

FINANCE COMMITTEE MEETING THURSDAY 22 APRIL 2021

	Item	Summary of Key Recommendations
1.	Apologies	<i>Councillor Nicholl</i>
2.	Declarations of Interest	<i>Nil</i>
3.	Minutes of previous Finance Committee	<i>Confirmed</i>
	<i>'IN COMMITTEE' (Items 4-10 inclusive)</i>	
4.	Management accounts for Period 11, including narrative	<i>Received</i>
5.	Finance dashboards for Period 11	<i>Received</i>
6.	Loans Analysis	<i>Received</i>
7.	Programme Mandate – Finance Systems Renewal	<i>that Council : Approve the programme reporting structure as outlined in Table 1; Appoint Director of Finance as Senior Responsible Officer (SRO), as section 6.3; and Approve Project Start Up – Phase 1, accounting and payroll systems, with the next steps to deliver an Outline Business Case.</i>

8.	Waterworld update	<i>Information</i>
9.	PwC update	<i>Received</i>
10.	Any Other Relevant Business	<i>Nil</i>

**MINUTES OF THE PROCEEDINGS OF THE FINANCE COMMITTEE MEETING
HELD IN THE COUNCIL CHAMBER, CIVIC HEADQUARTERS
AND VIA VIDEO CONFERENCE ON THURSDAY 22 APRIL 2021 AT 8.04 PM**

In the Chair: Councillor McLean (C)

Members Present: Alderman Duddy (C), Hillis (C), Finlay (R)
Councillors Beattie (R), Callan (R), Holmes (C), McCaw (R),
McMullan (R), McQuillan (C), Peacock (R), Nicholl (R),
Schenning (R), Scott (R)

Non-Committee Member Alderman S McKillop (R)
In Attendance:

Officers Present: D Jackson, Chief Executive (C)
M Smyth, Director of Finance (Interim) (R)
A McPeake, Director of Environmental Services (R)
R Baker, Director of Leisure and Development (R)
M Quinn, Director of Corporate Services (R)
D Wright, Chief Finance Officer (R)
J Mills, Council Land and Property Solicitor (R)
J Keen, Corporate Support Assistant (R)
S Duggan, Civic Support & Committee & Member Services Officer (C)

In attendance: J Davidson, PwC (R)

A Lennox, ICT Operations Officer (C)
C Thompson, ICT Mobile Operations Officer (C)

Key: (C) Attended in the Chamber
(R) Attended Remotely

The Chair read from the Remote Meetings Protocol:

Welcome to the Finance Committee Meeting.

I extend a welcome to members of the press and public in attendance. You will be required to leave the meeting when Council goes into committee. You will be readmitted by Democratic Services Officers as soon as the meeting comes out of committee. I would also remind you that the taking of photographs of proceedings or the recording of proceedings for others to see or hear is prohibited.

If you are having technical difficulties try dialling in to the meeting on the telephone number and Conference ID provided.

If you continue to have difficulties please contact the number provided on the chat at the beginning of the meeting for Democratic Services staff and ICT staff depending on your query.

*The meeting will pause to try to reconnect you.
Once you are connected*

- Mute your microphone when not speaking.*
- Use the chat facility to indicate to that you wish to speak. The chat should not be used to propose or second.*
- Please also use the chat to indicate when you are leaving the meeting if you are leaving before the meeting ends.*
- Unmute your microphone and turn your camera on when you are invited to speak.*
- Only speak when invited to do so.*
- Members are reminded that you must be heard and where possible be seen to all others in attendance to be considered present and voting or your vote cannot be counted.*

1. APOLOGIES

Apologies were recorded for Councillor Nicholl.

2. DECLARATIONS OF INTEREST

There were no Declarations of Interest.

The Chair welcomed the interim Director of Finance, M Smyth to the meeting.

The Director of Finance stated it was a pleasure to be at the meeting and he had spoken to a number of committee members to date.

3. MINUTES OF PREVIOUS FINANCE COMMITTEE MEETING

Summary previously circulated.

AGREED – that the Minutes of the Finance Committee meeting held 11 March 2021 are confirmed as a correct record.

MOTION TO PROCEED ‘IN COMMITTEE’

Proposed by Councillor Schenning
Seconded by Councillor Scott and

AGREED – to recommend that Council move ‘*In Committee*’

- * **The information contained in the following items is restricted in accordance with Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014.**

4. MANAGEMENT ACCOUNTS FOR PERIOD 11, INCLUDING NARRATIVE

Confidential report, previously circulated, presented by the Director of Finance.

The report summarised and provided a narrative for the Causeway Coast and Glens Borough Council 2020-2021 Management Accounts for the period up to and including Month 11. Note that these Management Accounts show gross income, gross expenditure and capital expenditure to date.

Further detail was set out within the report.

In response to Alderman Finlay, the Director of Finance confirmed Director’s and Heads of Service were aware of their budget, if the budget was breached, action would be required as to how it was going to be brought into line and reviewed by the Senior Leadership Team, before it could be spent further.

5. FINANCE DASHBOARDS FOR PERIOD 11

Confidential report, previously circulated.

The following illustrative dashboards were presented:

- Leisure and Development
- Environmental Services
- Corporate, Policy and Resources
- Performance
- Legal
- Planning
- Financing Income and Expenditure
- Taxation and non-specific grant income

6. LOANS ANALYSIS

Confidential report, previously circulated, presented by the Chief Finance Officer.

The report summarised and provided a narrative for the Causeway Coast and Glens Borough Council loans portfolio as at 28 February 2021 following a request at the committee meeting on 5 March 2021 for more detail regarding Council's debt.

Members thanked the Chief Finance Officer for the detailed report.

Alderman Hillis posed questions to the Chief Finance Officer.

In response, the Chief Finance Officer advised there was no Policy on the period of time a loan could be taken over, the loan aligned with the asset being dealt with. The Chief Finance Officer concurred with Alderman Hillis that Public Works Loans Board interest rates were generally lower than commercial loans; however, there may be specific times when the rates go the other way. The Chief Finance Officer confirmed the Sinking Fund was an asset and he advised of its process, that additional money was also set aside for the Landfill Site.

The Chair, Councillor McLean, queried whether loans could be repaid earlier. The Chief Finance Officer advised redemption penalties prohibited this, however the issue could be looked at for loans nearing their end.

Councillor Scott expressed shock at some interest rates, he suggested Council spend less or pay for some of the Capital Programme out of Reserves, whilst careful not to dip below the required level set.

In response to Councillor Callan, the Chief Finance Officer detailed the Treasury Management process of presently using cash reserves to pay for Capital Projects. Councillor Callan requested the exact financial liability, the Chief Finance Officer stated he would bring this back to committee.

The Chief Executive stated a report would be brought back on Council's Liabilities against a project's Capital expenditure and modelled over the next ten years.

The Chair, Councillor McLean, sought clarification of the issue of selling assets and paying loans generally.

The Chief Finance Officer clarified Council can clear a loan against a property and use the proceeds to pay any redemption penalty. Any balance could be used to fund future or past Capital Programmes.

Councillor Holmes referred to detail within the spreadsheet circulated. Councillor Holmes stated he wished to see Council's open debt position for the new Council, the length of the loans, what had been paid off and what had been added. He advised press releases had not been accurate of this Council.

The Chief Finance Officer agreed to bring a report with the information.

Alderman Duddy sought an update on the request to have Central Government and Stormont's Finance Committee look at Council's loans.

Alderman Duddy requested a further workshop on Council's loans.

The Chief Finance Officer advised he had received no communication from Stormont since the last meeting.

The Chief Executive advised a workshop on Council's Loans could be held and all Members invited.

7. PROGRAMME MANDATE – FINANCE SYSTEMS RENEWAL

Confidential report, previously circulated, presented by the Finance Director.

Introduction

Under Prince2 Project Management, a recognised central and local government project methodology, the purpose of a Project Mandate is used to trigger the "start of a project or programme", that will then eventually lead to a more detailed Project Approach, Project Brief and Business Case.

Prince2 recognises that the methodology should be scaled up and down depending on the size of the project / programme but in following many of its principles, supports the management of successful projects.

The purpose of this paper is to provide a Project Mandate to CC&G Finance Committee that seeks approval to start a programme that will change Causeway Coast and Glens (CC&G) council's accounting and payroll systems, and depending on the agreed scope, a wider implementation in later phases (projects). The Mandate also seeks to implement governance and reporting structures that will support the programme.

The confidential report circulated, set out further detail.

It is recommended that the Finance Committee recommends to Council to

- Approve the programme reporting structure as outlined in Table 1;
- Appoint Director of Finance as Senior Responsible Officer (SRO), as section 6.3; and
- Approve Project Start Up – Phase 1, accounting and payroll systems, with the next steps to deliver an Outline Business Case.

The Finance Director responded to requests for clarification surrounding the extent of support from Council's existing supplier and the procurement process going forward, to include approximate costs.

Proposed by Councillor Holmes
 Seconded by Alderman Hillis

- to recommend that Council :
 - Approve the programme reporting structure as outlined in Table 1;
 - Appoint Director of Finance as Senior Responsible Officer (SRO), as section 6.3; and
 - Approve Project Start Up – Phase 1, accounting and payroll systems, with the next steps to deliver an Outline Business Case.

The Chair put the motion to the committee to vote.
 10 Members voted For; 0 Members voted Against; 0 Members Abstained.
 The Chair declared the motion carried unanimously.

8. WATERWORLD UPDATE

Council's Land and Property Solicitor provided a verbal update on the position of the Title Deeds for Waterworld

9. PWC UPDATE

J Davidson provided a verbal update.

J Davidson advised Management Account trends continue as predicted, with facilities reopening, the upside of savings would tail off. A year-end summary position of how the surplus has arisen would be provided.

J Davidson commented on the complex subject of loans and welcomed the workshop, at a glance, he stated four Councils have more debt than Causeway Coast and Glens; with a plan to bring Council's debt down. He advised of options to seek to redeem and suggested checking the terms of the commercial loans.

J Davidson stated it was great to see the Finance System come to fruition albeit with ambitious targets and timeframes. He suggested a colleague also meet with the Finance Director.

Alderman Duddy concurred it was time to put the public right regarding Council's financial dealings.

10. ANY OTHER RELEVANT BUSINESS

There were no matters of Any Other Relevant Business.

MOTION TO PROCEED '*IN PUBLIC*'

Proposed by Councillor Holmes
Seconded by Alderman Hillis and

AGREED – to recommend that Council move '*In Public*'.

This being all the business the Chair thanked everyone for their attendance and the meeting closed at 9.30 pm.

Chair