



Belfast City Council

Report to:	Shadow Strategic Policy and Resources Committee
Subject:	Non – Recurrent Expenditure Requirements 2014/15 and 2015/16
Date:	30 January 2015
Reporting Officer:	Ronan Cregan, Director of Finance and Resources and Deputy Chief Executive
Contact Officer:	Mark McBride, Head of Finance and Performance

1.0	Relevant Background Information
1.1	This report presents the non-recurrent expenditure requirements for 2014/15 and 2015/16 and makes recommendations as to how these can be financed.

2.0	Key Issues																				
2.1	<p>Non – Recurrent Expenditure 2014/15</p> <p>The Strategic Policy and Resources Committee has already approved £2,962,241 of non-recurrent expenditure for 2014/15. This is summarised in Table One below. Members agreed, as part of the half year finance report, that this expenditure would be financed from the forecast year end under spend of £4,307,000.</p> <table border="1"> <thead> <tr> <th colspan="2">Table One: 2014/15 Non-Recurrent Expenditure</th> </tr> </thead> <tbody> <tr> <td>Leisure Mobilisation 2014/15</td> <td>1,171,233</td> </tr> <tr> <td>WFH Mobilisation</td> <td>700,000</td> </tr> <tr> <td>Innovation Centre</td> <td>130,000</td> </tr> <tr> <td>Temp Accommodation</td> <td>80,000</td> </tr> <tr> <td>Vehicles parks</td> <td>164,461</td> </tr> <tr> <td>Total Assets</td> <td>2,245,694</td> </tr> <tr> <td>Data Transfer (Building Control)</td> <td>38,753</td> </tr> <tr> <td>Cleansing</td> <td>80,393</td> </tr> <tr> <td>Ulster Orchestra*</td> <td>100,000</td> </tr> </tbody> </table>	Table One: 2014/15 Non-Recurrent Expenditure		Leisure Mobilisation 2014/15	1,171,233	WFH Mobilisation	700,000	Innovation Centre	130,000	Temp Accommodation	80,000	Vehicles parks	164,461	Total Assets	2,245,694	Data Transfer (Building Control)	38,753	Cleansing	80,393	Ulster Orchestra*	100,000
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SP&R Approved Funding Requests	153,500
Pensions	238,181
Total Other	610,827
Condition surveys and remedial works	9,000
Removal costs from Bedford House	38,720
Fit out costs of new building	50,000
Connection costs to new building	8,000
Total Transfer of Functions	105,720
Total 2014/15	2,962,241

*DCAL has confirmed that the requested one-off funding will be made available to the Ulster Orchestra as a result of January monitoring. DCAL has asked the Arts Council to administer and allocate this funding under the terms of its current Letter of Offer to the Ulster Orchestra.

- 2.2 **Non – Recurrent Expenditure 2015/16**
Table Two below outlines the non-recurrent expenditure requirements for 2015/16. The key drivers of these costs are the delivery of Investment Programme projects and transitional arrangements associated with local government reform.

Table Two: Non-Recurrent Expenditure 2015/16

Employees	1,694,736
Assets	573,052
Other	920,023
Transfer of Functions	323,000
Total	3,510,811

- 2.3 **Employees**
For the past three years temporary staff employed to support the delivery of Investment Programme projects and local government reform have been financed through the Waste Plan and the Local Government Reform Fund. These funds will come to an end on 31 March 2015. Table Three provides a summary of the temporary employee funding requirements by department. A detailed breakdown by post is provided at Appendix One.

Table Three: Temporary Employees 2015/16

Chief Executive's	408,458
Finance & Resources	126,718
Property & Projects	635,953
Health & Env. Services	133,385
Development	305,854

	<table border="1"> <tr> <td>Car Parks</td> <td>33,776</td> </tr> <tr> <td>Planning</td> <td>50,592</td> </tr> <tr> <td>Total Temp Employees</td> <td>1,694,736</td> </tr> </table>	Car Parks	33,776	Planning	50,592	Total Temp Employees	1,694,736						
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2.4	<p>Assets</p> <p>Table Four details the one-off costs associated with the assets transferring from Lisburn and Castlereagh. Detailed surveys of the assets have been carried out and maintenance costings have been prepared. Appendix Two provides a summary of the proposed work by asset transferring.</p> <p>Table Four: One – Off Asset Costs 2015/16</p> <table border="1"> <tr> <td>Property Maintenance - Assets transferring</td> <td>393,235</td> </tr> <tr> <td>Parks & Open Spaces/Tree & Path Works</td> <td>127,307</td> </tr> <tr> <td>Pitches Improvement</td> <td>10,510</td> </tr> <tr> <td>Street Signs</td> <td>12,000</td> </tr> <tr> <td>Building Signage</td> <td>30,000</td> </tr> <tr> <td>Total Assets</td> <td>573,052</td> </tr> </table>	Property Maintenance - Assets transferring	393,235	Parks & Open Spaces/Tree & Path Works	127,307	Pitches Improvement	10,510	Street Signs	12,000	Building Signage	30,000	Total Assets	573,052
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2.5	<p>Other</p> <p>These costs include £429k to support the alignment of the Council’s grant aid programmes for areas transferring from Lisburn and Castlereagh. A separate report on the alignment, on a one-off basis, of the events and festivals funding for the transferring areas and the development of a city events and festivals strategy is to be considered at today’s meeting.</p> <p>Table Five: Other Costs 2015/16</p> <table border="1"> <tr> <td>Licences</td> <td>105,000</td> </tr> <tr> <td>Community Planning & City Competitiveness</td> <td>100,000</td> </tr> <tr> <td>Grant & Community Support</td> <td>429,023</td> </tr> <tr> <td>Events & Festivals</td> <td>200,000</td> </tr> <tr> <td>Decade of Centenaries</td> <td>86,000</td> </tr> <tr> <td>Total Other</td> <td>920,023</td> </tr> </table>	Licences	105,000	Community Planning & City Competitiveness	100,000	Grant & Community Support	429,023	Events & Festivals	200,000	Decade of Centenaries	86,000	Total Other	920,023
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2.6	<p>Transfer of Functions</p> <p>Corporate signage on car parks must comply with legislative requirements and an additional £30k will be required to ensure compliance. Additional printers and computers will be required for the planning staff (45 staff) at a cost of £43k. The major additional expenditure requirement is £250k for advertising costs associated with planning applications. These are advertised in four local newspapers to ensure planning equality and legislative requirements are met.</p>												

	Table Six: Transfer of Functions 2015/16	
	Corporate Signage to car parks	30,000
	IT Hardware	43,000
	Planning Advertising	250,000
	Total Transfer of Functions	323,000
	Sources of Funding	
2.7	Table Seven shows that through a combination of sources £4.3m of finance is available. It is recommended that a transition fund of £3.31m is established to cover the one-off costs for 2015/16.	
	Table Seven: Sources of Funding 2015/16	
	2014/15 Year end balance	1,344,759
	LGR Fund	331,511
	LTP Fund	420,000
	Capital under spend	<u>2,219,843</u>
	Total funding available	4,316,113
	Funding required	3,510,811
	Balance remaining	805,302
2.8	In terms of the remaining balance of £800k Members have a choice of transferring this to reserves or using it to support other priorities. At the Budget Panel it was agreed that further detailed discussion is required about the future of the Local Investment Fund, Belfast Investment Fund and the potential establishment of a Support Fund. A detailed report on this matter will be brought to Committee in February and it is therefore recommended that the allocation of the £800k balance should be considered as part of this future report.	

3.0	Recommendations
	Members are requested to agree to: <ul style="list-style-type: none"> • The non-recurrent expenditure outlined in tables 3 to 6 for 2015/16. • The establishment of a transition fund of £3.51m to finance this expenditure.

4.0	Equality and Good Relations Implications
	There are no equality and good relations implications associated with the report.

5.0	Attachments
	Appendix One: Temporary Employees Appendix Two: Maintenance required for transferring assets

Appendix One: Temporary Posts 2015/16

DEPT/SERVICE
<u>CHIEF EXECUTIVES</u>
Corp Comms Officer X 3
Comms Assistant X 1
Corp Comms Placement Student
Ops Manager X 1
Lord Mayors Assistant X 1
Bus Support Clerk X 1
Civic Attendant X 1
Dem Services Officer x 1
Property Solicitor X 1
Solicitor x 2
<u>FINANCE &RESOURCES</u>
Business Support Officer X 1
Fin Control Officer X 1
Digital Belfast Officer X 1
Digital Belfast Tech Support Officer X 1
Digital Services Asst X 1
<u>PROPERTY AND PROJECTS</u>
Procurement officer X 3
Project Sponsor X 3
Facilities - Apprenticeship X 7
Estates Surveyor
Mgt Accountant X 1
Capital Claims Accountant X 1
Sen Bus Support Asst.X 2
<u>HEALTH & ENVIRONMENTAL SERVICES</u>
Cleansing Operatives X 6
Data Transfer X 1
<u>DEVELOPMENT DEPARTMENT</u>
Grants Assistant x 3
Project Officers X 3
Community Development Officer X 1
Asst Communtiy Development Officer X 1
<u>OFF STREET CAR PARKING</u>
Contract Manager Car Parking

Appendix Two: Maintenance required for transferring assets

Asset	Cost
Braniel Community Centre	3,050
Clonduff Drive Community Centre	135,800
Cregagh Civic Amenity Facility	25,300
Cregagh Youth and Community Centre	755
Downshire Community Hall	84,250
Henry Jones Pavilion	116,100
Knockbreda Cemetery Store	5,350
Lock Keepers Cottage	1,000
Tullycarnet Community Centre	730
Tullycarnet Pavilion & Bowling Green	15,000
Fullerton Park Community Centre & Pavilion	2,450
Napier Park Changing Pavilion	3,450
	393,235