

Title of Report:	Rates setting process and timetable
Committee Report Submitted To:	Finance Committee
Date of Meeting:	14 March 2024
For Decision or For Information	For decision
To be discussed In Committee YES/NO	No

Linkage to Council Strategy (2021-25)	
Strategic Theme	Cohesive Leadership
Outcome	Council has agreed policies and procedures and decision making is consistent with them.
Lead Officer	Chief Finance Officer

Budgetary Considerations	
Cost of Proposal	
Included in Current Year Estimates	YES/NO
Capital/Revenue	Revenue
Code	
Staffing Costs	

Legal Considerations	
Input of Legal Services Required	YES/NO
Legal Opinion Obtained	YES/NO

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

Background

District councils are obliged under legislation, Section 3 of the Local Government Finance Act (Northern Ireland) 2011, as part of the annual budget procedures to submit estimates of income and expenditure of the council for the next financial year. Regulation 3 of the Local Government (Capital Finance and Accounting) Regulations (Northern Ireland) 2011 states the prescribed date for the annual budget for a financial year beginning on or after 1st April 2012 shall be 15th February. This report recommends a process and timetable for the annual Council budget setting.

1.1 Review

In recent years the rate setting process has not run as smoothly as would be desired, additionally the out workings of the Extra Ordinary Audit have recommended a review of the budgeting process. The role of the Finance Committee currently is not well defined therefore this report seeks to address that matter. There is not enough time set aside to allow sufficient information to come to the Finance Committee to facilitate consideration and decisions on inclusion/exclusion from the proposed budget, again this report sets out a revised timetable for future years. Finally this Council has always scheduled an additional special meeting to deal with rates however if this process is correctly drafted and followed the need for additional meeting should be avoided, allowing the rate setting process to follow the normal monthly Council cycle.

1.2 Revised process

Council adopted a Medium-Term Financial Plan (MTFP) in October 2023, this plan now requires updating in light of the newly approved budgets in February and will therefore become the baseline for any new budgetary cycle. It is envisaged that the MTFP be updated in line with the 2024/2025 budgets and presented to this committee in April to allow consideration of its assumptions and projections, including whether any of those assumptions or projections need amended. This will then become the basis for the 2025/2026 budgetary cycle to begin. The Finance Committee can assess all aspects of Council finances and incorporate these into a budget model for recommendation to full Council in February annually to allow the rate to be struck. There will also need to be at least one if not two workshops arranged to allow consideration of the capital programme for incorporation into the budgetary process.

2.0 Proposed budget setting timetable

A recommended process and timetable for setting the annual budget is tabled below at Appendix 1.

3.0 Recommendation

It is recommended that Finance Committee approves the process and timetable for setting the annual budget including the setting of a date for the Rates Striking Council Meeting.

Appendix 1

Date	Action	Forum	Remarks
April	<p>Presentation of revised Medium Term Financial Plan for discussion and possible approval</p> <p>Capital programme</p>	<p>Finance Committee</p> <p>Workshop (Full Council)</p>	
May	<p>Presentation of further revised Medium Term Financial Plan (if required) and approval</p> <p>Consideration of financial requirements for the next budgetary cycle</p> <p>Capital Programme</p>	<p>Finance Committee</p> <p>Finance Committee</p> <p>Workshop (Full Council)</p>	
June	<p>Consideration of Capital programme</p>	<p>Finance Committee</p>	
September	<p>Overview of financial outlook, including budgetary pressures & cost analysis forecasting.</p> <p>Presentation from Environmental Services Directorate</p>	<p>Finance Committee</p> <p>Finance Committee</p>	
October	<p>Overview of financial outlook, including budgetary pressures & cost analysis forecasting.</p> <p>Presentation from Leisure and Development Directorate</p>	<p>Finance Committee</p> <p>Finance Committee</p>	
November	<p>Overview of financial outlook, including budgetary pressures & cost analysis forecasting.</p> <p>Presentations from Corporate Services Directorate, Chief Executive and Finance</p>	<p>Finance Committee</p> <p>Finance Committee</p>	
December	<p>Finance Committee considers overall budgetary position and makes recommendations for revisions.</p>	<p>Finance Committee</p>	

Date	Action	Forum	Remarks
January	Finance Committee debates Rate strike and recommends draft budget to February Full Council meeting to strike a rate.	Finance Committee	
February	Council considers Finance Committee recommendation on the rate strike	Full Council	
15 th Feb Anually	Council rate due with Department for Communities	DfC	