Lisburn & Castlereagh City Council

Civic Headquarters
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November 6th, 2026

Chairperson: Alderman P Porter

Vice-Chairperson: Councillor R McLernon

Aldermen: A Ewart MBE and O Gawith

Councillors: J Bamford, T Beckett, R Carlin, K Dickson, A Ewing, J Harpur, J Laverty BEM, U Mackin, G McCleave, M McKeever and The Hon N Trimble

Ex Officio: The Right Worshipful the Mayor, Councillor B Higginson

Deputy Mayor, Alderman A McIntyre

Notice of Meeting

A meeting of the **Corporate Services Committee** will be held on **Wednesday, 11th November 2026** at **6:00 pm** for the transaction of the undernoted Agenda. Members are requested to attend.

A hot meal shall be available in **Lighters Restaurant** from 5.15 pm.

David Burns, Chief Executive, Lisburn & Castlereagh City Council

Agenda

1.0 APOLOGIES

2.0 DECLARATIONS OF MEMBERS' INTERESTS

(i) Conflict of Interest on any matter before the Meeting (Member to confirm the specific item).

(ii) Pecuniary and Non-Pecuniary Interest (Member to complete the Disclosure of Interest form).

3.0 REPORT OF HEAD OF GOVERNANCE & COMMUNICATIONS

For Decision

3.1 Illuminations 2027

For Decision

Attachment: FINAL CSC Report - Illuminations 2027 - Nov 26.pdf ***Page 1***

Attachment: FINAL IILLUMINATION CALENDAR 2027.pdf ***Page 3***

4.0 REPORT OF HEAD OF FINANCE

4.1 Treasury Outturn Q2, 2026/2027

For Noting

Attachment: FINAL CSC Report - November 2026 - Treasury outturn quarter 2 202627.pdf ***Page 9***

Attachment: Q2 2026-27 Treasury Mid-Year Report_.pdf ***Page 11***

Attachment: Q2 2026-27 Prudential Indicators.pdf ***Page 21***

5.0 REPORT OF HEAD OF HR & OD

5.1 LGSC Dissolution Consultation

For Decision

Attachment: CSC Report - Consultation Response - LGSC Dissolution.pdf ***Page 23***

Attachment: LGSC Dissolution Consultation letter.pdf ***Page 25***

6.0 CONFIDENTIAL REPORTS

6.1 Tender Awards

For Noting

Confidential due to information relating to the financial or business affairs of any particular person (including the Council holding that information).

Attachment: CSC Report - Tender Awards for Noting November 2026.docx ***Not included***

Attachment: APPENDIX 1 Tender Award Summary for Noting November 2026.docx ***Not included***

Attachment: APPENDIX 2 Tender Reports November 2026.docx ***Not included***

6.2 Management Accounts (Quarter 2), 2026/2027

For Noting

Confidential due to information relating to the financial or business affairs of any particular person (including the Council holding that information).

Attachment: Management Accounts Quarter 2 2627.pdf ***Not included***

6.3 Reserves Report (as at 31 March 2026)

For Decision

Confidential due to information relating to the financial or business affairs of any particular person (including the Council holding that information).

Attachment: CSC Report November 2026 - Reserves.pdf ***Not included***

6.4 Estimates 2027/2028 - First Draft (plus underspend report)

For Noting

Confidential due to information relating to the financial or business affairs of any particular person (including the Council holding that information).

Attachment: CSC Report - 2728 Estimates first draft.pdf ***Not included***

Attachment: Analysis of year end outturn positions.pdf ***Not included***

7.0 ANY OTHER BUSINESS

8.0 Confidential Report by the Head of HR & OD

For Decision

Confidential due to the Local Government Act (Northern Ireland) 2014, Schedule 6, Part 1: Exempt Information, no.4:

Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the council or a government depart employees of, or office holders under, the council.

Attachment: CSC Report - Panel for CE Appointment (Final)(1).pdf ***Not included***

Attachment: Appendix 1 - Appointment of Chief Executive(1).pdf ***Not included***

Attachment: Appendix 2 - D'Hondt Table Outside Bodies.pdf ***Not included***

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11 November 2026
Report from:	Head of Governance & Communications

Item for:	Decision
Subject:	Illuminations 2027

1.0	**Background and Key Issues**	
1.1	Lisburn & Castlereagh City Council regularly receives requests to support charitable organisations, raise awareness of causes, or mark significant events by illuminating Council-owned assets in designated colours.	
1.2	In accordance with the Building Illumination Policy, the annual invitation for illumination requests for the 2027 calendar year was issued on 5 October 2026. The submission period closed on 26 October 2026, with the call for applications promoted via the Council's website and official social media channels.	
1.3	A copy of the illuminations policy can be found here.	
1.4	In addition, all organisations who had previously requested illuminations were contacted directly to encourage them to submit their requests to illuminate in 2027.	
	Outcome	
1.5	A total of 51 requests were received and assessed against the approved policy criteria. Of these, 50 met the eligibility requirements, while one request was declined as it did not satisfy the relevant criteria. In two instances, separate charities submitted requests in support of the same cause and have agreed to share an illumination. A draft 2027 illumination calendar has been prepared and is attached for Members' consideration and approval.	
1.6	13 annual building illuminations are also included (highlighted in yellow) which had already been agreed as part of the policy and with previous Council approval.	
2.0	**Recommendation** It is recommended that Members approve the draft Calendar of Illuminations for 2027.	
3.0	**Finance and Resource Implications** No direct costs.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No
4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out	
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No

4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out.	

Appendices:	Draft Calendar of Illuminations 2027

PROPOSED BUILDING ILLUMINATION CALENDAR 2027

Highlighted in yellow are 13 annual building illuminations.

DATE	ORGANISATION	CAUSE	COLOUR
JAN	**2 ILLUMINATIONS**		
27/01/2027	Lisburn and Castlereagh City Council	Holocaust Memorial Day	Purple
29/01/2027	Lisburn Community Dementia Care	Support for people with dementia and their carer	Blue
FEB	**4 ILLUMINATIONS**		
01/02/2027	OG Cancer NI (Oesophago-Gastric)	OG Cancer Awareness Month	Purple or green
02/02/2027	Caleb's Cause NI	Caleb's Cause NI	Blue & White
22/02/2027	Lisburn and District Scout Council and Lisburn Cathedral Scout Group	120th anniversary of the foundation of scouting	Purple
28/02/2027	Northern Ireland Rare Disease Partnership	Rare Disease Day	pink, purple and/or blue
MAR	**8 ILLUMINATIONS**		
01/03/2027	Girls' Brigade Northern Ireland – Lagan District	Celebrating 85 years of the Girls' Brigade in Lisburn	Blue
02/03/2027	Facial Palsy UK	Facial Palsy Awareness Week	Purple
03/03/2027	Marie Curie	Great Daffodil Appeal	Yellow
08/03/2027	Lisburn and Castlereagh City Council	International Women's Day	Purple
11/03/2027	South East Fermanagh Foundation (SEFF)	European Day of Remembrance of Victims of Terrorism &	Red

		UK National Day of Remembrance and Tribute for Victims of Terrorism	
17/03/2027	Lisburn and Castlereagh City Council	St Patrick's Day	Green
18/03/2027	Brainwaves NI	Brain Tumour Awareness month	Purple
19/03/2027	NI Community for Parents/Carers of Children with Complex Needs	Second anniversary	Yellow
APR	**3 ILLUMINATIONS**		
01/04/2027	Checkemlads	Testicular cancer awareness month	Light purple
11/04/2027	Parkinson's UK	World Parkinson's Day	Blue
24/04/2027	Linking Generations NI	Global Intergenerational Week	Pink
MAY	**6 ILLUMINATIONS**		
07/05/2027	HDANI (Huntington's Disease Association)	National Huntington's Disease Month	Purple/ Blue
09/05/2027	Lisburn and Castlereagh City Council	World Fairtrade Day	Yellow, Blue, Black Rotation
10/05/2027	HSC Northern Ireland Adoption & Foster Care	Foster care fortnight 9 – 22.5.27	Turquoise
12/05/2027	Hope 4 ME & Fibro Northern Ireland	M.E. & Fibromyalgia International Awareness Day	Blue/ purple
17/05/2027	Nerve Tumours UK	Shine a Light on NF (Neurofibromatosis)	Blue
18/05/2027	Alzheimer's Society	Dementia Action Week	Blue
JUN	**6 ILLUMINATIONS**		
01/06/2027	Lisburn and Castlereagh City Council	Daithi's Law	Pink
07/06/2027	Tourettes Action	Tourette's Awareness Month	Green
09/06/2027	Volunteer Now	Volunteers Week 2027	Purple
17/06/2027	Marmalade Trust	Loneliness Awareness Week	Orange

21/06/2027	ChallengingMND	World MND Day	Purple
24/06/2027	St John Ambulance Northern Ireland - Lisburn Youth Unit	St. John Ambulance Lisburn Youth unit	Green

JUL	**3 ILLUMINATIONS**		
01/07/2027	Lisburn and Castlereagh City Council	The Somme	Red
12/07/2027	Lisburn and Castlereagh City Council	12th July Celebrations	Orange
31/07/2027	Lisburn and Castlereagh City Council	Pride Day	Rainbow rotation
AUG	**1 ILLUMINATION**		
26/08/2027	Friends of Parkview supporting Parkview Special School	To support pupils of Parkview Special School	Yellow, red, green
SEPT	**8 ILLUMINATIONS**		
01/09/2027	Leukaemia & Lymphoma NI	Blood cancer awareness month	Red
03/09/2027	LCC Community Trust (Lisburn City Church)	National Foodbank Day	Green
10/09/2027	Lisburn and Castlereagh City Council	World Suicide Prevention Day	Yellow
13//09/2026	Air Ambulance Northern Ireland	Emergency Services Day / Air Ambulance Week	Red
14/09/2027	Lisburn and Castlereagh City Council	Recycle Week	Green
20/09/2027	Public Health Agency	Organ Donation Week	Pink
22/09/2027	FND Matters NI (Functional Neurological Disorder)	Raising awareness week	Blue
27/09/2027	The Society of St Vincent de Paul	St Vincent de Paul Day	Blue
OCT	**10 ILLUMINATIONS**		
04/10/2027	The Boys' Brigade Lisburn & District Group	Founder's Day of the Boys' Brigade	Blue and red
06/10/2027	The Hygiene Bank (Moira branch)	National hygiene week	Yellow
10/10/2027	Action Mental Health	World Mental Health Day	Purple
11/10/2027	Lagan Valley Rural Transport	Community Transport Week	Blue and Green
15/10/2027	Tommys baby loss and	Baby Loss Awareness Week	Blue and Pink

	SANDS (Stillbirth and Neonatal Death Society)		
18/10/2027	Jordan's Gift	The relief of those in need by reason of youth, age, ill health, disability, financial hardship or other disadvantage	Red and blue
19/10/2026	North West Migrants Forum	Black History Month	Red
20/10/2027	Shine Charity	Spina Bifida Awareness Week	Yellow
25/10/2027	PoTS UK (Postural Tachycardia Syndrome)	PoTS Awareness Day	Purple
26/10/2027	Child Brain Injury Trust	GloWeek	Yellow, purple and blue
NOV	**7 ILLUMINATIONS**		
01/11/2027	Animal Connexions rescue & rehoming	Rescuing dogs and kittens throughout NI	Purple and red
11/11/2027	Lisburn and Castlereagh City Council	Remembrance Day	Red
12/11/2027	Lisburn Outlook	Promoting social, cultural &recreational activities amongst blind and partially sighted people in the Lisburn area	Blue
14/11/2027	Diabetes UK	World Diabetes Day 2027	Blue
15/11/2027	Tinylife	World Prematurity Day	Purple
19/11/2027	Pancreatic Cancer UK	World Pancreatic Cancer Day	Purple
25/11/2027	White Ribbon NI	Ending Violence Against Women & Girls	Blue
DEC	**3 ILLUMINATIONS**		
01/12/2027	Positive Life	World Aids Day 2026	Red
03/12/2027	Lisburn and Castlereagh City Council	International Day of People with a Disability	Purple

24/12/2027	Lisburn and Castlereagh City Council	Christmas	Red and green rotation

Lisburn & Castlereagh City Council

Committee:	Corporate Services
Date:	11th November 2026
Report from:	Head of Finance

Item for:	Noting
Subject:	Treasury Outturn Quarter 2 2026/27

1.0 **Background and Key Issues**

1.1 In February 2026, to comply with the requirements of the Local Government Finance Act (NI) 2011, Council approved the annual Treasury Management Strategy and associated Prudential Indicators for the financial year 2026/27.

1.2 The attached reports on the Prudential and Treasury Indicators details the Council's performance against the indicators approved for 2026/27 for up to 30th September 2026.

1.3 The key points to note for quarter 2 2026/27 are:

- Both the Operational Boundary and the Authorised Borrowing Limit were deemed adequate for the period.
- No new loans or finance lease agreements have been entered into during the first quarter of the financial year.
- The balance of external loans at 30th September 2026 was £17.24m
- As at 30th September 2026, the Council's short term investments (held in various institutions) were £27.79m.

1.4 The Council continues to receive Treasury Management advice from its professional advisor, Arlingclose.

2.0 **Recommendation**

It is recommended that Members note the information contained in the report.

3.0 **Finance and Resource Implications**

As highlighted above

4.0 **Equality/Good Relations and Rural Needs Impact Assessments**

4.1	Has an equality and good relations screening been carried out?	No
	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out	

	This is a financial report for noting only.	
4.2	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out. This is a financial report for noting only.	

Appendices:	Q2 2026/27 Treasury Report Q2 2026/27 Prudential Indicators Report

Treasury Management Report Q2 2026/27
Lisburn and Castlereagh City Council

Introduction

In February 2026 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.

This report includes the requirement in the 2021 Code of quarterly reporting of the treasury management prudential indicators. The non-treasury prudential indicators are incorporated in the Council's Treasury Management Strategy.

The Council's treasury management strategy for 2026/27 was approved at a meeting in February 2026. The Council has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

External Context

Economic background: The key story remained the conflict in the Middle East and its impact on global energy prices and inflation, while on the UK politics side, Andy Burham became the new Prime Minister. Although energy prices had shown signs of moderating towards the end of (calendar) Q2, the continuing conflict pushed oil and gas up sharply once again in Q3. Around mid-September, Brent oil and UK gas prices were over 30% and 70% higher respectively compared to the period preceding the Bank of England's (BoE) July Monetary Policy Report (MPR).

Given the inflationary impact of the previous energy shock from the Russia/Ukraine war, central bank policymakers remained alert to higher energy prices feeding into wider price and wage-setting behaviour ('second-round effects'). In the UK, higher fuel and energy prices were evident in headline inflation, but there was limited evidence of material second-round effects. At the same time, underlying wage pressures continued to moderate, and the labour market remained relatively loose.

The BoE's Monetary Policy Committee (MPC) maintained Bank Rate at 3.75% throughout the period. In April the MPC voted by 8-1 to leave rates unchanged, with one member wanting a 0.25% increase. The voting subsequently became more hawkish, moving to 7-2 in June and 6-3 in both July and September, with all dissenters preferring to increase Bank Rate to 4.00%. The change in voting patterns reflected increasing policymaker concern over the persistence of the energy shock and the risk that higher headline inflation could become embedded in domestic prices and wages.

At the September MPC meeting, the Committee judged the inflation risks were further to the upside compared to its July MPR. Energy prices had risen again and borrowing costs were materially higher than before the US/Iran conflict. Despite expecting inflation would rise further in the near-term, most members believed that a soft labour market, spare capacity and restrictive monetary conditions would reduce inflation over time. Moreover, the data showed there was still little evidence of material second-round effects, although the MPC emphasised that the risk of these effects would increase the longer elevated and volatile energy prices persisted.

UK headline consumer price inflation (CPI) initially declined, suggesting the initial energy shock was not spreading into a wider range of goods and services. However, later in the period inflation picked up again, with CPI rising from 2.6% in June to 3.1% in August due largely to higher transport costs. Core CPI was 2.6% in July and August, suggesting the divergence between that and headline inflation was due to energy rather than a broad increase in underlying inflation.

UK economic activity was somewhat stronger than initially anticipated over the period. GDP expanded by 0.6% in the first quarter of the calendar year and 0.5% in the second quarter, slightly stronger than the initial estimate of 0.4%. Monthly activity was more volatile, with a contraction of -0.1% in April, followed by gains of 0%, 0.3% and 0.4% in May, June and July respectively.

Labour market data continued to show softening employment conditions. The unemployment rate fell to 4.9% in April and remained at that level to July, against expectations it would tick up. Job vacancies also continued to decline, to 702,000 in the three months to July. Earnings growth moderated, with regular earnings at 3.5% in the three months to July and total earnings at 3.9%, suggesting weaker labour demand was continuing to restrain domestic wage pressures.

Arlingclose, the Council's treasury adviser, expects Bank Rate will stay at 3.75%. However, higher energy prices due to the ongoing conflict(s) and uncertainty around the government's upcoming Budget have increased the near-term upside risks. Moreover, stronger inflation projections, which accompanied the September MPC decision, shifted market expectations for Bank Rate higher. In addition, despite little evidence of second-round effects to date, the changing tone of the MPC minutes suggests it may not need something seismic to tip the Committee to increase Bank Rate.

The US Federal Reserve held the Fed Funds target range at 3.50%-3.75% through to July. However, inflation pressures rose during the summer, pushing headline CPI to 3.4% in August, with higher petrol prices accounting for much of the increase. This led the Fed to raise its target range to 3.75%-4.00% in September. The move reflected increased concern over inflation at a time when US economic activity and labour-market conditions were relatively resilient.

Following a 0.25% increase in June, the European Central Bank raised its three key policy rates by a further 0.25% in September, taking the deposit facility rate to 2.50%. Inflation increased from 2.9% in July to 3.2% in August, and an initial estimate suggested a further rise to 3.8% in September, with energy prices the principal driver. The ECB emphasised the uncertainty around the duration of the energy shock and the risk prolonged higher inflation could feed into wider price-setting.

Financial markets: After the sharp deterioration early in the period, financial market sentiment improved somewhat as there were ongoing hopes that the US/Iran war would be resolved. However, towards the end of the period, signs of any potential resolution appeared premature and oil prices rose alongside inflation and bond yields while equity market volatility increased as investors weighed conflict-related as well as AI-related concerns.

Bond yields in both the US and UK increased markedly over the period, with the gap between gilts and US Treasuries tightening towards the end of the period. While term premia are still embedded in gilt yields given the relatively uncertain fiscal outlook, a more hawkish Fed alongside persistent US inflation and fiscal concerns have pushed the yields on US Treasuries to their highest levels in years.

Some relatively market-friendly announcements were made by Andy Burham in his speech at the Labour Party conference, but it will be the Budget at the end of October that will hopefully provide some clarity on what the UK's fiscal position might look like going forward.

Over the period, the 10-year UK benchmark gilt yield started at 4.86% and ended at a high of 5.43%. The 20-year gilt yield starting at 5.45% and finished at 5.93%, another high for the period. The Sterling Overnight Rate (SONIA) averaged 3.73% over the period to 30th September.

Credit review: Arlingclose maintained its advised recommended maximum unsecured duration limit on the majority of the banks on its counterparty list at 6 months. The other banks remain on 100 days.

During the period, Fitch upgraded numerous banks due to a rating methodology change, as well as the reference obligations used for Issuer Default Ratings and introduced more differentiated notching between deposits, senior preferred, senior unsecured and senior non-preferred debt ratings.

Later in the period, Moody's changed the outlook on HSBC to Positive from Stable, while also affirming its long-term deposit rating. This follows a similar action from S&P on HSBC's outlook a few months prior to this.

After spiking in April following escalation in the Iran war, credit default swap prices on UK banks declined during most of the period but started to pick up again in September. They ended the period well below levels that may give cause for concern but remain under constant monitoring.

European banks' CDS prices followed a similar pattern to the UK, while Canadian bank CDS prices rose early in the period and then remained at similar levels, while Australian and Singaporean banks tended to trend downwards.

Overall, at the end of the period CDS prices for all banks on Arlingclose's counterparty list remained within limits deemed satisfactory for maintaining credit advice at current durations.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will continue to be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remain under constant review.

Local Context

On 31st March 2026, the Council had net investments of £33.97m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.26 Actual £m	**31.3.27 Forecast £m**
General Fund CFR	66.20	87.35
Less: *Other debt liabilities	0.18	0.27
External borrowing**	17.79	16.34
Less: Balance sheet resources	82.21	65.37
(Investments) / New Borrowing	**(33.97)**	**5.38**

* leases, PFI liabilities and transferred debt that form part of the Council's total debt
** shows only loans to which the Council is committed and excludes optional refinancing

The treasury management position at 30th September and the change over the six months is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.26 Balance £m	Movement £m	30.9.26 Balance £m	30.9.26 Rate %
Long-term borrowing	16.343	-0.378	15.965	-2.31%
Short-term borrowing	1.457	0.059	1.516	4.05%
Total borrowing	**17.800**	**-0.319**	**17.482**	**1.74%**
Long-term investments	0.003	0.000	0.003	0.00%
Short-term investments	33.282	-9.157	24.125	-27.51%
Cash and cash equivalents	2.302	1.376	3.678	59.77%
Total investments	**35.587**	**-7.781**	**27.806**	**32.25%**
Net investments	**17.787**	**-7.462**	**10.324**	**30.51%**

Borrowing Strategy and Activity

As outlined in the treasury strategy, the Council's chief objective when borrowing has been to strike an appropriate risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

Gilt yields have been volatile, reflecting expectations of tighter monetary policy compared to previous expectations due to the war. Long-term gilt yields are very high, with investors lacking confidence in UK fiscal plans.

The PWLB certainty rate for 10-year maturity loans was 5.62% at the beginning of the period and 6.17% at the end. Rates for 20-year maturity loans moved from 6.13% to 6.61% during the period, and 50-year maturity loans from 6.01% to 6.37%. The cost of short-term borrowing from other local authorities has been above Bank Rate during the period at 3.8% to 5.5%: costs have risen throughout the period. This is primarily due to many local authorities avoiding more expensive long-term rates and relying more heavily on the short-term market. Low cash levels and the non-receipt of SEND grants are also likely to have contributed to a high borrowing demand.

CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and so may lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes. The Council has no new plans to borrow to invest primarily for financial return.

Loans Portfolio: At 30th September the Council held £17.24m of loans, a decrease of £0.55m from 31st March 2026, as part of its strategy for funding previous years' capital programmes. Outstanding loans on 30th September are summarised in Table 3 below.

Table 3: Borrowing Position

	31.3.26 Balance £m	Net Movement £m	30.9.26 Balance £m	30.9.26 Weighted Average Rate %	30.9.26 Weighted Average Maturity (years)
Northern Ireland Consolidated Fund	17.79	(0.55)	17.24	6.95	5.23

The Council's short-term borrowing cost has reduced in line with Base Rate and short-dated market rates. The average rate on the Council's short-term loans at 30th September 2026 on £1.52m was 6.91%, this compares with 6.83% on £1.46m loans 6 months ago.

Treasury Investment Activity

The CIPFA Treasury Management Code defines treasury management investments as those investments which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the half year, the Council's investment balances ranged between £2 and £6 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

	31.3.26 Balance £m	Net Movement £m	30.9.26 Balance £m	30.9.26 Income Return %	30.9.26 Weighted Average Maturity Days
Banks & building societies (secured deposits)	3.34	14.45	17.79	3.53%	16.04
Local authorities and other govt entities	21.00	(21.00)	0.00	0.00%	0.00
Money Market Funds	10.00	0.00	10.00	3.83%	1.00
Total investments	**34.34**	**(6.55)**	**27.79**	**7.36%**	**17.04**

**Weighted average maturity will apply to the first five categories above and to cash plus and bond funds.*

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

As demonstrated by the liability benchmark in this report, the Council expects to be a long-term investor and treasury investments therefore include both short-term low risk instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in

return for higher investment income to support local public services.

Financial markets experienced significant volatility over the six months to 30th September 2026, although performance varied considerably between asset classes. Equity markets generally performed well, recovering strongly from the falls seen in March and remaining resilient despite renewed geopolitical uncertainty and higher interest rates. UK equities recorded gains over the period, while global equities were also supported by generally resilient corporate earnings and continued strength in technology-related stocks.

The Council has budgeted £270,000 income from these investments in 2026/27. Income received up to 30th September was £455,019, whist a further £96,113 has been declared and is due to be paid by December.

The change in the Council's funds' capital values and income return over the 6-month period is shown in Table 4.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's medium- to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates.

CIPFA Consultation: During the period CIPFA consulted on potential changes to their Prudential and Treasury Management Codes and the associated guidance notes. If implemented there may be substantial changes to reporting requirements and indicators in the future.

Treasury Performance

The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 5 below.

Table 5: Performance during H1 2026/27

	Borrowing	Leases	Investments	Net Investments/ (borrowing)
Actual average principal £m	17.481	0.001	24.128	6.646
Budgeted principal £m	17.790	0.180	20.000	2.030
Variance £m	0.309	0.179	4.128	4.616
Actual cost / (income) £m	0.998	0.005	0.244	(0.759)
Budgeted cost / (income) £m	1.110	0.000	0.270	(0.840)
Variance £m	(0.112)	0.005	(0.026)	0.081

Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the half year complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 6 below.

Table 6: Investment Limits

	2026/27 Counterparty Limit	**30.9.26 Actual**	**2026/27 Sector Limit**	**Complied?** Yes/No
The UK Government	Unlimited	£0	n/a	Yes
Local authorities & other government entities	**£5m**	**£0**	**Unlimited**	Yes
Secured investments	**£5m**	**£17.8m**	**Unlimited**	Yes
Registered providers and registered social landlords (unsecured)	**£3m**	**£0**	**£5m**	Yes
Banks (unsecured)	**£3m**	**£0**	**Unlimited**	Yes
Building societies (unsecured)	**£3m**	**£0**	**£10m**	Yes
Money Market Funds	**£5m**	**£10m**	**Unlimited**	Yes
Strategic pooled funds	**£5m**	**£0**	**£10m**	Yes
Other Investments	**£3m**	**£0**	**£5m**	Yes

Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 7 below.

Table 7: Debt and the Authorised Limit and Operational Boundary

	H1 2026/27 Maximum	**30.9.26 Actual**	**2026/27 Operational Boundary**	**2026/27 Authorised Limit**	**Complied?** Yes/No
Total debt	**£17.7m**	**£17.5m**	**£85m**	**£120m**	**Yes**

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Treasury Management Prudential Indicators

As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

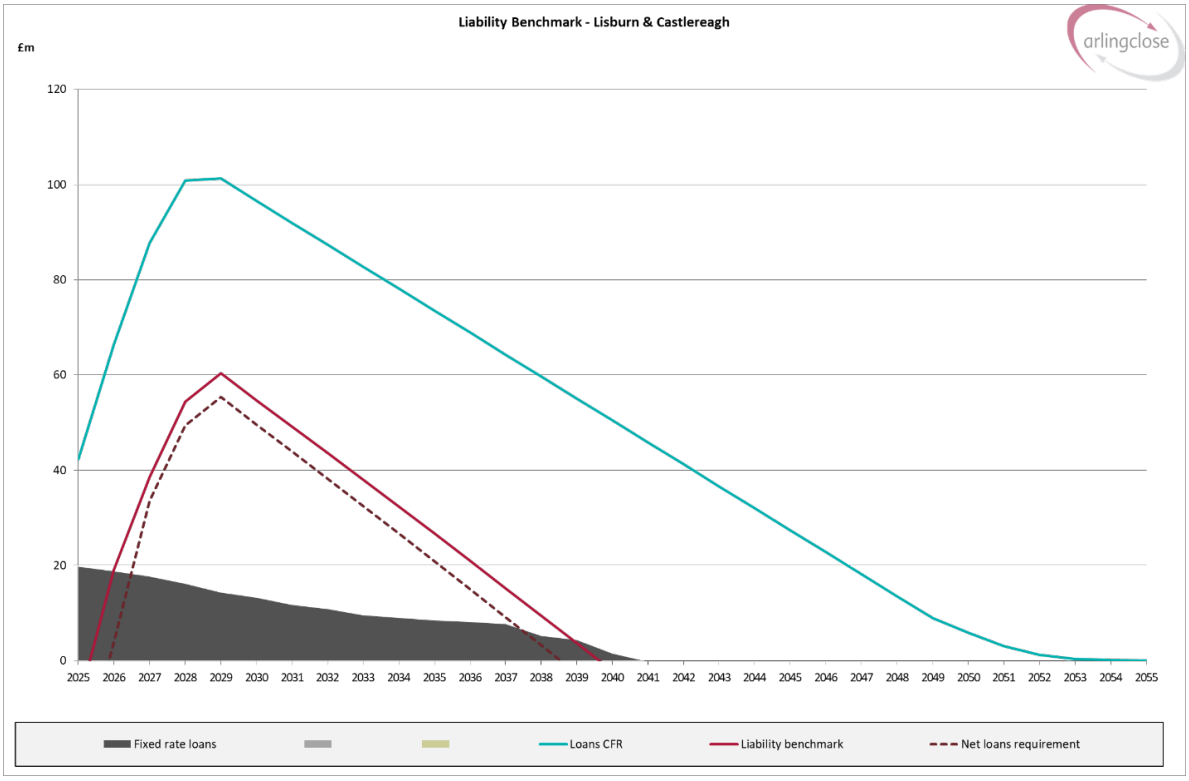
1. Liability Benchmark**:**

This indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £5m required to manage day-to-day cash flow.

	31.3.26 Actual	**31.3.27 Forecast**	**31.3.28 Forecast**	**31.3.29 Forecast**
Loans CFR	66.20	87.35	100.25	101.79

Less: Balance sheet resources	82.21	65.37	62.37	56.84
Net loans requirement	(16.00)	21.99	37.89	44.95
Plus: Liquidity allowance	5.00	5.00	5.00	5.00
Liability benchmark	**(11.00)**	**26.99**	**42.89**	**49.95**

Following on from the medium-term forecast above, the long-term liability benchmark assumes capital expenditure funded by borrowing, minimum revenue provision on new capital expenditure based on asset life and income, expenditure and reserves all increasing by inflation of 2.5% p.a. This is shown in the chart below together with the maturity profile of the Council's existing borrowing.



Whilst borrowing may be above the liability benchmark, strategies involving borrowing which is significantly above the liability benchmark carry higher risk.

2. Maturity Structure of Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	Upper Limit	Lower Limit	30.9.26 Actual	Complied?
Under 12 months	15%	0%	8.27%	Yes
12 months and within 24 months	20%	0%	10.02%	Yes
24 months and within 5 years	25%	0%	21.78%	Yes
5 years and within 10 years	30%	0%	13.91%	Yes
10 years and above	100%	0%	46.74%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

3. Long-term Treasury Management Investments**:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management limits are:

	2026/27	**2027/28**	**2028/29**	**No fixed date**
Limit on principal invested beyond year end	£5m	£4m	£3m	£3m
Actual principal invested beyond year end	£0m	£0m	£0m	£0m
Complied?	Yes	Yes	Yes	Yes

Long-term investments with no fixed maturity date include strategic pooled funds, real estate investment trusts and directly held equity but exclude money market funds and bank accounts with no fixed maturity date as these are considered short-term.

Additional indicators

Security**:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	2026/27 Target	**30.9.26 Actual**	**Complied?**
Portfolio average credit rating	A	A	Yes

Liquidity**:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

	30.9.26 Actual	**2026/27 Target**	**Complied?**
Total cash available within 3 months	£24.8m	£12m	Yes
Total sum borrowed in past 3 months without prior notice	0	0	Yes

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk.

Interest rate risk indicator	**2026/27 Target**	**30.9.26 Actual**	**Complied?**
Upper limit on one-year revenue impact of a 1% rise in interest rates	£800,000	(37,836)	Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates	£800,000	37,822	Yes

For context, the changes in interest rates during the half year were:

	01/04/26	30/09/26
Bank Rate	3.75%	3.75%

1-year PWLB certainty rate, maturity loans	4.94%	5.29%
5-year PWLB certainty rate, maturity loans	5.18%	5.80%
10-year PWLB certainty rate, maturity loans	5.64%	6.17%
20-year PWLB certainty rate, maturity loans	6.15%	6.61%
50-year PWLB certainty rate, maturity loans	6.01%	6.37%

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

Prudential Indicators Q2 2026/27
Lisburn and Castlereagh City Council

The Council measures and manages its capital expenditure, borrowing with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Capital Expenditure: The Council has undertaken and is planning capital expenditure as summarised below.

	2025/26 actual	2026/27 forecast	2027/28 budget	2028/29 budget
Capital Expenditure	£26.86m	£30.95m	£28.49m	£10.49m

The main capital projects to date have included Dundonald International Ice Bowl redevelopment (£57m), Fleet replacement (£14m) and BRCD Royal Hillsborough (£4m).

Capital Financing Requirement: 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 and capital receipts used to replace debt.

	31.3.2026 actual	31.3.2027 forecast	31.3.2028 budget	31.3.2029 budget
TOTAL CFR	**66.20**	**87.35**	**100.25**	**101.79**

Gross Debt and the Capital Financing Requirement: 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 is shown below.

	31.3.2026 actual	31.3.2027 forecast	31.3.2028 budget	31.3.2029 budget	Debt at 30.9.2026
Debt (incl. PFI & leases)	17.92	16.61	14.73	13.64	17.48
Capital Financing Requirement	66.20	87.35	100.25	101.79	

Debt and the Authorised Limit and Operational Boundary: The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

	Maximum debt H1 2026/27	Debt at 30.9.26	2026/27 Authorised Limit	2026/27 Operational Boundary	Complied? Yes/No
Total debt	**£17.7m**	**£17.48m**	**£120m**	**£85m**	**Yes**

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Proportion of Financing Costs to Net Revenue Stream: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from domestic rates, business rates and general government grants.

	2025/26 actual	2026/27 forecast	2027/28 budget	2028/29 budget
Financing costs (£m)	8.27	9.27	10.26	11.26
Proportion of net revenue stream	14.16%	15.51%	16.51%	17.42%

Treasury Management Indicators: These indicators (Liability Benchmark, Maturity Structure of Borrowing, Long-Term Treasury Management Investments) are within the Treasury Management Report Q2 2026/27.

Lisburn & Castlereagh City Council

Committee:	Corporate Services Committee
Date:	11 November 2026
Report from:	Head of HR & OD

Item for:	Decision
Subject:	LGSC Dissolution Consultation

1.0	**Background and Key Issues**	
1.1	The Council was contacted by the Department for Communities on 19th October 2026 regarding the dissolution of the Local Government Staff Commission (LGSC).	
1.2	Specifically, the consultation is around the draft dissolution order that would repeal seven of the nine functions of the LGSC, and two transferring to the department, to facilitate the LGSC dissolution from 1st April 2027.	
1.3	The letter received is attached at Appendix 1, requesting a response by 16th November 2026.	
1.4	The Department of Communities was contacted to request an extension to enable us to respond whilst concluding our governance arrangements. No extension was granted, but we were informed late views would still be considered.	
1.5	The following response is proposed:	
1.6	"The Council is supportive of the dissolution of the LGSC, including the repeal and transfer of functions.	
1.7	The Council would appreciate assurance that they will be fully consulted on the two codes that the Department will establish.	
1.8	The Council disagrees that all assets of the LGSC should transfer to the Department. Given funding to the LGSC has been from Councils, it is the Council's view that an appropriate proportion of any net assets should transfer back to Councils."	
2.0	**Recommendations** It is recommended that the consultation response be approved.	
3.0	**Finance and Resource Implications** Minimal as no immediate changes anticipated to be required our own policies and procedures.	
4.0	**Equality/Good Relations and Rural Needs Impact Assessments**	
4.1	Has an equality and good relations screening been carried out?	No

4.2	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out	Not applicable at this time
4.3	Has a Rural Needs Impact Assessment (RNIA) been completed?	No
4.4	Brief summary of the key issues identified and proposed mitigating actions **or** rationale why the screening was not carried out.	Not applicable at this time

Appendices:	Appendix 1 – LGSC Dissolution Consultation Letter

Department for Communities
www.communities-ni.gov.uk

Gerard Murray
Level 8
Causeway Exchange
1-7 Bedford Street
Belfast
BT2 7EG
E-mail: gerard.murray@communities-ni.gov.uk

19/10/2026

Dear Consultee,

CONSULTATION ON THE DRAFT LOCAL GOVERNMENT STAFF COMMISSION DISSOLUTION ORDER

I am writing to invite your views on the draft Local Government Staff Commission (Dissolution) Order (Northern Ireland) 2027 ("the draft Dissolution Order"). The draft Dissolution Order is attached at **Annex A**, and its purpose is to give effect to the decision taken by the Executive on 6 November 2025 to dissolve the Local Government Staff Commission (LGSC) with effect from 1 April 2027.

The draft Dissolution Order would repeal seven of the nine functions of the Local Government Staff Commission. It is proposed that two functions will be transferred to the Department for Communities, these are: -

- the publishing of a Code of Procedure for securing fair and equal consideration of applications in relation to council recruitment; and
- the publishing of a Code of Conduct for council officers.

It is proposed that the Department will issue both a Code of Procedure on recruitment and selection, and a Code of Conduct for council officers on 1 April 2027. It is not envisaged that the Department will have any enforcement or monitoring role.

The Department would welcome any comments you may have on the draft Dissolution Order. We are interested in your views on whether the draft Dissolution Order adequately addresses the arrangements required following dissolution and whether there are any other issues that should be considered before the legislation is finalised.

The consultation will run from **19 October to 16 November**. Responses should be submitted by **5pm on 16 November**.

Responses can be submitted by:

LGFinanceBranch@communities-ni.gov.uk

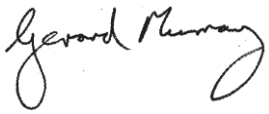
Following the consultation period, the Department will consider all responses received and publish a summary of the consultation findings.

If you require this document in an alternative format please contact;

LGFinanceBranch@communities-ni.gov.uk

Thank you for taking the time to consider and respond to this consultation.

Yours faithfully,



Gerard Murray

Director, Local Government and Housing Regulation.

ANNEX A

Version 7- 14 October 2026

Draft Order laid before the Assembly under section 40 of the Local Government Act (Northern Ireland) 1972, for approval by resolution of the Assembly.

DRAFT STATUTORY RULES OF NORTHERN IRELAND

2027 No.

LOCAL GOVERNMENT

The Local Government Staff Commission (Dissolution) Order (Northern Ireland) 2027

Made - - - - ***

Coming into operation - *1 April 2027*

The Department for Communities (**1**), in exercise of the powers conferred by section 40(9) and (10) of the Local Government Act (Northern Ireland) 1972(**2**) and now vested in it(**3**), makes the following Order:

General

Citation and commencement

1. — This Order may be cited as the Local Government Staff Commission (Dissolution) Order (Northern Ireland) 2027.

(2) Subject to paragraph (3) this Order shall come into operation on 1 April 2027.

(3) The repeals specified in the Schedule shall come into operation in accordance with Article 11.

Interpretation

2.-In this Order—

"1972 Act" means the Local Government Act (Northern Ireland) 1972;

"council" means a district council constituted under section 1 (district councils) of the 1972 Act(**4**);

"the Department" means the Department for Communities;

"the dissolution date" means 1 April 2027; and

"the Staff Commission" means the Local Government Staff Commission for Northern Ireland (**5**).

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1) The Department for Social Development was renamed the Department for Communities in accordance with section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 N.I.)

2) 1972 c. 9 (N.I.) as amended by 2014 c.8 (N.I.).

3) S.R. 2016 No. 76, Article 8 of and Schedule 5 to the Departments (Transfer of Functions) Order (Northern Ireland) 2016 transferred functions to the Department for Communities which were previously exercisable by the Department of the Environment

4) 1972 c. 9 (N.I.); section 1 was amended by 2008 c. 7 (N.I.), section 1.

5) Established by 1972 c.9 (N.I.), section 40

Dissolution of the Staff Commission

3. The Staff Commission shall be dissolved.

Transfer of functions

4.The functions of the Staff Commission under section 40(4)(b) and (cc) of the 1972 Act insofar as they relate to councils are transferred to the Department on the dissolution date.

Code of procedure for recruitment and selection

5. The Department shall, on the dissolution date, establish a code of procedure for securing fair and equal consideration of applications to councils by persons seeking to be employed by it as officers, and fair and equal treatment of persons who are so employed.

Code of conduct for officers

6. The Department shall, on the dissolution date, establish and issue a code of recommended practice to councils as regards the conduct of its officers.

Transfer of assets and liabilities

7. On the dissolution date all the assets and liabilities of the Staff Commission shall be transferred to the Department.

(2) Paragraph (1) does not apply in relation to contracts of employment.

Legal proceedings

8. Any legal proceedings to which the Staff Commission is party immediately before the dissolution date shall be continued after that date by or in relation to the Department in its own name.

Accounts

9. (1) The Department shall prepare a statement of accounts for the financial year beginning 1st April 2026 and ending on 31 March 2027 to present the financial position of the Staff Commission.

(2) Within 4 months of the dissolution date, and before the statement of accounts is submitted to the local government auditor, the Department shall make arrangements for the statement of accounts to be signed, dated and certified that it presents a true and fair view of the financial position of the Staff Commission's income and expenditure for the year.

(3) A copy of the statement of accounts shall be sent to the local government auditor.

(4) The statement of accounts shall be audited by the local government auditor and the provisions of Part II of the Local Government (Northern Ireland) Order 2005(**6**) with respect to audit shall apply to that audit subject to such modifications as the Department, after consultation with the local government auditor, considers necessary.

Investigation of complaints by the Northern Ireland Public Services Ombudsman

10. (1) A complaint made under the Public Services Ombudsman Act (Northern Ireland) 2016(**7**) in relation to the Staff Commission, whether made before, on or after the dissolution date may be investigated by the Northern Ireland Public Services Ombudsman notwithstanding the dissolution of the Staff Commission as if the complaint had been made in relation to the Department.

(2) Where the Northern Ireland Public Services Ombudsman conducts such an investigation, a report of the result of that investigation shall be sent to the Department.

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6) S.I. 2005/1968 (N.I. 18)

7) 2016 c. 4 (N.I.)

Repeals

11. -(1) Subject to paragraphs (2) and (3) the statutory provisions mentioned in the Schedule are repealed on the dissolution date to the extent specified in the second column of the Schedule.

(2) The repeal of section 40(4)(b) of the 1972 Act shall come into operation on [ ]

(3) The repeal of section 40(4)(cc) of the 1972 Act shall come into operation on [ ]

Sealed with the Official Seal of the Department for Communities on *** 2027

(L.S.)

A senior officer of the Department for Communities

SCHEDULE

Article 11

REPEALS

Short Title	*Extent of repeal*
The Local Government Act (Northern Ireland) 1972 (c. 9)	Subsections (1) to (8) of section 40. In section 41, subsections (4), (5) and (7). [In section 41(3A) the words "Without prejudice to any code of procedure established by the Staff Commission"]. Section 41A. In section 148, the definition for "the Staff Commission". Schedule 3. In Schedule 7, the entry relating to section 40.
The House of Commons Disqualification Act 1975 (c. 24)	In Part III of Schedule 1, the entry relating to Chairman or Chief Executive of the Local Government Staff Commission for Northern Ireland.
The Northern Ireland Assembly Disqualification Act 1975 (c. 25)	In Part III of Schedule 1, the entry relating to Chairman of the Local Government Staff Commission for Northern Ireland.
The Housing (Northern Ireland) Order 1981 (N.I. 3)	Article 5(5) [and Schedule 3].
Freedom of Information Act 2000 (c. 36)	In Part VII of Schedule 1, the entry relating to The Local Government Staff Commission.
Public Services Ombudsman Act (Northern Ireland) 2016 (c. 4)	In Schedule 3, the entry relating to The Local Government Staff Commission for Northern Ireland.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for the dissolution of the Local Government Staff Commission for Northern Ireland ("the Staff Commission") on 1 April 2027.

The Staff Commission was established under section 40 of the Local Government Act (Northern Ireland) 1972 ("the 1972 Act"), as amended by section 120 of the Local Government Act (Northern Ireland) 2014. Section 40(9) of the 1972 Act provides that the Department, by order, may make provision for, and in connection with, the dissolution of the Staff Commission.

Article 3 makes provision for the dissolution of the Staff Commission.

Article 4 provides for the transfer of the function to the Department to establish a code of procedure for securing fair and equal consideration of applications to councils by persons seeking to be employed by them as officers and fair and equal treatment of persons who are so employed. This Article also provides for the transfer of the function to the Department to establish and issue a code of recommended practice as regards the conduct of officers of councils.

Article 5 provides that the Department shall establish a code of procedure on the dissolution date.

Article 6 provides that the Department shall establish and issue a code of conduct on the dissolution date.

Article 7 provides for all assets and liabilities of the Staff Commission to transfer to the Department.

Article 8 makes provision for the continuity of legal proceedings.

Article 9 makes provision for the production of final accounts in respect of the Staff Commission.

Article 10 makes provision in respect of the investigation of complaints by the Northern Ireland Public Services Ombudsman.

Article 11 makes provision in respect of repeals.