ARDS AND NORTH DOWN BOROUGH COUNCIL

5 November 2024

Dear Sir/Madam

You are hereby invited to attend a hybrid meeting (in person and via Zoom) of the Corporate Services Committee of Ards and North Down Borough in the Council Chamber, 2 Church Street, Newtownards on **Tuesday 12 November 2024 commencing at 7pm**.

Yours faithfully

Susie McCullough
<u>Chief Executive</u>
<u>Ards and North Down Borough Council</u>

A G E N D A

1.   Apologies

2.   Declarations of Interest

3.   Deputation – Northern Ireland Housing Executive – Annual update of the 2023-2026 Housing Investment Plan

4.   Deputation - NILGA

<u>Items Delegated to Committee – Reports for Approval:</u>

5.   Advertising and Sponsorship Policy (Report attached)

6.   Fertility and Neonatal Policies (Report attached)

7.   Item withdrawn

8.   Civic Awards 2025 (Report attached)

<u>Reports for Noting:</u>

9.   Responses to Notice of Motion:
        a) Deep concern at the poor state of the roads across ANDBC (Report attached)

10. Update to Performance Management Policy (Report attached)

11. Impact of Local Government reform on service delivery and cost effectiveness (Report attached)

12. Prudential Indicators & Treasury Management – 2024/25 Qtr 2 Report (Report attached)

13. Strategic Budget Report September 2024 (Report attached)

14. Any other notified business

ITEMS 15 – 20 ***IN CONFIDENCE***

Items Delegated to Committee – Reports for Approval:

15. Renewal of Lease of Foreshore of Strangford Lough at Kircubbin (Report attached)

16. Lease of Foreshore in Bangor Bay and Grant of Licence to Bangor Marine to start works at Queens Parade, Bangor (Report attached)

17. Request to install a water monitoring buoy - Cook Street Jetty (Report attached)

Reports for Noting

18. Estimates Update (Report attached)

19. ANDBC Absence Report - 1 July 2024 - 30 September 2024 (Report attached)

20. Blair Mayne Bursary Awards (Report attached)

Alderman Graham	Councillor Gilmour
Alderman McRandal	Councillor Kennedy
Alderman Smith	Councillor Thompson
Alderman Brooks	Councillor McAlpine
Alderman McIlveen	Councillor Cochrane (Vice Chair)
Councillor Chambers	Councillor W Irvine
Councillor S Irvine	Councillor McCracken
Councillor Moore	Councillor Irwin (Chairman)

3

ITEM 5

Ards and North Down Borough Council

Report Classification	Unclassified
Exemption Reason	Not Applicable
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Chief Executive
Responsible Head of Service	Communications and Marketing
Date of Report	24 October 2024
File Reference	C&M/24/SAP24
Legislation	N/A
Section 75 Compliant	Yes ☒ No ☐ Other ☐ If other, please add comment below:
Subject	Advertising and Sponsorship Policy
Attachments	Advertising and Sponsorship Policy Pilot scheme table

As part of budgeting processes, advertising and sponsorship was highlighted as an opportunity Council should explore as a means of income generation.

While some sponsorship agreements already exist across the Council, there is little consistency is how they are secured or managed. A number are based on long-standing relationships and are not necessarily delivering the value that they could, and some are one-off agreements that have the potential to be widened and extended.

To facilitate a more proactive and structured approach to advertising and sponsorship across the Council, the attached Advertising and Sponsorship Policy has now been developed. Extensive consultation with a wide range of service units who are currently involved in sponsorship activity, have aspirations to engage in advertising or sponsorship activity or need to support/ regulate such activity was

Not Applicable

undertaken. Advice was also taken from other local authorities who have a strong track record of securing advertising and sponsorship revenue.

The Policy sets out the terms upon which advertising and sponsorship may be sought and accepted by the Council. It outlines our commitment to developing advertising and sponsorship opportunities that will support our activities either directly or indirectly and compliment the delivery of our strategic priorities as laid out in the Corporate Plan.

It provides clear guidance for advertisers and sponsors who may want to engage with the Council. It also provides guidance for Council services to work to, and within, to help ensure a successful partnership for both the Council and the sponsor/advertiser.

The policy relates to advertising and sponsorship opportunities connected to all of the Council's physical sites, including leased and rented spaces, (e.g. buildings, roundabouts, parks, benches, leisure facilities, pitches), publications, websites, digital platforms, vehicles, services and appropriate events, campaigns or initiatives for which it is responsible.

Supplementary guidance documents e.g. a template contract, have also been drafted to assist service areas to deliver against the policy in a consistent way.

An initial financial target has been set and following approval of the policy it is intended to run a pilot for a period of 6-9 months promoting six key advertising and sponsorship opportunities. These will come from a range of different service areas including tourism events, parks and leisure. This approach will allow officers the opportunity to test the market, the process and to gauge interest before widening the pool of opportunities further. A Media Pack is being developed to support this and will be used to engage with potential sponsors/ advertisers as part of the initial pilot

RECOMMENDATION

It is recommended that Members adopt the Advertising and Sponsorship Policy and note the planned pilot of 6 key opportunities in the initial period.

5

Ards and North Down Borough Council

Advertising and Sponsorship Policy

Policy Title	Advertising and Sponsorship Policy
Policy/File Reference	
Version	1
Policy Summary	The purpose of the Policy is to set out the terms upon which advertising and sponsorship may be sought and accepted by Ards and North Down Borough Council.
Responsible Officer(s)	Jacqueline Harte, Communications and Marketing
Date of Equality Screening	15 October 2024
Next review date	November 2025, then every two years.

Agenda 5. / Item 5 - Appendix 1 - Advertising Sponsorship Policy Paper V1...

Back to Agenda

6

Contents

<div align="center">

Advertising and Sponsorship Policy

</div>

1. Introduction

1.1 The purpose of the policy is to set out the terms upon which advertising and sponsorship may be sought and accepted by Ards and North Down Borough Council.

1.2 The Council is committed to developing appropriate advertising and sponsorship opportunities to support its activities either directly or indirectly. It will encourage commercial relationships that are in line with the delivery of its strategic priorities as laid out in the Corporate Plan.

1.3 This policy provides clear guidance to advertisers and sponsors and forms the basis for the type of advertising and sponsorship that is acceptable to the Council.

1.4 The policy relates to advertising and sponsorship opportunities connected to all Council's physical sites, including leased and rented spaces, (e.g. buildings, roundabouts, parks, benches, leisure facilities, pitches), publications, websites, digital platforms, vehicles, services and appropriate events, campaigns or initiatives for which it is responsible.

2. Definition

2.1 For the purpose of the policy, advertising is defined as: "An agreement between the Council and the advertiser or their agent, whereby the Council receives funds / a sum of money from an organisation or business in consideration for which the advertiser gains publicity in the form of an advertisement on Council controlled physical sites, leased or hired lands, publications, websites, services, appropriate events, campaigns or initiatives."

2.2 Sponsorship is defined as: "An agreement between the Council and the sponsor, whereby the Council receives money to be used or be associated with physical sites, leased or hired lands, publications, events, campaigns or initiatives or in association with the Council's activities, from an organisation or an individual in consideration of which the sponsor gains publicity or other benefits."

3. Objectives

3.1 To ensure that:

- The Council maximises opportunities to obtain commercial advertising and sponsorship for its physical sites, leased or hired lands, publications, websites, services, appropriate events, campaigns or initiatives.
- The Council's position and reputation is protected in advertising and sponsorship agreements without compromising its regulatory and enforcement status.

8

- The Council adopts a consistent and professional approach towards advertising and sponsorship.
- Advertising and sponsorship agreements achieve best value.
- Council Elected Members and officers are protected from allegations of inappropriate dealings or relationships with advertisers and sponsors.

4. General principles and eligibility criteria

4.1 The Council will actively seek opportunities to work with local, regional, and national organisations and businesses by identifying advertising and sponsorship opportunities of mutual benefit that are in keeping with its Corporate Plan and strategic priorities.

4.2 The Council will not be put in a position where it might be open to criticism that an advertiser or sponsor has, or might be thought to:

- have influence over the Council or its officers in carrying out functions
- gain favourable terms from the Council in any business or other agreement, e.g. planning applications or tendering processes
- conducts itself in a manner that conflicts with the Council's strategic priorities.

4.3 All advertising must:

- Fall within the guidelines laid out by the Advertising Standards Authority (ASA).
- Uphold the rules laid out in the UK Code of Non-broadcast Advertising, Sales Promotion and Direct Marketing.
- Follow the Code of Recommended Practice on Local Authority Publicity and the Local Government Acts.
- Comply with the Planning (Control of Advertisements) Regulations (Northern Ireland) 2015. These Regulations set out when express advertising consent is required and what falls within deemed consent, subject to restrictions. The Council will also assess any applications for advertising consent against the relevant policy within the Addendum to Planning Policy Statement 6 – Areas of Townscape Character.
- Comply with Consumer Protection from Unfair Trading Regulations 2008, which seeks to protect consumers from unfair, misleading, or aggressive marketing practices.

All businesses interested in advertising or offering sponsorship support must also:

- Be registered with Tourism NI and certified to trade in Ards and North Down Borough (if the business is an accommodation business) for the duration of the contractual agreement.
- Be graded under the British Graded Holiday Parks Scheme (BGHPS) (if the business is a Caravan and Camping Park) for the duration of the contractual agreement. Have a Council caravan licence, be compliant with the model licensing conditions or have an exemption.
- Be Food Standards Agency (FSA) Grade 4 certified or above for the duration of the contractual agreement and be registered with the Council.

4

- Comply with all applicable planning, tax, insurance (including public liability insurance), transportation (including licensing), safety, consumer protection and other legal and regulatory requirements for the duration of the contractual agreement. For the avoidance of doubt compliance with this clause shall be the advertiser/sponsors sole responsibility and Ards and North Down Borough Council shall have no liability in respect of same.

4.4 In line with the codes and regulations referred to above, advertisements must be:

- legal, decent, honest, and truthful
- created with a sense of responsibility to consumers and society
- in line with the principles of fair competition generally accepted in business.

4.5 The Council will not define permitted advertising but will assume that advertising is permitted unless it falls into a prohibited category, as defined in Section 5.

4.6 Any advertising and/or sponsorship must not conflict with the Council's strategic priorities as set out in the Corporate Plan.

4.7 The Council will not enter into agreements with political organisations to advertise on Council assets or sponsor its activities. The Council actively encourages the engagement of citizens and community groups in policy-setting and other democratic processes, but it does not encourage and will not permit advertising or sponsorship from what might broadly be called 'lobby groups', who conflict with Council policies or priorities. This applies to lobby groups which may be local and temporary in nature, or those that are national or international and more permanent.

4.8 The Council will agree with the advertiser and/or sponsor the nature and content of the publicity and will retain the right to approve publicity material and also remove such material without reference to the advertiser and/or sponsor.

4.10 Where applicable, the Council's logo must be shown on all sponsorship collateral and appropriate wording shown as: "supported by (sponsors name)". The sponsors logo will also be included on all publicity material produced by Council.

5. Prohibited advertisers/sponsors

5.1 The Council will not enter into agreements for sponsorship or advertisement from:

- organisations or businesses not complying with the Council's Advertising and Sponsorship Policy
- organisations or businesses in financial or legal conflict or prosecution with the Council
- organisations or businesses run by Elected Members, Council staff and their immediate family.
- organisations or businesses involved in the production and sale of weaponry, including firearms

5

- organisations or businesses involved in gambling / betting services or so-called pay-day loans
- organisations or businesses involved in discrimination, victimisation, harassment or other unlawful conduct that is prohibited under the Equality Act 2010 against people on the grounds of age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex, sexual orientation, marriage and civil partnership
- advertising that contradicts with the Council's legal functions and duties.

5.2 In addition to the categories listed above, there may also be some specific controls and policies associated with individual placements, which will be considered on a case-by-case basis. For example, if advertising or sponsorship is sought for leased, hired or rented land, space or venue, consent must be granted by Council before any agreement can be made. The sponsor/advertiser must meet the eligibility criteria outlined in clause 4 & 5 of this Policy.

5.3 The above list is not exhaustive, and the Council retains the right to decline advertising and/or sponsorship from any organisation or business or in respect of products that the Council, in its sole discretion considers inappropriate. Council also retains the right to decline consent for advertising or sponsorship on its land and properties if it is deemed inappropriate. The Council will ensure that any contract entered into with an advertiser or sponsor contains adequate provision for the Council to unilaterally and immediately terminate the contract at any time.

6. Expressions of Interest and Evaluation

6.1 Each advertising and/or sponsorship proposal will be subject to an evaluation. Council will present an Expression of Interest tailored to each sponsorship opportunity with a minimum starting bid figure. Interested parties must meet the eligibility criteria as laid out in the Policy. Advertising opportunities will be promoted with a set cost. Whether advertising and/or sponsorship is suitable will be decided on a case-by-case basis on the merits of each opportunity or request. This includes assessing that:

- the company meets the eligibility criteria as outlined in the Policy
- the benefits to the organisation or business are proportionate to the level of advertising and/or sponsorship
- the type or form of advertising and/or sponsorship is consistent with the strategic objectives or requirements of the Council (e.g. accepting free products simply because they are free, but not of any perceivable benefit to the Council)
- the type or form of advertising and/or sponsorship is not at all detrimental to the local or global environment. Sustainable advertising and/or sponsorship that contributes to economic development, environmental protection, biodiversity and corporate social responsibility will be encouraged
- any advertising and/or sponsorship proposal does not anticipate explicit endorsement of the organisation or business's products and services, as this form of proposal is not acceptable to the Council
- no conflict of interest arises from the arrangement, e.g. where the association with the organisation or business may compromise the work or reputation of the Council

- the capacity of the Council to provide adequate resources and appropriate locations to meet the terms of the proposed agreement.

7. Procedure

7.1 Before seeking Expressions of Interest for advertising or sponsorship, Council officers must refer to the Council's Sponsorship and Advertising Policy and consult with the Council's Communications and Marketing Service and Regulatory/Environmental teams from the outset before any advertising and sponsorship opportunities are listed.

7.2 Once Expressions of Interest/interest in advertising have been received the applicant(s) must be screened by a working group comprising representatives from Planning, Environmental Health, Finance, Lands and Compliance and Communications and Marketing. Should any business seeking to advertise/sponsor be under legal investigation, subject to enforcement or is known to be non-compliant (ref. clause 4.3 & 5.1), the group would advise that the advertiser/sponsor proposal could not proceed.

7.2 All media information produced by the advertiser and/or sponsor must be approved by the Council's Communications and Marketing Service before entering into any agreement. Where applicable, the use of an advertiser or sponsor's logo or other branding must not interfere or conflict with the Council's own corporate identity.

7.3 All advertising and sponsorship opportunities will be progressed in accordance with relevant legislation.

7.4 The Council will maintain an advertising and sponsorship register – it will be the responsibility of each Directorate to hold their own record of agreements and contracts. Details of all advertising and sponsorship opportunities and completed agreements and contracts will be kept.

8. Approvals

8.1 Charities and Community groups will be provided with opportunities for banner advertising on designated Council locations, free of charge for a maximum of 28 days subject to the space being available, and subject to the eligibility criteria. The Charity/Community group will be responsible for installation and removal. Paying clients and Council campaigns and initiatives will take priority in these spaces.

8.2 Advertising and/or sponsorship proposals must be circulated to a Service Unit Manager/Head of Service as well as the Sponsorship and Advertising Working group for review before being agreed or contract signed. Should any business seeking to advertise/sponsor be under legal investigation, subject to enforcement or is known to be non-compliant (ref. clause 4.3 & 5.1), the advertiser/sponsor would be advised the proposal could not proceed

8.1 Advertising and/or sponsorship agreements valued at £1,000 or under (and relating to only one financial year or event) may be agreed by the relevant cost centre manager (unless

7

Agenda 5. / Item 5 - Appendix 1 - Advertising Sponsorship Policy Paper V1...

Back to Agenda

12

there are any special circumstances which make a second authorisation desirable, e.g. if the issue might be politically sensitive or the sponsor has requested unusual conditions).

8.2 Advertising and/or sponsorship agreements valued at between £1,000 and £30,000 (or covering more than one financial year with an aggregate total of between £1,000 and £30,000) must be agreed by the relevant Head of Service (unless there are any special circumstances when it should be agreed by the relevant Director).

8.3 Advertising and/or sponsorship agreements valued at more than £30,000 (or covering more than one financial year with an aggregate total of more than £30,000) must be agreed and countersigned by the relevant Head of Service or Director.

9. Disclaimer

9.1 Acceptance of advertising or sponsorship does not imply endorsement of products and services by the Council. In order to make this clear, a statement will be published on a bespoke Sponsorship/Advertising section of the Council website making it clear that "Whilst every effort has been made to ensure the accuracy of advertisements, Ards and North Down Borough Council cannot accept any liability for errors and omissions nor can the Council accept any responsibility for claims made by advertisers and their advert or sponsorship should not be taken as an endorsement by Ards and North Down Borough Council."

10. Policy review

10.1 This Policy will be reviewed after the first year of the pilot scheme. Subject to approvals, the Policy will then be reviewed every two years or in response to changes in relevant legislation or the Council's strategic objectives.

Potential Pilot Scheme Sponsor Opportunities

Service Area	Proposed Opportunity	Rationale
Tourism/Events	It was agreed that sponsorship will be sought for the producers' area at the Comber Earlies Food Festival event and the Tide and the Turf demo areas of the Tide and Turf event, this could be one or two sponsors for the Tide and Turf event.	Some commercial interest has already been registered in this area of the Council's work and the Tourism events team would be keen to explore this via the new policy.
Parks and Cemeteries	Agreed to seek sponsorship for the 'In Bloom' Competition	Parks have enjoyed success in securing sponsorship for roundabouts in the Borough and would like to extend the opportunity to the popular and high profile 'In Bloom' Competition. This could be a headline sponsor and/or category sponsors.
Parks and Cemeteries	Agreed to seek a sponsor for the 'Stand For Trees' campaign	In line with Council's commitment to plant 160,000 trees by 2032 and "to be the Borough's leader in tree and woodland planting and management so as to maximise the benefits to people, to business and the environment" there is an opportunity to bring sponsors on board with his commitment.
Leisure Services	Ards Blair Mayne Leisure Centre	With footfall of over 1M a year, and a broad demographic of user, the Centre offers an enviable opportunity to sponsors especially in the health and wellbeing sector.
Leisure Services	Comber Leisure Centre	The gym, pitches, soft play area and birthday parties attract a broad demographic of users that would appeal to a sponsor, potentially family or health and wellbeing focussed.

ITEM 6

Ards and North Down Borough Council

Report Classification	Unclassified
Exemption Reason	Not Applicable
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Director of Corporate Services
Responsible Head of Service	Head of Human Resources and Organisational Development
Date of Report	06 November 2024
File Reference	HR60
Legislation	
Section 75 Compliant	Yes ☒ No ☐ Other ☐ If other, please add comment below:
Subject	Fertility and Neonatal Policies
Attachments	Appendix 1: Draft Fertility Treatment Policy Appendix 2: Draft Neonatal Care (Leave and Pay) Policy

Introduction

A notice of motion was raised in 2022, that a report be brought to Council, exploring the possibility of introducing a policy that shows commitment to supporting the wellbeing of our workforce by ensuring appropriate support is available to anyone undergoing IVF treatment.

The Director of Corporate Services and Head of Human Resources and Organisational Development met with Tiny Life, the premature baby charity for Northern Ireland, in 2023 regarding the possibility of introducing a Neonatal Leave Policy in Ards and North Down Borough Council in advance of new legislation, which is expected to come into force, and has already been adopted by Belfast City Council.

Not Applicable

Family related leave and pay entitlements provide support to working parents during different life events. Providing more support to working parents will help with recruitment, retention and the wellbeing of staff. It is therefore proposed that Council develop new HR policies and procedures for both Fertility Treatment and Neonatal Care.

Fertility Treatment Background

The NHS suggests that infertility affects one in seven couples.

In vitro fertilization (IVF) is demanding and involves daily medication and frequent appointments. It can be a stressful, costly, and risky process and be emotionally draining for those undergoing treatment.

Currently there is no legal right for time off work for fertility treatment. Employers often treat fertility appointments the same as any other medical or dental appointment. However, any sickness should be treated like any other sickness if unable to work.

Fertility Treatment (Employment Rights) Bill

A Private Members' Bill was brought to Parliament in to improve workplace protection for employees undergoing IVF, the Fertility Treatment (Employment Rights) Bill. A Westminster Hall debate was due to take place in November 2023 but was cancelled.

The Bill proposed employers allow an employee to take paid time off work to attend fertility treatment appointments. In addition, an employee who has a 'qualifying relationship' with a person receiving fertility treatment would be entitled to take unpaid time off work to accompany the person to the appointments.

Given the impacts on an employee's health and wellbeing, it is considered good practice to treat requests for time off for fertility treatment sympathetically and consider adopting a procedure for dealing with such requests to give the highest chance of success as possible.

Benchmarking

A benchmarking exercise was carried out in 2023 to determine which other Councils in Northern Ireland have a Fertility Treatment policy.

Of the ten Councils contacted, seven responded, five of which said they do not have a policy in place at present. One Council advised they are currently working on a policy. Belfast City Council was the only Council to have a policy already in place.

Given so few Councils had a policy in place, further benchmarking was carried out on other organisations. Information gathered is summarised in Table 1:

Not Applicable

Table 1: Organisations with a Fertility Treatment Policy

Organisation	Policy
Belfast City Council	Paid time off for medical appointments – no limit. Up to ten days full pay from day one of employment if treatment is unsuccessful or miscarriage occurs. Three days bereavement leave for an employee if their partner or surrogate suffers a miscarriage.
Business Services Organisation (BSO)	Special leave policy is currently with trade unions for consultation. Proposal is a new IVF section with paid time off for appointments. A maximum of three days paid time off for treatment, in a twelve-month rolling period, pro-rata for part time employees. Fathers and same sex partners also to be given appropriate paid time off.
Imperial College London	Up to five days paid leave if an employee has worked for 12 months or more.
Manchester University	Up to five days leave per cycle limited to one cycle in twelve months and no more than three cycles in total.
Pricewaterhouse Coopers	Up to eight days paid fertility leave to any employee undergoing fertility treatment and up to two days paid leave for anyone whose Partner is undergoing fertility treatment.
Lidl Northern Ireland	Two days paid leave per IVF cycle which is unlimited in the number of IVF cycles will be supported through as well as support for staff undergoing egg freezing.
Co-op	From day one of employment, a reasonable amount of paid time off to attend appointments to prepare for or undergo treatment. As a guide, paid leave for up to ten appointments per cycle, for up to three cycles of fertility treatment but some situations may need more or less.

A draft Fertility Treatment policy and procedure (Appendix 1) is attached, to enable employees to take time off work for coping with fertility treatment and to provide access to support.

Not Applicable

The financial and operational impact to the organisation is likely to be low and the benefits of introducing such a policy include Council being recognised as an Employer of Choice who support staff and their families.

Consultation has taken place with Council employees and the recognised trade unions on the introduction of the policy and procedure and all feedback has been taken into consideration. The Trade Unions and staff are supportive of the proposed policy and procedure.

Once approved, the policy and procedure can be added to the existing Family Friendly Leave Arrangements Policy which is expected to require updating in accordance with new legislation due to be introduced by the Government in the foreseeable future.

Miscarriage

Council's Parental Bereavement Leave and Pay Policy allows up to 2 weeks leave from day one of employment for a child who has died under the age of 18 or is stillborn after 24 weeks of pregnancy. However, there is currently no right to time off for miscarriage - loss of a pregnancy during the first 23 weeks.

Given the proposal to provide 3 days paid leave to employees (pro-rata for part time staff) whose fertility treatment has been unsuccessful, it is recommended that up to three days paid leave (pro-rata) also be provided to pregnant employees who suffer a miscarriage. Employees whose partner or surrogate has suffered a miscarriage would also be eligible. Entitlement would be from day one of employment and given the sensitivities, time off could be recorded by Managers on CORE as 'Special Leave Paid'.

Neonatal Care Background

In Northern Ireland around one in thirteen babies born each year are admitted to neonatal care due to prematurity or sickness. Forty-five percent of babies admitted to neonatal care spend less than one week in hospital before being discharged home. Fathers and non-birthing parents have only two weeks of paid paternity leave, meaning that many return to work long before their child is well enough to leave hospital. Additionally, some mothers and adopters of premature or vulnerable babies use up much of their maternity or adoption leave while their baby is still in hospital.

The whole family's mental health can suffer following the birth of a premature or sick baby. Some employees end up signed off sick and many decide to leave work altogether to become a full-time carer for their child or children.

Legislation

Not Applicable

Currently there is no right in Northern Ireland to leave and / or statutory pay for working parents whose newborn requires neonatal care.

The Neonatal Care (Leave and Pay) Act 2023 received Royal Asset in May 2023, providing parents with a right to 12 weeks leave and pay when their baby requires neonatal care in addition to existing parental leave entitlements. Regulations to operationalise this entitlement are anticipated to come into force in April 2025 in England, Scotland and Wales. As employment law is a devolved matter, this legislation and supporting regulations do not apply here.

However, the Department for the Economy is currently consulting the public on the 'Good Jobs' Employment Rights Bill which includes a raft of proposed new employment rights including statutory leave and pay for eligible employees whose newborn baby enters neonatal care within 28 days of birth for a period of 7 or more days up to a period of 12 weeks.

The attached draft Neonatal Care (Leave and Pay) policy (Appendix 2) has been written to enable employees to take additional time off work if their baby undergoes neonatal care of at least one week. The Policy has been developed around the Department's proposals. Amendments may need to be made to the Policy in the future when details of the Bill are finalised, and the legislation introduced.

Consultation has taken place on this policy and due consideration given to all feedback from staff and Trade Unions.

RECOMMENDATION

- Approval is given to introduce the Fertility Treatment Policy
- Approval is given to introduce the Neonatal Care (Leave and Pay) Policy

Fertility Treatment Draft Policy September 2024

ARDS AND NORTH DOWN BOROUGH COUNCIL
FERTILITY TREATMENT POLICY

Introduction

In vitro fertilization (IVF), is demanding and involves daily medication and frequent appointments. It can be a stressful, costly, and risky process and be emotionally draining for those undergoing treatment.

Given the impacts on an employee's health and wellbeing, Council will treat requests for time off for IVF and other forms of fertility treatment sympathetically. This policy deals with such requests to give the highest chance of success as possible and to provide support, especially if a cycle of treatment is not successful.

Eligibility

Employees will be able to avail of this policy from day one, which means they do not have to be employed by Council for a certain length of time to be eligible.

Time off for appointments and treatment

Employees should speak to their Line Manager as soon as possible to make them aware that they will be undergoing treatment so any adjustments, arrangements for time off and support can be put into place. Managers will treat requests with discretion and in a sensitive manner.

Agile working arrangements may be put into place on a temporary basis, where necessary e.g. if self-administration of medication is involved.

Paid time off to attend medical appointments will be granted to all employees preparing for and undergoing fertility treatment from day one of employment. This includes appointments of an exploratory or investigative nature.

Note : Time off for fertility treatment investigations and appointments will not be recorded as sick leave and will not count towards absence monitoring.

In so far as is possible employees should endeavour to arrange such appointments outside working hours, or at the beginning or the end of the day, and Line managers should seek to accommodate such arrangements.

The duration of paid time off permitted for appointments which can't be arranged outside of normal hours will vary depending on the nature of the appointment and its location. For example, an employee may require 1-3 hours to attend a blood test, scan or consultation. If a man or woman is having a surgical procedure for fertility, they will need time off. The hospital or clinic will advise them of the recovery period.

Fertility Treatment Draft Policy September 2024

In treatment scenarios such as IVF, an employee may require a day off for an egg retrieval procedure and a day off to recover from it or a day for embryo transfer.

An employee may wish to travel overseas for treatment which can have additional cost and practical implications. Please note employees will not be given paid time off to travel overseas for fertility treatment. They may however use annual leave or other leave for these purposes.

Reasonable paid time off to attend appointments for investigations and treatment will be permitted in all cases.

Notice to take time off for appointments and treatment

If the employee wishes to request time off under this Policy they should give their Line Manager as much notice as possible and try to give at least one week's notice of appointments. Line Managers must treat discussions in a professional manner, be sensitive, supportive and confidential.

The HR and OD Section will need either a copy of a referral letter from their GP or confirmation of the date and time of the appointment(s) from their clinic.

A declaration form will also be made available for those undergoing treatment and should be completed and sent to HR and OD as soon as possible and within 28 days of any period of Fertility treatment starting. Assistance completing the form can be provided.

Adjustments

If a Doctor recommends that adjustments be made e.g. to an employee's duties or working pattern, the employee must bring it to their Line Manager's attention as soon as possible. The recommendations will be discussed, a risk assessment may be carried out and appropriate adjustments will be put into place where possible.

Time off to accompany a spouse, partner or surrogate undergoing fertility treatment

If an employee's spouse, partner or surrogate is preparing for or undergoing fertility treatment, the employee may take a reasonable amount of unpaid time off to accompany them to medical appointments. It is generally expected that a reasonable amount of time would be up to two appointments per cycle.

The Unpaid Leave request form (Appendix 4 of the Family Friendly Leave Arrangements Policy) must be completed by employees wishing to accompany their spouse, partner or surrogate to fertility treatment appointments. The completed form should be submitted, along with evidence of the appointment, at least one week in

Fertility Treatment Draft Policy September 2024

advance, to the Line Manager / Human Resources and Organisational Development Service (HR & OD).

Treatment not successful

If IVF treatment is not successful, it is recognised that this will be a disappointing and difficult time for the employee and they may take up to three days paid compassionate leave, pro-rata for part time employees. This applies to employees who have had treatment themselves and also to employees whose spouse, partner or surrogate has undergone IVF treatment.

Pregnancy rights

An employee who conceives through IVF has the same pregnancy and maternity rights as non-IVF pregnancies, once they have had the last part of the IVF process, known as embryo transfer, when the fertilised egg(s) is (are) implanted. Full details of Council's maternity provisions can be found in the Family Friendly Leave Arrangements policy.

If the treatment is unsuccessful and doesn't result in pregnancy, the protected period (during which a woman must not be treated unfavourably on the grounds of her pregnancy), extends for 2 weeks after finding out that the embryo transfer was unsuccessful.

An employee does not have to tell the Council that she is pregnant until fifteen weeks before her baby is due to be born. If she chooses not to inform the Council that she has undergone the last part of the IVF process or that she is pregnant, she will not be protected from pregnancy or maternity discrimination if she is treated unfavourably. She will also not be entitled to other rights, such as paid time off for antenatal appointments, unless she has appropriately notified the Council that she is pregnant.

Sickness

Sickness experienced as a result of fertility treatment, will be treated as such and an employee must follow the normal sickness absence procedure if unable to attend work due to sickness.

Pregnancy related illness during the protected period should be recorded and treated in the same manner as pregnancy related illness for employees who have not gone through fertility treatment.

Fertility Treatment Draft Policy September 2024

Support

If an employee requires any additional information or support, for example access to a fridge for medication, a quiet space to inject or flexibility to take last minute calls, they should speak to their Line Manager.

An employee who is due to start, or is currently taking fertility treatment, can access all of the usual support networks available to staff. This includes their Line Manager, HR and OD, Mental Health First Aiders, Occupational Health and the Westfield Health scheme.

The Westfield Health scheme includes access to a free and confidential 24-hour counselling and advice line for employees and their family who are experiencing difficulties in either their working or personal life, or with a wide range of medical, legal or domestic issues. To contact Westfield Health, phone the Customer Helpline on FREEPHONE 0800 0920987 and quote the Council's Scheme Number 71718.

Further information and sign posting can also be found on the Council's StayWell website.

Fertility Treatment Draft Policy September 2024

ARDS AND NORTH DOWN BOROUGH COUNCIL
NEONATAL CARE (LEAVE AND PAY) POLICY

Introduction

This Policy has been introduced in recognition of the challenges faced by employees when their baby is born sick or prematurely and receives neonatal care for a prolonged period.

Eligibility

Employees will be able to avail of time off for Neonatal Care Leave from day one, which means they do not have to be employed by Council for a certain length of time to be eligible.

The policy applies when the baby spends a minimum of seven continuous days in neonatal care or receives inpatient care in a post-natal ward or specialist ward which starts in the first 28 days following the baby's birth.

To qualify for Neonatal Care Leave employees must meet the criteria as parent of the baby with the main responsibility for them. This includes biological or adoptive parents, parents under a surrogacy arrangement and a spouse or partner who will be living with the parent and baby that is in neonatal care.

Neonatal Care Leave

Eligible employees may take Neonatal Care Leave to care for the baby either while their baby is receiving neonatal care or, when discharged, at home with the child to compensate for the time their child was in hospital after the birth.

Employees may take off one week of Neonatal Care Leave for every week (comprised of 7 continuous days) that their baby is in neonatal care, up to a maximum of 12 weeks.

The leave entitlement may be taken as a continuous block e.g. at the end of a period of maternity leave or adoptive leave or in one-week blocks.

Neonatal Care Leave must be taken no later than 56 weeks from the baby's date of birth.

Neonatal Care Pay

To qualify for Neonatal Care Pay employees must have worked for the Council for at least 26 weeks by the 15th week before the baby is due or by the week they were matched with a child for adoption. The employee must also have average earnings

Fertility Treatment Draft Policy September 2024

of at least the equivalent of the lower earnings limit for national insurance purposes and provide information required for payment to be processed.

Eligible employees will receive normal pay for the first week of Neonatal Care Leave and this will be inclusive of any entitlement to statutory pay. Subsequent weeks of Neonatal Care Leave (maximum of 11) will be paid at the statutory rate payable for other types of family leave (e.g. statutory maternity and paternity pay) or 90% of their average earnings, whichever is the lower.

Twins or Multiple births

Where an employee has more than one baby (e.g. twins) and both require neonatal care, the total Neonatal Care Leave will be added together. This will be capped at 12 weeks in total.

Other entitlements

Existing provisions for other family related leave and pay rights, such as maternity, paternity, adoption and parental leave are unaffected by this Policy. However, it should be noted employees cannot take Neonatal Care Leave at the same time as other family related leave and Maternity Leave and Adoption Leave for example cannot be interrupted by a period of Neonatal Leave. It is therefore expected, for example, that employees will take Neonatal Care Leave at the end of their Maternity Leave.

Employees on Neonatal Care Leave retain their entitlement to accrue annual leave and to also accrue days in lieu of public holidays that fall during Neonatal Care leave.

Notice to take time off

It is recognised that in many cases employees will not know before their baby is born if the baby or babies will require admission to neonatal care or for how long that care may be required.

Nothwithstanding this, employees should provide as much notice as is practicable in the circumstances to enable their Line Manager to plan for the absence.

Employees should notify their Line Manager if their baby has been admitted to neonatal care for at least 7 consecutive days.

Line Managers must treat discussions in a professional manner, be sensitive, supportive and confidential. They should take a note of the date the baby was born and the date the baby was admitted into neonatal care and discuss leave options with the employee.

Fertility Treatment Draft Policy September 2024

If an employee wishes to take Neonatal Care Leave within the first 8 weeks of the baby's birth, a minimal notice period is required.

Employees who intend to take Neonatal Care Leave between 9 to 56 weeks after the baby's birth, should give their Line Manager notice of at least the same length of the period of leave they wish to take, capped at 4 weeks' notice (e.g. if the employee wishes to take one 1 week of Neonatal Care Leave, they should request this at least 1 week in advance.

Information required

Employees must keep their Line Manager informed of any changes to the number of weeks of Neonatal Care Leave they are likely to need and notify them once the baby has been discharged from neonatal care.

The Line Manager should take a note of the date the baby was discharged and must ensure leave taken is accurately recorded and processed. They should seek guidance from HR at an early stage to ensure proper processes are followed.

The HR and OD Section will need a declaration from employees availing of Neonatal Care Leave and Pay and reserve the right to request evidence of neonatal care to process the leave and pay.

A form will be made available for employees availing of Neonatal Care Leave and Pay, which should be completed and sent to HR and OD as soon as reasonably possible and within 28 days of any period of Neonatal Care Leave starting. Assistance completing the form can be provided.

The Unpaid Leave request form (Appendix 4 of the Family Friendly Leave Arrangements Policy) must be completed by employees who are not eligible for Neonatal Care Pay. The completed form should be submitted as soon as possible to avoid any overpayment. Employees may also use other forms of leave such as annual leave.

Pension Scheme Implications

There is an information sheet on NILGOSC pension implications during unpaid leave which is attached at Appendix 5. Employees who are members of the Civil Service pension scheme should e-mail cspensions.cpg@dfpni.gov.uk for further information.

Support

Employees can access all of the usual support networks available to staff. This includes their Line Manager, HR and OD, Mental Health First Aiders, Occupational Health and the Westfield Health scheme.

The Westfield Health scheme includes access to a free and confidential 24-hour counselling and advice line for employees and their family who are experiencing

Page **3** of **4**

Fertility Treatment Draft Policy September 2024

difficulties in either their working or personal life, or with a wide range of medical, legal or domestic issues. To contact Westfield Health, phone the Customer Helpline on FREEPHONE 0800 0920987 and quote the Council's Scheme Number 71718.

Further information and sign posting can also be found on the Council's StayWell website.

Unclassified

ITEM 8

Ards and North Down Borough Council

Report Classification	Unclassified
Exemption Reason	Not Applicable
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Director of Corporate Services
Responsible Head of Service	Head of Administration
Date of Report	25 October 2024
File Reference	
Legislation	
Section 75 Compliant	Yes ☒ No ☐ Other ☐ If other, please add comment below:
Subject	Civic Awards 2025
Attachments	

Background

In 2015 the Council agreed to host a Civic Awards scheme and ceremonies were subsequently held in May 2016, 2017, and 2018. In November 2018, the delivery of the scheme was reviewed and the Council agreed that, given the downward trend in the number of nominations received over the preceding three-year period that the Council would not hold a Civic Awards Scheme in 2019 but instead would hold one in 2020 and every alternate year thereafter.

At that time the categories of awards were reconsidered, and nominations were invited under the following revised categories: -

- Community Award – Significant service in the field of voluntary community work.
- Good Neighbour Award– 'Going the extra mile' within the local community.
- Youth Award – This award recognises those aged under 18 who have achieved a great deal whether in their academic life, sport, in dealing with personal challenges or their contributions to the community.

Not Applicable

- Arts, Culture or Heritage Award – This award recognises the contribution made by an individual or group to the arts, local culture or heritage.
- Environmental Sustainability Award – This award recognises an individual or group that has made a significant contribution to the protection/conservation of the environment.
- Mayor's Special Civic Award – A special award will be presented by the Mayor of Ards and North Down in recognition of outstanding service or special qualities demonstrated by an individual. Nominations are not sought for this award.

While the scheme was relaunched in 2020 it was later cancelled due to the Covid pandemic. The scheme has not run since.

Update
Officers have recently reviewed the scheme and the award categories.

It is proposed that the Council launches the Civic Awards 2025 at the beginning of February 2025, in line with normal timeframes, with a view to hosting a Civic Awards Ceremony in May 2025. The categories have been updated as follows:

- Community Champion Award – This award will recognise an individual who has gone above and beyond in their efforts to support and uplift their community.
- Community Group Award – This award will recognise a group or organisation that has made outstanding contributions to the community.
- Youth Impact Award – This award will recognise an individual aged under 18 who have achieved a great deal whether in their academic life, sport, in dealing with personal challenges or their contributions to the community.
- Arts, Culture or Heritage Award – This award will recognise an individual or group who has made a significant contribution to the arts, local culture or heritage.
- Environmental Sustainability Award – This award recognises an individual or group that has made a significant contribution to the protection/conservation of the environment.
- Mayor's Special Civic Award – A special award will be presented by the Mayor of Ards and North Down in recognition of outstanding service or special qualities demonstrated by an individual. Nominations are not sought for this award but may be awarded from the list of nominees.

In order to maximise interest and quality, it is proposed that the Civic Awards take place once each electoral term.

It is proposed that a judging panel, consisting of the Mayor and two other elected members, be appointed. The panel will be supported by officers from Democratic Services.

RECOMMENDATION

It is recommended that the Council:
   a. launches the Civic Awards 2025 as detailed in the report; and

Page **2** of **3**

Not Applicable

b. appoints two elected members to the judging panel along with the Mayor.

Not Applicable

b. appoints two elected members to the judging panel along with the Mayor.

Unclassified

ITEM 9a

Ards and North Down Borough Council

Report Classification	Unclassified
Exemption Reason	Not Applicable
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Director of Corporate Services
Responsible Head of Service	'-
Date of Report	01 November 2024
File Reference	NOM Deep concern at the poor state of the roads across ANDBC
Legislation	'-
Section 75 Compliant	Yes ☒ No ☐ Other ☐ If other, please add comment below:
Subject	Response to Notice of Motion - Deep concern at the poor state of the roads across ANDBC
Attachments	Appendix 1 - Letter to DfI Appendix 2 - Letter from DfI

Background

The following Notice of Motion was agreed by Corporate Services Committee at its meeting in September 2024:

"That Council notes the response but writes back to the Minister to ask for the data on the metrics he refers to in his letter that DfI use to allocate the budget and also ask for the benchmark data from Newry, Mourne & Down, Lisburn & Castlereagh and Armagh, Banbridge & Craigavon Councils so we can assess the budget."

A letter was sent from the Chief Executive on 9 October 2024 and a reply was received on 25 October 2024. Copies are attached.

RECOMMENDATION

If is recommended that the Council notes the attached response.

Ards and North Down
Borough Council

9 October 2024

Mr. John O'Dowd MLA
Minister for Infrastructure
Department for Infrastructure
Clarence Court
10-18 Adelaide Street
Belfast
BT2 8GB

Sent via email only: info@infrastructure-ni.gov.uk

Dear Minister,

Thank you for your letter of 23 July 2024. At a meeting of Ards and North Down Borough Council it was discussed and unanimously agreed to write back to you "to ask for the data on the metrics you refer to in your letter that DfI use to allocate the budget and also ask for the benchmark data from Newry, Mourne & Down, Lisburn & Castlereagh and Armagh, Banbridge & Craigavon Councils so we can assess the budget."

I would be grateful if you could please consider this letter and respond accordingly.

Yours sincerely

Susie McCullough
Chief Executive
Ards and North Down Borough Council

Ards and North Down Borough Council
Town Hall, The Castle
Bangor, BT20 4BT

0300 013 3333
enquiries@ardsandnorthdown.gov.uk
www.ardsandnorthdown.gov.uk

Stephen Reid
Chief Executive

Department for
Infrastructure
An Roinn
Bonneagair
Depairtment fur
Infrastructure
www.infrastructure-ni.gov.uk

32

From the office of the Minister for Infrastructure

JOHN O'DOWD MLA

Ms Susie McCullough
Interim Chief Executive
Ards & North Down Borough Council

Susie.McCullough@ardsandnorthdown.gov.uk

Private Office, 3rd Floor,
James House, Gasworks Site,
2 - 4 Cromac Avenue,
Belfast, BT7 2JA
Telephone: (028) 9054 0540
Email: Private.office@infrastructure-ni.gov.uk

Your reference:
Our reference: COR-1748-2024
Date: 25 October 2024

Susie, a chara,

DATA ON THE METRICS USED TO ALLOCATE FUNDS

Thank you for your further letter dated 9 October 2024 about the allocation of funding across council areas.

In my previous replies to you dated 28 May 2024 (ref COR-1366-2024) and 23 July 2024 (ref COR-1506-2024), I advised that in distributing the resources available for capital structural maintenance, allocations to the four DfI Roads Divisions are made based on need, using a range of weighted indicators tailored to each maintenance activity. Divisions broadly use these indictors when apportioning across council areas to ensure, as far as possible, an equitable distribution of funding.

The table below sets out examples of the two main activities comprising capital structural maintenance, and the associated range of indicators and metrics currently used across the DfI Divisions to distribute funding to local Council areas.

Category	Indicator	Metrics	Source
Resurfacing	Traffic	Where traffic counts are not available, population density is used as a proxy	N.I. Census
		Length of High, Medium & Low traffic roads	Road Maintenance Client System*
	Condition	Number of carriageway surface defects	Road Maintenance Client System

		Percentage length of road at or below an intervention / investigatory level	Road Condition Surveys e.g. SCANNER/SCRIM and deflectograph
		Number of Public Liability claims	DfI Claims Unit / RMCS
	Carriageway Length	Length of All roads	Road Maintenance Client System
		Length of A&B class roads	
	Carriageway Area	Area of All roads	Road Maintenance Client System
		Area of Urban Roads	
		Area of A&B class roads	
Surface Dressing	Condition	Number of carriage way surface defects	Road Maintenance Client System
	Carriageway Length	Rural road length	Road Maintenance Client System
	Carriageway Area	Area of bitmac rural roads	Road Maintenance Client System
	3-year average spend	3-year average spend on surface dressing	DfI Accounting System

Road Maintenance Client System is the Department's asset management system used to manage the maintenance of the public road network throughout the whole of Northern Ireland.

However, the exact combination of indicators and metrics used within each DfI Roads Division will vary and be tailored to the individual needs and circumstances in that Division at any given time. Yearly allocations vary to reflect funding pressures within local Section Office areas and are also influenced by specific allocations for high priority / value works such as Trunk Road Resurfacing schemes and structural stability including coastal defence repairs. Other factors such as contractor capacity / contractual issues can also have a bearing. On that basis, no Section Office or local Council area will receive a fixed percentage of the available allocation each year.

The specific metrics and how they are applied vary from year to year and in-year depending on a range of factors including those set out above. The allocation process and how it is apportioned across Council / Section Office areas is complex and made more difficult by ongoing financial constraints and pressures.

Should such detailed information be released to the public it may be scrutinised by others i.e. contractors across contract areas and could potentially cause harm (claim / dispute) to the Department and/or existing contracts. In addition, such information is unlikely to be released under Freedom of Information / Environmental Information

Agenda (a) / Item 9a - Appendix 2 - NOM 191 - reply re poor state of the ...

Back to Agenda

34

Regulations due to the risk of disclosing commercially sensitive information and to protect the legitimate economic interests of both the Department and third parties.

Is mise le meas,

JOHN O'DOWD MLA
Minister for Infrastructure

Agenda 10. / Item 10 - Update to Performance Management Policy - November...

Back to Agenda

Unclassified

35

ITEM 10

Ards and North Down Borough Council

Report Classification	Unclassified
Exemption Reason	Not Applicable
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Director of Corporate Services
Responsible Head of Service	Head of Strategic Transformation and Performance
Date of Report	25 October 2024
File Reference	26051 - Performance Management
Legislation	Local Government Act (Northern Ireland) 2014
Section 75 Compliant	Yes ☒ No ☐ Other ☐ If other, please add comment below:
Subject	Update to Performance Management Policy
Attachments	Appendix 1: Updated Performance Management Policy

Members will be aware that Council has in place a Performance Management Policy and Handbook (PERFORM Toolkit).

The Performance Management Policy outlines the process in place to drive continuous service improvement and performance across all areas of the organisation.

The Performance Management Policy has been updated to reflect changes in the performance management process (changes have already been agreed by Council). The updates to the Policy are as follows:

- Heads of Service will report on performance against Service Plan KPIs biannually to the relevant Standing Committee instead of quarterly (New process included in Performance Improvement Plan approved by Council in June 2024); and

- Progress against Council's Performance Improvement Plan will be reported biannually to the Corporate Services Committee; instead of quarterly to Audit

Not Applicable

Committee (New process included in Scheme of Delegation approved by Council in June 2024).

The operational Performance Management Handbook (PERFORM Toolkit) has been updated to reflect above changes.

RECOMMENDATION

It is recommended that the Council note above update and updated Performance Management Policy.

Ards and North Down Borough Council

Document Control

Policy Title	Performance Management Policy
Document Reference	POL- Corporate Services - Performance Management 260501– Version 4
Policy Summary	The purpose of this policy is to support change and improvement in the delivery of our services.
Review Requirements	Next review due: October 2026
Document Owner/Job title	Head of Strategic Transformation and Performance

Version Control Record

Version Number	Version Date	Author(s)	Comments
1.0	October 2015	Head of Strategic Performance	Policy established.
2.0	May 2018	Performance Improvement Manager	Policy updated to reflect change in process.
3.0	November 2023	Transformation Manager	Policy updated to reflect change in process.
4.0	October 2024	Transformation Manager	Policy updated to reflect change in process.

Consultation

	CLT	HOST	SCC	Unions
Date completed	June 2024	June 2024		

Screening

Reference No	Previously screened: 6 October 2015
EQIA Required?	No

The current version of this document is available to all individuals accessing the Council's information and other associated assets and is published on the Council's intranet.

Ards and North Down Borough Council

Performance Management Policy

Policy Summary	The Council is committed to driving continuous service improvement and performance across all areas of the organisation.

Our approach to performance management will be the alignment of our Community, Corporate, Performance Improvement, Service and Individual Plans which will be underpinned by adoption of good practice and regular Service Reviews that will focus on delivering improved outcomes for stakeholders. |
| Requirement for the Policy | The purpose of this policy is to support change and improvement in the delivery of our services:
• in a way that responds to the needs of our stakeholders;
• helps to achieve our vision to be a place to be proud of which is more prosperous, vibrant, healthy, sustainable and where people enjoy an excellent quality of life; and
• fulfills the requirements of the responsibilities of Council under the Local Government Act (Northern Ireland) 2014 to secure continuous improvement in the exercise of its functions. |
| Who does this policy apply to? | This policy applies to all persons involved in the delivery of Council services. |
| Relevant legislation | The Local Government Act (Northern Ireland) 2014. |
| Definitions | **Performance Management**: the way in which the Council aligns its staff, resources, processes and systems to consistently achieve strategic objectives.

Continuous Improvement: is about growing and developing capabilities, behaviours and practices in line with the achievement of Corporate objectives. It is about achieving improved outputs and outcomes that are of benefit to our stakeholders.

Stakeholder: any person, group or organisation that has an interest or concern in the organisation. |

Performance Management Policy, Continued

Guiding
Principles

In exercising its Performance Management duties, Council shall seek to:
- Ensure compliance within legal, audit and operational context
- Provide focus on direction, based on provision of quality services and achievement of community outcomes
- Facilitate alignment between Community, Corporate, Service and Individual plans and activities and the needs of our stakeholders
- Encourage personal responsibility
- Motivate and develop staff
- Promote performance improvement, encourage innovation and share good practice
- Encourage transparency of performance outcomes and communicate our success
- Recognise success
- Address underperformance

How we will
support
performance

In recognition that successful performance is multi-faceted a Performance Management toolkit, PERFORM, has been created to assist in the alignment of Community, Corporate, Performance Improvement, Service and Individual/ Team plans.

Performance
improvement
planning

Each Head of Service will ensure Service Plans are in place on an annual basis. These will contain actions to drive improvement, be cost effective and increase customer satisfaction. The development of these will be in line with good practice reviews and feedback from stakeholders.

Reporting

Heads of Service will report on performance against Service Plan KPIs biannually to the relevant Standing Committee.

Progress on the Performance Improvement Plan will be reported biannually to the Corporate Services Committee together with high level progress against the Corporate Plan.

We will publish a Performance Improvement Plan and Annual Self-Assessment each year in line with the requirements of the Department to provide details of how we have met our objectives and what actions we propose to take where objectives are not being achieved.

Review

This policy and the PERFORM toolkit will be reviewed regularly to ensure they remain effective and comply with the latest relevant legislation or other guidance issued from the Department.

Unclassified

ITEM 11

Ards and North Down Borough Council

Report Classification	Unclassified
Exemption Reason	Not Applicable
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Director of Corporate Services
Responsible Head of Service	'-
Date of Report	14 October 2024
File Reference	'-
Legislation	'-
Section 75 Compliant	Yes ☒ No ☐ Other ☐ If other, please add comment below:
Subject	Impact of Local Government reform on service delivery and cost effectiveness
Attachments	Appendix 1 - Letter from DfC Appendix 2 - Report

A letter was issued on 3 October 2024 to the Chief Executive by the Director of Local Government and Housing Regulation Division, DfC relating to the Impact of Local Government reform on service delivery and cost effectiveness. A copy of the letter and resulting report are attached.

RECOMMENDATION

It is recommended that Council notes this report.

Department for Communities | An Roinn **Pobal** | Depairtment fur **Communities**
www.communities-ni.gov.uk

From: **Anthony Carleton**
Director of Local Government & Housing
Regulation Division

Level 8
Causeway Exchange
1-7 Bedford Street
BELFAST
BT2 7EG

Telephone: 028 90 823346
E-mail: anthony.carleton@communities-ni.gov.uk
Our Ref: CO1/24/661304
Date: 3 October 2024

Clerk and Chief Executive of each District
Council

Dear Chief Executive,

IMPACT OF LOCAL GOVERNMENT REFORM ON SERVICE DELIVERY AND COST EFFECTIVENESS IN NORTHERN IRELAND

As you are aware, on 4 September 2019, a meeting was held between former Permanent Secretary of the Department for Communities (Tracy Meharg), the Local Government Auditor (LGA), Solace representatives and departmental officials to discuss a draft Terms of Reference (ToR) for a review of local government reform. On 4 November 2019, the agreed ToR were issued to both SOLACE and the LGA.

In line with the agreed ToR a steering group was established and was made up of 3 council representatives (Joanne Hewitt, JJ Tohill and Catherine Leonard) together with representatives from the within the Department for Communities.

As part of the review, a Data Capture Template was issued to all councils on 11 November 2021 in order obtain detailed information around monetary and non-monetary variables agreed by the steering group.

Meetings of the steering group were scheduled for every 6 – 8 weeks during 2022 and 2023 and working drafts of the report were issued to Steering Group during this period. During 2023, working drafts of the report were also shared with all 11 councils (via the Association of Local Government Finance Officers - ALGFO).

In 2024 a working draft was issued to all 11 councils (via ALGFO) on 31 January 2024 and following comments received a revised draft report was issued to all 11 councils (via ALGFO) on 10 May 2024. The final draft report was issued to the 11 councils on 3 June 2024.

The attached report concluded that whilst annual costs have increased this should be viewed in light of significant additional functions taken on by local councils as well as the investment in capital infrastructure over the timeframe. Inflationary uplifts should also be factored into the cost increases.

For the most part local councils have stated that it is not possible to quantify current and future efficiency savings due to lack of available information / limited timeframe. Those efficiencies that could be quantified highlighted savings of circa £21.5m as well as identifying a range of potential future savings moving forward. Feedback has suggested a range of non-quantifiable benefits have been realised – greater collaboration (COVID-19 response etc) and sharing of knowledge. Future investment opportunities of over £1bn have also been identified – feedback from councils suggest this level of leveraged funding would not have been achievable if not for enhanced scope of powers of new councils.

It is the view of the research team that it is too early in the process to conclude if local government reform has been cost effective or not due to the lack of supporting data and limited scope for councils to fully realise benefits. The review period reflects only the initial seven-year period since the formation of the 11 new councils in NI. This timeframe is far from ideal due to:

- The limited timeframe for councils to fully leverage any benefits of increased powers; and
- Political instability within NI during the limited timeframe of the review (no functioning NI Assembly for more than 3 of the 7 years).

Minister Lyons has agreed that this report should now be shared with council chief executives.

Agenda 11. / Item 11 - Appendix 1 - AC Letter to Council Chief Executives...

Back to Agenda

43

I hope you find this report helpful.

Yours sincerely,

ANTHONY CARLETON

Impact of local government reform on service delivery and cost effectiveness

DfC Analytics Division

1 October 2024

Department for
Communities

An Roinn
Pobal

Depairtment fur
Commonities

www.communities-ni.gov.uk

CONTENTS

1 EXECUTIVE SUMMARY

1.1 Background

This report examines the impact of local government reform on service delivery and cost effectiveness in Northern Ireland. The reform, which took place from 1 April 2015, reduced the number of councils from 26 to 11 and transferred additional functions and responsibilities to local government.

The content of the report is taken primarily from the experiences of local councils who identified the benefits, opportunities, challenges etc. encountered during the initial years following local government reform.

1.2 Summary of Key Findings

The analysis of the returns from councils shows several benefits and opportunities that have resulted from the reform:

- **Improved Service Delivery** - The reform has led to the development of new models of service delivery, resulting in more efficient and effective ways of delivering services to communities. The transfer of planning responsibilities to the councils has significantly improved the service provided to planning applicants and increased the sustainability of development within the districts.
- **Collaboration and Synergy** - The reform has facilitated collaboration and synergy between councils, enabling the implementation of shared services, collaborative procurement initiatives, and partnerships with external organisations. This collaboration has resulted in cost savings, improved service quality, and enhanced economic development opportunities.
- **Economic Development** - The reform has empowered local government to drive economic development and job creation through initiatives such as business support programs, investment incentives, and partnerships with local businesses and educational institutions. This has resulted in increased investment, growth in key sectors, and the attraction of new businesses to the region.
- **Community Engagement and Social Inclusion** - The reform has encouraged greater community engagement and social inclusion through the establishment of community planning partnerships, advisory groups, and community-led initiatives. These collaborations have allowed residents to have a voice in decision-making processes and have led to the development of programs and services that address the needs and aspirations of local communities.
- **Environmental Sustainability** - The reform has prioritised environmental sustainability through the implementation of initiatives promoting recycling, waste reduction and energy efficiency. Councils have invested in sustainable practices and technologies, reducing their environmental footprint, and promoting a circular economy.
- **Improved Governance and Decision-Making** - The reform has strengthened governance structures and decision-making processes, ensuring transparency, accountability, and effective representation of community interests. Councils have implemented streamlined decision-making processes, improved financial management practices, and established performance management systems to enhance governance and promote efficient use of resources.

While the reform has brought significant benefits and opportunities, it has also presented some challenges. These challenges include issues such as duplication of roles within departments, disparities in terms and conditions for employees, difficulties in integrating different working practices, and inadequate budgets for transferred functions.

Feedback would suggest that the challenges encountered during the reform process have been addressed through strategic planning, change management, and the implementation of standardised

procedures.

Whilst the financial metrics[1] in Section 7 would indicate that total combined expenditure for councils have increased, this does not reflect the detail of increased capital investment incurred by individual councils and feedback from councils would indicate that they believe they received inadequate budgets for certain transferred functions, particularly planning. A range of new powers transferred to local government within the Local Government Act (Northern Ireland) 2014; however, a number of these responsibilities were not allocated specific budget. These powers included community planning, democratic accountability / openness and transparency (increase in members and an increase in member allowances with no central government transfer of budget) and performance improvement etc.

Overall, the feedback from councils would suggest that the reform has transformed local government and created a more efficient, effective, and citizen-centric system that is well-positioned to meet the needs of communities and drive the region's future growth and development.

---

[1] Financial data has been collated from Northern Ireland Audit Office Local Government Auditor's Reports and has been adjusted for inflation.

2 INTRODUCTION

2.1 Background

From 1 April 2015, under the Reform of Local Government, the number of councils in Northern Ireland reduced from 26 existing councils to 11 new councils, established under the Local Government Act (NI) 1972 as amended by the Local Government Boundaries Act 2008.

The Local Government Finance Act 2011 and the Local Government Act 2014 set out the framework for the transfer of powers and functions previously delivered by Northern Ireland executive departments across to the new councils. The 2014 Act established the General Power of Competence in Northern Ireland, denoting the power to do *"anything that individuals generally may do",* meaning councils do not have to look to enabling legislation. Instead, they have to check there is no legislation restricting an action.

From 1 April 2015 the NI Executive transferred some functions previously carried out by NI Government Departments and gave some new responsibilities to the 11 new councils. In addition to the move from the 26 legacy councils to the 11 new councils, the NI Executive decided that the following functions should transfer to local government on 1st April 2015:

- Planning (to transfer from Department of the Environment (DOE)
  - o   Local development plan functions
  - o   Development control (e.g., consideration and adjudication of planning applications)
  - o   Enforcement responsibilities
- Roads (to transfer from Department for Regional Development (DRD)
  - o   Off street parking (except Park and Ride)
- Urban regeneration and community development (to transfer from Department for Social Development (DSD)
  - o   Functions associated with physical development (e.g., environmental improvement schemes)
  - o   Area based regeneration (such as Neighbourhood Renewal)
  - o   Some community development programmes for the voluntary and community sectors
- Housing (to transfer from DSD/Northern Ireland Housing Executive (NIHE)
  - o   Registration of houses in multiple occupation
  - o   Housing unfitness responsibilities, including repair and demolition notices
- Local Economic Development (transfer from Invest NI)
  - o   Start a Business Programme and Enterprise Shows
  - o   Youth Entrepreneurship (such as Prince's Trust and Shell Livewire)
  - o   Social Entrepreneurship
  - o   Investing for Women
  - o   Neighbourhood Renewal funding relating to enterprises initiatives
- Local Tourism (transfer from Department of Enterprise, Trade and Investment (DETI)
  - o   Small scale tourism accommodation development
  - o   Providing business support including business start-up advice along with training and delivery of customer care schemes
  - o   Providing advice to developers on tourism policies and related issues
- Other
  - o   Delivery of the EU Rural Development Programme
  - o   Authority to Spot List to enable councils to add a building to the statutory list on a temporary basis, subject to ratification by the DOE
  - o   Authority to draw up local lists of buildings that are of architectural and/or historic interest

- o   Armagh County Museum
- o   Local water recreational facilities
- o   Local sports (greater involvement of local government in local sports decisions)
- o   Donaghadee Harbour
- Community Planning[2]
- Performance Improvement[3]

As part of the Reform of Local Government certain urban regeneration and community development responsibilities and the associated resources were to transfer from central government to local government. The most recent proposal to transfer powers and resources was brought forward in 2015 when the then Minister, Mervyn Storey, decided not to progress the Bill due to a lack of support within the Assembly Committee.

2.2   Impact of local government reform on Service Delivery and Cost Effectiveness

This research was commissioned by the DfC Local Government Finance Team to address a recommendation in the 2017 Local Government Auditors Report that, *"the Department monitors and reports on efficiency savings gained"*. Whilst local government reform intended to deliver efficiencies across the NI Public Service, this study is focused solely on the impacts of local government reform on service delivery and cost effectiveness. This project will not explore the impact of local government reform on central government.

The Local Government Act (NI) 2014 has resulted in new and additional responsibilities for local councils including community planning and a focus on performance improvement.

2.3   Objectives/Scope

This research project will provide an assessment of the impact of local government reform on service delivery and cost effectiveness on councils during the period 1 April 2015 – 31 March 2022.

This research project will explore the impact of local government reform on councils with reference to the range, quality and cost effectiveness of services delivered by councils taking account of variation in the implementation of reform against original plans, the wider operating environment and demand for services. In particular, the study will:

- Analyse the annual cost of service delivery and key cost drivers over the period from April 2015 to March 2022 with reference to relevant factors, such as, the range and scale of services provided, together with a commentary in relation to the funding transferred from central government;
- Identify and analyse, where practical, key effectiveness indicators to gauge how the service delivery has changed over the period;
- Identify the challenges and opportunities that local government reform has presented to councils; and
- Examine how the range and quality of services delivered by councils has changed over the period with reference where practical to relevant indicators, metrics and limiting/influencing factors.

---

[2] Transferred via Local Government Act 2014

[3] Ibid

2.4   Report Limitations

This report aims to highlight the impact of local government reform on service provision and cost effectiveness over a 7-year period. However, it should be noted that there are limitations in what can be reported upon given the timescales and information available. For example, whilst it is possible to use the financial data extracted from the Local Government Auditors Annual reports showing the total income and expenditure figures over the timeframe, it is not possible to give a robust analysis on cost effectiveness as the supporting information (such as standardised reporting metrics with established baselines) is not available.

This report has attempted to collate the feedback from local councils on efficiencies realised, challenges encountered and future opportunities that can be leveraged as a result of local government reform. However, it should be noted that the supporting data is over a limited timeframe (7 years) that includes the formative years of the new 11 local councils where the legislative basis and level of responsibility of the 26 councils was less than the new 11 councils. During this timeframe there was considerable political uncertainty within NI[4] and the reporting period also includes the initial wave of Covid-19 enforced lockdowns[5] and the associated impact on service delivery, income etc.

Whilst this initial research provides an insight into impacts of local government reform, it is the view of the researchers that a longer-term study with a more comprehensive data set is required. The key metrics to measure performance and cost efficiency should be established with councils in advance and an agreed annual monitoring data set agreed upon. This report largely is a collation of the experiences of local councils in the formative years following local government reform and is not a detailed financial analysis of the period.

---

[4] NI Assembly dissolved on 16th January 2017 and only formed again on 11th January 2020.

[5] https://www.instituteforgovernment.org.uk/sites/default/files/timeline-lockdown-web.pdf

3 EFFICIENCIES OF LOCAL GOVERNMENT REFORM

3.1 Introduction

To inform this research, each of the individual councils were issued with a template that attempted to capture the following information:

- Current Benefits and/or Efficiency Savings – Realised since 1st April 2015;
- Future Benefits and/or Efficiency Savings – Anticipated future benefits/savings;
- Identification of additional direct revenue generating opportunities that have been realised as a direct result of local government reform;
- Future investment/funding opportunities that are currently under consideration that you believe are linked to or have been aided by local government reform;
- Other benefits/opportunities created as a result of local government reform;
- Challenges encountered during the initial years of operation of new councils;
- Known and/or unforeseen costs incurred as a result of local government reform;
- Examples of shared services, synergies, and collaborations between councils since April 2015; and
- Existing or future potential enhanced collaboration between local government and central government that has been enabled by local government reform.

When possible, councils were asked to quantify benefits, costs, savings etc. however this was not always possible due to difficulties in attribution of benefits and costs, the comparatively short timeframe for realisation of these benefits and the challenging macro-economic and political circumstances during the initial period of reform[6].

---

[6] The data contained within this section is based on feedback from the 11 councils.

3.2 Efficiencies – Current

Councils were asked in their responses to identify any direct or indirect benefits and/or efficiencies that have been realised by their council following on from or enabled by government reform. In total, across the 11 councils, **£21,485,452** of efficiency savings were identified. The breakdown of these savings is shown in Figure 3.1 below.

Figure 3.1: Current efficiencies realised by local councils
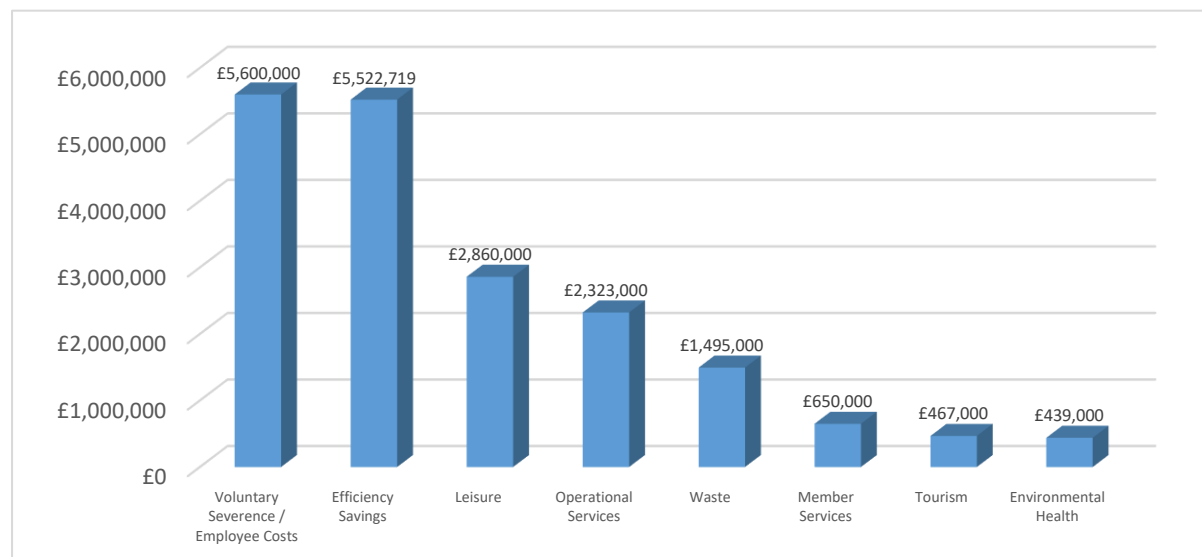
A summary of some of the examples of efficiency savings that have been realised by the 11 councils in NI is outlined below.

3.2.1 Planning

It was noted that working collaboratively with Building Control to identify and address early and on-site breaches of planning control is helping to deter unauthorised development from occurring. Furthermore, close engagement with each council's department for Economic Development is enabling Planning to liaise with some of the council's key businesses and bring forward large scale investment proposals more speedily. Feedback indicated that:

- Planning was now a much more responsive service, which has much greater cognisance of local priorities and rural nature of the councils and their residents.
- The consensus was that the transfer of planning responsibilities to the councils has significantly improved both the service provided to planning applicants and other stakeholders and increased the sustainability of development within the district.
- It was noted that Local Development Plans, when finalised, will also be much more appropriate to the needs of the district than previous development plans which, as a result of being prepared by central government, were prepared with less cognisance of local issues and priorities.

3.2.2 IT

Collaboration with other councils has enabled implementation of much more effective and resilient IT infrastructure. It also facilitated compliant licensing arrangements enabling the councils to reap the benefits of increased collaboration and efficiencies to be derived from IT hardware and software developments. It was noted that councils are now much more able to remain compliant going forward

and to respond to IT threats and opportunities from a higher baseline of investment. Examples of efficiencies include:

- **IT Consolidation** - Noted reduction of duplication with existing systems being amalgamated, which enhances public services and rationalises network infrastructure.
- **Software and Licensing** - Maintenance support contracts for the council and compliant licensing arrangements have enabled increased collaboration and efficiencies in IT hardware and software developments. This makes the council more resilient and compliant in handling IT threats and opportunities.
- **Specialised ICT Team** - Increased emphasis and funding for ICT have led to significant investment in both staff and infrastructure, resulting in a more specialised, skilled, and secure ICT system.
- **HR Payroll System** - A new fully integrated HR Payroll system was implemented following the exit of a service provider, marking a critical enhancement in administrative technology.

3.2.3 Waste Management

There have been cost savings in waste contracts due to larger contracts for the wider districts. However, overall waste costs have increased over the period due to other factors, notably market pressures and additional statutory requirements and targets around waste disposal. Specific examples of efficiencies include:

- One council initiated a review of waste processes, leading to a social media campaign that increased recycling rates and reduced costs. Recycling rates rose from 47% in 2015 to 57.3% in 2019, saving £4.2 million in landfill costs.
- Cost savings were also achieved through more efficient vehicle contracts and route optimizations for new services like glass collection, all managed within existing budgets. Strategic collaborations have been formed between councils to align waste management practices more effectively.
- Significant service improvements and investments have been realised due to the amalgamation with other councils. These improvements span waste services, property and fleet maintenance, and community services like playgrounds and street lighting.

Despite these advancements, it was noted that overall waste management costs have risen due to market pressures and new statutory requirements. However, service enhancements, such as the introduction of additional brown bin services for garden and food waste, have been implemented without needing additional resources.

3.2.4 Collaboration and Economies of Scale

The larger council areas and powers have allowed closer working relationships to be established with regional organisations for the delivery of integrated services e.g., closer links with health trusts and the PHA have allowed projects and programmes to be developed which would not have been possible prior to 2015. This is particularly the case in relation to the Covid-19 response. Councils, because of their larger size and influence had the ability to shape the direction of the Covid-19 response for the benefit of residents. Specific examples of collaboration below:

- **Human Resources** - Savings were realised from 2015 to 2021 onwards through strategies like overtime reduction, agency cost reduction, and superannuation savings.
- **Procurement and Support Services** - Ongoing reviews of contracts and joined-up procurements have streamlined service delivery and budgeting.
- **Employee Costs** - There was a reduction in staffing levels, especially at senior management levels, leading to cost savings.

- **Insurance and Legal Services** - The introduction of specialist staff improved insurance procurement and reduced premiums, despite some cost increases. Economies of scale also facilitated the introduction of in-house legal teams.
- **Energy and Utilities** - Increased buying power and joint procurement among 11 councils led to more competitive pricing in electricity, gas, and fuel. Energy-saving initiatives like solar power and LED technology also contributed to savings.
- **Building Control and Regulatory Services** - A larger council area allowed for a more consistent approach to regulation, improving the relationship between planning, building control, and environmental health.
- **Community and Wellbeing** - Shared services have been delivered in areas like home safety, infectious disease control, and air quality monitoring, leveraging funding from external stakeholders.
- **Covid Response and Treasury Management** - Collaborative efforts in response to COVID-19 and unified procurement exercises for all councils streamlined processes and enhanced service delivery.
- **Multi-Agency Support** - Collaboration with statutory partners has supported vulnerable populations, reducing reliance on emergency services.

3.2.5   Governance and Decision-Making

Councils have been able to implement streamlined decision-making processes, such as reducing the number of approval layers and implementing clear guidelines for decision-making. This has resulted in faster and more efficient decision-making. Councils have been able to establish clear roles and responsibilities for council members and staff, ensuring effective governance and avoiding duplication of efforts.

The use of technology and digital platforms, such as online portals and collaboration tools, has improved communication and collaboration among decision-makers, allowing for more efficient and timely decision-making.

3.2.6   Financial Management and Budgeting

Councils have been able to implement robust financial management practices, including regular budget reviews and cost control measures. This has helped ensure that resources are allocated efficiently and effectively. Financial transparency and accountability have improved by providing clear and accessible financial reports to stakeholders, promoting trust and confidence in the council's financial management.

The use of data analytics and performance metrics by some councils have helped identify areas for cost savings and resource optimisation. By analysing spending patterns and performance data, the councils can make informed decisions to improve efficiency and effectiveness.

- **Cost Management and Procurement Efficiency** - Implementation of managed print services resulted in noticeable savings. Savings were also derived from collaborative tenders and multi-year contracts which streamlined procurement processes.
- **Statutory Compliance without Increased Budget** – Councils were able to manage the full cost impact of new statutory obligations, such as GDPR, without needing additional budget allocation.
- **Integrated Service Delivery** - Larger council areas and extended powers facilitated closer relationships with regional organizations, enhancing the delivery of integrated services, especially evident in the Covid-19 response efforts.
- **Financial System Improvements** - Streamlining financial regulations and the adoption of a new finance system (Software as a Service - SaaS) improved financial management. These changes provided better liquidity, yield, and resilience, particularly noted during the Covid-19 pandemic.

- **Resource Optimisation** - Efficiencies of scale were achieved through reduced staffing needs, even while managing increased workloads within existing budgets.
- **Strategic Financial Planning** - Councils were able to develop a medium-term financial plan, ensuring better financial predictability and management, contributing to a structured approach to budgeting and rate setting.

3.2.7   Service Delivery and Performance

Councils have implemented performance management systems to monitor and evaluate service delivery. This includes setting clear performance targets and benchmarks, as well as regularly reviewing and reporting on performance. They have been able to establish customer feedback mechanisms and actively seek input from service users to identify areas for improvement and ensure that services meet the needs of the community.

The use of technology and automation has streamlined service delivery processes, reducing waiting times and improving customer satisfaction. For example, online appointment booking systems and self-service kiosks have made it easier for residents to access services and reduced administrative burdens.

3.2.8   Infrastructure and Facilities

Councils have invested in upgrading and maintaining infrastructure and facilities to ensure they are safe, functional, and meet the needs of the community. They have implemented asset management systems to ensure efficient use of resources and timely maintenance. This includes regular inspections, proactive maintenance, and asset lifecycle planning. The use of sustainable and energy-efficient technologies has reduced operational costs and environmental impact. For example, councils have installed energy-efficient lighting, implemented smart building systems, and utilised renewable energy sources where possible.

3.2.9   Environmental Sustainability

Councils have implemented sustainable practices and initiatives to reduce their environmental footprint. This includes promoting recycling and waste reduction programs, implementing water conservation measures, and encouraging sustainable transportation options.

They have invested in renewable energy sources and energy-efficient technologies, reducing energy consumption and costs. This includes installing solar panels, utilising geothermal heating and cooling systems, and implementing energy management systems.

The use of recycling and waste management programs has minimised waste and promoted a circular economy. Councils have implemented recycling initiatives, composting programs, and educational campaigns to encourage residents and businesses to reduce, reuse, and recycle.

3.2.10 Education and Skills Development

Councils have implemented efficient processes for education and skills development programs, such as streamlined enrollment procedures and online learning platforms.

They have improved coordination with educational institutions and training providers to ensure effective delivery of programs. This includes partnerships, joint initiatives, and sharing of resources and expertise.

The use of technology and e-learning platforms has expanded access to education and skills development opportunities. Councils have implemented online courses, virtual classrooms, and digital

resources to reach a wider audience and provide flexible learning options.

3.2.11 Economic Development and Employment

Councils have implemented initiatives to support economic development and job creation, such as business incubators, entrepreneurship programs, and investment incentives. They have improved coordination with local businesses and industry stakeholders to identify growth opportunities and address barriers to economic development. The use of data analysis and market research have helped identify emerging industries and target resources and support accordingly.

3.2.12 Cultural Heritage and Tourism

Councils have implemented initiatives to preserve and promote cultural heritage, such as heritage conservation programs, cultural events, and historical site preservation. They have improved tourism infrastructure and services, such as visitor information centers, signage, and tourist accommodations, to enhance the visitor experience. The use of digital platforms and virtual tours has expanded access to cultural heritage and tourism experiences, allowing residents and visitors to explore and learn about the community's history and attractions.

3.2.13 Public Safety and Emergency Management

Councils have implemented efficient emergency management systems, such as emergency response plans, communication protocols, and training programs. They have invested in public safety infrastructure, such as surveillance cameras, emergency alert systems, and fire and police stations, to ensure the safety and security of residents. The use of technology, such as GIS mapping and predictive analytics, has improved emergency response times and resource allocation.

3.2.14 Community Planning

Establishment of Community Planning Partnership and identification of an overarching strategic vision and plan for the district; better working relationships across partners; delivery of partnership actions and evidenced contributions towards achieving outcomes.

These additional themes cover a wide range of areas in which councils have made achievements and improvements. Each theme highlights the councils' efforts to improve processes, optimise resources, and deliver high-quality services to the community. Examples include:

- **Relationship Building and Shared Leadership** - Community planning has fostered stronger relationships among public bodies and local communities, aiding in quicker, smoother joint operations. This was particularly beneficial during the Covid-19 response. Shared leadership supported by Carnegie Trust training has also been advantageous, enhancing collaboration across various levels.
- **Innovation and Strategic Focus** - Initiatives like the innovative Place Shaping pilot for Armagh and participatory budgeting projects have spurred further community-focused innovations. Community planning has introduced a more evidence-based, strategic planning process that is adaptable to changes and challenges like pandemics or economic shifts.
- **Increased Collaboration and Community Involvement** - There is a noted increase in collaboration and co-production in delivering public services, with a significant involvement of community and voluntary sectors in planning for the future. This approach has created added value by combining resources to achieve more substantial outcomes.

- **Efficiencies in Service Delivery** - A review of Community Services functions, including management arrangements for Community Centres, has potential cost savings for the council, illustrating an efficient resource allocation.

These points illustrate how community planning has not only improved strategic focus and collaborative efforts but has also brought about new approaches and potential efficiencies in public service delivery.

3.3 Efficiencies – Future

Councils were asked in their responses to detail any benefits and or efficiencies that are projected to be achieved in the future but have not yet been realised given the relative early stage of this review. Many respondents felt that it was not possible to accurately project future efficiency savings. A summary of anticipated future efficiencies are noted below.

- **Human Resources:** Implementation of strategies for overtime reduction, agency cost reduction, and superannuation savings, contributing to a more efficient and cost-effective human resource management approach.
- **Procurement and Support Services:** On-going reviews and streamlining of contracts, procurements, and service delivery to achieve better budgetary control and service provision efficiency.
- **Digital Strategies and Service Provision:** A significant focus on digitalisation to streamline council processes, enhancing external customer service through digital offerings, and promoting more efficient online services for planning applications.
- **Growth Deals:** Initiatives like the Mid-South West Growth Deal aim at securing funding for strategic infrastructural projects, indicating a move towards larger-scale, multi-partner projects for economic growth.
- **Environmental Sustainability:** Efforts to address climate change impacts through dedicated teams, sustainability working groups, and the potential transfer of landlord health registration to support environmental health are highlighted as critical future directions.
- **Community Planning and Services:** Feedback emphasised the importance of community engagement and planning, with a strategic growth plan predicting significant economic and social benefits, including capital investment, job creation, and improvements in social, economic, and environmental well-being.
- **Legal, IT, and Finance:** Enhanced legal knowledge, especially in planning, increased IT capacity for more efficient and family-friendly working arrangements, and a new finance system aimed at automating processes and improving decision-making highlight the focus on leveraging technology and legal expertise for operational efficiency.
- **Estates and Asset Management:** A proactive approach towards estates management, including the identification of surplus properties for disposal or community asset transfer, underlines the council's strategy to optimise its asset portfolio for economic and community benefits.

4   BENEFITS AND OPPORTUNITIES

4.1   Introduction

In the Terms of Reference (TOR) for this report we said that this would examine:

- The challenges that councils have encountered during the first six years of reform – to include where practicable, quantitative and qualitative feedback from individual councils on challenges, opportunities and impact of reform on service delivery and other aspects of local government, including, for example, greater transparency and responsiveness in terms of decision making, delivery, accountability and advocacy.
- Highlight the shared services, synergies and collaborations between councils since April 2015 and where possible, highlight any benefits that have resulted.
- Reference synergies resulting from amalgamating and reducing the number of councils and transfer of functions and/or powers from central government to councils.
- Potential for enhanced collaboration between local government and central government.
- Reflect evidence to determine if there are economies of scale from creation of larger councils; and
- Examine available metrics on quality-of-service delivery.

4.2   Benefits and Opportunities Realised

Councils were asked to outline any other benefits/opportunities created as a result of local government reform that they wished to note. A summary of responses highlighted the following:

4.2.1   Service Delivery

- The development of new models of service delivery has allowed local government to find more efficient and effective ways of delivering services to their communities. This includes implementing risk management strategies and a digital framework for health and safety, which have improved safety standards and reduced costs.
- The introduction of performance management systems has helped local government organisations to monitor and evaluate their performance, identify areas for improvement, and support innovation and efficient practice. Economies of scale have been achieved in various aspects of council activity, such as waste management, procurement, and contract management. By consolidating these functions, local government has been able to negotiate better deals with suppliers, reduce costs, and improve service quality.
- Collaborative procurement initiatives have been implemented in areas such as insurance, finance software, and energy. By pooling resources and expertise, local government organisations have been able to secure better deals and achieve cost savings.

4.2.2   Economic Development

- The planning process has provided greater market intelligence, allowing local government to identify opportunities for business investment and expansion. This has attracted new businesses to the area, created jobs, and stimulated economic growth.
- Local government has coordinated regional support programs and developed sub-regional projects to promote economic development. By working together with other stakeholders and partner organisations, local government has been able to leverage resources and expertise to drive economic growth.

- Partnership working has been a key driver of economic development. Local government has formed partnerships with businesses, educational institutions, and community organisations to support economic development initiatives. This collaboration has led to the creation of new business opportunities, skills development programs, and community-led regeneration projects.

4.2.3   Covid-19 Response

- The reform of local government organisations has enabled a more efficient response to the Covid-19 pandemic. By pooling resources and expertise, local government has been able to coordinate the distribution of food parcels and grants to those in need through regional responses.
- The reform has also led to more consistent planning responses to the pandemic, ensuring that measures are implemented in a timely and effective manner. Local government has been able to enforce planning regulations to ensure public safety and compliance with health guidelines.
- The reform of local government has strengthened local government's ability to respond to future crises by improving coordination, communication, and decision-making processes.

4.2.4   Democracy

- Decision making: The reform of local government has improved decision-making processes, allowing for more informed and evidence-based decisions that are aligned with community needs and aspirations.
- Representation of community and democratic issues: The reform of local government has strengthened the representation of community and democratic issues, ensuring that the voices of residents are heard and that decisions are made in the best interests of the community.

4.2.5   Employee Initiatives

- Local government has implemented various initiatives to support the health and wellbeing of its employees. This includes providing increased offerings in health and wellbeing programs, such as mental health support, fitness programs, and flexible working arrangements.
- The reform of local government has resulted in larger teams with greater synergy and expertise. This has created opportunities for collaboration, knowledge sharing, and professional development among employees.
- The reform of local government has also provided opportunities for greater engagement with key stakeholders, such as community groups, businesses, and partner organisations. This has allowed employees to have a more meaningful impact on the community and contribute to the strategic direction of local government.
- Staff welfare and training: The reform of local government has allowed for greater investment in staff welfare and training, ensuring that employees have the skills and support they need to deliver high-quality services.

4.2.6   Local Government's Role

- The reform of local government has given local government a stronger voice and increased powers in local politics. This has allowed local government to advocate for the needs and interests of their communities and influence decision-making processes at a regional and national level.
- The reform of local government has also resulted in greater consistency in service delivery across the region. By aligning policies, procedures, and standards, local government has been able to provide a more seamless and efficient service to residents and businesses.

- Local government now has a greater ability to shape the future of their respective areas. Through strategic planning, policy development, and community engagement, local government can drive positive change, promote sustainable development, and address the needs and aspirations of their communities.

4.2.7   Specific Areas of Focus

- Cemeteries administration: The reform of local government has allowed for more efficient and coordinated management of cemeteries, ensuring that burial services are provided in a respectful and timely manner.
- Registration services: The reform of local government has streamlined registration services, making it easier for residents to access birth, death, and marriage certificates, and ensuring accurate and up-to-date records.
- Democratic services: The reform of local government has strengthened democratic processes, ensuring that residents have a voice in decision-making and that local government is accountable to the community.
- Land and property policies: The reform of local government has allowed for the development of consistent land and property policies, promoting sustainable development, and ensuring fair and transparent processes for land use and development.
- Planning: The reform of local government has resulted in more consistent and coordinated planning processes, ensuring that development is aligned with community needs, environmental considerations, and regional priorities.

4.2.8   Regeneration Powers

Councils have gained additional regeneration powers, allowing them to deliver prosperity to local communities more effectively. This includes greater synergy between the 11 councils, easier collaboration, and expertise in legal services, marketing, planning, and regeneration.

4.2.9   Customer Service Improvements

Councils have implemented several initiatives to improve customer service. This includes food waste and glass recycling campaigns, increased social media presence for better information sharing and engagement, the introduction of Citizen Space as a consultation and survey platform, and the initiation of the "Big Plan" and partnership arrangements for its delivery. They have also developed new websites, managed events, and achieved awards for parks and tourism.

4.2.10 Operating Improvements

Some Councils have achieved Investors in People platinum status, developed an organisational development strategy and Our People Plan, and invested in staff training and development. They have also implemented health and safety frameworks, developed a health and wellbeing program, streamlined policy development, and launched sustainability programs. Additionally, they have improved communication through intranet and extranet platforms, rolled out Microsoft 365 for better collaboration, and implemented shared service models for recruitment and HR functions.

4.2.11 Economic Development

Councils have focused on economic development initiatives to stimulate growth and create job opportunities in the region. They have established partnerships with local businesses, industry leaders, and educational institutions to promote entrepreneurship and innovation. Councils have supported the

development of key sectors such as tourism, manufacturing, and digital technology through targeted investment and infrastructure improvements. Initiatives like the City Deal and the establishment of enterprise zones have attracted new businesses and investment to the area.

4.2.12 Environmental Sustainability

Councils have prioritised environmental sustainability and taken steps to reduce carbon emissions and promote renewable energy sources. They have implemented energy efficiency measures in council buildings, including the installation of solar panels and LED lighting. Councils have also encouraged sustainable transportation options, such as cycling infrastructure and electric vehicle charging points. Initiatives like the Zero Waste Strategy and the promotion of recycling and composting have helped reduce waste and promote a circular economy.

4.2.13 Infrastructure Development

Councils have invested in infrastructure development projects to improve the quality of life for residents and attract visitors to the area. This includes the construction and renovation of public spaces, parks, and leisure facilities. Councils have also focused on improving transportation infrastructure, including road upgrades and public transport enhancements. Initiatives like the City Centre Regeneration Plan and the development of cultural and arts venues have revitalised urban areas and boosted tourism.

4.2.14 Education and Skills Development

Councils have worked closely with educational institutions to enhance educational opportunities and skills development in the region. They have supported initiatives to improve school facilities, provide access to digital technology, and promote lifelong learning. Councils have also collaborated with local businesses to offer apprenticeships, internships, and training programs to equip residents with the skills needed for employment. These additional thematic headings provide a more detailed overview of the council's achievements and initiatives in various areas, showcasing their commitment to economic development, environmental sustainability, community engagement, infrastructure development, and education and skills development.

4.2.15 Other

- Improved governance: The reform of local government has led to improved governance structures and processes, ensuring transparency, accountability, and effective decision-making.
- Service resilience: The reform of local government has increased the resilience of local government services, allowing for more efficient and effective responses to emergencies and crises.
- Investment in IT systems and security: The reform of local government has provided opportunities for investment in IT systems and security, improving data management, communication, and cybersecurity.

These opportunities highlight specific examples and tangible outcomes resulting from the local government reform, showcasing the positive impact on governance, economic development, efficiency, collaboration, and staff well-being.

5 SYNERGY/COLLABORATION

Councils were asked to highlight any examples of shared services, synergies, and collaborations since April 2015 and where possible highlight any benefits that have resulted. Where possible councils were asked to quantify the benefits that could be obtained from these synergies/collaborations. The ability to undertake larger scale strategic capital and regeneration projects, which require a multi partner approach from a financial and logistical/delivery approach was highlighted often. Examples included:

5.1.1 Procurement Collaboration

The Local Government Procurement Group was established to achieve increased savings and efficiency through collaboration. The group aims to facilitate consistency in procurement practices and provide opportunities for local businesses, including Small, Medium Enterprises (SMEs) and micro enterprises. By collaborating, the group can leverage their collective purchasing power and negotiate better deals with suppliers. This collaboration also promotes knowledge sharing and best practices in procurement across the 11 councils.

5.1.2 Community Planning Partnerships

The Community Planning Officers Network meets regularly to identify synergies across the 11 councils and promote community planning partnerships. These partnerships involve collaboration between local government, community organisations, and other stakeholders to develop and implement plans that address the needs and aspirations of local communities. The community response to the Covid-19 pandemic highlighted the value of local government in delivering better outcomes for residents through effective community planning and partnership working.

5.1.3 Shared Services

The Community and Wellbeing Directorate has established shared services in various areas, including home safety, tobacco, infectious disease, and air quality monitoring. These shared services help leverage funding from external stakeholders and promote quality and productivity. By pooling resources and expertise, the councils can provide more efficient and effective services to their communities. This collaboration also allows for the sharing of data and information, leading to better decision-making and improved outcomes.

5.1.4 Tourism Collaboration

Tourism Northern Ireland holds regular meetings with all councils to collaborate on shared activities and funding opportunities. This collaboration aims to achieve economies of scale in tourism and marketing efforts, ensuring that Northern Ireland's tourism industry is promoted effectively and efficiently. By working together, the councils and Tourism Northern Ireland can pool their resources and expertise to attract more visitors, generate economic growth, and enhance the tourism experience in the region.

5.1.5 Performance Improvement

The Local Government Performance Improvement Working Group was established to share knowledge and information on performance improvement. The group examines audit and assessment arrangements, develops guidance, and establishes relationships with relevant bodies. By sharing good practices and lessons learned, the councils can continuously improve their performance and deliver better services to their communities. This collaboration also helps ensure consistency in performance measurement and reporting across the 11 councils.

5.1.6   Economic Development

The councils collaborate to support business starts, entrepreneurship, and broadband and digital infrastructure. They leverage funding streams from various sources, including the Department for Communities and Invest NI, to optimise economic development programs. By working together, the councils can attract investment, promote innovation, and create employment opportunities in their respective areas. This collaboration also allows for the sharing of resources and expertise, leading to more effective economic development initiatives.

5.1.7   Finance Collaboration

The Association of Local Government Finance Officers and the Finance Working Group provide mechanisms for finance leaders to collaborate and share strategies. Through these collaborations, finance leaders can exchange ideas, discuss challenges, and develop innovative solutions to financial issues. The Society of Local Authority Chief Executives offers regional leadership and opportunities for collaboration with central government and other stakeholders. This collaboration ensures that financial management practices are consistent and aligned across the 11 councils, promoting transparency and accountability.

5.1.8   Collaborative Procurements

The councils engage in collaborative procurements in various areas, including insurances, treasury management services, animal welfare, and waste management and utilities. By pooling their procurement needs, the councils can achieve cost savings, negotiate better contracts, and streamline their procurement processes. They also collaborate on planning initiatives, property certificates, and recruitment advertising, ensuring consistency and efficiency in these areas.

5.1.9   Covid-19 Response Collaboration

The councils collaborate with the Department for Communities in response to the Covid-19 pandemic. Additional funding has been channeled through the Community Support Programme to support community-led initiatives and assist the most vulnerable. This collaboration allows for a coordinated and effective response to the pandemic, ensuring that resources are allocated where they are most needed, and that support reaches those who need it the most.

5.1.10 Other Collaborations and Shared Services

The councils collaborate on various initiatives and programs, such as the Go for It Programme, Belfast Region City Deal, Digital Voucher Scheme, Levelling up Fund, and the development of the Support Hub. They also collaborate on strategic capital and regeneration projects, public realm improvement works, and town center investment plans.

These collaborations aim to maximise the impact of resources, attract external funding, and deliver positive outcomes for the communities they serve. The feedback emphasised the importance of collaboration and synergy among local government entities in Northern Ireland to achieve savings, efficiency, and better outcomes for residents.

Through these collaborations, it was felt the councils can leverage their collective resources, expertise, and influence to address common challenges, deliver high-quality services, and promote the well-being and prosperity of their communities.

Councils attempted to quantify the future funding this new collaboration would yield, and results are

summarised below. In total over £1 billion of additional funding is expected to be leveraged through increased collaboration and powers of the new councils.

Figure 5.1: Future collaborative funding opportunities (£m)
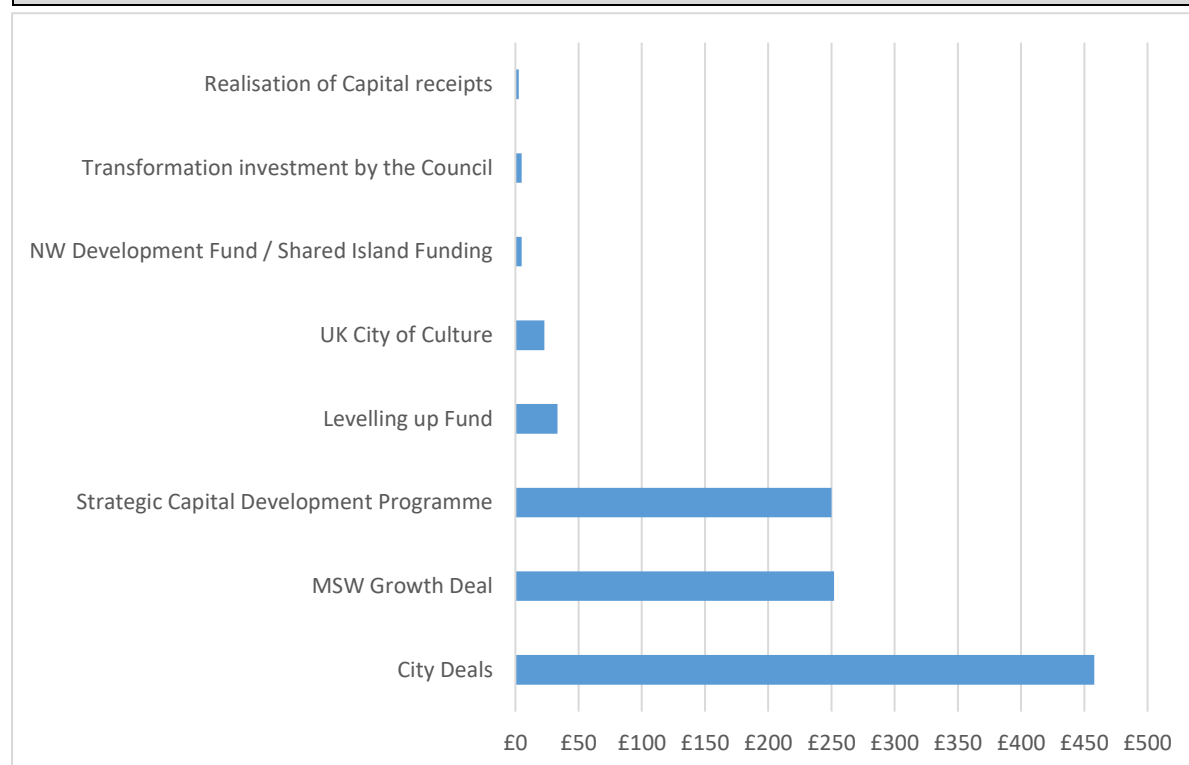
These collaborations and shared services aim to enhance efficiency, effectiveness, and service delivery across the councils, leading to better outcomes for residents and the region as a whole.

6 CHALLENGES & ISSUES

The challenges encountered by individual councils can be grouped into several general headings as below with some examples included:

6.1 Budgetary Shortfalls

Councils face challenges such as statutory pressures associated with pay increases and increased waste prices. The amalgamation of legacy councils with wide geographical spread and low population has led to some duplication of provision and additional costs.

Councils also faced funding challenges, particularly in areas where central government investment was lacking. This impacted some council's ability to deliver services and meet the expectations of the community. As a result of this councils had to explore alternative funding options and prioritise spending to address these challenges.

6.2 Lack of central government investment in certain services

Some councils faced challenges due to the lack of central government investment in certain services. This limited council's ability to deliver against expectations and meet the needs of the community. The challenges due to lack of investment or funding included significant statutory pressures from mandated pay increases, escalating waste prices, and inadequate budgets for planning and other transferred functions including Community Planning.

Additionally, it was felt that there is a notable gap in central government resources needed to advance strategic projects and difficulties engaging with central government, especially during times of executive collapse, adding to the challenge of delivering community planning without a dedicated budget. It was evident that councils felt that transferred powers and functions often come with unresolved legacy issues like funding and IT system disparities.

6.3 Assets transferred without resources

In some scenarios, councils received assets, such as off-street car parks, from central government as part of the reform process. However, the councils felt that they did not receive the necessary resources to maintain and manage these assets effectively. This created a financial burden for those councils, as they had to find alternative funding sources or reallocate existing resources.

6.4 Issues with duplication

- **Duplication of Roles** - When departments merged, there was an overlap of roles which initially affected operational efficiency and staff morale. This problem was systematically addressed through structural reviews, a severance scheme, and the reassignment of staff to eliminate redundancy and optimise resource allocation.
- **HR and Process Integration** - The integration phase saw initial inconsistencies in employee terms and conditions and operational processes across merging entities. These issues were gradually resolved by aligning processes and terms through extensive reviews, leading to improvements in efficiency and employee satisfaction over time.

6.5 Conflicting processes in initial stages of RPA

During the initial stages of reform, there were conflicting processes and procedures between the

merging councils. This caused confusion and hindered the smooth integration of services. Councils have had to conduct comprehensive reviews of processes and implemented standardised procedures to address these challenges.

6.6   Capacity issues

Councils faced challenges in managing the additional duties resulting from the transfer of functions. The capacity issues are primarily related to the operational strains experienced by councils following the restructuring and transfer of functions. Examples include:

- **Training and Technical Support** - The removal of centralised group systems like the Building Control and Environmental Health group systems has created significant gaps. Previously, these groups provided capacity for training, technical support, and other operational assistance. Their removal has shifted these responsibilities directly to individual councils, increasing their workload and exacerbating capacity issues.
- **Handling Additional Duties** - Councils are struggling with additional duties, such as off-street car parking, which have been transferred without the corresponding resources. This has led to increased operational demands on councils that already face resource limitations.
- **Maintaining Transferred Assets** - The transfer of assets like off-street car parks from central government without any accompanying resources for maintenance has burdened the councils with additional responsibilities that they are not equipped to handle financially or operationally.

Councils have had to prioritise and allocate resources effectively to ensure the smooth delivery of services.

6.7   Communication and engagement challenges

Some councils faced significant challenges in meeting public expectations regarding citizen engagement, information sharing, and consultation. Some councils felt they were not adequately resourced to deliver on these expectations, resulting in dissatisfaction among the community. The councils implemented new communication strategies and invested in engagement initiatives to improve transparency and public participation.

6.8   Disparity in employee terms and conditions, and working practices

The merger with other councils brought together different terms and conditions, and working practices. This created challenges in ensuring fairness and equity across the newly formed councils. The councils had to review and align rates, terms and conditions, and working practices to create a unified approach.

6.9   Impact of central government grant cuts

It was noted that some councils were significantly impacted by central government grant cuts, particularly the erosion of the Rates Support Grant. This placed a strain on councils' finances, especially in areas that relied heavily on government funding. Councils had to find ways to mitigate the impact of these cuts, such as exploring alternative revenue streams or implementing cost-saving measures. These additional details provide a deeper understanding of the challenges faced by councils during the reform process and the specific actions taken to address them.

6.10 Statutory pressures

Some councils faced statutory pressures primarily involving national negotiations for pay increases and

other rising costs, notably in waste management. Councils face challenges due to the inability to raise planning charges despite increasing costs, creating significant rate challenges.

Additionally, councils are under pressure to deliver new investments and services to foster district growth, such as capital projects and city deals. These demands are compounded by inadequate budgets for transferred functions and the need for community planning without a dedicated budget.

6.11 Demand for new investment and services

There was a significant demand for councils to deliver new investment and services to support district growth. This included capital projects, investment in areas of growth, and participation in City Deals. Meeting these demands required additional resources and strategic planning.

6.12 Service alignment and cultural integration challenges

Some councils faced challenges in aligning services, cultures, and harmonising practices between the merging councils and transferred functions. This required effective communication, collaboration, and change management strategies.

6.13 Difficulties engaging with central government during the collapse of the Executive

A number of councils faced difficulties in engaging with central government during the collapse of the Executive. This created challenges in delivering community planning without a detailed program for government and clear guidance.

6.14 Challenges of building a unified council identity

Some councils initially faced challenges in building a unified council identity with local citizens and stakeholders. This required effective branding, communication, and engagement strategies to foster a sense of unity and shared purpose.

6.15 City versus rural tensions

In some cases, councils faced tensions between the city and rural areas, which created challenges in managing a more diverse area. The reformation process led to difficulties in creating a unified council perception, especially in the context of diverse areas where city and rural tensions are pronounced. These geographical and demographic differences added complexity to the integration efforts, impacting the ability to form a solid and universally accepted council identity.

6.16 Increased member travel distances and costs

The increase in the number of elected members resulted in increased travel distances and mileage costs for some councils. This required adjustments in budgeting and logistical arrangements to accommodate the expanded council.

7 FINANCIAL PERFORMANCE OVERVIEW

7.1 Introduction

As noted in Section 2.1, the NI Executive decided that a range of additional functions should transfer to local government on 1st April 2015. This section provides a high-level overview of the financial performance of councils during the time period immediately following local government reform during the period 1 April 2015 – 31 March 2022, there is also inclusion of data from the three years which preceded local government reform to provide some context. The review of financial data also includes knowledge of additional responsibilities and costs associated with LG Act NI 2014.

This financial data is for ALL councils in aggregate and does not specifically analyse individual council areas. It should also be noted that this is not a like for like comparison between the baseline position (26 councils) and the new delivery structures (11 councils). All financial data has been sourced from Northern Ireland Audit Office – Local Government Auditors Annual Reports.

This analysis does not include an in-depth review of individual council's annual accounts nor seek to identify specific efficiencies or make assumptions about how the review of local government reform has impacted on financial performance as there are a wide range of external factors at play and the research team did not have the resources to investigate detailed financial records for each council.

7.2 Financial Analysis Caveat

It is noted that analysing councils' audited accounts or treasury returns data could potentially be misleading as they include costs such as depreciation and pension fund movements that are funded from non-usable reserves. Councils have stated that they have driven annual recurrent savings through voluntary severance and other initiatives. There has also been a significant investment in new capital projects and services, despite being impacted by central government grant cuts.

7.2.1 Income

Figure 7.1 shows total income for all councils from 2012-13 to 2021-22. All previous years' figures have been restated using HMT deflators as at December 2022.

Figure 7.1: Total Income (£m) For All Councils 2015-16 to 2021-22
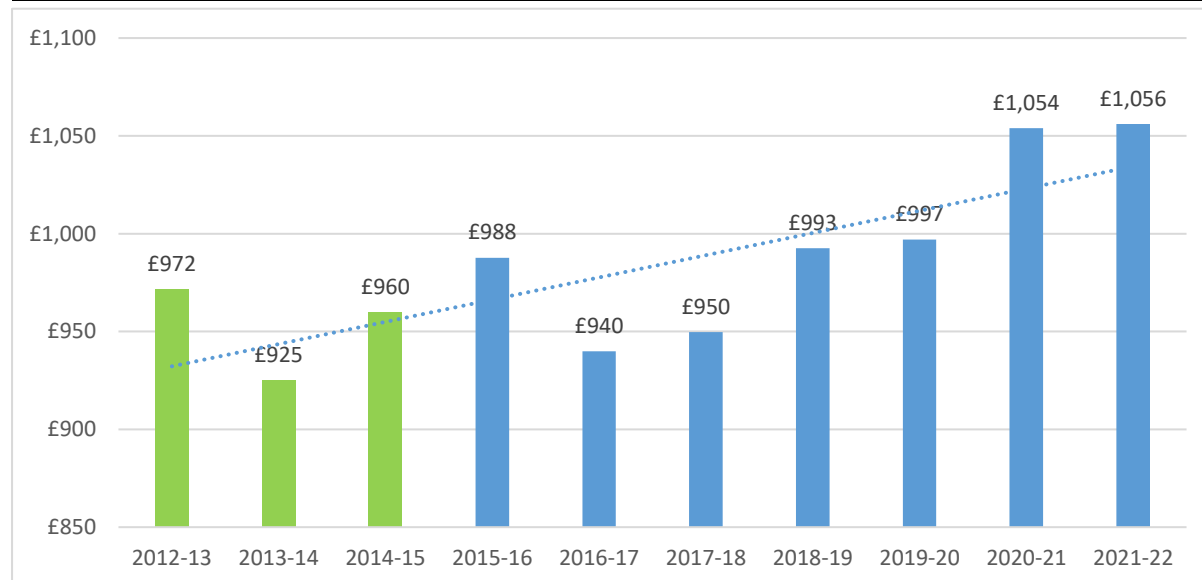
The average income for all councils combined in the three years that preceded local government reform in NI was £952m. In the seven years since local government reform, the average income for all councils was £997m. This represents a percentage increase of 4.7%.

In the period 2015-16 to 2021-22 there has been a 6.9% increase in income with a general upward trend over the period.

7.2.2 Expenditure

Figure 7.2 shows the total expenditure for all councils over the time period 2012-13 – 2021-22.

Figure 7.2: Total Expenditure (£m) For All Councils 2012-13 to 2021-22
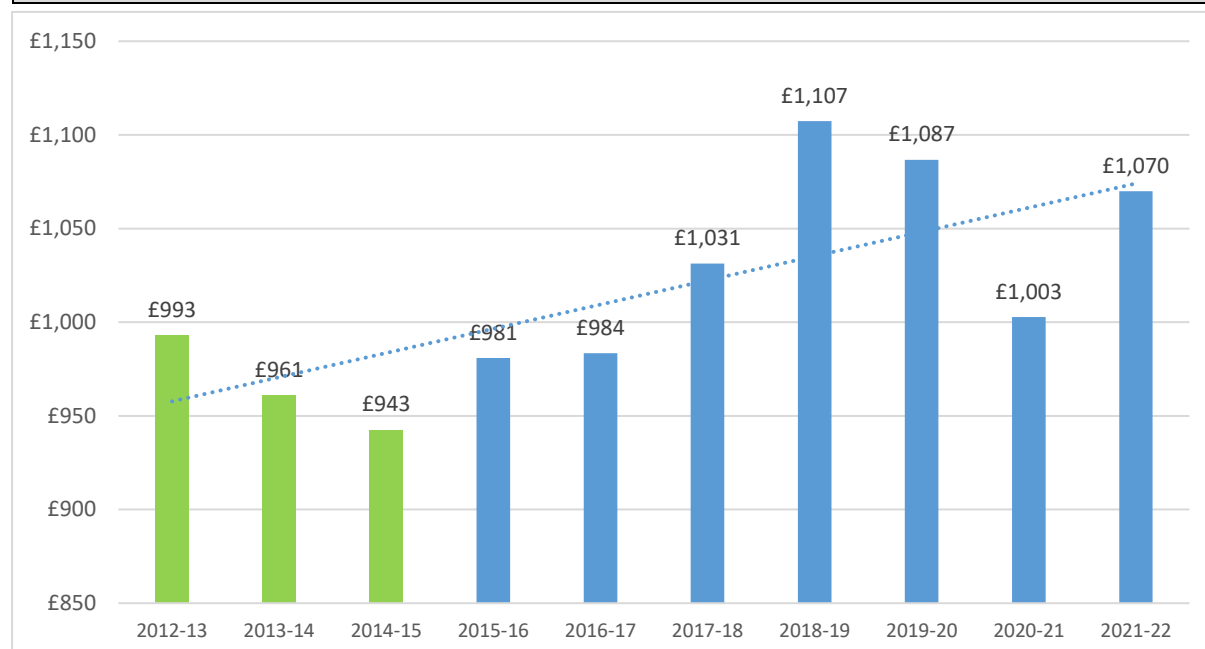
Figure 7.2 shows that there has been a gradual year on year increase in total expenditure for combined total council expenditure over the period, however it has not been linear with expenditure decreasing in 2019-20 and again in 2020-21.

The total percentage change over the 10-year period is an increase of 7.8%. The average expenditure in the three years prior to local government reform was £966m. In the 7 years post reform, the average total expenditure was £1,037m. This represents an increase of 7.5%.

7.2.3   Income/Expenditure

Figure 7.3 below shows that in 7 of the 10 years surveyed, total expenditure by all councils exceeded total income. On average this equated to an average additional expenditure of £32.57m per annum over the period.

In the period since reform (2015/16 – 2021/22), expenditure has exceeded income in five of these seven years. The total spending deficit over this seven-year period equals £286m across all councils or an average of £40.8m per annum.

Additional expenditure over this period has been funded by use of borrowing/reserves.

Figure 7.3: Total Income / Expenditure (£m) For All Councils 2012-13 to 2021-22
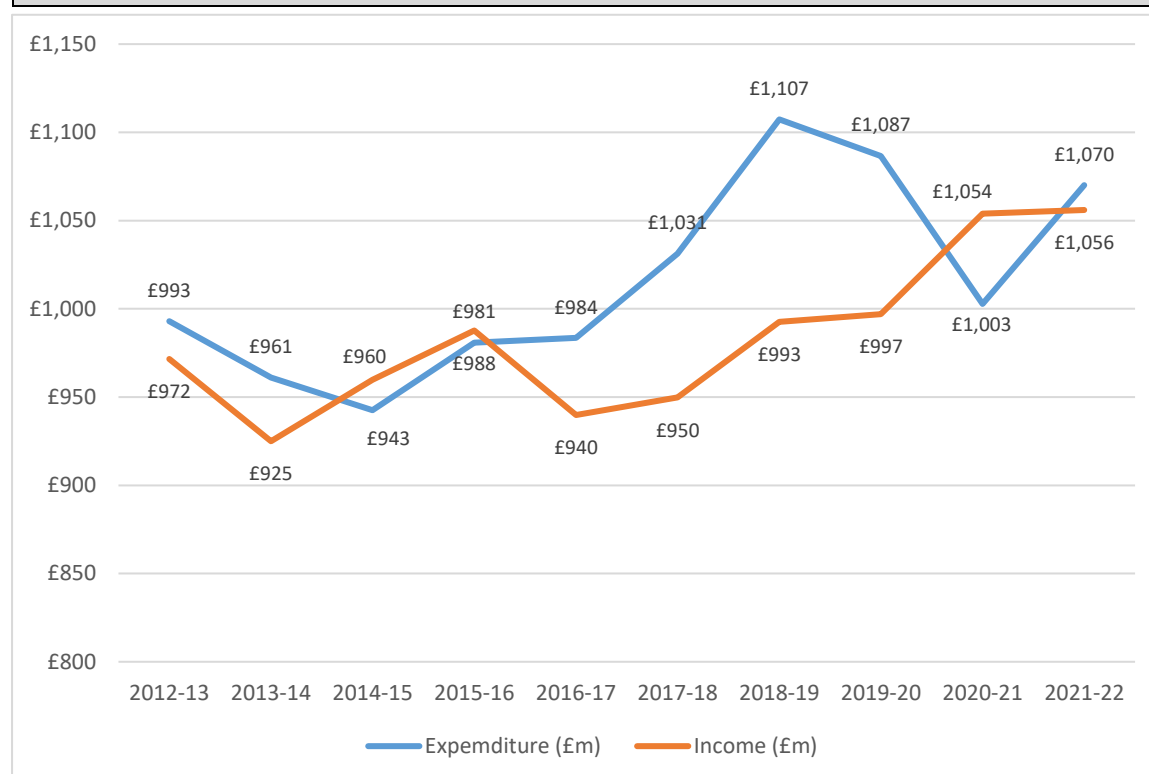
It should also be noted that many councils have invested significant amounts in capital investment projects in recent years. Capital investment relates to assets which are purchased, constructed or improved by the councils to support delivery of their services. These relate from one-off purchases in-year to larger projects that can take several years to complete.

Figure 7.4 overleaf shows the financial commitment to capital investment over a 10-year period (pre and post local government reform).

7.2.4   Capital Investment

The chart in Figure 7.4 below shows that capital investment has been trending slightly upwards over the past 12 years. In the five years pre local government reform total capital investment averaged £99 million. In the 7 years post local government reform total capital investment has averaged £119 million.

In the immediate five years post reform the capital investment average was slightly higher (£128m), but Councils have had to cut capital investment due to the impacts of Covid-19 on budgets.

Figure 7.4: Total Capital Investment (£ million)
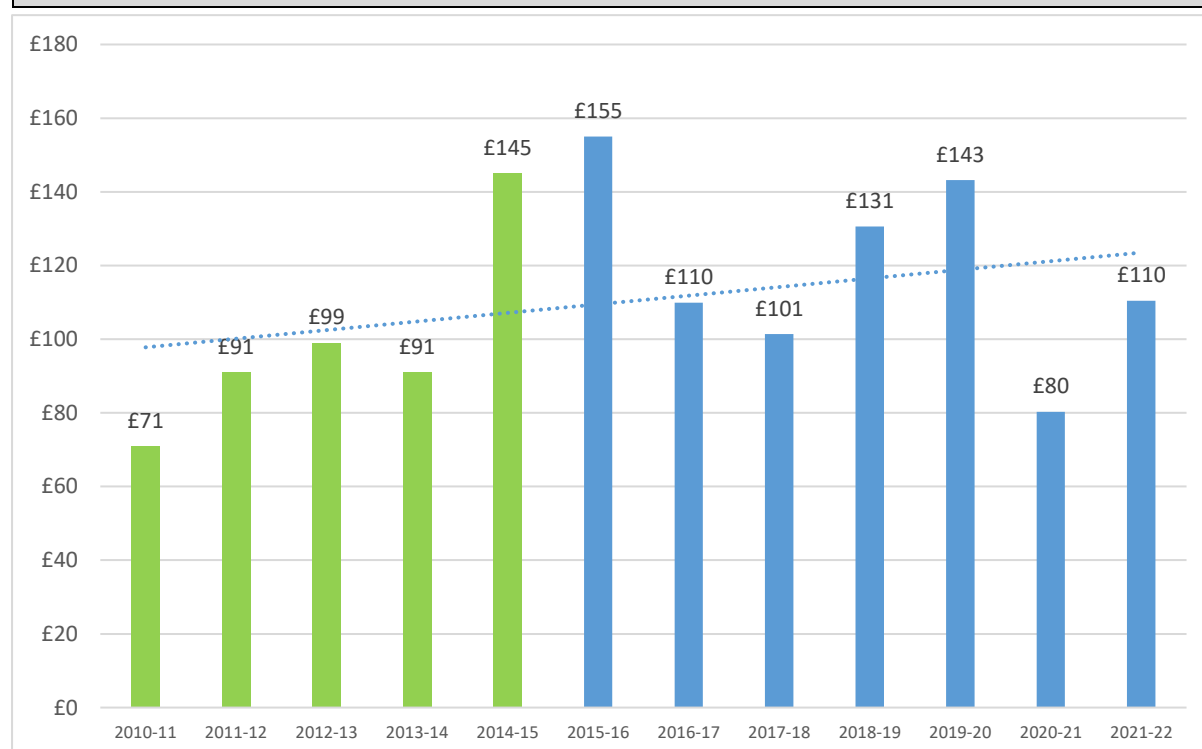
7.2.5   Loan Position

Figure 7.5: Change in Loan Position (2015/16 – 2021/22)

Date	Total Borrowing
31st March 2016 2017 LGA Report	£493.7 million
31st March 2022 2023 LGA Report	£481.2 million

The total borrowing total has decreased by £12.5 million (2.6%) over the 7-year period since reform. The majority of debt relates to external borrowing (mostly from central government) to enable the financing of capital investment.

7.2.6 Staff Numbers

Figure 7.6 below shows the change in total staff numbers within all councils over the period 2012/13 – 2019/20[7].

Figure 7.6: Staff Numbers for All Councils Combined
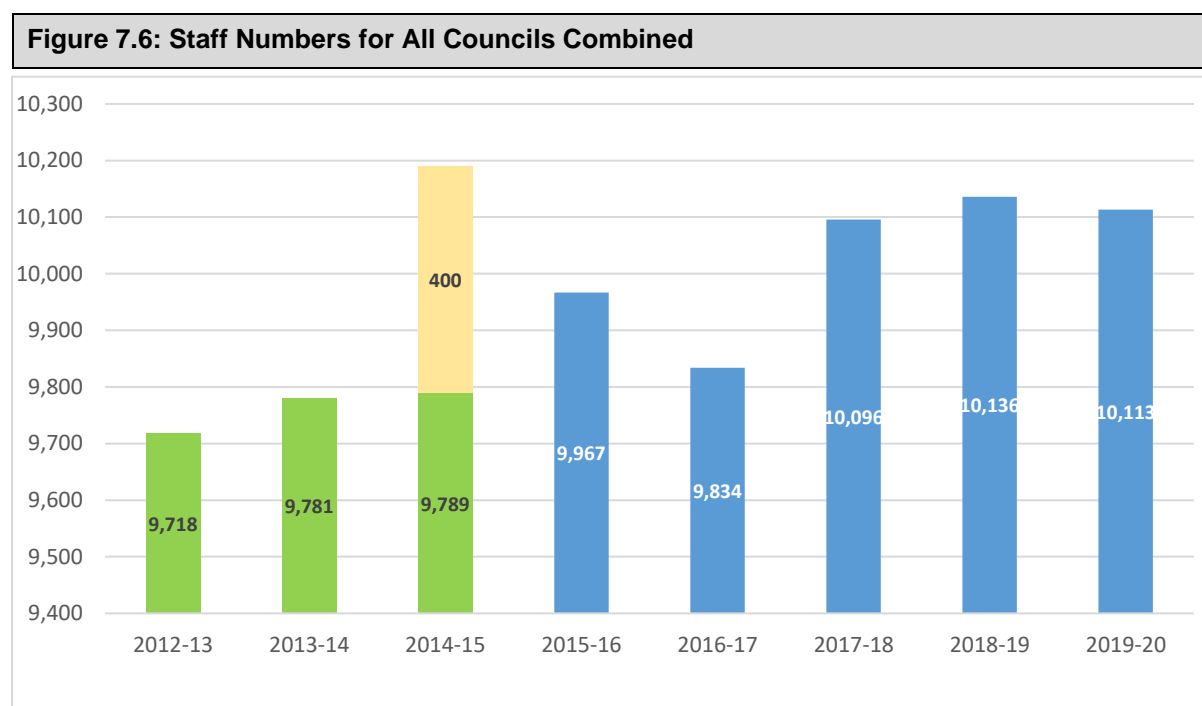
On 1 April 2015, all staff from the 26 legacy councils plus over 400 staff from the Planning Service transferred to the new councils (9,967 FTE from Councils + 400 from Planning Services = Total of 10,367 FTE Staff).

Despite the impact of the Planning staff transfers (400) from the Northern Ireland Civil Service, for 2015-16 the overall net increase in Full Time Equivalents (FTE) from 2014-15, was only 178, largely due to the impact of staff leaving under exit packages. The total staffing compliment for all councils actually appeared to be lower considering the additional functions that had been carried across.

Given that in 2014-15 the local government FTE count (across 26 councils) equaled 9,789 and the staffing complement for planning etc. totaled 400, this equaled a total FTE number of 10,189. The FTE count across all 11 councils in 2019-20 was 10,113. This equates to a decrease of 0.75% in FTE staff in spite of the fact additional functions have been transferred across to local government and the requirement of additional staff to operate new functions under LG Act NI 2014 (such as community planning etc.).

---

[7] Specific staff numbers for 2020/21 and 2021/22 were not included within the Local Government Auditors Report 2023.

7.2.7   Staff Costs

Figure 7.7 below shows the Total Staff Cost (and Staff Cost as a percentage of Total Costs) over a 10-year period.

Figure 7.7: Staff Cost (£m and % of Total Costs) for All Councils Combined
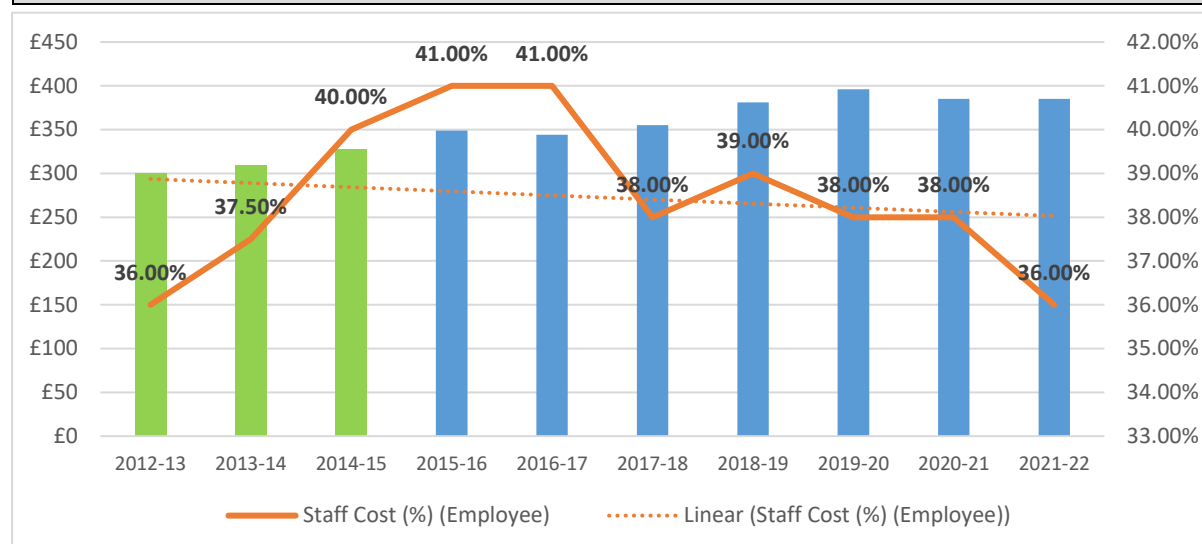
The total Staff Cost has increased by £85m (28.3%) over the 10-year period; however, it should be noted that the Staff Cost as percentage of total costs has actually remained the same. If looking specifically at the 7-year period post reform, the Staff Cost as a percentage of Total Costs has decreased from 41% in 2015/16 to 36% in 2021/22.

8 SUMMARY

8.1 Report Limitations

This report aims to highlight the impact of local government reform on service provision and cost effectiveness over a 7-year period. However, it should be noted that there are limitations in what can be reported upon given the timescales and information available. For example, whilst it is possible to use the financial data extracted from the Local Government Auditors Office reports showing the total income and expenditure figures over the timeframe, it is not possible to give a robust analysis on cost effectiveness as the supporting information (such as standardised reporting metrics with established baselines) is not available.

This report collates the feedback from local councils on efficiencies realised, challenges encountered and future opportunities that can be leveraged as a result of local government reform. However, it should be noted that the supporting data is over a limited timeframe (7 years) that includes the formative years of the new 11 local councils. During this timeframe there was considerable political uncertainty within NI[8] and the reporting period also includes the initial wave of Covid-19 enforced lockdowns[9] and the associated impact on service delivery, income etc.

Whilst this initial research provides an insight into impacts of local government reform, it is the view of the researchers that a longer-term study with a more comprehensive data set is required. The key metrics to measure performance and cost efficiency should be established with councils in advance and an agreed annual monitoring data set agreed upon. This report largely is a collation of the experiences of local councils in the formative years following local government reform.

8.2 Efficiencies

The councils have identified £21,485,452 of current efficiency savings. In terms of planning, collaborative working with Building Control has helped deter unauthorised development and enabled faster processing of investment proposals. The transfer of planning responsibilities to the councils has improved the service provided to planning applicants and increased the sustainability of development. Local Development Plans are now more appropriate to the needs of the district.

The implementation of effective and resilient IT infrastructure through collaboration with other councils has resulted in compliant licensing arrangements and increased collaboration and efficiencies in IT hardware and software developments. Councils are now more able to remain compliant and respond to IT threats and opportunities. While there have been cost savings in waste contracts due to larger contracts for the wider districts, overall waste costs have increased due to market pressures and additional statutory requirements.

The larger council areas and powers have allowed closer working relationships with regional organisations for the delivery of integrated services, particularly in relation to the Covid-19 response. Councils have been able to shape the direction of the Covid-19 response for the benefit of residents.

Streamlined decision-making processes, clear guidelines, and the use of technology and digital platforms have resulted in faster and more efficient decision-making. Councils have established clear

---

[8] NI Assembly dissolved on 16th January 2017 and only formed again on 11th January 2020. There was also no sitting NI Assembly in the period 3 February – 31st March 2022.

[9] https://www.instituteforgovernment.org.uk/sites/default/files/timeline-lockdown-web.pdf

roles and responsibilities, ensured effective governance and avoided duplication of efforts.

Robust financial management practices, regular budget reviews, and cost control measures have helped allocate resources efficiently. Financial transparency and accountability have improved through clear and accessible financial reports. The use of data analytics and performance metrics has identified areas for cost savings and resource optimisation.

Performance management systems have been implemented to monitor and evaluate service delivery. Customer feedback mechanisms have been established to identify areas for improvement. The use of technology and automation has streamlined service delivery processes.

Councils have implemented sustainable practices and initiatives to reduce their environmental footprint, including recycling and waste reduction programs, water conservation measures, and sustainable transportation options. Efficient processes for education and skills development programs, coordination with educational institutions and training providers, and the use of technology and e-learning platforms have expanded access to education and skills development opportunities.

Initiatives to support economic development and job creation, coordination with local businesses and industry stakeholders, and the use of data analysis and market research have targeted resources and support accordingly. Initiatives to preserve and promote cultural heritage, improve tourism infrastructure and services, and the use of digital platforms and virtual tours have enhanced the visitor experience.

Efficient emergency management systems, public safety infrastructure, and the use of technology have improved emergency response times and resource allocation. The establishment of Community Planning Partnership and the identification of an overarching strategic vision and plan for the district have improved working relationships and contributed towards achieving outcomes.

Overall, the achievements and improvements made by the councils in various areas, emphasising their efforts to improve processes, optimise resources, and deliver high-quality services to the community.

8.3   Benefits and Opportunities

The section on the non-monetary assessment of local government reform highlights several positive aspects of the reform process. Through quantitative and qualitative feedback from individual councils, the section sheds light on the challenges, opportunities, and impact of reform on service delivery and other aspects of local governance.

One of the key positives identified is the increased efficiency and effectiveness of service delivery. Many councils reported improvements in their ability to deliver services to their communities, with streamlined processes and better resource allocation. This has resulted in enhanced customer satisfaction and a more responsive local government.

Furthermore, the reform has provided councils with the opportunity to innovate and explore new ways of delivering services. Many councils have embraced technology and digital solutions to improve service delivery and engage with their communities. This has resulted in greater accessibility, transparency, and citizen participation in local government decision-making processes.

The reform process has also brought about positive changes in governance structures and practices. Many councils have implemented stronger accountability mechanisms, improved strategic planning, and enhanced community engagement. This has fostered a culture of transparency, trust, and inclusivity within local government.

Overall, the non-monetary assessment of local government reform highlights several positive outcomes. The increased efficiency and effectiveness of service delivery, enhanced collaboration and

partnership, innovation in service delivery, and improved governance practices are all positive impacts of the reform process. These findings provide valuable insights for councils and policymakers as they continue to navigate and refine local government reform efforts.

8.4   Synergy and Collaboration

Collaborations have proven to be effective in addressing common challenges and promoting the well-being and prosperity of communities. One area of collaboration is procurement. The Local Government Procurement Group was established to leverage the collective purchasing power of local government entities. By negotiating better deals with suppliers and sharing best practices in procurement, the group has achieved increased savings and efficiency.

Community planning partnerships have also been instrumental in promoting collaboration between local government, community organisations, and other stakeholders. These partnerships aim to develop and implement plans that address the needs and aspirations of local communities. The value of effective community planning and partnership working was particularly evident during the Covid-19 pandemic.

Shared services have been established in various areas, such as home safety, tobacco, infectious disease, and air quality monitoring. These shared services help leverage funding from external stakeholders and promote quality and productivity. Tourism collaboration is another important aspect of local government collaboration. Tourism Northern Ireland collaborates with all councils to achieve economies of scale in tourism and marketing efforts. By pooling resources and expertise, they can attract more visitors, generate economic growth, and enhance the tourism experience in the region.

The Local Government Performance Improvement Working Group plays a crucial role in sharing knowledge and information on performance improvement. By sharing good practices and lessons learned, the councils can continuously improve their performance and deliver better services to their communities. Economic development is also a key focus of collaboration among local government entities. The councils collaborate to support business starts, entrepreneurship, and the development of broadband and digital infrastructure. By working together, they can attract investment, promote innovation, and create employment opportunities in their respective areas.

Finance collaboration is essential to ensure consistency and transparency in financial management practices across the councils. The Association of Local Government Finance Officers and the Finance Working Group provide mechanisms for finance leaders to collaborate and share strategies. Collaborative procurements have been successful in achieving cost savings, better contracts, and streamlined processes. The councils engage in collaborative procurements in various areas, leveraging their collective buying power. During the Covid-19 pandemic, the councils collaborated with the Department for Communities to respond to the crisis.

Additional funding was allocated through the Community Support Programme to support community-led initiatives and assist the most vulnerable. In addition to these collaborations, the councils collaborate on various initiatives and programs, such as the Go for It Programme, Belfast Region City Deal, Digital Voucher Scheme, Levelling up Fund, and the development of the Support Hub. They also collaborate on strategic capital and regeneration projects, public realm improvement works, and town centre investment plans. These collaborations have not only resulted in immediate benefits but also hold promising future funding opportunities. It is estimated that over £1 billion of additional funding will be leveraged through increased collaboration and the enhanced powers of the new councils. This funding will further enhance efficiency, effectiveness, and service delivery across the councils, leading to better outcomes for residents and the region as a whole.

The collaborations and shared services among local government entities in Northern Ireland have

proven to be highly beneficial. They have resulted in increased savings, efficiency, and better outcomes for residents. These collaborations have addressed common challenges, promoted community well-being, and attracted investment. The future looks promising with the potential for significant additional funding and further improvements in service delivery. Collaboration and synergy continue to be key drivers in achieving the well-being and prosperity of communities in Northern Ireland.

8.5   Challenges and Issues

During the reform process, the councils faced numerous challenges. One major challenge was the duplication of roles within departments. When different teams merged, there were instances where roles overlapped or duplicated, leading to inefficiencies and confusion.

Another challenge was the differing terms and conditions of employees from the merging councils. This created difficulties in ensuring fairness and consistency across the workforce. The councils had to negotiate and harmonise terms and conditions to create a unified approach. Conflicting processes and procedures between the merging councils also caused challenges during the reform process. This led to confusion and hindered the smooth integration of services.

The councils also faced capacity issues in managing the additional duties resulting from the transfer of functions. This included responsibilities such as off-street car parking, which required additional resources and expertise. The councils had to prioritise and allocate resources effectively to ensure the smooth delivery of services. Financial challenges were also a significant issue for the councils. The transfer of functions did not occur on a cost-neutral basis, resulting in resource shortfalls that had to be addressed through rate increases.

Additionally, the councils received assets from central government without the necessary resources to maintain and manage them effectively, creating a financial burden. The councils had to find alternative funding sources or reallocate existing resources to address these challenges. The councils also faced challenges in meeting public expectations regarding citizen engagement, information sharing, and consultation.

Furthermore, the councils were significantly impacted by central government grant cuts, particularly the erosion of the Rates Support Grant. This placed a strain on the councils' finances, especially in areas that relied heavily on government funding. The councils had to find ways to mitigate the impact of these cuts, such as exploring alternative revenue streams or implementing cost-saving measures. Other challenges included difficulties in engaging with central government during the collapse of the Executive, building a unified council identity with local citizens and stakeholders, managing tensions between the city and rural areas, increased travel costs due to the increase in elected members, and the lack of central government investment in certain services.

Overall, the councils faced a range of challenges during the reform process, requiring careful planning, effective communication, and strategic decision-making to overcome them and successfully implement the necessary changes.

8.6   Conclusion

The aim of this research paper is to provide an assessment of the impact of local government reform on service delivery and cost effectiveness on councils during the period 1 April 2015 – 31 March 2022.

Whilst annual costs have increased this should be viewed in light of significant additional functions taken on by local councils as well as the investment in capital infrastructure over the timeframe. Inflationary uplifts should also be factored into the cost increases.

For the most part local councils have stated that it is not possible to quantify current and future efficiency savings due to lack of available information/limited timeframe. Those efficiencies that could be quantified highlighted **savings of £21.5m as well as identifying a range of potential future savings moving forward.** Feedback has suggested a range of non-quantifiable benefits have been realised – greater collaboration (Covid-19 response etc.) and sharing of knowledge. **Future investment opportunities of over £1bn have also been identified** – feedback from councils suggest this level of leveraged funding would not have been achievable if not for enhanced scope of powers of new councils.

It is the view of the research team that it is too early in the process to conclude if local government reform has been cost effective or not due to the lack of supporting data and limited scope for councils to fully realise benefits. The review period reflects only the initial seven-year period since the formation of the 11 new councils in NI. This timeframe is far from ideal due to:

- The limited timeframe for councils to fully leverage any benefits of increased powers; and
- Political instability within NI during the limited timeframe of the review (no functioning NI Assembly for over 3 of the 7 years).

Unclassified

ITEM 12

Ards and North Down Borough Council

Report Classification	Unclassified
Exemption Reason	Not Applicable
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Director of Corporate Services
Responsible Head of Service	Head of Finance
Date of Report	29 October 2024
File Reference	FIN165
Legislation	Local Government Finance Act (NI) 2011
Section 75 Compliant	Yes ☐ No ☐ Other ☒ If other, please add comment below: Not applicable
Subject	Prudential Indicators & Treasury Management – 2024/25 Qtr 2 Report
Attachments	

Introduction

In February 2024, Council approved its annual Capital and Treasury Management Strategies, including the setting of Prudential Indicators (PIs) for the current financial year ending 31 March 2025. These are statutory requirements in accordance with the Local Government Finance Act (NI) 2011, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

The purpose of this report is to provide Members with an update on the PIs and treasury management activity as required by the CIPFA Codes, at the end of September 2024.

1.1 Capital - Expenditure & Financing
The PIs for capital expenditure and financing should ensure that, within a clear framework, the capital investment plans of the Council are affordable, prudent and sustainable. Updates to these PIs are set out below.

Not Applicable

Table 1.11	Original Forecast £M	Revised Forecast £M
Capital Expenditure 2024/25 (Current Year)	19.41	13.39

The original estimate of £19.41M has been revised to £13.39M, reflecting the capital expenditure that is now expected to be incurred by 31 March 2025. This is consistent with the deliverability risks outlined in the 2024/25 budget strategy, where it was reported that capital ambition is not being matched by delivery due to reasons including Officer resource, business readiness and planning and funding delays. The main schemes impacted by such risks for this reporting period are Bangor Waterfront, Greenways, Ward Park Redevelopment, 3G Pitches and the Digital Innovation Hub.

The revised capital expenditure forecasts for the three-year plan, together with the capital financing implications and previous year activity are summarised below.

Table 1.12	Actual 2023/24 £M	Revised Forecast 2024/25 £M	Revised Forecast 2025/26 £M	Revised Forecast 2026/27 £M
Capital Expenditure	6.51	13.39	23.54	35.50
Financed by:				
Loans	4.20	5.89	14.13	21.09
Grants	1.36	5.51	7.87	13.86
Capital Receipts	0.62	1.55	1.14	0.55
Revenue/Reserves	0.33	0.44	0.40	-

1.2 Capital – Capital Financing Requirement and External Borrowings
The Council's cumulative outstanding amount of debt finance is measured by the Capital Financing Requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP (minimum revenue provision). See section 1.4 for further information on MRP.

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

Table 1.2	Actual 31/03/24 £M	Revised Forecast 31/03/25 £M	Revised Forecast 31/03/26 £M	Revised Forecast 31/03/27 £M
Capital Financing Requirement (CFR)	75.07	78.69	85.02	97.98
External Gross Borrowing	(59.65)	(56.88)	(60.63)	(74.46)
External Gross Debt (Leases)	-	(4.14)	(3.79)	(3.46)

Not Applicable

Under/(Over) Borrowing Requirement	15.42	17.67	20.60	20.06
Gross Borrowing within CFR	Yes	Yes	Yes	Yes

The difference between the CFR and the Gross Borrowing figures represents the Council's underlying need to borrow (£17.67M 31/03/25 forecast) and indicates that historic capital expenditure has been temporarily financed from internal revenue resources. This has been made possible due to an increase in the Council's cash reserves in the current and previous years. The position has been similar for several years now with the Council last taking out long-term borrowings in November 2018.

1.3 Capital - Debt and the Authorised Limit and Operational Boundary

The Council is legally obliged to set an affordable borrowing limit each year, known as the 'Authorised Limit'. In line with statutory guidance, a lower 'operational boundary' is also set as a warning level should debt approach the limit.

The revised forecast for external gross borrowing (including leases) at 31 March 2025 is £61M (table 1.2). The Council is therefore forecast to remain well within both the Authorised Limit and the Operational Boundary set for the year as follows:

Table 1.3	2024/25
Authorised limit – borrowing	£ 88.92M
Operational boundary – borrowing	£ 83.92M

1.4 Capital - Revenue Budget Implications

Capital expenditure is not charged directly to the revenue budget. Instead, interest payable on borrowings and MRP (minimum revenue provision), together known as capital financing costs, are charged to revenue. These financing costs are compared to the net revenue stream i.e. the amount funded from District Rates and general government grants, to show the proportion of the net revenue stream which is made up of capital financing costs.

Table 1.4	2023/24 Actual	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast
Financing costs (£m)	£7.9M	£9.05M	£10.09M	£11.04M
Proportion of net revenue stream (%)	12.7%	13.6%	14.1%	14.4%

The forecast financing costs for 2024/25 is in line with the budget set for the year. The increase in the proportion of financing costs to the net revenue stream is due to the inclusion of 'right of use' assets in the financing costs from 1 April 2024 following a change in accounting rules. These costs were previously treated as operating leases and accounted for as revenue rental charges.

2.1 Treasury Management – Debt Activity

The following table summarises the position on long-term borrowings at 30 September 2024.

Not Applicable

Table 2.1				
Lender	**Balance 01/04/24**	**New Loans**	**Repayments**	**Balance 30/09/24**
Dept of Finance	£ 53.38M	£ -	£ (1.42)M	£51.96M
Banks (LOBOs)	£ 6.27M	£ -	£ -	£ 6.27M
Totals	**£ 59.65M**	**£ -**	**£ (1.42)M**	**£ 58.23M**

The Council does not currently hold any short-term borrowings.

The revised capital financing requirement (table 1.2) shows that the Council could increase its level of external borrowings to £78.7M by 31 March 2025. However, an assessment of the Council's cashflow position forecasts that there will be adequate cash reserves to temporarily finance capital expenditure for the remainder of the current year and therefore no further borrowing is anticipated before 31 March 2025.

After repayments on existing long-term loans are made during the remainder of 2024/25, the level of external borrowings at 31 March 2025 is forecast to be £56.9M.

The average interest rate for the Council's total debt portfolio is 3.87%.

2.2 Treasury Management - Debt Related Treasury Activity Limits

The tables below show the position of all debt related treasury activity limits.

Table 2.21		
Interest rate exposures	**Limit 2024/25**	**Actual at 30/09/24**
Quantity of debt held at variable interest rates - upper limit	30%	2%
Quantity of debt held at fixed interest rates - upper limit	100%	98%

Table 2.22			
Maturity structure of fixed interest rate borrowing	**Lower Limit 2024/25**	**Upper Limit 2024/25**	**Forecast 2024/25**
Under 12 months	0%	15%	4.7%
12 months to 2 years	0%	15%	6.0%
2 years to 5 years	0%	20%	13.8%
5 years to 10 years	0%	30%	27.2%
10 years and above	30%	90%	48.3%

Not Applicable

2.3 Treasury Management - Investment Activity

The objectives of the Council's investment strategy are safeguarding the repayment of the principal and interest on its investments on time, with the investment return being a secondary objective. The current investment climate continues to be one of overriding risk consideration, particularly that of counterparty risk. In line with advice provided by treasury management consultants, officers continue to implement an operational investment strategy of placing short-term investments with approved high-quality counterparties.

For the period from 1 April to 30 September 2024, Council has earned interest of £321K on investment deals with approved financial institutions as summarised below:

Table 2.31	Average Deposit Size	Average Term	Average Interest Rate	Interest Earned
CCLA Public Sector Deposit Fund	£3.0m	Call A/c	514%	£78,076
Invesco Investment Mgt Ltd	£2.9m	Call A/c	5.15%	£76,095
State Street Global Advisors	£3.0m	Call A/c	5.13%	£77,844
Barclays Bank	£1.6m	Call A/c	4.92%	£39,826
Bank of Scotland	£2.2m	Call A/c	5.14%	£49,114
Santander	£0.8m	Call A/c	3.35%	£897
Totals				**£321,852**

This compares favourably to the budget set for the same period of £273K, resulting in a favourable variance of £49K.

The total balance of funds held in investment accounts at 30 September 24 was £10.3M.

The table below shows the risk and return metrics on the Council's investments held at 30 September 2024 against other NI Councils.

Table 2.32	Counterparties	Investments	
	Credit Rating	Liquidity (< 7 days)	Rate of Return (%)
ANDBC	A+	100%	4.98%
NI Council Average	A+	54%	4.77%

Source: Arlingclose Ltd Local Authority Quarterly Investment Benchmarking report Sep-24

The Council's limit for total principal sums invested for periods longer than 364 days is £500k. The Council has not entered into any such investments.

RECOMMENDATION

It is recommended that Council notes this report.

Unclassified

ITEM 13

Ards and North Down Borough Council

Report Classification	Unclassified
Council/Committee	Corporate Services Committee
Date of Meeting	12 November 2024
Responsible Director	Director of Corporate Services
Responsible Head of Service	Head of Finance
Date of Report	18 October 2024
File Reference	FIN23
Legislation	Local Government Finance Act (NI) 2011
Section 75 Compliant	Yes ☐ No ☐ Other ☒ If other, please add comment below:
Subject	Strategic Budget Report - September 2024
Attachments	Strategic Budget Report

Background

This is the second budget report for the financial year. It sets out the variances for expenditure and income for the first six months and shows a budgetary surplus of £208k, thus far.

The budgeting policy agreed during the year requires officers to forecast potential outturn on four occasions during the financial year – these will occur at the end of June, August, November and January. The final column on page 2 of the report show that management are forecasting a potential surplus of around £485k which is broadly in line with budget. This forecast and the next one will feed into the estimates process and allow judgements to be made in respect of potential reserves positions at the year end.

RECOMMENDATION

That Council notes the Strategic Budget Report for September.

September 2024 Strategic Budget Report

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

Strategic Budget Report

Category	YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	2024/25 Budget	Year End Forecast £'000
Payroll	19,550	19,831	(281)	39,884	39,914
Waste Disposal	3,859	4,035	(176)	7,475	7,359
Energy	1,489	1,644	(155)	3,664	3,245
Maintenance	1,457	1,284	174	2,783	3,016
Capital Financing	3,912	3,912	0	8,782	8,782
Other Expenditure	8,767	7,973	794	16,582	18,312
Total Expenditure	**39,035**	**38,679**	**356**	**79,169**	**80,628**
Service Income	(6,483)	(6,194)	(289)	(12,915)	(13,559)
District Rates & General Grants	(33,060)	(32,785)	(275)	(66,196)	(66,733)
Non Service Income - EMF Appropriations	50	50	0	(558)	(821)
Total Income	**(39,493)**	**(38,929)**	**(564)**	**(79,669)**	**(81,113)**
Surplus	**(458)**	**(250)**	**(208)**	**(500)**	**(485)**

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

Payroll

YTD Actual £'000	YTD Budget £'000	YTD Variance £'000
19,550	**19,831**	**(281)**
Vacancies Approx. vacant FTE posts over the payroll savings budget. **Other Payroll Costs** Overtime / Casuals Miscellaneous	**22 employees** 122 84	**(487)** 206

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

Waste Disposal

YTD Actual £'000	YTD Budget £'000	YTD Variance £'000	Price	Volume
3,859	4,035	(176)	(48)	(127)
Landfill tonnage down 786 tonnes and lower gate than budget per tonne (£0.47 per tonne).		(110)	(7)	(103)
Blue bin waste up 83 tonnes plus slightly lower gate fee than budget (£0.51 per tonne)		(2)	(3)	1
Organics 1 (Garden) waste down 315 tonnes plus lower gate fee than budget (£1.72 per tonne)		(25)	(6)	(19)
Organics 2 (Food) waste up 693 tonnes which is partially offset by lower gate fee than budget (£2.09 per tonne)		26	(27)	53
Other waste streams – timber, paint, glass, street sweepings, rubble, plastics		(64)	(4)	(60)

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

Energy

YTD Actual £'000	YTD Budget £'000	YTD Variance £'000
1,489	1,644	(155)
Vehicle fuel		(99)
Electricity – higher consumption than budget		28
Gas		(77)
Heating Oil		(15)

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

Maintenance

YTD Actual £'000	YTD Budget £'000	YTD Variance £'000
1,457	1,284	174
Statutory Maintenance – highest spend to date - Ards Blair Mayne (£72k), Bangor Aurora (£119k – pool floors and boom repairs), Comber LC (£51k), North Rd Depot (£44k), Bangor Waste Transfer Station (£24k).		151
Planned Maintenance – highest spend to date – Ards Blair Mayne (£40k).		31
Other Maintenance – reactive, vehicle, playgrounds		(8)

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

Other Expenditure

YTD Actual £'000	YTD Budget £'000	YTD Variance £'000
8,767	7,973	794
Insurance costs - premiums (£107k), self insurance (£399k)		506
Grant Payments - Go Succeed Programme which are offset by additional grant income		116
Legal fees - mainly Environmental Health		42
Recruitment costs		29
Materials - Transport		41
Water / Trade Effluent costs		42
Range of adverse variances across Services. Possibly budget profiling / timing.		28

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

Service Income

YTD Actual £'000	YTD Budget £'000	YTD Variance £'000
(6,483)	(6,194)	(289)
Parks & Cemeteries – franchise and cemetery income		(77)
Leisure – Leisure Centres, Londonderry Park, Community Centres		(169)
Economic Development - Go Succeed Grant income (offsets grant spend)		(116)
Building Control		(48)
Investment Income		(41)
Wind Turbine		(36)
Planning Fees		122
Off Street Car Parks		68
Waste Services – trade waste & bulky waste collections		85

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

District Rates & General Grants

YTD Actual £'000	YTD Budget £'000	YTD Variance £'000
(33,060)	(32,785)	(275)
LPS are indicating a positive 24/25 penny product finalisation		(298)
Estimated 24/25 DRG finalisation small clawback		24

Ards and North Down Borough Council
www.ardsandnorthdown.gov.uk

By Directorate

Directorate	Year to Date Actual £'000	Year to Date Budget £'000	Variance £'000	Annual Budget £'000	Year End Forecast £'000
Community & Wellbeing	5,435	6,095	(660)	12,899	12,343
Environment	13,736	14,059	(323)	28,331	27,600
Prosperity	2,426	2,479	(53)	5,159	5,060
Place	673	725	(52)	1,849	1,813
Corporate Services	5,625	5,311	314	9,265	9,852
Chief Executive	695	731	(36)	1,622	1,543
Payroll Savings Budget	-	(865)	865	(1,729)	-
NET COST OF SERVICES	**28,590**	**28,535**	**55**	**57,396**	**58,211**
Other Income and Expenditure	**(29,048)**	**(28,785)**	**(263)**	**(57,896)**	**(58,696)**
Grand Totals	**(458)**	**(250)**	**(208)**	**(500)**	**(485)**