

Belfast Voluntary Transition Committee

Friday, 11th October, 2013

MEETING OF BELFAST VOLUNTARY TRANSITION COMMITTEE

Members present: Alderman Robinson (Chairman); Aldermen Browne, M Campbell and R. Newton;
Councillors Attwood, Carson, Clarke, Corr, Haire, Hargey, Hendron, McCabe, McCarthy, McVeigh, Mullan, A. Newton, Reynolds and Spence.

In attendance: Mr. P. McNaney, Chief Executive;
Mr. C. Quigley, Assistant Chief Executive/Town Solicitor;
Mr. R. Cregan, Director of Finance and Resources;
Mr. S. McCrory, Democratic Services Manager; and
Mr. J. Hanna, Senior Democratic Services Officer.

Apologies

Apologies for inability to attend were reported from Councillors Jones, Kyle, McCarthy and Mac Giolla Mhín.

Minutes

The minutes of the meeting of 6th September were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 2nd September.

Declarations of Interest

No declarations of interest were reported.

Reform of Local Government

Local Government Reform Bill

The Committee considered the undernoted report:

“1.0 RELEVANT BACKGROUND INFORMATION

- 1.1 On Monday 23 September 2013, the Environment Minister, Mark Durkan MLA introduced the Local Government Bill into the NI Assembly. The Bill provides the legislative basis for the local government reform programme and will introduce a number of far-reaching reforms which will have a direct impact upon the future governance, operations and service delivery of the Council.**

- 1.2** Members will appreciate that the Bill is a complex piece of legislation – 96 pages in length and containing 128 clauses, 16 Parts and 12 Schedules and dealing with a wide range of issues. To assist Members in their analysis of the Bill a copy of the Explanatory and Financial Memorandum has been circulated. A copy of the Bill is available on the NI Assembly Website (<http://www.niassembly.gov.uk/Assembly-Business/Legislation/Primary-Legislation-Current-Bills/>). Hard copies of the Bill can be made available to Members on request from Democratic Services.
- 1.3** Some of the key reforms in the Bill are listed below:
- new governance arrangements for councils – contains proposals in regards to the future decision making structures of councils; sharing power and responsibility; putting in place necessary checks and balances (including proposals to introduce qualified majority voting and a call-in procedure) and ensuring the openness and transparency in how councils conduct their business (including provision of public access to meetings and a requirement for councils to publish a constitution).
 - new ethical standards regime - there will be a mandatory code of conduct for councillors and others appointed to take part in council business. The code will be supported by mechanisms for the investigation and adjudication of alleged breaches of the code through the Office of the Commissioner of Complaints.
 - a bar on MLAs, MPs and MEPs from being elected or acting as councillors – in order to end the dual mandate
 - removal of bar on council employees being a councillor – removing the blanket bar on council employees being elected or being a councillor. The bar will continue to apply to council officers who work directly with and provide advice to a council or one of its committees. Similar provisions are already in place in England and Wales.
 - new council-led community planning process – will provide a statutory framework for councils to work in conjunction with other public service providers to deliver the objective of improving outcomes for everyone.
 - performance improvement – the introduction of an updated performance improvement framework that focuses on the delivery of continuous improvement in service delivery – this will include a requirement for councils to report annually on performance.

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

- **supervisory powers – linked to the transfer of functions, the Bill will extend to all Departments the supervision powers which are currently only available to the DOE.**
- **general power of competence – will give councils the power to do anything that individuals generally can do that is not prohibited by other laws. The aim is to give a council greater legislative freedom to act in its own interest and to develop innovative approaches to improving the economic, social and environmental well-being of their area.**
- **establishing a partnership panel – made up of Executive Ministers and elected representatives from the councils to discuss matters of mutual interest.**
- **transfer of staff, assets and liabilities – the Bill makes provision for the development of schemes to effect the transfer of staff, assets and liabilities to the new councils from existing councils, from other local government bodies and from central government departments.**

1.4 It is important to note that the Bill does not provide for the operation and functions of the new councils during the shadow period. That will be provided by way of a programme of subordinate legislation using the enabling provisions of the Local Government (Boundaries) Act (NI) 2008 and the Local Government (Miscellaneous Provisions) Act (NI) 2010, and powers conferred under Clause 123 of the Bill. It is intended that all the necessary regulations will be made before the local government elections take place in May 2014.

2.0 KEY ISSUES

Process for Taking the Bill Forward

- 2.1 An indicative timetable for the Bill's passage through the NI Assembly has also been circulated. It should be noted, however, that the dates set out may change as they will be dependent upon the level of scrutiny given to the Bill during the 'Committee Stage' consideration and subsequent stages.**
- 2.2 Members will note that the Second Stage debate in the Assembly on the Bill took place on Tuesday 2 October 2013. This was the first opportunity that MLAs had to discuss and debate the general principles of the Bill. A paraphrased summary of the Minister's introduction to the Bill has been provided for Members information. Following this stage, the Bill now moves onto Committee Stage for detailed scrutiny and the Environment Committee have indicated that they will seek evidence from interested bodies (including Belfast City Council) as part of this process.**

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

2.3 It will be important that focused consideration is given to reviewing the Bill in some detail and identifying those critical issues, concerns or points of clarification emerging from the Bill. Whilst the Council will seek to influence any critical issues identified, focus will also need to be given to:

- examining the organisational implications of the Bill;
- undertaking an assessment/benchmark of the impact of the Bill's proposals upon the current practices and processes of the Council; and,
- identifying the practical steps which now need to be undertaken to ensure the Council is ready

2.4 In parallel to taking forward its own detailed examination of and preparations for the Bill, the Council will also need to engage with, and input into, the wider discussions and debate across local and central government as the Bill passes through the various stages in the Assembly. A proposed timetable for taking forward detailed work and engagement in regards to the Bill is set out below.

2.5

Phase I: Internal Review and Response	TIMESCALES
1. Report on initial observations/issues & process submitted to Belfast VTC	11 Oct '13
2. Draft response submitted to CMT for consideration and comment	16 Oct '13
3. Discussion within Budget and Transformation Panel	18 Oct '13
4. Draft response submitted to VTC / SP&R for consideration and comment a. <i>to feed into the Committee Stage consideration</i>	25 Oct '13
5. BCC response submitted to Environment Committee and evidence given	Nov 13
Phase II: External Engagement and Influence	
6. SOLACE workshop facilitated by Belfast City Council officers	15 Oct '13
7. 7 NILGA facilitated workshops with Members – with officer input a. Cookstown (28 th October 2013) b. - Lisburn (29 October 2013)	28 and 29 Oct '13

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

Phase II: Organisational Preparations	
8. Detailed analysis of organisational implications and necessary actions	Oct-Dec 13
9. Detailed implementation and resource plan developed	Dec 13/Jan 14

Initial observations on LG Bill

2.6 Set out below, for Members' consideration, are some initial high-level observations on the content of the Bill. Given the limited time available to assess the Bill in any detail at this stage, the points set out below are not intended to be comprehensive but rather to stimulate discussions amongst Members. A timetable for taking forward detailed work and engagement in regards to the Bill is set out below.

2.7

- a. **Names of Councils (Part 1) – under the legislation set out the name of the incoming new council for Belfast would be Belfast 'District Council'. Clarification is required on the process through which Belfast is given its 'City' status in its name and the detail of the supplementary Regulations which will cover this.**
- b. **Positions of Responsibility (Part 3) – Notably, positions on a Streamlined Committee Executive are not to be included in the list of positions of responsibility whereas positions on a Cabinet Executive are. The legislation enables councils to nominate a councillor to serve as a member of any 'prescribed' public body or other public association. Clarification will be required on what a "prescribed" public body is. How will the Council go about making appointments to outside bodies which are not on the prescribed list?**
- c. **Permitted forms of Governance (Part 5) – The legislation allows for executive arrangements or a traditional committee system, but it also provides for councils to propose their own system of governance which would require the Department's approval.**
- d. **Executive Arrangements (Part 6) – Executive arrangements can be either one committee of the council (cabinet executive) or more than one committee of the council (streamlined committee executive) each committee may only have between 4 and 10 members. The Executive would be responsible for all the functions**

of a Council except for certain functions which will be specified in Regulations. However, Clause 26 (3) (b) leaves the door open for Regulations to give some discretion to a Council as to the extent of the powers which an Executive will have.

- e. **Executive Arrangements: - Overview and Scrutiny (Clauses 31-37) – Any Executive arrangements of a Council must include provision for the appointment by the council of one or more ‘overview and scrutiny committees’ which in turn may appoint sub-committees. Clarification is required in terms of composition and functions of this committee within the context of the operation of meetings of the full council.**
- f. **Meetings and proceedings (Part 7);**
 - **Simple Majority (Clause 43) – stipulates that every decision (with the exception of those subject to qualified majority) of a council must be taken by simple majority.**
 - **Qualified Majority (Clause 44) – those decisions which will be subject to Qualified Majority Voting (80% present and voting) must be specified within a council's Standing Orders. The specified percentage (80%) for QMV may be amended through Regulations. Clarification is needed around the specific decisions to which QMV will automatically apply. These are to be specified by the DoE in Regulations, however the Minister in responding to a question in this regard, indicated that the following types of decisions would be included for QMV:**
 - **Choice of political governance arrangements;**
 - **Method for sharing positions of responsibility;**
 - **Method for appointing members to committees;**
 - **Major capital projects**
 - **Programmes that impact across a number of DEA's and**
 - **In response to a legitimate call-in on adverse uimpact grounds**
 - **The last 3 of these decision types would give particular pause for concern that a considerable number of council decisions might fall under one of those categories.**
 - **Consideration will also need to be given to the practical implications of implementing QMV in a council such as Belfast and whether it would be feasible to introduce tiered thresholds for key governance processes depending upon the political composition of a council.**

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

- g. Power to require decisions to be reconsidered (call-in) (Part 7, Clause 45) – provisions are set out enabling decisions to be call-in if 15% of Members of council (which equates to 9 members in the new council) seek to do so under either of the following grounds (i) that a decision was not arrived at after proper consideration of the relevant facts and issues; (ii) that the decision would disproportionately affect adversely any section of the inhabitants of the district. Standing Orders must require the clerk of the council to obtain an opinion from a practising barrister or solicitor before reconsideration of a decision on a requisition. There will clearly be procedural and financial implications for the council in administering this system. The specified percentage (15%) for call in may also be amended through Regulations. There would be concern that the reasons for triggering call-in are so broad and can be interpreted so widely that it could mean that a significant number of decisions may be subject to it and that this could have implications for efficient decision-making**
- h. Access to meetings and Documents (Part 8) – a meeting of the Council must be open to the public, with 5 days notice given, rather than the current 3 days applied in BCC. There are provisions enabling the council to exclude the public in particular circumstances. The legislation specifies that meetings of committees and sub-committees must also be open to the public.**
- i. Conduct of Councillors (Part 9) – Introduces new legislative provisions (including a code of conduct for councillors albeit the detail of the code will be set out in Regulations and Guidance).**
- j. Community Planning (Part 10) – Sets out the process through which councils will take forward community planning within their districts. States that NI Departments will (insofar as reasonably practicable to do so) promote and encourage community planning and ‘have regard’ to any implications for the exercise of the departments’ functions. The legislation also introduces amendments to the Planning Act which will require that councils in preparing their local development plans, must take into account a councils community plan.**
- k. General Power of Councils (Part 11) – introduces a new power of general competence which will give a council greater legislative freedom to act in its own interest and to develop innovative approaches to addressing issues**

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

in its area. This power should be welcome albeit recognising that any action undertaken will be subject to resource availability.

- i. Performance Improvement (Part 12) – Councils must set itself improvement objectives to underpin the administration of its functions and must consult on any such objectives set. The legislation also enables the DoE and other Gov departments to specify performance indicators for councils which appears to overly bureaucratic and would question why the proposals are not set within the context of a community planning framework. Greater role and scrutiny by the Local Government Auditor is also introduced as part of the Bill and Councils will be required to report (no later than 31 October each year) on its assessment of performance during the financial year.**
- m. Partnership Panel (Part 13) – agreement in principle with the proposal to establish a Partnership Panel but would seek further clarification on the representation and process for selecting local representatives (i.e. councillors), operation and remit of the Panel**
- n. Control of Councils by Northern Ireland Departments (Part 14) – introduces a general power of direction to all central government departments to request reports and returns of information from councils. Any NI department may also cause local inquiries and investigations in connection with the administration of any statutory provision relating to the functions of any council. The power of intervention, previously provided to the DoE (but never used), is now extended to all NI departments. Whilst recognising that specific functions will transfer from central to local government as part of the LGR process it is unclear the specific rationale for such provisions.**
- o. The Local Government Auditor (Part 15) – this part amends the 2005 Order to include provisions for the DoE, with the consent of the Comptroller and Auditor General, to designate a member of staff of the NI Audit Office as the local government auditor. The local government auditor may make arrangements for staff of the NIAO to assist in the performance of the local government auditors functions. The local government auditor will prepare an annual report on the exercise of the local government auditors functions in that year, and send a copy of the report to each council and to the Department.**

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

- p. **Miscellaneous (Part 16) – this Part deals with a range of issues (summarised below):**
- **Guidance- Councils must have regard to any guidance issued by the Department for the purposes of this Act**
 - **Control of disposal and contracts and council finances - The Department may direct that from a specified date, an existing council shall not, without the written consent of its successor council or a specified statutory transition committee**
 - (a) **dispose of any land...(exceeding a specified sum)**
 - (b) **enter into any capital contract...(exceeding a specified sum, etc)**
 - (c) **enter into any non-capital contract...(exceeding a specified sum, etc)**
 - (d) **borrow any sum exceeding a specified sum**
 - (e) **reduce any financial reserve or a specified description below a specified limit**
 - **This is of particular importance given the potential implications of the councils procurement, capital programme and asset management in the lead up to 2015 and the operation of the new Council.**
 - **Transfer schemes - The Department (and any NI department) may make one or more transfer schemes for the transfer of designated assets or liabilities of the department or a local government body to a local government body. The detail of any emerging transfer schemes needs to be examined in detail to ensure its fit-for-purpose as it related to Belfast.**
 - **Supplementary and transitional provisions for the purposes of this Act – this is a catch all provision which allows the Department (or another NI department) to make such incidental, consequential, transitional or supplemental provision as appears to the Department to be necessary for the purposes of this Act; the Local Government (Boundaries) Act (NI) 2008; or the transfer of functions by any statutory provision which comes into operation on or before the relevant date (1st April 2015) to a local government body. The power to make transfer schemes is provided for by this general provision.**

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

3.0 Recommendations

Members are asked to note the contents of this report and agree the proposed timetable (set out in para 2.5 above), for taking forward detailed work on the Bill”

After discussion, the Committee adopted the recommendation, agreed that regular updates on the issues which were being considered by the Regional Transition Committee be submitted to the Committee and that a report outlining key questions and answers for ratepayers who would be transferring to the new Belfast District in 2015 be presented to the Committee in due course.

Creation of Statutory Transition Committees

The Committee considered the undernoted report:

“1.0 RELEVANT BACKGROUND INFORMATION

- 1.1 Members will recall the detailed paper in relation to the Creation of the Belfast Statutory Transition Committee which was provided to the SP&R / VTC Committee on the 21 June 2013 and subsequently on 9 August 2013. At both meetings it was agreed that Belfast City Council should “*defer consideration of a report in relation to the creation of the Belfast Statutory Transition Committee to enable the Minister for the Environment to consider the nominees to the Statutory Transition Committee by Lisburn City and Castlereagh Borough Council*”**
- 1.2 Members will be aware that the Environment Minister had issued letters to Belfast City Council, Lisburn City Council and Castlereagh Borough Council in relation to the failure to establish the Belfast Transition Committee in line with the requirement set out in Regulation 3 of the Local Government (Statutory Transition Committees) (Northern Ireland) Regulations 2013.**
- 1.3 In the letter to Belfast City Council dated 28 August the Environment Minister acknowledged ‘the difficult position which Belfast City Council has been put in by virtue of the decisions of Castlereagh Borough Council and Lisburn City Council in respect of their nominations to the Belfast Statutory Transition Committee’. A draft Council response to the Minister’s letter has been circulated for Members consideration. The response seeks clarification on the departments’ intentions in regards to the nominations to the Belfast Statutory Transition Committee.**

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

1.4 The Minister has advised that he had written to the both Castlereagh and Lisburn councils advising them that in his view they have acted contrary to the spirit in which the regulations were made and in which the associated guidance was issued.

2.0 KEY ISSUES

Update on nomination process

2.1 Since the last update provided to the Committee on 6 September 2013, further correspondence has been received from both Castlereagh Borough Council and Lisburn City Council regarding nominations to the Belfast STC.

(i) Castlereagh Borough Council

- Correspondence received (attached at Appendix 3) indicating that the Council, at its meeting on 26 September, considered the correspondence received from the Minister of the Environment and resolved not to change its previous nominations to the Belfast STC being Councillor Denny Vitty (DUP) and Cllr. Chris McGimpsey (UUP).**

(ii) Lisburn City Council

- Correspondence received (attached at Appendix 4) indicating that the Council, at its meeting on 26 September, considered its nominations to the Belfast STC and reaffirmed the nomination of the Right Worshipful the Mayor, Cllr. M.H Tolerton (DUP) and newly nominated Cllr John Drake (Independent)**

2.2 It is understood that both Councils have now written to the Environment Minister regarding their nominations to the Belfast STC.

Guidance for STCs

2.3 The Department for the Environment has issued a series of circulars providing guidance to assist councils on the establishment and operation of the Statutory Transition Committees. Three pieces of guidance have been issued to date and are outlined below. Copies of the guidance documents are attached as Appendix 4 for Members information.

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

Date of issue	Summary of guidance
July 2013	<p>Operation and Establishment of STCs</p> <ul style="list-style-type: none"> • Role of Statutory Transition Committees • Establishment and Membership • Governance and Procedures • Functions • Premises and Facilities • Chairpersons and Vice Chairpersons • Payment of Allowance
August 2013	<p>Financial and Staffing Considerations</p> <ul style="list-style-type: none"> • Operational Finance • Financial Controls • Assets and Liabilities • Staffing of STCs • Corporate and Business Plan of STC • Duties of existing councils and STCs
September 2013	<p>Guidance on Expenditure Controls and role of STCs</p> <ul style="list-style-type: none"> • Expenditure controls • Direction from the Department to seek approval of STCs in respect of <ul style="list-style-type: none"> - disposals - capital contracts - non-capital contracts • Consent refused or granted subject to conditions • Contravention of direction

Members will note that this guidance is under consideration by officers and further reports will be brought back to Committee as appropriate.

3.0 Recommendations

Members are asked to:

- i. consider the contents of the report and the appendices attached;
- ii. consider and agree the submission of the draft response to the Environment Minister;
- iii. note that Hanwood Development will present to Belfast Voluntary Transition Committee meeting in November, 2013; and
- iv. note the DoE guidance documents issued

4.0 Resource Implications

There will be no resource implications attached to this report.”

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

The Committee adopted the recommendations and noted the recent guidance and associated direction, made under section 10 of the Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010, which had been issued by the Department of the Environment in relation to the requirement of the Council to get the written consent of the Belfast Statutory Transition Committee (STC) for the disposal of land and to the entering into capital and non-capital contracts within certain limits. In this regard, the Committee agreed that contact be made with the Department of the Environment regarding the implications for the Council in the absence of an STC and that appropriate authority be sought from the Department for any urgent decisions.

Engagement with Lisburn and Castlereagh

The Committee was reminded that, as part of the local government reform programme, the new Belfast District Council boundary, scheduled to come into effect by 2015, would encompass parts of the adjacent Lisburn, Castlereagh and a small portion of the North Down council areas. That would include around 56,500 residents and 22,300 households coming into the new extended Belfast City Council.

The Chief Executive reported that, as had been agreed by the Committee, joint officer discussions were ongoing with Lisburn and Castlereagh to capture the necessary information to inform a due diligence assessment of potential assets and any associated liabilities and staff transferring to Belfast City Council. That work would ensure that appropriately informed options and recommendations could be put to the Members for consideration and direction. It would ensure also that any necessary transition related activities could be built into the Council's financial planning processes. In preparation for the transition to the larger Belfast City Council area, the work between the three councils was continuing and a joint programme of work was in place covering the following areas:

- (1) Assets and Liabilities – asset listing complete (approximately 50 assets ranging from actual facilities through to parcels of land and open space) and detailed due diligence work underway examining important considerations such as book value of the assets, loans attached to the assets, running costs, and maintenance requirements;
- (2) Staff Transfer – need to identify and plan for those staff who might transfer to Belfast across the following categories
 - a) staff directly employed and based in a facility to transfer;
 - b) staff who were not employed in a facility transferring, but who worked all, or the majority of their time, in the areas transferring;
 - c) staff who provided support to categories (a) and (b) (proportionate);
- (3) Service Convergence – scoping work was underway to identify and plan for the key service convergence issues which needed to be addressed in extending council services to those parts of Lisburn and Castlereagh coming into the new Belfast boundary;
- (4) Joint Communications Planning – joint action plan developed and communications activities identified; and

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

- (5) Investment Plans for Transitional Areas – need to consider potential investment needs of those new areas coming into Belfast and start to build those into the Council’s planning processes.

The Committee was reminded further that representatives from the Colin Glen Town Centre Development, situated in the part of Lisburn transferring into Belfast, had made a presentation to the Voluntary Transition Committee in March, 2013, to provide an insight into the development proposals for that area. It had been agreed also that representatives from the Hanwood Centre, which was located in a part of Castlereagh coming into Belfast, be invited to a future meeting of the Voluntary Transition Committee and it was recommended that they be invited to attend the scheduled meeting to be held on 8th November, 2013.

The Chief Executive advised the Committee that the Voluntary Transition Committee for Lisburn and Castlereagh had agreed recently that they would seek a joint member “information event” with Belfast City Council in November, if possible. The purpose of the event would be to share information and explore the current and future programme of work to be taken forward in preparation for the extension of the Belfast City Council boundary and the associated convergence related matters and he suggested that an appropriate event be arranged. In addition, at the meeting of the Strategic Policy and Resources Committee on 20th September, the Members had highlighted the importance of continual engagement with Lisburn and Castlereagh Councils on the investment demands for those areas transferring into the City and that consideration should be given to what mechanisms could be put in place to facilitate engagement with those Members from Lisburn and Castlereagh who represented the areas which were transferring. It was proposed also that this be discussed at the joint “information session.”

Accordingly, it was recommended that the Committee:

- (1) note that representatives of Hanwood Development would be making a presentation to the Voluntary Transition Committee in November;
- (2) note the joint transition work programme which was being undertaken with Lisburn and Castlereagh; and
- (3) agree that a joint political “information session” with the Lisburn/Castlereagh Statutory Transition Committee be arranged.

The Committee adopted the recommendations.

Agreeing the way forward for the Belfast Community Investment Programme

The Director of Development submitted for the Committee's consideration the undernoted report:

"1

Relevant Background Information

- 1.1 The purpose of this report is to provide a background to, and outline of, the work completed to date on the design of the new Belfast Community Investment Programme (BCIP) and to outline the emerging issues which support a request to further defer the planned timeline for the introduction of this community development grant funding programme.
- 1.2 Further detail and clarification is required on the level of the transferring budget for community development and this is unlikely to be confirmed until mid 2014. This, alongside the strategic alignment issue raised in our consultation and engagement to date, would suggest we delay the introduction of the new programme until 2017 to allow BCIP to be fully aligned with the broader transfer of functions work stream.
- 1.3 The '*Building Better Communities - Belfast Community Investment Programme*' (BCIP) began as a joint project between the council and DSD with the aim of developing a strategic community development fund for the city.
- 1.4 This joint commitment was made prior to the LGR process. However, there was early recognition that BCIP could provide valuable learning for later transfers (including those related to the Neighbourhood Renewal programme).
- 1.5 Under the original plan BCIP's estimated £5.4 million annual budget was to be drawn from both organisations' existing community development grant schemes that were due to close in March 2014. These included the council's Advice and Information Grant, Capacity Support Grant, Revenue and other small community grants; Belfast Regeneration Office's Neighbourhood Renewal funding for community development; and the Voluntary and Community Unit's Community Investment Fund in Belfast.
- 1.6 In January 2013 Development Committee (and DSD) adopted an 'outcomes framework' for the new programme that defined the impact it was expected to make in the city. With this framework in place four new grant streams were then designed to support these outcomes. These streams were approved in principle by Development Committee in April

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

2013 along with proposals for both a public consultation and an Equality Impact Assessment to begin the following month.

- 1.7 However, this public consultation did not begin in May as planned. There were two main reasons for this. Pre-consultation feedback from the community and voluntary sector suggested that, while there was broad support for BCIP, the 2014 date was both too ambitious and misaligned with other LGR transfers that were likely to affect the sector. Members also wanted additional research on the likely equality impact of the proposals across the city.
- 1.8 Following this, DSD officials concluded that 2014 was too ambitious and proposed April 2015 as a more realistic timeframe. Given this move to 2015, they then withdrew from BCIP, arguing that it had become part of the wider LGR transfer and therefore it no longer held the status of a separate pilot project. This decision led to the withdrawal of their five staff members from the project team.
- 1.9 During the summer of 2013 a much reduced council project team have worked to make the necessary arrangements for a 2015 start date (while also working to ensure that there would be interim arrangements in place for existing grants during 2014/15). In August 2013 Development Committee agreed to the new timetable. Committee also agreed that, with BCIP moving to 2015, political approval on the project needed to pass to the Voluntary Transition Committee.

2 Key Issues

Issues for the public consultation

- 2.1 Under the new timeline BCIP planned to open for applications to its four new grant schemes in late spring 2014. This would give groups eight weeks to prepare their multi-annual applications; and three months for officers to carry out assessments and make recommendations to Members. This would then allow time to notify groups three months in advance of the end of their contracts in 2015. To meet these dates (and to avoid the council election purdah period) BCIP would need to go to public consultation no later than October 2013.
- 2.2 In order to prepare an equality impact assessment for the public consultation, we would need a number of immediate decisions about the programme. These include agreement on a grant aid budget and a method for allocating this across the city. However, it has become apparent that the

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

council is not yet in a position to provide such an indicative budget.

- 2.3 The original £5.4 million BCIP budget was based on the grants that had been awarded across all of the legacy grant programmes in 2012/13. However, from 2015 this approach will no longer be adequate. Given that details of transferring budgets are unlikely to be confirmed until mid-2014, it will be necessary to identify indicative budgets upon which to plan for the continuity of existing services at point of transfer in 2015. This has proved a difficult task as part of the BCIP process given that indicative budgets will both raise expectations amongst external stakeholders and leave a legacy regarding resourcing for what will effectively be a new authority only to be established in May 2014.
- 2.4 Amongst the additional factors we would need to consider is the impact of the new areas coming into the city and the demands that this 20% increase in our population might make on the programme.
- 2.5 From 2015 the BCIP budget decision will lie solely with council. It will thus form part of the broader discussion around the total LGR budget transferring to council from central government. In effect it will be up to council to decide how much of the total regeneration and community development available budget it wants to assign to BCIP.
- 2.6 This leaves two scenarios regarding the BCIP public consultation: The council could consult on the new grant programme but not be in a position to indicate how much money the scheme will make available and therefore not be in a position to determine the equality impact of the proposal. Or we go to consultation with only an indicative commitment by council – one which may need to be change following the submission of financial information from DSD next year.
- 2.7 Both scenarios present obvious financial and reputation risks for the council and it is recommended that we don't proceed with the BCIP consultation at this time.
- 2.8 However, by not going to consultation in October, the programme will miss its timeline for an open call in late Spring 2014 and therefore not be in a position to offer contracts from 2015.

Alternative proposal for community development funding

- 2.9 Given this, it is proposed that activity on BCIP should now be incorporated into the much wider programme of work that the council has begun as part of its preparation for the transfer of regeneration functions in 2015. This would allow the council to consider related issues in an integrated manner.
- 2.10 Given the scale of existing commitments and experience across the breadth of the urban regeneration function, and supported by the learning from BCIP, officers are considering two work streams are established to operate in parallel and to support transition:
- i. Transfer – to focus on the immediate practical arrangements/decisions necessary for Council to maintain and deliver agreed transferred services and resources on 1st April 2015. In essence this provides continuity of service and helps manage expectations/risks, allowing for a step-change in delivery during a transitional 2015-2017 period.
 - ii. Transform – to focus on developing the future vision/strategy and delivery model for the regeneration for the city. This is a longer term process but will operate in parallel to the Transfer strand of work and beyond (2013-2017) enabling Council to have a composite understanding of the scope/breadth of the regeneration functions to inform the decisions around delivery structures, alignment of resources etc and maximise the ability to implement the learning from elsewhere to deliver an effective integrated regeneration function for the future.
- 2.13 This approach would ensure that BCIP will become an integral element of our council's regeneration policy and would ensure that future investment in community development activity and infrastructure is aligned to and supports the agreed targeted outcomes of any urban regeneration strategy and align with any community planning approach.
- 2.14 Rather than focusing solely on BCIP, which in addition to our own grants, offered a mechanism to replace only the 'community development' strand of Neighbourhood Renewal (approximately 27% of the total budget), this more ambitious approach would develop proposals for a successor to the entire revenue strand of NR. Support for community

development would thus represent only one strand of this successor (and would perhaps form phase one of a programme). The timescale for the implementation of this would have to be extended to 2017.

- 2.15 Under this proposal Community Services would work with the Central Grants Unit to ensure that its existing grant streams are ready for a full competitive open call across all of the new council area for the period 2015 to 2017.
- 2.16 The existing grants (for Revenue, Capacity Support and Advice and Information) would not be changed in any substantive way – thus reducing the need for an equality impact assessment or public consultation.
- 2.17 During the 2014/2015 period Community Services will extend its contracts to existing groups and an additional resource will be made available to new groups and groups with new facilities. Development support will also be offered to groups, which are not currently in receipt of Community Support Programme funds. The resources necessary will be allocated from the £2m allocated to address non-recurrent convergence issues agreed by the VTC on 7th June, 2013 and ratified by the Strategic Policy and Resources Committee on 21st June, 2013.
- 2.18 Early discussions will be required with DSD regarding their plans for the Neighbourhood Renewal programme post 2015 (and the Voluntary and Community Unit's small Community Investment Fund). Currently these are due to end in March 2015 and the council to date has received no detail on the arrangements for their transfer. It will be equally important to engage early with the community and voluntary sector following our decision on a way forward.

Governance

- 2.19 Under the existing 2015 timeline for BCIP a new council-only project governance structure had been adopted by Development Committee (with the director of Development as the single SRO). Agreeing to this proposal the Committee also requested the establishment of a new Members Reference Group as part of this structure. Nominations to this group are already being sought from the Parties by Democratic Services.
- 2.20 However, if the proposal to integrate BCIP into the wider LGR project for 2017 is adopted by Committee then it is unlikely that BCIP will require its own project governance

structure. If this is the case then it is recommended that the Members Reference Group is not established.

- 2.21 The All Party Working Group on Community Planning currently receives regular updates on the BCIP project and it is suggested that, in the absence of separate BCIP governance arrangements, this continues.
- 2.22 The need and design of any elected member reference mechanisms for the broader discussion on post-Neighbourhood Renewal successors would therefore be considered and agreed as part of this ongoing planning.

Communications

- 2.23 Subsequent to committee consideration, officers propose to engage with key stakeholders to outline our proposed approach to future funding arrangements. It is critical that our communication and engagement with the sector and other key groups is co-ordinated with DSD in order to ensure a consistent message.

3 Resource Implications

- 3.1 Staff resources in Community Services will be realigned to support the preparation for an open call for its existing grant schemes.
- 3.2 Any resources required will be met from the £2m allocated towards the cost of non-recurrent convergence issues. There will, therefore, be no additional cost to the ratepayer.
- 3.3 Work will also begin on determining the post-2015 budget for Revenue, Capacity Support and Advice and Information grants.

4 Equality and Good Relations Implications

- 4.1 Equality and good relations implications, in relation to this policy, are still under consideration. Further updates will be sent to the Equality and Diversity Officer in due course.

5 Recommendations

- 5.1 Members are asked to:
 - i. Agree to suspend plans for the October public consultation on BCIP.
 - ii. Agree to integrate the existing work into the wider corporate activities on the transfer of functions against a 2017 timeline.

**Belfast Voluntary Transition Committee,
Friday, 11th October, 2013**

- iii. Agree to begin preparations for an open call for Community Services grants (for the period 2015 to 2017).
- iv. Consider the recommendations regarding the BCIP Members Reference Group and agree to alternative arrangements via the existing All-Party Reference Group on Community Planning.”

The Committee adopted the recommendations.

Councillors’ Remuneration Panel

The Committee considered the undernoted report:

“1 Relevant Background Information

- 1.1 As part of the Local Government Reform Programme, the Councillors’ Remuneration Panel for NI is conducting a review of councillors’ remuneration and advising on the system and level of allowances appropriate for the 11 new councils.
- 1.2 The Panel has been asked to make recommendations that fairly reflect the roles and responsibilities that councillors will be taking on in the new councils, post reorganisation in April, 2015. It is also considering the allowances that should be paid during the shadow period following the local government elections in 2014 when the new councils will operate alongside the existing 26.

The panel was appointed on 1st May 2013 and has six months (to 1st November) to submit its final recommendations

It is anticipated that the Council will be asked to submit a formal position to the Panel by the middle of October.

2 Key Issues

2.1 Principles

The Council, in its response to the last consultation on Councillors’ Remuneration back in 2006, agreed on a number of broad principles which are still relevant today. The Council agreed that a revised remuneration scheme should:

- Compensate public representatives appropriately and uniformly for the contribution they make to public life
- Be consistent with the aims and objectives of government

- Assist councils to put in place streamlined governance arrangements
- Recognise the uniqueness of councils through tiered Special Responsibility Allowances

2.2 Role of Councillor

Whilst the original Councillors' Remuneration Working Group (CRWG) report in 2006 referred to the additional responsibilities which Councillors will have following the implementation of local government reform, it did not refer to the unique situation within which Councillors in Northern Ireland have to work on a daily basis.

In 2006, the CRWG recommended that the role of a councillor should be considered to be on average equivalent to half (or 50%) of a full time job. This estimation does not appear to reflect the unique role of the councillor in Northern Ireland nor the new duties which will be expected of councillors following local government reform - when they will be expected to participate in area and thematic committees, to perform an oversight and scrutiny role, to deal with statutory town planning, community planning and regeneration.

Officers have studied the remuneration arrangements currently in place in the rest of the UK and Ireland. In Wales the Basic Allowance was calculated originally on the basis of a councillor role being equivalent to 60% of a full time job and in Scotland the same calculation is based on 75% of a full time job.

It is therefore recommended that the Council submit to the Panel that the role of a Councillor should not be considered to be equivalent to half of a full time job but should more closely reflect the arrangements in Scotland and Wales.

2.3 Basic Allowance

At present, all Councillors in Belfast receive a Basic Allowance of £9,835, the maximum level of allowance which is determined by the Department of the Environment.

In England, local independent remuneration panels have the freedom to use any salary rate they feel is appropriate. It is also the overwhelming practice to apply a public service discount (33% being the norm) to the hours required to fulfil a backbench councillor role when determining the level of basic allowance.

In The republic of Ireland the maximum basic allowance is €16,724 – equivalent to £14,021, in Scotland, the maximum is £18,916 (based on 75% of the median gross annual salary) with no public service discount built in, and in Wales it is £13,175 (based on an earlier calculation of 3/5ths of the median gross annual salary) also with no public service discount built in.

It is recommended that the Committee submit to the Panel that the level of basic allowance should be established to fairly and adequately recompense councillors for the responsible position which they are expected to fulfil. The level of allowance should be such as to attract a wide range of new talent to Councils, particularly from the business sector which has been under-represented in Belfast for a number of years.

It is recommended that the Council submit to the Panel that a formula be devised to determine the Basic Allowance which reflects the approaches used in Wales and Scotland with Scotland, as the most recent review completed, being the preferred model.

It is further recommended that the Council should oppose any proposal to impose any level of public service discount when considering a formula for remuneration of councillors in Northern Ireland.

2.4 Special Responsibility Allowance

The Council currently pays Special Responsibility Allowances to those Councillors it considers to have significant, additional responsibilities over and above the generally accepted duties of a Councillor. The maximum rate of Special Responsibility Allowance is determined by the Department of the Environment (based upon population bands).

The division of the Special Responsibility Allowance is based upon the positions held by individual Members either as Chairmen and Deputy Chairmen of Committees or as Officers within the Political Parties. The allocations are consistent with the Council's system of proportionality which seeks to allocate positions in accordance with the relative strength of the Parties within the Council.

In 2006, the CRWG found that the payment of SRAs varied amongst councils in Northern Ireland but that the total sums paid out in SRAs were very small in comparison to the rest of the UK. The CRWG concluded that it would be

appropriate to have flexibility within a framework and that the amount a council can spend on SRA should be banded by council population size and subject to a maximum.

The release of the Local Government Bill recently has highlighted that there will be options as to the form of governance that a Council may choose to operate under in 2015 onwards. Councils may choose to operate a system of executive or cabinet governance with robust overview and scrutiny arrangements. This would create a core of councillors (executive members) who would have to operate on a full-time basis. The level of Special Responsibility Allowance which a Council should be able to pay to such councillors needs to reflect this full-time equivalence.

It is recommended that the Council submit to the Panel:

- that a framework should be established for determining Special Responsibility Allowance.
- that the Civic Allowances and Civic Expenses of the Lord Mayor, the Deputy Lord Mayor and, in some cases, the High Sheriff should continue to be paid as they are currently and as legislated for under Sections 12 and 13 (2a) of the Local Government Act 1972.
- that the SRA should continue to be banded according to size of population and/or annual budget
- that the amount of SRA, both pre 2015 and following the creation of the 11 new councils, must be established at a level which reflects adequately the roles and responsibilities undertaken by key players in the Council.

3 Resource Implications

- 3.1 It is not possible to calculate the resource implications of any revised remuneration arrangements until detailed proposals are provided on the way forward.

It is anticipated that the amount of money currently provided by DOE for Special Responsibility Allowances would need to be increased substantially. However, it is difficult to provide any indicative figures around the amounts attached to SRAs until the maximum amount is known and the governance structure of the new council has been determined.

4 Equality and Good Relations Implications

- 4.1 There are no equality and good relations implications contained within this report.

5 Recommendations

5.1 Members are asked to agree to the submission of a detailed paper to the Councillors' Remuneration Panel setting out the following basic principles:

- that in calculating the basic allowance the role of a Councillor should be considered to be equivalent to 75% of a full-time job which would closely reflect the arrangements in Scotland.
- That the Council is opposed any proposal to impose any level of public service discount when considering a formula for remuneration of councillors in Northern Ireland.
- that a framework be established for determining Special Responsibility Allowance and that the SRA should continue to be banded according to size of population and/or annual Council budget.
- that the amount of SRA, both pre 2015 and following the creation of the 11 new councils, must be established at a level which reflects adequately the roles and responsibilities undertaken by key players in the Council."

The Committee adopted the recommendations.

Chairman