agency to backfill posts and maternity cover along with increased number of apprentices have added to the overspend in Payroll.
Non-Payroll	2,202,030	1,134,734	1,099,435	**35,299**		Overspend in use of Medical fees and othe small overspends with timing differences
Income	(329,140)	(148,946)	(139,496)	**(9,450)**		Mainly on budget
Total Net - Organisation Development & innovation	**4,319,980**	**1,945,777**	**1,775,610**	**170,167**	**9.58%**	

Finance & Corporate Services	Annual Budget	YTD P4 Act & Comm	YTD P4 Budget	Variance		
	£	£	£			
Payroll	3,826,600	1,292,344	1,275,915	**16,428**		Overspend in payroll related to use of agency . Some departments having a full compliment of staff which was budgeted at 95% across LCCC for 2024/25
Non-Payroll	2,621,570	850,069	788,989	**61,080**		Security & Cleaning contracts to have profile issues corrected in P5. Additional spend on Civic events, however there is also an uplift in Civic events income
Income	(989,790)	(888,832)	(350,879)	**(537,954)**		Higher bank interest from investments than budgeted.
Total Net - Service Support	**5,458,380**	**1,253,580**	**1,714,026**	**(460,445)**	**-26.86%**	

Governance & Audit	Annual Budget	YTD P4 Act & Comm	YTD P4 Budget	Variance		Explanation
	£	£	£			
Payroll	418,650	122,883	139,549	**(16,667)**		Small underspend in payroll offset by overspend in non payroll consultant costs.
Non-Payroll	73,870	83,969	64,046	**19,923**		Head of audit costs
Income	-	(500)	-	**(500)**		
				-		
Total Net - Governance and Audit	**492,520**	**206,352**	**203,595**	**2,756**	**1.35%**	

Community Health & Wellbeing	Annual Budget £	YTD P4 Act & Comm £	YTD P4 Budget £	Variance		Explanation
Payroll	14,501,000	4,885,021	4,785,113	**99,908**		Use of agency and casuals to cover absence & vacant roles with Communities & Leisure the main driver of the overspend.
Non-Payroll	9,856,240	4,227,447	4,388,548	**(161,101)**		Underspend in utility costs across Parks and Amenities & Sports services.
Income	(9,231,290)	(3,538,904)	(3,302,694)	**(236,210)**		Communites ahead of budget - LVI Arts & Sports Services ahead of budget main areas are Vitality, Leisureplex & DIIB
				-		
Total Net - Community Health & Wellbeing	**15,125,950**	**5,573,563**	**5,870,967**	**(297,403)**	**-5.07%**	

Environmental Services	Annual Budget £	YTD P4 Act & Comm £	YTD P4 Budget £	Variance		Explanation
Payroll	12,983,440	4,187,438	4,432,183	**(244,746)**		Underspends across the Directorate are due to unfilled posts within each of the sections. This underspend will be kept under review.
Non-Payroll	13,888,210	5,254,382	5,249,547	**4,835**		Mainly due to small overspends against profiled budget within ARC21, Waste services & Plant Hire. Offset by similar small underspends in Vehcile tax, Caddy liners & charges. Some amendments to profiles required in P5
Income	(3,771,390)	(1,427,834)	(1,535,591)	**107,756**		Building Inspection fees remain higher than expected in July. Continued over performance will largely depend on market conditions. This over achievement is off set by Under achievements in Parking charges, trade refuse collection & Sale of graves
				-		
Total Net - Environmental Services	**23,100,260**	**8,013,985**	**8,146,140**	**(132,154)**	**-1.62%**	

Regeneration & Growth	Annual Budget £	YTD P4 Act & Comm £	YTD P4 Budget £	Variance		Explanation
Payroll	5,988,230	1,819,530	2,002,846	**(183,316)**		Unfilled posts within planning and development. There has been one post filled internally, remaining post are still vacant
Non-Payroll	4,221,150	1,885,235	1,759,437	**125,798**		City Centre management team move to the ILC Museum, expenditure approved in 23/24
Income	(2,656,160)	(484,452)	(544,772)	**60,320**		Planning fees behind budget for period 4. Planning applications across NI declined in 2023/24 reflecting a slowdown in the construction industry
Total Net - Regeneration & Growth	**7,553,220**	**3,220,313**	**3,217,512**	**2,801**	**0.09%**	

Committee:	Corporate Services
Date:	11th September 2024
Report from:	Head of Finance

CONFIDENTIAL REPORT

Reason why the report is confidential:	Information relating to the financial or business affairs of any particular person (including the Council holding that information).
When will the report become available:	
When will a redacted report become available:	After Full Council
The report will never become available:	

Item for:	Noting
Subject:	Quarterly Finance Reports – Q1 2024/25

1.0	**Background and Key Issues**
1.1	There are a number of expenditure items that fall outside of the Management Accounts figures. These are presented quarterly to the Corporate Services Committee.
1.2	This report and associated appendices provide details on expenditure as at quarter 1 for the 2024/25 financial year (up to the end of June 2024).
	Repairs and Renewals
1.3	Within the balance sheet of the Council, there is a Repairs and Renewals Fund, which funds a number of specific projects that have been agreed as part of the annual estimates process.
1.4	Appendix 1 is the Repairs and Renewals spend as at the 30th June 2024 against the profiled budget.
1.5	A few projects were delayed at the end of last financial year (LVLP alarm works) therefore there is no budget in the 2024/25 year associated with these costs.
	DfC earmarked reserves
1.6	An Accounts Direction was issued in previous financial years by DfC to earmark remaining Covid funding within the General reserves.
1.7	Set criteria was agreed and a number of projects/one-off expenditure items were agreed to be funded through these monies.
1.8	An ongoing review is being carried out regarding the projects included in the DfC listings to ensure funding is still required.
1.9	[redacted]

2.0	**Recommendation** It is recommended that Members note the information contained in this report.	
3.0	**Finance and Resource Implications** From earmarked reserves	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out Financial report for noting only.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. Financial report for noting only.	

Appendices:	Repairs and Renewals – quarter 1 2024/25 [redacted]

Repairs and Renewals 2024/25 - Quarter 1

Project	Annual Budget	YTD Budget	Expenditure to date
Bradford Court Replacement Carpet	6,000.00	1,500.00	-
Replacement of Island Hall Light Desk	10,000.00	2,499.99	-
Re-seal of Island Hall Floor	15,000.00	3,750.00	-
Replace existing lighting to LED	10,000.00	2,499.99	5,458.09
Pothole repairs at LVI	60,000.00	15,000.00	-
Lisburn Cemetery entrance works	-	-	292.69
Play Area Replacement Equipment	10,000.00	2,499.99	7,507.50
Grounds Maint Equipment Replacement	15,000.00	3,750.00	-
Countryside Access Improvements	17,000.00	4,250.01	-
AGC Site Dressing	15,000.00	3,750.00	-
CHGC Maintenance Inhouse	-	-	- 22.39
CHGC Site Dressing	20,000.00	5,000.01	-
Sports Pavilions	30,000.00	7,500.00	10,786.15
Cemetery Headstone Works	20,000.00	5,000.01	9,883.70
Playing Field Drainage	18,000.00	4,500.00	2,512.00
Goal Posts / Nets	10,000.00	2,499.99	9,132.50
Tree Maintenance	150,000.00	19,000.00	18,824.00
Replacement Christmas Lighting	5,000.00	1,250.01	-
Playing Field Renovation	53,380.00	50,000.00	50,831.62
ILC Air Handling units	50,000.00	12,500.01	-
LVLP Maintenance Programme	121,000.00	30,249.99	-
Lough Moss Refurbishment Programme	14,000.00	14,000.00	13,267.48
CHGC Refurbishment Programme	5,000.00	1,250.01	2,872.03
AGC Maintenance Prog - Contract	51,748.00	12,936.99	4,571.32
Civic Amenity Upgrade	5,000.00	1,250.01	-
Compactors & Cont	39,645.00	9,911.25	10,720.10
HRC Road Markings	6,700.00	1,674.99	-
Signage Replacement	3,000.00	750.00	-
Stabilisation of walls at Aghalee and Po	70,000.00	17,499.99	16,435.00
Replacement water storage tank BillyNeil	25,000.00	6,249.99	967.92
Replacement wall at Moira Demense	74,550.00	-	320.00
Replacement Christmas Lighting	30,000.00	7,500.00	1,921.00
Window & door seals replacement LVI	40,000.00	-	-
Stabilisation of walls at Portmore	50,000.00	-	-
Lighting panels LVI	40,000.00	-	-
Repaint Queens Bridge railings LVI	25,000.00	-	-
Fixed Wirong Remedial Works	10,000.00	2,499.99	3,843.25
Heating Valve Replacments (LVI)	25,000.00	-	-
TV Panels	20,000.00	-	-
LVLP alarm works	-	-	4,067.50
Total	**1,170,023.00**	**252,523.22**	**174,191.46**

Committee:	Corporate Services
Date:	11th September 2024
Report from:	Head of Finance

CONFIDENTIAL REPORT

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When will the report become available:	After full Council
When will a redacted report become available:	
The report will never become available:	

Item for:	Noting
Subject:	2023/24 Treasury Outturn Report

Background and Key Issues

1.1 In February 2023, to comply with the requirements of the Local Government Finance Act (NI) 2011, Council approved the annual Treasury Management Strategy and associated Prudential Indicators for the financial year 2023/24.

1.2 The attached report on the Prudential and Treasury Indicators details the Council's performance against the indicators approved for 2023/24.

1.3 The key issues arising from the 2022/2023 financial year are:

- Total spend on Capital Projects in the year amounted to £3.59m.
- Both the Operational Boundary and the Authorised Borrowing Limit were deemed adequate for the year.
- No new loans or finance lease agreements were entered into in the 2023/24 financial year.
- The balance of external loans at 31st March 2024 was £20.06m.
- As at 31st March 2024, the Council's short term investments (held in various institutions) were £24.2m.
- The Treasury Indicators remain within the approved limits during the year.

1.4 The Council continues to receive Treasury Management advice from its professional advisor, Arlingclose.

2. **Recommendation**

It is recommended that Members note the information contained in the report.

3.	**<u>Finance and Resource Implications</u>** • As highlighted above	
4.	**<u>Equality/Good Relations and Rural Needs Impact Assessments</u>**	
	Has an equality and good relations screening been carried out?	No
	Brief summary of the key issues identified and proposed mitigating actions **<u>or</u>** rationale why the screening was not carried out Neutral impact on section 75 groups	
	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
	Brief summary of the key issues identified and proposed mitigating actions **<u>or</u>** rationale why the screening was not carried out. Neutral impact	

Appendices:	Prudential Indicators outturn report 2023/24 Treasury outturn report 2023/24

Prudential Indicators Outturn 2023/24
Arlingclose Template

The Council measures and manages its capital expenditure, borrowing with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Capital Expenditure: The Council has undertaken and is planning capital expenditure as summarised below

	2022/23 actual	2023/24 actual	2024/25 budget *	2025/26 budget
Capital Expenditure	£2.41m	£3.59m	£28.38m	£30.81m
Capital investments	£0m	£10m	£18m**	£0m

* £0.67m of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure.

**Forecasted capital investments is approx. £18m due to increasing bank balances in recent months, these investments are currently in place at Q1 24/25.

The main capital projects include Dundonald International Ice Bowl, Fleet replacement programme, Cemetries programme and BRCD Royal Hillsborough.

Capital Financing Requirement: The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt.

	31.3.2023 actual	31.3.2024 actual	31.3.2025 forecast *	31.3.2026 forecast
TOTAL CFR	**41.16**	**39.89**	**71.14**	**99.86**

* £0.67m of the CFR increase in 2024/25 arises from a change in the accounting for leases

Gross Debt and the Capital Financing Requirement: Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Council has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	31.3.2023 actual	31.3.2024 actual	31.3.2025 forecast	31.3.2026 forecast
Debt (incl. PFI & leases)	21.23	20.05	18.88	17.79
Capital Financing Requirement	41.16	39.89	71.14	99.86

Debt and the Authorised Limit and Operational Boundary: The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

	Maximum debt 2023/24	Debt at 31.3.24	2023/24 Authorised Limit	2023/24 Operational Boundary	Complied? Yes/No
Total debt	**£21.15m**	**£20.05m**	**£75m**	**£65m**	**Yes**

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Proportion of Financing Costs to Net Revenue Stream: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

	2022/23 actual	2023/24 actual	2024/25 budget *	2025/26 budget
Financing costs (£m)	5.41	6.42	7.32	8.23
Proportion of net revenue stream	10.63%	11.74%	11.56%	11.97%

* £0.67m of the increase in financing costs in 2024/25 arises from a change in the accounting for leases and does not represent additional cost to the Council.

Treasury Management Indicators: These indicators (Liability Benchmark, Maturity Structure of Borrowing, Long-Term Treasury Management Investments) are within the Treasury Management Outturn Report 2023/24.

Treasury Management Outturn Report 2023/24
Arlingclose Template

Introduction

In February 2023 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.

This report includes the requirement in the 2021 Code, mandatory from 1st April 2023, of reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the Council's treasury management strategy.

The Council's treasury management strategy for 2023/24 was approved at a meeting in February 2023. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

External Context

Economic background: UK inflation continued to decline from the 8.7% rate seen at the start of 2023/24. By the last quarter of the financial year headline consumer price inflation (CPI) had fallen to 3.4% in February, but was still above the Bank of England's 2% target at the end of the period. The core measure of CPI, i.e. excluding food and energy, also slowed in February to 4.5% from 5.1% in January, a rate that had stubbornly persisted for three consecutive months.

The UK economy entered a technical recession in the second half of 2023, as growth rates of -0.1% and -0.3% respectively were recorded for Q3 and Q4. Over the 2023 calendar year GDP growth only expanded by 0.1% compared to 2022. Of the recent monthly data, the Office for National Statistics reported a rebound in activity with economy expanding 0.2% in January 2024. While the economy may somewhat recover in Q1 2024, the data suggests that prior increases in interest rates and higher price levels are depressing growth, which will continue to bear down on inflation throughout 2024.

Labour market data provided a mixed message for policymakers. Employment and vacancies declined, and unemployment rose to 4.3% (3mth/year) in July 2023. The same month saw the highest annual growth rate of 8.5% for total pay (i.e. including bonuses) and 7.8% for regular pay growth (i.e. excluding bonuses). Thereafter, unemployment began to decline, falling to 3.9% (3mth/year) in January and pay growth also edged lower to 5.6% for total pay and 6.1% for regular pay, but remained above the Bank of England's forecast.

Having begun the financial year at 4.25%, the Bank of England's Monetary Policy Committee (MPC) increased Bank Rate to 5.25% in August 2023 with a 3-way split in the Committee's voting as the UK economy appeared resilient in the face of the dual headwinds of higher inflation and interest rates. Bank Rate was maintained at 5.25% through to March 2024. The vote at the March was 8-1 in favour of maintaining rates at this level, with the single dissenter preferring to cut rates immediately by 0.25%. Although financial markets shifted their interest rate expectations downwards with expectations of a cut in June, the MPC's focus remained on assessing how long interest rates would need to be restrictive in order to control inflation over the medium term.

In the Bank's quarterly Monetary Policy Report (MPR) released in August 2023 the near-term projection for services price inflation was revised upwards, goods price inflation widespread across products, indicating stronger domestic inflationary pressure with second-round effects in domestic prices and wages likely taking longer to unwind than they did to emerge. In the February 2024 MPR the Bank's expectations for the UK economy were positive for the first half of 2024, with a recovery from the mild recession in calendar H2 2023 being gradual. Headline CPI was forecast to dip below the 2% target quicker than previously thought due to declining energy prices, these effects would hold inflation slightly above target for much of the forecast horizon.

Following this MPC meeting, Arlingclose, the Council's treasury adviser, maintained its central view that 5.25% remains the peak in Bank Rate and that interest rates will most likely start to be cut later in H2 2024. The risks in the short-term are deemed to be to the downside as a rate cut may come sooner than expected, but then more broadly balanced over the medium term.

The US Federal Reserve also pushed up rates over the period, reaching a peak range of between 5.25-5.50% in August 2023, where it has stayed since. US policymakers have maintained the relatively dovish stance from the December FOMC meeting and at the meeting in March, economic projections pointed to interest rates being cut by a total of 0.75% in 2024.

Following a similarly sharp upward trajectory, the European Central Bank hiked rates to historically high levels over period, pushing its main refinancing rate to 4.5% in September 2023, where it has remained. Economic growth in the region remains weak, with a potential recession on the cards, but inflation remains sticky and above the ECB's target, putting pressure on policymakers on how to balance these factors.

Financial markets: Sentiment in financial markets remained uncertain and bond yields continued to be volatile over the year. During the first half of the year, yields rose as interest rates continued to be pushed up in response to rising inflation. From October they started declining again before falling sharply in December as falling inflation and dovish central bank attitudes caused financial markets to expect cuts in interest rates in 2024. When it emerged in January that inflation was stickier than expected and the BoE and the Federal Reserve were data dependent and not inclined to cut rates soon, yields rose once again, ending the period some 50+ bps higher than when it started.

Over the financial year, the 10-year UK benchmark gilt yield rose from 3.44% to peak at 4.75% in August, before then dropping to 3.44% in late December 2023 and rising again to 3.92% (28th March 2024). The Sterling Overnight Rate (SONIA) averaged 4.96% over the period to 31st March.

Credit review: In response to an improving outlook for credit markets, in January 2024 Arlingclose moved away from its previous temporary stance of a 35-day maximum duration and increased its advised recommended maximum unsecured duration limit on all banks on its counterparty list to 100 days.

Earlier in the period, S&P revised the UK sovereign outlook to stable and upgraded Barclays Bank to A+. Moody's also revised the UK outlook to stable, Handelsbanken's outlook to negative, downgraded five local authorities, and affirmed HSBC's outlook at stable while upgrading its Baseline Credit Assessment. Fitch revised UOB's and BMO's outlooks to stable.

In the final quarter of the financial year, Fitch revised the outlook on the UK sovereign rating to stable from negative based on their assessment that the risks to the UK's public finances had decreased since its previous review in October 2022, the time of the mini- budget.

Moody's, meanwhile, upgraded the long-term ratings of German lenders Helaba, Bayern LB and LBBW on better solvency and capital positions, despite challenges from a slowing German economy and exposure to the commercial real estate sector. Moody's also upgraded or placed on review for an upgrade, Australian banks including ANZ, CBA NAB and Westpac on the back of the introduction of a new bank resolution regime.

Credit default swap prices began the financial year at elevated levels following the fallout from Silicon Valley Bank and collapse/takeover of other lenders. From then the general trend was one of falling prices and UK lenders' CDS ended the period at similar levels to those seen in early 2023. Earlier in the year some Canadian lenders saw their CDS prices rise due to concerns over a slowing domestic economy and housing market, while some German lenders were impacted by similar economic concerns and exposure to commercial real estate towards the end of the period, with LBBW remaining the most elevated.

Heightened market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remain under constant review.

Local Context

On 31st March 2024, the Council had net investments of £4.11m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.23 Actual £m	**31.3.24 Actual £m**
General Fund CFR	41.16	39.89
Less: *Other debt liabilities	0.09	0.00
External borrowing**	21.15	20.01
Internal borrowing	19.92	19.83
Less: Balance sheet resources	38.80	23.98
Net investments	**18.88**	**4.11**

* finance leases, PFI liabilities and transferred debt that form part of the Council's total debt
** shows only loans to which the Council is committed and excludes optional refinancing

The treasury management position at 31st March and the change during the year is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.23 Balance £m	Movement £m	31.3.24 Balance £m
Long-term borrowing	20.057	-1.178	18.879
Short-term borrowing	1.175	0.003	1.178
Total borrowing	**21.232**	**-1.175**	**20.057**
Long-term investments	0.003	0	0.003
Short-term investments	15.301	8.905	24.206
Cash and cash equivalents	13.536	12.060	25.596
Total investments	**28.840**	**20.965**	**49.805**
Net investments	**7.608**	**22.140**	**29.748**

Total cash and cash equivalents have increased substantially due to a long-standing VAT reclaim being awarded at the end of the 2023/24 financial year.

Borrowing

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

The Council has reviewed its capital programme in light of the Prudential Code 2021 requirements and PWLB lending arrangements to ensure that borrowing to invest primarily for commercial return is no longer undertaken.

Borrowing Strategy and Activity

As outlined in the treasury strategy, the Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

Interest rates have seen substantial rises over the last two years, although these rises have now begun to plateau. Gilt yields fell in late 2023, reaching April 2023 lows in December 2023 before rebounding to an extent in the first three months of 2024. Gilt yields have remained volatile, seeing upward pressure from perceived sticker inflation at times and downward pressure from falling inflation and a struggling economy at other times.

On 31st December, the PWLB certainty rates for maturity loans were 4.74% for 10-year loans, 5.18% for 20-year loans and 5.01% for 50-year loans. Their equivalents on 31st March 2023 were 4.33%, 4.70% and 4.41% respectively.

The cost of short-term borrowing from other local authorities has generally risen with Base Rate over the year. Interest rates peaked at around 7% towards the later part of March 2024 as many authorities required cash at the same time. These rates are expected to fall back to more normal market levels in April 2024.

At 31st March 2024 the Council held £20.1m of loans, (a decrease of £1.2m at 31st March 2023, as part of its strategy for funding previous years' capital programmes. Outstanding loans on 31st March are summarised in Table 3 below.

Table 3: Borrowing Position

	31.3.23 Balance £m	**Net Movement £m**	**31.3.24 Balance £m**	**31.3.24 Average Rate %**	**31.4.24 Weighted Average Maturity (years)**
Northern Ireland Consolidated Fund	21.15	-1.13	20.01	6.3%	9.61
Total borrowing	**21.15**	**-1.13**	**20.01**	**6.3%**	**9.61**

The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short- and long-term borrowing was maintained.

There remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields + 0.80%. The Council will evaluate and pursue these lower cost solutions and opportunities with its advisor Arlingclose.

The UK Infrastructure Bank is one alternative source of funding which offers funding at gilt yields + 0.40% (0.40% below the PWLB certainty rate) and the possibility of more flexible funding structures than the PWLB. Funding from UKIB is generally only available for certain types of projects that meet its criteria of green energy, transport, digital, water and waste. The minimum loan size is £5 million.

Treasury Investment Activity

The CIPFA Treasury Management Code now defines treasury management investments as those investments which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £2m and £10 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

	31.3.23 Balance £m	Net Movement £m	31.3.24 Balance £m	31.3.24 Weighted Average Maturity days
Banks & building societies (secured deposits)	5.301	-1.095	4.206	50 Days
Local authorities and other govt entities	-	10.000	10.000	30 Days
Money Market Funds	10.000	-	10.000	1 Day
Total investments	**15.301**	**8.905**	**24.206**	**50 Days**

**Weighted average maturity will apply to all of the categories above and to cash plus and bond funds.*

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

As demonstrated by the liability benchmark in this report, the Council expects to be a long-term investor and treasury investments therefore include both short-term low risk instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support local public services.

Bank Rate increased by 1% over the period, from 4.25% at the beginning of April 2023 to 5.25% by the end March 2024. Short term rates peaked at 5.7% for 3-month rates and 6.7% for 12-month rates during the period, although these rates subsequently began to decline towards the end of the period. Money Market Rates also rose and were between 5.39% by the end of March 2024.

Income returns from the funds were above budgeted at 256%. The Council had budgeted £270,000 income from these investments in 2023/24. Income received up to 31st March was £692,204, whist a further £80,780 has been declared and is due to be paid by April.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years and with the expectation that over a three- to five-year period total returns should exceed cash interest rates.

Treasury Performance

The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 6 below.

Table 6: Performance

	Actual £m	Budget £m	Over/ Under (£m)
Borrowing	**£20.054**	**£21.11**	-£0.056
Finance leases	£0.04	£0.04	-
Total debt	£20.058	£21.15	-£0.57
Investments	5 CCLA 5 Fed 2 BoS 2 Santander 10 SG Council	£10m MM. £5m Banks	+£10.206
Total treasury investments	**24.206**	**£15.00**	+£9.206

Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the year complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Table 7: Investment Limits

	2023/24 Counterparty limit	**31.3.24 Actual**	**2023/24 Sector Limit**	**Complied?** Yes/No
Any single organisation, except the UK Government	£5m	£2m Sant £2m BoS	Unlimited	**Yes**
Any group of organisations under the same ownership	£5m	Nil	Unlimited	**Yes**
Any group of pooled funds under the same management	£5m	Nil	£10m	**Yes**
Money Market Funds	£5m	£10m	Unlimited	**Yes**
Non-specified investments	£2m	Nil	£10m	**Yes**

Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 8 below.

Table 8: Debt and the Authorised Limit and Operational Boundary

	2023/24 Maximum	**31.3.24 Actual**	**2023/24 Operational Boundary**	**2023/24 Authorised Limit**	**Complied?** Yes/No
Total debt	**£21.15m**	**£20.05m**	**£75m**	**£90m**	**Yes**

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Treasury Management Prudential Indicators

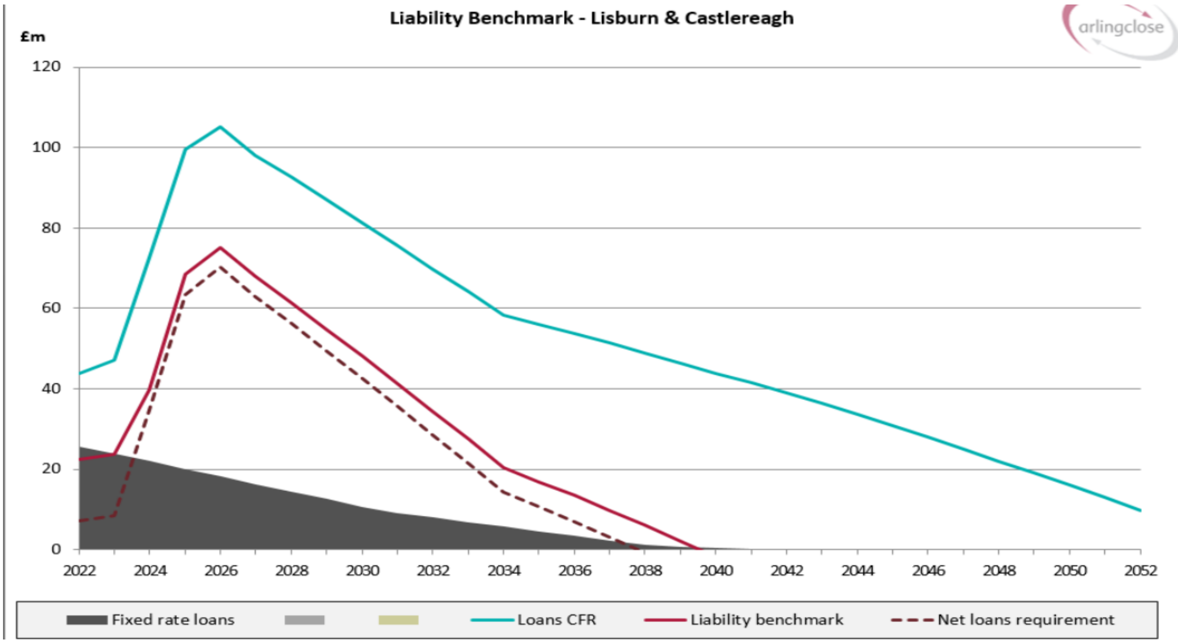
As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

1. Liability Benchmark**:**

This new indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £[X]m required to manage day-to-day cash flow.

	31.3.23 Actual	31.3.24 Actual	31.3.25 Forecast	31.3.26 Forecast
Loans CFR	41.16	39.89	71.14	99.86
Less: Balance sheet resources	38.80	23.98	53.00	53.00
Net loans requirement	2.36	15.91	18.14	46.86
Plus: Liquidity allowance	15.25	5.00	5.00	5.00
Liability benchmark	**17.61**	**20.91**	**23.14**	**51.86**

Following on from the medium-term forecast above, the long-term liability benchmark assumes capital expenditure funded by borrowing, minimum revenue provision on new capital expenditure based on asset life and income, expenditure and reserves all increasing by inflation of 2.5% p.a. This is shown in the chart below together with the maturity profile of the Council's existing borrowing.



Whilst borrowing may be above the liability benchmark, strategies involving borrowing which is significantly above the liability benchmark carry higher risk.

2. Maturity Structure of Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper Limit	Lower Limit	31.3.24 Actual	Complied?
Under 12 months	15%	0%	5.87%	Yes
12 months and within 24 months	15%	0%	5.44%	Yes
24 months and within 5 years	20%	0%	21.46%	No
5 years and within 10 years	30%	0%	23.45%	Yes
10 years and above	100%	0%	43.78%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

3. Long-term Treasury Management Investments: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2023/24	2024/25	2025/26	No fixed date
Limit on principal invested beyond year end	£10m	£10m	£6m	£5m
Actual principal invested beyond year end	£0m	£0m	£0m	£0m
Complied?	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Additional indicators

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	2023/24 Target	31.3.24 Actual	Complied?
Portfolio average credit rating	A	A	Yes

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

	31.3.24 Actual	2023/24 Target	Complied?
Total cash available within 3 months	£47.7m	£6m	Yes
Total sum borrowed in past 3 months without prior notice	£0	-	Yes

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. Bank Rate rose by 1.00% from 4.25% on 1st April 2023 to 5.25% by 31st March 2024.

Interest rate risk indicator	2023/24 Target	31.3.24 Actual	Complied?
Upper limit on one-year revenue impact of a 1% rise in interest rates	£800,000	£281,500	Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates	£800,000	£350,600	Yes

For context, the changes in interest rates during the year were:

	31/3/23	31/3/24
Bank Rate	4.25%	5.25%
1-year PWLB certainty rate, maturity loans	4.78%	5.36%
5-year PWLB certainty rate, maturity loans	4.31%	4.68%
10-year PWLB certainty rate, maturity loans	4.33%	4.74%
20-year PWLB certainty rate, maturity loans	4.70%	5.18%
50-year PWLB certainty rate, maturity loans	4.41%	5.01%

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

Lisburn & Castlereagh City Council

Committee:	Corporate Services
Date:	11th September 2024
Report from:	Head of Finance

CONFIDENTIAL REPORT

Reason why the report is confidential:	Information relating to the financial or business affairs of any particular person (including the Council holding that information).
When will the report become available:	*After full Council*
When will a redacted report become available:	
The report will never become available:	

Item for:	Noting
Subject:	Treasury Outturn Quarter 1 2024/25

1.0	**<u>Background and Key Issues</u>**
1.1	In February 2024, to comply with the requirements of the Local Government Finance Act (NI) 2011, Council approved the annual Treasury Management Strategy and associated Prudential Indicators for the financial year 2024/25.
1.2	The attached reports on the Prudential and Treasury Indicators details the Council's performance against the indicators approved for 2024/25 for up to 30th June 2024.
1.3	The key issues arising from the 3 months up to and include June 2024 year are: • Total expenditure (actual and committed spend) on Capital Projects in the first quarter of the year amounted to £4.65m. • Both the Operational Boundary and the Authorised Borrowing Limit were deemed adequate for the period. • No new loans or finance lease agreements have been entered into during the first quarter of the financial year. • The balance of external loans at 30th June 2024 was £20.01m. • As at 30th June 2024, the Council's short term investments (held in various institutions) were £28.25m. • The Treasury Indicators remain within the approved limits during the year.
1.4	The Council continues to receive Treasury Management advice from its professional advisor, Arlingclose.
2.	**<u>Recommendation</u>** It is recommended that Members note the information contained in the report.

3.	**Finance and Resource Implications** • As highlighted above	
4.	**Equality/Good Relations and Rural Needs Impact Assessments**	
	Has an equality and good relations screening been carried out?	No
	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out This is a financial report for noting only.	
	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. This is a financial report for noting only.	

Appendices:	Q1 2024/25 Treasury Report Q1 2024/25 Prudential Indicators

Treasury Management Report Q1 2024/25
Arlingclose Template

Introduction

In February 2024 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.

This quarterly report provides an additional update and includes the requirement in the 2021 Code of quarterly reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the Council's treasury management strategy.

The Council's treasury management strategy for 2024/25 was approved at a meeting in February 2024. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

External Context

Economic background: UK headline consumer price inflation (CPI) continued to decline over the quarter, falling from an annual rate of 3.2% in March to 2.0% in May, in line with the Bank of England's target. The core measure of inflation, however, only declined from 4.2% to 3.5% over the same period, which, together with stubbornly services price inflation at 5.7% in May, helped contribute to the BoE maintaining Bank Rate at 5.25% during the period, a level unchanged since August 2023.

Data released during the period showed that showed the UK economy had emerged from the technical recession at the end of 2023 to expand by 0.7% (upwardly revised from the initial estimate of 0.6%) in the first quarter of the calendar year. Monthly GDP data showed zero growth in April following an expansion of 0.4% in the previous month.

Labour market data continued to provide mixed messages for policymakers, exacerbated by issues the Office for National Statistics is having compiling the labour force survey. In the three months between February and April 2024, unemployment was up, employment fell, while the decline in vacancies slowed and wage growth remained elevated. Unemployment rose to 4.4% (3mth/year) while average regular earnings (excluding bonuses) was 6.0% and total earnings (including bonuses) was 5.9%. Adjusting for inflation, real regular pay rose by 2.3% and total pay by 2.2%. Given how keenly the 'second-round' impact of inflation on wages is watched by the BoE, policymakers will likely want to see more downward movement before cutting interest rates.

Having started the financial year at 5.25%, the Bank of England's Monetary Policy Committee (MPC) maintained Bank Rate at this level throughout the quarter. In line with expectations, at its June meeting, the Committee voted by a majority of 7-2 in favour of maintaining the status quo. The two dissenters preferred an immediate 0.25% reduction in Bank Rate to 5.0%. This continued dovish tilt by the Committee increased financial market expectations that the first cut in Bank Rate will likely be in August.

Earlier in May, in addition to an identical MPC rate decision and voting pattern, the Bank published the latest version of its Monetary Policy Report (MPR). Within the Report, the Committee noted that it expected four-quarter GDP growth to increase over the forecast period, reflecting the declining negative effects of past Bank Rate increases and the predicted downward path of interest rates which should provide support to economic activity. The trajectory of inflation was broadly similar to that in the previous MPR, albeit slightly lower towards the end of the forecast horizon due to the Committee's revised assessment of falling external inflationary pressures from past import price increases. This meant the Committee expected headline inflation to hit the 2% target two quarters sooner than in the February MPR. As was highlighted earlier, inflation data published in June showed that CPI inflation fell to the 2% target in May.

Arlingclose, the Council's treasury adviser, maintained its central view that 5.25% is the peak in Bank Rate and that interest rates will most likely be cut later in H2 2024. The risks over the medium term are deemed to be to the upside as while inflation has fallen to target, it is expected to pick up again later in the year and as services price inflation and wage growth are still on the firmer side, the MPC could well delay before delivering the first rate cut.

The US Federal Reserve also maintained interest rates over the period, holding the Fed Funds Rate at 5.25%-5.50% for the seventh consecutive month in June, as was expected. US policymakers have maintained a relatively dovish stance throughout the period but have steadily reduced their predictions around the pace and timing of rate cuts in the face of higher inflation and firmer economic growth. At the meeting, economic projections pointed to one rate cut in calendar 2024 and four in 2025.

The European Central Bank cut rates in June, reducing its main refinancing rate from 4.50% to 4.25%. Inflation in the region fell to 2.5% in May, having increased in the previous month, but since February has been fairly sticky at between 2.4% and 2.6%. Economic growth in the region has picked up but remains weak, and with inflation above the ECB's target this continues put pressure on policymakers on how to balance these factors when setting monetary policy.

Financial markets: Sentiment in financial markets showed signs of improvement over the quarter, but bond yields remained volatile. Early in the period yields climbed steadily, but mixed signals from economic data and investors' constant reassessment of when rate cuts might come caused a couple of fairly pronounced but short lived dips in yields. Towards the end of the quarter yields rose once again and were generally higher than at the start of the period.

Over the quarter, the 10-year UK benchmark gilt yield started at 3.94% and ended at 4.18% having reached 4.41% in May. While the 20-year gilt started at 4.40%, hit 4.82% in May, before ending the period at 4.61%. The Sterling Overnight Rate (SONIA) averaged 5.20% over the quarter to 30th June.

Credit review: Arlingclose maintained its advised recommended maximum unsecured duration limit on all banks on its counterparty list at 100 days.

During the quarter, Fitch revised its outlook on Transport for London (TfL) to stable from negative while S&P upgraded its long-term rating for TfL to AA- from A+, in line with its rating of the UK sovereign.

Fitch also upgraded the long-term ratings for the main four Australian banks – Australia & New Zealand Banking Group, Commonwealth Bank of Australia, National Australia Bank and Westpac.

Having placed Warrington Borough Council on review for a downgrade in March, Moody's subsequently withdrew its ratings for the council in June.

Credit default swap prices started and ended the quarter at broadly similar levels in the UK as they did for the European, Singaporean and Australian lenders on Arlingclose's counterparty list, while Canadian banks generally trended modestly downwards.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remain under constant review.

Local Context

On 31st March 2024, the Council had net investments of £4.11m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.24 Actual £m	**31.3.25 Forecast £m**
General Fund CFR	39.89	71.14
Less: *Other debt liabilities	0	0.01
External borrowing**	20.01	18.87
Internal borrowing	19.83	52.26
Less: Balance sheet resources	23.98	53.00
Net investments	**4.11**	**0.74**

* finance leases, PFI liabilities and transferred debt that form part of the Council's total debt
** shows only loans to which the Council is committed and excludes optional refinancing

The treasury management position at 30th June and the change over the quarter is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.24 Balance £m	Movement £m	30.6.24 Balance £m
Long-term borrowing	18.879	-0.004	18.875
Short-term borrowing	1.178	-0.006	1.172
Total borrowing	**20.057**	**-0.01**	**20.047**
Long-term investments	0.003	0.000	0.003
Short-term investments	24.206	4.048	28.254
Cash and cash equivalents	25.596	-7.536	18.060
Total investments	**49.805**	**-3.488**	**46.317**
Net investments	**29.748**	**-3.478**	**26.270**

Borrowing Strategy and Activity

As outlined in the treasury strategy, the Council's chief objective when borrowing has been to strike an appropriately risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. At the present time short term interest rates are higher than long term interest rates.

Policy interest rates have risen substantially since 2021 although they have largely plateaued over the last year. Over the last quarter gilt yields have risen slightly overall, having had a number of peaks and troughs. There has been downward pressure from lower inflation figures, but also upward pressure from unexpectantly positive economic data. Data from the US continues to impact global markets including UK gilt yields.

The PWLB certainty rate for 10-year maturity loans was 4.80% at the beginning of the quarter and 4.96% percent at the end. The lowest available 10-year maturity rate during the quarter was 4.80% and the highest was 5.18%. Rates for 20-year maturity loans ranged from 5.24% to 5.57% during the quarter, and 50-year maturity loans from 5.06% to 5.40%.

Whilst the cost of short-term borrowing from other local authorities spiked to around 7% in late March 2024, primarily due a dearth of LA-LA lending/borrowing activity during the month, as expected shorter-term rates reverted to a more normal range and were generally around 5.25% through the quarter.

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes. The Council has no new plans to borrow to invest primarily for financial return.

Loans Portfolio: At 30th June the Council held £20.5m of loans, as part of its strategy for funding previous years' capital programmes. Outstanding loans on 30th June 2024 are summarised in Table 3A below.

Table 3A: Borrowing Position

	31.3.24 Balance £m	Net Movement £m	30.6.24 Balance £m	30.6.24 Weighted Average Rate %	30.6.24 Weighted Average Maturity (years)
Northern Ireland Consolidated Fund	20.05	-	20.05	6.3%	9.36
Total borrowing	**20.05**	**-**	**20.05**	**6.3%**	**9.36**

The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of short- and long-term borrowing was maintained.

There remains a strong argument for diversifying funding sources, particularly if rates can be achieved on alternatives which are below gilt yields + 0.80%. The Council will evaluate and pursue these lower cost solutions and opportunities with its advisor Arlingclose.

The UK Infrastructure Bank is one alternative source of funding which offers funding at gilt yields + 0.40% (0.40% below the PWLB certainty rate) and the possibility of more flexible funding structures than the PWLB. Funding from UKIB is generally only available for certain types of projects that meet its criteria of green energy, transport, digital, water and waste. The minimum loan size is £5 million.

Treasury Investment Activity

The CIPFA Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (revised in 2021) defines treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £2 and £14 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

	31.3.24 Balance £m	Net Movement £m	31.6.24 Balance £m	31.6.24 Weighted Average Maturity days
Banks & building societies (secured deposits)	4.206	14.048	18.254	85.69
Local authorities and other govt entities	10.000	-10.000	0	0
Money Market Funds	10.000	0.000	10.000	1

Total investments	**24.206**	**4.048**	**28.254**	**86.685**

**Weighted average maturity will apply to the first five categories above and to cash plus and bond funds.*

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

As demonstrated by the liability benchmark in this report, the Council expects to be a long-term investor and treasury investments therefore include both short-term low risk instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support local public services.

Bank Rate remained at 5.25% through the quarter with short term interest rates largely being around this level. The rates on DMADF deposits ranged between 4.08% and 5.01% and money market rates between 5.00% and 5.39%.

The Council has budgeted £270,000 income from these investments in 2024/25. Income received up to 30th June was £554,000.

The combination of the above had a positive effect on the combined value of the Council's funds since March 2024.

The change in the Council's funds' capital values and income return over the 3-month period is shown in Table 4.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.

Statutory override: In April 2023 the Department for Levelling Up, Housing and Communities published the full outcome of the consultation on the extension of the statutory override on accounting for gains and losses on pooled investment funds. The override has been extended for 2 years until 31st March 2025 but no other changes have been made; whether the override will be extended beyond the new date is unknown but commentary to the consultation outcome suggests not.

<u>Treasury Performance</u>

The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 6 below.

Table 6: Performance

	Actual £m	Budget £m	Over/ Under £m
Total borrowing	**20.054**	**20.05**	**-**
PFI and Finance leases	-	-	-
Total debt	20.054	20.05	-
Investments	5 CCLA 5 Fed 2 BoS 2 Santander 14 SDS	£10m MM £5m other	£13
Total treasury investments	**28.00**	**15.00**	**£13**

Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the quarter complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Table 7: Investment Limits

	2024/25 Counterparty Limit	**30.6.24 Actual**	**2024/25 Sector Limit**	**Complied?** Yes/No
Any single organisation, except the UK Government	£5m	£2m Sant £2m BoS	Unlimited	**Yes**
Any group of organisations under the same ownership	**£5m**	**Nil**	**Unlimited**	Yes
Any group of pooled funds under the same management	**£5m**	**Nil**	**Unlimited**	Yes
Secured investments with banks and building societies	**£3m**	**£14m**	**Unlimited**	Yes
Money Market Funds	**£5m**	**£10m**	**Unlimited**	Yes
Non-specified investments	**£2m**	**Nil**	**£10m**	Yes

Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 8 below.

Table 8: Debt and the Authorised Limit and Operational Boundary

	Q1 2024/25 Maximum	**30.6.24 Actual**	**2024/25 Operational Boundary**	**2024/25 Authorised Limit**	**Complied?** Yes/No
Total debt	**£20.05m**	**£20.05m**	**£75m**	**£90m**	Yes

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Treasury Management Prudential Indicators

As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

1. Liability Benchmark**:**
This indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £[X]m required to manage day-to-day cash flow.

	31.3.24 Actual	**31.3.25 Forecast**	**31.3.26 Forecast**	**31.3.27 Forecast**
Loans CFR	39.89	71.14	99.86	113.32
Less: Balance sheet resources	23.98	53.00	53.00	53.00
Net loans requirement	15.91	18.14	46.86	60.32
Plus: Liquidity allowance	5.00	5.00	5.00	5.00
Liability benchmark	**20.91**	**23.14**	**51.86**	**65.32**

Following on from the medium-term forecast above, the long-term liability benchmark assumes capital expenditure funded by borrowing, minimum revenue provision on new capital expenditure based on asset life and income, expenditure and reserves all increasing by inflation of [2.5]% p.a.

Whilst borrowing may be above the liability benchmark, strategies involving borrowing which is significantly above the liability benchmark carry higher risk.

2. Maturity Structure of Borrowing**:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper Limit	**Lower Limit**	**30.6.24 Actual**	**Complied?**
Under 12 months	15%	0%	5.84%	Yes
12 months and within 24 months	15%	0%	5.42%	Yes
24 months and within 5 years	20%	0%	21.48%	No
5 years and within 10 years	30%	0%	23.46%	Yes
10 years and above	100%	0%	43.80%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

3. Long-term Treasury Management Investments: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2024/25	2025/26	2026/27	No fixed date
Limit on principal invested beyond year end	£10m	£6m	£6m	£5m
Actual principal invested beyond year end	£0m	£0m	£0m	£0m
Complied?	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Additional indicators

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	2024/25 Target	30.6.24 Actual	Complied?
Portfolio average credit rating	A	A	Yes

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

	30.6.24 Actual	2024/25 Target	Complied?
Total cash available within 3 months	£44.19m	£6m	Yes
Total sum borrowed in past 3 months without prior notice	£0	0	Yes

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk.

Interest rate risk indicator	2024/25 Target	30.6.24 Actual	Complied?
Upper limit on one-year revenue impact of a 1% rise in interest rates	£800,000	£281,500	Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates	£800,000	£350,600	Yes

For context, the changes in interest rates during the quarter were:

	01/04/24	30/06/24
Bank Rate	5.25%	5.25%
1-year PWLB certainty rate, maturity loans	5.39%	5.37%
5-year PWLB certainty rate, maturity loans	4.72%	4.89%

10-year PWLB certainty rate, maturity loans	4.80%	4.96%
20-year PWLB certainty rate, maturity loans	5.24%	5.37%
50-year PWLB certainty rate, maturity loans	5.07%	5.18%

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

Prudential Indicators Q1 2024/25
Arlingclose Template

The Council measures and manages its capital expenditure, borrowing with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Capital Expenditure: The Council has undertaken and is planning capital expenditure as summarised below

	2023/24 actual	2024/25 forecast *	2025/26 budget	2026/27 budget
Capital Expenditure	£3.59m	£28.38m	£30.81m	£26.54m
Capital investments	£10m	£18m	£0m	£0m

* £0.67m of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure.

The main General Fund capital projects to date have included Dundonald International Ice Bowl, Fleet replacement, Laurelhill Sports Zone and Loughmoss 3G pitches.

Capital Financing Requirement: The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt.

	31.3.2024 actual	31.3.2025 forecast *	31.3.2026 budget	31.3.2027 budget
TOTAL CFR	**39.89**	**71.14**	**99.86**	**113.32**

* £0.67m of the CFR increase in 2024/25 arises from a change in the accounting for leases

Gross Debt and the Capital Financing Requirement: Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Council has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	31.3.2024 actual	31.3.2025 forecast	31.3.2026 budget	31.3.2027 budget	Debt at 30.6.2024
Debt (incl. PFI & leases)	20.05	18.88	17.79	16.34	20.05
Capital Financing Requirement	39.89	71.14	99.89	113.32	

Debt and the Authorised Limit and Operational Boundary: The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

	Maximum debt Q1 2024/25	Debt at 30.6.24	2024/25 Authorised Limit	2024/25 Operational Boundary	**Complied?** Yes/No
Total debt	**£20.05m**	**£20.05m**	**£90m**	**£75m**	Yes

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Proportion of Financing Costs to Net Revenue Stream: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

	2023/24 actual	2024/25 forecast *	2025/26 budget	2026/27 budget
Financing costs (£m)	6.42	7.32	8.23	9.14
Proportion of net revenue stream	11.74%	11.56%	11.97%	12.79%

* £0.67m of the increase in financing costs in 2024/25 arises from a change in the accounting for leases and does not represent additional cost to the Council.

Treasury Management Indicators: These indicators (Liability Benchmark, Maturity Structure of Borrowing, Long-Term Treasury Management Investments are within the Treasury Management Report Q1 2024/25.

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11 September 2024
Report from:	Director of Organisation Development & Innovation

CONFIDENTIAL REPORT

Reason why the report is confidential:	4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the council or a government department and employees of, or office holders under, the council.
When will the report become available:	
When will a redacted report become available:	Following ratification
The report will never become available:	

Item for:	Decision
Subject:	Efficiency Review Steering Group (ERSG) meetings

1.0	**Background and Key Issues** Meetings of the Efficiency Review Steering Group (ERSG) took place on Tuesday, 3 September 2024. The minute and action plan from this meeting is attached. At the meeting, the Head of Economic Development, supported by the Director of Regeneration and Growth, presented on the proposed structure for the Economic Development Unit. [redacted] Members welcomed the proposals and recommended that these progress for approval by this Committee. Members also considered a report by the Acting Head of Environmental Health, Risk and Emergency Planning in relation to the transfer of the Landlord Registration Scheme and benefit to the Council and community, and confirmation that this Council will operate the scheme for the whole of NI. [redacted] do not add any additional cost to the Council as the scheme is self-funding.
2.0	**Recommendation** It is recommended that Members note the minute and action plan as outlined in the appendix and agree the recommendation of the ERSG to approve the proposed structure for the Economic Development Unit and the Landlord Registration Scheme within the Environmental Health, Risk and Emergency Planning Structure progresses to the Corporate Services Committee.

3.0	**Finance and Resource Implications** [redacted] [redacted] at no cost to the Council for these posts as the scheme is self-funding.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	Yes
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out There are no equality and good relations implications at this time. Should the structures be approved, any recruitment will be in accordance with the LGSC code of Procedures on Recruitment and Selection which has been screened.	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. Structure only.	

Appendices:	ERSG Minutes and Action Notes 03.09.2024

EFFICIENCY REVIEW STEERING GROUP MINUTES AND ACTIONS

Location: Chestnut Suite, 2nd Floor, LVI
Date and Time: 3 September 2024 at 4pm

In attendance:
Cllr Uel Mackin, DUP (Chair)
Cllr Pat Catney, SDLP
Cllr Nancy Eaton, APNI
Cllr Gary Hynds, IND
Cllr Nicholas Trimble, UUP

Mrs Caroline Magee, Director of Organisation Development, and Innovation
Mr Donal Rogan, Director of Regeneration and Growth (items 1-3)
Mr Paul McCormick, Head of Economic Development (items 1-3)
Mrs Sally Courtney, Acting Head of Environmental Health, Risk and Emergency Planning (items 4-5)

Apology/not in attendance:
Ald James Baird, UUP
Cllr Paul Burke, SF
Cllr Sharon Lowry, APNI (Vice-Chair)
Ald Paul Porter, DUP
David Burns, Chief Executive

Minutes and Action Items

Agenda Item	Minute and any associated Action	Assigned to
1	**Welcome and introductions** The Chair welcomed those attending highlighting that this meeting is to update Members on progress, to consider the proposed Economic Development Structure and Landlord Registration Scheme Structure. **Action: N/A**	Chair
2	**Outcomes from last meeting** The Director of Organisation Development & Innovation provided an update on the outcomes from the last meeting which were an update on the Wellbeing Structure implementation, and that the lessons learned had been brought to Council. No matters arising were raised by Members. **Action: N/A**	Director of OD&I

3	**Review of Economic Development Structure** The Head Economic Development, supported by the Director of Regeneration and Growth presented to Members on the proposed revised structure for Economic Development. This included detail on the methodology and considerations taken in designing the structure to enable the Council to progress the ambitions as detailed in the current Corporate and Community Plans. Discussions took place regarding the proposed structure and Members were provided with responses to various questions regarding future use of AI, High Street development, grading of posts and tourism capacity. [redacted] Following discussions, Members welcomed the proposal and recommended the structure be agreed by the Corporate Services Committee. **Action: Recommendation for approval of the Economic Development Structure to progress to the Corporate Services Committee.**	Head of Economic Development, Director of Regeneration and Growth
4	**Landlord Registration update** The Acting Head of Environmental Health, Risk and Emergency Planning referred Members to the report on Decision Time and discussions took place regarding the purpose and transfer of the Landlord Registration Scheme including benefit to the Council and community and confirmation that this Council will operate the scheme for the whole of NI. The Acting Head of Service outlined that staff would [redacted] Following discussion and clarification, Members welcomed the proposal and recommended it be agreed by the Corporate Services Committee.	Environmental Health, Risk and Emergency Planning

	Action: Recommendation for approval of the Landlord Registration Scheme within the Environmental Health, Risk and Emergency Planning Structure progresses to the Corporate Services Committee.	
5	**Outcomes and date of next meeting** The date of the next meeting is scheduled for Tuesday, 1 October. Regarding the scheduled meeting on Tuesday 5 November the Director of Organisation Development and Innovation informed the group that there was a diary clash for the meeting and sought to agree an alternative date for the November meeting. A proposed date of Thursday, 7 November at 3.30pm was agreed. **Action: New meeting date for 7 November 2024 to be circulated.**	Director of OD&I
6	**Close** The Chair brought the meeting to a close at 5.40pm	**Chair**