

# Document Pack

**Committee and Members' Services Section  
Chief Executive's Department  
Belfast City Council  
City Hall  
Belfast  
BT1 5GS**



14<sup>th</sup> June, 2010

## **MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE**

Dear Councillor,

The above-named Committee will meet in the Lavery Room (Room G05), City Hall on Friday, 18th June, 2010 at 10.00 am, for the transaction of the business noted below.

You are requested to attend.

Yours faithfully,

PETER McNANEY

Chief Executive

### **AGENDA:**

1. **Routine Matters**

- (a) Apologies
- (b) Minutes

2. **Transition Committee Business**

- (a) Review of Public Administration Update (Pages 1 - 10)
- (b) Consultation on Proposals for a Roads (Functions of District Councils) Bill (Pages 11 - 58)

3. **Democratic Services and Governance**

- (a) Requests for use of the City Hall and the Provision of Hospitality (Pages 59 - 64)
- (b) Association of Municipal Authorities of Ireland - Annual Conference 2010 (Pages 65 - 66)

4. **Finance**

- (a) Minutes of Meeting of Audit Panel (Pages 67 - 118)
- (b) Belfast City Council Financial Accounts 2009/2010 (Pages 119 - 186)
- (c) Proposals for Financial Reporting (Pages 187 - 214)
- (d) Publication of Employee Travel Costs 2009/2010 (Pages 215 - 220)
- (e) Approval to Seek Tenders - Occupational Health and Employee Counselling Contracts (Pages 221 - 222)
- (f) Approval to Seek Tenders - Natural Gas Utility Provider and Conversion of Cecil Ward Building from Oil to Natural Gas (Pages 223 - 226)
- (g) Approval of Tenders (Pages 227 - 230)
- (h) Specified Research - Renewing the Routes Scheme (To Follow)

5. **Asset Management**

- (a) Governance of Major Projects (Pages 231 - 242)
- (b) Update on Peace III Priority 2.1 Capital Bids for Shared Space (Pages 243 - 246)
- (c) Connswater Community Greenway Update (Pages 247 - 256)
- (d) Review of Rents on Parks Houses (Pages 257 - 260)
- (e) Request for the Use of City Hall Grounds - Poster for Tomorrow (Pages 261 - 262)
- (f) Request for Use of City Hall Grounds - West Belfast Festival (Pages 263 - 264)

6. **Good Relations and Equality**

- (a) Minutes of Meeting of Good Relations Partnership (Pages 265 - 274)

7. **Cross-Cutting Issues**

- (a) Consultation - Meeting the Demands for Modern Public Library Service for the Greater Belfast Area (Pages 275 - 278)
- (b) Road Safety Strategy for Northern Ireland 2010-2020 (Pages 279 - 290)
- (c) Electric Vehicle Charging Infrastructure (Pages 291 - 294)

**To: The Chairman and Members of the Strategic Policy and Resources Committee**

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## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources (Transition) Committee
<b>Subject:</b>	Review of Public Administration Update
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	Peter McNaney, Chief Executive
<b>Contact Officer:</b>	Kevin Heaney, RPA Coordination Manager (ext. 6202)

1.0	<b><u>Relevant Background Information</u></b>
1.1	Members will be aware that the Environment Minister, Edwin Poots submitted a report to the Executive at its meeting on 27 <sup>th</sup> May 2010, setting out proposals on the way forward for the RPA local government reform programme. It is understood that different views were expressed at the Executive meeting on 27 <sup>th</sup> May and a discussion on the way forward was deferred to the Executive meeting on 10 <sup>th</sup> June 2010.
1.2	Following the meeting the Minister for Local Government, Edwin Poots, has written to NILGA and Councils setting out the funding pressures that central government will be under over the coming years and indicating that if local government reform is to proceed the estimated cost of £118M would have to be met by local government. Council responses were been sought by 4 <sup>th</sup> June to enable the Environment Minister to submit a revised paper for the Executive meeting on 10 <sup>th</sup> June.
2.0	<b>Key Issues</b>
2.1	Councils have previously considered the issue of financing specific elements of the RPA reform programme and had agreed a number of high-level principles including, for example, the following: <ul style="list-style-type: none"> <li>• The Reform process should be cost neutral to the ratepayer.</li> <li>• Where there is no benefit to Local Government, the cost must be borne by central government.</li> <li>• Central government should fund activities where equity across the sector is required eg severance.</li> <li>• The final programme costs and their apportionment between councils must be negotiated based on a robust and agreed business case.</li> </ul>
2.2	NILGA recently arranged a meeting for representatives of all local authorities (including a number of Belfast City Council Members) to further discuss the issue of funding reform with a view to informing a NILGA response to be submitted to the Environment Minister on behalf of the local government sector. At the meeting there was acknowledgment that local authorities may be required to fund an element of the reform costs and that any consideration of funding would be based on the principles previously agreed. Subsequently, NILGA submitted a response to the Environment Minister, a copy of which is attached at <b>Appendix 1</b> .
2.3	Members will recall that the Committee, at its meeting on 4 <sup>th</sup> June, considered the Councils own response to the Minister and agreed, in summary, that it would be willing <i>'to explore with colleagues from central and local government how the costs of reform might be met'</i> . A copy of the BCC response submitted to the Environment is attached at <b>Appendix 2</b> .

	<b><u>Outcome of NI Executive meeting</u></b>
2.4	It is understood that different views were expressed at the Northern Ireland Executive meeting on 10 <sup>th</sup> June, with a lengthy period of intensive discussions ending in deadlock and no decision taken on the way forward. It was agreed that a special Executive meeting would be held on Monday 14 <sup>th</sup> June to attempt to agree a finalised way forward. Extensive discussions between parties are to continue over the weekend. Enclosed at <b>Appendix 3</b> is a recent Belfast Telegraph article, dated Friday 11 <sup>th</sup> June, which reports on the Executive discussions.
	<b><u>Next Steps</u></b>
2.5	As agreed by the Committee, officers are currently examining what options are available to the Council in moving forward with the RPA and taking into account the recent decision taken by the NI Executive. It will be important to build upon the substantial work already undertaken to date by the council and ensuring that any potential beneficial opportunities in regards to, for example, collaboration, transferring functions etc are pursued. It would be the intention that a further report setting out detailed options for moving forward will be submitted for the consideration of the Committee in August.
2.6	It is suggested for the Committees consideration that a Strategic Planning Workshop be held for Members in August to consider the RPA and other <b>pertinent</b> issues relating to the development of the Council's new Corporate Plan for the period 2011 and beyond. At this stage there should be feedback from all the surveys currently underway (i.e. Members, citizens and staff).

### **3.0 Resource Implications**

- There are potential implications attached to any commitment made by the Council to fund elements of the RPA reform programme, however, any financial commitment will be based on the development of a detailed business case which will remain subject to political consideration and endorsement.
- There will clearly be resource implications (in terms of officer time) attached to the Council's continued engagement and work on the key issues outlined within this report.

### **4.0 Recommendations**

The Committee is asked to note the contents of this report and agree that a Strategic Planning Workshop would be scheduled for Members in August 2010

### **5.0 Appendices**

Appendix 1: NILGA response submitted to the Environment Minister

Appendix 2: BCC response submitted to the Environment Minister

Appendix 3: Belfast Telegraph Article, dated 11<sup>th</sup> June, on NI Executive Discussions



Minister Edwin Poots MLA  
Minister of the Environment  
DOE Private Office  
Clarence Court  
10 – 18 Adelaide Street  
Belfast  
BT2 8GB

4 June 2010

Dear Minister Poots

Thank you for your letter dated 28 May 2010 entitled “Progressing the Delivery of Local Government Reform”. I would like to begin my reply by restating, on behalf of local government, our commitment to the local government reform programme.

Local government has been investing significant resources in the development of policy to inform the legislation required to support the introduction of 11 new councils in May 2011, together with further work to support implementation. The reform of local government is a key step towards developing a modern and effective government and a public service regime for Northern Ireland for generations to come. Local government plays a crucial role in delivering better outcomes for citizens and in shaping the local areas to meet the needs of citizens. Councillors are community leaders – taking a broad view of the well-being of local people and communities in a way, which is not expected or possible for other public service providers. Please be assured that local government remains committed to reform.

You ask in your letter, if local government would fund the full upfront costs of the reform programme. You will recall from the Strategic Leadership Board meeting on 25 February that I presented to you a local government paper on funding the reform programme setting out the principles for our contribution.

It may be helpful, if at this stage, I restate the principles:-

- a. The reform process should be cost neutral to the ratepayer as promised at the outset of the reform process and that any rate rise to the ratepayer must be avoided.
- b. Where there is no financial benefit to local government, costs should be met by central government.
- c. Councils may contribute where benefits will be accrued. Contribution should be apportioned based on the level of benefit gained.
- d. Central government should fund activities where equity across the sector is required.
- e. The final programme costs and the apportionment must be negotiated based on a robust and mutually agreed business case.
- f. The final programme costs must be affordable.
- g. Repayment of any loans from central government to local government should only be considered when councils have made demonstrable savings.

The principles have been endorsed by the 11 transition committees in March 2010 and re-affirmed by representatives from all 26 councils at an engagement seminar organised by NILGA and held today.

Local government has committed, in the context of the reform programme, to making savings in the order of those outlined in the PWC report. It should be noted the exact level of savings would be established through the development of detailed business cases. This response therefore cannot and will not commit individual councils to specific apportionment of savings to be accrued. As highlighted in Principle (e) above the final programme costs and the apportionment must be negotiated based on robust and mutually agreed business cases.

It is unfortunate there was no opportunity for more detail in your letter about possible funding mechanisms available to local government. In earlier discussions, you said the Finance Minister, Sammy Wilson, had suggested the possibility of a funding model based around extending the existing Capital Loans' Regime to cover revenue costs. We would welcome further clarity and discussion on this and any other possible options.

As I have reiterated in recent letters to you the work taken forward by local government on improvement and collaboration provides a good foundation on which to secure significant efficiencies, to realise citizen expectation of local government service improvements and to contribute to the aim of creating "strong, dynamic local government in Northern Ireland. It is vital that this momentum for change is not lost. That said there are a number of issues





outside our area of responsibility but within the remit of the Executive which, must be addressed to allow the reform process to move on.

These include-

- Introducing the required legislation for establishing the boundaries for the 11 new district councils and the reorganisation legislation to provide modernised powers for the new councils.
- Resolving the rates convergence issue of amalgamating councils.
- Ensuring the transferring functions result in no additional costs to local government at the point of transfer.
- Ensuring the necessary practical arrangements are in place for example Land and Property Services systems and processes are aligned to the 11 council model.

I would re-emphasise that without the resolution of these issues the reform process cannot move forward. It is the Executive's responsibility to make the decision on the future of the reform programme for local government. We therefore call on you and your executive colleagues to take these decisions quickly and to provide now the necessary clarity.

As I am sure you will appreciate, it has not been possible within the timescale to seek the formal ratification of all councils to this response. Over the past week, there has been extensive consultation with elected members and council chief executives including, as stated above, representatives from all 26 councils at our engagement seminar today.

Finally, as you as Minister will be aware, the purpose of the local government reform process has been the improvement of services to the citizen at a local level and to enable local government, acting on behalf of its citizens, to place shape their areas. I am sure you will agree that these important aims should not be lost in our discussion on the way forward.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'John Mathews', is written over a light blue circular stamp.

**CLLR JOHN MATHEWS**  
**President**

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# Belfast City Council



Your reference

Our reference RPA/004

Date 4 June 2010

Mr Edwin Poots MLA  
Minister of the Environment  
Department of the Environment  
Private Office  
Room 717  
Clarence Court  
10-18 Adelaide Street  
BELFAST BT2 8GB

Dear Minister

## **PROGRESSING THE DELIVERY OF LOCAL GOVERNMENT REFORM**

I refer to your letter, dated 28 May 2010, which sought confirmation from the Council, and wider local government sector, if it would be willing to fund the upfront costs of the RPA reform programme.

Belfast City Council gave initial consideration to this matter at its Council meeting on Tuesday 1 June and subsequently at a meeting of its Strategic Policy and Resources Committee on 4 June.

The Council confirms its commitment to Local Government reform and its desire to work productively with others to ensure that responsive, integrated and value for money services are delivered at a local level to its ratepayers. As you will be aware as Minister; the Council has already invested significant resources and effort into the RPA process over the last number of years.

In this vein, the Council states its willingness to explore with colleagues in local and central government how the costs of reform might be met.

In giving consideration to this issue, the Council would be guided by the following principles:

### **Belfast City Council**

City Hall, Belfast, BT1 5GS

Tel: 028 9032 0202, Textphone: 028 9027 0405, Fax: 028 9027 0232

- (a) any financial contribution made by the Council would be proportionate to the direct costs incurred by the Council in implementing the reform programme;
- (b) any financial commitment to the efficiency programme for local government will only be made on the basis of VFM being demonstrated for Belfast ratepayers;
- (c) the Belfast ratepayer should not be asked to subsidise the convergence costs of other council areas;
- (d) transferring functions should be rate neutral at point of transfer to councils.

The Council would note also that there remain a number of issues outside of the control of local government and which need to be progressed by the NI Executive to allow the reform process to move on. These include:-

- Ensuring that the required legislation (including the Local Government Boundaries Order and Reorganisation Bill) are in place;
- Resolving the rates convergence issue of amalgamating councils
- Ensuring the transferring functions are rates neutral at the point of transfer
- Ensuring the necessary practical arrangements are in place for example Land and Property Services systems and processes are aligned to the 11 council model.

Finally, the Council would urge you as Minister with responsibility for local government and your Executive colleagues to urgently provide the necessary clarity on the future of the reform programme for local government.

Yours sincerely



**Councillor Ian Crozier**  
**Chairman of Belfast Voluntary Transition Committee**

CC:

All Councillors of Belfast City Council

Councillor John Mathews, President, Northern Ireland Local Government Association

## Appendix 3

### MLAs fail to agree on reduction of councils

By Noel McAdam

*Friday, 11 June 2010*

Stormont Executive ministers broke up last night without a deal on the future direction for Northern Ireland's councils.

The second-longest Executive meeting since devolution was restored failed to find a formula to allow elections to go ahead to 11 new fully-functioning councils next May, culled from the present 26.

But ministers also agreed to hold a special Executive meeting on Monday to attempt again to finalise a deal including funding the £118m estimated 'start-up' costs for the already long-delayed shake-up.

A Stormont spokesman said intensive discussions between the parties would continue over the weekend — but, without agreement, the current 26 authorities will be given a four or five-year extension.

DUP and Sinn Fein ministers also held a series of bilateral negotiations yesterday following a four-hour Executive session including, it was reported, a one-to-one between First Minister Peter Robinson and his Deputy Martin McGuinness.

Other sticking points, including whether Dunmurry goes into a new Belfast council or remains as part of Lisburn, which will tie up with Castlereagh, also remain.

But one senior source said the fact that ministers were prepared to return on Monday was an indication they believe the project — designed to result in £428m savings to the public purse over the next 25 years — can still go ahead.

An announcement by DUP minister Edwin Poots, who oversees local government, had been provisionally pencilled in for the Assembly on Monday, partly because the Northern Ireland Office, which is responsible for elections, had regarded yesterday as the "absolute final deadline" for agreement.

John Mathews, the president of the councils' umbrella group, the NI Local Government Association (NILGA), said: "I am more optimistic

than pessimistic, although it did look at one stage they were not going to be able to reach agreement."

The executive of NILGA is due to hold a special meeting today following its own talks with Ian Maye, the most senior civil servant involved in the revamp.

<b>Report to:</b>	Strategic Policy and Resources (Transition) Committee
<b>Subject:</b>	Consultation on Proposals for a Roads (Functions of District Councils) Bill
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	Ciaran Quigley, Director of Legal Services
<b>Contact Officer:</b>	Kevin Heaney, RPA Project Coordinator (ext. 6202)

1.0	<b><u>RELEVANT BACKGROUND INFORMATION</u></b>
1.1	The Council received correspondence, dated 29 <sup>th</sup> April 2010, from the Chief Executive of Roads Service setting out proposals for the development of a Roads (Functions of District Councils) Bill. A copy of the consultation document, including the draft Bill, is attached at Annex 1. Comments on the draft Bill has been sought by 23 <sup>rd</sup> July 2010.
1.2	The Bill is intended to enable the Department to transfer the following local roads functions to councils:- <ul style="list-style-type: none"> <li>▪ authorising local road race events;</li> <li>▪ the issue of authorisations to enable vehicles to enter pedestrian zones;</li> <li>▪ off-street car parks; and</li> <li>▪ on and off-street parking enforcement</li> </ul>
2.0	<b><u>KEY ISSUES</u></b>
2.1	The following provides a brief overview of the provisions as set out within the Bill and the proposed transfer of additional responsibilities to local government.
	<b>Clause 1: Parking Enforcement</b>
2.2	Under Clause 1 and Schedule 1 of the Bill the Council will be given the power to carry out enforcement functions, presently exercised by the Department under the Traffic Management order 2005, in relation to parking and waiting contraventions. This will mean that councils will become responsible for on and off-street parking enforcement; traffic attendants and for the issuing and processing of Penalty Charge Notices.
2.3	It is intended that the Department would retain responsibility for type approval of prescribed parking and immobilisation devices; making regulations; to set the Penalty Charge Tariffs and the contraventions in respect of which a Penalty Charge is payable. Clarification is required as to who retains the income receipt from penalty charges and whether this will be used to off-set the costs incurred by councils for enforcement and necessary maintenance.
	<b>Clause 2: Transfer to councils of certain functions in relation to parking places</b>
2.4	Under Clause 2, the majority of off-street car parks provided by the Department, and the land on which they are situated, would transfer to district councils. The Department would retain and continue to operate those off-street car parks used for “park and ride” and “park and share” schemes.

	<b>Clause 3: Functions of councils in relation to road races</b>
2.5	The Bill will provide powers to district councils to authorise road races and to make the necessary road closure orders to facilitate them. The district council in whose area a race starts would be the council to make the necessary road closure order.
2.6	The Bill also provides for the future legislative responsibility for the Roads Races Order to transfer from DRD to DCAL which has policy responsibility for the central administration and promotion of sport in Northern Ireland.
2.7	Members should note that a separate Bill, the Roads (Miscellaneous Provisions) Bill, deals with a number of roads related issues including giving local councils the power to close roads for events. The Bill is currently at 2 <sup>nd</sup> committee consideration stage within the NI Executive. This means that there will be two separate pieces of legislation which will be dealing with the ability of councils to close roads for holding events.
	<b>Clause 4: Pedestrian Zone Permits</b>
2.8	The Bill will provide councils with the power to issue special authorisation permits allowing vehicles to enter pedestrian zones. The Department will retain the power to make extinguishment orders (i.e. designation of pedestrian zones).
	<b><i>BCC RESPONSE</i></b>
2.9	Clearly this is a very important piece of legislation which has the potential to impact upon the future role and functionality of the Council. It represents a positive step in enabling the transfer of additional functions to councils and in creating strong and responsive local government. The proposals will enhance local government service delivery and the ability of the Council to make a real and lasting difference at the local level and, therefore, should be welcomed.
2.10	However, there are issues of detail (e.g. public liability and insurance implications for the Council) which are still to be worked out when the associated regulations and potential transfer scheme are drafted. The Council will strongly advocate the need for intensive dialogue and engagement with the Department in relation to the development of the detail as to how the Bill will be implemented and the content of any associated subordinate legislation.
2.11	A draft Council response is attached at Appendix 2 for Members consideration. In summary, the key points raised in the response include: <ul style="list-style-type: none"> <li>▪ concerns about the separation of linked legislative provisions (i.e. pertaining to the closure of roads for events) across two Bills as this will lead to confusion</li> <li>▪ consideration in relation to the potential public liability and insurance implications for councils resulting from the provisions set out within this Clause</li> <li>▪ advocacy of the need for an appropriate maintenance budget to transfer to councils alongside the transfer of responsibility for off-street car parking</li> <li>▪ seeking Council input into the designation of Park and Ride and on-street parking provisions which are comprised within the fabric of the roads otherwise maintained by the DRD</li> <li>▪ any policy retention by the Department to set the level of charges/tariffs would need to have a caveat in relation to the necessity for the function to cover reasonable operational costs of delivery</li> </ul>



	<ul style="list-style-type: none"><li>▪ clarity is sought in relation to the ability of the Council to dispose of land used for parking places in addition to the specified powers to acquire land</li></ul>
	<p>Members will note that a recent press release published by the BBC News (23-03-2010) reported that in 2009 the cost of enforcement to the Department was £8million while income from fines and car parking charges accounted to £4+million.</p>

### 3.0 Resource Implications

The potential resource impact of the Bill is still to be quantified.

### 4.0 Recommendations

The Committee is asked to:

- i) note the forgoing report;
- ii) consider the draft Council response attached at Annex 2; and
- iii) agree that the draft response, subject to any amendments made by Members, be submitted to the DRD.

### 5.0 Appendices

**Annex 1:** Consultation on proposals for a Roads (Functions of District Councils) Bill

**Annex 2:** Draft Council response to Roads (Functions of District Councils) Bill

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## **The Draft Roads (Functions of District Councils) Bill Consultation Document**

The consultation period will end on Friday 23 July 2010.

**April 2010**



Department for  
**Regional  
Development**

[www.drdni.gov.uk](http://www.drdni.gov.uk)

AN ROINN

**Forbartha Réigiúnaí**

MÄNNYSTRIE FUR

**Kintra Pairts Fordèrin**

**ROADS** Service

## **SEEKING YOUR VIEWS**

This Consultation Document seeks views on the Department's proposal for a Roads (Functions of District Councils) Bill (Appendix 1).

**The consultation period will end on Friday 23 July 2010.**

Comments should be sent to:

Clare Carey  
Department for Regional Development  
Ports & Public Transport Division  
Primary Legislation Unit  
Room 6-04  
Clarence Court  
10-18 Adelaide Street  
Belfast  
BT2 8GB

Telephone: 028 90540854

Text phone: 028 90540642

E-mail: [rmpb@drdni.gov.uk](mailto:rmpb@drdni.gov.uk)

### **Alternative Formats**

If you require this document in another format such as large print, Braille, audio format or in another language please contact Clare Carey using the contact details above.

The document is also available on the website – [www.drdni.gov.uk](http://www.drdni.gov.uk) under the Consultations link.

Feedback, queries or complaints about the consultation process should also be made through Clare Carey using the contact details above.

Departmental Policy Statement on Confidentiality and FOIA

Following the end of the consultation we shall publish details of the responses received. Information you provide in your response, including **personal information**, could be published or disclosed under the Freedom of Information Act 2000 (FOIA).

Under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals with obligations of confidence. If you want the information that you provide to be treated as confidential it would be helpful if you could explain why. Although we will take full account of your explanation we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded as binding on the Department.

Before you submit your response, please read Appendix 3 at the back of this document on the confidentiality of consultations. This will give you guidance on the legal position about any information given by you in response to this consultation.

Following consideration of all responses a report will be published on the Department's website at [www.drdni.gov.uk](http://www.drdni.gov.uk) under the consultations link.



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## **1 Purpose of the Consultation Document**

1.1 The Department for Regional Development is seeking views from consultees on its proposal for a Roads (Functions of District Councils) Bill – see Appendix 1.

1.2 The consultation document aims to:

- provide information about the Department's proposals;
- explain the anticipated impacts; and
- seek consultees' views.

1.3 The Department proposes to transfer the following local roads functions to councils:

- authorising local road race events
- the issue of authorisations to enable vehicles to enter pedestrian zones
- off-street car parks; and
- on and off-street parking enforcement.

## **2 Background**

2.1 In March 2008 the Northern Ireland Executive agreed proposals for the reform of local government as part of the Review of Public Administration (RPA). These proposals included the transfer of certain functions to district councils that are currently exercised by central government Departments.

2.2 Initially, 11 local roads public realm functions were identified as being suitable for transfer to local government in 2011. Detailed discussions between officials from the Department's Roads Service, the Department of the Environment and local

government about the detail of the functions proposed to transfer ensued. During those meetings local government representatives proposed a number of changes to the functions identified for transfer.

2.3 Subsequently local government representatives submitted a revised list of functions to transfer for Minister Murphy's consideration.

2.4 In August 2009, the Minister agreed with the transfer of a refined suite of public realm functions requested by local government. Those functions are:

- authorising local road race events;
- issuing access permits to pedestrian zones;
- off-street car parks; and
- on and off-street parking enforcement.

2.5 "Building a Better Future – Programme for Government 2008-11" sets out the Northern Ireland Executive's priorities and spending plans for the period 2008-11. To support these priorities, a framework of Public Service Agreements (PSAs) has been agreed with Departments. It is anticipated that this Bill will assist the Executive in meeting PSA 20: Improving Public Services.

### 3 Details of Proposals

- 3.1 The detailed proposals can all be found in the draft Bill at Appendix 1. However, a summary of the clauses and their intended effect follows.

#### ***Clause 1: Transfer to councils of functions in relation to enforcement of parking and other traffic restrictions***

- 3.2 Parking and waiting restrictions on public roads are put in place to contribute to the safe and effective movement of traffic and to support the economic and commercial activity in city, district and town centres. Without effective enforcement, improper or illegal parking would cause obstructions and delays, could contribute to congestion and may also compromise road safety.
- 3.3 Provisions for on-street parking and waiting restrictions and off-street parking restrictions are provided in the Road Traffic Regulation (Northern Ireland) Order 1997.
- 3.4 [The Traffic Management \(Northern Ireland\) Order 2005](#) gives the Department the power to enforce, among other things, certain restrictions, both on-street and off-street, to set the level of Penalty Charges and to recover Penalty Charges.
- 3.5 The proposed powers in the Bill will enable district councils to carry out the enforcement function, presently exercised by the Department, in relation to parking and waiting contraventions. This will mean that councils will become responsible for traffic

attendants and for the issuing and processing of Penalty Charge Notices, etc.

- 3.6 The Department would retain responsibility for type-approval of prescribed parking and immobilisation devices, making regulations and for the management of kerb space. This would mean, for example, that the Department would retain the power to specify the amounts of Penalty Charges and the contraventions in respect of which a Penalty Charge is payable.

***Clause 2: Transfer to councils of certain functions in relation to parking places***

- 3.7 [The Road Traffic Regulation \(Northern Ireland\) Order 1997](#) provides for the management of traffic using the public road network. It also deals with, among other things, traffic signs, speed limits, parking places and traffic regulation orders which may prevent certain forms of traffic from using the road.
- 3.8 The Department is also given powers to provide both on-street and off-street parking places for vehicles and to charge for the use of these parking places. The Department currently owns 364 off-street car parks.
- 3.9 With the exception of those provided for “park and ride” and “park and share” schemes, most of these off-street car parks and the land on which they are situated would transfer to Councils. Councils would therefore become responsible for all aspects of the maintenance and operation of these off-street

car parks and would be enabled to acquire land for the future provision of such parking places.

3.10 In respect of on-street parking, the Department would continue to be responsible for the introduction of Controlled On-Street Parking Zones. Their future provision would be considered following the request of a council or where the Department considers there is a need.

3.11 It is the intention that Councils will assume the power to set tariffs for off-street car parks and for on-street controlled parking zones, with a proviso that they must consult the Department.

***Clause 3: Functions of councils in relations to road races.***

3.12 The [Road Races \(NI\) Order 1986](#) provides the Department, as road authority, with legislative powers in relation to the authorisation of a maximum of ten motor races on public roads annually and the closing of roads to facilitate them.

3.13 The Bill would introduce powers enabling district councils to make the necessary road closure orders to facilitate road race events in their areas.

3.14 The Bill also provides for the future legislative responsibility for the Road Races Order to transfer from the Department for Regional Development to the Department for Culture, Arts and Leisure (DCAL) which has policy responsibility for the central administration and promotion of sport in Northern Ireland.

**Clause 4: Functions of councils in relation to the authorisations under extinguishment orders (Pedestrian Zone Permits)**

- 3.15 Articles 100, 101 and 103 of [The Planning \(Northern Ireland\) Order 1991](#) are exercised, on behalf of the Department, by Roads Service. They contain provision enabling extinguishment orders to be made to extinguish rights to use vehicles on roads where that would improve the amenity of an area. In effect, an extinguishment order limits or excludes vehicular traffic from specified streets thereby creating a restricted or pedestrian zone.
- 3.16 An extinguishment order may contain arrangements to permit certain vehicles to have access to the street, despite the fact that an extinguishment order has been made. Such access is achieved by authorisations issued by the Department's Roads Service. Access may be granted to vehicles for given times or for specific periods.
- 3.17 The power to make extinguishment orders will remain with the Department.

**4 Human Rights and Equality**

- 4.1 The Department considers that the legislative proposals contained in the draft Bill are compatible with the Human Rights Act 1998.
- 4.2 Under the terms of section 75 of the Northern Ireland Act 1988, the Department carried out screening for equality impact and is satisfied that the proposed legislation will not lead to

discriminatory or negative differential impact on any of the section 75 groups. The Department has therefore concluded that a full Equality Impact Assessment is not required. A copy of the screening form can be viewed on the Department's website

[http://www.drdni.gov.uk/index/equality\\_agenda/equality\\_agenda\\_equality\\_screening/screened-out\\_policies\\_oct\\_09\\_to\\_mar\\_10-2.htm](http://www.drdni.gov.uk/index/equality_agenda/equality_agenda_equality_screening/screened-out_policies_oct_09_to_mar_10-2.htm)

## **5 Regulatory Impact Assessment**

5.1 The content of the Bill does not give rise to any associated costs or savings on business, charities, social economy enterprises or the voluntary sector. Consequently the Department has not conducted a regulatory impact assessment.

## **6 Consultation**

6.1 This consultation document is being issued for public consultation for a 13 week period commencing 26 April 2010.

6.2 A list of consultees can be found at Appendix 4. The consultation document is also available to view at [www.drdni.gov.uk](http://www.drdni.gov.uk) under the "Consultations" link.

6.3 If you are aware of any other groups or organisation who may wish to be involved in this process please notify the Department using the contact details provided below.

- 6.4 Comments should reach the Department by Friday 23 July 2010 and should be sent to either:

Clare Carey  
Department for Regional Development  
Ports & Public Transport Division  
Primary Legislation Unit  
Room 6.04  
Clarence Court  
10-18 Adelaide Street  
Belfast  
BT2 8GB

Telephone: 028 90540854  
Text phone: 028 90540642

or by email to [rmpb@drdni.gov.uk](mailto:rmpb@drdni.gov.uk)

## 7 Next Steps

- 7.1 Following the end of this consultation the Department will consider all responses received and prepare a report on the consultation which will be submitted to the Minister and published on the website [www.drdni.gov.uk](http://www.drdni.gov.uk).
- 7.2 The Department will acknowledge receipt of responses and those who respond will be informed of the outcome.
- 7.3 The proposals in the draft Bill will be finalised following consideration of the comments made during the consultation process and will reflect any final decisions taken by the Minister on policy changes.



## Appendix 1: Draft Roads (Functions of District Councils) Bill

# Roads (Functions of District Councils) Bill

[08/03/2010 15:19:20]

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### *Functions of district councils*

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5. Repeals [j1a]
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A

## B I L L

TO

Transfer to district councils certain functions concerning the provision of parking spaces, the enforcement of parking and other traffic restrictions and the making of orders in connection with road races; and for connected purposes.

**B**E IT ENACTED by being passed by the Northern Ireland Assembly and assented to by Her Majesty as follows:

### *Functions of district councils*

#### **Transfer to councils of functions in relation to enforcement of parking and other traffic restrictions [j6]**

1.—(1) Subject to subsection (2), the functions which are exercisable immediately before the commencement of this section by the Department under Articles 2 to 28 of the Traffic Management (Northern Ireland) Order 2005 (NI 14) in relation to—

- (a) contraventions specified in Schedule 1 to that Order which occur in the district of a council, and
- (b) stationary vehicles in the district of a council,

are transferred to that council.

(2) Subsection (1) does not apply to—

- (a) functions under Article 2(2) of that Order relating to the approval of a type of immobilisation device;
- (b) functions under Article 8(3)(a) of that Order;
- (c) functions concerning the making of regulations.

(3) The statutory provisions set out in Schedule 1 have effect subject to the amendments specified in that Schedule (being amendments for giving effect to the transfers effected by this section).

(4) A transfer of functions under this section does not affect the validity of anything done by, or in relation to, the Department before the commencement of this section.

(5) Anything which—

(a) before the commencement of this section was done by, or in relation to, the Department for the purposes of, or otherwise in connection with, any function transferred to a council by this section, and

(b) is in effect immediately before the commencement of this section,

is to be treated as if it had been done by, or in relation to, that council.

(6) There may be continued by, or in relation to, a council anything (including legal proceedings)—

(a) which relates to any function transferred by this section to that council, and

(b) which is in the process of being done by, or in relation to, the Department immediately before the commencement of this section.

(7) In any document—

(a) which relates to any function transferred by this section to a council, and

(b) which is in effect immediately before the commencement of this section,

any reference to the Department is to be read as a reference to that council.

### **Transfer to councils of functions in relation to certain parking places [j6a]**

2.—(1) Subject to subsection (2), the functions which are exercisable immediately before the commencement of this section by the Department under Part 4 of the Road Traffic Regulation (Northern Ireland) Order 1997 (NI 2) in relation to parking places situated in the district of a council are transferred to that council.

(2) Subsection (1) does not apply to—

(a) functions relating to parking places to which subsection (3) applies;

(b) functions under Articles 10(4), 15(1) to (3), 19(9), 21(1) and 26(2)(b) of, and Schedule 4 to, that Order;

(c) functions concerning the making of regulations.

(3) This subsection applies to off-street parking places operated as “park and ride” or “park and share” parking places.

(4) The statutory provisions set out in Schedule 2 have effect subject to the amendments specified in that Schedule (being amendments for giving effect to the transfer effected by this section).

(5) A transfer of functions under this section does not affect the validity of anything done by, or in relation to, the Department before the commencement of this section.

(6) Anything which—

(a) before the commencement of this section was done by, or in relation to, the Department for the purposes of, or otherwise in connection with, any function transferred to a council by this section, and

(b) is in effect immediately before the commencement of this section,

is to be treated as if it had been done by, or in relation to, that council.

(7) There may be continued by, or in relation to, a council anything (including legal proceedings)—

(a) which relates to any function transferred by this section to that council, and

(b) which is in the process of being done by, or in relation to, the Department immediately before the commencement of this section.

(8) In any document—

- (a) which relates to any function transferred by this section to a council, and
- (b) which is in effect immediately before the commencement of this section,

any reference to the Department is to be read as a reference to that council.

(9) In this section “parking place” and “off-street parking place” have the same meaning as in the Road Traffic Regulation (Northern Ireland) Order 1997.

#### **Functions of councils in relation to road races [j5]**

3. The Road Races (Northern Ireland) Order 1986 (NI 17) has effect subject to the amendments specified in Schedule 3 (being amendments for conferring on a council power to make orders in relation to races on roads in the district of that council and certain other roads and related amendments).

#### **Functions of councils in relation to authorisations under extinguishment orders [j4]**

4.—(1) This section applies in relation to any order which—

- (a) was made under Article 100(1) of the Planning (Northern Ireland) Order 1991 (NI 11) or Article 77(1) of the Planning (Northern Ireland) Order 1972 (NI 17) extinguishing a right to use vehicles on any road;
- (b) is in force immediately before the commencement of this section in relation to that road; and
- (c) confers power on an officer of the Department (by whatever description) to give an authorisation exempting the use of a vehicle from any provision of the order relating to that road.

(2) As from the commencement of this section an order to which this section applies shall have effect as if—

- (a) the power mentioned in subsection (1)(c) were exercisable by an officer of the council for the district in which the road in question is situated (instead of by an officer of the Department); and
- (b) any authorisation given in exercise of that power and in force immediately before that commencement were given by an officer of that council.

#### *Supplementary*

#### **Repeals [j1a]**

5. The statutory provisions set out in Schedule 4 are repealed to the extent specified in the second column of that Schedule.

#### **Commencement [j2]**

6.—(1) The preceding provisions of this Act (with the Schedules) come into operation on such day or days as the Department may by order appoint.

(2) An order under subsection (1) may contain such transitional or saving provisions as the Department considers necessary or expedient.

#### **Interpretation [j1]**

7. In this Act—

“council” means a district council;

“the Department” means the Department for Regional Development.

**Short title [j3]**

**8.** This Act may be cited as the Roads (Functions of District Councils) Act (Northern Ireland) 2010.

SCHEDULES

SCHEDULE 1

Section 1.

AMENDMENTS RELATING TO TRANSFER OF FUNCTIONS UNDER THE TRAFFIC MANAGEMENT (NORTHERN IRELAND) ORDER 2005 [S2]

*The Roads (Northern Ireland Order 1993 (NI 15)*

1. In Article 110(1) (acquisition of land by Department) for “the Road Traffic Regulation (Northern Ireland) Order 1997 or the Traffic Management (Northern Ireland) Order 2005” substitute “or the Road Traffic Regulation (Northern Ireland) Order 1997”.

2. In Article 118(1) (information as to ownership of land) for “the Road Traffic Regulation (Northern Ireland) Order 1997 or the Traffic Management (Northern Ireland) Order 2005” substitute “or the Road Traffic Regulation (Northern Ireland) Order 1997”.

*The Road Traffic Regulation (Northern Ireland) Order 1997 (NI 2)*

3.—(1) Article 52 (disposal of abandoned vehicles) is amended as follows.

(2) In paragraph (1) omit “or of Article 21 of the Traffic Management (Northern Ireland) Order 2005”.

(3) In paragraph (4)(b) for “the relevant charges” substitute “such sums as may reasonably have been incurred in respect of the removal and storage of the vehicle”.

(4) In paragraph (5) for “relevant charges” substitute “reasonable costs of the removal, storage and disposal of the vehicle”.

(5) Omit paragraph (7).

*The Traffic Management (Northern Ireland) Order 2005 (NI 14)*

4.—(1) Article 2 (interpretation) is amended as follows.

(2) In paragraph (2)—

(a) after the definition of “charge certificate” insert—

“ “the council”—

(a) in relation to any contravention specified in Schedule 1, means the district council for the district in which the contravention occurs;

(b) in relation to a stationary vehicle, means the district council for the district in which the vehicle is stationary;

(b) in the definition of “notice of rejection” for “Department” (wherever it occurs) substitute “council”.

SCH. 1 (3) In paragraph (4) for “Department” substitute “council”.

5.—(1) Article 3 (traffic attendants) is amended as follows.

(2) In paragraph (1) for “The Department” substitute “A council” and after “enforcement” insert “in its district”.

(3) In paragraphs (2) and (3) for “Department” (wherever it occurs) substitute “council”.

6.—(1) Subject to sub-paragraph (2), in Articles 5 to 28 for “Department” (wherever it occurs) substitute “council”.

(2) Sub-paragraph (1) does not apply to—

- (a) Article 8(3) and (4);
- (b) Article 18(6);
- (c) Article 21(8);
- (d) Article 24(1).

7. In Article 28(1) for “Department’s” substitute “council’s”.

8. In Article 31(2) for “The Department shall” substitute “Councils shall, in accordance with arrangements made by the Department,”

9. For Article 38 substitute—

**“Acquisition of land by council**

38. A council may acquire land otherwise than by agreement for the purposes of its functions under this Order.”.

10. Article 40 is repealed.

SCHEDULE 2

AMENDMENTS RELATING TO TRANSFER OF FUNCTIONS UNDER PART 4 OF THE ROAD TRAFFIC REGULATION (NORTHERN IRELAND) ORDER 1997 [S3]

*The Road Traffic Regulation (Northern Ireland) Order 1997(NI 2)*

1. At the beginning of Part 4 insert the following Article—

**“Parking places - introductory**

Section 2. 9A.—(1) In this Part “parking authority” means—

- (a) in relation to parking places other than those to which paragraph (2) applies, the district council for the district in which the parking places are situated;
- (b) in relation to parking places to which paragraph (2) applies, the Department.

(2) This paragraph applies to off-street parking places operated as “park and ride” or “park and share” parking places.”.

2.—(1) Subject to sub-paragraph (2), in Articles 10 to 27 for “Department” (wherever it occurs) substitute “parking authority”.

(2) Sub-paragraph (1) does not apply to—

SCH. 2

- (a) Article 10(4) and (6);
- (b) Article 15(1) to (3);
- (c) Article 19(9);
- (d) Article 21(1) and (5);
- (e) Schedule 4.

3.—(1) In Article 10 after paragraph (2) insert—

“(2A) A district council may acquire by agreement or compulsorily any land required for the purposes of providing parking places under this Article.”.

(2) In Article 10(3) (provision of parking places) after “acquire” insert “under paragraph (2A) (in the case of a district council) or (in the case of the Department)”.

4. In Article 12(1)(c) omit “if it is not a public road”.

5. In Articles 15(1)(c) and 21(1) for “impose charges” substitute “make provision for the imposition by councils of charges”.

6. In Article 19(9) after “Department” insert “or a district council”.

7. In Article 26 (apparatus)—

(a) paragraph (2)(b) is repealed; and

(b) after paragraph (2) insert—

“(2A) A district council may, with the consent of the Department, erect, maintain and operate any such apparatus in any parking place authorised under Article 10(4) or designated under Article 15 or in, on or near any road adjacent to such a parking place.”.

8. In Article 52(1) (disposal of abandoned vehicles) omit “or 15”.

9. In Article 54(1) (recovery of expenses) omit “or 15”.

10.—(1) Schedule 4 (orders under Articles 10, 13 and 15) is amended as follows.

(2) In paragraphs 1, 5 and 6 for “10, 13 or 15” substitute “10 or 15”.

(3) In paragraph 7 for “13 or 15” substitute “15”.

(4) At the end insert—

“8. Paragraphs 1 to 7 apply in relation to orders under Article 13 as they apply in relation to orders under Article 15, but with the substitution for references to the Department of references to the parking authority.

### SCHEDULE 3

#### AMENDMENTS TO THE ROAD RACES (NORTHERN IRELAND) ORDER 1986 [S1]

1. The Road Races (Northern Ireland) Order 1986 (NI 17) is amended as follows.

SCH. 3 2. In Article 2(2) (interpretation)—

(a) omit the definition of “the Department”;

(b) before the definition of “hill climbing competition” insert—

“ “council” means a district council;”.

3. In Article 3 (orders authorising motor races) for paragraphs (1) to (8) substitute—

“(1) Subject to the following provisions of this Article, the relevant council may, on the application of the promoter of a motor race, by order declare that any roads specified in the order may be used for or in connection with a motor race during the whole or any part of any days so specified.

(1A) The relevant council, in relation to a motor race, is—

(a) in the case of a race held entirely on roads situated in the district of one council, that council;

(b) in the case of a race held on roads situated in the districts of two or more councils, the council for the district in which the race begins.

Section 3.

(1B) In the case of a motor race which is held partly in Northern Ireland and partly elsewhere—

(a) any reference to a motor race is a reference to so much of the race as is held in Northern Ireland; and

(b) any reference to the district where the motor race begins is a reference to the district in which so much of the race as is held in Northern Ireland begins.



(2) Subject to paragraph (9), the relevant council shall not make an order under this Article in any calendar year, unless it receives an application for such an order and grants that application not later than 31st March in that year.

(3) Subject to paragraph (9), not more than 10 orders shall be made in any calendar year under this Article (including orders made under this Article as modified by the Schedule).

(4) Notwithstanding paragraphs (1) to (3), a road shall not be used for or in connection with motor races on more than three days in any calendar year.

(5) An order under this Article—

- (a) requires the consent of the Department of Culture, Arts and Leisure;
- (b) if made by a council by virtue of sub-paragraph (b) of paragraph (1A) requires the consent of any other council mentioned in that sub-paragraph;
- (c) which provides for a trunk road to be used for or in connection with motor races requires the consent of the Department for Regional Development.

(6) An order under this Article—

SCH. 3

- (a) may contain such provisions as the relevant council considers appropriate for securing the proper conduct of any motor races and for incidental purposes;
- (b) shall in particular include provisions—
  - (i) requiring the promoter to secure such insurance and indemnities against such risks, liabilities, injuries and damage as may be specified in the order;
  - (ii) suspending the right of way over any specified road;
  - (iii) prohibiting, restricting or regulating traffic on any specified road.

(7) An order under this Article may in particular include provision prohibiting, restricting or regulating traffic on any road other than a specified road if it appears to the relevant authority that the prohibition, restriction or regulation will facilitate the control of traffic and spectators at any motor race.

(7A) The Department of Culture, Arts and Leisure may by regulations subject to negative resolution make provision concerning orders under this Article, including in particular provision—

- (a) prescribing the procedure which a council must follow in making an order under this Article;
- (b) specifying any person whom, and the manner in which, the council must consult before making such an order.

(8) The relevant council shall secure that such public notice of the provisions of an order made under this Article is given as the relevant council considers appropriate to bring the effect of the order to the attention of the public.”

4. In Article 7 (expenses) for “Department” (wherever it occurs) substitute “relevant council”.

5.—(1) The Schedule (special provisions with respect to the Dundrod Circuit) is amended as follows.

(2) In paragraph (1) in paragraph (b) of the definition of “the Dundrod Circuit” for “Department” substitute “Council”.

(3) In paragraph (1) after the definition of “the race area” insert—

“ “the Council” means the council for the district in which the Dundrod Circuit is situated;”.

(4) In paragraph 3(3) the two inserted paragraphs are renumbered as paragraphs (7AA) and (7AB) respectively and in the inserted paragraph (7AA)(b) for “Department” substitute “Department for Culture, Arts and Leisure”.

Section 5 (5) In paragraph 4(2), in the inserted paragraph (2A), for “Department” substitute “Council”.

SCH. 3 (6) In paragraph 5 for “Lisburn Borough Council” and “that Council” (wherever it occurs) substitute “the Council”.

SCHEDULE 4

REPEALS [S1]

Short Title	Extent of repeal
<p>The Road Traffic Regulation (Northern Ireland) Order 1997 (NI 2)</p>	<p>In Article 12(1)(c) the words “if it is not a public road”.</p> <p>Article 26(2)(b) and the word “or” immediately before it.</p> <p>In Article 52(1) the words “or 15 or of Article 21 of the Traffic Management (Northern Ireland) Order 2005”.</p> <p>In Article 54(1) the words “or 15”.</p> <p>Article 52(7).</p>
<p>The Traffic Management (Northern Ireland) Order 2005 (NI 14)</p>	<p>Article 40.</p>

## **Appendix 2: Explanation of the Main Provisions**

### ***Clause 1: Transfer to councils of functions in relation to enforcement of parking and other traffic restrictions***

1. Powers are being created to enable district councils to carry out enforcement functions, presently exercised by the Department under the Traffic Management Order 2005, in relation to parking contraventions and other stationary offences. When the Review of Public Administration has been implemented this would mean that councils will become responsible for parking attendants and for issuing penalty charge notices, etc. The Department would retain responsibility for type approval of prescribed devices, making regulations and for the management of kerb space.
  
2. Clause 1 and Schedule 1 make provision for:-
  - the transfer of the necessary functions from the Department to the new councils;
  - transitional arrangements; and,
  - any functions that would remain with the Department.

### ***Clause 2: Transfer to councils of certain functions in relation to parking places***

3. The majority of off-street car parks provided by the Department, and the land on which they are situated, would transfer to district councils. Councils would subsequently be responsible for their future management and would be enabled to acquire land for the future

provision of such parking places. The Department would, however, continue to provide and operate off-street car parks for “park and ride” and “park and share” schemes and to make regulations under the Road Traffic Regulation Order 1997.

4. Clause 2 and Schedule 2 make provision for the transfer of the necessary functions relating to parking places from the Department to the new councils. Clause 2 also contains transitional arrangements and identifies other functions that would remain with the Department.

***Clause 3: Functions of councils in relation to road races.  
(Authorisation of local events on roads)***

5. The Road Races Order 1986 (“the 1986 Order”) provides for the authorisation of motor races on public roads. It stipulates that the maximum number of races which may be held each year is 10.
6. Clause 3 and Schedule 3 of the Bill propose to amend the 1986 Order to provide powers for district councils to authorise road races and to make the necessary road closure orders to facilitate them. The district council in whose area a race starts would be the council to make the necessary road closure order.
7. The Department for Culture, Arts and Leisure, being responsible for sporting policy, would have the future legislative responsibility for the Road Races Order and would ensure that the statutory maximum number of races is not exceeded.

***Clause 4: Functions of councils in relation to authorisations under extinguishment orders.***

8. The Planning Order 1991 enables orders (extinguishment orders) to be made to extinguish rights to use vehicles on roads to improve the amenity of an area. Where such an extinguishment order is made, the area to which it refers becomes a pedestrian zone. The making and administration of extinguishment orders are the responsibility of the Department.
9. Using powers under Article 100(2) of the Order the Department's Roads Service, may from time to time, issue special authorisations permitting vehicles to enter pedestrian zones, notwithstanding the fact that an extinguishment order has been made.
10. Clause 4 provides for any of the powers exercised, or authorisations given, by the Department prior to the coming into effect of Clause 4, to have effect as if they were exercised by an officer of a council. Consequently the issuing and administration of special authorisations will become the responsibility of district councils.
11. The power to make extinguishment orders will remain with the Department.

***Clause 5: Repeals***

12. Clause 5 and Schedule 4 identify repeals considered necessary as a result of making the Bill.

***Clause 6: Commencement***

13. Clause 6 enables the Department to bring the main arrangements of the Bill into effect on different dates. This would ensure that any necessary arrangements in respect of administration etc., are developed and put into place before the provision becomes operational.

***Clause 7: Interpretation***

14. Clause 7 contains definitions used throughout the Bill

***Clause 8: Short Title***

15. This Clause contains a short title for the Bill.

**SCHEDULES**

***Schedule 1: Amendments relating to transfer of functions under the Traffic Management (Northern Ireland) Order 2005***

This Schedule contains amendments to other roads-related legislation to give effect to the transfer of functions to district councils contained in Clause 1.

***Schedule 2: Amendments relating to transfer of functions under Part 4 of the Road Traffic Regulation (Northern Ireland) Order 1997***

This Schedule contains amendments to the Road Traffic Regulation (Northern Ireland) Order 1997 to give effect to the functions transferred to district councils by Clause 2.

***Schedule 3: Amendments to the Road Races (Northern Ireland) Order 1986***

Schedule 3 contains amendments to the 1986 Order to confer powers on district councils to make orders in respect of road races within their council areas and certain other roads.

***Schedule 4: Repeals***

This Schedule lists the repeals brought in by the Bill.

### **Appendix 3: Freedom of Information Act 2000 – Confidentiality**

1. The Freedom of Information Act gives the public a right of access to any information held by a public authority, namely, the Department in this case. This right of access to information includes information provided in response to a consultation. The Department cannot automatically consider as confidential any information supplied to it in response to a consultation. However, it does have the responsibility to decide whether any information provided by you in response to this consultation, including information about your identity, should be made public or treated as confidential.
  
2. This means that information provided by you in response to the consultation is unlikely to be treated as confidential, except in very particular circumstances. The Lord Chancellor's Code of Practice on the Freedom of Information Act provides that:
  - the Department should only accept information from third parties in confidence if it is necessary to obtain that information in connection with the exercise of any of the Department's functions and it would not otherwise be provided;
  
  - the Department should not agree to hold information received from third parties 'in confidence' which is not confidential in nature; and



- acceptance by the Department of confidentiality provisions must be for good reasons, capable of being justified to the Information Commissioner.
3. For further information about confidentiality of responses please contact the Information Commissioner's Office at 51 Adelaide Street, Belfast BT2 8FE (telephone 028 9026 9380) or see their website at: [www.ico.gov.uk](http://www.ico.gov.uk)).

## **Appendix 4: List of Consultees**

The following individuals/organisations have been contacted to make them aware of the consultation and inviting them to comment if they so wish. The list includes key stakeholders who it is considered would be particularly interested in the content of the consultation; government and public bodies; and organisations representing the business, voluntary and community sectors.

2&4 Wheels

All Government Departments

All Northern Ireland District Councils

All MLAs

All NI Members of Parliament

All NI Members of European Parliament

All Northern Ireland Political Parties

Abacus Professional Recruitment

Age Concern Northern Ireland

Age Sector Platform

Altnagelvin HSS Trust

Amalgamated Engineering and Electrical Union

AMICUS

An Munia Tober

Antrim Borough Partnership

Ards Partnership

Armagh City and District Partnership

Association of Chief Officers of Voluntary Organisations (ACOVO)

Association of Northern Ireland Car Clubs

Bahai's Office for NI

Ballymoney District Partnership  
Barnardos NI  
Barnardos Tuar Ceatha Project  
Belfast Butterfly Club  
Belfast Education and Library Board  
Belfast Harbour  
Belfast Health and Social Care Trust  
Belfast Healthy Cities Project  
Belfast Hebrew Congregation  
Belfast International Airport  
Belfast Solicitor's Association  
British Association for Shooting and Conservation  
British Deaf Association (NI)  
Bryson House  
BT  
Cara-friend  
CARE in Northern Ireland  
Carers Northern Ireland  
Carlingford Lough Commission  
Castlereagh Partnership for Peace & Reconciliation  
Catholic Bishops of Northern Ireland  
Cedar Foundation  
Child Poverty Action Group  
Children in Northern Ireland  
Children's Law Centre  
Chinese Welfare Association  
Chrysalis Women's Centre  
Church of Ireland  
Citizens Advice Bureau

City of Derry Airport  
Civil Law Reform Division  
Coalition on Sexual Orientation  
Coiste-na n-iarchimi  
Coleraine Borough Strategic Partnership  
Coleraine Harbour  
Commissioner for Children and Young People  
Committee on the Administration of Justice  
Community Development and Health Network  
The Community Foundation  
Community Places  
Community Relations Council  
Community Transport Association  
Confederation of British Industry  
Concordia Partnership for Progress  
Conservation Volunteers Northern Ireland  
Consumer Council for NI  
Cookstown District Partnership  
Co-ownership Housing Association  
Council of County Court Judges  
Council for Nature Conservation and the Countryside  
Craigavon District Partnership  
Cruse Bereavement Care (NI)  
Derry Well Woman  
Disability Action  
District Partnership for Derry City  
Down District Partnership  
Down's Syndrome Association  
Eastern Health and Social Services Board

Economic Research Institute of Northern Ireland  
Employers' Forum on Disability  
Equality Commission for NI  
Equality Forum NI  
Falls Community Council  
Falls Women Centre  
Federation of Small Businesses  
First Division Civil Servants' Association  
Food Standards Agency  
Foyle Women's Network  
Foyle Women's Information Network  
FPA NI  
Friends of the Earth  
Gay and Lesbian Youth (NI)  
General Consumer Council  
George Best Belfast City Airport  
Gingerbread NI  
Green Park HSS Trust  
Guide Dogs  
Health and Safety Executive for Northern Ireland  
Help the Aged (NI)  
Human Rights Commission  
IMTAC  
Indian Community Centre  
Inland Revenue  
Inland Waterways Northern Ireland  
Institute of Directors  
Institute of Professional Legal Studies (QUB)  
Institution of Highways and Transportation

Invest Northern Ireland  
Irish Congress of Trade Unions (NI Committee)  
Irish & Local Studies Department, Central Library  
Irish Transport Trust  
Larne District Partnership  
Larne Harbour  
Law Centre (NI)  
Law Society of Northern Ireland  
Lesbian Line  
Limavady District Partnership  
Local Government Staff Commission for Northern Ireland  
Londonderry Harbour Office  
Lower North Belfast Community Council  
Magherafelt Area Partnership Ltd  
Magherafelt Women's Group  
MENCAP  
Methodist Church in Ireland  
Mid-Ulster Women's Network  
Mobilise NI  
Motor Cycle Union for Ireland (Ulster Centre) Ltd  
Moyle District Partnership  
Multi-Cultural Resource Centre  
National Energy Action  
Newry & Mourne Peace & Reconciliation Partnership  
Newry & Mourne Senior Citizens' Consortium  
Newry & Mourne Women Ltd  
Newtownabbey Local Strategic Partnership  
NI 2000  
NIACRO

NI Bird Watchers' Association  
NI Cycling Initiative  
NIE  
NI Environment Link  
NI Islamic Centre  
NI Women's Aid Federation  
NI Women's Coalition  
North Down District Partnership  
North Eastern Education and Library Board  
North West Community Network  
North West Forum of People with Disabilities  
Northern Health and Social Care Trust  
Northern Health and Social Services Board  
Northern Ireland Ambulance Service  
Northern Ireland African Culture Centre  
Northern Ireland Anti-Poverty Network  
Northern Ireland Assembly  
Northern Ireland Association for Mental Health  
Northern Ireland Association of Citizens' Advice Bureaux  
Northern Ireland Chamber of Commerce and Industry  
Northern Ireland Chamber of Trade  
Northern Ireland Chest, Heart and Stroke Association  
Northern Ireland Commissioner for Children and Young People (NICCY)  
Northern Ireland Council for Ethnic Equality  
Northern Ireland Council for Ethnic Minorities  
Northern Ireland Council for Voluntary Action  
Northern Ireland Court Service  
Northern Ireland Gay Rights Association  
Northern Ireland Human Rights Commission

Northern Ireland Law Commission  
Northern Ireland Local Government Association  
Northern Ireland Office (Human Rights & Equality Unit)  
Northern Ireland Public Service Alliance  
Northern Ireland Resident Magistrates' Association  
Northern Ireland Rural Women's Network  
Northern Ireland Statistics and Research Agency  
Northern Ireland Tourist Board  
Northern Ireland Transport Holding Company  
Northern Ireland Walking Forum  
Northern Ireland Women's European Platform  
NSPCC  
NTL Cable Tel  
NUS-USI  
Office of the Archbishop of Armagh  
Omagh Women's Area Network  
The Omnibus Partnership  
Parents' Advice Centre  
Parents and Professionals and Autism  
Participation and the Practice of Rights Project  
The Participation Network  
Peace and Reconciliation Partnership, Ballymena  
Phoenix Gas  
POBAL  
Police Service of Northern Ireland  
Polish Association NI  
Presbyterian Church in Ireland  
Press for Change  
Protestant, Unionist, Loyalist Network



Quarry Products Association  
Queer Space  
Rainbow Project  
Relate NI  
RNIB (NI)  
Road Safety Council for Northern Ireland  
Royal Group of Hospitals  
Royal National Institute of Blind People  
Royal National Institute for the Deaf (NI)  
Rural Community Network  
Rural Development Council  
Rural Support  
Save the Children  
School of Law, Queens University  
School of Law, University of Ulster  
Sense NI  
Sikh Cultural Centre  
Southern Education and Library Board  
Southern Health and Social Care Trust  
South Eastern Education and Library Board  
South Eastern Health and Social Care Trust  
South Tyrone Empowerment Programme  
Sperrin Lakeland Senior Citizens' Consortium  
Sport Northern Ireland  
Staff Commission for Education and Library Boards  
St. Angelo Airport  
Strabane District Partnership  
Sustainable Northern Ireland  
Sustainable Organic Living Environment

SUSTRANS

Training for Women Network

Translink

Transport 2000

Travellers' Movement NI

Ulster Archaeological Society

Ulster Scots Heritage Council

Ulster Society for the Protection of the Countryside

Ulster Wildlife Trust

ULTACH

Union of Construction, Allied Trades and Technology

UNISON

Warrenpoint Harbour

Western Education and Library Board

Western Health and Social Care Trust

Western Health and Social Services Board

Wildfowl and Wetlands Trust

The Women's Centre

Women's Forum

Women's Forum Northern Ireland

Women's Information Group

Women's Resource and Development Agency

Women's Support Network

World Wide Fund for Nature

Youth Council for NI

Youthnet

Mr A Arlow, Newcastle

Ms O'Kane, Londonderry

## Appendix 2

**DRD CONULTATION PROPOSALS FOR A  
ROADS (FUNCTIONS OF DISTRICT COUNCILS) BILL  
BELFAST CITY COUNCIL DRAFT RESPONSE**

<b>1.0</b>	<b><u>Introduction</u></b>
1.1	Belfast City Council welcomes the opportunity to respond to the consultation on proposals for a Roads (Functions of District Councils) Bill. This is a timely and much needed piece of legislation, which represents a positive step in enabling the transfer of additional functions to councils and in creating strong and responsive local government.
1.2	The Council seeks, through this response, to further enhance the effectiveness of this legislation for the benefit of its local people. In responding to the consultation document, the Council has a number of general comments to make in addition to detailed comments on some of the individual clauses set out within the proposed Bill.
<b>2.0</b>	<b><u>General Comments</u></b>
	<b><i>Scope of Functions to transfer</i></b>
2.1	The Council has previously advocated the need for the full transfer to local government of the responsibility for the maintenance and development of local roads and is, therefore, disappointed in the agreed scope of functions proposed to transfer.
2.2	The Council is strongly of the view that roads are much more than engineering solutions and would welcome greater local flexibility being built into the system, within overarching principles, which ensures equality obligations are adhered to. This would allow for the management of difference at the local level. Local roads have the potential to impact on issues such as community safety, community relations, air equality and health, environmental improvement, neighbourhood renewal and economic development and, therefore, their prioritisation, planning and maintenance must be made within this wider social context.
	<b><u>Legislative Process</u></b>
2.3	While the Council fully welcomes the Bill and the enhanced responsibilities it confers on councils, it is conscious that much of the detail around the outworking of this legislation will be set out within subordinate legislation. The Council would therefore advocate the need for the Department to consult with all interested parties (including councils) in the drafting phase of any subordinate legislation related to this Bill.
2.4	Due consideration will need to be given to the inter-relationship and operability between this Bill and other related legislation recently brought forward. The Council notes that certain powers being conferred to Councils in regards to the closure of roads for events, had been set out within the recent draft Roads (Miscellaneous Provisions) Bill and this should be referenced to

	provide clarity and certainty
2.5	The Council would suggest that it may be more appropriate to link some of the provisions set out within this draft Bill, particularly those pertaining to the ability of Councils to close roads for race events, as an amendment to the Roads (Miscellaneous Provisions) Bill.
2.6	The package of functions could make it more viable in terms of operational delivery and there would be greater certainty for client groups in relation to the organisational responsibilities. There could also be issues around the consistency in approaches to enforcement etc if the functions were fragmented across separate Bills.
2.7	It is important to note that the powers as set out within this Bill regarding the closure of roads for road race events brings with it potential significant public liability and associated assurance implications. Further information is required from the Department in terms of any associated public liability and insurance implications attached to the transferring functions.
	<b>Central Control and Oversight</b>
2.8	There needs to be consistency in the degree of oversight exercised by the Department. The retention of final approval powers without guiding principles would leave de-facto control with the Department whilst shifting operational responsibility to the Councils. There needs to be greater clarity in terms of the necessary consultation arrangements and the actual responsibilities transferring. In many circumstances joint action will be necessary in relation to policy development and the implementation of the proposed provisions set out in the Bill. This approach, to be effective, needs to be based on partnership, with provision for arbitration, rather than retained control.
2.9	The issue of associated functions makes it difficult to be definitive at this uncertain stage of the RPA process. Outside of Belfast the desegregation of the functions on the current 26 Council model may prove to be impossible without some form of cooperation or shared service approach being agreed by the Councils as clusters.
2.10	Joint action across Councils and the Department will be required in relation to the development of policy for parking etc which has a significant impact on planning decisions and the shape of future developments.
<b>3.0</b>	<b>Specific Comments</b>
3.1	<p><b>Clause 1</b></p> <ul style="list-style-type: none"> <li>▪ The enforcement of parking and other restrictions is assumed to encompass potential resident parking areas. It would be useful if the Bill clarified the scope of the proposed powers and the relationship to other restrictions such as bus lanes.</li> <li>▪ The Council notes that in a recent press release published by the BBC News (23-03-2010) it was reported that in 2009 the cost of enforcement to the Department was £8million while income from fines and car parking charges accounted to £4+million.</li> <li>▪ Any retention by the Department of the powers to set the level of charges/tariffs and the offences would need to have a caveat in relation</li> </ul>

	<p>to the necessity for the function to cover reasonable operational costs of delivery.</p> <ul style="list-style-type: none"> <li>▪ Further clarification and detail is required in terms of the Departments intentions regarding debt management and, in particular, debt recovery for outstanding debt at point of transfer.</li> </ul>
3.2	<p><b>Clause 2</b></p> <ul style="list-style-type: none"> <li>▪ The proposed retention by the Department of Park and Ride or Park and Share sites should be reconsidered in so far as it relates to the current provision of such facilities within or adjacent to the town/ city centres. Park and Ride facilities within the urban centres should be integrated and managed as part of the parking portfolio to be transferred to councils. Whilst the retention of the control over facilities along the strategic highway network would be supported the management and operation of city / town centre facilities should take account of local considerations.</li> <li>▪ As councils will become responsible for all aspects of the maintenance and operation of off-street car parks, an appropriate maintenance budget must transfer with this function.</li> <li>▪ In relation to the on-street parking zones the proposed approach should encompass both the provision and removal of on-street spaces. As suggested above, the approach should reflect a partnership rather than the suggested Departmental control with the Council's options limited to a "request" for provision.</li> <li>▪ For clarity the provision of the Bill should be clear in relation to the Council being able to dispose of land used for parking places in addition to the specified powers to acquire land.</li> <li>▪ The Council would note that any transfer of land &amp; property from one body to another is now subject to compulsory first registration at the Lands Registry. It is understood that a large proportion of the car park sites held by DRD are currently unregistered, and it is also understood that transfer of ownership from one legal entity to another will require compulsory first registration at Lands Registry. The process of registration is a very detailed, time intensive (and hence costly) process, particularly where there are complex title issues. The Council would request that all necessary land registrations are undertaken by the Department in advance of transfer, or the necessary subvention transferred to councils to enable them to undertake this activity.</li> </ul>

3.3	<p><b>Clause 3</b></p> <ul style="list-style-type: none"> <li>▪ Consideration will need to be given to the inter-relationship and operability between the powers set out under this Clause (e.g. powers of Councils in regards to closure of roads for events) and those related provisions as set out in the recent Roads (Miscellaneous Provisions) Bill.</li> <li>▪ It may be more appropriate to link the changes to the current legislative proposals, particularly those pertaining to the ability of Councils to close roads for race events, as an amendment rather than through the separate Bill.</li> <li>▪ Consideration will need to be given to the potential public liability and assurance implications for councils resulting from the provisions set out within this Clause.</li> <li>▪ The proposed transfer of responsibility for the Road Races Order to DCAL could add to the confusion arising from the functional changes proposed and would appear to provide little added value given the necessity for the DRD to be involved in the associated processes for the diversion and management of traffic on the wider network.</li> </ul>
3.4	<p><b>Clause 4</b></p> <ul style="list-style-type: none"> <li>▪ The provision in relation to extinguishment orders should be clarified in relation to the ability of a council to request such a provision. The Council would contend that the ability to implement such an order would be an important element of land assembly for planning and/or regeneration purposes.</li> <li>▪ The proposed transfer of responsibility for the Road Races Order to DCAL could add to the confusion arising from the functional changes proposed and would appear to provide little added value given the necessity for the DRD to be involved in the associated processes for the diversion and management of traffic on the wider network.</li> </ul>
<b>Regulatory Impact Assessment</b>	
	<p>The consultation document states that <i>“the content of the Bill does not give rise to any associated costs or savings on business, charities, social economic enterprises or the voluntary sector. Consequently the Department has not conducted a regulatory impact assessment”</i>.</p>
	<p>There was no reference to the potential impact upon the local government sector and, therefore, the Council would contend that a regulatory impact assessment may have been necessary and beneficial.</p>



### Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	Requests for the use of the City Hall and the provision of Hospitality
<b>Date:</b>	Friday, 18 <sup>th</sup> June, 2010
<b>Reporting Officer:</b>	Mr. Liam Steele, Head of Committee and Members' Services (ext. 6325)
<b>Contact Officer:</b>	Mr. Gareth Quinn, Development Officer (ext. 6316)

#### Relevant Background Information

Members will recall that the Committee, at its meeting on 26<sup>th</sup> September, 2003, agreed to the criteria which would be used to assess requests from external organisations for the use of the City Hall and the provision of hospitality. Subsequently the Committee at its meeting on 7<sup>th</sup> August, 2009, further amended the criteria so as to incorporate the new Key Themes as identified in the Council's Corporate Plan.

#### Key Issues

The revised criteria has been applied to each of requests contained within the appendix and recommendations have been made to the Committee on this basis.

#### Resource Implications

Provision has been made in the Revenue Estimates for hospitality.

#### Recommendations

The Committee is asked to approve the recommendations as set out in the Appendix.

#### Decision Tracking

If the Committee approves the recommendations, the organisations will be notified and the necessary arrangements put in place following ratification by the Council.

Officer responsible – Gareth Quinn.

#### Documents Attached

Appendix 1 – Schedule of Applications

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**SCHEDULE OF APPLICATIONS FOR THE USE OF THE CITY HALL AND  
THE PROVISION OF HOSPITALITY**

<b>Organisation / Body</b>	<b>Event / Date – Number of Delegates / Guests</b>	<b>Request</b>	<b>Comments</b>	<b>Recommendation</b>
University of Ulster	University of Ulster – Business Improvement Alumni Conference Dinner 20 <sup>th</sup> November, 2010 Approximately 200 attending	The use of the City Hall and the provision of hospitality in the form of a pre-dinner drinks reception.	Delegates will be staying in accommodation in Belfast and the conference will take place within the city.  This event would contribute to the Council's Key Theme of 'City Leadership – Strong, Fair, Together' and 'Better opportunities for success across the city'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.  Approximate cost £500
Queens Univeristy Belfast	International Conference on Photonic, Electronic and Atomic Collisions 28 <sup>th</sup> July, 2011 Approximately 600 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception.	Delegates will be staying in accommodation in Belfast and the conference will take place within the city.  This event would contribute to the Council's Key Theme of 'Better opportunities for success across the city'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.  Approximate cost £500
The Duke of Edinburgh's Award	Silver Award Presentation 19 <sup>th</sup> November, 2010 Approximately 500 attending	The use of City Hall and the provision of hospitality in the form of a Finger Buffet Reception	These awards aim to recognise the development of citizenship amongst young people and to acknowledge the newly found skills and talents which will enable them to develop and mature as individuals.  The event meets the Council's Key Themes of 'Better support for people and communities' and 'Better opportunities for success across the city' and in addition would contribute to the Council's thematic area of Children and Young People.	The use of the City Hall and the provision of hospitality in the form of a Finger Buffet Reception.  Approximate cost £5,000
Adoption UK	Launch of DVD – 'Thinking About Adopting' 6 <sup>th</sup> November, 2010 Approximately 200 attending	The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits.	This event, which will take place during National Adoption Week, will launch a DVD which will be used across Northern Ireland by the various Health Trusts to help potential parents with the difficulties faced when considering adoption. The event will also seek to raise the profile of National Adoption Week and will showcase the benefits of adoption to potential parents and children.  This event would contribute	The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits.  Approximate cost £500

			to the Council's Key Theme of 'Better support for people and communities' and in addition would contribute to the Council's thematic area of Children and Young People.	
Relatives for Justice	Inclusive recovery of memory of victims of our recent conflict 22 <sup>nd</sup> September, 2010 Approximately 250 attending	The use of the City Hall.	This event seeks to bring together individuals and families who have been hurt during the conflict to share memories and experiences and to aid healing and recovery.  It involves the display of a quilt made up of squares contributed by families who have been affected by the conflict.  It is cross-community in nature and as such would contribute to the Council's key theme of providing better support for people and communities.	The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits. Approximate cost £500.

**ADDITIONAL SCHEDULE OF APPLICATIONS FOR THE USE OF THE CITY HALL  
AND THE PROVISION OF HOSPITALITY**

<b>Organisation / Body</b>	<b>Event / Date – Number of Delegates / Guests</b>	<b>Request</b>	<b>Comments</b>	<b>Recommendation</b>
Falls Youth Providers	Annual Youth Achievement Awards  28th June, 2010  200 attending	The use of City Hall and the provision of hospitality in the form of tea, coffee and biscuits	<p>These awards aim to recognise the development of citizenship amongst young people and to acknowledge the newly found skills and talents which will enable them to develop and mature as individuals.</p> <p>The event meets the Council's Key Themes of 'Better support for people and communities' and 'Better opportunities for success across the city' and in addition would contribute to the Council's thematic area of Children and Young People.</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea, coffee and biscuits.</p> <p>Approximate cost £400</p>

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### Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	<b>Association of Municipal Authorities of Ireland - Annual Conference 2010</b>
<b>Date:</b>	Friday, 18th June, 2010
<b>Reporting Officer:</b>	Mr. L. Steele, Head of Committee and Members' Services
<b>Contact Officer:</b>	Mr. L. Steele, Head of Committee and Members' Services

#### Relevant Background Information

At its meeting on 23rd April the Committee was advised that the Association of Municipal Authorities of Ireland would be holding its annual conference in Bunrana, County Donegal from Thursday, 9th till Friday, 10th September, 2010. The Committee decided not to appoint representatives to attend the conference.

However, I have received contact from the organisers who point out that Belfast Councillors normally attend. The organisers feel that the conference programme would prove to be of benefit to Belfast and they are anxious for the City to be represented on this occasion.

In view of this approach, I considered that it would be appropriate to bring the conference to the Committee's attention again in order to establish whether Members are content that there is no need or desire for anyone to attend.

The theme of the conference is 'Local Government for the Future' and the agenda will include sessions on Local Government in Europe, democratic accountability for the health services and the future of Local Government.

The conference will be opened officially by John Gormley, T.D., and it is expected that a number of high profile Local Government spokespersons from all political parties will be in attendance.

#### Key Issues

The business of the Conference falls within the criteria set out in Section 38 of the 1972 Local Government (Northern Ireland) Act in that it involves issues connected with the discharge of the functions of the Council and/or affecting the district or its inhabitants.

<b>Resource Implications</b>	
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Delegate Fee:	£177
Accommodation Costs:	£156
Travel:	£103
Subsistence:	£155
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Total per delegate	£591

<b>Decision Required</b>
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To determine whether the Committee should be represented at the Conference.
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## Audit Panel

Monday, 7th June , 2010

### MEETING OF AUDIT PANEL

Members present: Councillor Rodgers (Chairman); and  
Councillors Ekin, Lavery and Mullaghan and Dr. Smith.

In attendance: Mrs. J. Thompson, Director of Finance and Resources;  
Mr. A. Wilson, Head of Audit, Governance and  
Risk Services;  
Mrs. G. Ireland, Corporate Risk and Governance Manager;  
Mr. A. Harrison, Acting Corporate Assurance Manager;  
Mr. T. Wallace, Financial Accounting Manager; and  
Mr. H. Downey, Committee Administrator.

### Apology

An apology for inability to attend was reported from Councillor Rodway.

### Minutes

The minutes of the meeting of 15th February were taken as read and signed as correct.

### Belfast City Council Financial Accounts 2009/2010

The Panel considered the undernoted report:

#### “Relevant Background Information

**The purpose of this report is to present to the Audit Panel the Financial Accounts of the Council for 2009/2010.**

**The Financial Accounts are an important element of the Council’s overall corporate governance framework as they provide assurance to Members and ratepayers on the stewardship of the Council’s finances and its financial position.**

**The Financial Report and accounts for the year ended 31st March 2010, 2010 have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (SORP) 2009 and the Department of the Environment Accounts Direction, Circular LG 10/10 dated 23rd April, 2010.**

**Audit Panel,  
Monday, 7th June, 2010**

I can confirm that the Statement of Accounts for the year ended 31st March, 2010 has been prepared in the form directed by the Department of the Environment and, in my opinion, the Statement gives a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

**Key Issues**

**Council Net Expenditure**

As previously reported to the Strategic Policy and Resources Committee on 19th March, 2010, Departmental expenditure forecast was £1.9m below budget for the year. This amount, however, was £0.5m short of the amount needed to cover the £2.4m contribution from reserves to the rate, agreed as part of the rates setting process for 2009/2010. This, along with the need to increase the bad debt provision by £0.2m, has resulted in a reduction on the District Fund Balance of £746,914.

**Reserves**

The impact of this financial position on the reserves is summarised in Table 1 below. It shows that the credit balance on the District Fund Reserves has reduced to £4,602,602 which is approximately 2.33% of annual gross expenditure, or 2.91% of the net operating expenditure. A strategy on how to address the reserves position of the Council was agreed at the Strategic Policy & Resources meeting on 22nd January, 2010.

Table 1

*Summary of Reserves Position*

Opening Balance		£5.3m
Under Spend	£(1.9m)	
Contribution from Reserves	£2.4m	
Increase in Bad Debt Provision	<u>£0.2m</u>	
Reduction in Reserves		<u>£0.7m</u>
<i>Closing Balance</i>		<u>£4.6m</u>

*District Fund £4,602,602*

The District Fund Reserves can be used to supplement income and unexpected expenditure in future years.



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***City Investment Fund £8,804,256***

The City Investment Fund has been created to give a clear demonstration of the Council's propensity to action and its wish to contribute to the vibrancy, prosperity, culture and attractiveness of the city.

***Capital Receipts Reserve £860,000***

These are capital receipts which have originated primarily from the sale of assets and which have not yet been used to finance capital expenditure. This amount relates to the sale of land & buildings at Loop River which has been ring-fenced for the development of the capital scheme 'Loop River – New Facilities'.

***Repairs and Renewals Fund £8,567,415***

This fund was established under section 56 of the Local Government Act (NI) 1972 and has an approved limit of £22m and is to fund the closure of the landfill site.

***Other Fund Balances and Reserves £579,910***

This relates to the Election Reserve which has been set up to smooth the cost of running council elections.

***Rates Claw-Back Reserve (£191,279)***

This relates to the Minister for Finances decision to allow Local Authorities to defer the impact of the revaluation of MOD properties over a 4 year period, smoothing the impact on the District Fund Reserve.

**Rates Income**

Notification of a provisional Actual Penny Product has been received from the Land and Property Services Agency for the 2009/2010 year. The indication would be of a positive outturn in the region of £238k.

At this stage, we have not taken account of this figure in our annual accounts as these figures will not be finalised until the end of August. At that time we will make the necessary adjustments to the 2009/2010 accounts.

**Investment Income**

At 31st March, 2010 the Council had received income from its investments totalling £122k, compared to £1,563k in the previous financial year. This was due mainly to the collapse of the banking market in the last quarter of 2008/2009. Where previously the Council had been receiving interest rates of between 5% to 5.5% at the end of March 2009, during the 2009/2010 year interest rates collapsed, with interest rates at 31st March 2010 being between 0.3% to 0.42%.

**Audit Panel,  
Monday, 7th June, 2010**

In addition, at the start of the 2008/2009 year, the Council had some £23.6m invested with the Northern Bank. However, due to the large capital spend during that year re the Ulster Hall and City Hall, at 31st March, 2009 the Council's investments had reduced to £4m.

These factors taken together have contributed to the reduction on investment income earned by the council.

At the last Audit Panel meeting, Members requested information on the Council's investments. Accordingly, at 31st March, 2010 the Council had £8.7m invested with the Northern Bank at interest rates of 0.3% to 0.42%.

The Council has other investments relating to the Belfast City Council Gas Pension Scheme and these are held in Index Linked Treasury Stock to meet the future liabilities of the scheme. These are accounted for separately.

**Capital Programme**

The cost of the Council's current and future capital commitments is as follows:

	<b><u>Gross Cost</u></b>	<b><u>Grant Aid</u></b>	<b><u>Net Cost</u></b>
<b>Schemes Underway</b>	<b>£85.5m</b>	<b>£18.4m</b>	<b>£67.1m</b>
<b>Other Commitments</b>	<b>£26.8m</b>	<b>£9.5m</b>	<b>£17.3m</b>
<b>Total</b>	<b>£112.3m</b>	<b>£27.9m</b>	<b>£84.4m</b>

During the year to 31st March, 2010, the Council incurred £12.1m of expenditure on capital schemes, of which the most significant spend being in the Ulster Hall Major Works £2.1m, Vehicles £1.8m and City Hall Major Works £3.23m. These amounts are being checked to ensure they agree with the information being provided for Members for the planned workshop on 4th June and, therefore, are subject to change.

**Debt**

The overall level of trade debtors has decreased steadily over the last 2-3 years, reducing from £10m at 31st March, 2008, to £7.5m at 31st March, 2009 to £5m at 31st March, 2010. An analysis of trade debtors, inclusive of VAT, for the last two years is shown below:

	<b><i>31 March 2009</i></b>	<b><i>31 March 2010</i></b>
<b>Less than three months</b>	<b>£4,618,824</b>	<b>£2,930,828</b>
<b>Three to six months</b>	<b>£443,417</b>	<b>£170,470</b>
<b>Six Months to one Year</b>	<b>£1,462,971</b>	<b>£336,984</b>
<b>More than one year</b>	<b>£1,009,115</b>	<b>£1,554,432</b>
<b>Total</b>	<b>£7,534,327</b>	<b>£4,992,714</b>

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However, we have increased the bad debt provision by £0.2m to allow for potential bad debt in estates rental income due to the current economic climate

### Creditors

The Council has a target of paying invoices within 30 days. During the year, the Council paid 53,126 invoices totalling £99,072,469.

The average time taken to pay creditor invoices was 28 days for the year ended 31st March, 2010.

Whilst the Minister at the Department of Finance and Personnel has reduced the target for the payment of invoice for central government departments to 10 days, this target is not mandatory for local government. However, the Council endeavours to process invoices as quickly as possible and monitors these figures on a regular basis.

### Employee Details

During the 2009/2010 year, the employee costs of the council were £77,872,527 compared to £73,749,041 for 2008/2009. In addition agency costs for the 2009/2010 year were £3,799,623 compared to £5,548,007 for 2008/2009. This represents 49% of gross expenditure (51% 2008/09).

Staffing numbers are as follows:

	<i>2009/10</i>	<i>2008/09</i>
<i>FTE</i>	<u>2,444</u>	<u>2,406</u>
 <i>Actual Numbers</i>		
Full-Time	2,268	2,269
Part-Time	316	295
<i>Total Actual</i>	<u>2,584</u>	<u>2,564</u>

This represents an increase of 38 full time equivalents. Internal movement of staff and the filling of vacant established posts accounts for some of the variances.

However, the Health and Environmental Services Department's figures increased the most. Details of the external recruitment of 30 staff on a temporary appointment basis and 10 on a permanent appointment basis is detailed below:

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*Temporary appointments:*

Neighbourhood Watch Dev. Officer	1	Fully funded
Building Control Surveyors (Energy Performance Certification Scheme)	2	Fully funded
Community Safety Wardens	13	Part funded
Senior Community Safety Wardens	2	Part funded
Healthy Aging Coordinator	1	Part funded
Project Support Officer (Health Aging)	1	Part funded
Project Manager (Belfast Resilience)	1	Committee approval for a two year fixed term contract – April 2008
Trainee Technical Officer (Food Safety)	1	Trainee post for a two year programme
Dog Collection Officer	1	Temporary appointment for six months
Environmental Health Officer	1	Maternity cover
Cleansing Operatives	6	

*Permanent appointments:*

*Recycling Operatives x 8*

Committee approval was granted for a major review of the staffing levels and shift patterns at all Recycling Centres. The review including opening hours in both summer and winter to ensure that operational services provided at recycling Centres were fit for purpose. Agency cover was utilised to cover vacant posts during the review and the filling of permanent posts resulted in a corresponding reduction in agency use.

*Safer City Project Officer x 2*

The new generic posts of Safer City Project Officers provide for the management and ongoing development of successful projects such as Alleygating, the Wardens Project and Get Home Safe, as part of the Safer Belfast Plan. Committee approval was granted to create five new posts in June 2008.

A more detailed report on employee costs is included on the agenda and will continue to be reported to the Audit Panel on a quarterly basis.

**Resource Implications**

**Financial**

None

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**Human Resources**

**None**

**Asset and Other Implications**

**None**

**Recommendation**

**The Panel is requested to approve the Council's financial accounts and report for the year ended 31st March, 2010."**

Following discussion, the Panel approved and recommended to the Strategic Policy and Resources Committee the Council's financial accounts and report for the year ended 31st March, 2010. The Panel agreed that a report, providing further information in respect of trust funds which the Council administered on behalf of three organisations, be submitted to a future meeting.

**Updated Code of Governance**

The Panel was advised that Audit, Governance and Risk Services had, in line with best practice, developed a Code of Governance for the Council, based upon the six core principles contained within the Chartered Institute of Public Finance and Accountancy's Solace Framework. The Corporate Risk and Governance Manager reported that the Code, which would assist the Council in complying with the principles of good governance and with new regulations, had been approved by the Audit Panel at its meeting on 13th May, 2008, and had, subsequently, been communicated to those managers responsible for undertaking actions identified within the document.

She explained that Audit, Governance and Risk Services had, as required under the Code, undertaken an annual review of the document in order to determine whether it continued to provide evidence of compliance with the Solace Framework and to gauge the progress being made in implementing planned improvement actions. The Code had been updated to reflect any recommendations arising from the review and to take into account also the Chartered Institute of Public Finance and Accountancy Statement 2009 and guidance which had been issued recently on the role of the Chief Financial Officer in public service organisations. She added that the review had highlighted a number of areas in which significant progress had been made, including the reporting of key performance information, the implementation of the revised policy for travel and subsistence for officers and of the CORVU performance management system and the ongoing delivery of fraud awareness training. A number of other areas of work were still ongoing, such as the development of a Financial Strategy and Medium-Term Financial Plan and the implementation of the Information Strategy and associated framework. Those tasks had been included within the Corporate Value Creation Map and their progress would be monitored on a quarterly basis by the Council's Performance Team.

The Panel approved the updated Code of Governance.

**Annual Governance Statement 2009/2010**

The Panel considered the undernoted report:

**“Relevant Background Information**

The Council has a statutory responsibility to prepare and publish annually an Annual Governance Statement (AGS) as part of the Financial Report.

As required, the statement for the year 2009/2010, has been prepared in line with the template outlined in the Accounts Directive provided by Department of the Environment (DOE). The AGS is consistent with the principles of the CIPFA/SOLACE Framework ‘Delivering Good Governance in Local Government’. In addition, the AGS takes account of the 2009 CIPFA statement and subsequent guidance March 2010, on the role of the Chief Financial Officer in Public Service Organisations. The AGS explains how the Council has complied with their statutory duties under the 2005 Order and also meets the relevant requirements of Regulation 2A of the Local Government Accounts and Audit (Amendment) Regulations (Northern Ireland 2006).

Specifically the AGS sets out:

- The Scope of responsibility of the Council in relation to its Governance
- The purpose of the Governance Framework
- The Governance Framework in place
- The results of the review of effectiveness of the framework
- Significant governance issues to be disclosed.

The AGS is approved by the Chair of Strategic Policy and Resources, the Chief Executive and Director of Finance and Resources.

**Key Issues**

The purpose of this report is to:

- Present the Audit Panel with the AGS for 2009/2010 for approval – this is attached.
- Endorse the key actions taken by the council to manage the significant issues declared in last year’s AGS. These are included as at Appendix A in the current AGS.
- Approve the significant issues which warrant inclusion in this year’s AGS.

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Over the past year, there has been considerable effort put into developing and implementing the key elements of a governance framework within the Council to meet the requirements of the AGS. Significant progress has been made in terms of:

- Revised risk registers at Corporate, Departmental and Operational levels, this new format will facilitate the quarterly risk assurance reporting
- Enhancing our risk challenge and reporting framework, including agreement on the preparation of quarterly assurance statements by senior officers from the 1st April 2010. These statements were produced annually up to the 31st March 2010
- Ensuring our business continuity and pandemic plans are robust, reviewed, tested and reflect the needs of the Council.

#### **Resource Implications**

There are no significant resource implications.

#### **Recommendation**

The Audit Panel is asked to approve the Annual Governance Statement, which is attached at Appendix 1.

#### **Appendix 1**

#### **Annual Governance Statement 2009-2010**

#### **Scope of responsibility**

Belfast City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under Local Government (Best Value) Act (Northern Ireland) 2002 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has prepared an Annual Governance Statement which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. This statement explains how the Council has complied with this, their statutory duties under the 2005 Order and also meets the requirements of Regulation 2A of the Local Government Accounts and Audit (Amendment) Regulations (Northern Ireland 2006) in relation to the publication of a statement on internal control.

#### The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and the activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised, the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Belfast City Council for the year ending 31<sup>st</sup> March 2010 and up to the date of approval of the Annual Governance Statement and statement of accounts.

#### The governance framework

The key elements of the systems and processes that comprise the Council's governance arrangements include the following:

Belfast City Council has developed a corporate plan for the period 2008-2011, which was approved by Chief Officers Management Team in May 2008 and by the Strategic Policy and Resources Committee on 13 June 2008. The plan was developed over a ten-month period with significant engagement with Members, ratepayers, officers, and partners.

An annual update of the corporate plan is completed each year and includes the development of individual departmental plans. The annual plans set out clear objectives and targets for the coming year.



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The Corporate plan helps the Council focus on the future. It sets out the values that the Council wants to create in the city and the key issues that the Council intends to focus on over the next three years. In doing this, the Corporate plan provides a sense of direction for the Council. By having an outward focus, the Corporate plan helps the Council deal with a changing external environment and helps to ensure that the Council's plans stay relevant and connected to what is happening in Belfast.

As outlined in the Council's Standing Orders, the Corporate Plan and the processes which underpin it act as the Council's main instrument of policy. The development and implementation of the Corporate Plan therefore embraces a number of processes including, for example:

- The establishment of agreed corporate priorities and strategic plan
- Strategic finance, human resources, asset management, information management and planning and performance frameworks to ensure resources are effectively allocated for implementation of the strategic plan
- The development and prioritisation of the capital programme and the city investment strategy
- The continuing integration and alignment of the key planning processes in the organisation, including, finance, HR, information management, performance management, asset management, risk management, business planning and programme management
- The development and implementation of strategies for effective partnership and working with key stakeholders, through the development of community planning and the supporting Council processes
- The development and implementation of an effective performance management framework
- Communication of the plan is via the Council's internet website; a communication plan has been agreed to ensure the plan is effectively communicated.

Our political governance structures include:

- Committee decision-making system; this includes the Strategic Policy and Resources Committee with responsibilities for dealing with corporate finance, planning, performance and policy

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- Council minutes system on [www.belfastcity.gov.uk](http://www.belfastcity.gov.uk).
- Budget and Transformation panel.

Our key mechanisms for measuring the quality of services for users and for ensuring that they represent the best use of resources include:

- Key performance questions, surveys and indicators
- The development of a performance management system which became operational during 2009/10
- The development of a customer focus strategy
- An annual VFM programme of audit work
- A corporate complaints system.

In order to define and document key council roles and responsibilities, a Scheme of Delegation is in place. This has been approved by the Council. The Scheme is explicitly linked to the objectives of the Council as they state that the purpose of delegation is to achieve economies of scale and minimise costs. The levels of authority and responsibility are set out in the Scheme of Delegation.

Standing Orders are in place and are documented on the Council's website.

The corporate objectives of the Council are linked to levels of responsibility and individual staff through the Strategic Plan and annual business planning processes and through the use of personal development plans.

A Code of Governance is developed; this was reviewed, updated and reported to COMT, the Assurance Board and the Audit Panel in the year 2009/10. The Code is based on the six principles set out in the CIPFA/SOLACE 'Delivering Good Governance in Local Government: A Framework', in addition it has recently been updated to reflect the CIPFA guidance on the Role of the Chief Financial Officer in Local Government.

The Council budget is set in line with the need to deliver the Corporate plan. A robust budgetary control system is in place.

Terms and conditions of employment and job descriptions are available for all staff.

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The following structures, which facilitate staff development, conduct and good governance, are in place:

- Political governance structures which were implemented in the year 2007/08
- Committee reporting protocol
- Party Group Briefing sessions to facilitate and coordinate contact with officers
- The development of corporate values and their integration into the corporate plan
- The agreement of the customer focus strategy, an element of which is to develop corporate and service standards
- Code of conduct for staff
- Staff receive induction training including an introduction to the Code of Conduct
- Fraud awareness programme for staff; roll out commenced in 2009/10
- The NI Code of Local Government Conduct for Members
- Policy for acceptance and Provision of Gifts and Hospitality by Council Officers
- Policy for Potential Conflict of Interest Situations Encountered by Council Officers
- An Equality Reference Guide
- Sustainable Development Plan
- Fraud and corruption and whistle blowing policies.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Development and maintenance of the system is undertaken by managers within the Council. In particular, the system includes:

- Standing Orders
- Financial Regulations
- Scheme of Delegation

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- **Accounting Manual**
- **Codes of Conduct for officers and Members**
- **Corporate and budgetary planning**
- **The preparation of relevant regular financial reports**
- **Regular reviews of periodic and annual financial reports which indicate financial performance**
- **A programme of capital expenditure with clearly defined guidelines**
- **An Asset Management Group**
- **Formal project management disciplines**
- **An Information Panel and appropriate sub-groups; these enhance the IT governance arrangements within the Council.**

**Continued effort has been put into developing and implementing the key elements of an assurance framework within Belfast City Council with the key elements being:**

- **A process whereby managers are required to sign annual assurance statements**
- **Embedding risk management**
- **Developing business planning and related performance reporting arrangements**
- **A re-constituted Audit Panel**
- **Further developing the professionalism of the internal audit function, including the implementation of risk-based audits**
- **Review and update of the Code of Governance**
- **A Health & Safety Assurance Board.**

**The Council has an established Audit Panel with comprehensive terms of reference. The terms of reference set out a clear statement of purpose that it will provide an independent assurance on the adequacy of the Council's risk management framework and associated control environment. It provides an independent scrutiny of the Council's financial and non-financial performance to the extent that it exposes it to risk and weakens the control environment. The Audit Panel received formal audit committee training in February 2010. The Audit Panel reports to Strategic Policy and Resources Committee.**

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The Audit Panel with support from the Assurance Board oversee the work of the Audit Governance and Risk Services section including the approval of the annual programme of work. The internal audit service, provided by Audit, Governance and Risk Services operates to the standards published in the CIPFA code of practice for internal audit in local government.

Audit, Governance and Risk Services lead on risk management activities within the Council. These have continued in line with the Council's Risk Management Strategy. Activities have focused on the identification, management, monitoring and reporting of the Councils' key risks. Corporate, departmental and operational risk registers are in place, in addition registers relating to major projects and key services have been developed where applicable.

Directors, Heads of Service and nominated senior staff within the Council completed declarations of assurance for the year end 2009/10. These signed assurance statements form part of the evidence which underpins the annual governance statement. From 1st April 2010 these will be signed on an ongoing 3 month basis.

The Council has in place a Business Continuity Policy which is subject to an annual review and has been communicated to relevant staff, the policy can also be viewed on the Audit, Governance and Risk Services pages on the internet. Business Continuity strategies and plans are in place for the Council's key services; these are reviewed, updated and aspects of the plans are tested on an annual basis. In addition, in order to ensure that the Council is prepared to meet the threat of a pandemic, a Strategic Business Continuity Pandemic Plan with supporting operational plans have been prepared and are also subject to ongoing review and updating.

**Managers are aware of their responsibility for ensuring:**

- **Compliance with relevant laws and regulations, internal policies and procedures**
- **Compliance with statutory responsibilities with regard to Health & Safety**
- **That expenditure is lawful within their area of responsibility**
- **That staff conduct council business in accordance with the law and proper standards**
- **That public money, for which they are responsible, is safeguarded and properly accounted for, and used economically, efficiently and effectively.**

The Financial Regulations include an explicit reference to management responsibility for internal control and set out the delegated powers of the Chief Financial Officer in ensuring expenditure is lawful. The Chief Financial Officer is the designated officer responsible for the proper administration of the Council's financial affairs. The Council's financial management arrangements conform to the CIPFA governance arrangements on the role of the Chief Financial Officer.

The Council has a Town Solicitor and a Legal Services Department to provide advice and support to Council staff and Members.

A Public Interest Disclosure ("Whistleblowing") policy is in place and has been communicated to all staff. The policy is posted on the Council's intranet. In addition, this policy is also included in the Code of Conduct for Local Government Employees.

A Corporate Complaints system is in place.

The following activities underpin the identification and support of the development needs of members and senior officers:

- Induction training for all staff which includes an introduction to the Code of Conduct
- Code of procedures on recruitment and selection
- Introduction of personal development plans
- Member development programme with induction sessions for Members

The following are channels of communication which focus on all sections of the community and other stakeholders. These channels ensure accountability and encourage open consultation:

- The Corporate plan
- 'One Council' corporate communication guidelines
- The Council's website found at [www.belfastcity.gov.uk](http://www.belfastcity.gov.uk) and the interlink site for staff
- Work is underway to develop a range of corporate and service standards
- Ongoing development and use of Citistats
- The council is engaging with the Department of the Environment re development of a community planning framework

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- Ongoing consultation processes
- City Matters magazine
- Complaints handling system
- Council meetings are open to the public
- An Assurance Framework.

#### **Review of effectiveness**

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, which gives an opinion on the Council's risk and control environment and by comments made by the external auditors and other external reviews.

The Audit Panel provides an independent assurance on the adequacy of the Council's risk management framework and associated control environment. It provides an independent scrutiny of the Council's financial and non-financial performance to the extent that it exposes it to risk and weakens the control environment. In accordance with a Local Government Audit recommendation, a review is in progress which measured the effectiveness of the Audit Panel against a CIPFA "best practice" checklist; this will be reported to the Audit Panel in June 2010.

Following a benchmarking exercise the Audit Panel has made a commitment to a minimum of four meetings through the year. During the course of 2009/10 the Audit Panel met five times.

The Assurance Board which comprises the Chief Executive, Director of Finance and Resources and Town Solicitor has the purpose of identifying areas of particular concern within the Council. It addresses issues of non compliance within the Council in particular around internal control or governance matters. The Assurance Board met four times during 2009/10.

The Code of Governance for Belfast City Council is based on the 6 core principles set out in the CIPFA/SOLACE Framework. The key systems, processes and documents are summarised in a table; the monitoring of these activities provides evidence of compliance with the core and supporting governance principles, along with the individual or committee responsible for monitoring and reviewing the same.

As set out in our Code of Governance, in February 2010 AGRS undertook a review and update of the Code. The main purpose of this review was to determine the progress being made to fully embrace the 6 governance principles. This included contacting various officers and determined whether the systems, processes and documents continued to provide evidence of compliance with the principles and also determined the progress made in implementing the planned improvement actions. In addition, the code was further updated to reflect the 2009 CIPFA statement and subsequent March 2010 guidance on the role of the Chief Financial Officer in Public Service Organisations. The updated Code was reported to COMT on 26th May 2010, the Assurance Board on 27th May 2010 and the Audit Panel on 7th June 2010.

This review of the Code has assisted in the preparation of this Annual Governance Statement. In addition it forms one of the assurances that senior managers and Members receive on the Council's internal control environment.

In the year 2009/10 AGRS reviewed the various sources of assurance and the key elements of the Council's internal control framework and will report to managers, COMT, the Assurance Board and the Audit Panel on these areas.

Local Government Audit has also provided a level of assurance through the provision of the annual external audit and provision of the management letter. An action plan is in place to address any issues identified.

Other sources of assurance include assurances from management and external review bodies.

In the year 2010 / 2011, the Strategic Policy and Resources Committee and the Audit Panel intend to monitor the actions taken by management to address identified weaknesses in the Council's internal control environment, and the management of key risks.

#### **Significant governance issues**

In response to the issues raised in the Annual Governance Statement for 2008/09, we can confirm that these issues were highlighted in appropriate risk registers, risk owners allocated and actions were put in place to address them. Actions taken in managing these issues were reported as appropriate to COMT, the Assurance Board and Audit Panel. However, it should be noted that given the nature of some of the risks identified, some actions are still ongoing. We have outlined the actions taken so far to manage the significant issues identified in the Annual Governance Statement for 2008/09 at Appendix A.



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As part of the process of preparing this year's Annual Governance Statement all Directors and nominated senior officers have been asked to consider significant governance issues that require action and disclosure. The most significant issues for the Council are detailed below:

The Northern Ireland Landfill Allowance Scheme was introduced in April 2005 to provide a cost effective way of enabling Northern Ireland to meet its share of the UK targets as outlined in the Waste and Emissions Trading Act 2003, for reducing the land filling of biodegradable municipal waste to achieve compliance with the 1999 Landfill Directive (1999/31/EC). In common with other Councils in Northern Ireland there is a continuing risk that the Council incur fines for non-achievement of these targets. We are continuing to take all appropriate measures to address this risk and to demonstrate that the Council is making "Best Endeavours" both individually and in collaboration with arc21 to secure adequate waste treatment infrastructure facilities.

A major issue and key risk for the Council is the potential implementation of the Review of Public Administration and the current delays being experienced. Key risks exist around implications for the Council arising from the absence of firm decisions on key review of public administration issues including boundaries and funding and the associated delay in the legislative programme. The Council is actively involved with local and central government and the sectors representatives NILGA and SOLACE on this issue.

The Council still considers that despite actions undertaken over the last 12 months, the need to fully implement effective governance of all major projects remains an issue. The Council, whilst having taken steps to address this issue, now needs to embed the agreed governance framework/structure, policies and procedures to ensure robust control and management of all major projects and the spend attached. Work will continue over the next year to ensure that awareness, familiarity and compliance with the agreed protocols is achieved and that governance arrangements are put in place in order to manage the risks identified.

During 2009/10 the Health and Safety assurance framework has been supplemented by the appointment of a new Corporate Health and Safety Manager and the ongoing operation of the Health and Safety Assurance Board. Much work is in hand to improve the management of health and safety but further work needs to be undertaken to fully embed the framework and to adequately address the actions arising from the corporate review of health and safety management arrangements.

The economic climate presents ongoing challenges to the management of the overall Council financial position, in particular the management of debt, the impact on external income sources such as building control, and the implications for the rates income collected by Land and Property Service on behalf of the Council. Given this challenging environment, the Council is continuing to strengthen its financial management arrangements to improve financial planning, reporting and budgetary control and ensure that efficiency targets are met.

In addition, to further enhance our governance arrangements we propose over the coming year to take steps to address all issues which were raised in Annual Assurance Statements. These issues have been identified in the appropriate risk registers. The ongoing management of the existing actions and the implementation of proposed actions to manage these issues will be appropriately reviewed and reported and will form part of our next annual governance review.

Signed: .....

On behalf of the Committee of Strategic Policy and Resources,  
the Chief Executive Officer and by the Chief Financial Officer

Appendix A

Significant risk and internal control issues declared  
in the Annual Governance Statement 2008/2009

<u>Risk disclosed in AGS 2008/2009</u>	<u>Actions agreed or implemented to manage risk declared in AGS 2008/2009</u>
<p>Following the introduction of the Corporate Manslaughter Act, in 2008 the Council has reviewed its health and safety function and has appointed a Corporate Health and Safety Manager, with enhanced responsibilities, however, further work needs to be undertaken to implement a Health and Safety assurance framework and to implement actions arising from a corporate review of health and safety management arrangements.</p>	<p>A number of measures have been actioned that will see further improvements to the management of Health and Safety across the Council. Including,</p> <ul style="list-style-type: none"> <li>• A Health and Safety Assurance Board is now in place, comprising the Directors of Legal Services, Finance and Resources and Health and Environmental Services. The Board meets to regularly review update reports on Health and Safety from the Corporate Health and Safety Manager and communicates key Health and Safety matters to the Chief Officers Management Team.</li> </ul>

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<u>Risk disclosed in AGS 2008/2009</u>	<u>Actions agreed or implemented to manage risk declared in AGS 2008/2009</u>
	<ul style="list-style-type: none"> <li>• Within the past 12 months the Council has appointed Health and Safety Consultants to review and assist in the development of action plans to address the highest risk areas / locations identified by the Council.</li> <li>• The Council's existing Workplace Safety Inspection System has been reviewed and will now see inspection reports communicated to Senior Management and Chief Officers.</li> </ul> <p>Work is ongoing to improve and further develop local departmental health and safety plans. It is anticipated that work in this area will be expedited with the recruitment of 2 additional staff to the Occupational Health and Safety Unit.</p> <p>Furthermore steps to introduce a new integrated management information system are at an advanced stage.</p>
<p>The risk to the Council of being unable to comply with the targets of the Northern Ireland Landfill Allowance Scheme (NILAS) is still a significant issue.</p>	<p>We are continuing to take all appropriate measures to address this risk and to demonstrate that the Council is achieving 'Best Endeavours' in its own actions and through its work with arc21 to secure residual waste treatment facilities in accordance with the Waste Plan timetable. This has included:</p> <ul style="list-style-type: none"> <li>▪ Continuing liaison with arc21 to introduce the necessary waste infrastructure.</li> <li>▪ Agreement reached to aggregate total of waste disposed of between all councils in NI, via Arc 21, thereby giving protection against NILAS targets until around 2012/13.</li> <li>▪ Examining recycling initiatives outside the scope of the arc21 waste plan.</li> </ul> <p>A future Waste collection strategy is being developed looking at possible options for enforcement and possible separate collections for a number of waste streams.</p>

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<u>Risk disclosed in AGS 2008/2009</u>	<u>Actions agreed or implemented to manage risk declared in AGS 2008/2009</u>
<p>The Council still considers that despite actions undertaken in the past year the need to implement effective governance of all projects still remains a significant issue, in particular to fully manage the resource requirements of large projects, for example, the Titanic Signature Project, North Foreshore and Connswater Greenway.</p>	<p>The Titanic Signature Project and Connswater Greenway have project boards which govern these projects, BCC have representatives on these boards. Further work is planned to take forward development of the North Foreshore. BCC will also be taking the lead role on Connswater Greenway in the near future and this project will therefore be subject to the policies, processes and procedures of BCC.</p> <p>In respect of other major projects in BCC these projects are subject to Gate Reviews at key points in their lifecycles. Regular reporting on progress is being developed via the P2net system (which has recently been implemented in PMU). The Review of the Centre and the Review of Governance arrangements have made various recommendations some of which have been implemented, i.e. setting up of the Department of Property and Projects. In line with these recommendations a proposed governance structure has been developed and submitted to COMT for consideration. Work will be ongoing to develop robust PPM methodologies and control mechanisms.</p>
<p>There are concerns that the extreme volatility of the current economic climate impacts negatively on the Councils finances and our ability to deliver services, in particular in the following areas:</p> <ul style="list-style-type: none"> <li>• Reduction in external income streams including Building Control, Business Improvement Section and Information Services Belfast</li> <li>• Rising debt level as a consequence of customers finding it difficult to make payments including commercial waste customers or council tenants</li> </ul>	<p>In order to better manage this risk the Council has established a Budget and Transformation Panel which is comprised of one Member from each of the party groupings. The Panel reports its work to the Strategic Policy and Resources Committee.</p> <p>In addition a voluntary redundancy exercise was carried out with a view to reducing costs in areas which had been impacted by the economy. Following on from this review other structural and staffing reviews are currently being conducted to identify potential further efficiencies for the Council.</p>

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<u>Risk disclosed in AGS 2008/2009</u>	<u>Actions agreed or implemented to manage risk declared in AGS 2008/2009</u>
<ul style="list-style-type: none"> <li>• A collapsing or redundant market to purchase recyclables leads to a reduction in income</li> <li>• High utility costs; and the potential for a reduction of income if attendance at our facilities is not maintained.</li> </ul>	<p>During the year a group was set up chaired by the Director of Legal Services to review the Council's overall debt position. This resulted in regular meetings between the relevant department, CTU and legal. Procedures re chasing debt were reviewed leading to a more proactive approach being taken, e.g. phone calls being made prior to second reminder letters being sent out. Monthly reports on the debt position were produced for relevant management.</p>
<p>The review of public administration (RPA) is seen as a major issue for the Council. Key concerns exist around:</p> <ul style="list-style-type: none"> <li>• Ensuring that council input into RPA related discussions including the drafting of necessary legislation is timely and secures the interests of both the citizen and the local government sector</li> <li>• General uncertainty and delays in the RPA process and the external decision-making processes in place could make it difficult for the Council to effectively prepare for the transition process and ensure that necessary succession planning is taking forward</li> <li>• Inadequate or late information could restrain our ability to undertake appropriate and timely due diligence reviews of emerging policy/legislative proposals and to consider associated organisational consequences</li> <li>• Inadequate or untimely information could limit our ability to effectively engage, at both Elected Member and officer level, in the policy development and implementation phase of the RPA</li> <li>• That transferring functions would be insufficiently resourced at point of transfer which could significantly jeopardise future service delivery</li> </ul>	<p>In order to ensure that such risks are effectively managed the Council has implemented the following series of actions:</p> <ul style="list-style-type: none"> <li>• Put in place appropriate governance, accountability and project management arrangements to oversee, manage and monitor the effective implementation of the RPA process within the Council.</li> <li>• The designation of the Council's Strategic Policy and Resources Committee as the RPA Transition Committee (TC) who are responsible for providing overall political direction to the process;</li> <li>• The designation of the Council's Chief Officers' Management Team as the RPA Transition Management Team (TMT) with responsibility for coordinating and managing overall RPA implementation</li> <li>• Established internal project management and support structures including the appointment of a fixed-term RPA co-ordination manager who is accountable to the TC and TMT</li> </ul>

<u>Risk disclosed in AGS 2008/2009</u>	<u>Actions agreed or implemented to manage risk declared in AGS 2008/2009</u>
<ul style="list-style-type: none"> <li>• That emerging legislation and associated guidance to be issued by the Department of Environment could impact upon the Council's own modernisation agenda pre and post RPA.</li> </ul>	<ul style="list-style-type: none"> <li>• Politically agreed Transition (Project) Plan in place with key implementation milestones outlined.</li> <li>• Established internal officer project teams to take forward specific strands of RPA related work (e.g. finance, service delivery, corporate response to RPA issues)"</li> </ul>

The Corporate Risk and Governance Manager informed the Members that the significant issues disclosed in the Annual Governance Statement for 2009/2010 reflected some of the issues which had been identified within the Corporate Risk Register. In response to a question from a Member regarding the actions in place to manage the various risks, she explained that there were action plans in place to address these risks and that a more comprehensive risk review and assurance process had, on 1st April, been introduced. A report would, on a quarterly basis, be submitted to the Panel outlining the adequacy of the actions being taken to manage key risks.

The Panel approved and recommended to the Strategic Policy and Resources Committee the contents of the Annual Governance Statement for 2009/2010.

#### **Annual Assurance Statement 2009/2010**

The Panel noted the contents of a report from the Head of Audit, Governance and Risk Services regarding the Annual Assurance Statement for 2009/2010. The Statement constituted his professional opinion on the adequacy and effectiveness of the Council's internal control environment and demonstrated that it had in place adequate and effective systems of risk management, governance and control.

#### **Local Government Auditor's Audit Strategy for Belfast City Council 2009/2010**

The Panel was advised that, under the Local Government (Northern Ireland) Order 2005, the Local Government Auditor, as the appointed independent external auditor, was required to examine, certify and report on the financial statements of Belfast City Council. The Head of Audit, Governance and Risk Services reported that the Local Government Auditor had issued an Audit Strategy for the Council for the 2009/2010 financial statements. He provided an overview of the Strategy, which set out the:

- (i) responsibilities for the preparation of accounts and associated regulations;
- (ii) scope of the audit;
- (iii) audit approach;

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- (iv) records which were required to be provided for audit inspection;
- (v) timescales which would be involved; and
- (vi) Local Government Auditor audit staffing.

He explained that, in addition to the conventional aspects of an audit of the accounts, the Audit Strategy set out also the Local Government Auditor's proposed systems and corporate governance work.

The Panel noted the contents of the Audit Strategy for the Council for the 2009/2010 financial year.

**Review of the Effectiveness of the Audit Panel 2009/2010**

The Panel was informed that, in light of new audit regulations and a specific recommendation from the Local Government Auditor, a review of the effectiveness of the Audit Panel was undertaken on a regular basis in order to confirm its compliance with good practice. The Acting Corporate Assurance Manager explained that the purpose of the Audit Panel was to provide an independent assurance on the adequacy of the Council's risk management framework and associated control environment. He provided a brief overview of its Terms of Reference and explained that it met its responsibilities by meeting regularly and by reviewing and scrutinising reports prepared by internal and external audit and senior managers on financial matters, risk, governance and control. Where necessary, the Panel would request further information/assurances on specific issues. He reported that the Audit Panel had, in 2009/2010, met on five occasions and that it had been provided with refresher training. During the year, the Panel had reviewed a number of key documents/reports and had considered audit plans and issues arising from various audit activity.

The Acting Corporate Assurance Manager explained that, in line with the Local Government Auditor's recommendation, the review of the effectiveness of the Audit Panel had taken the form of a self-assessment against a Chartered Institute of Public Finance and Accountancy checklist, with Panel members being requested to identify areas for improvement.

During discussion, a Member highlighted the reliance which the Audit Panel placed on internal audit work and stressed the importance of ensuring that Members were not faced with any issues of an unexpected nature.

In response, the Acting Corporate Assurance Manager explained that the Panel received its assurances from various sources and pointed out that the introduction of a system of quarterly reporting should provide Members with further assurance regarding issues which may arise unexpectedly.

After further discussion, the Panel approved the assessment of the effectiveness of the Audit Panel.

**Review of the Effectiveness of Internal Audit 2009/2010**

The Panel considered the undernoted report:

**“Relevant Background Information**

The Local Government (Accounts and Audit) (Amendment) Regulations (Northern Ireland) 2006 which came into effect during 2007/2008 make local government bodies explicitly responsible for their financial management, internal control and risk management systems

The Regulations place four main requirements on authorities:

1. Ensure financial management is adequate and effective and establish a sound system of control including arrangements for the management of risk.
2. Conduct a review at least once a year of the effectiveness of the system of internal control.
3. Publish a statement on internal control\* as part of the statement of accounts. This statement must be considered by a committee of the local government body, or by the members of the body meeting as a whole, and following that consideration, approved by the Chief Executive.
4. *Maintain an adequate and effective system of internal audit in accordance with proper practices (and ensure an annual review of the effectiveness of the system of internal audit).*

\* - Now replaced by Annual Governance Statement

Regarding the fourth requirement, this means that the internal audit function (which is provided by Audit, Governance and Risk Services) must work to professional standards and that the organisation should undertake an annual review of the effectiveness of the system of internal audit.

In a sense, the Council is ahead of the Regulations. Audit, Governance and Risk Services has been working to professional standards for internal audit for a number of years. In 2006/2007 the Council commissioned an external review of the work of the Audit, Governance and Risk Services section. This review was undertaken by the Chartered Institute of Public Finance and Accountancy (NI). The results of this review were reported to the Council's Audit Panel in January, 2007 and the review confirmed that the service complied with the CIPFA 'Code of Practice for Internal Audit in Local Government' (2006).



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The review involved CIPFA (NI) consulting with key stakeholders including AGRS staff, the then Chair of the Audit Panel, Assurance Board members and a sample of other stakeholders and reviewing audit files / documentation.

Further arrangements are in place to monitor the effectiveness of the internal audit function:

- the work of Audit, Governance and Risk Services may be relied upon by the Local Government Auditor as the basis for obtaining information/assurances around the Council's systems of internal control.
- effectiveness is also measured through management satisfaction questionnaires which AGRS issue at the end of each completed systems audit. Responses to these during 2009/2010 have been positive.
- The service reports regularly to a senior management Assurance Board and the Audit Panel on audit, governance and risk matters and routinely reports on its performance against key priorities and targets.

In order to comply with the Regulations the Local Government Auditor has advised that councils in Northern Ireland should undertake a self-assessment of its service against a compliance checklist included in the CIPFA Code of Practice for Internal Audit in Local Government (2006) and that this assessment should be considered by the Audit Panel.

### Key Issues

#### Annual Review of Effectiveness of internal audit 2009/2010

We have completed the recommended self-assessment checklist and our overall conclusion is that the internal audit service complies with the CIPFA Code of Practice for internal audit in local government.

#### Future Plans

In developing the Audit, Governance and Risk Services plan for 2010/2011, we have identified further scope for consulting with stakeholders on the effectiveness of our Service and, during 2010/2011 will be developing a communication/stakeholder engagement plan to enable further assurances to be obtained regarding the effectiveness of the service and also to identify areas for improvement. In addition new customer service performance indicators for AGRS have been incorporated into the Council's CORVU performance management system for 2010/2011, which will enable regular reporting/monitoring of a range of aspects of the service.

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**Last year the Service undertook to have an external review of Audit, Governance and Risk Services in 2010. The Head of Audit, Governance and Risk Services is discussing the scope/timing of this review with the Director of Finance and Resources and will advise the Audit Panel at its next meeting regarding the detailed proposals/scope for such a review.**

**Resource Implications**

**None**

**Recommendations**

**That the Audit Panel notes that a review of the effectiveness of the internal audit service has been undertaken and that this review confirms compliance with the CIPFA Code of Practice for Internal Audit in local government.**

**That the Audit Panel approves the review of the effectiveness of the internal audit service, taking account of the completed checklist and the other arrangements for ensuring the effectiveness of the service, as highlighted in this report.**

**That the Audit Panel notes that the Head of Audit, Governance and Risk Services is in the process of discussing with the Director of Finance and Resources the scope of a possible review of the Service, and will report to the Audit Panel at its next meeting on the proposed way forward.”**

Following discussion, the Panel adopted the recommendations.

**Audit Governance and Risk Services Progress Report**

The Panel considered a report outlining the work which Audit, Governance and Risk Services had undertaken between February and May, 2010.

The Head of Audit, Governance and Risk Services reported that, during the period, follow-up audits had been completed in relation to the new ticketing system and automated teller machine within the Belfast Waterfront Hall and a review of the health and safety management arrangements in place within the Council. Audit reports had been finalised in respect of Capital Projects, Peace III, the Waste Management Service, the Belfast Visitor and Convention Bureau and the Connswater Greenway Project, together with a value-for-money review relating to the use of consultants. Audits of the Bereavement Service, fixed assets, procurement and value-for-money reviews of utilities and advertising were at a draft stage and would, once finalised, be submitted to the Panel. In addition, audits of the Parks and Leisure Department and the Community Services Section were being planned.

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He provided also details regarding fraud investigation work being undertaken by the Service and pointed out that fraud awareness training would, during the month of June, be delivered to staff within the Development Department. He highlighted also the work being undertaken in relation to risk management, business continuity management and pandemic planning.

After discussion, the Panel noted the information which had been provided.

**Potential Conflict of Interest  
Situations Encountered by Council Officers**

(Mr. C. Quigley, Town Solicitor and Assistant Chief Executive, attended in connection with this item.)

The Panel considered the undernoted report:

**“Relevant Background Information**

**1. Background/Purpose of Report**

**Belfast City Council is committed to the principles of good governance. Governance is about how we ensure we do the right things in an open, honest and accountable manner.**

**In the interests of ensuring good governance, Audit Governance and Risk Services (AGRS) has been requested by the Town Solicitor and Assistant Chief Executive to review the Council’s existing policy, guidelines and processes in relation to dealing with potential conflict of interest situations encountered by Council officers, to compare this with best practice and report back to the Assurance Board, the Chief Officers’ Management Team and the Audit Panel on the results of the review. The purpose of this report is to present the results of this review to the Audit Panel. This is a timely review, since the Council is also in the process of developing and agreeing a policy and guidance for Elected Members in terms of declaration of interests and it is important that the policies/processes for both Members and officers are as robust as possible.**

**2. Existing Policy, Guidance and Processes**

**In March 2006, following adverse media reports relating to poor governance in central government departments, COMT requested AGRS to bring together the existing policy and develop associated guidelines for staff in relation to potential conflicts of interest situations and gifts and hospitality.**

**After completion of research (including benchmarking) and consultation with relevant officers, the policy and updated guidelines were presented to COMT for approval in August, 2006.**

The policy itself was based on the Local Government Act 1972 and had already been included in the Council's existing Employee Code of Conduct (April 2003) and in the Council's Standing Orders. The policy did not change as a result of the 2006 review. However, the opportunity was taken to review and consolidate the guidance for staff and to develop templates for recording individual potential conflicts of interest and maintaining associated Departmental registers.

Following COMT approval, the policy and guidelines were communicated to staff by the Corporate Risk and Governance Manager in October/November 2006 via e mail, the Intranet and briefings to Business and Finance Managers and Departmental Management Teams. The Council's Audit Panel was notified in January 2007, via the AGRS Progress Report, of the action that had been taken.

#### Key Issues

##### 1. Key Features of Current Policy

The key elements of the current policy for officers encountering potential conflicts of interest situations are summarised below:

- Responsibility is placed on every member of staff for disclosing to an appropriate manager or officer of the Council every potential conflict of interest in which he/ she may be involved.
- A relation of any officer or servant of the Council shall not be appointed or engaged or recommended for appointment or engaged in any department except with the consent of the Strategic Policy and Resources Committee and employees involved in appointments should, at all times, act in accordance with the Local Government Staff Commission's Code on Procedures on Recruitment and Selection.
- The Chief Executive shall report to the Council in any case where it comes to his attention that an officer of the Council has any interest in any transaction with the Council.
- Staff are expected to conduct themselves with integrity, impartiality and honesty and their private interests should not be such as to have the potential for allegations of impropriety or partiality to be sustained thereby bringing the Council into disrepute. In particular, attention is drawn (in the policy) to examples where potential conflicts of interest can occur, namely in relationships with councillors, contact with the local community and service users, relationships with contractors and political activity.

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- An employee must not subordinate his / her duty to the Council to his / her private interests or put himself / herself in a position where duty and private interests conflict. The Council should not attempt to preclude officers from undertaking additional employment outside their hours of duty with the Council, but any such employment must not, in the view of the Council, conflict with or react detrimentally to the Council's interest, or in any way weaken public confidence in the conduct of the Council's business.
- Employees must declare to an appropriate manager any financial or non-financial interests that they consider could bring about conflict with the Council's interests, for instance:
  - Membership of an organisation receiving grant aid from the Council
  - Membership of an organisation or pressure group which may seek to influence the Council's policies
  - Membership of any organisation not generally open to the public without formal membership and which requires commitment of allegiance or has secrecy about rules, membership or conduct.
- Employees who have an interest, financial or non-financial, should not involve themselves in any decision or allocation of Council services or resources from which they, their friends or family, might benefit and should ensure that the matter is referred immediately to their line manager.
- Where the Council wishes to sponsor an event or service neither an employee nor any friends, partners or persons where a family relationship is deemed to exist must benefit from such sponsorship in a direct way without there being full disclosure to an appropriate manager of any such interest. Similarly, where the Council through sponsorship, grant aid, financial or other means gives support to a community, employees should ensure that impartial advice is given and that no conflicts of interest are involved.

The Town Solicitor and Assistant Chief Executive is currently in correspondence with the Local Government Staff Commission to ascertain if these examples of conflicts of interest are still relevant or need to be updated.

## **2. Key Features of Current Guidelines/Process**

The key elements of the current guidelines for officers encountering potential conflicts of interest situations are summarised below:

- As a general rule of thumb officers should ask themselves 'Could this course of action be satisfactorily defended in public?' Where there is any doubt about the application of this policy, officers should consult their line manager in the first instance and ensure they inform their Line Manager promptly if they encounter a potential conflict of interest situation.
- The principles underlying pecuniary interests relate to a person's interest in a matter being based on the probability that the person stands to gain or lose financially from it.
- Where there is a perception of serious conflicts, it is not sufficient to declare them. They must be effectively dealt with or avoided altogether.
- The officer facing the potential conflict of interest is responsible for completing the relevant form and forwarding the form to the officer with responsibility for input of the forms to the registers.
- Each Chief Officer should ensure that responsibility for the input of the forms to the registers is clearly allocated to a specific officer and communicated within their Department.
- Each Chief Officer should decide whether the registers should be maintained centrally within their Department or individually within each Section. The location of the registers will impact on:
  - the ease with which the annual review of the registers by Chief Officers can be conducted; and
  - the accessibility of the registers to staff and the ease with which staff may maintain the registers up to date.
- Periodic reminders are issued to all staff regarding current policy / guidance (last included in the September, 2009 version of Intercom, issued to all staff).

### 3. Benchmarking

In order to validate whether the current policy and guidelines continue to represent good practice, a benchmarking exercise has been undertaken with other government bodies, namely:

- Local government in Northern Ireland (Fermanagh District Council, Antrim Borough Council, Craigavon Borough Council);
- Other public sector bodies in Northern Ireland (NI Assembly/ Northern Ireland Civil Service, Housing Executive, Health & Social Care Trust, Belfast Education & Library Board);
- Local government in England (Sunderland City Council, Sheffield City Council, Brent Council, South Tyneside Council).

The main issues arising from this benchmarking exercise are as follows:

(i) *Policies and Guidelines for Officers encountering potential conflicts of interest*

Belfast City Council's policies and guidelines continue to represent good practice. The Council has a clear and concise specific policy for conflict of interest situations encountered by Council officers which compares favourably against the other organisations with whom we have benchmarked.

However the benchmarking exercise has identified some improvements that could be considered, as follows:

- Assign responsibility for day to day 'ownership' of the policy/guidelines, management of the implementation of policy and periodic reporting on its implementation.
- Implement a requirement of bi-annual returns (even if a 'nil return') for all staff above a certain grade
- Implement a 'Sign off' document as part of all tender and grant appraisals/approvals for officers to declare any possible conflicts of interest (to be completed even if a nil return)

(ii) *Processes*

The Council's processes compared well to those in benchmarked authorities but could be improved in certain respects, in relation to communication / awareness, and monitoring of the implementation of policy as follows:

*Communication/awareness of policy:*

- The policy could be covered in induction training
- I.T. could be used more to help communicate/ re-communicate the policy/guidelines to existing staff for example by requiring electronic acknowledgement of receipt and understanding of the policy and completion of forms
- Training to existing staff could be improved. (Note: the fraud awareness training being implemented by AGRS in 2010/2011 will cover the Council's gifts, hospitality and conflict of interest policies)

*Monitoring of the implementation of policy:*

- Ensure arrangements are in place for Departmental monitoring of the policy
- A process of quarterly reporting on the compliance with policy to be incorporated as part of the quarterly risk management process

Some of the issues identified above also came out of the last AGRS review of this area in early 2009.

Recommendations

- The Audit Panel is asked to agree that responsibility for overall ownership of the policies, guidelines and processes for conflicts of interest is assigned to the Town Solicitor / Assistant Chief Executive and that the Risk & Governance Manager is the nominated officer, responsible for the maintenance, monitoring and communication of the policy to staff and for addressing the recommendations arising from this review. The Audit Panel is also asked to agree that the Risk & Governance Manager should report quarterly on the compliance with policy as part of the quarterly risk management process, and should also report to Chief Officers / Members on an annual basis on the application of the policy.



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- In addition, and particularly in the light of recent departmental re-organisations, each Chief Officer should ensure that arrangements be put into place for Departmental monitoring of the policy and such an officer should be nominated within each Department to oversee compliance with this policy.

#### **Resource Implications**

There are no major resource implications arising from this review, although maintenance and continuous improvement to existing policies, guidelines and processes will now be allocated to a nominated individual and will require staff time.

#### **Recommendation**

**That the Audit Panel agrees the recommendations above.”**

During discussion, the Town Solicitor and Assistant Chief Executive confirmed that the policy relating to declarations of interest for Members was in the process of being finalised and that it would, following consideration by each of the Party Groupings, be submitted to the Strategic Policy and Resources Committee for approval.

The Panel adopted the recommendations contained within the report.

#### **Sickness Absence 2009/2010**

The Panel considered the undernoted report:

#### **“Purpose of report**

**This report:**

- Provides sickness absence data for the Council’s seven departments for the financial year 2009/2010.
- Compares this year’s performance to the same period last year.
- Proposes targets for the reduction in sickness absence for the financial years 2010/2011 and 2011/2012.

#### **Relevant Background Information**

- In 2007/2008 the average number of days lost per full time employee was 13.91.
- On 23rd May, 2008, the Strategic Policy and Resources Committee agreed an overall council target reduction in absence of two days by 2010/2011, i.e. to reduce to 12 average day’s absence by 2010/2011.

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- The council exceeded this target during 2008/2009 and reduced sickness absence in the year by 2.69 days to 11.22 days.
- In May 2009, the Strategic Policy and Resources Committee agreed a new two year council target to reduce sickness absence to 10.50 days by 2010/2011.

### Key Issues

#### Key Findings

- At the end of the financial year 2009/2010, the average number of day's sickness absence per full time employee is 11.98 days (this figure excludes swine flu; if swine flu is included the figure is 12.22 days)
- This means that the target to reduce sickness absence agreed for 2009/2010 has not been met.
- Almost the same numbers of staff were absent this year compared to the same time last year. (61.7% in 2009/10, 61.9% 2008/09) and almost the same number of staff had no absence this year compared to the same time last year. (38.3% in 09/10, 38.1% in 2008/09)
- It is clear that the reason for the increase is the duration of the absences.
- This year 63% (19,217 days) of absence was classified as long-term compared to 60% (16,351 days) last year.
- The table below shows that there has been a reduction of nearly four days sickness absence per full time employee since 2005/2006.

2005/06	2006/07	2007/08	2008/09	2009/10
15.75 days	15.08 days	13.91 days	11.22 days	11.98 days

#### Impact of Swine Flu

- Approx.1.9% (0.24 day per full time employee) of the overall figures related to sickness absence classified as swine flu.

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### Benchmark information

The Council's figure of 11.98 compares as follows;

Belfast City Council average days absence 2009/10	11.98
*Northern Ireland Housing Executive average days absence 2009/10	13.60
**Northern Ireland Civil Service average days absence 2008/09	11.00

Audit Panel should note:

- \* The figure for the Northern Ireland Housing Executive may have to be refined and has not been reported to their board.
- \*\* The 2009/2010 figure for NICS absence is not available. Members should also note NICS figures do not include absences of industrial staff.

### Dealing with long term sickness

- Hotspots were identified mid year in Parks and Leisure, Corporate Services and Health and Environmental Services. Fortnightly meetings with corporate HR identified some sections were reluctant or slow to act on the advice given. Some sections with high absence rates used significant discretion in the management of long term cases. There were also a number of cases of serious illness which required external medical consultations before management could take a decision. Rigorous follow ups on occupational health/medical consultant reports, and case reviews of difficult or long term absence cases has assisted in the management of such cases.

### Performance against target information

- The attached appendix provides performance against target rates at corporate, departmental and service level for this year and last year (swine flu excluded).
- The size of a department has a significant impact on the overall sickness figures and so information on the size of each department is also included in the appendix.
- This performance met the target set by Members in May, 2008 but failed to meet the revised target set in May, 2009.
- Five out of seven departments met their target for 2009/10 (Chief Executive's, Legal Services, Finance and Resources, Development and Property and Projects).

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- The two departments which failed to meet their agreed target for 2009/2010 employ the highest number of staff in the council (Parks and Leisure, Health and Environmental Services).
- Health and Environmental Services employs 35.4% of the workforce with Parks and Leisure employing 26.3% of the workforce.

**Actions taken to improve absence rates:**

- A new Attendance Policy was introduced in January, 2010.
- Transfer arrangements to move employees from the old to the new policy were agreed with TUs and HR has held monthly compliance checks in relation to the transfer of employees from the old to the new policy.
- All relevant officers and TUs were trained on the new policy.
- Extensive communication exercise undertaken to ensure staff awareness of new policy.
- New system of fortnightly meetings between HR and the departments to ensure compliance with the policy and to advise on difficult cases.
- Case reviews to progress difficult cases appropriately.
- Action learning/discussion forums between HR and departments to agree a corporate approach to difficult attendance management issues.
- Additional occupational health clinics to assist with the increased referrals resulting from the implementation of the new Attendance Policy
- Monthly meetings with Occupational Health and HR to discuss Occupational health aspects of attendance management.

**Target for reduction 2010/2011**

It is proposed that a new two year target to reduce to 11.0 days per full time equivalent by March 2011 and 10.75 days by March 2012 per full-time equivalent is agreed.

**Recommendation**

The Audit Panel is asked to note the year end performance figures and approach to the target.

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**Appendix**

Performance against targets (excludes Swine Flu)	Where should be at March to meet target	Actual days absence per fte at March 2010	Variance	Actual days absence per fte at March 2009	% of workforce employed in this part of the Council	% of sickness absence in this part of the Council
<b>BCC</b>	<b>10.85</b>	<b>11.98</b>	<b>-1.13</b>	<b>11.22</b>		
<b>Chief Executive's</b>	<b>10.73</b>	<b>9.02</b>	<b>1.71</b>	<b>11.41</b>	<b>3.36%</b>	<b>2.53%</b>
Corporate Communications	15.88	7.12	8.76	18.88	0.81%	0.48%
Committee & Member Services	10.86	10.47	0.39	10.86	1.18%	1.03%
Good Relations	6.21	2.76	3.45	6.21	0.74%	0.17%
<b>Legal Services</b>	<b>4.01</b>	<b>2.27</b>	<b>1.74</b>	<b>4.01</b>	<b>0.91%</b>	<b>0.17%</b>
<b>Finance and Resources</b>	<b>7.71</b>	<b>7.48</b>	<b>0.23</b>	<b>7.72</b>	<b>10.67%</b>	<b>6.66%</b>
Human Resources	6.02	5.08	0.94	6.02	1.62%	0.69%
BIS	9.41	9.29	0.12	9.41	1.07%	0.83%
Financial Services	13.06	11.61	1.45	14.06	1.94%	1.88%
ISB	6.98	6.67	0.31	6.98	4.66%	2.59%
<b>Health &amp; Environmental Services</b>	<b>10.87</b>	<b>12.22</b>	<b>-1.35</b>	<b>11.21</b>	<b>35.40%</b>	<b>36.11%</b>
Environmental Health Services	9.65	9.45	0.20	9.65	8.04%	6.34%
Building Control	5.74	7.44	-1.70	5.74	2.92%	1.82%
Cleansing	12.09	13.55	-1.46	12.59	19.56%	22.12%
Waste Management	12.11	15.42	-3.31	12.61	4.15%	5.34%
Directorate Support	4.87	6.30	-1.43	4.87	0.72%	0.38%
<b>Parks and Leisure</b>	<b>12.76</b>	<b>15.84</b>	<b>-3.08</b>	<b>13.49</b>	<b>26.43%</b>	<b>34.95%</b>
Leisure	13.94	14.68	-0.74	14.94	12.41%	15.20%
Parks & Cemeteries	12	17.26	-5.26	12.50	13.42%	19.33%
<b>Development Department</b>	<b>9.9</b>	<b>9.37</b>	<b>0.53</b>	<b>10.12</b>	<b>11.53%</b>	<b>9.02%</b>
Economic Initiatives	10.66	5.77	4.89	10.66	1.96%	0.94%
Waterfront & Ulster Hall	6.14	3.28	2.86	6.14	2.56%	0.70%
Community	12.07	12.37	-0.30	12.57	4.74%	4.89%
Directorate Support	8.29	13.21	-4.92	8.29	2.27%	2.50%
<b>Property and Projects</b>	<b>11.06</b>	<b>10.84</b>	<b>0.22</b>	<b>11.06</b>	<b>11.67%</b>	<b>10.55%</b>
Core Improvement Team	4.7	8.26	-3.56	4.70	1.19%	0.82%
Facilities Management	11.13	11.58	-0.45	11.38	9.34%	9.02% <sup>n</sup>

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The Head of Human Resources reviewed the sickness absence statistics for 2009/2010 and pointed out that, whilst the Council had failed to meet its target for the year, the figures still represented a decrease of almost four days since 2005/2006. She outlined the extent of the work which had been undertaken to date in addressing absence management and highlighted, in particular, the introduction in January of a new Attendance Policy and the measures which had been put in place to address long-term sickness absence.

During discussion, it was suggested that it would be beneficial for the Council to compare sickness statistics with an organisation of a similar size, even within the private sector, and for individual units to benchmark externally with others undertaking similar functions. A Member voiced concern that two of the Council's seven Departments had failed to meet the agreed sickness target for the period and suggested that the relevant Directors should be advised that the Audit Panel was monitoring their Department's performance closely and that, should the trend continue, they would be invited to attend a future meeting in order to outline their plans to address the issue.

After further discussion, the Audit Panel noted the year-end sickness figures for 2009/2010 and recommended that the Strategic Policy and Resources Committee approve the proposed target absence figures for 2010/2011 and 2011/2012.

**Staff Numbers, Overtime and Agency Costs**

The Panel considered undernoted report:

**“Purpose of report**

**This report:**

- **Provides information on staff numbers for the Council's seven departments at quarter four 2009/10 and compares them to the same time last year (quarter four 2008/2009)**
- **Compares overtime costs for the period April 09 to March 10 to the same time last year (April 2008 to March 2009)**
- **Compares agency costs for the period April 09 to March 10 to the same time last year (April 2008 to March 2009)**

**Relevant Background Information**

- **On 15th February, 2010 the Audit Panel agreed that reports on staff numbers, overtime and agency costs should be made to the Chief Officers' Management Team and Audit Panel on a quarterly basis starting from quarter four 2009/2010.**

**Key Issues**

**The attached appendix provides information on the following:**

- **The number of people in post at quarter four 2009/2010 at corporate and departmental level compared to numbers for the same time last year.**

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- The cost of overtime at corporate and departmental level for the rolling year April 2009 – March 2010 compared to the same period last year April 2008 – April 2009.
- Agency cost at corporate and departmental level for the rolling year April 2009 – March 2010 compared to the same period last year April 2008 – April 2009.

### Key Findings

#### People in post

- The average number of people in post at quarter four of this year is 2444 compared to 2406 for the same time last year (quarter four 2008/2009)
- This represents an overall net increase of 38 or (1.6%)
- Internal movement of staff and the filling of vacant established posts accounts for some of the variances.
- However, the Health and Environmental Services Department's staff numbers increased the most. Details of the external recruitment of 30 staff on a temporary appointment basis and 10 on a permanent appointment basis is detailed below:

#### Temporary appointments:

Neighbourhood Watch Dev. Officer	1	Fully funded
Building Control Surveyors (Energy Performance Certification Scheme)	2	Fully funded
Community Safety Wardens	1 3	Part funded
Senior Community Safety Wardens	2	Part funded
Healthy Aging Coordinator	1	Part funded
Project Support Officer (Health Aging)	1	Part funded
Project Manager (Belfast Resilience)	1	Committee approval for a two year fixed term contract -April 2008
Trainee Technical Officer (Food Safety)	1	Trainee post for a two year programme
Dog Collection Officer	1	Temporary appointment for six months
Environmental Health Officer	1	Maternity cover
Cleansing Operatives	6	

**Permanent appointments:**

**Recycling Operatives x 8**

Committee approval was granted for a major review of the staffing levels and shift patterns at all Recycling Centres. The review including opening hours in both summer and winter to ensure that operational services provided at recycling Centres were fit for purpose. Agency cover was utilised to cover vacant posts during the review and the filling of permanent posts resulted in a corresponding reduction in agency use.

**Safer City Project Officer X 2**

The new generic posts of Safer City Project Officers provide for the management and ongoing development of successful projects such as Alleygating, the Wardens Project and Get Home Safe, as part of the Safer Belfast Plan.

Committee approval was granted to create five new posts in June 2008.

**Overtime costs**

- Overtime costs for the rolling period April 2009 to March 2010 is £4,733,913
- Overtime costs for the same period previous year (April 2008 to March 2009) was £4,835,767
- This represents a reduction of £101,854 or (2.11%) this year
- Finance and Resources accounted for £66,730 of the total reduction, mainly in Financial Services and ISB.
  - The reduction in overtime in Financial Services is mainly as a result of CTU “bedding down” and improved processes being introduced.
  - In ISB overtime has been managed more tightly from month to month and overtime costs incurred because of all the decants have been charged to a separate decant budget held by Facilities Management

**Agency costs**

- Agency costs for the rolling period April 2009 to March 2010 is £3,759,598.



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- This figure differs from the figures contained in the Financial Accounts 2009/2010 because a number of invoices relating to agency costs were processed after this report was produced.
- Agency costs for the same period previous year (April 2008 to March 2009) was £5,490,521.
- This represents a reduction of £1,730,923 or (31.50%).
- Health and Environmental Services accounted for £1,132,869 of the total reduction. This is as a result of posts that were covered by agency (Cleansing and Waste Management) during operational reviews being filled on a permanent basis on completion of the reviews.

#### Decision Required

The Audit Panel is requested to note the contents of this report.

#### APPENDIX

People in post	Average number of people this year (Q4 09/10)	Average number of people in post this time last year (Q4 08/09)	Variance between people in post this year and same time last year
<b>BCC</b>	<b>2443.7</b>	<b>2405.8</b>	<b>+37.9</b>
<b>Chief Executive's</b>	<b>82.2</b>	<b>80.6</b>	<b>+1.6</b>
<b>Legal Services</b>	<b>22.4</b>	<b>18.6</b>	<b>+3.8</b>
<b>Finance and Resources</b>	<b>261.5</b>	<b>269.0</b>	<b>-7.5</b>
<b>Health &amp; Environmental Services</b>	<b>867.4</b>	<b>826.7</b>	<b>+40.7</b>
<b>Parks and Leisure</b>	<b>647.6</b>	<b>643.7</b>	<b>+3.9</b>
<b>Development Department</b>	<b>276.8</b>	<b>275.5</b>	<b>+1.2</b>
<b>Property and Projects</b>	<b>285.8</b>	<b>291.6</b>	<b>-5.8</b>

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Overtime costs	Overtime costs for the period April 08 - March 09	Overtime costs for the period April 09 – March 10	Variance
<b>BCC</b>	<b>£4,835,767</b>	<b>£4,733,913</b>	<b>£ -101,854</b>
Chief Executive's	60,421	52,610	- 7,811
Legal Services	-	-	-
Finance and Resources	148,962	82,232	-66,730
Health & Environmental Services	2,048,435	2,082,326	33,891
Parks and Leisure	1,673,470	1,643,126	- 30,344
Development Department	347,779	346,917	- 862
Property and Projects	556,700	526,702	-29,998

Agency Costs	Agency costs for the period April 08 - March 09	Agency costs for the period April 09 - March 10	Variance
<b>BCC</b>	<b>5,490,521</b>	<b>3,759,598</b>	<b>£- 1,730,923</b>
Chief Executive's	81,317	71,303	-10,014
Legal Services	72,087	57,389	-14,698
Finance and Resources	256,379	194,283	- 62,096
Health & Environmental Services	2,275,396	1,142,527	- 1,132,869
Parks and Leisure	1,763,967	1,513,475	-250,492
Development Department	576,493	492,271	- 84,222
Property and Projects	464,882	288,350	-176,532 "

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After discussion, the Panel adopted the recommendation and agreed that reports in relation to staff numbers, overtime and agency costs should, in future, include the numbers of agency staff employed within each Department.

**Update on Telephony Mobile Phones**

(Mr. P. Gribben, IS Portfolio Manager, Information Services Belfast, attended in connection with this item.)

The Panel was reminded that it had, over a number of meetings, been provided with updates regarding actions being taken to improve the management and control of telephony across the Council. The IS Portfolio Manager provided further information in relation to this exercise and highlighted the fact that, in moving in August, 2009, BT landline and call charges to Office for Government Commerce tariffs, the Council had generated savings of approximately £80,000 for that financial year. In addition, the consolidation of the billing process for BT landlines had reduced significantly the administrative burden being placed upon the Council's Central Transactions Unit. Information Services Belfast was working with BT to analyse telephone usage in order to identify further savings and was considering the establishment of a corporate contract with Office for Government Commerce Buying Solutions and the possibility of including other councils in the creation of a framework agreement for telephony which could bring further economy of scale and reductions in tariffs. Orange and Vodaphone, the Council's primary mobile phone providers, were moving also to single accounts and using tariffs on the Office for Government Commerce framework.

The IS Portfolio Manager reminded the Audit Panel that, at its meeting on 15th February, it had discussed the feasibility of the Council centralising its telephone/internet provision under one provider in order to achieve savings, as was now common practice in the domestic market. He reported that the Council's current internet service provider had been commissioned four years previously and that it was in the process of moving to a new provider, at a significantly reduced cost. He explained that the new contract would generate significant economies due to the size of the Council. However, research into the market for internet service provision had not identified any providers of bundled telephony services and internet to the private sector, as had been suggested by the Panel.

The Panel noted the information which had been provided and that updates in respect of telephone/mobile phones would continue to be submitted on a regular basis.

**Decant and Refurbishment Costs**

(Mr. G. Millar, Director of Property and Projects and Mr. G. Wright, Head of Facilities Management, attended in connection with this item.)

The Panel considered the undernoted report:

**“Relevant Background Information**

**At its meeting of 15th, February 2010, the Audit Panel requested financial details of the various buildings leased by the Council and also a summary of all decant-related costs for the period 2007-2010.**

This report sets out the information requested and also the context in which the various items of expenditure arose.

**Context & background**

As requested by the Audit Panel, this report contains details of both leased buildings and related decant costs for the past three years. However, to properly understand the issues it is useful to look at relevant matters both before and after this three year period.

As far back as 2003/2004, the Council accepted the need to refurbish the City Hall and to address overcrowding in various Council premises. Following various site visits by the Members, it was agreed to move the Building Control and Cleansing Services into Clarendon House as a temporary solution so that work on the City Hall could be planned. A series of delays then occurred due to disagreements over alternative accommodation and the City Hall project was suspended until after the 2006 centenary year.

At the same time the Review of Public Administration (RPA) was announced, at first in the seven council model advocated by Secretary of State Hain which entailed a major transfer of functions to councils. The new Assembly then later revisited this decision opting for an eleven council model with a more limited transfer of functions.

The impact on Council accommodation plans was the same in that it became extremely difficult to plan office requirements with any certainty as the future size, scale and scope of the Councils services was unknown.

In these unclear circumstances, decisions were taken to acquire a lease in Adelaide Exchange to allow City Hall work to go ahead and to give the Council some flexibility depending on the final outcome of RPA which was originally due 2009 and then 2011.

During this period, the owner of Clarendon House pressed the Council to leave and served a notice of termination under the Business Tenancies Order as he wished to develop the site. Council staff had also been seeking to move or to substantially redevelop the building particularly in regard to air conditioning given the unsuitability of the premises and the fact that they had only agreed to move in temporarily but were coming up to a five year stay. A lease on Lanyon Place was the outcome of this particular issue.

Further changes occurred when the City Hall was completed and staff moved back as a 'Review of the Centre' had taken place with resultant reorganisation of departments hence the more recent series of decants.

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The overall approach in this uncertain environment has been to get the Council out of unsuitable buildings it had leased for staff accommodation over the years i.e. Linenhall Exchange, Scottish Amicable, Callendar Street and to consolidate staff in City Hall, CWB, Adelaide Exchange and Lanyon Place at the same time freeing up Seymour House for disposal.

Ideally by now we should have been clear about RPA but as that is now on the long finger the Council needs to consider its future accommodation requirements in these circumstances and is a task the Accommodation Steering Group identified for itself post the City Hall completion.

All decisions regarding leasing of buildings have been brought through the committee process as have a large number of decants. Some of the more recent decants which were consequences of committee decisions on staff structures were taken at senior officer level. The following tables set out the financial information requested.

*Cost of leasing buildings (excluding  
the cost of staying as we were)*

Spending on accommodation annually has risen from 2007/2008 to 2010/2011 by £714k on foot of the closure of the City Hall and the leasing of Adelaide Exchange and also because of the closure of Clarendon House and the leasing of the 5<sup>th</sup> floor at Lanyon Place. This increase also reflects the annual increases in rates, utilities and service charges.

Members need to bear in mind a number of issues when comparing the costs of accommodation between 2007/08 and the present.

First of all, there has been a peak in costs in 2009/2010 due to the City Hall move. However we are now on a downward trend as Linen Hall Exchange lease is to be surrendered June, 2010 and Seymour House will be come available for disposal.

Even without the move from the City Hall the position we were in 2006/2007 was unsustainable. The existing buildings leased by the Council required substantial upgrades, maintenance and increasing compliance works in relation to DDA, Fire and Energy certification as well as other statutory requirements. Some of the leases were quite old and very onerous with major liabilities sitting with the Council.

The Building Control and Cleansing Services had been complaining for at least a year regarding the situation in Clarendon House. The Health and Environment Services Committee in 2007 had considered reports outlining air conditioning improvements costed at £221,500 and spot cooling at £46,000 respectively but deferred both reports pending a more realistic accommodation solution.

The Callendar Street premises did not comply with DDA legislation in that there were no wcs on the ground floor or first floors, no lift, and there were difficulties in providing a ramped entrance due to footpath widths. The premises were also in general poor repair with a dilapidations clause in the lease requiring the Council to make good with the work estimated by Building Maintenance at around £250,000.

The above are only two of the main headline costs of remaining in these unsuitable buildings. Together with a raft of other repairs, compliance works and inevitable staff changes the costs of staying as we were was not a realistic option for the Council both in cost terms and in regard to staff issues.

It was also apparent that issues existed regarding staff morale coupled with the ineffectiveness of managing staff at remote locations needed to be addressed. Parks management staff were spread between CWB, Scottish Amicable, the Stables and Malone House and in a department going through a major change and improvement process that was far from ideal. Parks are now all located in Adelaide Exchange with the Scottish Amicable lease closed and the Stables and Malone House accommodation available for more commercial uses.

A further issue causing unrest was the perceived inequitable treatment of staff with some people being in good accommodation and others in relatively poor conditions and it was only a matter of time before a case was taken against Council.

Other issues included amalgamating Business Improvement Services with Human Resources in CWB, freeing up the Linenhall Exchange lease and moving Policy and Performance teams to City Hall to support the Chief Executive.

The Council arrived in this predicament were it had to do something due to a series of one off decisions by individual departments and committees and while we are in the midst of consolidating accommodation given the prevailing circumstances this report recommends further work on a longer term accommodation strategy.

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**Cost of decanting**

It should first be pointed out that this report regards the overall cost of decanting as including the necessary refurbishment and preparatory building work needed at a number of sites. The one-off headline costs associated with the decant programme for the period in question are as follows:

<b>Total</b>	<b>571,649</b>	<b>415,264</b>	<b>380,489</b>	<b>£1,367,402</b>
<b><u>Less Savings</u></b>				<b>£477,000</b>
<b><i>Closures</i></b>				
<b>Clarendon House</b>				
<b>Scottish Amicable</b>				
<b>Callender Street</b>				
<b>Linehall Exchange &amp;</b>				<b>£192,800</b>
<b>Clarendon House</b>				
<b>City Hall Net Rates</b>				<b>£239,583</b>
<b>Net Cost Of Decants</b>				<b>£458,019</b>

Overall, therefore, when the various savings and adjustments are set against the one-off decant costs, the nett cost of the various decants carried out in the last three years will, by the end of the current financial year, be considerably reduced. Again this does not take account of the opportunity costs of staying as we were.

It is also important to note that decant activity has not been limited to the moves to and from the City Hall; there have been a total of 24 separate decants since April 2007, involving nearly 800 staff. This produced a cost-per-head decant figure of £196. It should be noted that the removals activity was subjected to competitive public tender in 2006/2007 in preparation for the decant of the City Hall.

It should also be noted that most of the Council's quite considerable holdings in art & artefacts had to be removed from the City Hall and placed in appropriate storage during the refurbishment period. Some items (mostly portraiture) also had to be restored and repaired and all items were then reinstated in the City Hall upon its re-opening in 2009. All of this cost a total of £203,208 and again this activity was subjected to competitive tender by the Facilities Management Section in 2007.

Finally, once the planned decant of the Audit, Governance & Risk Section from Seymour House to Adelaide Exchange is completed next month (and a final location for the Reprographics unit is agreed and implemented) the property at Seymour House will also be vacant and available for disposal should the Council be so minded which will generate a capital receipt.

### Key Issues

The Panel is asked to note that, during the whole of the decant period, Council services have continued to be delivered without fail and in some instances better with a number of efficiencies being enabled by the relocation of particular staff sections.

The Council has now rationalised the number of office buildings it utilises. This has addressed a number of the immediate issues in terms of risks surrounding compliance, maintenance and working conditions. There is, however, going forward a requirement to consider a longer term sustainable accommodation plan. This plan should consider, as part of a comprehensive economic appraisal, the various options such as: continuing to lease, buy, develop, decentralise or alternative working arrangements (eg. remote working).

This economic appraisal will form the basis of a Council's approach to providing accommodation in the most cost effective manner and in the context of the wider corporate objectives.

It is probable that the Council will continue in occupation at Lanyon Place until 2017 which will coincide with the break options both in this and the Adelaide Exchange leases. However as the notice to exercise both of these breaks must be given in December 2015 and August 2016 respectively it is essential that the council begins to develop an overall accommodation plan now in order to be ready for that fast-approaching deadline. Such a plan will need to take into account existing staff numbers, the potential for internal organizational growth, any relevant BCC strategic objectives or policies and the potential implications of RPA etc. Before reaching any conclusion it is important that this work commences as soon as possible and a report will shortly be submitted to the Strategic Policy & Resources Committee seeking approval to progress with the longer term Accommodation Plan.

### Resource Implications

There are no direct resource implications arising from this report.

### Recommendations

It is recommended that the Panel note and endorse the information contained herein, most particularly the need for the development of a comprehensive accommodation plan which will maximise potential capital receipts, minimise revenue expenditure so far as possible, contribute to the efficiency agenda and provide effective and sustainable accommodation for the organisation as it moves forward."



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During discussion, a Member made the point that there had been a lack of communication in relation to a number of decants and this had created difficulties particularly for Members and for the public. Clarification was sought as to whether a number of sections which had been involved in decants had purchased new furniture in the process.

In response, the Director of Property and Projects pointed out that every effort was made to publicise decants taking place, including the provision of information on the Council's website. He undertook to submit, in future, reports to the relevant Committees advising of decanting arrangements. In response to a further question regarding the timescale for the development of an accommodation plan, he stated that it would be preferable, in order to ensure that the Council had in place arrangements prior to the expiry of a number of leases on buildings and in preparation for the potential implementation of the Review of Public Administration, to draft options for accommodation by 2012 at the latest. The Head of Facilities Management confirmed that the only major decant which had involved the purchase of furniture had related to Adelaide Exchange.

The Panel noted the information which had been provided.

**Cost of Postage**

At the request of a Member, the Panel agreed that a report be submitted to its next meeting detailing the costs of postage across the Council.

**Date of Next Meeting**

The Panel agreed that its next meeting would take place in the Conor Room at 1.00 p.m. on Tuesday, 14th September.

Chairman

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### Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	Belfast City Council Financial Accounts 2009/10
<b>Date:</b>	18 June 2010
<b>Reporting Officer:</b>	Director of Finance & Resources, Julie Thompson.
<b>Contact Officer:</b>	Director of Finance & Resources, Julie Thompson

#### Relevant Background Information

The purpose of this report is to present to the Strategic Policy & Resources Committee the Financial Accounts of the council for 2009/10.

The Financial Accounts are an important element of the council's overall corporate governance framework as they provide assurance to Members and ratepayers on the stewardship of the council's finances and its financial position.

The Financial Report and accounts for the year ended 31 March 2010, as attached, have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (SORP) 2009 and the Department of the Environment Accounts Direction, Circular LG 10/10 dated 23 April 2010.

I can confirm that the Statement of Accounts for the year ended 31 March 2010 has been prepared in the form directed by the Department of the Environment and in my opinion the Statement of Accounts give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

#### Key Issues

##### Council Net Expenditure

As previously reported to the Strategic Policy and Resources Committee on 19 March 2010 departmental expenditure forecast was £1.9m below budget for the year. This amount, however, was £0.5m short of the amount needed to cover the £2.4m contribution from reserves to the rate, agreed as part of the rates setting process for 2009/10. This, along with the need to increase the bad debt provision by £0.2m, has resulted in a reduction on the District Fund Balance of £746,914.

##### Reserves

The impact of this financial position on the reserves is summarised in Table 1 below. It shows that the credit balance on the District Fund Reserves has reduced to £4,602,602 which is approximately 2.33% of annual gross expenditure, or 2.91% of the net operating expenditure. A strategy on how to address the reserves position of the Council was agreed at the Strategic Policy & Resources meeting on 22 January 2010.

**Table 1: Summary of Reserves Position**

Opening Balance		£5.3m
Under Spend	£(1.9m)	
Contribution from Reserves	£2.4m	
Increase in Bad Debt Provision	<u>£0.2m</u>	
Reduction in Reserves		<u>£0.7m</u>
<b>Closing Balance</b>		<b><u>£4.6m</u></b>

**District Fund           £4,602,602**

The District Fund Reserves can be used to supplement income and unexpected expenditure in future years.

**City Investment Fund       £8,804,256**

The City Investment Fund has been created to give a clear demonstration of the Council's propensity to action and its wish to contribute to the vibrancy, prosperity, culture and attractiveness of the city.

**Capital Receipts Reserve   £860,000**

These are capital receipts which have originated primarily from the sale of assets and which have not yet been used to finance capital expenditure. This amount relates to the sale of land & buildings at Loop River which has been ring-fenced for the development of the capital scheme "Loop River – New Facilities".

**Repairs and Renewals Fund   £8,567,415**

This fund was established under section 56 of the Local Government Act (NI) 1972 and has an approved limit of £22m and is to fund the closure of the landfill site.

**Other Fund Balances and Reserves   £579,910**

This relates to the Election Reserve which has been set up to smooth the cost of running council elections.

**Rates Claw-Back Reserve   (£191,279)**

This relates to the Minister for Finances decision to allow Local Authorities to defer the impact of the revaluation of MOD properties over a 4 year period, smoothing the impact on the District Fund Reserve.

**Rates Income**

Notification of a provisional Actual Penny Product has been received from the Land & Property Services Agency for the 2009-10 year. The indication would be of a positive outturn in the region of £238k.

At this stage we have not taken account of this figure in our annual accounts as these figures will not be finalised until the end of August. At that time we will make the necessary adjustments to the 2009/10 accounts.

**Debt**

The overall level of trade debtors has decreased steadily over the last 2-3 years, reducing from £10m at 31 March 2008, to £7.5m at 31 March 2009 to £5m at 31 March 2010. An analysis of trade debtors, inclusive of VAT, for the last two years is shown below:

	<b>31 March 2009</b>	<b>31 March 2010</b>
Less than three months	£4,618,824	£2,930,828
Three to six months	£443,417	£170,470
Six Months to one Year	£1,462,971	£336,984
More than one year	£1,009,115	£1,554,432
<b>Total</b>	<b>£7,534,327</b>	<b>£4,992,714</b>

However, we have increased the bad debt provision by £0.2m to allow for potential bad debt in estates rental income due to the current economic climate

**Creditors**

The council has a target of paying invoices within 30 days. During the year the council paid 53,126 invoices totalling £99,072,469.

The average time taken to pay creditor invoices was 28 days for the year ended 31 March 2010.

Whilst the Minister at the Department of Finance and Personnel has reduced the target for the payment of invoice for central government departments to 10 days this target is not mandatory for local government. However, the council endeavours to process invoices as quickly as possible and monitors these figures on a regular basis.

**Resource Implications**Financial

None

Human Resources

None

Asset and Other Implications

None

**Recommendations**

The committee is requested to approve the Council's financial accounts and report for the year ended 31 March 2010.

**Key to Abbreviations**

N/A

**Documents Attached**

Detailed Financial Statements titled "Belfast City Council Financial Report 2010"

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# Belfast City Council Financial Report 2010



## Financial Report for the year ended 31 March 2010

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## **Explanatory Foreword**

### **Introduction**

Belfast City Council is the largest of the 26 District Councils in Northern Ireland. The Council has 51 elected Councillors representing nine electoral areas across Belfast with a total population mid year 2008 of 268,323. The Council is, by any definition, an organisation of size, importance and stature and in particular is responsible for the delivery of key services such as those relating to Refuse Collection and Disposal, Street Cleansing, the provision of indoor and outdoor Leisure and Recreational facilities, Community Services and importantly, in the expanding and high profile area of Health and Environmental Services.

The Council's financial performance for the year ended 31 March 2010 is set out on pages 25 to 62 and consists of:

1. The District Fund - Income and Expenditure Account
2. Consolidated Balance Sheet
3. Cash Flow Statement
4. Loans Pool Accounts
5. Statement of Movements on Reserves.

These financial statements have been prepared in line with the Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice (SORP) 2009 and the Department of the Environment Accounts Direction, Circular LG 10/10 dated 23 April 2010. It is the purpose of this foreword to explain the financial facts in relation to the Council.

This Statement of Accounts explains Belfast City Council's finances during the financial year 2009/10 and its financial position at the end of that year. It follows approved accounting standards and is necessarily technical in parts. These accounts are supported by the Statement of Accounting Policies and various notes to the accounts.

### **Group Accounts**

The SORP requires Local Authorities to consider all their interests and to prepare a full set of group financial statements where they have material interests in subsidiaries, associates or joint ventures. Belfast City Council does not have material interests in such bodies and accordingly is not required to prepare group financial statements.

### **Financial Report**

As shown by the Statement of Movement on the District Fund Balance on Page 26 the Council decreased its District Fund surplus by £746,914. This decreased the credit balance on the District Fund Reserves to £4,602,602 and this sum represents on average 2.33% of annual gross expenditure. The Council aims to maintain the level of District Fund Reserves in the region of 5% of annual gross expenditure.

The net costs of the main services, excluding impairments, for the year have increased by 7.96% over the previous year and are as follows:

Service	2009/2010	2008/2009
Leisure & Recreational Services	51,259,096	52,767,911
Environmental Services	52,193,383	46,193,816
DRM and Corporate Management	13,486,075	9,868,973
Other	8,301,724	7,180,705
	<b>125,240,278</b>	<b>116,011,405</b>

District Rates, the Council's main source of income, were £114,867,620 during the year and this represented an increase in cash terms of £8,100,273 or 7.59% over the previous year.

The movement in the District Fund balance is £746,914.

The following gives a comparison between the budgeted and actual net cost of the Council for the year to March 2010:

	Actual	Estimate	Variance
Net Cost:	119,987,010	119,114,530	872,480
Income:			
General Grant	4,372,476	4,246,910	125,566
District Rates	114,867,620	114,867,620	0
<b>Surplus/(Deficit)</b>	<b>(746,914)</b>	<b>0</b>	<b>(746,914)</b>

The Renewal and Repairs Fund was established under section 56 of the Local Government Act (NI) 1972 and the limit, approved by the Department of the Environment, remains unchanged from the previous year with an upper limit of £22,000,000. The balance on the fund at 31 March 2010 was reduced to £8,567,415. This is expected to be utilised with the proposed closure of the landfill site at Dargan Road.

The land and buildings assets were originally revalued on 1 April 2002 by Chartered Surveyors employed by the Council, in accordance with the statements of asset valuation practice and guidance notes of the Royal Institute of Chartered Surveyors.

The Council is now operating a rolling programme for its revaluation of Land & Buildings with approximately 25% of these assets being discretely revalued each year and the remainder of the assets are indexed in line with construction costs and land value inflation indices. This revaluation is carried out by independent Chartered Surveyors, in accordance with the statements of asset valuation practice and guidance notes of the Royal Institute of Chartered Surveyors. The revised valuations have been included in the balance sheet on page 27.

During the year the Council repaid external loans of £1,755,230. At 31 March 2010 the total amount outstanding on external loans was £30,012,846. Of this total £14,618,620 (or 48.71%) represents the outstanding debt of the former Belfast Corporation Services which is now the responsibility of the Northern Ireland Housing Executive, and on whose behalf the Council is administering the loans.

The capital expenditure of the Council can be financed using:

- Loans;
- Grants;
- Proceeds from the sale of capital assets;
- Capital funds and
- Revenue Contributions directly from the District Fund.

Expenditure on capital projects during the year amounted to £12.13M, the most significant spend being on the Ulster Hall Major Works £2.11M, Vehicles £1.80M, Blythefield – New Sports Pitch and Changing Accommodation £619K, Ballysillian Leisure Centre Refurbishment of Pitch £534K, Grosvenor Synthetic Pitch £531K and City Hall Major Works £3.23M.

The Gas Pension Fund accounts included on page 61 to 62 are not consolidated within the Council Balance Sheet.

The Council does not, at present, have any commitments to finance capital expenditure by way of Private Finance Initiative or Public Private Partnership Schemes.

This foreword provides an explanation of the financial aspects of the Council's activities and draws attention to the main characteristics of the Council's financial position. Further information about the accounts can be obtained from:

Mrs. J Thompson  
Director of Finance and Resources  
Belfast City Council  
City Hall  
Belfast BT1 5GS  
Telephone Number  
(028) 9027 0248  
Facsimile Number  
(028) 9027 0393  
E-mail address  
[julie.thompson@belfastcity.gov.uk](mailto:julie.thompson@belfastcity.gov.uk)

**Certificate of the Chief Financial Officer**

I certify that:

- (a) the Statement of Accounts for the year ended 31 March 2010 on pages 25 to 62 has been prepared in the form directed by the Department of the Environment and under the accounting policies set out on pages 33 to 40.
- (b) in my opinion the Statement of Accounts gives a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

**Signature** \_\_\_\_\_

J THOMPSON, F.C.A.,  
DIRECTOR OF FINANCE & RESOURCES

**Date** \_\_\_\_\_

**Council Approval of Statement of Accounts**

These Accounts were approved by resolution of the Strategic Policy and Resources Committee on 18 June 2010.

**Signature** \_\_\_\_\_

CHAIR STRATEGIC POLICY & RESOURCES COMMITTEE

**Date** \_\_\_\_\_

## **Statement of the Council's and Chief Financial Officer's Responsibilities for the Statement of Accounts**

### **The Council's Responsibilities**

Under Section 54 of the Local Government Act (Northern Ireland) 1972 the Council shall make safe and efficient arrangements for the receipt of money paid to it and the issue of money payable by it, and those arrangements shall be carried out under the supervision of such officer of the Council as the Council designates as its Chief Financial Officer.

Under Regulation 5 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 the Council, or a Committee, is required by resolution, to approve the accounts. These accounts were approved by Strategic Policy & Resources Committee on 18 June 2010.

### **The Chief Financial Officer's Responsibilities**

Under Regulations 4 (1) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, the Chief Financial Officer is responsible for the preparation of the Council's Statement of Accounts in the form directed by the Department of the Environment.

The accounts must give a true and fair view of the income and expenditure and cash flows for the financial year and the financial position as at the end of the financial year.

In preparing this Statement of Accounts, the Chief Financial officer is required to:

- observe the Accounts Direction issued by the Department of the Environment including compliance with the Code of Practice on Local Authority Accounting in the United Kingdom (SORP - A Statement of Recommended Practice) as amended and augmented from time to time.
- follow relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis; and
- make judgements and estimates that are reasonable and prudent.

The Chief Financial Officer is also required to:

- keep proper accounting records that are up-to-date; and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

## **Annual Governance Statement 2009/10**

### **Scope of responsibility**

Belfast City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under Local Government (Best Value) Act (Northern Ireland) 2002 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has prepared an Annual Governance Statement which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government'. This statement explains how the Council has complied with this, their statutory duties under the 2005 Order and also meets the requirements of Regulation 2A of the Local Government Accounts and Audit (Amendment) Regulations (Northern Ireland 2006) in relation to the publication of a statement on internal control.

### **The purpose of the governance framework**

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and the activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of

effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised, the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Belfast City Council for the year ending 31<sup>st</sup> March 2010 and up to the date of approval of the Annual Governance Statement and statement of accounts.

### **The governance framework**

The key elements of the systems and processes that comprise the Council's governance arrangements include the following:

Belfast City Council has developed a corporate plan for the period 2008-2011, which was approved by Chief Officers Management Team in May 2008 and by the Strategic Policy and Resources Committee on 13 June 2008. The plan was developed over a ten-month period with significant engagement with Members, ratepayers, officers, and partners.

An annual update of the corporate plan is completed each year and includes the development of individual departmental plans. The annual plans set out clear objectives and targets for the coming year.

The Corporate plan helps the Council focus on the future. It sets out the values that the Council wants to create in the city and the key issues that the Council intends to focus on over the next three years. In doing this, the Corporate plan provides a sense of direction for the Council. By having an outward focus, the Corporate plan helps the Council deal with a changing external environment and helps to ensure that the Council's plans stay relevant and connected to what is happening in Belfast.

As outlined in the Council's Standing Orders, the Corporate Plan and the processes which underpin it act as the Council's main instrument of policy. The development and implementation of the Corporate Plan therefore embraces a number of processes including, for example:

- The establishment of agreed corporate priorities and strategic plan
- Strategic finance, human resources, asset management, information management and planning and performance frameworks to ensure resources are effectively allocated for implementation of the strategic plan
- The development and prioritisation of the capital programme and the city investment strategy
- The continuing integration and alignment of the key planning processes in the organisation, including, finance, HR, information management, performance management, asset management, risk management, business planning and programme management
- The development and implementation of strategies for effective partnership and working with key stakeholders, through the development of community planning and the supporting Council processes
- The development and implementation of an effective performance management framework
- Communication of the plan is via the Council's internet website; a communication plan has been agreed to ensure the plan is effectively communicated.

Our political governance structures include:

- Committee decision-making system; this includes the Strategic Policy and Resources Committee with responsibilities for dealing with corporate finance, planning, performance and policy
- Council minutes system on [www.belfastcity.gov.uk](http://www.belfastcity.gov.uk).
- Budget and Transformation panel.

Our key mechanisms for measuring the quality of services for users and for ensuring that they represent the best use of resources include:

- Key performance questions, surveys and indicators
- The development of a performance management system which became operational during 2009/10
- The development of a customer focus strategy
- An annual VFM programme of audit work
- A corporate complaints system.



In order to define and document key council roles and responsibilities, a Scheme of Delegation is in place. This has been approved by the Council. The Scheme is explicitly linked to the objectives of the Council as they state that the purpose of delegation is to achieve economies of scale and minimise costs. The levels of authority and responsibility are set out in the Scheme of Delegation.

Standing Orders are in place and are documented on the Council's website.

The corporate objectives of the Council are linked to levels of responsibility and individual staff through the Strategic Plan and annual business planning processes and through the use of personal development plans.

A Code of Governance is developed; this was reviewed, updated and reported to COMT, the Assurance Board and the Audit Panel in the year 2009/10. The Code is based on the six principles set out in the CIPFA/SOLACE 'Delivering Good Governance in Local Government: A Framework', in addition it has recently been updated to reflect the CIPFA guidance on the Role of the Chief Financial Officer in Local Government.

The Council budget is set in line with the need to deliver the Corporate plan. A robust budgetary control system is in place.

Terms and conditions of employment and job descriptions are available for all staff.

The following structures, which facilitate staff development, conduct and good governance, are in place:

- Political governance structures which were implemented in the year 2007/08
- Committee reporting protocol
- Party Group Briefing sessions to facilitate and coordinate contact with officers
- The development of corporate values and their integration into the corporate plan
- The agreement of the customer focus strategy, an element of which is to develop corporate and service standards
- Code of conduct for staff
- Staff receive induction training including an introduction to the Code of Conduct

- Fraud awareness programme for staff; roll out commenced in 2009/10
- The NI Code of Local Government Conduct for Members
- Policy for acceptance and Provision of Gifts and Hospitality by Council Officers
- Policy for Potential Conflict of Interest Situations Encountered by Council Officers
- An Equality Reference Guide
- Sustainable Development Plan
- Fraud and corruption and whistle blowing policies.

The system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability. Development and maintenance of the system is undertaken by managers within the Council. In particular, the system includes:

- Standing Orders
- Financial Regulations
- Scheme of Delegation
- Accounting Manual
- Codes of Conduct for officers and Members
- Corporate and budgetary planning
- The preparation of relevant regular financial reports
- Regular reviews of periodic and annual financial reports which indicate financial performance
- A programme of capital expenditure with clearly defined guidelines
- An Asset Management Group
- Formal project management disciplines.
- An Information Panel and appropriate sub-groups; these enhance the IT governance arrangements within the Council.

Continued effort has been put into developing and implementing the key elements of an assurance framework within Belfast City Council with the key elements being:

- A process whereby managers are required to sign annual assurance statements
- Embedding risk management
- Developing business planning and related performance reporting arrangements

- A re-constituted Audit Panel
- Further developing the professionalism of the internal audit function, including the implementation of risk-based audits
- Review and update of the Code of Governance
- A Health & Safety Assurance Board.

The Council has an established Audit Panel with comprehensive terms of reference. The terms of reference set out a clear statement of purpose that it will provide an independent assurance on the adequacy of the Council's risk management framework and associated control environment. It provides an independent scrutiny of the Council's financial and non-financial performance to the extent that it exposes it to risk and weakens the control environment. The Audit Panel received formal audit committee training in February 2010. The Audit Panel reports to Strategic Policy and Resources Committee.

The Audit Panel with support from the Assurance Board oversee the work of the Audit Governance and Risk Services section including the approval of the annual programme of work. The internal audit service, provided by Audit, Governance and Risk Services operates to the standards published in the CIPFA code of practice for internal audit in local government.

Audit, Governance and Risk Services lead on risk management activities within the Council. These have continued in line with the Council's Risk Management Strategy. Activities have focused on the identification, management, monitoring and reporting of the Councils' key risks. Corporate, departmental and operational risk registers are in place, in addition registers relating to major projects and key services have been developed where applicable.

Directors, Heads of Service and nominated senior staff within the Council completed declarations of assurance for the year end 2009/10. These signed assurance statements form part of the evidence which underpins the annual governance statement. From 1<sup>st</sup> April 2010 these will be signed on an ongoing 3 month basis.

The Council has in place a Business Continuity Policy which is subject to an annual review and has been communicated to relevant staff, the policy can also be viewed on the Audit, Governance and Risk Services pages on the internet. Business Continuity strategies and plans are in place for the Council's key services; these are reviewed, updated and aspects of the plans

are tested on an annual basis. In addition, in order to ensure that the Council is prepared to meet the threat of a pandemic, a Strategic Business Continuity Pandemic Plan with supporting operational plans have been prepared and are also subject to ongoing review and updating.

Managers are aware of their responsibility for ensuring:

- Compliance with relevant laws and regulations, internal policies and procedures
- Compliance with statutory responsibilities with regard to Health & Safety
- That expenditure is lawful within their area of responsibility
- That staff conduct council business in accordance with the law and proper standards
- That public money, for which they are responsible, is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The Financial Regulations include an explicit reference to management responsibility for internal control and set out the delegated powers of the Chief Financial Officer in ensuring expenditure is lawful. The Chief Financial Officer is the designated officer responsible for the proper administration of the Council's financial affairs. The Council's financial management arrangements conform to the CIPFA governance arrangements on the role of the Chief Financial Officer.

The Council has a Town Solicitor and a Legal Services Department to provide advice and support to Council staff and Members.

A Public Interest Disclosure ("Whistleblowing") policy is in place and has been communicated to all staff. The policy is posted on the Council's intranet. In addition, this policy is also included in the Code of Conduct for Local Government Employees.

A Corporate Complaints system is in place.

The following activities underpin the identification and support of the development needs of members and senior officers:

- Induction training for all staff which includes an introduction to the Code of Conduct
- Code of procedures on recruitment and selection
- Introduction of personal development plans

- Member development programme with induction sessions for Members

The following are channels of communication which focus on all sections of the community and other stakeholders. These channels ensure accountability and encourage open consultation:

- The Corporate plan
- ‘One Council’ corporate communication guidelines
- The Council’s website found at [www.belfastcity.gov.uk](http://www.belfastcity.gov.uk) and the interlink site for staff
- Work is underway to develop a range of corporate and service standards
- Ongoing development and use of Citistats
- The council is engaging with the Department of the Environment re development of a community planning framework
- Ongoing consultation processes
- City Matters magazine
- Complaints handling system
- Council meetings are open to the public
- An Assurance Framework.

### **Review of effectiveness**

The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the managers within the Council who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit’s annual report, which gives an opinion on the Council’s risk and control environment and by comments made by the external auditors and other external reviews.

The Audit Panel provides an independent assurance on the adequacy of the Council’s risk management framework and associated control environment. It provides an independent scrutiny of the Council’s financial and non-financial performance to the extent that it exposes it to risk and weakens the control environment. In accordance with a Local Government Audit recommendation, a review is in progress which measured the effectiveness of the Audit Panel against a CIPFA “best practice” checklist; this will be reported to the Audit Panel in June 2010.

Following a benchmarking exercise the Audit Panel has made a commitment to a minimum of four meetings through the year. During the course of 2009/10 the Audit Panel met five times.

The Assurance Board which comprises the Chief Executive, Director of Finance and Resources and Town Solicitor has the purpose of identifying areas of particular concern within the Council. It addresses issues of non compliance within the Council in particular around internal control or governance matters. The Assurance Board met four times during 2009/10.

The Code of Governance for Belfast City Council is based on the 6 core principles set out in the CIPFA/SOLACE Framework. The key systems, processes and documents are summarised in a table; the monitoring of these activities provides evidence of compliance with the core and supporting governance principles, along with the individual or committee responsible for monitoring and reviewing the same.

As set out in our Code of Governance, in February 2010 AGRS undertook a review and update of the Code. The main purpose of this review was to determine the progress being made to fully embrace the 6 governance principles. This included contacting various officers and determined whether the systems, processes and documents continued to provide evidence of compliance with the principles and also determined the progress made in implementing the planned improvement actions. In addition, the code was further updated to reflect the 2009 CIPFA statement and subsequent March 2010 guidance on the role of the Chief Financial Officer in Public Service Organisations. The updated Code was reported to COMT on 26th May 2010, the Assurance Board on 27<sup>th</sup> May 2010 and the Audit Panel on 7<sup>th</sup> June 2010.

This review of the Code has assisted in the preparation of this Annual Governance Statement. In addition it forms one of the assurances that senior managers and Members receive on the Council's internal control environment.

In the year 2009/10 AGRS reviewed the various sources of assurance and the key elements of the Council's internal control framework and will report to managers, COMT, the Assurance Board and the Audit Panel on these areas.

Local Government Audit has also provided a level of assurance through the provision of the annual external audit and provision of the management letter. An action plan is in place to address any issues identified.

Other sources of assurance include assurances from management and external review bodies. In the year 2010 / 2011, the Strategic Policy and Resources Committee and the Audit Panel intend to monitor the actions taken by management to address identified weaknesses in the Council's internal control environment, and the management of key risks.

### **Significant governance issues**

In response to the issues raised in the Annual Governance Statement for 2008/09, we can confirm that these issues were highlighted in appropriate risk registers, risk owners allocated and actions were put in place to address them. Actions taken in managing these issues were reported as appropriate to COMT, the Assurance Board and Audit Panel. However, it should be noted that given the nature of some of the risks identified, some actions are still ongoing. We have outlined the actions taken so far to manage the significant issues identified in the Annual Governance Statement for 2008/09 at Appendix 1.

As part of the process of preparing this year's Annual Governance Statement all Directors and nominated senior officers have been asked to consider significant governance issues that require action and disclosure. The most significant issues for the Council are detailed below:

The Northern Ireland Landfill Allowance Scheme was introduced in April 2005 to provide a cost effective way of enabling Northern Ireland to meet its share of the UK targets as outlined in the Waste and Emissions Trading Act 2003, for reducing the land filling of biodegradable municipal waste to achieve compliance with the 1999 Landfill Directive (1999/31/EC). In common with other Councils in Northern Ireland there is a continuing risk that the Council incur fines for non-achievement of these targets. We are continuing to take all appropriate measures to address this risk and to demonstrate that the Council is making "Best Endeavours" both individually and in collaboration with arc21 to secure adequate waste treatment infrastructure facilities.

A major issue and key risk for the Council is the potential implementation of the Review of Public Administration and the current delays being experienced. Key risks exist around implications for the Council arising from the absence of firm decisions on key review of public administration issues including boundaries and funding and the associated delay in the legislative programme. The Council is actively involved with local and central government and the sectors representatives NILGA and SOLACE on this issue.

The Council still considers that despite actions undertaken over the last 12 months, the need to fully implement effective governance of all major projects remains an issue. The Council, whilst having taken steps to address this issue, now needs to embed the agreed governance framework/structure, policies and procedures to ensure robust control and management of all major projects and the spend attached. Work will continue over the next year to ensure that awareness, familiarity and compliance with the agreed protocols is achieved and that governance arrangements are put in place in order to manage the risks identified.

During 2009/10 the Health and Safety assurance framework has been supplemented by the appointment of a new Corporate Health and Safety Manager and the ongoing operation of the Health and Safety Assurance Board. Much work is in hand to improve the management of health and safety but further work needs to be undertaken to fully embed the framework and to adequately address the actions arising from the corporate review of health and safety management arrangements.

The economic climate presents ongoing challenges to the management of the overall Council financial position, in particular the management of debt, the impact on external income sources such as building control, and the implications for the rates income collected by Land and Property Service on behalf of the Council. Given this challenging environment, the Council is continuing to strengthen its financial management arrangements to improve financial planning, reporting and budgetary control and ensure that efficiency targets are met.

In addition, to further enhance our governance arrangements we propose over the coming year to take steps to address all issues which were raised in Annual Assurance Statements. These issues have been identified in the appropriate risk registers. The ongoing management of the existing actions and the implementation of proposed actions to manage these issues will be appropriately reviewed and reported and will form part of our next annual governance review.



**Signed:** .....

Chair Strategic Policy & Resources Committee

**Signed:** .....

Chief Executive

**Signed:** .....

Chief Financial Officer

Significant risk and internal control issues declared in the Annual Governance Statement 2008/9

Risk disclosed in AGS 2008/09	Actions agreed or implemented to manage risk declared in AGS 08/09
<p>Following the introduction of the Corporate Manslaughter Act, in 2008 the Council has reviewed its health and safety function and has appointed a Corporate Health and Safety Manager, with enhanced responsibilities, however, further work needs to be undertaken to implement a Health and Safety assurance framework and to implement actions arising from a corporate review of health and safety management arrangements.</p>	<p>A number of measures have been actioned that will see further improvements to the management of Health and Safety across the Council. Including,</p> <ul style="list-style-type: none"> <li>• A Health and Safety Assurance Board is now in place, comprising the Directors of Legal Services, Finance and Resources and Health and Environmental Services. The Board meets to regularly review update reports on Health and Safety from the Corporate Health and Safety Manager and communicates key Health and Safety matters to the Chief Officers Management Team.</li> <li>• Within the past 12 months the Council has appointed Health and Safety Consultants to review and assist in the development of action plans to address the highest risk areas / locations identified by the Council.</li> <li>• The Council's existing Workplace Safety Inspection System has been reviewed and will now see inspection reports communicated to Senior Management and Chief Officers.</li> </ul> <p>Work is ongoing to improve and further develop local departmental health and safety plans. It is anticipated that work in this area will be expedited with the recruitment of 2 additional staff to the Occupational Health and Safety Unit.</p> <p>Furthermore steps to introduce a new integrated management information system are at an advanced stage.</p>

<b>Risk disclosed in AGS 2008/09</b>	<b>Actions agreed or implemented to manage risk declared in AGS 08/09</b>
<p>The risk to the Council of being unable to comply with the targets of the Northern Ireland Landfill Allowance Scheme (NILAS) is still a significant issue.</p>	<p>We are continuing to take all appropriate measures to address this risk and to demonstrate that the Council is achieving “Best Endeavours” in its own actions and through its work with arc21 to secure residual waste treatment facilities in accordance with the Waste Plan timetable. This has included:</p> <ul style="list-style-type: none"> <li>▪ Continuing liaison with arc21 to introduce the necessary waste infrastructure.</li> <li>▪ Agreement reached to aggregate total of waste disposed of between all councils in NI, via Arc 21, thereby giving protection against NILAS targets until around 2012/13.</li> <li>▪ Examining recycling initiatives outside the scope of the arc21 waste plan.</li> </ul> <p>A future Waste collection strategy is being developed looking at possible options for enforcement and possible separate collections for a number of waste streams.</p>
<p>The Council still considers that despite actions undertaken in the past year the need to implement effective governance of all projects still remains a significant issue, in particular to fully manage the resource requirements of large projects, for example, the Titanic Signature Project, North Foreshore and Connswater Greenway.</p>	<p>The Titanic Signature Project and Connswater Greenway have project boards which govern these projects, BCC have representatives on these boards. Further work is planned to take forward development of the North Foreshore. BCC will also be taking the lead role on Connswater Greenway in the near future and this project will therefore be subject to the policies, processes and procedures of BCC.</p> <p>In respect of other major projects in BCC these projects are subject to Gate Reviews at key points in their lifecycles. Regular reporting on progress is being developed via the P2net system (which has recently been implemented in PMU). The Review of the Centre and the Review of Governance arrangements have made various recommendations some of which have been implemented, i.e. setting up of the Department of Property and Projects. In line with these recommendations a proposed governance structure has been developed and submitted to COMT for consideration. Work will be ongoing to develop robust PPM methodologies and control mechanisms.</p>

Risk disclosed in AGS 2008/09	Actions agreed or implemented to manage risk declared in AGS 08/09
<p>There are concerns that the extreme volatility of the current economic climate impacts negatively on the Councils finances and our ability to deliver services, in particular in the following areas:</p> <ul style="list-style-type: none"> <li>• Reduction in external income streams including Building Control, Business Improvement Section and Information Services Belfast</li> <li>• Rising debt level as a consequence of customers finding it difficult to make payments including commercial waste customers or council tenants</li> <li>• A collapsing or redundant market to purchase recyclables leads to a reduction in income</li> <li>• High utility costs; and the potential for a reduction of income if attendance at our facilities is not maintained.</li> </ul>	<p>In order to better manage this risk the Council has established a Budget and Transformation Panel which is comprised of one Member from each of the party groupings. The Panel reports its work to the Strategic Policy and Resources Committee.</p> <p>In addition a voluntary redundancy exercise was carried out with a view to reducing costs in areas which had been impacted by the economy. Following on from this review other structural and staffing reviews are currently being conducted to identify potential further efficiencies for the Council.</p> <p>During the year a group was set up chaired by the Director of Legal Services to review the Council's overall debt position. This resulted in regular meetings between the relevant department, CTU and legal. Procedures re chasing debt were reviewed leading to a more pro-active approach being taken, e.g. phone calls being made prior to second reminder letters being sent out. Monthly reports on the debt position were produced for relevant management.</p>
<p>The review of public administration (RPA) is seen as a major issue for the Council. Key concerns exist around:</p> <ul style="list-style-type: none"> <li>• Ensuring that council input into RPA related discussions including the drafting of necessary legislation is timely and secures the interests of both the citizen and the local government sector</li> <li>• General uncertainty and delays in the RPA process and the external decision-making processes in place</li> </ul>	<p>In order to ensure that such risks are effectively managed the Council has implemented the following series of actions:</p> <ul style="list-style-type: none"> <li>• Put in place appropriate governance, accountability and project management arrangements to oversee, manage and monitor the effective implementation of the RPA process within the Council.</li> <li>• The designation of the Council's Strategic Policy and Resources Committee as the RPA Transition Committee (TC) who are responsible for providing overall political direction to the process;</li> </ul>

Risk disclosed in AGS 2008/09	Actions agreed or implemented to manage risk declared in AGS 08/09
<p>could make it difficult for the Council to effectively prepare for the transition process and ensure that necessary succession planning is taking forward</p> <ul style="list-style-type: none"> <li>• Inadequate or late information could restrain our ability to undertake appropriate and timely due diligence reviews of emerging policy/legislative proposals and to consider associated organisational consequences</li> <li>• Inadequate or untimely information could limit our ability to effectively engage, at both Elected Member and officer level, in the policy development and implementation phase of the RPA</li> <li>• That transferring functions would be insufficiently resourced at point of transfer which could significantly jeopardise future service delivery</li> <li>• That emerging legislation and associated guidance to be issued by the Department of Environment could impact upon the Council's own modernisation agenda pre and post RPA.</li> </ul>	<ul style="list-style-type: none"> <li>• The designation of the Council's Chief Officers' Management Team as the RPA Transition Management Team (TMT) with responsibility for coordinating and managing overall RPA implementation</li> <li>• Established internal project management and support structures including the appointment of a fixed-term RPA co-ordination manager who is accountable to the TC and TMT</li> <li>• Politically agreed Transition (Project) Plan in place with key implementation milestones outlined.</li> <li>• Established internal officer project teams to take forward specific strands of RPA related work (e.g. finance, service delivery, corporate response to RPA issues)</li> </ul>

**Independent Auditor's Report to the Members of Belfast City Council**

The Local Government Auditor has requested two pages are reserved here for the certificate & opinion

**Independent Auditor's Report to the Members of Belfast City Council cont'd**

The Local Government Auditor has requested two pages are reserved here for the certificate & opinion

**District Fund - Income and Expenditure Account for the year ended 31 March 2010**

	<i>Notes</i>	<b>Gross Expenditure</b>	<b>2009/10 Gross Income</b>	<b>Net Expenditure/ (Income)</b>	<b>2008/09 Net Expenditure/ (Income)</b>
		£	£	£	£
<b>Services Expenditure</b>					
Leisure and Recreational Services		86,676,616	14,288,657	72,387,959	66,828,129
Environmental Services		70,081,991	10,291,214	59,790,777	53,183,718
DRM and Corporate Management		15,400,797	1,914,722	13,486,075	9,928,426
Other Services		25,396,460	12,713,332	12,683,128	10,499,972
<b>Continuing operations</b>		<b>197,555,864</b>	<b>39,207,925</b>	<b>158,347,939</b>	<b>140,440,245</b>
Acquired operations		0	0	0	0
Discontinued operations		0	0	0	0
Exceptional items not included in cost of specific services		0	0	0	967,200
<b>Net cost of services</b>		<b>197,555,864</b>	<b>39,207,925</b>	<b>158,347,939</b>	<b>141,407,445</b>
Gain or loss on disposal of fixed assets	<i>3,24</i>	0	188,169	(188,169)	(126,932)
(Surplus)/Deficit of trading or other operations		0	0	0	0
Interest payable and similar charges including gains or losses on the repurchase or early resettlement of borrowings	<i>6a</i>	960,322	0	960,322	1,410,040
Interest and Investment Income	<i>6b</i>	0	122,172	(122,172)	(1,562,740)
Pensions interest cost and expected return on pensions assets		0	0	0	0
Extraordinary Items		0	0	0	0
<b>Net Operating Expenditure</b>		<b>198,516,186</b>	<b>39,518,266</b>	<b>158,997,920</b>	<b>141,127,813</b>
<b>Income from General Grant and District Rates</b>					
General Grant		0	4,372,476	(4,372,476)	(4,246,910)
District Rates	<i>8</i>	0	114,867,620	(114,867,620)	(106,767,347)
<b>Surplus/(Deficit) for the year</b>		<b>198,516,186</b>	<b>158,758,362</b>	<b>39,757,824</b>	<b>(30,113,556)</b>

Included in Continuing operations is an amount of £33,107,661 for impairments split as follows:- Leisure and Recreational Services £21,128,863, Environmental Services £7,597,394 and Other Services £4,381,404.

Included in the Explanatory Foreword on page 3 is a comparison of service expenditure for 2009/10 and 2008/09 excluding impairments.



**Statement of Movement on the District Fund Balance for the year ended 31 March 2010**

		2009/10	2008/09
	<i>Notes</i>	£	£
Surplus/(Deficit) for the year on the District Fund - Income and Expenditure Account	3	(39,757,824)	(30,113,556)
Net additional amount required by statute and non-statutory proper practices to be debited or credited to the District Fund Balance for the year	3	39,010,910	29,118,255
<b>Movement on the District Fund Balance for the year</b>	<b>3,24</b>	<b>(746,914)</b>	<b>(995,301)</b>
District Fund Balance Brought Forward	24	5,349,516	6,344,817
<b>District Fund Balance Carried Forward</b>	<b>24</b>	<b>4,602,602</b>	<b>5,349,516</b>

**Statement of Total Recognised Gains and Losses for the year ended 31 March 2010**

		2009/10	2008/09
	<i>Notes</i>	£	£
Surplus/(Deficit) on the District Fund - Income and Expenditure Account for the year	3	(39,757,824)	(30,113,556)
Surplus/(Deficit) arising on revaluation of fixed assets	9	(34,671,850)	45,472,192
Revaluation of pension reserve/provision	19a,24	(928,806)	(864,261)
<b>Any other gains and losses required to be included in the Statement of Total Recognised Gains and Losses</b>			
Interest on Capital/Repair and Renewals Funds		185,646	631,043
Other		3,891,195	(531,424)
<b>Total recognised gains and losses for the year (Change in Net Worth)</b>		<b>(71,281,639)</b>	<b>14,593,994</b>
Prior period adjustments made during the year		0	0
<b>Total gains and losses recognised since last annual report (Change in Net Worth) (Per Balance Sheet)</b>		<b>(71,281,639)</b>	<b>14,593,994</b>

**Balance Sheet as at 31 March 2010**

	<i>Notes</i>	2009/10 £	2008/09 £ Restated
<b>FIXED ASSETS</b>			
<b>Intangible Assets</b>	<b>9</b>	<b>0</b>	<b>0</b>
<b>Tangible Fixed Assets</b>			
<i>Operational Assets:</i>			
Land & Buildings	<b>9</b>	406,879,498	399,418,195
Infrastructure Assets	<b>9</b>	0	0
Community Assets	<b>9</b>	195	37,000,197
Vehicles, Plant, Furniture and Equipment	<b>9</b>	14,158,284	12,917,319
<i>Non-Operational Assets:</i>			
Investment Properties	<b>9</b>	93,280,625	98,425,360
Assets under Construction	<b>9</b>	31,305,456	52,622,728
Surplus Assets held for Disposal	<b>9</b>	25,126,957	36,930,226
<b>TOTAL FIXED ASSETS</b>	<b>9</b>	<b>570,751,015</b>	<b>637,314,025</b>
Long Term Investments		0	0
Long Term Debtors	<b>13a</b>	16,246,267	17,042,742
<b>TOTAL LONG TERM ASSETS</b>		<b>586,997,282</b>	<b>654,356,767</b>
<b>CURRENT ASSETS</b>			
Stocks	<b>12</b>	183,823	231,109
Debtors	<b>13b</b>	13,676,496	12,050,995
Short Term Investments	<b>14,23a</b>	21,889,771	17,189,771
Cash and Bank	<b>23a</b>	16,509,310	41,829,976
		52,259,400	71,301,851
<b>TOTAL ASSETS</b>		<b>639,256,682</b>	<b>725,658,618</b>
<b>CURRENT LIABILITIES</b>			
Borrowing repayable on demand or within 12 months	<b>15a</b>	(42,394)	(1,538,166)
Creditors	<b>15a</b>	(17,858,049)	(16,169,273)
Bank Overdraft	<b>23a</b>	(32,059,524)	(55,222,508)
		(49,959,967)	(72,929,947)
<b>NET CURRENT ASSETS</b>		<b>2,299,433</b>	<b>(1,628,096)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>589,296,715</b>	<b>652,728,671</b>
<b>LONG TERM LIABILITIES</b>			
Borrowing repayable within a period in excess of 12 months	<b>16</b>	(29,970,455)	(19,077,914)
Other Long Term Creditors	<b>15b</b>	(143,459)	(191,279)
Pension Liabilities	<b>19a</b>	(10,042,649)	(9,978,170)
Deferred Liabilities	<b>17</b>	0	0
Government Grants – deferred	<b>20,23d</b>	(13,989,049)	(13,991,783)
Provisions	<b>19b</b>	(10,248,278)	(13,305,061)
		(64,393,890)	(56,544,207)
<b>TOTAL ASSETS LESS LIABILITIES</b>		<b>524,902,825</b>	<b>596,184,464</b>
<b>RESERVES:</b>			
Capital Adjustment Account	<b>24</b>	376,919,309	413,514,897
Revaluation Reserve	<b>24</b>	132,040,254	167,718,144
Pensions Reserve	<b>24</b>	(10,042,649)	(9,978,170)
Rates Claw-Back Reserve	<b>24</b>	(191,279)	(191,279)
Capital Receipts Reserve	<b>24</b>	860,000	860,000
City Investment Fund/Capital Fund?	<b>24</b>	8,804,256	4,385,110
Renewal and Repairs Fund	<b>24</b>	8,567,415	11,805,061
Other Balances and Reserves – Election Fund	<b>24</b>	579,910	515,778
Sinking Fund	<b>24</b>	2,763,007	2,205,407
District Fund	<b>24</b>	4,602,602	5,349,516
<b>Net Worth</b>		<b>524,902,825</b>	<b>596,184,464</b>

## Cash Flow Statement as at 31 March 2010

	Notes	2009/10 £	2009/10 £	2008/09 £	2008/09 £
<b>REVENUE ACTIVITIES</b>					
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>	22		2,734,590		(659,922)
<b>Returns on Investments and Servicing of Finance</b>					
<b>Cash Outflows</b>					
Interest paid		0		0	
Interest element of finance lease payments		0		0	
<b>Cash Inflows</b>					
Interest received	6b,24	307,818		2,193,783	
<b>Net Cash Inflow/(Outflow) from Returns on Investments and Servicing of Finance</b>			307,818		2,193,783
<b>CAPITAL ACTIVITIES</b>					
<b>Cash Outflows</b>					
Purchase of fixed assets	9	(12,175,528)		(22,203,214)	
Adjustment to Fixed Asset Opening Balance				(1,090,111)	
Other capital cash payments	19b	(92,356)		(3,982,694)	
<b>Cash Inflows</b>					
Sale of fixed assets	24	116,686		289,919	
Other grants	20	364,847		5,327,817	
Other capital cash receipts	24	1,331,891		1,428,885	
<b>Net Cash Outflow from Capital Expenditure before Financing</b>			(10,454,460)		(20,229,398)
<b>Management of Liquid Resources</b>					
Net increase/decrease in short term deposits	23b	(4,700,000)		(16,319,083)	
Net increase/decrease in other liquid resources		0		0	
			(4,700,000)		(16,319,083)
<b>FINANCING</b>					
<b>Cash Outflows</b>					
Repayment of amounts borrowed	23c	(1,755,230)		(259,348)	
Capital element of finance lease rental / hire purchase payments		0		0	
<b>Cash Inflows</b>					
New loans raised	23c	11,152,000		0	
Capital element of loans repaid to council	24	557,600		0	
New short term loans		0		0	
			9,954,370		(259,348)
<b>Increase/(Decrease) in Cash and Cash Equivalent</b>	23c		<u>(2,157,682)</u>		<u>(35,273,968)</u>

## Loans Pool

### Loans Pool - Revenue Account

Year ended 31 March 2010

#### EXPENDITURE

<i>Interest</i>	£
1. Paid to outside sources:-	
Government Loans Fund	1,612,685
GLF – Accrued Interest	
Other Mortgages	225,203
Bonds	
Temporary Loans	
Bank Overdraft	1,012
2. Credited to internal Sources	302,987

#### INCOME

<i>Interest</i>	£	£
1. From Investments		38,643
OTHER INTEREST RECEIVED		
2. From Bank		
3. Charged to borrowing A/C's :- (Average rate =7.912%)		
1. External Services:-		
NI HOUSING EXECUTIVE		1,263,410
2. District Services:-		
POLICY & RESOURCES		-
PARKS & LEISURE	838,229	
HEALTH & ENVIRON.		-
DEVELOPMENT		-
		<u>838,229</u>

#### Financing Transactions

Loss on realisation of investments	-
Cost of raising loans	27,910
Other items	-

#### Financing Transactions

Profit on sale of investments		
Sundry items		
Charged to borrowing A/C's :- (Average rate =0.105%)		
1. External Services:-		
NI HOUSING EXECUTIVE		16,767
2. District Services:-		
POLICY & RESOURCES		-
PARKS & LEISURE	11,124	
HEALTH & ENVIRON.		-
DEVELOPMENT		-
		<u>11,124</u>

<b>TOTAL</b>	<u><b>2,169,797</b></u>	<b>TOTAL</b>	<u><b>2,168,173</b></u>
Balance against at Commencement of year	-	Balance in favour at Commencement of year	1,630
Balance in favour at Y/E	<u>6</u>	Balance against at Y/E	-
	<u><b>2,169,803</b></u>		<u><b>2,168,803</b></u>

## Loans Pool - Capital Cash Account Year ended 31 March 2010

RECEIPTS		PAYMENTS			
<i>Loans Raised</i>	£	£	<i>Loans Repaid</i>	£	£
1. From External sources:-			1. To External sources:-		
Government Loans Fund		-	Government Loans Fund		1,755,230
Other Mortgages		-	Other Mortgages		
Bonds - 1. Negotiable		-	Bonds – 1. Negotiable		
2. Other			2. Other		
Temporary Loans		11,152,000	Temporary Loans		
2. From internal sources		1,407,325	2. To internal sources		33,161,477
<i>Advances Repaid by</i>			<u><i>Advances Made to-</i></u>		
<u>Borrowing A/cs</u>					
-					
1. External Services:-			District Services:-		
NI HOUSING EXECUTIVE		1,349,650	POLICY & RESOURCES	13,961,495	
2. District Services:-			PARKS & LEISURE	-	
POLICY & RESOURCES	-		HEALTH & ENVIRON.	3,335,140	
PARKS & LEISURE	557,600		DEVELOPMENT	<u>4,687,631</u>	21,984,266
HEALTH & ENVIRON.	-		TO SINKING FUND		557,600
DEVELOPMENT	-	557,600			
RESERVE FUND			RESERVE FUND		
<u>Investments Sold</u>		<u>156,800,000</u>	<u>Investments Purchased</u>		<u>161,500,000</u>
<b>TOTAL</b>		<b>171,266,575</b>	<b>TOTAL</b>		<b>218,958,573</b>
Cash in hand at commencement of year		36,763,840	Cash overdrawn at commencement of year		-
Cash overdrawn at end of year		11,902,969	Debtor at year end		974,811
		<u>219,933,384</u>	Cash in hand at end of year		
					<u>219,933,384</u>

## Loans Pool - Balance Sheet As At 31 March 2010

<b>LIABILITIES</b>		<b>ASSETS</b>			
<i>Capital</i>	£	<i>Capital</i>	£	£	
Loans Outstanding :-		Advances to borrowing Services:			
1. From External sources:-		-			
Government Loans Fund	27,012,846	1. External Services:-			
Other Mortgages	3,000,000	NI HOUSING EXECUTIVE			14,618,620
Bonds - 1. Negotiable		2. District Services:-			
2. Other		POLICY & RESOURCES	13,961,495		
Temporary Loans		PARKS & LEISURE	10,036,800		
		HEALTH & ENVIRON.	3,335,140		
		DEVELOPMENT	4,687,631	32,021,066	
		<b>TOTAL ADVANCES</b>		<b>46,639,686</b>	
2. From internal Sources					
Reserve Fund	17,051,664	Investments			8,700,000
		Sinking Fund (Note 24)			2,763,007
Cash Overdrawn	11,902,969	Cash at bank			0
	-----				-----
	59,077,503				58,102,693
<u>Revenue</u>		<u>Revenue</u>			
Creditors	6	Debtors			974,810
Cash Overdrawn		Cash at Bank			6
	-----				-----
	<b>59,077,509</b>				<b>59,077,509</b>

**Loans Pool - Loans Sanctions Exercised Year ended 31 March 2010**

	<u>£</u>	<u>£</u>
1. Sanctions exercised before start of year (and repayment period still unexpired)		
EXTERNAL SERVICES	15,968,270	
DISTRICT SERVICES	<u>10,594,400</u>	
	26,562,670	
2. Sanctions exercised during year	<u>21,984,266</u>	
		48,546,936
<u>LESS</u> (1) Repayments received in respect of above before start of year		
(2) Normal Repayments received during year		
	DISTRICT SERVICES (557,600)	
	EXTERNAL SERVICES (1,349,650)	
(3) Additional repayments received during year		
	DISTRICT SERVICES <u>0</u>	
		<u>(1,907,250)</u>
<i>Net total of advances outstanding (as shown in Loans Pool Balance Sheet)</i>		<b><u>46,639,686</u></b>

**Loan Sanctions Unexercised**

	<u>£</u>	<u>£</u>
Sanctions unexercised at beginning of year	13,896,355	
ADD - Sanctions Granted during year	<u>22,959,077</u>	36,855,432
LESS - Sanctions exercised during year	21,984,266	
Sanctions lapsed, cancelled or given up during year	<u>0</u>	21,984,266
<i>Sanctions unexercised at end of year</i>		<b><u>14,871,166</u></b>

## Notes to the Financial Statements

### 1. Accounting Policies

#### 1a) General Principles

The financial statements have been prepared under the historical cost convention, modified by the revaluation of land and buildings, and are in accordance with directions and guidance contained in the 'Code of Practice on Local Authority Accounting in the United Kingdom 2009: A Statement of Recommended Practice' (SORP) and in a form directed by the Department of the Environment in accordance with regulations 4 (1) in the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006. The general principles adopted in compiling and presenting the financial statements are those specified within the 2009 SORP. The 2009 SORP is based on approved accounting standards for the preparation of financial statements for the financial year beginning 1 April 2009. These financial statements comply with accounting standards issued or adopted by the Accounting Standards Board insofar as these are applicable to local government.

Following from this, the financial statements are presented on the basis that the Council will continue to operate for the foreseeable future, the going concern concept. The accounts also reflect the concept of the primacy of legislative requirements in that, where an accounting treatment is prescribed by law, it must be applied even if it contradicts another accounting concept. In addition the Chartered Institute of Public Finance and Accountancy (CIPFA) publish a number of bulletins dealing with capital finance and Best Value accounting, which have been followed when preparing these financial statements.

The District Fund - Income and Expenditure Account on page 25 has been prepared using the requirements of the Best Value Accounting Code of Practice.

#### 1b) Accounting Concepts

In general, the financial statements are prepared on the basis of historical cost modified by the revaluation of land and buildings, subject to and in accordance with the fundamental accounting concepts set out below:

##### *Relevance*

The financial statements are prepared so as to provide readers with information about the Council's financial performance and position that is useful for assessing the stewardship of public funds.

##### *Reliability*

The financial statements are prepared on the basis that the financial information contained within them is reliable, i.e. free from material error, deliberate or systematic bias, complete within the bounds of materiality and represent faithfully what they intend to represent. Where there is uncertainty in measuring or recognising the existence of assets, liabilities, income and expenditure then prudence has been used as a basis to inform the selection and application of accounting policies and estimation techniques.



*Comparability*

The financial statements are prepared so as to enable comparison between financial years. To aid comparability the Council has applied its accounting policies consistently both during the year and between years.

*Understandability*

Every effort has been made to make the financial statements as easy to understand as possible. Nevertheless, an assumption has been made that the reader will have a reasonable knowledge of basic accounting and local government finance. Where the use of technical terms has been unavoidable, an explanation has been provided in the body of the financial statements.

*Materiality*

Certain information may be excluded from the financial statements on the basis that the amounts involved are not material either to the fair presentation of the financial position and transactions of the Council or to the understanding of the accounts.

*Accruals*

With the exception of the Cash Flow Statement, the financial statements have been prepared on an accruals basis. The accruals basis of accounting requires the non-cash effect of transactions to be reflected in the financial statements for the year in which those effects are experienced and not in the year in which the cash is actually received or paid.

**1c) Fixed Assets**

**i) Intangible Assets**

An intangible item meets the definition of an asset when access to the future economic benefits that it represents is controlled by the reporting entity, either through custody or legal protection. Purchased intangible assets are capitalised as assets at cost. Internally developed intangible assets have only been capitalised where there is a readily ascertainable market value.

FRS 10 permits revaluation only of intangible assets that have a readily ascertainable market value. Intangible assets are amortised on a systematic basis over their economic lives. If access to the economic benefits associated with an intangible asset has been achieved through legal rights that have been granted for a finite period, the economic life does not extend beyond that period unless the legal rights are renewable and renewal is assured. The useful economic lives of intangible assets are reviewed at the end of each reporting period and revised where necessary. In amortising an intangible asset, a residual value has been assigned to the asset only where such residual value can be reliably measured. A straight-line amortisation method has been used as it is deemed to be the most appropriate in the circumstances for the Council.

With any gain or loss on disposal of intangible assets, the disposal proceeds are credited to the District Fund Income and Expenditure Account and the net book value credited to fixed assets and debited to the District Fund Income and Expenditure Account. In order to comply with statutory/proper practices restrictions on the use of capital receipts, if the asset disposed of was carried at historical cost, it is necessary to reverse out the gain or loss credited or debited to the District Fund Income and Expenditure Account. The Statement of

Movement on the District Fund – Income and Expenditure Account should then be debited or credited with an amount equal to the gain or loss on disposal of the fixed asset, as follows:

- credit the Capital Receipts Reserve of an amount equal to the disposal proceeds
- debit the Capital Adjustment Account of an amount equal to the carrying amount of the fixed asset disposal.

The gain or loss on disposal of the intangible asset is a reconciling item in the Statement of Movement on the District Fund – Income and Expenditure Account Balance. If, in exceptional circumstances the intangible asset disposed of was carried at current value, in addition to the entries mentioned above the balance on the Revaluation Reserve in respect of the asset disposal should be written off to the Capital Adjustment Account.

## **ii) Tangible Assets**

All expenditure on the acquisition, creation or enhancement of tangible fixed assets is capitalised on an accruals basis in accordance with Financial Reporting Standard 15 Tangible Fixed Assets (FRS 15). The Council applies a de-minimis level of £25,000 to Plant and Machinery, Information Technology Equipment, Fixtures and Fittings and Office Equipment meaning only assets over £25,000 are capitalised. Subsequent capital expenditure is capitalised only where it provides an enhancement to the economic benefits of the asset in excess of those previously assessed. Tangible fixed assets are classified into the groupings required by the SORP and valued as follows:

- groups of tangible assets, which are interdependent and are capable of being used by the Council for more than one year are included in the Balance Sheet exactly as for other tangible assets.
- tangible assets, capable of being used by the Council for more than one year, are included in the Balance Sheet as follows:
  - i) operational assets (including land and buildings, vehicles, plant and equipment) are included in the Balance Sheet at the lower of net current replacement cost and net realisable value.
  - ii) other operational assets (including infrastructure and community assets which are held for the purposes of the community and where there is little or no prospect of them ever being sold) are included in the Balance Sheet at historical cost, net of depreciation.
  - iii) non-operational assets (including investment properties and assets that are surplus to requirements) are included in the Balance Sheet at the lower of net current replacement cost and net realisable value - in the case of investment properties, this is normally open market value.
  - iv) other non-operational assets (including assets under construction) are included in the Balance Sheet at historical cost.

- v) land, buildings, installations, and fittings are valued at cost for their existing use, except land and buildings that are surplus to requirements which are valued at open market value for their alternative use. The Council is now operating a rolling programme for its revaluation of Land & Buildings with approximately 25% of these assets being revalued each year and the remainder of the assets are indexed in line with construction costs and land value inflation indices. This revaluation was also carried out by independent Chartered Surveyors. Surpluses arising from the revaluation of land and buildings are taken directly to the revaluation reserve, which is an account that cannot be used to support spending. Community assets are included at historical cost less depreciation or, where historical cost is unavailable, a nominal £1 valuation. Equipment is valued at historic cost.
- vi) If a fixed asset is included in the Balance Sheet at current value, the increase over the previous carrying amount at which that asset was included in the Balance Sheet, immediately prior to the latest (re-)valuation will be credited to the Statement of Total Recognised Gains and Losses and taken to the Revaluation Reserve except to the extent it reverses revaluation losses (after adjusting for depreciation) on the same assets that were previously recognised in the District Fund Income and Expenditure Account, in which case it should be recognised in the District Fund – Income and Expenditure Account. If, on revaluation, there has been a decrease over the previous carrying amount an impairment loss has occurred. If the loss has been occasioned by clear consumption of economic benefits, any such loss will be recognised in the District Fund – Income and Expenditure Account. The amount of the decrease in value not associated with a clear consumption of economic benefit will be recognised in the Statement of Total Recognised Gains and Losses until the asset's carrying amount reaches its depreciated historical cost and taken to the Revaluation Reserve and thereafter in the District Fund – Income and Expenditure Account.

In accordance with Financial Reporting Standard 11 Impairment of Fixed Assets and Goodwill (FRS 11), the Independent Chartered Surveyor also reviews assets for impairment due to one or more of the following events:

- a significant decline in a fixed asset's market value
- evidence of obsolescence or physical damage
- significant adverse change in the statutory or other regulatory environment in which the Council operates
- a commitment by the Council to undertake significant re-organisation.

A review for impairment of a fixed asset whether carried at historical cost or valuation should be carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If no such events or changes in circumstances are identified, and there are no other indications that a tangible fixed asset has become impaired, there is no requirement for an impairment review. Impairment will therefore be a relatively infrequent addition to depreciation. Tangible fixed assets other than non-depreciable land should be reviewed at the end of each reporting period for impairment when either:

- no depreciation charge is made on the grounds that it would be immaterial (either because of the length of the estimated remaining useful life or because the estimated residual value of the fixed asset is not materially different from the carrying amount of the asset), or

- the estimated remaining useful life of the fixed asset exceeds 50 years.

If an impairment loss on a tangible fixed asset carried at historical cost caused by a clear consumption of economic benefit occurs, it will be written down for the impairment and the impairment loss should be recognised in the District Fund – Income and Expenditure Account.

With any gain or loss on disposal of tangible assets, the disposal proceeds are credited to the District Fund - Income and Expenditure Account and the net book value credited to fixed assets and debited to the District Fund - Income and Expenditure Account. In order to comply with statutory/proper practices restrictions on the use of capital receipts, if the asset disposed of was carried at historical cost, it is necessary to:

reverse out the gain or loss credited or debited to the District Fund - Income and Expenditure Account with an amount equal to the gain or loss on disposal of the tangible fixed asset, as follows:

- credit the Capital Receipts Reserve with an amount equal to the disposal proceeds
- debit the Capital Adjustment Account with an amount equal to the carrying amount of the fixed asset disposal.

The gain or loss on disposal of the tangible asset should be a reconciling item in the Statement of Movement on the General Fund Balance. If, in exceptional circumstances the tangible asset disposed of was carried at current value, in addition to the entries mentioned above the balance on the Revaluation Reserve in respect of the asset disposal should be written off to the Capital Adjustment Account.

vii) in accordance with FRS 15, depreciation has been provided on all fixed assets with the exception of freehold land, assets in the course of construction and non-operational assets. The useful lives of assets are estimated on a realistic basis, reviewed regularly and if necessary, revised. If the useful life of a fixed asset is revised, the carrying amount of the fixed asset will be depreciated over the revised remaining useful life. Freehold land (both operational and non-operational) is not depreciated. Depreciation is based on the amount at which the asset is included in the Balance Sheet, whether at net current replacement cost or historical cost. Depreciation is charged on a straight-line basis on each main class of tangible asset as follows:

- buildings, installations, and fittings are depreciated on their historic value over the estimated remaining life of the asset as advised by the Independent Chartered Surveyor. Depending on the type of building, installation or fitting the maximum useful life will be in the range of 10 to 60 years
- vehicles are depreciated on historic cost using a standard life of up to 15 years. Plant and Machinery (excluding IT equipment) are depreciated on historic cost using a standard life of up to 30 years. Fixtures and Fittings and IT equipment are depreciated using a standard life of up to 15 years

- intangible assets are amortised over the estimated lives of the assets
- depreciation is charged in the month of acquisition.

District Fund – Income and Expenditure Account service revenue accounts, as defined in CIPFA’s Best Value Accounting Code of Practice, central support services and trading accounts are charged with depreciation and where required, any related impairment loss (due to a clear consumption of economic benefits), for all fixed assets used in the provision of the service. This includes surplus assets held for disposal.

- viii) assets held under finance leases are capitalised at the fair value of the asset with an equivalent liability categorised under deferred liabilities in the Balance Sheet. The asset is depreciated on its current fair value over the shorter of the lease term and its useful economic life. Rentals under operating leases are charged to the District Fund - Income and Expenditure Account in the year in which they arise.
- ix) Any grant contribution towards the purchase of a fixed asset is taken to the Government Grants – Deferred account in the Balance Sheet. The balance is then written-off to the District Fund – Income and Expenditure Account over the useful life of the asset.

**1d) Debtors and Creditors**

The accounts of the Council are maintained on an accruals basis in accordance with the SORP and Financial Reporting Standard 18 Accounting Policies (FRS18). This ensures that provision has been made for known outstanding debtors and creditors at the year-end, estimated amounts being used where actual figures are not available.

A general provision for doubtful debts is included in the financial statements at 10% of commercial outstanding debts over 90 days. This is in addition to the specific provision for those debts that are identifiable as potentially not fully collectable. Provisions in respect of bad debts have been estimated in accordance with recommended practice and past experience. Uncollectable debts are only written-off to the District Fund - Income and Expenditure Account after all recovery avenues open to the Council have been exhausted and the Council has formally approved the write off.

**1e) Stocks**

Stocks are valued on the basis of the latest invoiced price. This is not materially different from valuation on a First In First Out (FIFO) basis as recommended by Statement of Standard Accounting Practice 9 Stocks and Long-Term Contracts (SSAP 9).

**1f) Value Added Tax**

All expenditure and income, irrespective of whether it is revenue or capital in nature, is shown net of Value Added Tax, unless it is irrecoverable.

**1g) Provisions**

Provisions for liabilities have been established in accordance with Financial Reporting Standard 12 Provisions, Contingent Liabilities and Assets (FRS 12). These are sums set aside for liabilities which will probably occur.

**1h) Overheads**

Charges or apportionments covering all support service costs are made to all their users. A consistent basis is used to apportion these costs and the Council does not have any unapportionable overheads. The costs of the Corporate and Democratic Core are not apportioned to other expenditure headings.

**1i) Pensions**

The Council charges the District Fund - Income and Expenditure Account with an amount equal to the retirement benefits payments which it made for that financial year in accordance with discretionary compensation regulations.

Councils in Northern Ireland contribute to the Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) scheme. It is a multi-employer defined benefit scheme, which is treated as a defined contribution scheme under Financial Reporting Standard 17 Retirement Benefits (FRS17). This scheme provides the relevant information within its own accounts. The Council provides further information on discretionary benefits awarded to employees. The Council's contribution rate is determined by NILGOSC's actuary every three years and is set to maintain the solvency of the fund.

The Council also makes Pension Payments in relation to former Belfast City Corporation employees under the Belfast Corporation Superannuation Scheme 1869 & 1950, the Belfast Corporation Act 1943 and the Belfast Corporation (General Powers) Act 1948.

In addition, the Council manages a Gas Pension Fund on behalf of the former Gas undertaking. Details can be found on pages 61 to 62.

**1j) Post Balance Sheet Events**

The Council complies with the requirements of Financial Reporting Standard 21 Events After the Balance Sheet Date (FRS21). Changes are made to the financial statements where a material post balance sheet event occurs that either provides additional evidence relating to conditions existing at the balance sheet date or indicates that the application of the going concern concept to a material part of the Council is not appropriate.

The financial statements may subsequently be adjusted up to the date when they are authorised for issue. This date will be recorded on the financial statements and is usually the date the Local Government Auditor issues his certificate and opinion. Where material adjustments are made in this period they will be disclosed.

**1k) Foreign Currency Translation**

Income received and payments made in foreign currency are translated at the rate prevailing when lodged to the bank or when payment is made. Whilst this is contrary to the Statement of Recommended Practice, due to the sums involved, the effect of the different treatment would be immaterial.

**1l) Financial Instruments**

The accounting treatment of a financial instrument (i.e. how its subsequent carrying value is measured and gains and losses recognised) depends on its classification on initial recognition.

Financial liabilities are recognised in the balance sheet under amortised cost using the effective interest rate method and financing costs and the gain or loss on de-recognition are both taken to the District Fund.

There are currently two types of financial assets:

- i) loans and receivables e.g. non-equity and non-derivative financial assets are recognised in the balance sheet under amortised cost using the effective interest rate method and interest receivable, impairment losses and the gain or loss on de-recognition are taken to the District Fund
- ii) available-for-sale assets e.g. equity investments are carried at fair value on the Balance Sheet. Interest receivable and dividend income, impairments and the gain or loss on de-recognition are taken to the District Fund. Gains and losses arising from changes in fair value (except impairment) are taken to the Statement of Total Recognised Gains and Losses. The effective interest rate method is used to determine interest income.

In these disclosure notes, financial instruments are required to be shown at fair value. Fair value is defined as the amount for which an asset could be exchanged or a liability settled, assuming that the transaction was negotiated between parties knowledgeable about the market in which they are dealing and willing to buy/sell at an appropriate price, with no other motive in their negotiations other than to secure a fair price.

**1m) Landfill Allowances**

The Landfill Allowances Scheme operates under the Landfill Allowances Scheme (Northern Ireland) Regulations 2005. Local Authorities are allocated annual target figures for the maximum amount of biodegradable municipal waste that can be sent to landfill but there are no tradable allowances and there are no financial penalties for 2009/10 on an individual district council for exceeding its target. It is not a 'cap and trade' scheme since landfill allowances are not tradable. For this reason, landfill allowances are not recognised as assets on the Balance Sheet.

## 2. Significance of the Statement of Movement on the District Fund Balance

The movement on the District Fund balance adjusts the surplus or deficit generated by the Council in accordance with Generally Accepted Accounting Principles (GAAP). The closing balance is available to fund Council services. Included within the closing balance is £113,924 relating to expenditure committed at year-end.

## 3. Analysis of the Movement on the District Fund Balance

	<i>Notes</i>	2009/10 £	2009/10 £	2008/09 £	2008/09 £
<b>Surplus/(Deficit) for the year on the District Fund – Income and Expenditure Account</b>			<b>(39,757,824)</b>		<b>(30,113,556)</b>
<i>Net additional amount required by statute and non-statutory proper practices to be debited or credited to the District Fund Balance for the year:</i>					
<b>Transfer to Capital Adjustment Account:</b>					
Direct revenue financing of Capital Expenditure	<i>10/24</i>	(2,702,150)		(2,678,310)	
Deferred grants amortised in the year	<i>24</i>	(367,581)		(175,197)	
Loans fund principal/depreciation adjustment:					
Impairment charged in the year	<i>24</i>	33,238,481		24,429,393	
Depreciation charged in the year	<i>9,24</i>	10,239,511		9,869,744	
Loans fund principal repayments during the year	<i>24</i>	(557,600)		(557,600)	
			39,850,661		30,888,030
<b>Transfers (to)/from earmarked reserves:</b>					
City Investment Fund	<i>24</i>		212,745		(1,000,000)
Renewal and Repairs Fund			0		0
Pension Reserve	<i>24</i>		(864,327)		(834,122)
Rates Claw-Back Reserve			0		191,279
<b>(Gain)/loss on disposal of fixed assets</b>	<i>22,24</i>		<b>(188,169)</b>		<b>(126,932)</b>
<b>Net adjustments to Income &amp; Expenditure Account</b>			<b>39,010,910</b>		<b>29,118,255</b>
<b>Movement on the District Fund Balance for the year</b>	<i>24</i>		<b>(746,914)</b>		<b>(995,301)</b>
District Fund Balance Brought Forward	<i>24</i>		5,349,516		6,344,817
<b>District Fund Balance Carried Forward</b>	<i>24</i>		<b>4,602,602</b>		<b>5,349,516</b>

Corporate Management costs include pension payments and revaluation increases in the year, hence revaluation is reversed out in note 3.



#### 4. Operating Expenses

- 4a) **Section 115** of the Local Government Act (Northern Ireland) 1972 enables Councils to spend up to the aggregate of the product of 0.0596p in the pound on the rateable value of non-domestic hereditaments; and the product of a rate of 0.00082p in the pound on the rateable value of domestic hereditaments, equivalent to £306,579 in 2009/10 (£303,173 in 2008/09), for the benefit of all the inhabitants in their City, or part of their City on activities not specifically authorised by other powers.

Expenditure amounted to £37,299 in 2009/10 (2008/09 £18,562), namely:

	2009/10
	£
Fuel Stamp Scheme	19,561
Staff Travel Smartcard	6,000
Mary Peters Trust	5,000
Be Your Best Foundation	3,000
Ashfield Girls	2,000
Gaelic Football Match – Dublin City Council	1,738
<b>Total</b>	<b>37,299</b>

- 4b) **Section 115c Expenditure** as required by Article 41 of the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 1992 requires Councils to maintain a separate record of its expenditure on publicity. This is analysed as follows:

	2009/10	2008/09
	£	£
Promoting tourism	47,399	29,076
Promoting leisure facilities	67,282	88,097
Community Relations	7,314	13,733
Refuse collection	770	13,438
Other advertising	571,312	980,810
<b>Total</b>	<b>694,077</b>	<b>1,125,154</b>

#### 4c) External Audit Fees

	2009/10	2008/09
	£	£
External Audit Fees estimated	120,750	
External Audit Fees actual		95,522
Grant Claim Certification Fees		3,104
Other Fees		1,191
	<b>120,750</b>	<b>99,817</b>

There were no other fees payable in respect of any other services provided by the appointed auditor over and above those described above (2008/09 £NIL).

**4d) Leases**

Expenditure during the year on finance lease rentals was £NIL (2008/09 £NIL). Outstanding operating lease rentals at 31 March 2010 are as follows:

	2009/10	2008/09
	£	£
2009/10	19,087	1,782
2010/11	20,931	580
2011/12	9,419	435
2012/13	8,623	0
2013/14	8,366	0
2014/15	2,789	
<b>Total</b>	<b>69,216</b>	<b>2,797</b>

**5. Employee Costs and Members' Allowances****5a) Staff Costs**

	2009/10	2008/09
	£	£
Salaries and wages	64,619,818	61,584,910
Employers National Insurance	4,600,521	4,439,955
Employers pension costs	8,652,188	7,749,176
	<b>77,872,527</b>	<b>73,774,041</b>

In addition, agency costs during the year amounted to £3,799,623 (2008/09 £5,548,007).

The Council's current contribution rate to the NILGOSC scheme is 16%. At the last actuarial valuation, dated 31 March 2007, the Fund's assets as a whole were sufficient to meet 89% (2004: 85%) of the liabilities accrued up to that date. A new valuation is being carried out in 2010.

**5b) Average Number of Employees - where FTE represents fulltime equivalent employees:**

	2009/10	2008/09
	FTE	FTE
Environmental services	867	823
Leisure services	647	643
Other	930	939
	<b>2444</b>	<b>2,405</b>
	<u>Actual Numbers</u>	<u>Actual Numbers</u>
Full-time numbers employed	2,268	2,269
Part-time numbers employed	316	295
	<b>2,584</b>	<b>2,564</b>

**5c) Senior Employees' Remuneration**

The numbers of staff within the following specified salary ranges are:

	<b>2009/10</b>	<b>2008/09</b>
	<b>Number</b>	<b>Number</b>
£50,001 to £60,000	15	30
£60,001 to £70,000	12	4
£70,001 to £80,000	3	8
£80,001 to £90,000	4	2
£90,001 to £100,000	1	5
£100,001 to £110,000	0	1
£110,001 to £120,000	1	1
	<b>36</b>	<b>51</b>

**5d) Members' Allowances**

During the year Members' allowances (section 36), including Employer's costs, totalled £705,829 (2008/09 £789,504) and are as follows:

	<b>2009/10</b>	<b>2008/09</b>
	<b>£</b>	<b>£</b>
Basic Allowance	484,999	484,131
Mayor's and Deputy Mayor's allowance	10,617	54,983
Special Responsibility Allowances	81,774	80,000
Dependents' Carers Allowance	0	0
Miscellaneous	0	0
Mileage	15,067	16,659
Conferences and Courses	30,823	58,731
Travel Costs	17,421	0
Subsistence	8,122	0
Employer Costs	57,006	95,000
	<b>705,829</b>	<b>789,504</b>

**6. Interest and Investment Income****6a) Interest Payable and Similar Charges**

	<b>2009/10</b>	<b>2008/09</b>
	<b>£</b>	<b>£</b>
Lease/Hire Purchase Interest	-	-
Bank Interest		
Loan Interest	960,322	1,410,040
Other Interest		
	<b>960,322</b>	<b>1,410,040</b>

**6b) Interest and Investment Income**

The amount of bank interest and investment income earned in the year to 31 March 2010 was as follows:

	2009/10	2008/09
	£	£
Current account interest	-	-
Short-term deposit interest	122,172	1,562,740
	<b>122,172</b>	<b>1,562,740</b>

Interest of £177,076 (2008/09 £605,538 ) was also credited to the Renewals and Repairs Fund.

**7. Related Party Transactions**

Financial Reporting Standard 8 Related Party Disclosures (FRS 8) requires the Council to disclose all material related party transactions arising during the year. Related parties are bodies or individuals that have the potential to control or influence the Council or be controlled or influenced by the Council. Disclosing these types of transactions in financial statements permits readers to assess the extent to which the Council might have constrained its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council. Transactions with related parties not disclosed elsewhere in these financial statements are set out below.

Councillors have direct control over the Council's financial and operating policies. In the 2009/10 financial year the Council commissioned £1,405,824 (2008/09 £1,574,951) of works and services from Belfast Visitor & Convention Bureau and Groundwork Northern Ireland in which Councillors had an interest. The Council also paid grants of £1,342,043 (2008/09 £1,834,071) to a number of organizations in which Councillors and Council officers had an interest. These payments were made with proper consideration of declaration of interests. A breakdown is shown in 7.C below.

During 2009/10 the Council had expenditure of £22,012 (2008/09 £97,365) to other Councils and income received of £545,131 (2008/09 £1,202,710) from other Councils, of which £250,990 (note 13) (2008/09 £296,502) was outstanding at 31 March 2010. These amounts mainly related to services provided.

**A: Payments to Community Groups**

Belfast City Council made payments to the following community groups that have Councillors as part of their committee structure.

	Councillors	2009/2010	2008/2009
		£	£
East Belfast Partnership Board	4	100,552	120,528
North Belfast Partnership Board	8	39,485	118,889
South Belfast Partnership Board	8	45,657	31,262
West Belfast Partnership Board	8	4,000	86,032
<b>Total</b>		<b>189,694</b>	<b>356,711</b>

**B: Joint Committees**

Belfast City Council made payments to the following Joint Committees:

	Councillors	2009/2010	2008/2009
		£	£
ARC-21	4	13,114,626	10,843,764
		<b>13,114,626</b>	<b>10,843,764</b>

**C: Other Organisations**

Belfast City Council made payments to the following organisations that have Councillors as part of their committee structure:

	Councillors	2009/2010	2008/2009
		£	£
Belfast Education and Library Board	13	1,000	0
Belfast Hills Partnership	1	28,752	27,135
SS.Nomadic Charitable Trust	2	50,000	100,000
N.I. Local Government Association	15	131,254	149,282
Belfast City Centre Management Company	3	271,342	311,144
Ulster Orchestra	1	33,325	143,500
Groundwork Northern Ireland	1	275,259	335,895
Grand Opera House	1	34,917	33,395
Greater Shankill Partnership	6	7,088	67,985
Belfast Visitor & Convention Bureau incorporating Belfast Welcome Centre	8	1,702,691	2,056,488
Belfast Harbour Commissioners	4	126,568	131,121
South City Resource and Development Centre	2	36,568	28,323
PLACE	1	17,250	500
Somme Association Ltd	2	8,671	3,351
Dee Street Community Group	7	1,000	0
N.I. Amenity Council	1	750	750
Northern Ireland Housing Council	1	200	0
Inverary Community Centre Committee	5	5,100	1,249
Sandy Row Community Centre Committee	5	2,750	5,100
Morton Community Centre Committee	4	2,300	1,100
Donegall Pass Community Centre Committee	5	2,099	2,322
Knocknagoney Community Centre Committee	5	913	600
Glen Road Community Centre Committee	2	870	3,032
Ardoyne Community Centre Committee	1	600	-
Avoniel Play Centre Committee	6	600	600

Concorde Community Centre Committee	2	600	600
Divis Community Centre Committee	1	600	600
Duncairn Community Centre Committee	2	600	1,350
Highfield Community Centre Committee	2	600	600
Horn Drive Community Centre Committee	2	600	600
North Queen St. Community Centre Committee	3	600	600
Olympia Community Centre Committee	3	600	600
Suffolk Community Centre Committee	2	600	-
Whiterock Community Centre Committee	2	600	600
Woodvale Community Centre Committee	2	600	600
		<b>2,747,867</b>	<b>3,409,022</b>

#### **D: Car Loans to Council Officers**

The Council makes car loans available to employees who are designated essential car users i.e. for whom it is essential to have access to a car to carry out their duties.

The total amount outstanding in respect of Car Loans to designated employees as at 31st March 2010 was £130,327. At 31 March 2009 the amount outstanding was £123,761.

#### **8. District Rates**

	<b>2009/10</b>	<b>2008/09</b>
	<b>£</b>	<b>£</b>
Current Year	114,867,620	106,767,347
Prior year finalisation (estimate/actual)		
Clawback charged to I&E in-year		
	<b>114,867,620</b>	<b>106,767,347</b>

The Council received notification of a reduction in the District Council rate income for the year to 31 March 2009 of £191,279. The Minister for Finance has made provision in the accounts directive for Councils to defer the reduction over a period of four years.

## 9 Fixed Assets

	Note	Operational Assets					Non-Operational Assets				Total
		Intangible Assets	Land	Buildings	Infrastructure Assets	Community Assets	Vehicles & Equipment	Investment Properties	Assets Under Construction	Surplus Assets	
		£	£	£	£	£	£	£	£	£	
<b>Cost or Valuation</b>											
<b>At 1 April 2009</b>		<b>16,700,000</b>	<b>177,580,924</b>	<b>228,319,347</b>		<b>37,000,197</b>	<b>24,768,026</b>	<b>98,425,360</b>	<b>52,622,728</b>	<b>37,295,599</b>	<b>672,712,181</b>
Revaluation			5,309,191	6,080,990				395,000	0		11,785,181
Impairments			-36,760,696	-18,291,170		-6,235,809		-5,680,862	-10,480,488	-8,947,600	-86,396,625
Additions	10		30,577	8,266,577		65,451	2,387,371	625	1,385,069	0	12,135,670
Transfers			16,000	614,728		7,870,360	2,557,616		-11,058,704		0
Reclassification/Adjustments			862,311	41,417,354		-38,700,002		140,502	-516,149	-3,205,157	-1,141
Disposals	24					-2	-1,773,949		-647,000		-2,420,951
<b>At 31 March 2010</b>		<b>16,700,000</b>	<b>147,038,307</b>	<b>266,407,826</b>	<b>0</b>	<b>195</b>	<b>27,939,064</b>	<b>93,280,625</b>	<b>31,305,456</b>	<b>25,142,842</b>	<b>607,814,315</b>
<b>Depreciation</b>											
<b>At 1 April 2009</b>		<b>16,700,000</b>	<b>0</b>	<b>6,482,076</b>	<b>0</b>	<b>0</b>	<b>11,850,707</b>	<b>0</b>	<b>0</b>	<b>365,373</b>	<b>35,398,156</b>
Reclassification/Adjustments				-26,101				10,216		15,885	0
Revaluation				-6,456,344				-10,216		-365,373	-6,831,933
Disposals	24						-1,742,434				-1,742,434
Transfers											0
Provided for year				6,567,004			3,672,507				10,239,511
<b>At 31 March 2010</b>		<b>16,700,000</b>	<b>0</b>	<b>6,566,635</b>	<b>0</b>	<b>0</b>	<b>13,780,780</b>	<b>0</b>	<b>0</b>	<b>15,885</b>	<b>37,063,300</b>
<b>Net Book Value</b>											
<b>At 31 March 2010</b>		<b>0</b>	<b>147,038,307</b>	<b>259,841,191</b>	<b>0</b>	<b>195</b>	<b>14,158,284</b>	<b>93,280,625</b>	<b>31,305,456</b>	<b>25,126,957</b>	<b>570,751,015</b>
<b>At 31 March 2009</b>		<b>0</b>	<b>177,580,924</b>	<b>221,837,271</b>	<b>0</b>	<b>37,000,197</b>	<b>12,917,319</b>	<b>98,425,360</b>	<b>52,622,728</b>	<b>36,930,226</b>	<b>637,314,025</b>

**9a) Fixed Assets (continued)****LEASED ASSETS (included within vehicles & equipment)**

	Vehicles £	Equipment £	TOTAL £
<b>Cost or Valuation</b>			
At 1 April 2009	0	0	0
Additions	0	0	0
Disposals	0	0	0
At 31 March 2010	<u>0</u>	<u>0</u>	<u>0</u>
<b>Depreciation</b>			
At 1 April 2009	0	0	0
Disposals	0	0	0
Provided for year	0	0	0
At 31 March 2010	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Book Value</b>			
At 31 March 2010	<u>0</u>	<u>0</u>	<u>0</u>
At 31 March 2009	<u>0</u>	<u>0</u>	<u>0</u>

**10. Capital Expenditure**

	Note	2009/10 £	2008/09 £
<b>Expenditure</b>			
Land and buildings		8,362,605	5,632,185
Major works		1,385,694	9,976,172
Vehicles, plant, equipment and other		2,387,371	5,798,313
	9	<u>12,135,670</u>	<u>21,406,670</u>
<b>Financed By</b>			
Borrowings:			
Advance from Loans Pool		21,984,266	0
Leases/Hire Purchase		0	0
Grants receivable	20,23d	364,847	5,157,810
Capital receipts	24	116,686	491,366
Revenue contributions to capital	3,24	2,702,150	2,678,310
		<u>25,167,949</u>	<u>8,327,486</u>
Surplus/(Deficit)		13,032,279	(13,079,184)
Opening balance at 1 April 2009		(12,371,364)	707,820
<b>Closing balance at 31 March 2010</b>		<u>660,915</u>	<u>(12,371,364)</u>

The financing of capital expenditure has been completed on an accruals basis.



## 11. Future Capital Commitments

The Council has future capital commitments and the estimated cost of the schemes is as follows:

	Gross Cost	Grant Aid	Net Cost
	£	£	£
Schemes underway	85,507,993	18,384,230	67,123,763
Other Commitments	26,829,000	9,475,000	17,354,000
<b>Total</b>	<b>112,336,993</b>	<b>27,859,230</b>	<b>84,477,763</b>

## 12. Stock

	2009/10	2008/09
	£	£
Central Stores	183,823	231,109
Other	0	0
<b>Total</b>	<b>183,823</b>	<b>231,109</b>

## 13. Debtors

	2009/10	2008/09
	£	£
		<b>Restated</b>
<b>a) Long Term Debtors: amounts falling due in more than one year</b>		
Car Loans to Officers	74,215	65,357
Trade Debtors	1,553,432	1,009,115
Northern Ireland Housing Executive	14,618,620	15,968,270
	<b>16,246,267</b>	<b>17,042,742</b>
<b>b) Debtors: amounts falling due in less than one year</b>		
Government Departments	1,908,292	3,443,828
Other Councils (note 7)	250,990	296,502
Value Added Tax	699,858	1,736,645
Car Loans to Officers	56,112	58,404
Payments in advance		
Other	11,178,960	6,781,749
Less: provision for doubtful debts	(417,717)	(266,133)
	<b>13,676,495</b>	<b>12,050,995</b>
<b>Total debtors</b>	<b>29,922,762</b>	<b>29,093,737</b>

A general provision for doubtful debts is included in the financial statements at 10% of commercial outstanding debts over 90 days.

**14. Short-term Investments**

	2009/10	2008/09
	£	£
<b>Bank Deposits - general</b>	<b>21,889,771</b>	<b>17,189,771</b>

**15a. Creditors due within one year**

	2009/10	2008/09
	£	£
<b>Amounts falling due in less than one year</b>		
Remuneration due to Employees	473,189	
Government Departments	155,946	222,340
Other Councils	1,287	2,121
Receipts in advance	2,157,507	820,799
Other	15,070,120	15,124,013
	<b>17,858,049</b>	<b>16,169,273</b>
Borrowing re-payable within one year	42,394	1,538,166
<b>Total creditors</b>	<b>17,900,443</b>	<b>17,707,439</b>

**15b. Creditors due after more than one year**

	2009/10	2008/09
	£	£
<b>Other creditors falling due after more than one year</b>		
Rates Clawback	143,459	191,279
Other	0	0
<b>Total creditors</b>	<b>143,459</b>	<b>191,279</b>

**16. Borrowing Re-Payable within a Period in Excess of One Year**

Note	2009/10	2008/09
	£	£
Maturing between 1 and 2 years	0	97,537
Maturing between 2 and 5 years	3,187,163	3,250,062
Maturing between 5 and 10 years	11,631,292	11,730,315
Maturing in more than 10 years	15,152,000	4,000,000
<b>Government Loans Fund and Mortgages</b>	<b>29,970,455</b>	<b>19,077,914</b>

Interest rates on Government Loans range between 3% and 11.125%.

## 17. Deferred Liabilities

	2009/10	2008/09
	£	£
Between 1 and 5 years	-	-
In more than 5 years	-	-
	-	-

This represents the principal outstanding for assets acquired under finance leases which are repayable after more than one year. At present, the Council has not acquired any finance leases.

## 18. Financial Instruments

The council has no material exposure to any of the risk types identified below in its dealings with Financial Instruments.

### Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Customers are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council. The provision for bad and doubtful debts reflects the Council's assessment of the risk of non-payment by trade debtors and, as such, there is no further additional estimated exposure to default and inability to collect.

Trade Debtors, inclusive of VAT, can be analysed by age as follows:

	£
Less than three months	2,930,827
Three to six months	170,471
Six Months to one year	336,984
More than one year	1,553,432

There is no historical experience of default in relation to deposits with banks and other financial institutions. Therefore there is no estimated exposure to risk of default.

### Liquidity Risk

As the council has ready access to borrowings from the Department of Finance and Personnel Consolidated Fund, there is no significant risk that it will be unable to raise finance to meet its

commitments under Financial Instruments. The maturity analysis of financial liabilities is included in notes 14 to 16. All trade and other payables are due for payment within one year.

### Market Risk

#### Interest rate risk

The council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments.

#### Foreign exchange risk

The council has no financial assets or liabilities denominated in foreign currencies and thus have no material exposure to loss arising from movements in exchange rates.

### Fair Value of Soft Loans and Government Loans

The Council is in receipt of loans from the Department of Finance and Personnel and market loans that differ from the prevailing market rates. The fair value of these loans is £36,488,541, analysed as follows:

	£
Government Loans	32,942,311
Market Loans	3,546,230
<b>Total</b>	<b>36,488,541</b>

## 19. Provisions

This is the Council's pension provision, a provision for single status, an insurance provision and a provision in respect of the closure of the landfill site.

### 19a) Pension Liability

The Council's pension provision is an estimated liability in respect of discretionary payments awarded to employees granted early retirement. This pension provision is offset in the balance sheet by a reserve of the same amount. However the pension reserve is not funded.

The current best estimate of the capitalized cost of pension payments to a number of former employees at 31<sup>st</sup> March 2010 is £10,042,649. Movements on this provision are as follows:

	Note	2009/10 £	2008/09 £
Opening balance		9,978,170	9,948,031
Less: payments to NILGOSC	24	(864,327)	(834,122)
Add:			
Revaluation	24	928,806	864,261
<b>Closing Balance</b>		<b>10,042,649</b>	<b>9,978,170</b>

**19b) Other Provisions**

A provision has been created in respect of the closure of the landfill site at an initial value of £14,700,000. The Council has reviewed the capping, gas extraction and infrastructure costs and discounted these accordingly which has resulted in a valuation of £8,567,415. The Council plans to keep its provision under review.

A provision of £1,680,862 (2008/09 £1,500,000) has been made in respect of public liability, employer's liability and other claims/legal cases notified but not processed. Adequate insurance arrangements are in place covering the Council's activities as recommended by the Council's Insurance Brokers. The related insurance premiums paid are accounted for in the financial statements. At 31 March 2010 the total liability for legal cases notified but not processed amounted to an estimated maximum liability of £3.3m.

A summary of the movements in these provisions are provided below:

	Landfill Closure	Legal	Total
	£	£	£
Opening balance	11,805,061	1,500,000	13,305,061
Payments during year	0	(92,356)	(92,356)
Reduction in provision after discounting	0	0	0
Increase/(Decrease) to Reserve	(3,237,646)	273,218	(2,964,428)
<b>Closing Balance</b>	<b>8,567,415</b>	<b>1,680,862</b>	<b>10,248,277</b>

**20. Deferred Grants**

	Note	2009/10	2008/09
		£	£
Opening balance		13,991,783	8,839,163
Adjustment to the opening balance		0	170,007
Add: new grants received	23d	364,847	5,157,810
Less: amounts released to the District Fund - Income and Expenditure Account	3,24	(367,581)	(175,197)
		<b>13,989,049</b>	<b>13,991,783</b>

All capital contributions towards the purchase of a fixed asset are taken to the Deferred Capital Grant Reserve, and this amount is written off to the District Fund - Income and Expenditure Account over the useful life of the asset.

**21. Contingencies**

There are no contingencies over and above the provisions already reflected in note 19.

## 22. Reconciliation of Surplus/(Deficit) to Net Cash Inflow/(Outflow) from Operating Activities

	Note	2009/10 £	2009/10 £	2008/09 £	2008/09 £
Surplus/(Deficit) for year	3		(39,757,824)		Re-stated * (30,113,556)
<u>Non-cash transactions</u>					
Depreciation and impairment charged in year	3,9	43,477,992		34,299,137	
Deferred Grants amortised in year	3,20,23d	(367,581)		(175,197)	
City Investment Fund	24	212,745		(118,775)	
Contributions to other provisions/reserves		<u>(2,300,081)</u>		<u>(4,286,653)</u>	
			41,023,075		29,718,512
<u>Adjustment for items reported separately on Cash flow</u>					
Interest and Investment Income	6b		(122,172)		(1,562,740)
Interest payable and similar charges including gains or losses on the repurchase or early resettlement of borrowings	6a		960,322		1,410,040
Gain or loss on disposal of fixed assets	3,24		(188,169)		(126,932)
<u>Items on an accruals basis</u>					
(Increase)/Decrease in stock	12		47,286		83,716
(Increase)/Decrease in debtors	13		(829,026)		4,092,264
Increase/(Decrease) in creditors	15a,15b		<u>1,601,098</u>		<u>(4,161,226)</u>
<b>Net Cash Inflow/(Outflow) from Operating Activities</b>			<u><b>2,734,590</b></u>		<u><b>(659,922)</b></u>

## 23a) Analysis of Changes in Cash and Liquid Resources During the Year

	Notes	2009/10 £	2008/09 £	Change in the year £
Temporary Investments	14	21,889,771	17,189,771	4,700,000
Cash		16,509,310	41,829,976	(25,320,666)
Bank Overdraft		(32,059,524)	(55,222,508)	23,162,984
<b>Total</b>		<u><b>6,339,557</b></u>	<u><b>3,797,239</b></u>	<u><b>2,542,318</b></u>

The Council classes liquid resources as short-term deposits, which do not have a fixed-term investment date. Only current asset investments are included.

**23b) Analysis of Net Debt**

	Cash £	Temporary Investments £	Cash at Bank and in hand £	Loans due within one year £	Loans due after more than one year £	Finance Leases £	Net Debt £
Balance at 1 April 2009	(13,392,532)	17,189,771	3,797,240	(1,538,166)	(19,077,914)	0	(16,818,841)
Change in Year	(2,157,682)	4,700,000	2,542,318	1,495,772	(10,892,541)	0	(6,854,451)
Other non cash changes - new finance leases	0	0	0	0	0	0	0
<b>Balance at 31 March 2010</b>	<b>(15,550,214)</b>	<b>21,889,771</b>	<b>6,339,558</b>	<b>(42,394)</b>	<b>(29,970,455)</b>	<b>0</b>	<b>(23,673,292)</b>

**23c) Reconciliation of Changes in Cash to Movements in Net Debt**

	2009/10 £	2008/09 £
Increase/ (Decrease) in cash in year	(2,157,682)	(35,273,968)
Cash inflow from new loans raised	(11,152,000)	0
Cash outflow from:		
Loans repaid	1,755,230	259,348
Increase/(Decrease) in temporary investments	4,700,000	16,319,083
	6,455,230	16,578,431
<b>Change in net debt resulting from cash flows</b>	<b>(6,854,452)</b>	<b>(18,695,537)</b>
<b>New finance leases</b>	<b>0</b>	<b>0</b>
<b>Net funds b/fwd</b>	<b>(16,818,841)</b>	<b>1,876,696</b>
<b>Net debt c/fwd</b>	<b>(23,673,292)</b>	<b>(16,818,841)</b>

**23d) Analysis of Government Grants shown in the Cash Flow Statement**

	<b>2009/10</b>	<b>2008/09</b>
	<b>£</b>	<b>£</b>
CAPITAL GRANTS	364,847	5,157,810
<b>Sub-total</b>	<b>364,847</b>	<b>5,157,810</b>
REVENUE GRANTS		
Community Services	656,612	1,468,523
Environmental Health	2,051,962	1,784,921
Economic Development	2,248,703	1,393,908
Community Relations	0	0
Recreation Grounds	6,647	363,247
Sports Development	30,050	15,463
Tourism	1,550	657,187
Arts development	305,224	93,513
Waste Management	0	0
District Policing Partnership	349,563	408,562
Cemeteries, Crematorium and Mortuary	0	0
Corporate Management	624,842	1,021,645
Miscellaneous	238,967	405,085
Government Grants Deferred	(367,581)	(175,197)
<b>Sub-total</b>	<b>6,146,539</b>	<b>7,436,857</b>
<b>Total Grants</b>	<b>6,511,386</b>	<b>12,594,667</b>

Revenue grants are included within in the 'Net Cash Inflow from Operating Activities' figure in the Cash Flow Statement.



24. Movement on Reserves

	Note	Capital Adjustment Account £	Revaluation Reserve £	Pensions Reserve £	Rates Claw- Back Reserve £	Capital Receipts Reserve £	Renewal & Repairs Fund £	Election Reserve £	City Investment Fund £	Sinking Fund £	District Fund £	TOTAL £
		25a	25c	20,25e		25f	25h	25i	25g		3	
<b>At 1 April 2009 as previously reported</b>		413,514,897	167,718,144	(9,978,170)	(191,279)	860,000	11,805,061	515,778	4,385,110	2,205,407	5,349,516	596,184,464
<b>Prior Year Adjustment</b>												
<b>Balance at 1 April 2009 as restated</b>		413,514,897	167,718,144	(9,978,170)	(191,279)	860,000	11,805,061	515,778	4,385,110	2,205,407	5,349,516	596,184,464
<b>Movements on reserves during the year:</b>												
Capital Grants Released	3,20,23d	367,581										367,581
Interest Received							177,076	8,570				185,646
Direct Revenue Financing	3,10	2,702,150						70,000	3,300,000			6,072,150
Loans fund principal/depreciation adjustment	3	(9,681,911)										(9,681,911)
Impairment of fixed assets	3	(33,238,481)	(53,158,144)									(86,396,625)
I & E Surplus/Deficit	3										(746,914)	(746,914)
Payments to NILGOSC	19a			864,327								864,327
Disposal of Fixed Assets/Capital Sales	3,9	(678,518)				116,686			750,000			188,168
Other Capital Receipts									581,891			581,891
Sinking Fund for Loan Repayments		(557,600)								557,600		0
Capital Receipts used to finance capital expenditure	10	116,686				(116,686)						0
Revaluation	9,19a,19b	130,820	18,486,294	(928,806)			(3,414,722)					14,273,586
Other Movements		4,243,685	(1,006,040)					(14,438)	(212,745)			3,010,462
<b>Total movements on reserves during the year:</b>												
<b>(Change in Net Worth)</b>		(36,595,588)	(35,677,890)	(64,479)	0	0	(3,237,646)	64,131	4,419,146	557,600	(746,914)	(71,281,639)
<b>Closing Balance at 31 March 2010</b>		<b>376,919,309</b>	<b>132,040,254</b>	<b>(10,042,649)</b>	<b>(191,279)</b>	<b>860,000</b>	<b>8,567,415</b>	<b>579,910</b>	<b>8,804,256</b>	<b>2,763,007</b>	<b>4,602,602</b>	<b>524,902,825</b>

**25a) Capital Adjustment Account**

The purpose of this account is to aggregate the amount of capital expenditure that has been financed from revenue and capital receipts excluding sums received in respect of loans negotiated to finance capital investment. This account is debited or credited with the adjustment made in the District Fund for principal debt repaid less than or in excess of the provision for depreciation already debited to revenue and credited against fixed assets, to adjust the provision in line with statutory requirements. The account is also debited with an amount equal to the carrying amount of assets held at historic cost when they are disposed of. If the asset disposed of was held at current value, the balance held on the Revaluation Reserve is written off to the Capital Adjustment Account.

**25b) Revaluation Reserve**

The purpose of this account is to build up a balance based on the revaluation (upwards or downwards) of individual assets. All such revaluations (excluding impairment losses that have been debited to the District Fund) are mirrored in the Statement of Total Recognised Gains and Losses. It is a fundamental principle of this new account that it never becomes negative. If the asset disposed of was held at current value when it is disposed of, the balance held on the Revaluation Reserve is written off to the Capital Adjustment Account.

**25c) Capital Receipts Reserve**

These are capital receipts which have originated primarily from the sale of assets which have not yet been used to finance capital expenditure.

**25d) Renewal and Repairs Fund**

This fund was established under section 56 of the Local Government Act (NI) 1972 and has an approved limit of £22m. The fund is built up for Landfill closure costs.

**25e) Election Reserve**

This reserve is used to equalise (smooth) the cost of elections by building up a fund to cover the costs of future elections by making as and when contributions to the reserve.

**25f) District Fund Reserves**

This fund represents the surplus of income over expenditure. It can be used to supplement income and unexpected expenditure in future years. Of the £4,602,602, £113,924 relates to expenditure committed at year-end.

**25g) Rates Claw Back Reserve**

The Council received notification of a proposed reduction in the District Council rate income for the year to 31 March 2009 of £191,279. The Minister for Finance has made provision in the accounts directive for Councils to defer the reduction over a period of four years.

**25h) City Investment Fund**

The City Investment Fund has been created to give a clear demonstration of the Council's propensity to action and wish to contribute to the vibrancy, prosperity, culture and attractiveness of the city.

## 26) Trust Funds

The Council administers funds on behalf of the following trusts:

	£
Craig Memorial Band	5,180
Dunville Park	7,649
Balmoral Boys School	94,025
<b>Total</b>	<b>106,854</b>

## 27. Sinking Fund

The Council has set up a sinking fund to provide for the repayment of its loans as they fall due.

## 28. Payment of Invoices

The Council has a target of paying invoices within 30 days.

During the year the Council paid 53,126 invoices totaling £99,072,469.

The Council has arrangements to calculate the payment interval and for the year it was 28 days

The Minister at the Department of Finance and Personnel has reduced the target for the payment of invoices for central government departments to 10 days. This target is not mandatory on local government but the Council endeavours to process invoices as quickly as possible and will keep its performance under review.

The 'number of days' is calculated from when the invoice is received by the council until payment date.

## 29. Voluntary Transition Committees

Statutory transition Committees will flow from legislation but the Department has provided funding to the lead council for each Voluntary Transition Committee. The Income and Expenditure of the Committee was as follows:

	2009/10
	£
<b>Income</b>	
Funding provided by DOE	106,928
Other Income LGTG	0
<b>Total Income</b>	<b>106,928</b>
<b>Expenditure</b>	
Allowance to Members	54,000
Other Member Expenses	0
Change Management Officer	51,606
Change Management Team	0
Support Costs	1,322
<b>Total Expenditure</b>	<b>106,928</b>

**Gas Pension Fund**

INCOME AND EXPENDITURE STATEMENT	2009/2010	2008/2009
	£	£
<b>INCOME:</b>		
Investment Income	59,351	111,696
<b>EXPENDITURE:</b>		
Pensions paid	(550,923)	(553,905)
Administration Expenses	(10,633)	(18,735)
Deficit for the year	<u>(502,205)</u>	<u>(460,944)</u>
<b>NET ASSET MOVEMENTS</b>		
Brought forward balance at 01.04.2009	2,557,484	2,051,228
Unrealised gain at 01.04.2009	870,650	888,958
<b>Opening value of fund</b>	<b>3,428,134</b>	<b>2,940,186</b>
Contribution from Belfast City Council		967,200
Add deficit for the year	(502,205)	(460,944)
<b>CHANGE IN MARKET VALUES OF INVESTMENTS</b>		
Realised gain for year	251,312	
Unrealised Gain/(loss) for Year	(104,834)	(18,308)
<b>Closing value of fund</b>	<b><u>3,072,407</u></b>	<b><u>3,428,134</u></b>
<b>FINANCED BY:</b>		
UK Index linked investments	2,188,597	3,638,129
Cash deposits and at bank	875,509	0
Debtors	8,301	996,542
	3,072,407	4,634,671
Bank balance	0	(1,159,405)
Creditors	0	(47,132)
<b>Closing value of fund</b>	<b><u>3,072,407</u></b>	<b><u>3,428,134</u></b>

## Notes to the Gas Pensions Fund

The Fund is maintained to provide for future pension payments to the beneficiaries, the objective being to maintain a fund sufficient to provide all future anticipated payments. No contributions are currently being paid and there are no service members accruing further benefits. Members' benefits are guaranteed by statute. Should the Fund's assets not be sufficient to provide all the benefits, the residual liability for pension payments would fall on the City Council.

The current market value of the fund at 31 March 2010 is assessed by the Council's actuaries, Hewitt Bacon & Woodrow Ltd. The funds Financial Statements do not take account of liabilities to pay pensions and other benefits after 31 March 2010.

### Triennial Actuarial Valuation as at 31 March 2010

The date of the latest triennial actuarial valuation was 31 March 2008 and at that date the Fund had a past service deficit of £926,000. In order to fund this deficit the council made a contribution of £967,200 to the Gas Pensions Fund.

The main actuarial assumptions are as follows:

#### Financial Assumptions:

Rate of return on assets      4.1% p.a.

Rate of pension increases    3.2% on pensions in excess of GMPs.

#### Demographic Assumptions:

Mortality in retirement      Standard tables PA (00) rated up 13%, i.e. men and women aged 80 will live on average for a further 8.4 and 10.3 years, respectively.

Family Details                 Males two years older than their partners. 75% of members married at 3 July 1990.

The market value of the scheme's assets at the valuation date is £2,940,186 and the level of the funding expressed in percentage terms is 76%.

A Statement of Investment Principles has been prepared and is available from the Director of Finance and Resources, City Hall, Belfast, BT1 5GS

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### Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	<b>Proposals for Financial Reporting</b>
<b>Date:</b>	18 June 2010
<b>Reporting Officer:</b>	Julie Thompson, Director of Finance and Resources
<b>Contact Officer:</b>	Ronan Cregan, Head of Finance and Performance

#### Relevant Background Information

It was agreed at the Strategic Policy and Resources Committee in April that work would be ongoing with Members on the development of new financial performance reports for implementation in 2010/11. As agreed, Party Group Briefings took place at the end of May and beginning of June. This report presents the proposed financial performance reports for Members' consideration.

#### Key Issues

##### A. Format of Reports

The proposed reports are based on best practice from other local authorities and are intended to give Members a rounded view of the council's finances along with proposals for improvement actions, where required. The key elements of the report pack are as follows:

**Dashboard** - A high-level summary of financial performance. The focus will be on the percentage year to date and the year end forecast variances. Each indicator will be colour coded to highlight to Members those which have exceeded the agreed tolerances.

**Executive summary** - this section will explain in narrative terms the performance and also any mitigating action required to improve the position.

The above two elements are intended to summarise the overall financial position for Members with a supporting narrative that aids understanding and makes recommendations for Members' consideration. They are intended to be stand alone and provide a sufficient overview for Members to assist decisionmaking.

The remaining elements below are intended to provide further information for Members, should this be required.

**Year to date % variance**- indicates the difference of the planned expenditure to the actual expenditure as a percentage variance. This will be from the start of the year to the end of the reporting quarter.

**Forecast % variance** - indicates the difference of the planned expenditure to the forecasted expenditure as a percentage variance. This will be the forecast to the end of the financial year.

**Capital Programme** - this will compare planned and actual capital expenditure for the year.

**Reserves Position** - this indicator shows the actual reserves balance against the planned reserves balance.

**% of Creditors paid within 30 days** - this indicator measures the percentage of creditor invoices that have been paid within the 30 day limit.

**% of Debt collected within 30 days** - this indicator measures the percentage of customer invoices that have been paid within the payment terms.

**% of Debt over 90days old** - this indicator measures the percentage of debt that is over 90days old.

**Supplementary Information** - this will include details of budgetary and forecasted variances for each Committee along with a cascaded analysis by department for the Strategic Policy and Resources Committee. The analysis will also include details of non-departmental spend in areas such as the capital programme and the overall movement in reserves.

Appendix 1 and 2 set out mock ups of these reports containing fictional data, for illustration only.

Following discussions with Members, the following key points should be emphasised:

1. This proposed reporting pack should be viewed as still under development and the style and information in reports will continue to evolve, as Members make further refinements over time. In addition, it is to be expected that budgets, forecasts and variances will be refined over time, as the quality of the information provided improves;
2. Whilst a full quarterly bidding process for the reallocation of any monies identified as available in year is not proposed at this stage, this will be kept under review. In the meantime, advice will be provided to Members for their consideration on how any underspends identified in year could be used, if appropriate;
3. The full reporting packs are proposed to be presented to Committees with a summary included in the Committee minutes to be reported to Council (rather than the full packs).
4. Officers are currently considering a number of practical issues which need to be



resolved in the development of the reports such as the treatment of internal charges, depreciation and assumed pay rises. A full explanation will be provided for Members with the first set of reports so that the impact of these issues is transparent and can be clearly assessed.

### **B. Frequency of Reporting**

It is proposed that the reporting packs are issued to Committees on a quarterly basis with a financial position update (not the full reporting pack) provided on a monthly basis to the Budget and Transformation Panel, if there are any significant issues to report. There may also need to be additional in year financial information provided to Committees in the winter period, as part of the rates setting process. The reports will therefore go through the Committee system as follows:

Quarter ended June	August Committees
Quarter ended September	November Committees
Quarter ended December	February Committees
Year end position	June Committees

### **C. Training for Members**

It is recognised that training will need to be provided to Members, both on the specific BCC reporting packs and on financial management in general. The Council's Political Skills Indicator is based largely upon the "Skills Framework for Elected Members", which was developed by the Improvement and Development Agency (I&DEA) for Local Authorities. It is proposed, therefore, that the financial training will be based upon the I&DEA model.

The I&DEA framework recognises that the financial skills of Elected Members within a Local Authority vary widely depending on factors such as their personal experience through outside commitments, their length of time as a Councillor, their specific governance role within the local authority or other public bodies. The purpose of the development of core competencies is therefore to provide a framework to enable Members to add to their own list of competencies through experience, gaining knowledge and training.

It is proposed that the financial training programme will be practical and relevant and will use external support in its development and delivery to ensure that the programme obtains external validation and incorporates best practice.

The initial financial training session, targeted for September 2010, will focus on the quarterly financial performance reports to members using the live data from the quarter ended June 2010. It will also cover the I&DEA Skills Framework and the specific financial management competencies developed by the Council to support the framework.

Further development of the programme is proposed to take place in discussion with Party Groups, the Budget and Transformation Panel and Members Services.

**Resource Implications**

An increased level of officer time will be needed to generate the reports and supporting narrative. The cost of the financial training can be met from within the existing generic training budget for Members.

**Recommendations**

It is recommended that:

- (a) Members agree to the format of reports being developed in line with Appendix 1 and 2, and the information set out in section A above;
- (b) The reports are produced in line with the timelines in section B above; and
- (c) The initial financial training session for Elected Members should take the form of an interactive briefing in September 2010 with external input, supported by Officers from the Finance and Resource Department.

**Documents Attached**

Appendix 1 – Proposed reporting pack for Strategic Policy and Resources Committee.  
Appendix 2 - Proposed reporting pack for a standing committee.


















## Strategic Policy and Resources Committee

### Quarterly Finance Report

Report Period: Quarter 4 2009/10

## Dashboard: Quarter 4, 2009/10

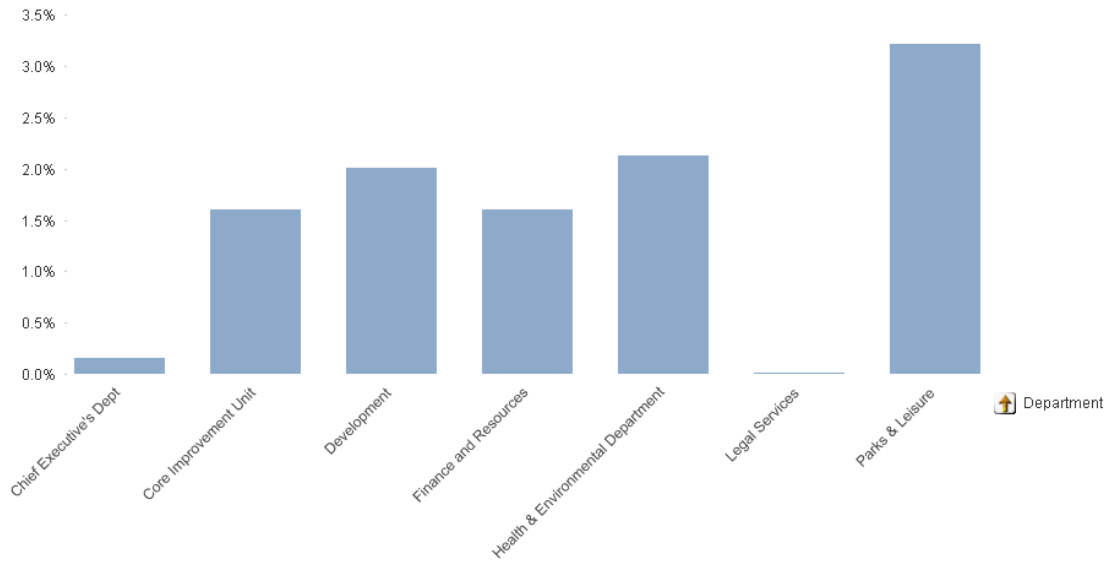
Strategic Element: Financial Planning	£,000	Indicator	Page no
<b>Year to date variance</b>			
BCC	#,###	##%	 ⇨ 3
Strategic Policy and Resources	#,###	##%	 ⇧
Health & Environmental Committee	#,###	##%	 ⇨
Parks & Leisure Committee	#,###	##%	 ⇨
Development Committee	#,###	##%	 ⇨
<b>Forecasted variance</b>			
BCC	#,###	##%	 ⇨ 4
Strategic Policy and Resources	#,###	##%	 ⇧
Health & Environmental Committee	#,###	##%	 ⇨
Parks & Leisure Committee	#,###	##%	 ⇨
Development Committee	#,###	##%	 ⇨
<b>Capital Programme</b>			
Capital Expenditure v Planned Expenditure	#,###	##%	 ⇩ 5
<b>Reserves</b>			
Reserves variance	#,###	##%	 ⇨ 6
<b>Strategic Element: Better Services</b>			
% of creditors paid in 30 days		##%	 ⇧ 7
% Debt recovered in 30 days		##%	 ⇨ 8
% Debt over 90 days		##%	 ⇩ 9
<b>All information contained within is for illustrative purposes only</b>			1

**Executive Summary**

Insert a synopsis of the current performance with high-level explanations and remedial actions if required.

**Year to Date % variance**

This indicator calculates the difference between the budgeted net expenditure and the actual net expenditure as a percentage. It is reported for the year to date.

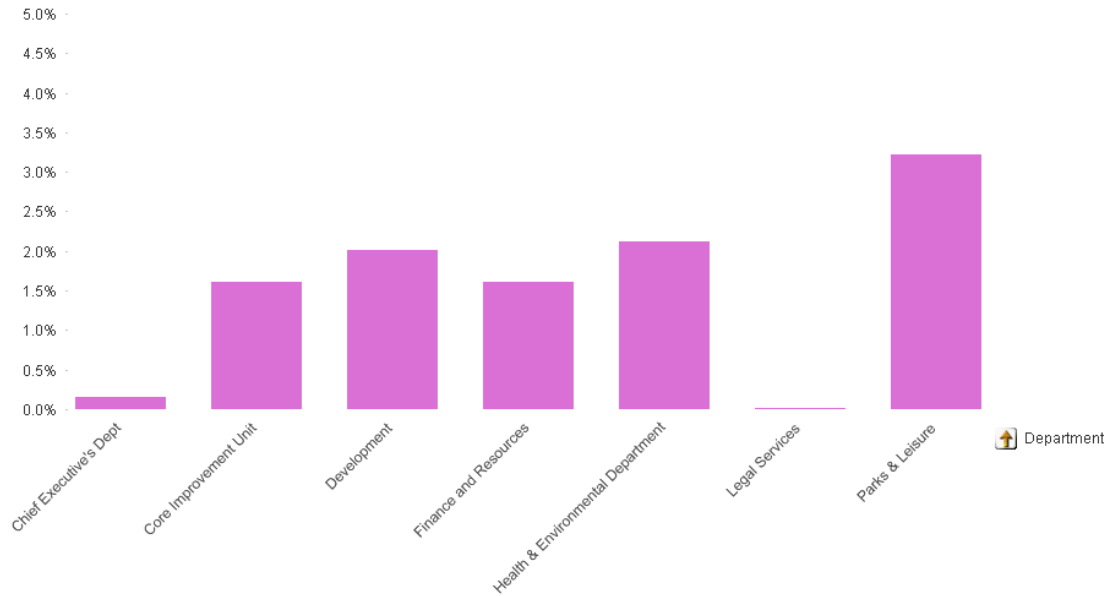


**Commentary and action required**

Insert a detailed analysis of the current performance with explanations and remedial actions if required.

**Forecast % variance**

This indicator calculates the difference between the planned net expenditure and the forecasted net expenditure as a percentage. It is reported as a forecast for the end of the financial year.



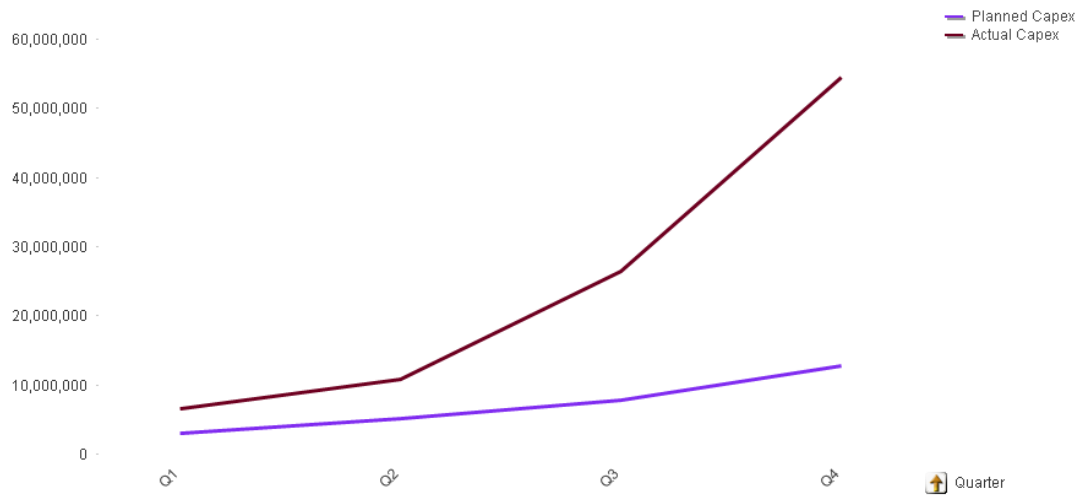
**Commentary and action required**

Insert a detailed analysis of the current performance with explanations and remedial actions if required.

## Capital Programme

This indicator shows the actual capital expenditure against the planned capital expenditure for the current year.

The planned capital expenditure is taken from the agreed capital programme which provides for new buildings, vehicles and large investments in IT amongst others.



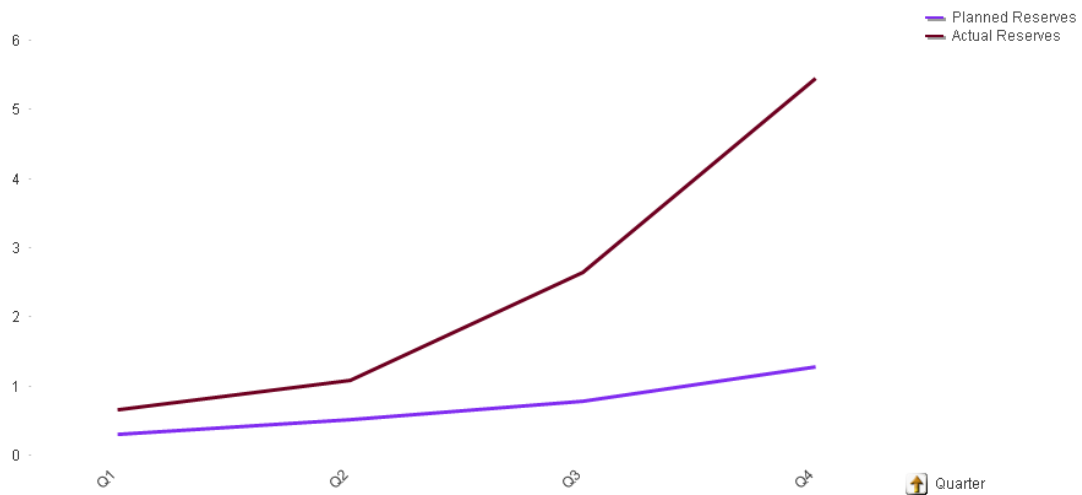
### Commentary and action required

Insert a detailed analysis of the current performance with explanations and remedial actions if required.



## Reserves Balance

This indicator shows the actual reserves balance against the planned reserves balance, from the rate setting exercise.

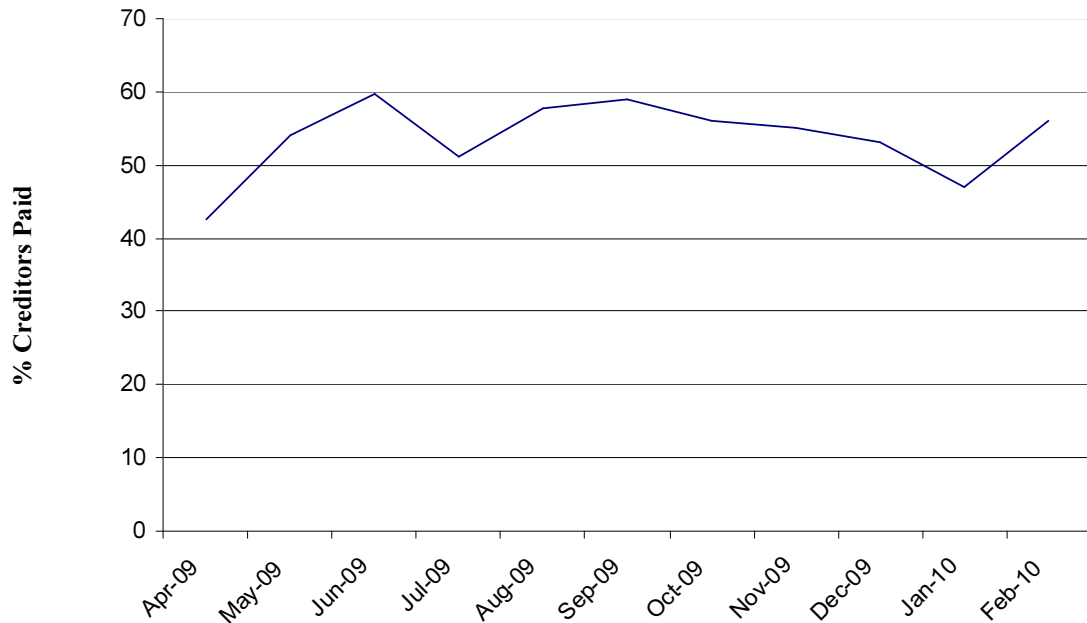


### Commentary and action required

Insert a detailed analysis of the current performance with explanations and remedial actions if required.

**% of Creditors paid within 30 days**

This indicator measures the percentage of supplier (creditor) invoices that have been paid within the 30 day limit.

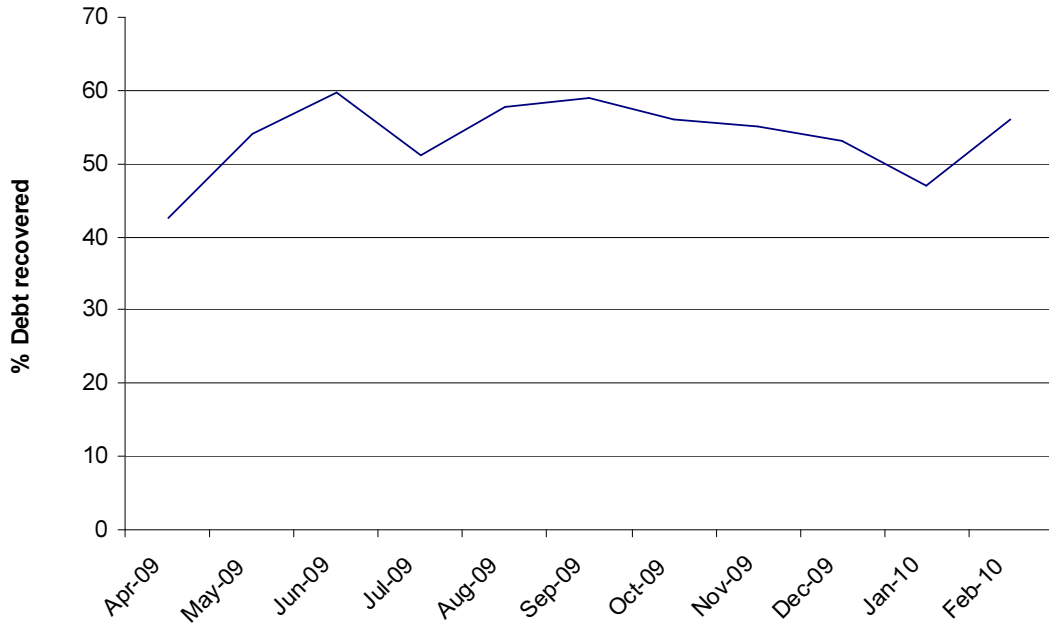


**Commentary and action required**

Insert a detailed analysis of the current performance with explanations and remedial actions if required.

**% of Debtors collected within 30 days**

This indicator measures the percentage of customer (debtor) invoices that have been collected within a 30 day period.

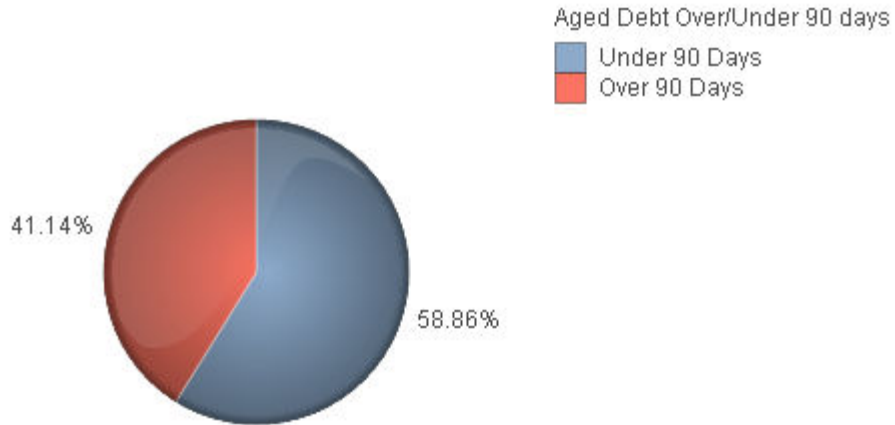


**Commentary and action required**

Insert a detailed analysis of the current performance with explanations and remedial actions if required.

**% of Debt over 90days old**

This indicator measures the percentage of outstanding money (debt) owed to the council that is over 90days old.



<b>Commentary and action required</b>
Insert a detailed analysis of the current performance with explanations and remedial actions if required.

## **Appendix – Supplementary Information**

## Belfast City Council – Movement on Reserves

	Variance YTD £'000	% Variance	Plan 09-Oct £'000	Forecast for Y/E at P6 £'000	Forecast Variance £'000	% Variance
<b>Total Departmental</b>	<b>(679)</b>	<b>(1.55%)</b>	<b>128,107</b>	<b>124,133</b>	<b>(3,974)</b>	<b>(3.10%)</b>
<b>City Investment Fund</b>			3,000	3,000	0	0
<b>Capital Financing</b>						
Loan Charges			4,200	4,500	300	7.14%
Revenue Contributions			2,100	2,800	700	33.33%
<b>Rates &amp; General Grant</b>						
General Grant	(100)	(5.00%)	(4,000)	(4,200)	(200)	4.76%
Rates Income	800	0.64%	(129,107)	(123,130)	5,977	(4.61%)
<b>Movement on Reserves</b>			<b>4,300</b>	<b>7,103</b>	<b>2,803</b>	<b>65.19%</b>

<b>Analysis of Reserves Balance</b>	<b>£ 000's</b>
Opening Balance @ 01.04.2010	3,450
Add Forecast Movement for 10/11	7,103
<b>Forecast Reserves @ 31.03.11</b>	<b>10,553</b>

All information contained within is for illustrative purposes only

**Belfast City Council - Departmental Analysis & Forecast**

	<b>Variance YTD £'000</b>	<b>% Variance</b>	<b>Plan 09/10 £'000</b>	<b>Forecast for Y/E at P6 £'000</b>	<b>Forecast Variance £'000</b>	<b>% Variance</b>
<b>Strategic Policy &amp; Resources</b>	369	5.64%	13,098	13,836	738	5.64%
<b>Health &amp; Environmental</b>	62	0.20%	61,897	59,905	(1,992)	(3.22%)
<b>Parks &amp; Leisure</b>	(1,260)	(9.67%)	26,056	23,536	(2,520)	(9.67%)
<b>Development</b>	150	1.13%	26,556	26,856	299	1.13%
<b>Total Departmental</b>	<b>(679)</b>	<b>(1.55%)</b>	<b>128,107</b>	<b>124,133</b>	<b>(3,974)</b>	<b>(3.10%)</b>

## Strategic Policy and Resources Committee - Section Expenditure Budgetary Analysis & Forecast

	Variance YTD £'000	% Variance	Plan 09/10 £'000	Forecast for Y/E at P6 £'000	Forecast Variance £'000	% Variance
<b>Strategic Policy &amp; Resources Total</b>	<b>369</b>	<b>5.64%</b>	<b>13,098</b>	<b>13,836</b>	<b>738</b>	<b>5.64%</b>
<b>Chief Executives Department</b>	<b>(360)</b>	<b>(14.14%)</b>	<b>5,095</b>	<b>4,374</b>	<b>(721)</b>	<b>(14.14%)</b>
Corporate Communications	6	1.07%	1,156	1,168	12	
Committee & Members Services	(201)	(14.14%)	2,848	2,445	(403)	
Good Relations	(136)	(47.35%)	574	302	(272)	
Business Support	(29)	(11.34%)	518	459	(59)	
<b>Legal Services</b>	<b>(35)</b>	<b>(19.06%)</b>	<b>365</b>	<b>295</b>	<b>(69)</b>	<b>(19.06%)</b>
<b>Finance and Resources</b>	<b>664</b>	<b>45.39%</b>	<b>3,620</b>	<b>4,561</b>	<b>941</b>	<b>25.99%</b>
Human Resources	(26)	(8.24%)	630	578	(52)	
Financial Services	12	1.46%	1,637	1,661	24	
I.S.B.	800	(2028.24%)	188	1,402	1,790	
Internal Audit	(44)	(12.49%)	711	622	(89)	
Project & Corporate Systems	(78)	(34.26%)	454	298	(156)	
<b>Property and Projects</b>	<b>5</b>	<b>0.25%</b>	<b>4,295</b>	<b>4,305</b>	<b>11</b>	<b>0.25%</b>
Facilities Management	109	3.74%	5,817	6,035	218	
CIT Operations	(17)	(1.62%)	2,068	2,035	(33)	
Projects Procurement and Estates	(87)	4.84%	(3,590)	(3,764)	(174)	
<b>Corporate Priorities</b>	<b>95</b>	<b>1.46%</b>	<b>276</b>	<b>300</b>	<b>24</b>	<b>8.69%</b>

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## Health and Environmental Committee


### Quarterly Finance Report

Report Period: Quarter 4 2009/10

## Dashboard: Quarter 4, 2009/10

Strategic Element: Financial Planning	£'000	Indicator	Page no
---------------------------------------	-------	-----------	---------

## Year to date % variance

BCC	#,###	##%	 ⇨ <b>3</b>
Health & Environmental Committee	#,###	##%	 ⇨
Building Control	#,###	##%	 ⇧
Cleansing	#,###	##%	 ⇩
Environmental Health	#,###	##%	 ⇨
Health Directorate	#,###	##%	 ⇨
Waste Management	#,###	##%	 ⇨

## Forecasted % variance

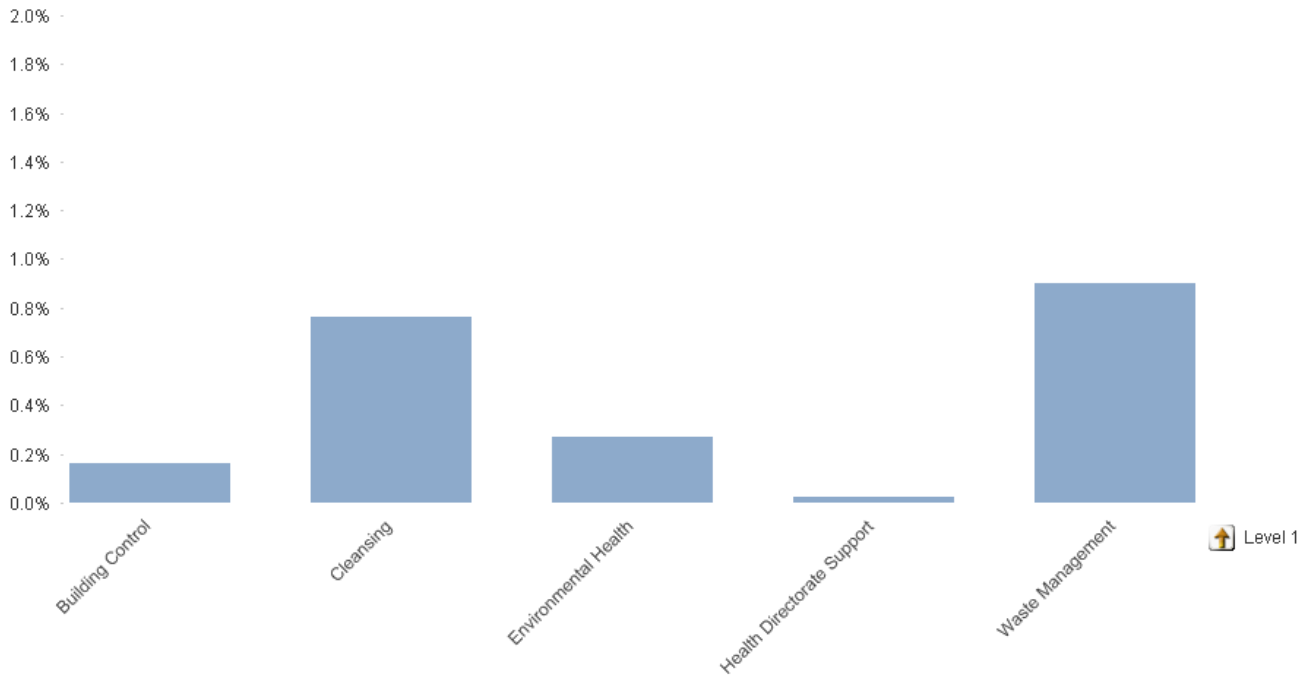
BCC	#,###	##%	 ⇨ <b>4</b>
Health & Environmental Committee	#,###	##%	 ⇨
Building Control	#,###	##%	 ⇩
Cleansing	#,###	##%	 ⇨
Environmental Health	#,###	##%	 ⇩
Health Directorate	#,###	##%	 ⇨
Waste Management	#,###	##%	 ⇨

**Executive Summary**

Insert a synopsis of the current performance with high-level explanations and remedial actions if required.

**Health and Environmental - Year to Date % variance**

This indicator calculates the difference between the budgeted net expenditure and the actual net expenditure as a percentage. It is reported for the year to date.

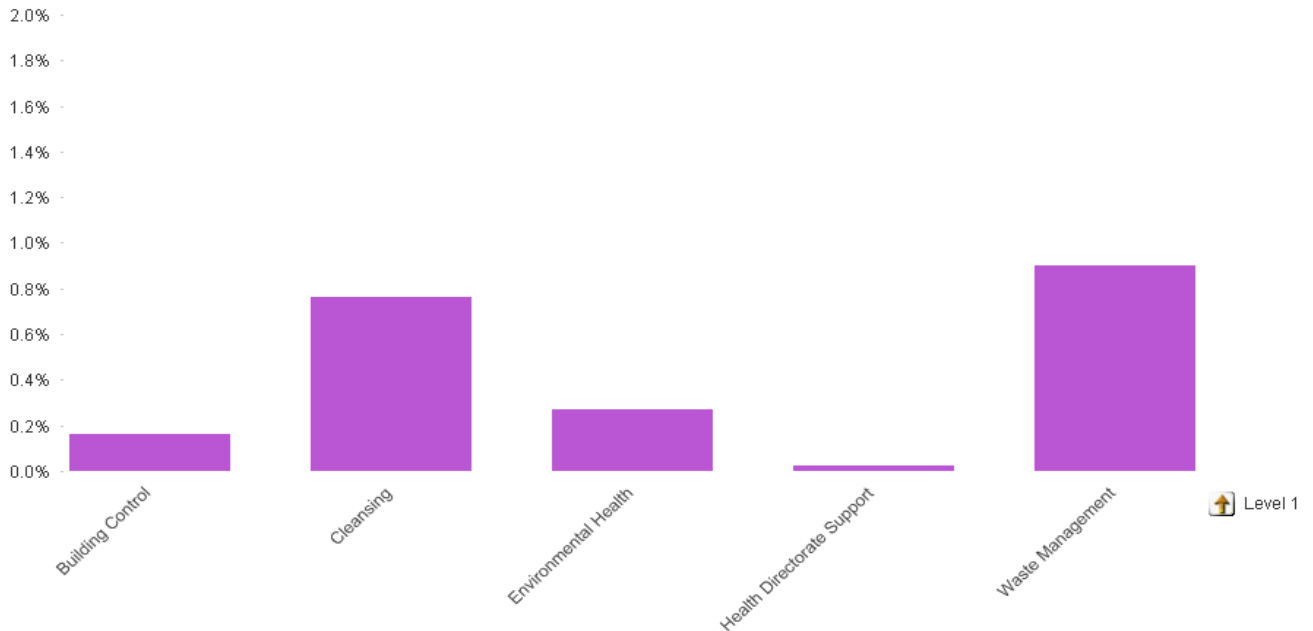


**Commentary and action required**

Insert a detailed analysis of the current performance with explanations and remedial actions if required.

## Forecast % variance

This indicator calculates the difference between the planned net expenditure and the forecasted net expenditure as a percentage. It is reported as a forecast for the end of the financial year.



### Commentary and action required

Insert a detailed analysis of the current performance with explanations and remedial actions if required.

## Health and Environmental Department - Main Items of Expenditure

Period 6 2009

	Variance YTD £'000	% Variance	Plan 09/10 £'000	Forecast for Y/E at P6 £'000	Forecast Variance £'000	% Variance
<b>Health &amp; Environmental Department</b>	<b>-996</b>	<b>-3.22%</b>	<b>61,897</b>	<b>59,905</b>	<b>-1,992</b>	<b>-3.22%</b>
<b><u>Environmental</u></b>						
<b><u>Health</u></b>	<b>-331</b>	<b>-14.46%</b>	<b>4,577</b>	<b>3,915</b>	<b>-662</b>	<b>-14.46%</b>
Health Policy and Procedures	6	1.07%	1,156	1,168	12	
Health Protection	-201	-14.14%	2,848	2,445	-403	
Customer Protection	-136	-47.35%	574	302	-272	
<b><u>Waste Management</u></b>	<b>41</b>	<b>0.24%</b>	<b>34,485</b>	<b>34,568</b>	<b>82</b>	<b>0.24%</b>
Waste Disposal	312	7.05%	8,853	9,477	624	
Waste Control Monitor Enforcement	-321	-20.06%	3,199	2,558	-642	
Civic Amenity Sites	179	14.20%	2,521	2,879	358	
Public Conveniences	3	0.88%	733	740	6	
Waste Control Projects & Outreach	-51	-9.93%	1,021	919	-101	
Waste Management Business Support	-81	-0.90%	18,157	17,995	-163	
<b><u>Building Control</u></b>	<b>124</b>	<b>19.10%</b>	<b>1,296</b>	<b>1,544</b>	<b>248</b>	<b>19.10%</b>
<b><u>Cleansing</u></b>	<b>-818</b>	<b>-7.91%</b>	<b>20,660</b>	<b>19,025</b>	<b>-1,635</b>	<b>-7.91%</b>
Depot Summary	-103	-46.32%	445	239	-206	
Cleansing Direct Costs	-451	-6.30%	14,313	13,411	-902	
Cleansing Business Support/Other	-264	-8.93%	5,902	5,375	-527	
<b><u>Directorate Support</u></b>	<b>-13</b>	<b>-2.85%</b>	<b>879</b>	<b>854</b>	<b>-25</b>	<b>-2.85%</b>

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**Belfast City Council**

<b>Report to:</b>	<b>Strategic Policy &amp; Resources</b>
<b>Subject:</b>	<b>Publication of Employee Travel Costs</b>
<b>Date:</b>	18 June 2010
<b>Reporting Officer:</b>	Julie Thompson, Director of Finance & Resources, Ext. 6083
<b>Contact Officer:</b>	Trevor Wallace, Financial Accounting Manager, Ext. 6097

**Relevant Background Information**

Members will recall that they approved the Policy for Staff Attending Events at the Strategic Policy and Resources Committee on 24 October 2008. As part of that policy, it was agreed that information relating to staff attending events and the associated travel would be published on an annual basis, starting with the information relating to the year 2008/2009. The information was to be published annually by 30 June.

The information for 2009/10 is now prepared for publication on the council's website.

**Key Issues**

The analysis of staff travel for the year 2009/2010 and the comparison with previous years is outlined below:

**Staff Travel Costs**

<b>Year</b>	<b>Cost*</b>	<b>No Visits</b>	<b>No Events</b>
2005/2006	£312,942	1052	687
2006/2007	£299,381	971	645
2007/2008	£318,020	1081	695
2008/2009	£221,882	713	516
2009/2010	£157,073	570	433

\*the cost of travel does not include the fees associated with attendance at training courses, seminars, conferences, etc..

The cost of travel has reduced by £64,809 (29.21%) from the previous year, the number of trips has reduced by 143 (20%) and the number of events by 83 (16%) over the same period. The cost of travel is lower in 2009/2010 than in any of the previous years.

An analysis on the reasons for travel shows that the cost relating to employee training and development represents 41% (35% in 2008/09). The cost relating to improving our services was 43% and the percentage relating to Promoting Belfast represents 16% of the total spend.

#### Summary of Travel Locations – 2009/10

	<b>GB</b>	<b>ROI</b>	<b>Europe</b>	<b>USA</b>	<b>ROW</b>	<b>Total</b>
<b>Total in 2009/10</b>	<b>85,069</b>	<b>6,122</b>	<b>53,397</b>	<b>9,702</b>	<b>2,783</b>	<b>157,073</b>
Percentages	54%	4%	34%	6%	2%	100%
<b>(Decrease) from 2008/09</b>	<b>(48,228)</b>	<b>(3,962)</b>	<b>(3,347)</b>	<b>(5,285)</b>	<b>(3,987)</b>	<b>(64,809)</b>

Travel within Great Britain and the Republic of Ireland accounted for 58% of the total; the percentage of travel to Europe represented 34% and the rest of the world 8%.

#### Publishing Staff Travel

As last year it is proposed that the most effective way to present the information is the category of the event in date order. There will be four categories:-

- Employee Training and Development
- Improving our Services
- Promoting Belfast
- Cost Recouped from customers

The following information will be published for each event attended:-

- Department
- Job title and staff number
- Date of the event
- Description of the event
- Event location – GB, ROI, Europe and rest of world
- Cost of Travel
- Cost of Accommodation and subsistence
- Gross cost
- % of external funding
- Funding Body
- Net cost to the council

There will be a front page explaining the categories and the information provided. A copy of this is attached at Appendix 1. The full details of the proposed published information can be provided to members on request.

**Further Proposed Control on Staff Travel**

It is vital that staff travel is only occurred where it is appropriate and justified and that the Council has appropriate controls in place to ensure that this is the case. While a significant number of controls are already in place to ensure that any travel is justified and appropriately approved, it is proposed that a further control is added in relation to travel by officers outside the UK and ROI. It is therefore recommended that such travel must be approved either directly by members through the Committee process or by the appropriate Director **and** the Director of Finance and Resources or Chief Executive.

**Resource Implications**

The cost of staff attending events has reduced in the financial year 2009/2010 which represents a reduction in financial cost to the council.

**Recommendations**

Members are requested to :

- (a) note the report and the publication of the information on the council's website; and
- (b) agree that travel by officers outside the UK and ROI must be approved either by the relevant Committee or the relevant Director and the Director of Finance and Resources or Chief Executive

**Decision Tracking**

None

**Key to Abbreviations**

None

**Documents Attached**

Appendix 1 – Information relating to the publication of details on staff travel

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## Staff expenses

Council employees must travel outside Northern Ireland as part of their job. There are several reasons for this, including:

- **Training and development** - For example, staff may attend events, such as training courses and professional conferences, which are not available in Northern Ireland. This represents 41.03% of the net cost.
- **Improving our services** - Employees may visit other councils or businesses, engage in national professional networks or attend seminars and conferences which are not available in Northern Ireland. This represents 42.96% of the net cost.
- **Promoting Belfast** - Employees may attend trade fairs and best in field awards which showcase what the council does and what Belfast has to offer. This represents 16.01% of the net cost.
- **Costs recharged to customers** - Our employees also travel on business which is rechargeable to customers and provides income to the council. There was no net cost to the council for this travel.

You'll find information about our employee travel details, broken down into each of these four categories, for April 2009 to March 2010 here.

- Download [staff expenses](#)

We have also provided details about:

- **Department** - the department where the employee works
- **Job title and staff number** - the employee's job title and their staff number
- **Date of event** - the date when the conference, seminar or visit took place
- **Description of event** - a brief description of the conference, seminar or visit
- **Event location** - where the event took place, for example, Great Britain (GB), Republic of Ireland (ROI), Europe or Rest of World (ROW)
- **Travel** - this includes all the travel costs associated with attending the event, for example, public transport and taxi costs and motor mileage allowances
- **Accommodation and subsistence** - this includes hotel and meal costs
- **Gross cost** - this is the total cost before any deductions are made for funding received from external bodies
- **Percentage actual funding** - this represents the percentage of any external funding received, for example, EU funding or charges to customers
- **Funding body** - this is the organisation which provided the external funding
- **Net cost** - this is the cost to the council after deducting any funding received from external bodies.

All payments to employees comply with council policies and procedures.

We pay travel, accommodation and fees directly to the provider and reimburse other costs to our employees on an actual cost basis, that is, only when they provide receipts for valid expenditure

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**Belfast City Council**

<b>Report to:</b>	<b>Strategic Policy and Resources Committee</b>
<b>Subject:</b>	<b>Occupational Health and Employee Counselling Contracts</b>
<b>Date:</b>	<b>18 June 2010</b>
<b>Reporting Officer:</b>	<b>Julie Thompson, Director of Finance and Resources</b>

**Relevant Background Information**

Members will be aware that both the Occupational Health and Employee Counselling contracts provide essential services to the Council for the following reasons:

- The Council has a statutory duty to ensure the health and safety of its employees and the health and wellbeing of our workforce is an important element of that.
- Both Occupational Health and Employee Counselling are vital to effective management of the Council's attendance levels.

**Occupational Health Contract**

Following a public tendering exercise the contract for the provision of an Occupational Health Physician Services was awarded to Blackwell Associates. This contract was awarded for 18 months (July 2007 to November 2008) with an option to extend for a further 12 months and was subsequently extended to November 2009. The contract is currently being renewed on a monthly basis.

**Employee Counselling Contract**

Following a public tendering exercise the contract for the provision of an Employee Counselling Service was awarded to Apeideo Associates. This contract was awarded for a two year period (June 2007 to June 2009) with an option to extend for a further 12 months and was subsequently extended to June 2010.

The Committee's approval is needed to commence a procurement exercise for both of these contracts.

**Key Issues**

The Council implemented a new Attendance Policy in January 2010 and it is important that the implications of this new policy are taken into account in both contract specifications. It is therefore essential that a full and thorough review of both contract specifications is undertaken to ensure that the best possible value for money services are contracted.

Now that the new Attendance Policy is bedding in, work has started in this regard between the Finance and Resources Department and user departments. The Committee is therefore requested to grant an extension of no longer than six months

(under the current terms and conditions) to complete the reviews of the contract specifications and the related procurement exercises.

Tenders would be evaluated using pre determined criteria including both cost and quality and in liaison with the Procurement Unit. It would be proposed that the contracts would be for two years, with the option of extension of a further year, depending on performance/ requirements.

**Resource Implications**

The current contracts are valued annually at £60k for Occupational Health and £120k for Employee Counselling and provision for this is included in revenue budgets. Regularly testing the market via competitive tendering ensures that we obtain the best possible value for money and standards of service from our external suppliers.

**Decision Required**

Members are asked to:

- Agree to extend the current Occupational Health and Employee Counselling contracts for a maximum of six months.
- Approve the commencement of tendering exercises for the Occupational Health and Employee Counselling service contracts and delegate authority under the Scheme of Delegation to the Director of Finance and Resources to approve the tenders.



## BELFAST CITY COUNCIL

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Approval to seek a Tender for a Natural Gas Utility Provider and the Conversion of the Cecil Ward Building from Oil to Natural Gas</b>
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	George Wright, Head of Facilities Management, Ext: 5206
<b>Contact Officer:</b>	Gerry Millar, Director of Property and Projects, Ext: 6217

### Relevant background information

Members are reminded that following the expansion of the natural gas network into the Greater Belfast area, Belfast City Council took the decision in 1997 to convert a number of Council properties from oil to natural gas due to competitive prices relative to oil and also in the light of environmental considerations, specifically reduced greenhouse gas emissions.

At that time and, until recently, there has been only one natural gas supplier for Northern Ireland. This situation has now changed with the utilities regulator opening the natural gas market to competition, and there are now up to 5 licensed natural gas suppliers, several of which are actively seeking to gain a share of the natural gas market in Northern Ireland. An opportunity therefore exists to subject the provision of gas to competitive procurement and secure lower prices.

Natural gas accounts for over one quarter of Belfast City Council's annual expenditure on utilities and is currently supplied to 64 Council buildings at a cost of approximately £1m in 2009/10. Subject to committee approval a specification will be prepared in order to permit the contract to be let, and advertisements will be placed in the local press inviting either applications for inclusion on a Select List or submission of tenders, as appropriate.

In addition the opportunity exists to convert the Cecil Ward building from oil-fired central heating to natural gas. This has the potential to save approximately **£6,000** per annum in heating costs for the building with an associated reduction in carbon emissions of approximately **45 tonnes** per year. The total cost of the conversion is approximately £30,000 with a grant of £13,000 available as a contribution towards to conversion cost; this represents a payback period of under 3 years.

### Key Issues

The duration of the natural gas utility contract is to be for 2 years with an option to extend for a further year. This is felt to provide the optimal balance between regularly testing the market to obtain the keenest prices and minimising the administration associated with the procurement process.

Submissions will be evaluated in accordance with agreed evaluation criteria and in liaison with the Procurement Section.

Members will be aware that the Facilities Management Section is continually seeking to reduce energy costs and to minimise CO<sup>2</sup> emissions, and it should be noted that these efforts have undoubtedly contributed to a reduction in the council's energy costs. Overall the 2009/10 financial year shows a reduction of some **£675K** over the 2008/9 figures (and this includes a saving of over £220K on the council's electricity supplies which, following a recent tender exercise, are now not only cheaper but also come from **85%** 'green' sources with the City Hall using **100%** green electricity).

It is anticipated that a natural gas tender will produce additional savings to the council and to the rate-payer. It should be noted that, as with the de-regulated electricity market, the gas tender could potentially result in the use of more than one supplier in order to maximise savings. Finally, the move away from oil in the Cecil Ward Building will result in reduced CO<sup>2</sup> emissions.

None of the above will impact adversely on day-to-day operations at the various locations.

### Resources Implications

#### Financial

Testing the market via competitive tendering ensures that we obtain the best possible value for money and standards of service from our external suppliers, which in turn assists us in driving down costs and minimising the rate burden.

Given that to date there has only been one supplier of natural gas available in Northern Ireland, the tender exercise should result in a more competitive price for natural gas.

#### Human Resources

There are no direct HR implications in respect of this report.

#### Asset & other implications

The opportunity to increase the number of assets utilising natural gas as opposed to oil will reduce the Council's overall carbon emissions and contribute to a 'cleaner and greener' city.

### Recommendations & Decisions

The Committee is recommended to approve the following:

(a) to invite applications for inclusion on a Select List and/or the submission of Tenders in respect of the supply of natural gas; *and*

(b) to approve the conversion of the Cecil Ward building from oil fired central heating to natural gas.

**Key to Abbreviations**

None.

**Documents attached**

None.

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## BELFAST CITY COUNCIL

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Approval to seek Tenders</b>
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	George Wright, Head of Facilities Management, Ext: 5206
<b>Contact Officer:</b>	Gerry Millar, Director of Property and Projects, Ext: 6217

### Relevant background information

Members will be aware that, under the revised Scheme of Delegation, approval must be sought from the relevant Committee prior to inviting tenders for the supply of goods or services.

Members will also be aware that, in the course of providing maintenance services at all Council properties, the Property Maintenance unit makes regular use of a number of external contractors, both in order to provide specialist services and also to supplement the existing in-house workforce during times of peak demand.

In fact, nearly 50% of the overall costs of the property maintenance service relate to the use of external contracted suppliers, and these costs are regularly subject to competitive procurement processes. There are two of these existing contracts which will expire during this financial year in respect of:

- the provision of Legionella monitoring & Risk Management services (approx. **£50,000** per annum; *and*
- the supply, fabrication, delivery and fitting of general metal works (approx. **£200,000** per annum).

There is also a contract for the repair and maintenance of lifts which has been approved by Committee as a one year contract, with a value of approx. **£80,000** per annum. However, due to a poor response to the advertisement it has been decided to seek Committee approval to amend the contract to a one year plus four optional years and to re-advertise.

This will make the works a more attractive package to suppliers and will allow the Council to benefit from economies of scale. This change will also allow existing maintenance agreements to expire naturally over the first year rather than having to stop agreements.

All Contracts which are required for 2010 are attached in Appendix A.

Detailed specifications are to be prepared in order to permit the contracts to be let, and subject to Committee approval advertisements will be placed in the local press inviting either applications for inclusion on Select Lists or submission of Tenders for each discipline, as appropriate.

### **Key Issues**

The duration of the contracts are as detailed in appendix A, with options to renew exercisable by the council dependant on performance. This is felt to provide the optional balance between regularly testing the market to obtain the keenest prices and minimising the bureaucracy and administration associated with the procurement process.

Submissions will be evaluated in accordance with agreed evaluation criteria and in liaison with the Procurement Section where appropriate.

### **Resources Implications**

#### Financial

Regularly testing the market via competitive tendering ensures that we obtain the best possible value for money and standards of service from our external suppliers, which in turn assists us in driving down costs and minimising the rate burden.

#### Human Resources

There are no direct HR implications in respect of this report.

#### Asset & other implications

Having a range of experienced and efficient contractors available is an important factor in delivering effective property maintenance to the Council.

### **Recommendations & Decisions**

The Committee is recommended to approve the following:

- (a) to invite applications for inclusion on Select Lists and/or the submission of Tenders in respect of the activities specified above; *and*
- (b) to re-advertise the lift maintenance & repair contract on the basis specified above.

### **Documents attached**

Appendix A Schedule of tenders to be let in 2010



**Schedule of tenders for 2010:**

<b>Contract</b>	<b>Estimated value per year</b>	<b>Period of Contract</b>	<b>Anticipated advert date</b>
Supply, fabrication, delivery & fitting of general metal work.	£ 200,000	1 year + 2 optional	July 2010
Repair & maintenance of Lifts	£ 80,000	1 year + 4 optional	July 2010
Provision of Legionella & Risk Management Services	£ 50,000	2 year + 1 optional	July 2010

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**Belfast City Council**

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	<b>Governance of Major Projects</b>
<b>Date:</b>	18 May 2010
<b>Reporting Officer:</b>	Gerry Millar, Director of Property and Projects, Ext: 6217
<b>Contact Officer:</b>	Maggie McNally, Strategic Programme Manager, Ext: 6198

**Relevant Background Information**

In 2006 Council took the decision that the Strategic Policy and Resources Committee would become the main Committee for overall policy, resource allocation and performance to ensure implementation of Council policies and strategies. In essence the Committee is in control of finance, people and assets including major projects as well as associated key risks across the Council.

In November 2008, the Local Government Auditor noted that the Council had identified the governance of major projects such as Connswater Community Greenway, the new cemetery, Titanic Signature project, Velodrome, North Foreshore etc as a key risk for the organisation. Such projects run financial risks of millions of pounds, through various factors, such as ill-defined decision making processes and paths, an aggressively litigious procurement environment as well as the normal risks to physical projects such as time, cost and specification underperformance. The need for Council to work increasingly with a range of partners in delivering such projects only adds to the above risk and ultimately to the Councils reputation and credibility.

Leading property consultants Drivers Jonas were commissioned to provide best practice advice on governance and their findings and recommendations were incorporated into the Review of the Centre report to Committee in June 2009.

The purpose of this report is to update Members on the implementation of this review.

## Key Issues

The review examined the current arrangements in the council for managing major projects. Major projects were defined at the outset as those projects which significantly affect the Council's budget, reputation and/or operation.

The key finding of the review were as follows:

- The current governance arrangements for major projects were fragmented across the council and this is due to the responsibility for projects resting across different departments and committees.
- The skills which the organisation need to bring together to make significant projects work currently sits across at least three departments.
- The role of the Strategic Policy and Resource Committee in relation to project governance needs to be clarified and strengthened.
- The officer with whom overall responsibility rests for a particular project is not always clear.
- There is a lack of coherence in dealing with external parties.
- New governance arrangements are needed to ensure the most effective use of limited resources.
- Clearer roles, responsibilities and accountabilities for major projects need to be established.

Drivers Jonas have made a number of recommendations which are in line with the recommended government best practice guidance which is known as, "Office of Government Commerce Portfolio, Programme and Project Management best practice (P3O)". The key recommendations of the review are as follows:

- The Strategic Policy and Resources Committee should have overall responsibility for the allocation of resources to major projects.
- COMT should provide officer oversight for all major projects.
- Every major project should have a named responsible officer as a client.
- The Strategic Policy and Resources Committee, Chief Officers Management Team and responsible officers should be supported by a director who has the relevant project management skills to ensure delivery.
- This director should be supported by a team with project/programme management expertise.
- The team should be a source of good practice for all projects across the Council.

- The adoption of Gateway risk rating to identify and categorise major projects risk status.

The findings of the review were incorporated in the Review of the Centre which has addressed some of the recommendations with the setting up of the Property and Projects department.

Since the date of this report there has been a much stronger focus on strategic asset management, with the formation of a cross departmental Asset Management Group; increased compliance with revised Standing Orders resulting in a requirement for all property related matters being reported to the Strategic Policy & Resources Committee; the use of the corporate landbank process; the ongoing development of a corporate Asset Management Strategy; a cross departmental Assets Realisation Team; and much more collaborative working both across departments and with external partners.

A key recommendation was to reinforce the role of the Strategic Policy and Resources Committee as the Councils 'Investment Decision Maker'.

The key functions of the Strategic Policy and Resources Committee in this respect are as detailed below:

### **Strategic Policy and Resources Committee (Investment Decision Maker)**

The role of Strategic Policy & Resources is as follows:

- To formulate and agree the 5 year rolling Capital Programme and City Investment Programme.
- Following recommendations from the Strategic Oversight Board (known as Chief Officers Management Team) Strategic Policy & Resources decides whether or not a proposed investment in a project should be made.
- As the Investment Decision Maker Strategic Policy & Resources should be satisfied that:
  - There is a business need for the project
  - Success criteria have been defined
  - The business drivers and expected benefits have been established with stakeholders
  - All options (including PFI) for meeting the business needs have been evaluated, together with the risks and the consequences of their occurrence associated with each option
  - The risks are clearly defined together with their potential impact on the project in terms of quality, cost and time
  - The estimated cost is made up of the whole-life costs

(including life-cycle costs) of the project, including allowances and base estimates

- The estimated cost includes fees, in-house costs and financing costs
- There is clear understanding of the key issues on which the business case and investment proposals are based
- That it has been identified what effect the programme/project will have on the rates
- An appropriate management structure (lines of accountability and delegated authority) is in place and named individuals have been appointed as Portfolio SRO and Project SRO
- The project is likely to provide whole life value for money
- The right skills are in place for delivery – or where gaps are in place
- Adequate funding is available for initial capital expenditure and anticipated future operational expenditure.

The Corporate Plan 2008- 2011 also focused strongly on thematic cross departmental working for the benefit of the city. This collaborative approach has been adopted with many of the major projects within the Council inc Grove Well Being Centre, Connswater, Girdwood Community Hub proposals etc.

It should be stressed at this point that many of the major projects the Council are involved in are, besides having huge risk and cost, multi faceted in terms of broader social and economic outcomes. They involve a range of Council departments as well as other partners from the private, public and community sectors and therefore need careful project management. Two examples of management structures for Titanic Signature Project and Connswater Community Greenway are attached as **appendix 1 and 2** to demonstrate the complexity involved.

A similar arrangement is now being put in place for the North Foreshore with a cross departmental officer group chaired by the Chief Executive and the North Foreshore resources and other surveyors being realigned into the Property and Projects Department as per the Strategic Policy and Resources Committee decision and Drivers Jonas recommendations.

The cross departmental officer group needs an equivalent Members group from which to seek and agree direction and given the varied Council interests in the North Foreshore a group led by the Chair of Strategic Policy and Resources together with the Chairs of Health and Environmental Services, Parks and Leisure and Development may be the best approach.

The Connswater Community Greenway has a political sub-group of East Belfast Councillors that meets informally for breakfast every two months and a similar

communication forum on an all Party basis would be useful for the Titanic Signature Project.

To formally support the Strategic Policy and Resources Committee in fulfilling its Investment Decision Maker role the Property and Projects department will operate a project portfolio office that involves all departments as required with final decision making going via Chief Officers Management Team to the Strategic Policy & Resources Committee and where appropriate to other standing Committees eg Connswater Community Greenway reports also go to Parks and Leisure Committee, economic development and waste aspects of North Foreshore development also going to the Development Committee and Health and Environmental Services Committee respectively etc.

The portfolio office approach will ensure that core project management skills are applied at the outset and throughout any major project with involvement from departments and key advice on legal, finance, insurance etc as and when required.

The Property and Projects department will report regularly to Strategic Policy & Resources Committee on progress, costs, variations and also in terms of follow up and lessons learned.

Appendix 3 provides a schematic of the overall governance arrangements for major projects.

#### **Resource Implications**

- There are no financial implications
- There are no HR implications as this is a reorganisation of existing roles.

#### **Recommendations**

Committee is asked to note the report, to agree to a Members North Foreshore Group as suggested and to consider an all Party Group to meet informally regarding Titanic Signature Project progress.

#### **Documents Attached**

Appendix 1 – Connswater Community Greenway Structure  
Appendix 2 – Titanic Signature Project Structure  
Appendix 3 – Governance Model

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Reporting to

Informing

**EAST BELFAST PARTNERSHIP**      **BELFAST CITY COUNCIL**

**Subject Matter Experts**  
CPD  
Finance BCC / EBP  
Legal Advisor BCC / EBP

**CONNSWATER COMMUNITY  
GREENWAY / EAST BELFAST FLOOD  
ALLEVIATION SCHEME  
Programme Management Team**

**Programme Assurance Team  
(PAT) BCC**

**Monitoring and Evaluation  
Team. (MET) EBP**

**Marketing & Communications Team  
(MCT) EBP**

PARC –  
QUB EBP

**POLITICAL SUBGROUP  
EBP**

**CCG Programme Manager EBP**  
**Administrator EBP**

**Environment Team (ET) EBP**

**Multi Agency Team (MAT) BCC**

**STAKEHOLDER FORUM  
EBP**

**BCC Core Team BCC**

**ENGAGEMENT EBP**  
Community Engagement  
Officer

**LAND ASSEMBLY  
BCC**

**CAPITAL WORKS BCC**  
Director P&P BCC  
**CCG Programme Manager EBP**  
Rivers Agency Rep  
Client Representative BCC  
Employer's Agent McAdam  
**Design**  
Design & Build Team TBA

**MANAGEMENT &  
MAINTENANCE BCC**  
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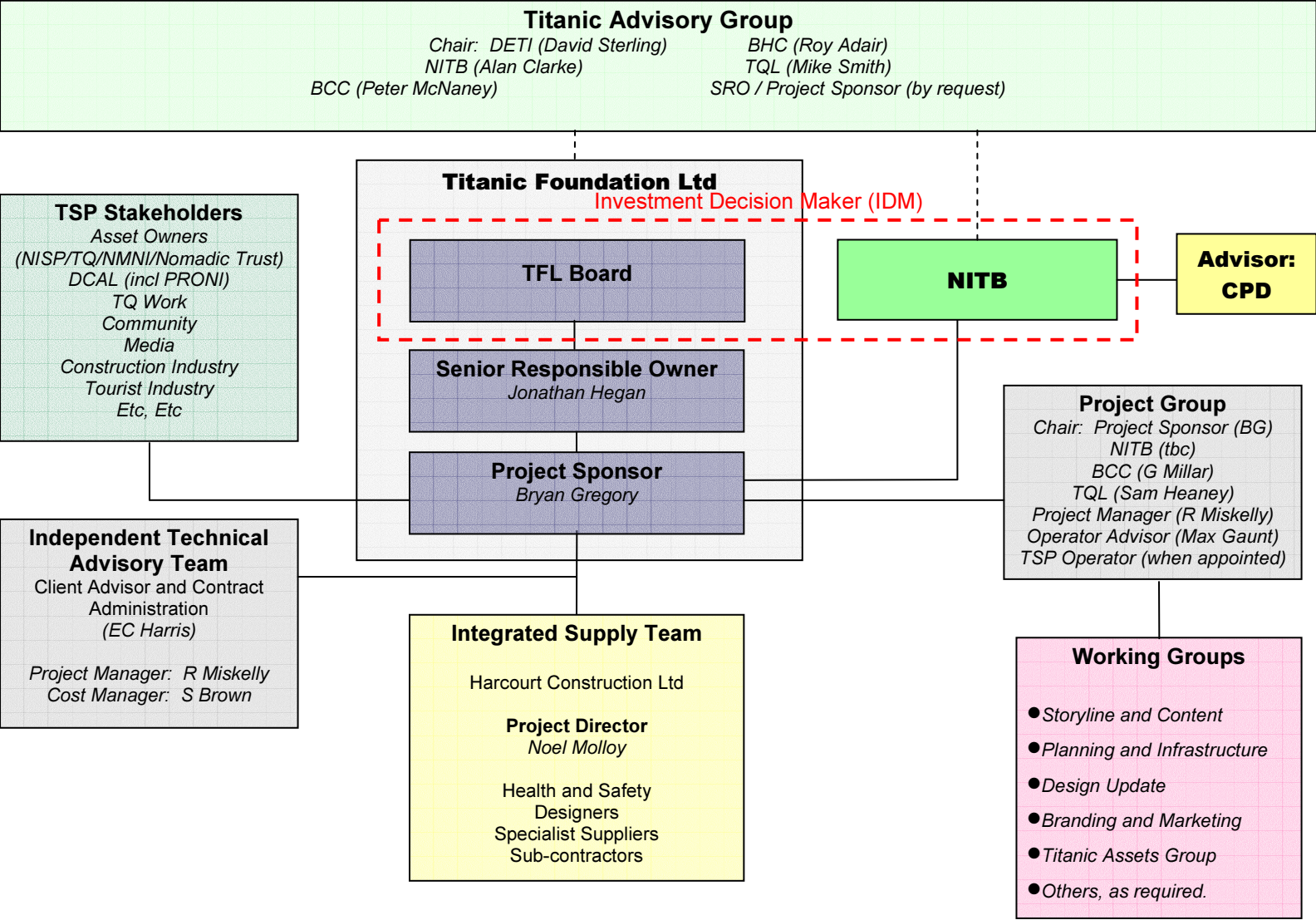
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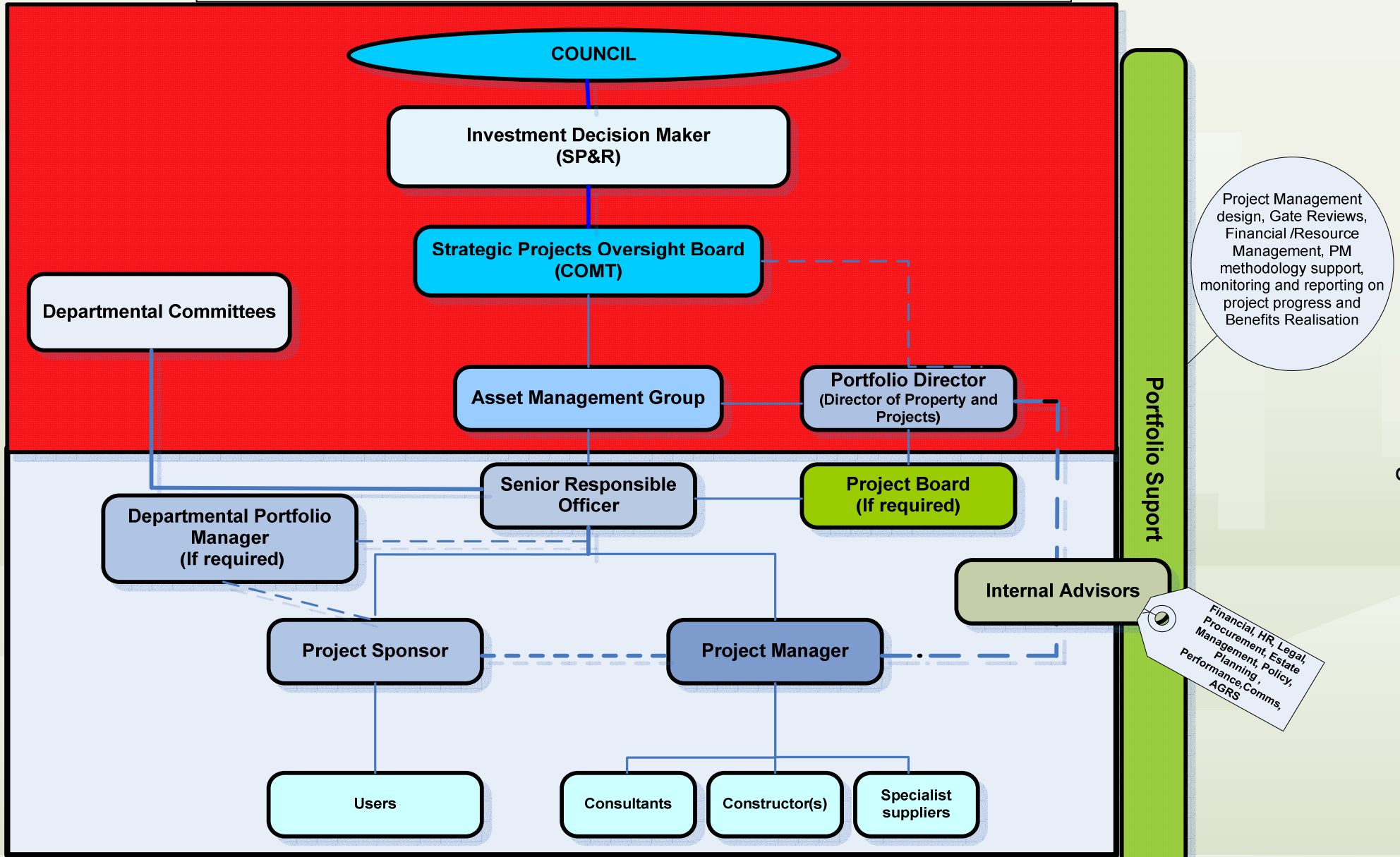
CCG  
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TEAM -  
EBP

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# Belfast City Council Governance of Major Project



The Groups identified in the red section reflect existing governance arrangements for BCC. The bottom section is the Framework for managing projects and is developed for individual projects during Project Initiation.

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### Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Update on Peace III Priority 2.1 Capital bids for Shared Space</b>
<b>Date:</b>	18 June 2010
<b>Reporting Officer:</b>	Peter McNaney, Chief Executive, Ext: 6001
<b>Contact Officer:</b>	Gerry Millar, Director of Property & Projects, Ext: 6217

#### Purpose of Report

The purpose of this paper is to update Members on the status of the Council's four applications under Priority 2.1 'Creating Shared Public Spaces' of the Peace III programme that were submitted to the Special EU Programmes Body (SEUPB) on 13<sup>th</sup> November 2009.

#### Relevant Background Information

Members will recall that the Council agreed, at its meeting in November 2009, to submit 4 bids to the call for capital bids under Priority 2.1 'Creating Shared Public Spaces' of the Peace III programme. Under this measure SEUPB was seeking to support between 4-7 large strategic and iconic projects across the eligible Peace III programme area funded at between 1.5-10million Euros each. Their preference was to support five projects around €5 Million per project although additional money may be made available for significant projects. Projects will be funded at 100%. The main aim of this measure is to produce iconic structures that can be easily recognised as a Peace III project long after the programme ends in 2015.

Members should note there was a significant level of interest in this programme and that it was heavily over-subscribed. In total 31 applications were received by SEUPB under this call competing for approx. €29million. A brief description of the four bids that the Council submitted is outlined below.

The 4 bids which the Council submitted as lead partner were:

- *Girdwood Community Hub* – the development of an integrated community hub containing leisure, community, library and educational facilities in a shared space with an associated plan of shared space activities at Girdwood. This application was for £9.6million
- *Giant Park Sports Village at the North Foreshore with Crusaders and Newington* - to develop a shared community sports complex through a partnership between the Council and Crusaders and Newington Football Clubs, using sports and heritage to promote peace and reconciliation. This application was for £14.1million
- *Gasworks Bridge* – the development of a pedestrian and cycle bridge to improve connectivity between the city centre, Gasworks Business Park and the Lower Ravenhill and Ormeau Park. This application was for £9million
- *North Belfast Cultural Corridor* (Donegall St., Clifton St., Crumlin Rd.) - to improve the

physical environment, in order to create an attractive, welcoming and shared public realm in an area uniquely rich in the city's built and cultural heritage. This application was for £8.9million

**Assessment Process for Priority 2.1 Applications**

Members are asked to note that all applications received by SEUPB under this call were assessed in line with their assessment criteria and process. Decisions on the applications are discussed and determined by the Priority 2.1 Steering Committee. The stages in this process are outlined below.

*Stage 1 – Initial Assessment of projects* – Following a basic eligibility check each bid received was scored against the following criteria –

- Capacity to be shared space and to build peace and reconciliation
- Capacity to transform local communities
- Capacity to be iconic and provide a lasting legacy to the Peace III programme
- Sustainable development and other cross-cutting themes including equality
- Capacity to implement and deliver within SEUPB timescales (including planning permission)
- Financial competence and long term sustainability

For a project to be successful it had to score at least 65% or more in relation to the above criteria. Applications greater than £500,000 applications will also be subject to a standard 'Green Book' economic appraisal. Only those projects deemed to score above the quality threshold (65%) will be forwarded for economic appraisal. Projects which did not meet the required threshold are rejected at this stage.

*Stage 2 – Economic Appraisal Stage* - If a project met the required scoring threshold above and was over £500,000 it proceeded to economic appraisal. At this stage SEUPB appoint independent consultants to carry out the appraisal on their behalf. The purpose of the economic appraisal stage is to test further the information in the application forms and to consider:

- the purpose of the project
- whether a need been established
- the specific objectives of the project
- whether measurable targets and quantifiable outputs are provided
- whether alternative options have been considered
- whether the project will provide added value
- whether the project would be scaled down or delayed without grant
- the anticipated benefits of the project and who are the primary beneficiaries.

An economic appraisal report is then prepared by the independent consultants and presented to the Steering Committee to make the final decision.

Applicants can also request a debrief session with SEUPB following the outcome of any stage in the process. Members are asked to note that there are review procedures in place for any applicant who wishes to appeal a decision of the Steering Committee at any stage. In this case of appealing a decision a request for a review of a decision must be made in writing within 28 days of the receipt of the letter of rejection or 14 days after the debriefing session has been held. Members are asked to note that the Review is an independent process through which the applicant has to demonstrate to the Panel that either –

- a. the outcome/decision by the Committee was unreasonable **or**
- b. the proper procedures were not followed

Appeals on any other grounds cannot be considered.



## Key Issues

An update on the current status of each individual project is given below. 3 of the applications – the Girdwood Community Hub, the Sports Village and the Gasworks Bridge were considered by the Steering Committee at their most recent meeting on 27<sup>th</sup> May. The North Belfast Cultural Corridor was considered at an earlier meeting of the Committee in March.

### *Girdwood Community Hub*

As Members are aware the Girdwood Community Hub application was invited to progress to economic appraisal stage in January 2010. SEUPB appointed an external consultancy, Cogent Consulting, to carry out this appraisal. A wide team of officers from across the Council worked closely with Cogent Consulting between January and May to produce the required detailed supplementary information for the economic appraisal.

The Girdwood Community Hub application and supporting reports, including the economic appraisal, were presented to the Priority 2.1 Steering Committee at its meeting on 27<sup>th</sup> May. At this meeting it was noted that, although the Committee believed this proposal met some compelling priorities of the Peace programme, there were a number of uncertainties attached to the project which would have to be resolved before further consideration could be given to the project. Concerns which were raised included the lack of political agreement over the wider masterplan for the site, the uncertainty over housing and infrastructure issues and the fact that there were a number of comments from community representatives who felt they had not been fully consulted or engaged in the process.

In light of these concerns the Committee decided to defer consideration of the Hub proposal at this stage pending further information from the council including -

- an implementation timetable for the Community Hub and the wider site (including housing and infrastructure) within an agreed masterplan
- further evidence that there is full political and local PUL community support for the proposed project
- programming of the facility by strategic partners as part of the Shared Space Action Plan
- an Equality Impact Assessment for this element of the proposal incorporating further consultation as it was noted that the previous consultation was outdated

Members are aware that there are unresolved issues in relation to the masterplan for the wider Girdwood site and that this is currently with the Executive for consideration. However it is unlikely that there will be a decision on the masterplan in the short term. It should be noted that although community representatives were approached for their views on this proposal as part of the economic appraisal process there was no consultation undertaken with the local political representatives.

A debriefing session with SEUPB on this proposal is being arranged and Members will be updated on the outcome of this session at a later date if required.

### *Crusaders and Newington Sports Village at the North Foreshore*

Members will also be aware that the Sports Village proposal was also invited to progress to economic appraisal stage in January. Cogent Consulting also carried out this appraisal. Following the meeting of the 2.1 Steering Committee on 27 May, the Council was informed that this bid had been rejected on the basis that it failed to meet the minimum scoring threshold. This project scored 48.25%.

Members are asked to note that a debriefing session on this proposal is taking place on the afternoon of the 18 June and the Council will be given the opportunity to seek further information on the reasons for this decision and will be taken through the economic appraisal and the scoring. Further information on the outcome of this will provided to Committee at a later date if required. The Director of Property and Projects is attending this session along with representatives from Copius Consulting who helped Crusaders/Newington Football clubs and the Council in the preparation of this bid.

### *Gasworks Bridge*

This application was also considered by the Steering Committee at its meeting on 27<sup>th</sup> May. The

Council was informed that this project had also been rejected on the basis that it failed to meet the minimum scoring threshold outlined above after initial assessment. This project scored 38%. A debriefing session on this proposal is to be arranged when further information will be requested on the reasons why this proposal was rejected.

*North Belfast Cultural Corridor* (Donegall St., Clifton St., Crumlin Rd.)

The Council was notified on 2<sup>nd</sup> March 2010 that this project had been rejected by the Peace III Steering Committee on the basis that it failed to meet the required minimum scoring threshold outlined above after initial assessment as it scored 55.5%. Subsequently officers from the Council meet with the SEUPB Peace III staff for a debriefing session and to consider undertaking a formal appeal. Council officers were advised that SEUPB felt that the project was weak in terms of addressing peace and reconciliation at community level and that it was felt it was more a tourism and environmental project. SEUPB officers advised that on the basis of this, the project was unlikely to succeed at appeal.

### Summary and points to note

A summary of the status of the Council's Peace III applications is outlined below for the convenience of Members -

<b>Proposed Project</b>	<b>SEUPB Decision</b>
Girdwood Community Hub	Deferred
Giant's Park Community Sports Village	Rejected
North Belfast Cultural Corridor	Rejected
Gasworks Bridge	Rejected

Members are asked note that there is a possibility in light of the above decisions that the Council will not receive any funding under this call. It is not known at this stage what other applications, if any, have been successful and if any of these are located in the Belfast City Council area.

### Resource Implications

#### Financial

None at present

#### Human Resources

Additional officer time will be required to attend debriefing sessions and progress work on the Girdwood bid, if required.

### Recommendations

The Committee is asked to note the information in this report and to

1. agree if they wish for further work to be carried out on the Girdwood proposal and the further information requested to be submitted
2. note that officers will arrange debriefing sessions on the Girdwood Community Hub and Gasworks Bridge proposals and will report back on the outcome of these sessions if the Committee wishes
3. in light of the timescales required for requesting a review of a decision (either within 28 days of the date of the letter of rejection or 14 days after the debriefing session) consider if they wish officers to formally appeal the decisions on the Gasworks and the Sports Village following the outcome of the debriefing sessions
4. note the advice from SEUPB that the North Belfast Cultural Corridor was unlikely to succeed in appeal.

### Officers to contact for further information:

Gerry Millar, Director of Property & Projects,  
 Caroline Wilson, Senior Good Relations Officer (Ext 6037)  
 Sinead Grimes, Policy Analyst – Girdwood Community Hub/Gasworks Bridge (Ext 6203)  
 Stephen Smyth, Project Management Unit – Giant's Park Sports Village (Ext 3504)  
 Kerrie Sweeney, Tourism Manager – North Belfast Cultural Corridor (Ext 3586)

### Abbreviations

SEUPB – Special European Union Programmes Body

**Belfast City Council**

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	Connswater Community Greenway Update
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	Gerry Millar, Director of Property and Projects.
<b>Contact Officer:</b>	Celine Dunlop, Estates Surveyor, Property and Projects.

**Relevant Background Information**

Belfast City Council, as part of the City Investment Strategy, has agreed to coordinate the acquisition of lands to enable the Connswater Community Greenway Programme to proceed. The Council will secure rights over the land needed for the Greenway and shall be responsible for the management and maintenance of this land and any assets on the land. The Greenway must be accessible for 40 years to comply with the Big Lottery Fund letter of offer, although the intention is to secure rights for longer if possible.

**Key Issues**

1. An area of land at Laburnum Playing fields off the Knock dual carriageway consisting of 0.609 acres has been identified as being required for the Connswater Community Greenway. Council officials have provisionally agreed, subject to CBM Developments Ltd Board and Council Committee approval, to (i) purchase the area of land shown shaded yellow on the attached plan at Appendix '1' from CBM Developments Ltd (ii) take a licence from CBM Developments Ltd for a temporary path and associated temporary embankment to support the path along the route shown outlined red on the plan at Appendix '1'. The proposal is for this path to remain in place until a proposed new road is constructed through the Laburnum site at which time the footpath adjacent to the new road will become the Greenway. The proposal for the new road requires both Belfast Education and Library Board support and full planning approval and at this stage there is no certainty as to whether such approval will be forthcoming within the timeframe of the Greenway project. The agreement will provide for the temporary route to remain in place for a minimum of 40 years if the new road is not constructed/approved.

2. The area of land outlined red on the plan at Appendix '2' consisting of 0.036 acres has been identified as being required for the Greenway. These lands are owned by Deramore Property Group and Council officials have agreed subject to Committee approval to acquire these lands from Deramore Property Group subject only to the Council paying their reasonable expenses in connection to the transfer.
3. The area of land outlined red on the attached plan at Appendix '3' consisting of 0.622 acres has been identified as being required for the Greenway. These lands are owned by the DRD and are held as part of the Road Protection Corridor for the Connsbank Link and Hollywood Arches Bypass. The DRD cannot dispose of these lands while the proposal for the Connsbank Link and Hollywood Arches bypass remains extant however Council officials have agreed to take a five year licence from DRD to facilitate the construction of a public square as part of the Greenway. The Big Lottery and other funders have confirmed that they are content with this approach and can waive the usual requirement for a minimum 40 year term given the particular circumstances of this case.

### **Resource Implications**

#### Financial

1. These proposals require expenditure of £21,500 to acquire the lands shown shaded yellow on the plan at Appendix '1' plus professional and legal fees.
2. The land required from Deramore Property Group at Loopland Court will require expenditure of reasonable expenses.
3. The land required from the Department for Regional Development at Hollywood Arches will require expenditure of legal fees only.

The purchase costs for all of the land required for the Connswater Community Greenway are included in the Connswater Community Greenway budget of the City Investment Fund and there will be no additional cost to Council.

There may be an additional cost to Council if the proposed new road linking the Laburnum playing fields to the Knock dual carriageway receives planning approval and is constructed outside the contract period for the Connswater Community Greenway. However, any such additional expenditure will be the subject for a further Committee report and decision.

#### Human Resources

No additional human resources required.

#### Asset and Other Implications

The additional land will form part of the Connswater Community Greenway which when complete will be managed and maintained by the Council.

**Recommendations**

It is recommended that the Committee grant approval to the purchase of the lands outlined red on the plans attached at Appendix '1', Appendix '2'and Appendix '3'.

**Decision Tracking**

Action by Celine Dunlop to be completed by September 2010.

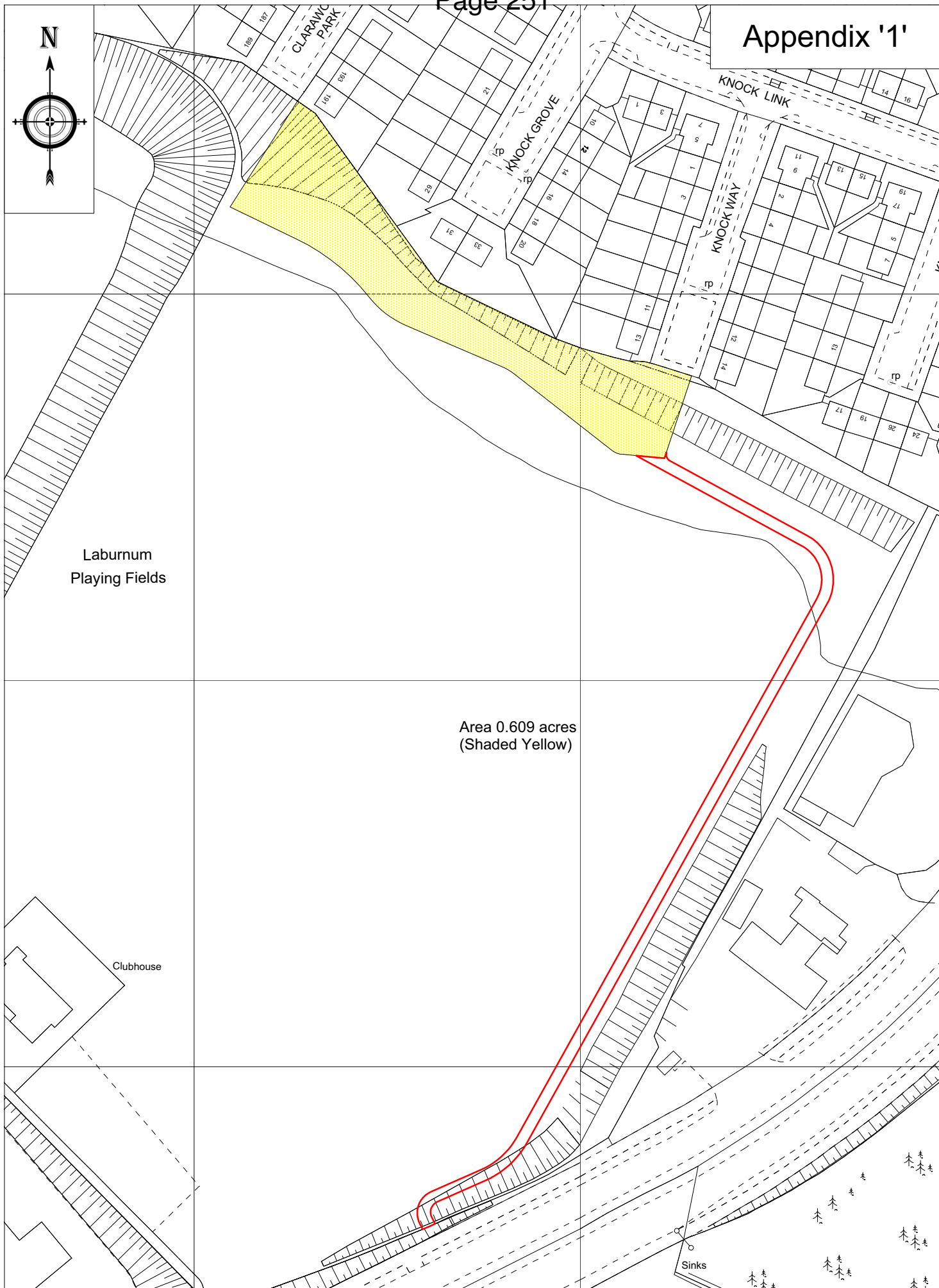
**Key to Abbreviations**

None.

**Documents Attached**

Plans at Appendix '1', Appendix '2'and Appendix '3'.

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Laburnum  
Playing Fields

Area 0.609 acres  
(Shaded Yellow)

Clubhouse

Sinks

Scale 1:1250

Connswater Community Greenway - Plot 90

Area 0.609 acres  
(Shaded Yellow)

SS

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Scale 1:1250

Connswater Community Greenway - Plot 53a

Area 0.041 acres

SS

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Ballymacarrett  
Leisure  
Centre

SEVERN STR  
EET

BALLYMACARRETT WALKWAY

Car Park

Tamar  
Court

Issues

STR  
EET

CONN  
SWATER

BALLYMACAR

MANDERSON S

374  
378  
382  
386  
388  
390

406  
404  
410  
to  
414  
418

TOWNSLES  
ST

422  
to  
426  
432  
434

2.1

2.1

Connswater

Posts

Bank

2.7

BM 3.83

Bridge

NEWTOWARDS ROAD

3.0

Sinks

Weir

Bank

EIP

Water

Scale 1:1000

Connswater Community Greenway - Plots 28 & 30

Area 0.622 acres

SS

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### Belfast City Council

**Report to:** Strategic Policy and Resources Committee

**Subject:** Review of Rents on Parks Houses

**Date:** 18 June 2010

**Reporting Officer:** Gerry Millar, Director of Property & Projects, Ext. 6217.

**Contact Officer:** Cathy Reynolds, Estates Manager, Ext. 3493.

#### Relevant Background Information

At its meeting on 13 May 2010 the Parks and Leisure Committee agreed revised rents on seven Parks Dwellings which are (or intended to be) let on tenancies to Council employees. On legal advice tenancies are limited to Council employees because the Council does not have powers to act as a housing authority.

Extract from the minute of the Parks and Leisure Committee is appended as Appendix 1 to this report. This was ratified by Council at its meeting on 1 June 2010.

#### Key Issues

The revised rents are considered to be commensurate with the location, surroundings, facilities and accommodation for each dwelling. The review included some adjustments of previous rents to take better account of these factors.

#### Resource Implications

##### Financial

Subject to all the dwellings being let for the entire year, the proposed revised rents would increase the total annual rental income from the dwellings from the current £14,196 to £20,124 per annum. .

##### Human Resources

No additional human resources required.

Asset and Other Implications

Ensures appropriate rental levels for dwellings.

**Recommendations**

Committee is requested to note and endorse the decision of the Parks and Leisure Committee of 13 May 2010 regarding proposed rents of Parks Dwellings as shown on the table contained in ***Appendix 1.***

**Decision Tracking**

Director of Parks and Leisure and Director of Property and Projects to ensure implementation of revised rents at the earliest opportunity following ratification by Council.

**Key to Abbreviations**

None

**Documents Attached**

Appendix 1 – Extract from Parks and Leisure Committee minute of 13 May 2010.

**APPENDIX 1**

916 C

Parks and Leisure Committee  
Thursday, 13 May, 2010**Review of Rent on Parks Dwellings**

The Director of Parks and Leisure reported that the rents payable on Parks Properties had been revised with effect from 1st April, 2008. The revised rents had been based on equivalent Housing Executive rents for houses with equivalent facilities and had been adjusted by the Estates Management Unit to take account of factors such as location, the condition of the dwelling and the fact that they were offered to Council employees only under agreements which could be terminated at short notice. The occupiers had to undertake certain security duties in relation to adjoining Council properties.

He pointed out that, during the two-year period since the last review, Housing Executive rents had risen by approximately 3.9% and that the proposed rents were broadly consistent with this level of increase. Accordingly, he recommended that the undernoted revised weekly rents be approved by the Committee, notified to Strategic Policy and Resources Committee and applied with effect from the first month following ratification of revised rents by the Council:

<b><u>"ADDRESS</u></b>	<b><u>EXISTING WEEKLY RENT</u></b>	<b><u>PROPOSED WEEKLY RENT</u></b>	<b><u>EQUIVALENT MONTHLY PROPOSED RENT INCLUDING RATES</u></b>
<b>62 Antrim Road (Zoo)</b>	<b>£51.00 (plus rates)</b>	<b>£74.00 (plus rates)</b>	<b>£378</b>
<b>511 Falls Road (City Cemetery)</b>	<b>£40.00 (plus rates)</b>	<b>£53.00 (plus rates)</b>	<b>£312</b>
<b>2 Stranmillis Road (Botanic Gardens)</b>	<b>£43.00 (plus rates)</b>	<b>£60.00 (plus rates)</b>	<b>£336</b>
<b>743 Upper Newtownards Road (Dundonald Cemetery)</b>	<b>£32.00 (plus rates)</b>	<b>£48.00 (plus rates)</b>	<b>£317</b>
<b>2 Park Road, Mallusk (City of Belfast Playing Fields)</b>	<b>£33.00 (plus rates)</b>	<b>£55.00 (plus rates)</b>	<b>£264</b>
<b>125 Ballygowan Road (Roselawn Cemetery)</b>	<b>£39.00 (plus rates)</b>	<b>£40.00 (plus rates)</b>	<b>£229</b>
<b>53a Gransha Road, Comber (Beechvale Nursery)</b>	<b>£35.00 (plus rates)</b>	<b>£57.00 (plus rates)</b>	<b>£336"</b>

After discussion, during which the Director undertook to submit at a future meeting a report in relation to a review of tenancy agreements, the Committee adopted the recommendation.





## Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Request to use the City Hall grounds for a 'Death is not Justice' poster exhibition</b>
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	G. Wright, Head of Facilities Management, Ext: 5206
<b>Contact Officer:</b>	Gerry Millar, Director of Property and Projects, Ext: 6217

### Relevant Background Information

As Members will be aware, the Committee has delegated authority for routine requests for use of the City Hall grounds to the Director of Property & Projects on the basis of an agreed set of criteria, and the majority of requests are now dealt with by this mechanism. However it was recognised that there would be occasions on which the nature, scale and sensitivities of the request mean that it is appropriate to place the matter directly before the Committee. The request detailed below is considered to fall into this category, and the direction of the Committee is therefore sought.

A request has been received from an organisation called Poster for Tomorrow. The organisation, based in France, lobbies on a world wide basis for the abolition of the death penalty. Although not a registered charity it has the patronage of UNESCO and the Council of Europe, and is also endorsed by Amnesty International.

Poster for Tomorrow has requested the use of the City Hall grounds to exhibit 100 posters marking World & European Day against the Death Penalty on the 10<sup>th</sup> October 2010. The 100 posters would be selected by a panel comprised of eminent local people from public competition submissions, and would be displayed in the grounds from the **7<sup>th</sup> - 10<sup>th</sup> October 2010**. Belfast would be one of 100 cities across the world marking this event.

The posters would be displayed on trellis type fencing positioned around the City Hall grounds. There would be no resource implications for the Council as the organisation would provide all of their own display materials, there is no requirement for electrical power and full indemnity insurance would be taken out by the organisation.

Due to the nature of the subject some of the posters may be sensitive in nature, although BCC does have the option of vetoing specific posters if they are deemed to be controversial or offensive. Members will also be aware that the death penalty is still supported by a number of countries, notably the USA and China, so the organisers' position will not have unqualified support. It is also envisaged that the exhibition may get significant media coverage.

One of the criteria for use of the City Hall grounds states that the request should comply with the Council's equality and good relations obligations. The Poster For Tomorrow application has consequently been discussed with the council's Good Relations Manager, who - given that the UK has abolished the death penalty - recommends that the application is given approval by the Committee.

### **Key Issues**

The introduction, retention or abolition of the death penalty is currently a matter of political debate around the world. The organisers of this event take an unambiguous position on the issue and seek abolition, however their views are not universally shared. The key issue is therefore whether or not the Committee believes that the grounds of the City Hall are an appropriate place to display the posters in question and wishes to be associated with the organisers' campaign in this way.

### **Resource Implications**

#### Financial

There are no financial implications

#### Human Resources

There are no Human Resource implications

#### Asset and Other Implications

BCC will be indemnified against any damage to the grounds or injury to 3<sup>rd</sup> parties

### **Recommendations**

Members are requested to determine whether they wish to approve the use of the City Hall grounds for the 'Death is not Justice' poster exhibition to run from the 7<sup>th</sup> to 10<sup>th</sup> October 2010.

### **Key to Abbreviations**

None

### **Documents Attached**

None



## Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Request for use of City Hall grounds – West Belfast Festival</b>
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	George Wright – Head of Facilities Management (Ext. 6232/5206)
<b>Contact Officer:</b>	Gerry Millar – Director of Property & Projects

### Relevant Background Information

A request has been received from the organisers of the West Belfast Festival in respect of the use of the City Hall grounds for a young people's music event on **Saturday 7<sup>th</sup> August 2010**. Members will be aware that the West Belfast Festival is financially assisted by grant from the Council's Good Relations unit.

The intention is to engage with the numerous young people who already typically congregate in the City Hall grounds in the summer months, and to provide facilities to present and promote music relevant to and suggested by the young people themselves. It is the view of the organisers that the target group of young people would normally have little or no interaction with West Belfast either geographically or culturally, and that this event would essentially be an outreach activity to a group not otherwise catered for by the traditional Festival activities.

The event would run from around 1pm to 5pm and is likely to attract several hundred spectators. The event would be promoted as a 'no alcohol' event, and the organisers intend to engage in significant outreach activities with the target group beforehand in this respect. The organisers will also be operating the event in liaison with both Belfast City Centre Management and the PSNI if approval to proceed is granted by the Committee.

In terms of the logistics of the event the organisers will be providing their own stage truck and will require a single phase electricity supply. No access to the City Hall main building is required. The organisers have confirmed that all equipment and personnel would be clear of the grounds by 6pm at the latest, and they have given the required assurances in terms of the provision of security cover and indemnity insurance. The young people would be using the grounds in any event so it is not anticipated that there would be any significant additional damage to lawns etc., and there are no

events in the main building which would be adversely affected by the noise (although this could potentially be an issue for local traders, and the organisers have given assurances that this would be monitored and managed as necessary).

**Key Issues**

The key issue is whether or not the Committee regards this event as being appropriate for the City Hall grounds. Any approval granted would be conditional upon the organisers meeting the usual specific requirements attached to such requests.

**Resource Implications**

There are no significant resource implications as the organisers will be providing all necessary sound equipment and security/stewarding cover, and will not require access into the main building.

**Decision(s) required**

The Committee is requested to consider whether or not to permit the use of the City Hall grounds by the West Belfast Festival for the purposes set out above.

**Decision Tracking**

n/a

**Key to Abbreviations**

n/a

**Documents Attached**

n/a

**GOOD RELATIONS PARTNERSHIP****FRIDAY, 11th JUNE, 2010****MEETING OF THE GOOD RELATIONS PARTNERSHIP**

Members present: Councillor McCausland (Deputy Chairman)  
(in the Chair); and  
Councillors C. Maskey, McCarthy and Stoker.

External Members: Ms. M. Marken, Catholic Church;  
Mr. P. Scott, Catholic Church;  
Ms. A. Chada, Minority Ethnic Groups;  
Ms. S. Bhat, Northern Ireland Interface Forum;  
Ms. J. Hawthorne, Northern Ireland Housing Executive;  
Mr. S. Brennan, Voluntary/Community Sector; and  
Ms. M. de Silva, Voluntary/Community Sector.

In attendance: Mrs. H. Francey, Good Relations Manager;  
Mr. I. May, Peace III Programme Manager;  
Mr. D. Robinson, Good Relations Officer; and  
Mr. H. Downey, Committee Administrator.

**Apologies**

Apologies for inability to attend were reported from the Chairman (Councillor Hendron) and Councillor Kyle and from Mr. R. Galway, Mr. P. Mackel, Rev. J. Rea and Ms. E. Wilkinson.

**Minutes**

The minutes of the meeting of 14th May were taken as read and signed as correct.

**Islamic Cultural Centre**

The Partnership was reminded that, at its meeting on 16th April, it had received from representatives of WDR and RT Taggart, Architects and Engineers, a presentation in relation to the potential location in the City of a cultural centre for Moslems living in Northern Ireland. The Partnership had agreed that a letter be forwarded on behalf of the Lord Mayor and the Council supporting, in principle, the development of such a centre and had agreed also that the representatives be invited to attend a future meeting in order to outline in further detail their proposals.

The Good Relations Manager reported that the representatives were due to attend the meeting. However, they were not in attendance.

The Partnership agreed to receive the representatives at a future meeting.

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**Good Relations Partnership,  
Friday, 11th June, 2010**

**Peace III – Regeneration and Good Relations at the Interfaces**

The Partnership was reminded that the Council had commissioned Deloitte Consultants to undertake research into good relations activities in neighbourhoods located near/at interface barriers in the City. The Partnership was informed that Mr. C. Mountstephen and Mr. P. Scott, representing Deloitte, were in attendance and they were admitted to the meeting and welcomed by the Deputy Chairman.

Mr. Mountstephen informed the Partnership that, whilst most of Belfast had, for the past number of years, enjoyed relative peace and prosperity, interface areas had continued to experience conflict and high levels of deprivation. He outlined the factors which had been taken into consideration in drafting the report and informed the Partnership that fifteen indicators based around factors such as community cohesion, community safety, connectivity, economy, health, housing and young people had been identified which would demonstrate evidence of the sustained transformation of interface areas and facilitate the removal, in the long term, of interface barriers. This, in turn, would transform those areas by raising the quality of life and become places where families wished to live and work, both now and in the future. He stated that there would be an opportunity over the 2010-2013 Peace III funding period to pilot a live interface regeneration project and develop an inter-disciplinary approach to integrating public, private, voluntary, community and other regeneration research agents. He concluded by stating that a further opportunity would be provided to re-visit those indicators for Peace III projects and other initiatives working in interface areas.

The representatives then answered a number of questions which had been put to them by the Partnership and, having been thanked for their contribution, they retired from the meeting.

During discussion, several Members voiced concern in relation to certain aspects of the report and pointed out that it had failed to consider factors such as the need for education around difference.

After further discussion, the Partnership agreed that a copy of the draft Deloitte report be circulated to all Members of the Partnership and that it be considered in greater detail at the special meeting of the Partnership which was scheduled to be held on 25th June.

**Peace III – Implementation Update**

The Peace III Programme Manager submitted a report which provided an update in respect of the implementation of the Peace and Reconciliation Action Plan. The report provided an overview of the various programmes and projects, together with a summary of expenditure, under each of the four themes of the Plan and of actual and planned activity from May till July. He explained that the Council had initiated an open call for applications for interfaith/intercultural projects under the theme of Shared Cultural Space. Applications would be required to be submitted by 7th July and it was envisaged that recommendations for funding would be presented to the Partnership in August.

**Good Relations Partnership,  
Friday, 11th June, 2010**

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The Peace III Programme Manager reported that a major conference had, on 20th May, been held in the Waterfront Hall in order to recognise the achievements to date of the Peace III Programme. The event, which had been organised by the Special European Programmes Body, had included a presentation on programmes and projects associated with the current phase of the Belfast Peace Plan. He added that forthcoming events would include the presentation of certificates to participants who had completed the Belfast Citizenship Programme which had been delivered by a consortium led by Belfast GEMS and a celebration event for youth participants on the Our SPACE Programme which had been delivered by the Belfast Community Sports Development Network. The events would be taking place in the City Hall on 24th and 29th June respectively.

The Partnership noted the information which had been provided and agreed that attendance of any Member at the aforementioned events be considered as an approved duty.

#### **Peace III – Development of Phase II Local Action Plan**

The Partnership was advised that Phase I of the Peace and Reconciliation Action Plan under Priority 1.1 – Building Positive Relations at the Local Level, as contained within the Peace III Programme, would end in June, 2011. The Peace III Programme Manager explained the next phase of the Plan, which would cover the period from 2011 till 2013, would continue to build upon positive relations at a local level. He outlined the main elements to be considered in drafting the Local Action Plan for Phase II and pointed out that final Plans must be submitted to the Special European Union Programmes Body and the consortium by 17th September. However, there would be an opportunity to submit for a preliminary assessment draft plans up to six weeks prior to this date.

Following assessment and an economic appraisal, letters of offer would be issued to enable implementation of the Plan to commence in 2011. He outlined a draft action plan for developing the Phase II Peace Plan and recommended, in view of the limited timescale available for the completion of the document, that it would be preferable for a special meeting of the Partnership to be held in order to consider the draft document more fully.

After discussion, the Partnership agreed that a special meeting be held at 11.30 a.m. on Friday, 25th June in order to consider the draft Local Action Plan for Phase II.

#### **Summer Intervention Fund**

The Partnership considered the undernoted report:

#### **“Relevant Background Information**

**Members will recall that at its last meeting on 14 May 2010, the Partnership granted approval for the Good Relations Unit of the Council to take on the management and administration of the annual Summer Intervention Fund on behalf of the Office of the**

First and Deputy First Minister. The Fund is to support intervention programmes for children and young people living in and around interface areas at times of heightened tension over the summer period.

Since that time, the Community Safety Unit of the City Council has contributed an additional £6,000 from its Summer Splash scheme to be allocated under the same criteria. The total fund available for allocation is therefore £106,000.

The Partnership agreed that the Fund would be open to all areas of the city, but priority would be given to groups/organisations working with young people that live at or near interface areas and programmes had to be completed by the end of October 2010.

Information about the Fund was distributed as widely as possible through the Good Relations Unit's mailing list, as well as publically on the Council's website, immediately after the Partnership meeting. Further information was provided to elected Members and other Council Departments. OFM/DFM also distributed the information through their mailing lists.

An information session was held for interested groups on 21 May with up to 40 people attending. There was a very tight deadline for this Fund and the closing date for the receipt of applications was Friday 28 May at 12.00 noon.

#### Key Issues

By the closing date, the Council had received 90 applications requesting a total of £389,731.52. Applications were assessed by a panel made up of Good Relations Officers, plus representatives from the Council's Community Services Section and the OFM/DFM. The assessment process was extremely competitive, as expected, and all applications were scored against a pre-agreed scoring matrix.

Following assessment, 65 groups are recommended for funding of varying levels, according to the quality of their applications. The total amount of funding being recommended is £103,500. Summaries of the successful applications are attached as an Appendix.

25 groups failed to meet the criteria and were not awarded any funding on this occasion. These groups were either not working directly with children and young people in and around an interface area or they were not delivering the programme during times of heightened tension.



**Good Relations Partnership,  
Friday, 11th June, 2010**

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**Resource Implications**

**All the funding under the Summer Intervention Fund will be recouped at 100% from OFM/DFM and the Council's Community Safety Unit.**

**Recommendation**

**To recommend that the projects listed below receive funding as outlined in the recommendations."**

During discussion, the Good Relations Officer provided clarification in respect of a number of organisations which had not met the requisite criteria and, therefore, had not been recommended for funding. He stated that the Good Relations Unit had wished to offer as many groups across the City as possible an opportunity to avail of funding and had offered those which had been unsuccessful an opportunity to discuss their applications. The Good Relations Manager explained that the Council had had a limited time in order to process the applications and advised that any issues relating to the review process be referred to the Office of the First Minister and the Deputy First Minister, on whose behalf the Council was administering the Fund.

After discussion, the Partnership agreed that funding be awarded to the following organisations and agreed also that the Office of the First Minister and the Deputy First Minister be requested to provide clarification on any review process relating to the award of funding:

<b><u>Organisation</u></b>	<b><u>Recommended Amount, up to £</u></b>
East Belfast Youth Forum	<b>2,500</b>
Shankill Area Project	<b>2,500</b>
Cliftonville Community Regeneration Forum	<b>2,000</b>
North Belfast Interface Network	<b>2,000</b>
Cavehill Antrim Road Regeneration	<b>2,000</b>
Newhill Youth & Community Centre	<b>1,000</b>
Upper Springfield Resource Centre	<b>1,000</b>
Upper Springfield Safer Neighbourhood Project	<b>1,000</b>
Upper Springfield Development Company Ltd.	<b>1,000</b>
Falls Community Council	<b>1,000</b>
Glenbank Community Association	<b>2,000</b>
Grosvenor Community Centre	<b>2,890</b>
Ravenlink Residents Group	<b>800</b>
Forthspring Intercommunity Group	<b>1,300</b>
St. James Community Forum	<b>2,000</b>
North Belfast Women's Initiative & Support Project	<b>2,000</b>
Upper Ardoyne Youth Centre	<b>2,000</b>
Ardoyne Youth Providers Forum	<b>3,000</b>

**Good Relations Partnership,  
Friday, 11th June, 2010**

<b><u>Organisation</u></b>	<b><u>Recommended Amount, up to £</u></b>
Ardoyne Youth Club	2,400
New Lodge Forum	2,000
Falls Youth Providers	2,000
Arts For All	2,500
LORAG	2,500
Inner East Youth Project	1,800
Finaghy Crossroads	2,000
Sydenham Community Development Agency	1,200
Donegall Pass Community Festival Committee	200
Embrace Ballysillan	500
Lower Oldpark Community Association	2,500
Short Strand Community Forum	2,000
Mount Vernon Community Dev. Forum	2,500
Clonard Residents Association	1,710
Lower Castlereagh Community Group	2,500
St. John Vianney Youth Centre	2,000
Crusaders Football Club	500
Basement Youth Club	2,000
Mountainhill Youth Club	1,000
Greater Shankill Partnership	500
Ballysillan Youth for Christ Community Drop in Centre	500
Tigers Bay Residents Assoc.	500
Somerton Road Episcopal Church	1,000
Holy Family Youth Club	500
White City Community Development Assoc.	500
Greencastle Community Assoc.	500
CRUA	2,000
Glen Community Parent & Youth Group	3,000
Greater Village Regeneration Trust	2,000
Skegoniel Community Group	2,000
Stadium Project	2,000
Belfast South Community Resource	3,000
174 Trust	1,000
Clarawood Community Assoc.	500
St. Paul's Church	1,000
Ballynafeigh Community Dev. Association	1,000
Carrick Hill Residents Association	2,250
Wishing Well Family Centre	500
John Paul II Youth Club	1,000
Markets Dev. Association	1,500
Artillery Youth Centre	1,500
An Droichead	2,500

**Good Relations Partnership,  
Friday, 11th June, 2010**

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<b><u>Organisation</u></b>	<b><u>Recommended Amount, up to £</u></b>
Glencairn Residents Group	<b>2,500</b>
Terry Enright Foundation	<b>1,000</b>
Beechmount Residents Association	<b>600</b>
North Belfast Area Project	<b>600</b>
Lower Shankill Community Association	<b>2,250</b>

**Good Relations Grant-Aid Fund**

The Good Relations Manager reminded the Partnership that, at its meeting on 16th April, it had approved the award of £76,150 in grant-aid funding for good relations work. She reported that a second call for applications had opened on 3rd May, with a closing date for applications of noon on 22nd May. She submitted a list of applications which had been received against the Fund by 22nd May, together with officer assessment summaries of the applications.

After discussion, the Partnership agreed unanimously that grant-aid be awarded under the delegated authority of the Chief Executive to the following organisations:

<b><u>Organisation</u></b>	<b><u>Recommended Amount, up to £</u></b>
Ligoniel Family Centre	<b>980</b>
Lower Oldpark Community Association	<b>2,600</b>
Prime Cut Productions	<b>1,000</b>
Ulster Bank Festival at Queen's	<b>2,850</b>
Beyond Skin	<b>8,000</b>
Youth Com	<b>5,000</b>
Anti-Racism World Cup	<b>1,000</b>
Falls Community Council	<b>2,864</b>
Northern Ireland Council for Refugees & Asylum Seekers (NICRAS)	<b>1,000</b>
Polish Association	<b>4,000</b>
Sandy Row Residents Association	<b>2,230</b>
Women in Faith	<b>500</b>
Ballynafeigh Community Development Association	<b>2,500</b>
Whiterock Children's Centre	<b>1,000</b>
Tinderbox Theatre Company	<b>5,000</b>
Stadium Projects	<b>5,000</b>
Old Belmont School Preservation Trust Ltd	<b>1,000</b>
New Lodge Arts	<b>7,000</b>
Divis Youth Project	<b>4,540</b>
Cultúrlann McAdam Ó Fiaich	<b>5,000</b>
Silver Threads	<b>3,000</b>

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**Good Relations Partnership,  
Friday, 11th June, 2010**

<b><u>Organisation</u></b>	<b><u>Recommended Amount, up to £</u></b>
The Belfast Boxing Ring	<b>1,000</b>
Corpus Christi Youth Centre	<b>4,700</b>
Crusaders Football Club and Newington Rangers FC	<b>1,000</b>
Headliners	<b>3,000</b>
Belfast Orangefest	<b>4,000</b>
Polish Community Centre, Cooltura	<b>1,000</b>
YouthWorks	<b>1,000</b>
Sunrise Parents Group	<b>968</b>
The HUBB Resource Centre	<b>1,000</b>
Markets Development Association	<b>1,950</b>
Success Dragon & Lion Dance Association	<b>500</b>
George Best Community Cup	<b>1,000</b>
Ransom Productions	<b>1,000</b>
Solway Stars FC	<b>1,000</b>
NI Tolerance Educational & Cultural Association (NITECA)	<b>1,000</b>
Willowfield Parish Community Association	<b>1,000</b>
East Belfast Youth Forum	<b>1,000</b>
	<b>92,182</b>

**Unveiling of Artwork in the City Hall**

The Good Relations Manager reported that the Council had, by way of a competition, invited artists to submit drawings and ideas for artwork which would celebrate Irish history and heritage in Belfast. She explained that a large number of entries had been received, which included proposals for art, sculpture and fabric installations. The successful artwork, which had been painted by Mr. K. Drury, would be unveiled in the City Hall on 24th June.

The Partnership noted the information which had been provided.

**Wider Issues**

A Member made the point that the Partnership should be seen to be taking a more pro-active role in the community and to be viewed as being a Civic Leader. He suggested that the Partnership should examine ways in which to promote its work, which would take into consideration outreach activities. In response, the Good Relations Manager informed the Partnership that an officer had been appointed in this regard and would be discussing with Members issues arising around the work of the Partnership.

**Good Relations Partnership,  
Friday, 11th June, 2010**

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**Membership of the Good Relations Partnership**

A Member pointed out that a number of persons on the Partnership had resigned recently and enquired as to whether there would be replacements appointed. In response, the Good Relations Manager pointed out that the Partnership would, in the near future, be reconstituted in preparation for the next phase of the Peace Plan and that a review of the representation on the Good Relations Partnership would be undertaken.

Chairman

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### Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>CONSULTATION – A MODERN AND PUBLIC LIBRARY SERVICE FOR THE GREATER BELFAST AREA – UPDATE ON CONSULTATION</b>
<b>Date:</b>	Friday 18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	Gerry Millar, Director of Property and Projects, ext 6217
<b>Contact Officer:</b>	Sharon McNicholl, Strategic Planning and Policy Officer, ext 6204

#### Purpose of the Report

To inform the Strategic Policy & Resources Committee on the decisions made by the Board of Libraries NI on the consultation document "Meeting the demands for a Modern Public Library Service within Northern Ireland, Stage 1: Greater Belfast".

#### Relevant Background Information

##### Summary of the Proposals Consulted upon

Libraries NI was created in 2009 to take responsibility for the public libraries service across Northern Ireland. One of the first tasks that the new authority carried out was a strategic review of its library provision across the Province. The first phase included a review of the Greater Belfast area.

The review encompassed 32 libraries within the Greater Belfast area. Each of these libraries was examined under 4 criteria which were:

- fit for purpose;
- capable of delivering on the vision of Libraries NI;
- in the right location; and
- sustainability

Using these criteria it was contended that the following libraries were considered to be no longer viable: Andersonstown; Ballyhackamore; Ballymacarrett, Belvoir Park, Braniel, Cloughfern, Dunmurray, Gilnahirk, Ligoniel, Oldpark, Sandyrow, Tullycarnet, Whitewell, Woodstock.

Libraries that met the key criteria for future use and may have been recently refurbished and are well placed geographically to remain were Carryduff, Dundonald, Finaghy, Glengormley, Grove, Holywood Arches, Rathcoole and Whiterock.

The review indicated that libraries that require new builds or major refurbishment were Ardoyne, Chichester, Cregagh, Falls Road, Lisburn Road, Newtownbreda, Ormeau and Shankill

Libraries that required to be clustered to consolidate provision into a single viable entity were Suffolk and Colin Glen.

Members received a briefing from representatives from Libraries NI on Tuesday 16<sup>th</sup> March 2010 on the details of the proposals contained within the consultation document and the comments discussed at this meeting were included within the Council response.

#### Belfast City Council Response

The Council's response to the consultation was approved by the Committee at its meeting on Friday 19<sup>th</sup> March 2010 and was subsequently submitted to Libraries NI.

The response highlighted that the Council would be keen to explore the co-location of library services within Belfast City Council owned buildings. Particularly where Belfast City Council buildings are located in the proximity of libraries facing potential closure. The response also stressed the need for an assessment of the population needs of the areas where service withdrawal was proposed.

In summary, the factors which the council highlighted needed further consideration when making decisions on proposed closures included:

- Any plans for the closure of libraries should take into consideration access to public transport. The older population and those with physical disabilities would for example find distance to an alternative library a limiting issue.
- Libraries are regularly used as community spaces and local people use them as such. In particular, older people, younger people and migrant workers use libraries frequently.
- In some of the areas where closures are proposed the library may be the only community space available to residents.
- Some of the proposed closures are situated in areas of high deprivation, where a significant proportion of residents have no or low levels of qualifications.
- There is merit in considering what other community facilities exist within the area in order to look at relocation options if feasible.
- Proposed mobile services to replace existing service may not be suitable for older people or people with disabilities and this needs to be addressed.
- Libraries are an important meeting place for social and community activities many associated with life-long learning outcomes but also just places to drop in, attend thematic events, meet socially and are used by the local community in such a way.
- The Council is of the opinion that libraries, like council leisure facilities, should have opening hours which reflect customer demands, possibly including longer opening hours in the evenings and weekends. The Council would, for example, be supportive that the opening hours of the library at the Grove Well Being Centre Library could be extended in line with the opening hours of the leisure facilities at the centre.

### **Future of Belfast's Libraries**

At its meeting on the 27<sup>th</sup> May 2010, the Libraries NI Board scrutinised the findings of the review and the public consultation process. The review encompassed 32 libraries in total, 19 of which are located in the Belfast City Council area. The board determined that of the 19 libraries in Belfast City:

- Finaghy, Grove, Holywood Arches and Whiterock meet the key criteria for future use and are well placed to provide 21<sup>st</sup> century library services.
- Plans should be taken forward, subject to the availability of funding, for capital investment in Ardoyne, Chichester, Falls Road, Lisburn Road, Ormeau and Shankill Libraries.
- Ballyhackamore and Woodstock Libraries originally proposed for closure should remain open, in relation to Woodstock Library the situation should be reviewed in 2 years.
- Suffolk Library, originally proposed for amalgamation with Colin Glen Library, should remain open,



pending investigation of further developments in the area

- The remaining libraries should close and alternative provision be made, particularly for those users who are unable to access an alternative static library. The libraries which will close are Andersonstown, Ballymacarrett, Ligoniel, Oldpark, Sandy Row and Whitewell.

The Board also decided that the following libraries within the Greater Belfast Area should also close:

- Belvoir Park, Braniel, Dunmurry, Gilnahirk

### **Key Issues**

The Council in its response to the consultation document recommended the need for a more collaborative approach in the creation of estates strategies and the co-location of services in the future. The response commented that Libraries NI work closely with other statutory organisations, particularly the Council, to ensure that a collaborative partnership is adopted

Following the decisions made on the closures outlined above Libraries NI have advised that they are keen to continue to explore the feasibility of partnerships with other organisations, including Belfast City Council. Council officers will continue discussions with Libraries NI in relation to potential collaboration particularly where Belfast City Council buildings are located in the proximity of the library closures announced.

### **Recommendations**

1. To note the decisions made by the Libraries NI Board
2. Council officers to continue discussions with Libraries NI in relation to potential collaboration

### **Key to Abbreviations**

### **Documents Attached**

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**Belfast City Council**

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	<b>Road Safety Strategy for Northern Ireland 2010 – 2020 response to consultation</b>
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	Suzanne Wylie, Director of Health and Environmental Services, Ext. 3260
<b>Contact Officer:</b>	David Cartmill, Departmental Policy Manager, Ext. 3377

**Relevant Background Information**

This paper presents for consideration a draft response to the consultation exercise relating to the Road Safety Strategy for Northern Ireland 2010 – 2020. The production of the draft strategy has been overseen by representatives from DoE, Driver and Vehicle Licence Agency, DRD, Department of Education, Department of Employment and Learning, Department of Health, Social Services and Public Safety, PSNI, Fire and Rescue Service and the Ambulance Service.

The draft strategy is based on detailed research and analysis of road safety statistics including views gathered in a pre-consultation engagement which involved input from the former Belfast Road Safety Committee (which comprised councillors, representatives of external organisations and individuals). The strategy seeks to involve all those who have a contribution to make, including Local Authorities, to explore ways to build capacity to reduce casualties at local level.

The document identifies 6 key challenges to be addressed over the lifetime of the strategy.

1. Continuing to reduce the numbers of road deaths and serious injuries.
2. Focusing specifically on improving safety on rural roads.
3. Working particularly to protect young drivers (age range 16-24) and motor cyclists).
4. Reducing inappropriate and illegal road user behaviour including speeding, drink and drug driving and careless and dangerous driving.
5. Improving our knowledge and involvement in solving road safety problems, and
6. Working with funding uncertainties.

Road Safety has been established as an important consideration in successive Programmes for Government. It is accepted that proposals impact on other government policies including improving health, the environment, sustainability and climate change and also local government and public sector reform. The document notes that future decisions will be impacted by a range of factors including devolved powers to local government, use of public transport, increase in walking/cycling and carbon constraints.

### **Key Issues**

Based on the analysis of road safety statistics and a review of strategies in other locations, the consultation document presents over 170 proposed Action Measures which have been agreed by the statutory road safety partners. The measures are set to contribute to 4 key targets which are established against a baseline of 2004 – 2008 average figures.

1. To reduce the number of people killed in road collisions by at least 40%.
2. To reduce the number of people seriously injured in road collisions by at least 45%.
3. To reduce the number of children (aged 0-15) killed or seriously injured in road collisions by at least 55%, and
4. To reduce the number of young people (aged 16-24) killed or seriously injured in road collisions by at least 55%.

The 174 proposals contained within the draft strategy are listed under broad headings:

- (i) Road users
- (ii) Roads
- (iii) Vehicles
- (iv) Working with others

The main proposals under each heading are summarised below:

#### **(i) Road Users**

- (a) Audit road safety education services and resources.
- (b) Develop improved measures to influence young people's attitudes and behaviours.
- (c) Re-assess and improve the way novice drivers first learn to drive and consult on introducing a new system of Graduated Driver Licensing.
- (d) Extend the use of driver remedial courses and make greater use of them to address errant road user behaviour.
- (e) Introduce graduated penalties for certain offences.
- (f) Adopt the Association of Chief Police Officers (ACPO) speed limit enforcement guidelines.
- (g) Focus on better retrieval and extrication of casualties based on collaborative working between the Fire and Rescue Service on both sides of the border and the community and voluntary sector.

**(ii) Roads**

- (a) Undertake a review of speed limits on upper tier rural roads.
- (b) Consider the applicability of urban speed reduction initiatives.
- (c) Assess the potential for wider introduction of 20mph limits in residential areas and other urban areas where there is a significant presence of vulnerable road users. (such as around schools)

**(iii) Vehicles**

- (a) Support National introduction of appropriate EU vehicle regulations.
- (b) Seek increasing opportunities to participate in trialling and piloting new systems within the UK research programme and supporting the future emphasis on advanced crash avoidance systems.

**(iv) Working with others**

- (a) Set up an Active Travel Forum, including a range of stakeholders, which will consider a broad strategic approach to active travel.
- (b) Set up a Motor Cycling Forum, including a range of stakeholders, which will consider an inclusive and strategic approach to motor cycling.
- (c) To work with Local Authorities to explore ways to build capacity to reduce casualties at a local level, identify local road safety issues and objectives and determine how we can work together to address local needs and priorities.

The timescale for the completion of the 2010-2020 strategy involves the completion of the consultation report (September 2010); draft strategy for consideration by Minister and Assembly (October 2010) and strategy launch (December 2010).

The attached draft response in Appendix 1 does not comment on each of the 174 Action Measures proposed. It is generally supportive of the direction and content of the report and makes specific reference to issues which are of greater relevance to Belfast City Council.

The draft response has been informed by comments received from relevant sections within the Council. It also takes account of discussion at a joint seminar convened by NILGA and the DoE to consider a general response on behalf of local government. A draft response from NILGA is included in Appendix 2

**Resource Implications**

N/A

**Recommendations**

To agree the draft consultation response.

**Decision Tracking**

The official deadline for comments is 15 June, however an extension to the consultation deadline has been agreed with DoE. A copy of the Council response, including amendments if necessary, will be forwarded after Committee consideration and Council ratification.

**Key to Abbreviations**

ACPO Association of Chief Police Officers  
DoE Department of the Environment (NI)  
DRD Department for Regional Development  
NILGA Northern Ireland Local Government Association  
PSNI Police Service of Northern Ireland

**Documents Attached**

Appendix 1 – Draft BCC response to consultation.  
Appendix 2 – Draft NILGA response to consultation.

**APPENDIX 1**

**Draft Response**

Road Safety Strategy and Research Branch  
Road Safety Division  
Department of the Environment  
Clarence Court  
10-18 Adelaide Street  
BELFAST  
BT2 8GB

Dear Sir / Madam

**Consultation on preparing a new Road Safety Strategy for Northern Ireland  
2010 – 2020**

Thank you for the invitation to comment on the above document. Belfast City Council is fully supportive of the vision articulated in the strategy to “. . . . make Northern Ireland’s roads as safe for all road users as anywhere in the world”.

The key challenges identified in the document are realistic and are supported by detailed evidence presented in the introductory sections of the report.

Our response highlights issues and actions that are particularly relevant to the urban nature of the Belfast City Council area. The response has been informed by the consultation seminar hosted jointly by the Northern Ireland Local Government Association (NILGA) and yourselves. It is, however, forwarded separately from the collective views expressed in the NILGA submission.

**General comments**

1. Paragraph 5.3 of the report commits to working with any new local authorities, when the structure has been finalised, to explore ways to build capacity to reduce casualties at local level, identify local road safety issues and objectives and determine how we can work together to address local needs and priorities. Irrespective of agreement on new structures, Belfast City Council would wish to progress discussion on how road safety may be improved at both a city and at community level within the city. Belfast has the highest number of fatal and serious collisions amongst the existing 26 authorities. The Council is intending to pursue the development of a community planning approach to collectively develop and address key issues for the city. The issue of road safety would fit within this framework
2. In relation to the comments above, the measures relating to “lower level” Road Safety plans, allowing local government to link with and influence the overall government framework, are welcomed (Actions 115, 117). The report acknowledges links between deprivation and higher levels of accidents. The localised approach advocated is deemed beneficial to address specific community circumstances in Belfast.
3. The Council welcomes the inclusion of performance indicators and targets within the draft report. It is understood that a supporting Action Plan will be

developed to add detailed specification to the proposed action measures. It is critical that the resource consequences of each measure are clearly articulated and sources of funding are identified. It should be noted that without the power of 'wellbeing' (to be given to councils as part of the RPA process) there is no legal vices for councils to incur expenditure on road safety. Additionally, Local Authorities are facing significant cost reductions.

4. Action Measure 119 outlines the need for better understanding and co-ordination of road safety roles and initiatives. Belfast City Council is strongly supportive of the need for clear lines of responsibility to be agreed and adhered to. Leadership of the Roads Safety strategy needs to be clear as does accountability for delivery of respective actions.

### **Specific comments**

#### **Safer Roads - Speed**

5. Belfast City Council would wish to support pilot schemes regarding 20mph speed limits in residential and other urban areas and other urban speed reduction initiatives (Action 5, 10, 12). We would note, however, that air quality obligations residing with Local Authorities may be impacted by speed limits in urban locations. It is assumed that appropriate environmental assessment of the consequences of lower speeds and associated increases in vehicle emissions will be conducted.

#### **Road Treatments (Marking)**

6. Belfast City Council would wish to be consulted on pilot schemes to consider removal of pedestrian guard railings (Actions 23, 30) and would support measures to reduce illegal road side trading and advertising to reduce the risk of collisions caused by driver distraction.

#### **Pedestrian / Walking**

7. In addition to the measures outlined, Belfast City Council would wish to have more prominent reference made to accommodating people with disability, particularly those with visual impairment (Actions 37 – 39, 108 – 109).

#### **Walking and Cycling**

8. Belfast City Council is committed to promoting cycling as a means of sustainable travel in the City. We would seek reassurance that all available measures are put in place to enhance safety for cyclist road users. The Council endorses the proposal for the establishment of an Active Travel Forum and would seek to be represented on the forum. (Actions 40 – 41, 107, 153).

#### **Working with Others**

9. Belfast City Council welcomes the commitment to work with representatives and associations to promote and assure road safety. In particular we recognise the need to support migrants who comprise an increasing proportion of the local population. We would seek involvement in the ambition to work with sporting associations given Council's role in sports development. (Actions 113-114)



**Vehicle Use**

10. The proposal to develop measures to educate on legal and safety issues regarding vehicles not normally used on public roads is important. Belfast City Council is currently addressing the unlawful use of vehicles such as quads on Council open spaces. We would welcome the opportunity to have input to the development of this measure (Action 143)

**Miscellaneous**

11. A possible additional action in the Safer Vehicles section of the draft might make reference to new vehicle technologies. Belfast City Council is working with officials from DoE and DRD on a proposal to promote the use of electric powered vehicles. It is important that all road safety consequences of such vehicles are considered.

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## APPENDIX 2

### Road Safety Strategy for Northern Ireland 2010 – 2020 Draft Response

#### 1 Introduction

- 1.1 NILGA, the Northern Ireland Local Government Association, is the representative body for district councils in Northern Ireland. NILGA represents and promotes the interests of local authorities and is also supported by all the main political parties.
- 1.2 NILGA welcome the opportunity to respond to the consultation on preparing a Road Safety Strategy for Northern Ireland, and hope that comments contained within the document are taken into account when developing the final Road Safety Strategy, due to be issued for consultation before the end of the year.
- 1.3 This response was developed by holding a local government consultation seminar in Craigavon Civic Centre on 2 June 2010 in conjunction with DOE Road Safety Division.

#### 2 Key Challenges

- 2.1 Overall, local government is content with the key challenges that have been identified by the DOE Road Safety Division.
- 2.2 In addition to the key challenges identified by the Department, it was strongly advocated that the higher incidence of collisions for those who drive for work (including those who drive as part of their occupation and those who use fleet or private vehicles to travel to meetings) should be highlighted as a key challenge to be addressed over the life of the strategy. Local government are particularly concerned that research indicates that more people are killed and seriously injured in 'at work' road collisions than in all other occupational collisions put together.
- 2.3 The high incidence of collisions for those who drive for work is an issue of importance of local government. Recently, four councils worked together (namely Ballymoney, Moyle, Coleraine and Limavady) to organise a breakfast seminar for the local business community to encourage employers to develop and implement effective policies in relation to driving for work. The breakfast seminar was extremely well received and local businesses commented on how useful the morning had been. The seminar was relatively inexpensive to organise (costing £1,500 which included breakfast for all attendees and the costs associated with a key note speaker travelling from England). Local government would strongly recommend that this type of event is rolled out throughout Northern Ireland to highlight this serious issue and try to minimise the amount of collisions occurring for those who drive for work.

#### 3 Proposals

- 3.1 Local government strongly advocate that partnership working and co-ordination between all key stakeholders (in particular, DRD Roads Service) is essential to ensure the effective implementation of the Road Safety Strategy.
- 3.2 Local government commend the success of pilot schemes at two primary schools developing 20 mph speed limits at rural schools on roads where the national speed limit

- applies. It is hoped that DOE Road Safety Division can identify a budget to roll-out this scheme to install 20mph speed limit zones around all schools in Northern Ireland.
- 3.3 Local government welcome proposals for novice drivers to demonstrate a competence of driving in different conditions such as at night-time, on the motorway and during wintry weather, as well as a post-test restriction on the number of passengers that can be carried.
- 3.4 A note of caution was aired in relation to demonstrating experience of motorway driving for rural dwellers. Novice drivers in Fermanagh, for example, would have 1 hour to travel to reach either a motorway or a dual carriageway.
- 3.5 It is strongly advocated that DOE Road Safety Division research the use of road signage in other jurisdictions in order to improve road signs in Northern Ireland. This could include increased use of flashing lights and road markings to indicate the location of schools, larger speed limit signs and fatality toll signage (as utilised in RoI).
- 3.6 Proposals to allow local councils to become more involved in the delivery of a Road Safety Strategy (including developing lower-level local road safety plans) are welcomed, provided that local authorities are adequately resourced to do so.
- 3.7 The issue of cross-border travel was highlighted as an issue of concern. It was asserted that it is not clear on many cross-border roads that a driver has crossed into the other jurisdiction. This causes problems for drivers particularly as speed limit signs are indicated in miles per hour in NI and kilometres per hour in the RoI. It is thought that this would be a particular problem for visitors and tourists to border areas.
- 3.8 It is suggested that training for driving instructors should be reviewed, in order to ensure that instructor training is as robust as possible.
- 3.9 Members put forward the idea that white line marking at the edge of roads could be introduced, to help road users identify road edges, particularly when driving in poor visibility conditions. Suggestions were also made to increase the maximum speed on motorways to 75 mph and to include more over-taking lanes to allow road users to pass slow moving vehicles.
- 3.10 It is also suggested that random breath testing for alcohol, regardless of suspicion, should be introduced. A further suggestion was made to introduce 10 yearly eye tests and theory tests to ensure that drivers and riders have adequate vision and knowledge of the Highway Code.
- 3.11 Local government would welcome a time restriction for carrying out blood tests for drivers and riders suspected of driving under the influence of alcohol or drugs to ensure accuracy of results.
- 3.12 It is stressed that the effectiveness of these proposals will rely heavily on a commitment by all stakeholders to enforce the proposed actions, within the framework of a fair process with an adequate appeals procedure.

#### **4 Delivery of the Road Safety Strategy**

- 4.1 NILGA would strongly advocate that the delivery of the Road Safety Strategy is carried out through effective working partnerships of all key stakeholders to ensure a collaborative and joined-up approach.
- 4.2 It is also important to recognise, and work with, local voluntary road safety committees, community groups and sporting organisations who have taken a role in promoting road safety in their local areas. Concern was voiced in relation to the recent funding cuts for

road safety committees, particularly as the work carried out by these committees is of such importance.

- 4.3 Proposals for the Department of Education to engage with DOE, Education and Library Boards and the Educations and Skills Authority (once established) to explore how resources for schools on road safety can better empower children to make informed safe choices and decisions are welcomed by NILGA. It is suggested that Road Safety Events held in conjunction with NIFRS, PSNI and the Department of Education should be utilised to explain to young people how to deal with an accident or potential hazards on the road.
- 4.4 The use of modern technology such as Bluetooth messages, social networking sites and 'YouTube' was recommended as a means to promote road safety messages (particularly to young people).

## **5 Role of Local Government in the Strategy**

- 5.1 Road Safety is often named as a top priority for local councils and a number of local councils have been developing innovative and effective programmes to promote road safety in Northern Ireland.
- 5.2 Local government representatives highlighted the work District Policing Partnerships (DPPs) and Community Safety Partnerships (CSPs) working with the PSNI to identify particularly dangerous stretches of roads and other local road issues. One such example is an initiative originally instigated by the DPP manager for Dungannon and South Tyrone District Council. The four DPPs in the 'F' district police cluster (Dungannon, Cookstown, Omagh and Fermanagh) along with statutory representatives from the Fire Service, PSNI, Education and Roads Services formed a Road Safety Forum to co-ordinate efforts and resources – focusing and promoting key messages at the same time throughout the forum's area. An action plan has been developed and the Forum is currently working through the actions. Some of the initial items of work have included awareness raising such as themed DPP discussion forums and meeting with organisations such as the Vintners Association. Education programmes are also currently underway; such as 'Bike Safe' for motorcyclists, 'Roadsafe Roadshow' for sixth formers and a Christmas anti drink-driving campaign. It is important to note that the concept of the Forum is not to erode any work being carried out by the different organisations with a remit or interest in road safety but rather to co-ordinate and deliver a more focused message across the district. It is important that all stakeholders communicate and take a co-ordinated approach, in order to learn from best practice and to minimise duplication of effort.
- 5.3 The Department of Justice (NI) are currently working through proposals to amalgamate DPPs and CSPs in May 2011 into one single partnership. It is suggested that the new partnerships could be used as a mechanism to deliver some aspects of the Road Safety Strategy, within local authority structures.
- 5.4 Finally, NILGA would stress the importance of providing a statutory footing for local authorities if expected to play a role in delivering and implementing the Road Safety Strategy on a local level.

## 6 Areas of Research

- 6.1 It is suggested that good practice examples in road safety strategies from other jurisdictions are utilised when developing the final draft of the Road Safety Strategy for NI.
- 6.2 Research indicates that brain development is still in progress during adolescence. The developing brain of the teenage years may help explain why adolescents sometimes make decisions that seem to be risky, as it is thought that a person's sense of danger signals are not fully developed until they reach their twenties. This research is particularly relevant to young drivers and NILGA would suggest that this information is publicised in order to encourage younger drivers to take more care on the roads.
- 6.3 It is also suggested that research is carried out comparing the experiences of drivers who have undertaken the Advanced Driving test to those who have not. This may encourage others to undertake the Advanced Driving Test, if results prove that undertaking the course helps minimise the likelihood of being involved in a collision.
- 6.4 Members further suggested that research is undertaken to ascertain the extent that driver/ rider fatigue plays in the incidence of road traffic accidents.

## 7 Other Issues

- 7.1 The consultation document states that DOE Road Safety Division "will work with any new authorities, when the structure has been finalised, to explore ways to build capacity to reduce casualties at a local level, identify local road safety issues and objectives and determine how we can work together to address local needs and priorities". Due to the current uncertainty surrounding local government re-organisation, NILGA would seek assurance from the Department that regardless of whether local councils will be operating on a 26 or 11 council model, local government will still be provided the opportunity to be involved in helping to improve road safety at a local level.
- 7.2 Local government have also requested further information on actions that are proposed to be undertaken and would encourage that an action plan to deliver and implement the Strategy is developed as a starting point for delivery.

**For further information regarding this response, please contact Claire Bradley at the NILGA offices on (028) 9079 8972 or at [c.bradley@nilga.org](mailto:c.bradley@nilga.org)**



**Belfast City Council**

<b>Report to:</b>	Strategic Policy and Resources Committee.
<b>Subject:</b>	DfT 'Plugged in Places' Electric Vehicle Charging Infrastructure Framework.
<b>Date:</b>	18 June 2010.
<b>Reporting Officer:</b>	Mrs. Suzanne Wylie, Director of Health and Environmental Services (ext. 3260).
<b>Contact Officer:</b>	Alastair Curran, Sustainable Development Manager (ext. 3309)

**Relevant Background Information.**

The 2008 DoENI State of the Environment Report highlights that road transportation is the 2<sup>nd</sup> largest source of carbon dioxide (CO<sub>2</sub>) emissions within Northern Ireland, as well as being a key source of air pollutants such as nitrogen dioxide (NO<sub>2</sub>) and particulate matter (PM<sub>10</sub>) in urban areas. In 2004, Belfast City Council declared four air quality management areas across the city for predicted exceedences of nitrogen dioxide and particulate matter health-based objectives principally associated with road transport, as part of its statutory obligations prescribed under the Air Quality Strategy for England, Scotland, Wales and Northern Ireland and Part III of the Environment (Northern Ireland) Order 2002. Council subsequently published an Air Quality Action Plan for Belfast in 2006 and continues to work with partner organisations including the Department for Regional Development Roads Service and Translink, etc. in order to meet the air quality objectives in the respective compliance years.

In developing its 2008-2011 Corporate Plan, the Council committed to reduce the city's impact on climate change and improve air quality under the strategic theme of 'Better Care for Belfast's Environment - a clean, green city now and for the future'. Council also adopted primary performance indicators of '% reduction in greenhouse gas emissions from Council premises' and 'Number of monitored exceedences of EU and UK air quality standards within Belfast'.

On 16 April 2009, the then UK Secretaries of State for Transport and Business jointly announced the UK's Strategy for Ultra Low Carbon Vehicles. The document provides an overview of government's activities for the next 5 years in terms of research, demonstration and incentives for consumers and industry. The strategy includes a reference to £250m of consumer incentives designed to stimulate the take up of electric and plug-in-hybrid vehicles, scheduled to become commercially available across the UK from 2011 onwards.

Government has recognised however, that an electric vehicle charging infrastructure framework will have to be developed in advance of the introduction of monetary incentives to consumers. This is to be delivered via the Department for Transport (DfT) Office for Low Emission Vehicles (OLEV) 'Plugged-In Places Infrastructure Framework', which is designed to support the creation of a critical mass of vehicle recharging infrastructure in 3-6 lead cities or regions of the United Kingdom ahead of the introduction in January 2011 of a 'point of purchase' consumer incentive scheme offering up to £5,000 of the cost of eligible electric, plug-in hybrid and hydrogen cars. Government has stated that zero emission vehicles (ZEV) can help to improve the environment by reducing emissions of carbon dioxide and ambient air pollutants. Accordingly, DfT has made infrastructure framework funding of £30m available between 1 April 2010 and 31 March 2013 to support up to 50% of eligible costs. Indicatively, funding will be spread equally over the three-year period.

The Department of Environment for Northern Ireland (DoENI) and Department for Regional Development (DRD) elected jointly to convene a Northern Ireland consortium in order to submit a regional bid to OLEV. DoENI approached the Council regarding participation in the bid and Chief Officers recommended that the Sustainable Development Manager should represent the Council on the consortium in order to help develop and submit an 'Expression of Interest' to OLEV.

**Key Issues.**

In order to comply with the OLEV application schedule, the Northern Ireland consortium was required to submit an Expression of Interest by 1 June 2010. OLEV intends to shortlist Expressions of Interest by 30 June and then work with successful consortia to develop their final applications for submission by 30 September. The Northern Ireland consortium presently includes DoENI, DETI and DRD, along with Newry, Derry, Enniskillen, Omagh, Armagh and Belfast Councils, energy generators, the Utility Regulator, educational establishments, vehicle manufactures and recharging infrastructure companies. Sub-groups have been convened to develop technical, marketing, IT, public sector procurement and supply chain aspects of the bid.

The Northern Ireland consortium has submitted 3 recharging infrastructure scenarios to OLEV as part of its Expression of Interest;

- Belfast and Belfast-Dublin link (linking the North/South corridor to vehicle recharging projects installed already in Ireland) – overall project cost £1.3 million requiring consortium funding of £0.9 million.
- Belfast, Belfast-Dublin link, Newry and one other city – overall project cost £1.7 million requiring consortium funding of £1 million.
- Belfast, Belfast-Dublin link, Newry, Derry, Enniskillen, Armagh and Omagh - overall project cost £2.0 million requiring consortium funding of £1.3 million.

DoENI has indicated that it expects matched funding to be provided by central government and commercial consortium partners. The Director of Legal Services considered the Council's capacity to contribute financially towards the capital cost of the Northern Ireland bid and concluded that the Council has no legal vires to do so since it has no statutory function in relation to transport. He suggested however, that in extraordinary circumstances, the Council could seek sanction from DoENI to make a financial contribution towards the project.

At this time, DoENI has requested that Councils consider:-

- The purchase of electric vehicles for their fleets.
- The provision of sites and parking spaces for the location of electric vehicle charging points at sites owned by Councils.
- Engaging with local businesses to encourage the use of electric vehicles.
- The potential funding of non-capital costs, e.g. local research into the vehicle usage, project management and reporting costs.

Presently, the global electric vehicle market is in its infancy and therefore, the types of vehicles available are limited. Moreover, commercial electric vehicles typically carry a significant price premium, which would be unlikely to be completely offset by their lower running costs over the operational life of the vehicle. For example, diesel panel vans typically retail at around £20,000 whereas a comparable rechargeable variant can cost in excess of £60,000. Rechargeable cars are expected to cost from around £23,000 (inclusive of the government purchase incentive) when launched in 2012 / 2013, however, the Council operates relatively few cars. The Council does operate a number of smaller panel vans and consequently, there may be an opportunity to migrate towards rechargeable variants of these vehicles when they are launched in summer 2011, assuming that purchase or lease costs are not prohibitive.

Public electric vehicle charging points are typically of a bollard type construction; around 20 cm in diameter and 1.5m high. Wall mounted versions are also available for internal building use. They generally operate at 240 volts / 20 amps and access to the charging socket is controlled via a RFID chip issued to registered users. Electric vehicle recharging times are typically around 6-8 hours for a full charge providing a range of up to 100 miles however, public charging sites are designed principally to deliver a top-up charge. In order to ensure that availability of charging points is maximised, a dedicated parking space is generally provided for each charging point. Public charging points retail currently at around £5,000 per unit.



**Resource Implications.**Financial.

The Strategic Policy and Resources Committee is advised that the Council may be invited to contribute financially towards the non-capital costs of the Northern Ireland consortium bid. Clearly this is something that the Council would need to consider carefully in the current financial climate. Members are advised therefore, that a further detailed report will be provided to the Committee should specific financial or other resource contributions be sought from the Council.

Human Resources.

It is proposed that the Sustainable Development Manager will continue to represent the Council on the Northern Ireland consortium and associated working groups.

Asset and Other Implications.

The Council may be invited to provide locations and dedicated parking spaces for the siting of electric vehicle charging infrastructure at its premises.

At this point, the Council is being asked to endorse submission of a Northern Ireland application to OLEV and to authorise the continued participation of the Sustainable Development Manager on the consortium in order to support project research and proposal development. It will be made clear to the lead government departments that endorsement does not commit the Council to any financial contribution. Members are advised that if the Northern Ireland consortium bid is successful in securing DfT / OLEV funding, it is anticipated that the project will commence from the 2011/2012 financial year.

**Recommendations.**

The Committee is requested to:

- Authorise the Council's continued participation in the Northern Ireland consortium via the Sustainable Development Manager;
- Agree to support an application by the consortium to DfT / OLEV;
- Authorises officers to continue to research the feasibility of purchasing zero emission rechargeable vehicles and providing charging points at Council owned sites.

**Decision Tracking**

The Sustainable Development Manager will bring further reports back to the Committee if and as the project develops, particularly where there are resource implications for the Council.

**Key to Abbreviations**

DfT - Department for Transport.  
 DoENI - Department of Environment for Northern Ireland.  
 DRD - Department for Regional Development.  
 DETI - Department of Enterprise, Trade and Investment.  
 OLEV - Office for Low Emission Vehicles  
 RFID - Radio frequency identification.  
 ZEV - Zero emission vehicle.

**Documents Attached**

N/A

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