

# Document Pack

**Democratic Services Section  
Chief Executive's Department  
Belfast City Council  
City Hall  
Belfast  
BT1 5GS**



6<sup>th</sup> December, 2010

## **MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE**

Dear Councillor,

The above-named Committee will meet in the Lavery Room (Room G05), City Hall on Friday, 10<sup>th</sup> December, 2010 at 10.00 am, for the transaction of the business noted below.

You are requested to attend.

Yours faithfully,

PETER McNANEY

Chief Executive

### **AGENDA:**

#### **1. Routine Matters**

- (a) Apologies
- (b) Minutes
- (c) Exhibition in the City Hall (Pages 1 - 2)

To consider further the minute of the meeting of 19<sup>th</sup> November which, at the request of Councillor Hendron, was taken back to the Committee for further consideration

- (d) Revenue Estimates 2011/12 (Pages 3 - 12)

To consider further the minute of the meeting of 19<sup>th</sup> November which, at the request of Councillor Newton, was taken back to the Committee for further consideration

2. **Finance**
  - (a) Update on Land and Property Services/Rates Issues (Pages 13 - 16)
  - (b) Minutes of Meeting of Audit Panel of 30th November (To Follow)
  - (c) Minutes of Meeting of Budget and Transformation Panel of 2nd December (Pages 17 - 20)
  - (d) Approval to Seek Tenders - Mobile Plant and Vehicles (Pages 21 - 22)
3. **Modernisation and Improvement**
  - (a) Local Government and Planning Reform (Pages 23 - 108)
4. **Democratic Services and Governance**
  - (a) Requests for the use of the City Hall and the Provision of Hospitality (Pages 109 - 112)
5. **Asset Management**
  - (a) Future Use of City Hall (Pages 113 - 114)
  - (b) Connswater Community Greenway Update (Pages 115 - 122)
6. **Land at McClure Street (Pages 123 - 132)**
7. **Good Relations and Equality**
  - (a) Minutes of Meeting of Good relations Partnership of 3rd December (To Follow)
  - (b) Possible Sculpture to mark 70th Anniversary of the Belfast Blitz
8. **Cross-Cutting Issues**
  - (a) Corporate Community Development Strategy (Pages 133 - 136)

**To: The Chairman and Members of the Strategic Policy and Resources Committee**

Extract of Minutes of:

Strategic Policy and Resources Committee of 19<sup>th</sup> November

**“Exhibition in the City Hall**

In considering the minutes of the meeting of the Memorabilia Working Group of 28th October, a Member drew the Committee’s attention to the decision to stage the Reflections on Internment exhibition in the City Hall. An extract of the minutes in this regard is set out hereunder:

**“3.0 REQUEST TO STAGE EXHIBITION from the FAMILIES of the VICTIMS of the BALLYMURPHY MASSACRE**

- 3.1 The Good Relations Manager referred to a report, copies of which had previously been circulated, reminding the Group that at the last meeting on 9 September, a letter had been tabled from the families of the victims of the Ballymurphy massacre, requesting an opportunity to stage a photographic exhibition entitled Reflections in the City Hall in August/September 2011 as part of their 40 year anniversary. Copies of images and text used in the exhibition were also tabled.**
- 3.2 The exhibition consists of 12 boards, one for each person that was killed and one panel that set the scene regarding the lead up to the events in August 1971. The exhibition is made up of a group of 11 photographs taken by local photographer Jonathan Porter. The individuals who were killed were all civilians and included a Catholic priest and a mother of eight children; a total of 51 children were left without a parent as a result of the events.**
- 3.3 The Good Relations Manager reminded the Working Group that the families of the victims continue to seek an acknowledgement from the British Government that those killed were innocent of any wrongdoing. The Ballymurphy group had recently met with the Secretary of State and has requested the Attorney General to order a fresh inquest into the deaths.**
- 3.4 A Good Relations Officer met with representatives of the Ballymurphy group who wish their campaign to be given greater prominence within the City. Members noted that the exhibition has already been exhibited twice in Stormont and in Whiterock Library, West Belfast Festival (for several years), the Ulster Museum, the Grand Opera House and in Dublin. A letter of support for the exhibition from Alan McBride, the Co-ordinator of the WAVE Trauma Group, was tabled. He stated that he thought that the exhibition would reinforce the view that the City Hall was a welcoming place for all the citizens of Belfast.**
- 3.5 A Member stated that although he had no problem with the exhibition and had every sympathy with the families, he had concerns around the accompanying text and could not support the staging of the exhibition in the City Hall for that reason. A Member noted that the letter from Alan McBride illustrated how the dynamic had changed within the victims sector and he felt that the City Hall should be open to all these groups.**
- 3.6 The Good Relations Manager suggested that a film from the WAVE trauma centre ‘Unheard Voices’ could be screened for one evening during the time of the Ballymurphy exhibition. This film was made up of a collection of 6 powerful short stories of those who have lost someone as a result of the NI conflict, presenting poignant reflections on a range of experiences. The Working Group agreed that Good**

***Relations staff should contact the Ballymurphy group before the next Strategic Policy & Resources Committee meeting to check if they would be happy to agree to this, since they might not wish their exhibition to be diluted.***

***3.7 The Working Group also agreed that other victims groups should be made aware that the space in the City Hall was available for similar exhibitions. It might be possible at some stage in the future to hold a broader exhibition on victims/violence in the City.***

***3.8 After discussion, the Working Group voted by 3 votes to 1 to recommend to the Strategic Policy & Resources Committee that the request from the Ballymurphy Group should be approved.”***

The Good Relations Manager tabled for the information of the Members a copy of the material which it was proposed would be displayed and the criteria approved by the Committee for exhibitions in the City Hall.

After a lengthy discussion, it was

Moved by Councillor Hartley,  
Seconded by Councillor Attwood,

That the Committee agrees to accede to the recommendation of the Working Group that the request from the Ballymurphy Group to stage the Reflections on Internment exhibition in the City Hall be approved and that representatives of the Group be requested to meet with those Party Groups who so wished prior to the meeting of the Council on 1st December.

#### **Amendment**

Moved by Councillor Hendron,  
Seconded by Councillor Robinson,

That the Committee agrees to defer consideration of the request to stage the exhibition to enable discussions to be held with representatives of the Group.

On a vote by show of hands six Members voted for the amendment and eight against and it was accordingly declared lost.

The original proposal standing in the name of Councillor Hartley and seconded by Councillor Attwood was thereupon put to the meeting when nine Members voted for and five against and it was accordingly declared carried.”

Extract from minutes of -

MEETING OF STRATEGIC POLICY AND RESOURCES COMMITTEE

19th November, 2010

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**Finance**

**Revenue Estimates 2011/12**

The Director of Finance and Resources submitted for the Committee's consideration the undernoted report:

**Relevant Background Information**

- 1.1 **An update on the revenue estimates for 2011/12 was presented to the Strategic Policy and Resources Committee at its meeting on 22 October 2010. As advised within that report, the rates bill received by ratepayers contains two principal elements – the district rate received by local Councils and the regional rate which is set and received by the Northern Ireland Executive.**
- 1.2 **For information, over the last ten years, the district rate increases have ranged from 2.83% to 7.81%, with an average increase of 5.6%. It is important to note that the setting of the rate for 2011/12 reflects two unique circumstances:**
  - (a) **the recession means that the rates base is no longer growing. This represents a significant risk for the future finances of the Council, given that the district rate provides approximately 74% of the total funding for the Council's activities; and**
  - (b) **on the positive side, there is a one off opportunity to reallocate money that was needed in 2010/11 to boost reserves.**
- 1.3 **The October report to the Strategic Policy and Resources Committee on rates setting presented information on three scenarios, as requested by Members – 0%, 1% and 2.5% increases in the rates. This was a preliminary assessment of the overall position and there were a range of internal and external variables which were still uncertain at that stage. In addition, at the October meeting, Members agreed to action a number of proposals which would utilise some £1.1m of the 2010/11 underspend. These proposals will produce savings of some £700k for 2011/12 which now need to be factored into the rates setting process.**
- 1.4 **This report provides an update on our assessment of the revenue estimates for 2011/12, reflecting our current**

analysis of both the internal position and the external variables and providing more information on what can be achieved within the various scenarios.

### Key Issues

#### 2.0 Updated analysis of zero growth in rates

#### 2.1 The scenario for zero growth in the rates has been updated from the October position to reflect:

- (a) the £700k savings arising from implementation of the agreed proposals for the use of the 2010/11 underspend; and
- (b) the current indication of the industrial derating grant for 2011/12 from DOE which is a reduction of £210k from the 2010/11 budget.

### Revenue Estimates 2011/2012

Table 1

	2011/12 increase £m	% increase
Department Estimates	1.5	1.3
City Investment Strategy	0.0	0.0
Capital Programme	1.4	19.1
Waste Plan	1.3	106.3
De-rating Grant decrease	0.2	4.8
Rate Increase before Reserves	4.4	3.6
Movement in reserves	-4.5	-100
District Rate Decrease	-0.1	-0.07

2.2 Departmental Estimates – This is the money required by departments to deliver services and typically covers expenditure on headings such as salaries, supplies and services. Based on current estimates, this scenario would mean that net expenditure is budgeted to rise by £1.5m which equates to some 1.3% of an increase from 2010/11. Given that inflation has been estimated at 3.1%, this represents a real terms cut of some 1.8%, in line with that faced by the Northern Ireland Executive. The key drivers for the departmental estimates increases include costs which the council has limited control over such as:

- Payroll costs – increases in pension contributions and assumptions on nationally agreed pay rises for employees earning less than £21,000 and staff increments
- Increase in landfill tax
- Loss of external income in areas such as building control
- Inflationary pressures

In order to minimise the impact of these cost pressures, some £2.9m of cash savings have been identified and deducted from budgets for 2011/12, as part of the efficiency programme. This has been achieved without any cut in front line services. This will mean that the Council will achieve savings of some £12m since 2006/07. These are set out below in Table 2 and explained in more detail in Appendix 1.

Table 2

Efficiency Split	Target	Actual
	£'000	£'000
Assets / Land	200	294
Budgetary Challenge	388	769
ICT	195	98
Income Generation	122	245
Procurement	357	320
Service Review	440	522
Use of Underspend		700
<b>Total</b>	<b>1,702</b>	<b>2,948</b>

- 2.3 Capital Programme - Most of the capital programme is currently financed through loans and therefore the rates set need to cover the cost of borrowing to the council. This scenario provides the additional £700k needed to finance existing ongoing schemes in 2011/12 and to finance the Mercury Abatement at the Crematorium and developments at Dunville and Woodvale Park. It will also provide £700k for the financing of some £4.85m of additional capital investment, which is explained more fully in section 4 below.**
- 2.4 City Investment Strategy – This scenario assumes no growth from the £3m per annum currently invested in the City Investment Strategy. This fund has been put in place to support major iconic projects and help lever in additional money into the city. This fund is currently supporting the Titanic Signature Project, the MAC, the Lyric and the Connswater Greenway.**
- 2.5 Waste Plan – The costs of managing waste continue to rise. Indeed, it is estimated that costs to Belfast City Council will be some £5m higher in 2014/15 compared to 2010/11. The council needs to prepare financially for this increase in order to avoid a one off hike in the rates in 2014/15. The zero growth rates scenario therefore assumes a stepped increase of some £1.3m to help meet this financial commitment in 2014/15, building on the £1.2m set aside in 2010/11. This money will primarily be directed to actions which enhance recycling, thus reducing the amount of waste for landfill and assisting the Council to meet its landfill diversion targets.**
- 2.6 Industrial De – Rating Grant – The Council currently receives a grant from the DOE to cover those properties affected by the policy on industrial de-rating. Following a review by LPS, the number of properties which attract this grant has fallen, predominantly due to the increase in vacant properties. Our latest information is that the grant from the DOE will reduce**

by some £210k in 2011/12, but there is a risk that this may be further adjusted during 2011/12, if the level of industrial vacant properties continues to rise.

**2.7 Reserves – Members will recall that a significant element of the rate increase in 2010/11 was attributable to the need to increase reserves to an acceptable level. Given that approach and the 2010/11 underspend, this zero growth scenario assumes that there does not need to be a contribution from the rates to reserves in 2011/12.**

**3.0 Key Risks/External Variables**

**3.1 There are a number of external variables which have been previously highlighted and which represent risks to the scenarios outlined above.**

**(a) Clarity on EPP – the estimated penny product (EPP) is provided by LPS to the Council as an estimate of what the rates will yield in income for the Council in 2011/12. As the Council is dependent on the district rate for some 74% of its income, this figure can make a significant difference to the rates that the council needs to set in order to cover its planned expenditure.**

**We have been engaging with LPS on both the EPP for 2011/12 and the updated rates assessment (APP) for 2010/11. The separate report on the Financial Position – Quarter 2, 2010/11 outlines that the LPS has advised that the estimated rates income for 2010/11 will be some £0.6m less than planned. This is a matter of concern both for 2010/11 and future years, as the economic downturn leads to more vacant properties, appeals and bad debts. These rates scenarios are based on a ‘flat’ EPP rather than the traditional growth scenario of previous years. Members will need to consider the need for sound financial planning and the risks to the rates base in setting the level of the rates for 2011/12.**

**(b) Effects of cuts in government funding – the implications of the Spending Review on the Council for 2011/12 are not known at this stage but at present the Council receives around £4m in government funding to support various activities such as community relations and community safety. It is unlikely that we will know how any cuts will impact on the Council by the time the rates need to be set. Members will therefore need to consider the potential risks to the Council finances from cuts to central government funding in setting the level of the rates for 2011/12.**



- (c) Level of the Regional Rate – At this stage the increase in the regional rate is unknown but it is likely that it will be at least in line with inflation. Members are reminded that the regional rate accounts for 55% of the rates bill and that inflation has been estimated at some 3.1%.

#### 4.0 Investment Implications of Scenarios

- 4.1 Members had asked for a number of scenarios to be considered. This report sets out the implications of the three previously identified scenarios and an additional 2% scenario to assist Members discussions. Each scenario builds on from the zero growth scenario set out in section 2 above. With scenarios of 1%, 2% and 2.5%, further sums would be available for investment in either capital or revenue projects.
- 4.2 At the Members workshop in September there were strong views about the importance of investment in the City. The key arguments were in terms of delivering for the citizen to show value for their rates contribution and support for the beleaguered construction sector, as well as enhancing the economic multiplier effect. The current tendering environment is also favourable, at the moment, given the difficulties in the construction sector. These are set out in Table 3 below.

**Table 3**

Scenario	Average Cost to Ratepayer Per Annum	Additional Revenue Investment	Additional Capital Finance (Table 4)	Additional Capital Investment (Table 4)	Additional Total investment (revenue and capital)
0%	-£0.23	0	£0.7m	£4.85m	£0.7m
1%	£3.34	£1m	£1.2m	£8.0m	£2.2m
2%	£6.79	£1m	£2.5m	£15.0m	£3.5m
2.5%	£8.40	£1m	£3.2m	£20.5m	£4.2m

#### A. Capital Investment

- 4.3 The Council has delivered several beneficial projects over the past few years and has just let a significant contract for the Connswater Community Greenway. Table 4 gives some examples as to the level and type of capital investment that could be considered, depending on the particular rates level agreed by Members.

**Table 4**

Project Title	Gross Project Cost	Financing Cost – Rates Impact	Gross Project Cost	Financing Cost – Rates Impact	Gross Project Cost	Financing Cost – Rates Impact	Gross Project Cost	Financing Cost – Rates Impact
Rate increase	0%		1%		2%		2.5%	
Pitches - Various Locations			£3.0m		£10.0m		£10.0m	
Alleygates	£0.85m		£1.0m		£1.0m		£1.0m	
Mary Peters Track 2013	£3.0m		£3.0m		£3.0m		£3.0m	
Other Schemes	£1.0m		£1.0m		£1.0m		£6.50m	
	<b>£4.85m</b>	<b>£0.70m</b>	<b>£8.0m</b>	<b>£1.23m</b>	<b>£15m</b>	<b>£2.5m</b>	<b>£20.5m</b>	<b>£3.22m</b>

**4.4** The above table provides examples of what could be achieved under the various scenarios. Members will need to agree the level of the rates and the actual schemes which will be financed under that scenario. The particular schemes used as an example were chosen for the following reasons:

- they are commitments by Council
- they are the most straightforward schemes in terms of deliverability as they do not depend on other funding or other people's land
- they will have short run economic benefits in terms of construction jobs
- they will have long run benefits in terms of improving the quality of service, providing new facilities and provide a positive impact upon equality, social inclusion and good relations
- in some instances they will assist in leveraging further resources.

**4.5** Specifically the Pitches and Changing Accommodation Strategy is a £30m plan to enhance provision right across the City with two thirds of provision via use of school playing fields and support from DCAL and Sport NI. The Council's £10m will address our provision and create new pitches, bring existing pitches up to standard and enhance or produce new changing accommodation and helps our leverage of others resources. The outcomes include:

- better facilities
- healthy active lifestyle opportunities
- diversionary activity from anti-social behaviour
- greater social inclusion of young people and positive cross community impacts.

**4.6** Alleygates are a popular tool to address peoples concerns regarding safety and security and have major benefits in upgrading and maintaining clean, green environments.

**4.7** The Mary Peters track is a clearly stated objective of the Council and has obvious long run sporting benefits. More immediate bonuses exist in terms of the World Police and Fire Games 2013 and the Glasgow based Commonwealth Games of 2014 which if properly harnessed have substantial tourism and economic benefits for the City.

**4.8** Other schemes relate to various proposals in the existing Capital Programme which are neither too expensive or too dependent on external funding a full list of current uncommitted capital schemes has been circulated.

**B. Additional Revenue Investment**

**4.9** Within the October revenue estimates report, there was a proposal to pilot new and innovative approaches to integrated service delivery at a neighbourhood level.

**4.10** An additional £1.0m of revenue would secure a £250k budget for the four city areas. This would facilitate a member led process to allocate resources at a local level and to prioritise local actions. This process could be supported by information from the SRFs, the Public Consultation Survey and the My City My Neighbourhood programme. The next stage of the My City My Neighbourhood programme is a member led local engagement programme. A report on the My City My Neighbourhood programme is a separate item on the Committee agenda.

**4.11** Examples of what the area budgets could be spent on include:

- Additional arterial routes support
- Health awareness programmes which would tackle issues like suicide and mental ill-health
- Safer neighbourhood programmes
- Improved small scale tourism initiatives
- Increase in youth activities
- Support to local traders, to animate local activity

**4.12** It is proposed in the separate Committee report on the Financial Position – Quarter 2, 2010/11 to invest £100k in a pilot of this initiative in 2010/11, based on a number of guiding principles. If agreed, learning from this pilot could help inform the future development of integrated service delivery at a local level (if this is affordable within the recommended rates scenario).

**5.0 Implications of the Scenarios for Ratepayers**

**5.1** The following tables summarise the potential rate options and their impact on the rate payer.

Table 5

District Rate Increase	District Rate Impact on Domestic Ratepayer Per Annum	District Rate Impact on Domestic Ratepayer Per Week
0%	-£0.23	£0.004
1%	£3.34	£0.064
2%	£6.79	£0.131
2.5%	£8.40	£0.162

Table 6

Average District Rates Bills based upon scenarios of -0.07%, 1%, 2% and 2.5%

PROPERTY	Ave Capital Value /NAV	District Rate 2011/12			
		-0.07%	1.00%	2.00%	2.50%
<i>Domestic Properties</i>	£	£			
Terrace House	86,425	-0.17	2.51	5.10	6.31
3-Bed Semi-Detached House	132,173	-0.26	3.83	7.80	9.65
4-Bed Detached House	293,843	-0.59	8.52	17.34	21.45
Apartment	83,379	-0.17	2.42	4.92	6.09
Average Capital Value	115,000	-0.23	3.34	6.79	8.4
<i>Non-Domestic Properties</i>					
Office Property	12,728	-2.28	32.56	65.13	81.41
Retail Property	10,247	-1.83	26.21	52.43	65.54

## 6.0 Summary

Members are asked to consider the information above and recommend a district rate for Belfast City Council which recognises the economic recession and the challenges and risks it presents, can demonstrate value for money to the ratepayer, represents sound financial planning and delivers Members' ambitions for improved services for the citizens of Belfast.

### Resource Implications

A range of rates scenarios have been presented – 0%, 1%, 2% and 2.5%

### Recommendations

Members are asked to:

- (a) note this most up to date assessment of the revenue estimates for 2011/12 and the risks highlighted;
- (b) note that further engagement is planned with Members on the corporate plan and departmental plans which are proposed to be delivered with the resources available;
- (c) recommend a level for the rates for 2011/12;

- (d) agree that Members briefings should take place to prioritise and agree the capital projects which are affordable within the recommended rates scenario; and**
- (e) note that key messages will be developed to assist Members based on the recommended rates scenario.”**

After discussion, the Committee noted the information which had been provided and agreed that:

- (i) Party Group briefings should be held in order to prioritise and agree the capital projects which would be affordable within the recommended rates scenarios; and
- (ii) that the question of the recommended rates increase be deferred and that it be considered by the Council at its meeting on 1st December.”

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**Belfast City Council**

<b>Report to:</b>	<b>Strategic Policy and Resources Committee</b>
<b>Subject:</b>	<b>Update on LPS/Rates Issues</b>
<b>Date:</b>	<b>10 December 2010</b>
<b>Reporting Officer:</b>	Julie Thompson, Director of Finance and Resources
<b>Contact Officer:</b>	Ronan Cregan, Head of Finance and Resources

**Relevant Background Information**

The purpose of this report is to:

- inform Members about the notification of the estimated penny product (EPP) from Land and Property Services (LPS) for 2011/12;
- update Members on the work being done by officers in relation to the implementation of the Memorandum of Understanding with LPS; and
- the Committee at its meeting in October agreed that a series of meetings be arranged with relevant Ministers, for a cross party delegation. The meeting with Minister Wilson is scheduled for 20 December and this report highlights the key issues which are impacting on the rates income within the city and which are proposed to be raised with the LPS and the Minister for the Department of Finance and Personnel

**Key Issues**

**A. Notification of the estimated penny product (EPP) from Land and Property Services (LPS) for 2011/12**

1. The rate base is the value of all the properties in Belfast. It is of great significance to the council because the income from the rates provides 74% of the council's overall funding. The level of rates the council can expect to raise for the coming year is advised to the council by LPS and is known as the estimated penny product (EPP). **We have now received the EPP for 2011/12 and it shows zero growth.** This means that the council can expect the rate base to yield the same level of rates for 2011/12 as was estimated for 2010/11.
2. Members should note that the figures provided in the rates scenarios at the October and November SP&R meetings (and the report later on this agenda) were based on a zero growth assumption. This means the figures in the scenarios will not change with the notification of the EPP. However, this zero growth assumption masks significant issues of concern which are set out later in this paper.

**B. Update on implementation of Memorandum of Understanding (MOU)**

3. The council already has in place an MOU with LPS. The purpose of the MOU is to enable Members to better hold LPS to account for its performance and to agree the key improvement actions which should be prioritised for the year.
4. Council officers have been working with LPS and the Institute of Revenue Rating and Valuation (IRRV) – the leading experts in this field – to agree a suite of performance indicators which cover the key areas of LPS activity. The IRRV have also put in place a framework of benchmark information which will allow Members to compare LPS performance with local authorities in Great Britain.
5. Members have previously raised concerns about increasing the level of advice available to ratepayers on rates reliefs. Therefore one of the key areas of work with LPS during the year has been the development of a programme of work to make the best use of council community and advice based resources to increase the uptake in the range of rate reliefs available to ratepayers.
6. It is anticipated that the first report on the performance of LPS and an update on the advice work on rates relief will be presented to the Strategic Policy and Resources Committee in February 2011.

**C. Rates Issues and LPS improvement**

7. Given the zero growth notification for our EPP for 2011/12, it is very important that the council continues to work very closely with LPS to ensure that the collectable rate is maximised. In other words, we need to be clear that the appropriate actions are being taken by LPS to ensure the amount of rates collected during 2011/12 will at least match the estimate provided in the EPP.
8. There are three main ways that the LPS can ensure that the collectable rate is maximised. These are:
  - a. **Maximise the amount of rates to be collected.**
  - b. **Maximise the amount of rates actually collected.**
  - c. **Minimise the amount of losses on collection – vacant rating.**
  - d. **Minimise the amount of losses on collection – non domestic vacant rating exclusions**

**Maximise the amount of rates to be collected**

9. The main way that LPS can maximise the amount of rates to be collected is to ensure that every property which is liable to pay rates is issued with a rates bill in a timely manner for the right amount. Reasons for a bill not being issued include being unable to identify the occupier or the specific date of occupation. Obviously, if no bill is raised then the council will not receive the income to which it is entitled.

**Maximise the amount of rates actually collected**

10. Members will be aware of the continuing press coverage about the level of rates arrears. The level of arrears for the city (including district and regional rate) as at 30 September 2010 is £42m compared to £53m for the same time last year. The arrears affect the council when LPS decides that arrears will not be recovered and



the debt is written off. For 2010/11, the Belfast EPP allowed for £3.3m of write-offs and this will increase to £5.9m for 2011/12.

**Minimise the losses on collection – vacant rating**

11. The main way that the council suffers losses in rate income is through vacant properties. In 2010/11 the EPP allowed for £17.5m of vacant property losses and this figure will rise to £18.5m for 2011/12.
12. Even though LPS cannot control the number of vacant properties, it must ensure that all properties in the city currently classified as vacant are actually vacant and that any changes to the status of vacant properties, for example, a property becoming occupied, are identified on an on-going basis in a timely manner.
13. Members should note that the council's Building Control service, in agreement with the Health and Environmental Services Committee, is currently assisting LPS to inspect non-domestic vacant properties in order to determine occupancy status and enhance rate income.
14. In October 2011, rates will start to be levied on vacant domestic properties in a manner similar to that currently in place for non-domestic properties. This will result in additional rates income and will compensate to some degree for the increase in losses from non-domestic vacant properties. The key issue will be for LPS to ensure that the appropriate systems, processes and resources are in place to implement this policy change and actually collect the income.

**Minimise the losses on collection – Non-domestic Vacant Rating (NDVR) Exclusions**

15. For 2011/12, the most concerning aspect of the EPP is the increase in losses resulting from properties which have been excluded from NDVR. This means that the property is not subject to vacant rates. There are a number of reasons for a property being excluded from rates such as an NAV less than £2,000. In 2010/11 the EPP allowed for £3.2m of exclusion losses and in 2011/12 this figure has risen to £7.4m. The key drivers for this increase are the fact that successful applications may be able to have the exclusion backdated for up to 8 years and the impact of the economic recession whereby property owners are taking any appropriate steps so that they can be excluded from rates.

**D. Guidance on Rates for Councillors**

16. It is proposed to update the popular booklet, "Guidance on Rates for Councillors" produced by the council in conjunction with the IRRV to account for a number of rating policy changes.

**E. Role of Economic Development**

17. While the MOU covers the relationship between BCC and LPS it does not address the issue of how the council's economic development work can support the strengthening of the city's rate base. The council is currently in the process of the developing its corporate plan and it is recommended that the Development Committee give consideration to aligning its economic development work to strengthening and supporting the rate base. This should include how the council engages with the business community including retailers, developers and stakeholders in the city centre and the arterial routes.

**Way Forward**

18. In order to ensure that the rates issues are properly addressed, it is proposed that the following actions are taken:

- a. On behalf of the Strategic Policy and Resources Committee, the Chairman will formally write to LPS requesting the following:
  - i. The number and value of properties which have been valued but a rates bill has not been raised and the actions being taken to get bills issued to these properties (see paragraph 9 above).
  - ii. Details of the current level of rates arrears along with an age profile of the debt (see paragraph 10 above)
  - iii. Details of what steps are being taken to recover the rates arrears (see paragraph 10 above)
  - iv. Details of what improvements are being made to the management of vacant properties (see paragraph 12 above)
  - v. Details of what systems, processes and resources are being put in place to ensure that the introduction of vacant domestic property rating will be effectively implemented (see paragraph 14 above).
  - vi. Details of applications for NDVR exclusions and the potential liability to the council (see paragraph 15 above)
  - vii. Rating Policy Division to be requested to review the policy of back dating exclusions for up to 8 years (see paragraph 15 above).
- b. These rates issues will be raised with the Minister of Finance and Personnel at his meeting with councillors which has been arranged for 20 December 2010.
- c. Officers to provide a report to the Strategic Policy and Resources Committee in February detailing the responses from LPS, providing an update on their performance and an update on the progress on advice work on rates reliefs. The committee to invite LPS officers to attend this meeting.
- d. Agree the improvement actions to be included in the MOU for 2011/12 at the Strategic Policy and Resources committee in March.

**Recommendations**

Members are asked to:

- 1) Agree to the way forward in relation to the rates issues as detailed in paragraph 18 above.
- 2) Agree to update the booklet, "Guidance on Rates for Councillors" in conjunction with the IRRV to account for a number of rating policy changes.
- 3) To request the Development Committee, as part of the corporate plan, to consider how it can align its economic development work to strengthening and supporting the rate base.

**Budget and Transformation Panel  
Minutes of meeting held on**

**Thursday 2 December 2010**

**Present:**

Cllr I Crozier	DUP (Chair)
Cllr D Browne	UUP
Cllr M Jones	ALL
Cllr P McCarthy	SDLP
P McNaney	Chief Executive
J Thompson	Director of Finance and Resources
G Millar	Director of Property and Projects
R Cregan	Head of Finance and Performance

**A. Revenue Estimates 2011/12**

1. The Director of Finance and Resources outlined the timetable for finalising the rates and estimates for 2011/12 as follows:



2. Given that the January Committees followed very early in the New Year, it was recognised that the 10 December Strategic Policy and Resources Committee would need to recommend a level for the district rate for 2011/12 so that the January Committee papers could be prepared.

#### **B. Update on LPS and rates issues**

3. The Director of Finance and Resources informed Members that the **EPP for 2011/12 has been received from LPS and it shows zero growth** this and explained that this means that the council can expect the rate base to yield the same level of rates for 2011/12 as was estimated for 2010/11.
4. Members were asked to note that the figures provided in the rates scenarios at the October and November SP&R meetings were based on a zero growth assumption which means the figures will not change with the notification of the EPP.
5. The Head of Finance and Performance provided Members with an update on the work being done to implement the Memorandum of Understanding between BCC and LPS. This work includes:
  - a. The inspection of vacant properties by Building Control staff.
  - b. The development of a suite of performance indicators which covers the key LPS activities.
  - c. The development of a benchmark framework with the Institute of Revenue, Rating and Valuation.
  - d. The development of a programme to enhance rates relief uptake levels.
6. The Head of Finance and Performance then went on to outline a number of the key rates issues facing the council, the city and LPS. These include:
  - a. The level of rates arrears and rates write-offs
  - b. Vacant properties
  - c. The introduction of domestic vacant rating
  - d. The increase in losses arising from properties excluded from paying rates on non-domestic vacant properties.
7. Members agreed to recommend to the SP&R committee that the council should issue a formal letter to LPS raising its concerns and asking about the actions being taken to address the key rates issues.
8. Members agreed that the council should revise the popular booklet, "Guidance on Rates for Councillors" produced by the council in conjunction with the IRRV to account for a number of rating policy changes.
9. Members agreed that an update report should be provided to the Strategic Policy and Resources committee.

10. Members agreed that these rates issues should form part of the agenda for the meeting with the Minister of Finance and Personnel which has been arranged for 20 December.

### **C. Corporate Planning**

11. The Chief Executive reminded Members that a workshop on the corporate plan had been arranged for 15 December 2010 between 12.00pm and 2.00pm. The purpose of the workshop is to further discuss the priorities for the corporate plan and the delivery of projects and services across the city.
12. Members requested that the workshop be held in the city centre in order to facilitate attendance by Members.

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## BELFAST CITY COUNCIL

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Approval to seek tenders for the supply of mobile plant, the hire of vehicles and a vehicle and mobile plant recovery service</b>
<b>Date:</b>	10 <sup>th</sup> December 2010
<b>Reporting Officer:</b>	Gerry Millar, Director of Improvement (Ext. 6217)
<b>Contact Officer:</b>	George Wright, Head of Facilities Management (Ext. 5206/6232)

### Relevant background information

The Committee will be aware that, under the revised Scheme of Delegation, approval must be sought from the relevant Committee prior to inviting tenders for the supply of any goods or services.

Members will be aware that the Fleet Management unit is responsible for the procurement of all new and replacement vehicles and mobile plant for the council's vehicle fleet. Two roll compactors and two ride-on grass cutting mowers, costing **£300,000** in total, remain to be procured from the 2010/11 capital programme. However, although the necessary capital funding is already in place, the existing contracts have terminated and consequently the Fleet Management unit seeks approval from Committee to invite tenders for the supply of these items of plant.

The Fleet Management unit also has current contracts for:

- the hire of vehicles up to and including 7.5 tonnes;
- the hire of vehicles over 7.5 tonnes; and
- the recovery of vehicles and mobile plant.

The combined value of these contracts annually on current trends is approx. **£64,000** (details of the contracts are shown in appendix 1). As these contracts are about to terminate the Fleet Management unit wishes to undertake procurement exercises and to award new contracts to the most economically advantageous tenderers.

### Key Issues

Tenders will be evaluated on the basis of seeking the most economically advantageous whole-life cost submissions, and will be done in liaison with the council's procurement unit using the appropriate mix of cost and quality evaluation criteria.

The resulting contracts will be let for a duration of 2 years, with a provision for one additional extension of 1 year exercisable at the council's discretion. This is felt to provide the optimum balance between regular testing of the market to secure the keenest prices and minimising the administrative burden associated with the tendering process.

### Resources Implications

Finance

Provision has been made in the revenue estimates and in the in the 2010/11 capital programme for the purchase of the various items.

Human Resources

There are no direct HR implications in respect of this report.

Assets

Carrying out these procurement exercises will ensure that council services have the most appropriate fleet and mobile-plant assets to deliver cost-effective services to the public.

**Recommendations & Decisions**

The Committee is recommended to approve the Fleet Management unit to carry out procurement exercises for:

1. the supply of two roll compactors and two ride-on grass cutting mowers;
2. the hire of vehicles; *and*
3. the provision of a vehicle and mobile plant recovery service.

Any resulting contracts will be awarded using the authority already delegated by the Committee in respect of these matters.

**Key to Abbreviations**

None.

**Documents attached**

None.

**Appendix 1**

<b>Contract</b>	<b>Current Supplier</b>	<b>Annual Cost</b>
Hire of vehicles up to and including 7.5T GVW	Renta-Merc	£22,000
Hire of vehicles over 7.5T GVW	McCreath & Taylor	£20,000
Recovery of vehicles and mobile plant	Agnew Ltd	£22,000



Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	Local Government and Planning Reform
<b>Date:</b>	10 <sup>th</sup> December 2010
<b>Reporting Officer:</b>	Peter McNaney, Chief Executive
<b>Contact Officer:</b>	Kevin Heaney (ext. 6202)

1.0	<b><u>Relevant Background Information</u></b>
1.1	Members will recall that discussions in relation to the future of the Review of Public Administration and reform of local government had concluded on Monday 14 <sup>th</sup> June with the NI executive not having agreed on the way forward. Subsequently, it was agreed that elections would proceed for twenty-six, and not eleven, councils in 2011 as originally planned as part of the local government reform programme.
2.0	<b><u>Key Issues</u></b>
2.1	On 30 <sup>th</sup> November 2010 the Environment Minister, Edwin Poots made an announcement to the NI Assembly setting out proposals to progress particular aspects of Local Government reform and the reform of the Planning Service within Northern Ireland. A copy of the Ministerial announcement is attached at <b>Annex 1</b> , with a summary of the key proposals set out below.
	<b>Local Government Reform</b>
2.2	As part of his announcement to the Assembly, the Environment Minister launched a consultation document (a copy of which is attached at <b>Annex 2</b> ) which sets out policy proposals for local government reform, which seeks to modernise the governance and legal framework within which district councils operate. It is intended that such proposals will, in due course, be translated into a draft Bill (previously known as the Local Government Reorganisation Bill) to be considered by the NI Assembly.
2.3	The consultation document sets out proposals and seeks views on eight key areas including: <ol style="list-style-type: none"> <li>1. <b>New governance arrangements</b> –proposals in regards to decision making structures; sharing power and responsibility; putting in place necessary checks and balances (including proposals to introduce a call-in procedure) and ensuring that there is openness and transparency in how councils conduct their business.</li> <li>2. <b>Ethical Standards</b> –proposals for a new ethical standards regime for local government which would include a mandatory code of conduct for councillors with supporting mechanisms for the investigation and adjudication of appeals.</li> <li>3. <b>Service Delivery and Performance Improvement</b> - proposals for the introduction of a new service delivery and performance improvement framework for local government. This would involve a revised, more expansive statutory duty for councils to secure best value and to continuously improve services.</li> <li>4. <b>Community Planning</b> – proposals to bring forward a statute based community planning process, led and facilitated by the new councils.</li> <li>5. <b>Power of Well-Being</b> – proposals to confer to councils a new power of well-being which would enable councils to take any action that is not already the responsibility of another agency, to promote or improve the well being of their districts. It is suggested that such a duty would further support the community planning role of councils.</li> </ol>

	<p>6. <b>Partnership Panel</b> – proposals to formalise the relationships between the Executive and district councils and provide a forum to consider strategic issues collectively. It is proposed that the Panel will consist of Departmental Ministers and representatives from each of the 11 new councils.</p> <p>7. <b>Supervision of Councils</b> – proposals to extend the supervision powers currently available to the DOE to all Government Departments.</p> <p>8. <b>Reorganisation of District Councils</b> – seeks views on how key elements of the reorganisation of district councils (e.g. transfer of staff, transfer of assets and liabilities etc) should be progressed.</p>
	<b>Planning Reform</b>
2.4	<p>The Environment Minister's announcement to the Assembly also set out proposals in respect to the reform of the Planning Service within Northern Ireland. The key proposals include:</p> <ol style="list-style-type: none"> <li>1. On the 1<sup>st</sup> April 2011, Planning Service functions and staff will have been absorbed into the core of DOE and the Planning Service's status as an Agency will end.</li> <li>2. These functions will be taken forward by two divisions i.e. <ul style="list-style-type: none"> <li>▪ Local Planning Operations Division which will have responsibility for the Development Plan and Development Management functions which will in time transfer to local government</li> <li>▪ Strategic Planning Operations Division which will take forward the responsibilities which will remain with the Department.</li> </ul> </li> <li>3. The existing six Divisional Planning Offices will be streamlined to five Area Planning Offices based around amalgamations of the proposed 11 council cluster model (see <b>Annex 3</b> for a map of the proposed new 5 Divisional Planning Offices). Members will note that under these proposals, the new Belfast Area Planning Office will comprise of 3 of the proposed 11 new council areas including the local government districts of Belfast, Lisburn, Castlereagh, North Down and Ards. The current Belfast Divisional Office covers the areas of Belfast, Castlereagh and Newtownabbey.</li> <li>4. Introduce a scheme of delegation (still to be published) whereby certain planning decisions would be delegated from the Minister to the Department.</li> <li>5. Outlined proposals in regards to reforming the Planning Service's fees regime.</li> <li>6. <b>Announced the intention to progress with a small number of pilot initiatives from April 2011 to test the working arrangements for the delivery of planning functions by the new councils before they are rolled out across the new council areas.</b></li> </ol>
2.5	<p>It is understood that a detailed Planning Bill will be introduced to the Assembly within the new few weeks for consideration. It is further understood that the Planning Bill will provide for the transfer of development plan and development management powers from the Department to councils within a timetable still to be agreed by the NI Executive.</p>
2.6	<p>Clearly such proposals are far-reaching and are likely to have a significant impact upon the future operation and service delivery by the Council. It will take time to consider the proposals (including any Planning Bill released) in detail and the potential implications for the Council and wider local government sector. It is intended that officers, in liaison with elected Members and Party Groups, will undertake a review of the proposals and will submit a detailed report for the consideration of the Council's Strategic Policy and Resources Committee in the New Year.</p>
2.7	<p>In the interim, Members may wish to review the proposals put forward by the Environment Minister (as set out in Annex 2) with a view to identifying any initial issues/ concerns which they may have so as to inform any future consideration of this matter by the SP&amp;R Committee.</p>

2.8	Members may also wish to discuss any pertinent issues with the Environment Minister when a cross-party delegation from the Council meets with the Minister in due course (a date is still to be confirmed), in line with a previous decision taken by the Committee. Detailed briefings will be provided to Members in advance of such Ministerial meetings.
2.9	The proposal put forward by the Environment Minister to initiate a small number of pilots is in line with the views previously expressed by the Committee, at its meeting on 22 <sup>nd</sup> October 2010, at which it was agreed that the Council should advocate for the initiation of an integrated area-based pilot for Belfast. It is suggested that such a pilot should be broader than only Planning and include, for example, regeneration and linked to a wider community planning approach.

**3.0 Resource Implications**

There are no Human Resource or financial implications contained within this report

**4.0 Equality and Good Relations Implications**

There are no Equality of Good Relations implications contained within this report

**5.0 Recommendations**

Members are asked to:

- i) note the contents of this report and, in particular, the proposals set out by the Environment Minister in relation to Local Government Reform and the reform of the Planning Service; and
- ii) note that a detailed report will be submitted for the future consideration of the SP&R Committee in relation to the reform proposals and the proposals for area based planning pilots.

**6.0 Documents Attached**

<b>Appendix 1</b>	Environment Minister’s announcement to NI Assembly
<b>Appendix 2</b>	Local Government Reform Policy Proposals
<b>Appendix 3</b>	Proposed structure for new Planning Service Divisional Offices

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**MINISTERIAL STATEMENT FROM MINISTER POOTS, MLA**

**LOCAL GOVERNMENT REFORM AND PLANNING REFORM**

**TUESDAY 30<sup>TH</sup> NOVEMBER 2010**

Mr Speaker

With your permission, I wish to make a statement about the reform of local government and the planning system.

The Executive's vision for the future shape of local democracy is of a strong, dynamic, citizen-focused local government built upon vibrant, healthy, prosperous, safe and sustainable local communities. Central to this vision is the provision of high quality, efficient services that respond to the needs of people and continuously improve over time.

On the 18<sup>th</sup> of this month, the Executive brought this vision another step closer; firstly by agreeing that I should consult on proposals for the reorganisation of local government; and secondly by endorsing my plans for a fundamental overhaul of the planning

system. Consequently, I am today launching a consultation on policy proposals that will modernise the framework within which district councils operate and these proposals will, in due course, be translated into a draft Bill for this Assembly to consider. With your permission Mr Speaker, I also intend to introduce the Planning Bill at the earliest opportunity. In transforming the planning system, I will strengthen local democracy by devolving planning powers to the 11 new councils and putting locally elected politicians at the heart of local decision-making.

I also propose to bring forward a number of other initiatives which will build on the work agreed by the Executive and give my programme real momentum.

Turning first to the reorganisation and modernisation of local government.

Members will recall that the Executive's decisions on the future shape of local government provide the foundation to develop strong, effective local government that will deliver improved outcomes for everyone in Northern Ireland. Strong civil leadership

based on effective and inclusive local democracy is key to achieving these improved outcomes.

I am pleased to be able to announce today the launch of a consultation setting out proposals that I believe will achieve the Executive's vision. These proposals provide for efficient, fair and transparent decision making across local government; they will ensure that the highest standards of behaviour are maintained; they set out a framework for the new community planning process and they propose a new regime to help improve how councils deliver their services to their ratepayers.

I want to outline the key proposals to members of this house but before I do so I want to record my thanks to the Strategic Leadership Board and its three Policy Development Panels for the support and guidance that they have provided in helping to frame the proposals. Indeed, the work of Board and Panel members, which include elected representatives from each of the main political parties, has proved to be invaluable.

The **first** of the five areas, which the consultation proposals embrace, is the introduction of **new governance arrangements**. I

want to ensure that councils operate to high standards, that they pursue equality and fairness within a framework of checks and balances and that there is openness and transparency in how they conduct their business.

The **second area** is the introduction of a **new ethical standards regime** for local government which would include a mandatory code of conduct for councillors with supporting mechanisms for the investigation and adjudication of appeals.

The **third area** is the development of a new council led **community planning process**. I believe that an effective, statute based community planning process, led and facilitated by the new councils, is critical to delivering the Executive's vision for local government. This process will enable councils to work in partnership with the full range of other sectors to link the delivery of effective joined-up services in their areas to meet the aspirations of local communities.

The transfer of responsibility for the delivery of a range of new functions, allied to the community planning process, will enable councils to address the needs and aspirations of local



communities. However, I appreciate that district councils can only do what legislation empowers them to do and I recognise that there may be actions that they wish to take that are not specifically provided for in their legal responsibilities. In order to provide for this eventuality, it is proposed that district councils have a new power of well being. This new power would enable councils to take any action, that is not already the responsibility of another agency, to promote or improve the well being of their districts.

The **fourth key area**, which the consultation proposals embrace, is the introduction of **a new service delivery and performance improvement framework for local government**. This would involve a revised, more expansive statutory duty for councils requiring them to secure best value and to continuously improve the services they deliver to their ratepayer.

**Finally**, I propose to establish a **Partnership Panel for Northern Ireland** to formalise the relationships between the Executive and district councils and provide a forum to consider strategic issues collectively. I propose that the Panel consist of Ministers, particularly those whose Departments have a significant policy

relationship with local government, and representatives from each of the eleven new councils.

Full details of these reform and modernisation proposals are set out in the consultation document which I am publishing today. I believe that these proposals, allied to the reforms of the planning system I will shortly outline, are fundamental to our local democracy. They will strengthen local decision making and give elected representatives, who understand the needs and aspirations of their communities, the opportunity to shape the areas within which they are elected.

Planning reform is also vital to the success of local government reform, but it is in itself a much needed designed to improve the way in which the planning system operates. Such reform has long been needed, but it is now a crucial element of the Executive's programme to support economic recovery.

I intend to take forward the reforms to the planning system through a mixture of legislation and other means. On the legislative side, with your permission Mr Speaker, I intend to introduce the

Planning Bill at the earliest opportunity and look forward to second stage debate.

The Planning Bill will provide for the transfer of development plan and development management powers from my Department to councils within a timetable to be agreed by the Executive.

Councils will no longer be consultees. They will be the Planning Authority – responsible for drawing up their own development plans and making the vast majority of planning decisions.

The new 11 councils will be able to use the new local development plans to provide a clear and realistic vision of how places should change and what they will be like in the future. The plan will support that vision by clearly indicating where development, including regeneration, should take place, and what form it should take. In addition, I believe that the opportunity to develop appropriate linkages with the proposed community planning responsibilities should not be missed.

Councils will also be responsible for determining planning applications. Councillors will be the decision makers. They will

have the recommendation of their professional planners – but they will make the decision and live with the consequences.

This is a sea change for councils and councillors. Also for those who work in the planning system and for the developers, agents and the public who use it.

I will do everything in my power to prepare the way for that change. I will take practical steps to help councils, planners and the public prepare.

Earlier, I mentioned my intention to bring forward a number of other initiatives which will build on my legislative proposals for reform and modernisation. I have still not received clarity from the Executive on the local government reform delivery timetable - that is a matter I will continue to pursue vigorously with the Executive.

Nevertheless, I believe that a modernised local government, strengthened by the devolution of planning powers is a worthwhile goal and I am determined to drive this work forward. I have, therefore, decided to take a number of practical steps to

reinvigorate the local government and planning reform programmes. None of this requires legislative change.

Within my Department we have already brought together responsibility for all local government and planning functions – this means we have a single coherent programme of policy, legislation and delivery of local government and planning reform, with one team at the helm.

By 1<sup>st</sup> April 2011, I will have transformed the Planning Service to anticipate as closely as possible the proposed arrangements.

Planning Service's status as an Agency will end on 31<sup>st</sup> March.

Agency status is a legacy of direct rule. It involves duplication of structures and functions. It is not needed in the devolved situation. It is costly. And it gets in the way of decision making.

On 1<sup>st</sup> April 2011, Planning Service's functions and the people who deliver them will have been absorbed into the core of my Department.

By the same date, planning functions will also have been reorganised to anticipate the transfer of development plan and development management to councils. This will mean a Local Planning Operations Division taking operational responsibility for the development plan and development management functions that will in due course transfer from my Department to councils. A Strategic Planning Operations Division will take forward the responsibilities which will remain with the Department following local government reform. This will clarify the functions, people and other resources to transfer to local government – issues on which the local government sector has long called for clarity.

We need a local office structure that is capable of providing an excellent service to the existing 26 councils and, in due course, the 11 new councils.

Rationalising the six existing Divisional Planning Offices to five Area Planning Offices and designed around the 11 council clusters will provide for an affordable, effective and consistently robust service across Northern Ireland. And that is what I have decided to do.

By 1<sup>st</sup> April 2011, we will reorganise to have a Northern Area Planning Office, South Antrim Area Planning Office, Western Area Planning Office and Southern Area Planning Office. Each of these will cover 2 of the 11 council groups; the Belfast Office will cover the remaining three. This is illustrated on the map which accompanies written copies of this statement.

Strategic Planning Operations Division will take responsibility for the functions which my Department will retain on the transfer of development management responsibilities to local government. It will advise Local Planning Operations Division on development plans and development management and on design and landscape. It will also be responsible for processing applications for strategic projects and for developing the Northern Ireland Marine Plan which will be prepared by 2014.

To increase clarity, I will put in place a formal written scheme by which I and my successors delegate decision making authority to the Department and to identify the situations in which that authority may be withdrawn. I will publish that scheme for everyone to see. This scheme would then serve as a model for council schemes of

delegation when planning functions transfer, building on the existing streamlining arrangements.

I am also examining the financing of my Department's planning functions. To be sustainable, we must live within our means. This means matching our resources we have available to the workload we face.

We are not charging the right fee for the job. Smaller, simpler applications such as single houses or modest industrial units are subsidizing the largest most complex proposals which are worth many millions of pounds to developers.

Planning Service income does not cover its costs.

This year, with the agreement of the Environment Committee, I increased fees in line with inflation, and I anticipate that in future, fees will be kept in line with inflation.

I have completed the first phase of my fees review and I am now consulting on proposals for making the fee structure fairer and more realistic. Applying my proposed changes to the current level



of applications, would bring in £3m- £3.5m extra income for Planning Service.

At the same time, we are working to resize and reshape so that we have the right staff in the right place to provide an excellent service. The changes I am announcing today give us the opportunity to restructure senior management and strengthen frontline delivery.

I want to broaden and deepen the debate about the future of planning and to hear for myself what experts on planning and users of the planning system think about the way things are going. I will set up a Planning Forum, which I will chair, and which will involve key stakeholders in the planning field, the development industry, local government and central government. I expect to convene this group in the New Year.

I will also be re-emphasising and pushing forward the non-statutory elements of the existing planning reform programme, including the delivery of streamlining, ePIC and a new approach to the development and delivery of a suite of more succinct and focused planning policies.

Finally, I intend to develop and deliver a pilot programme to test the proposed consultative and practical working arrangements between the new Local Operations Directorate and the 11 council groups. We will also use this pilot programme to test the proposed governance arrangements and the provisions for community planning.

I also feel that the pilot programme will be of particular interest to the Department for Social Development, whose urban regeneration responsibilities have been earmarked for transfer to local government. I have therefore written to the Minister for Social Development to ask if his Department would wish to be involved in individual pilots.

I intend to begin with a small number of pilots in April 2011 with a view to the pilots being progressively rolled out across all 11 council groups by April 2012. I hope that, by engaging council and departmental staff, the pilots will enable us to test new arrangements to ensure that they are robust and also to build capacity in the run up to the creation of the new 11 councils.

Before I close, I'd like to record my appreciation of the work that Planning Service staff have already done to make improvements over the last two years. Over this period, the Planning Service has introduced a number of reforms to improve the planning system, which includes promoting the predictability of the planning system, the speeding up of planning decisions, and improving customer experience.

The introduction of two Special Projects teams, with a focus on processing applications of social or economic significance to Northern Ireland, employing pre-application discussions has resulted in some 90 strategic applications have been processed, amounting to planning approvals representing investment well in excess of £2 billion, bringing with that associated construction jobs and post development job creation.

Since April 2009, a further 34 economically significant applications have also been processed, the majority of which within 6 months, including the likes of Bombardier, Radox Laboratories, and Titanic Quarter, to name a few.

Also, since devolution, Ministers have used planning policy as an effective way of responding to real issues that affect communities. Planning staff in my Department have facilitated this process — producing a number of Planning Policy Statements, including PPS21: Sustainable Development in the Countryside. I have deliberately adopted a new style for these PPSs. They are now shorter, sharper and more accessible to developers, the public and planners.

The development and implementation of the new Streamlined Council Consultation Scheme, in partnership with our Local Government colleagues, has been an outstanding success in speeding up the processing of non-contentious applications. All 26 council areas have adopted the Scheme, which has dramatically reduced the average time to process and issue approvals. The impact of which means that 50% of all applications are now being processed and approved on average in just 40 days/8 weeks! And work is continuing to raise the bar to 60% of all applications by the end of the business year.

These short-term reforms have not only speeded up the processing of applications through the statutory planning process,

but they have also improved the transparency and predictability of the planning system, which is of benefit to investors and the public at large.

Furthermore, it is good to note that the majority of Planning Service customers rated their experience in a positive way. Two years ago only 32% of customers rated the overall service provided by Planning Service as satisfactory. Today, some 63% of all customers expressed that they were satisfied with the overall service provided.

This significant turn around in Speed, Predictability, and Customer experience stands testament to the dedication and professionalism of all those who work in the Planning Service, and it is their continued commitment and professionalism that will be instrumental in taking forward the changes to come.

Mr Speaker, I think it will be evident to you and to the members of this Assembly that I am still fully committed to reforming local government. It is clear that the Executive as a whole is still committed to reforming local government. I think you will agree that the measures, both legislative and non legislative, I have

outlined today are significant steps forward in achieving that goal.

I look forward to working with members here and with local government representatives to reinvigorate both the local government and planning reform programmes that I know will ultimately deliver a new model for local democracy and a vastly improved planning system.

Mr Speaker, I wish to end with a quotation from King Whitney

Junior:

“Change has a considerable psychological impact on the human mind. To the fearful it is threatening because it means that things may get worse. To the hopeful it is encouraging because things may get better. To the confident it is inspiring because the challenge exists to make things better.”

Let us together demonstrate that we are confident, and that we will make things better. That’s what I’ve set out to demonstrate today, and that’s what I will strive to deliver.

I commend the proposals to the House.



Department of the  
**Environment**

[www.doeni.gov.uk](http://www.doeni.gov.uk)

# **Local Government Reform**

## **Policy Proposals**

### **Consultation Document**

**30 November 2010**

## LOCAL GOVERNMENT REFORM CONSULTATION ON POLICY PROPOSALS

This consultation document seeks views on the Department's policy proposals for  
local government reform.

**Comments should be sent by 11 March 2011 to:**

**Policy and Legislation Unit  
Local Government Policy Division  
Department of the Environment  
8th Floor, Goodwood House  
44-58 May Street  
Belfast, BT1 4NN**

**E-mail: [LGPDConsultations@doeni.gov.uk](mailto:LGPDConsultations@doeni.gov.uk)**

**Fax No: 028 9025 6080**

**Textphone: 028 9054 0642**

The following persons will be able to answer queries in relation to the proposals:

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**CONTENTS**

	<b>Page</b>
<b>Ministerial Foreword</b>	<b>1</b>
<b>Purpose of the Consultation Document</b>	<b>2</b>
<b>Background</b>	<b>2</b>
<b>Policy Proposals</b>	
• <b>Governance Arrangements</b>	<b>5</b>
• <b>Ethical Standards</b>	<b>17</b>
• <b>Service Delivery &amp; Performance Improvement</b>	<b>28</b>
• <b>Community Planning</b>	<b>37</b>
• <b>Power of Well-being</b>	<b>40</b>
• <b>Partnership Panel</b>	<b>41</b>
• <b>Supervision of Councils</b>	<b>43</b>
• <b>Reorganisation of Local Government</b>	<b>45</b>
<b>Human Rights</b>	<b>51</b>
<b>Equality</b>	<b>51</b>
<b>Regulatory Impact Assessment</b>	<b>51</b>
<b>Rural Proofing</b>	<b>51</b>
<b>Freedom of Information Act 2000</b>	<b>51</b>
<b>Alternative formats</b>	<b>52</b>
<b>Consultation</b>	<b>52</b>
<b>Annex A - Glossary</b>	<b>54</b>
<b>Annex B – The Freedom of Information Act 2000 - confidentiality of consultations</b>	<b>57</b>
<b>Annex C – List of Consultees</b>	<b>59</b>

## Foreword

*by Edwin Poots, Minister of the Environment*



I am pleased to be launching this public consultation on policy proposals for the reform of local government. The Executive's decisions on the future shape of local government provide the foundation to develop strong, effective local government that will deliver improved outcomes for everyone in Northern Ireland.

Our vision is of a strong, dynamic local government that creates vibrant, healthy, prosperous, safe and sustainable communities that have the needs of all citizens at their core. Central to that vision is the provision of high-quality efficient services that respond to people's needs and continuously improve over time.

To deliver on this vision and to realise the full potential of local government, councils will take on a significant range of functions from government departments and other bodies. In addition, councils will work within a new statutory governance framework and ethical standards regime, will have a new statute-based community planning process and will have available a power of well-being.

The purpose of this consultation is to look at the proposals for constructing the new governance framework to provide for efficient, fair and transparent decision-making in councils, within a regime to ensure that the highest standards of behaviour are maintained. It also looks at proposals for the framework for the new community planning process and the introduction of a new regime to support improvement in how councils deliver services to their ratepayers.

I encourage you to have your say by responding to these proposals.

**Edwin Poots MLA**

## **LOCAL GOVERNMENT REFORM CONSULTATION ON POLICY PROPOSALS**

### **PURPOSE OF THE CONSULTATION**

- 1.1. The Department of the Environment is seeking your views on its policy proposals for the reform of local government. These policy proposals flow from the Executive's decisions of 13 March 2008 on the future shape of local government.
- 1.2. A glossary of terms used in this consultation document is provided at Annex A.

### **BACKGROUND**

- 2.1. Following the restoration of devolution, the Executive, at its meeting on 5 July 2007, agreed proposals for a review of the previous Administration's decisions on the Review of Public Administration as they related to local government. This review was taken forward by an Executive Sub-Committee chaired by the then Minister of the Environment, Arlene Foster MLA. The Executive Sub-Committee took the review forward in three strands. The first developed a shared vision for local government. The second considered the number of councils and the third focused on the functions to transfer to local government. The review also considered, as cross-cutting issues, the decisions of the previous administration to develop a council-led community planning process and to introduce a power of well-being.

2.2. At the Executive meeting on 13 March 2008, the recommendations from the Sub-Committee were agreed. In summary, the Sub-Committee recommended:

- rationalising the current 26 district councils to create 11 new district councils;
- introducing new governance arrangements for councils to ensure the protection of the rights of all people and also provide for fair, transparent and efficient decision-making;
- developing a new council-led community planning process and introducing a power of well-being;
- transferring a range of functions from central to local government; and
- developing appropriate performance management systems for district councils.

2.3. In addition to the specific recommendations, the review signalled the desire of the Executive to work in partnership with local government to deliver the priorities and actions set out in the Executive's Programme for Government and thereby improve outcomes for everyone.

2.4. While the Review of Public Administration was progressing, the Department of the Environment was developing proposals to modernise certain procedures in councils. One of these related to providing a new ethical standards regime for local government.

2.5. Following Minister Foster's announcement of the Executive's decisions on the future shape of local government, structures were put in place to support the development of policy and

implementation proposals, to give effect to those decisions. The top tier of the structure, and key driver of the programme, was the Strategic Leadership Board, chaired by the Minister of the Environment. The membership of this Board comprised elected representatives from the five main political parties, led by the Northern Ireland Local Government Association President (who was vice chair), senior advisers from local government and senior officials from those departments transferring functions to local government. The Strategic Leadership Board was supported by three policy development panels which also comprised representatives from the five main political parties and advisers from central and local government. The broad remit of each of the panels was:

- Panel A – Governance and Relationships;
- Panel B – Service Delivery; and
- Panel C – Structural Reform.

2.6. These panels, in the intervening period, developed policies for local government reform and this consultation document reflects their work.

2.7. Although it has not been possible to create the 11 new councils, or to transfer new functions to them in 2011, as had originally been planned, the Executive agreed, at its meeting of 18 November 2010, that in order to maintain momentum towards local government reform, the policy proposals contained in this document should be issued for public consultation.

## **POLICY PROPOSALS**

### **Governance Arrangements**

3.1. Good governance (i.e. management and control arrangements) lies at the heart of effective and efficient local government. It provides for best practice in policy development, decision-making and the delivery of quality services. Governance arrangements must ensure that district councils:

- operate to high standards;
- pursue equality and fairness within a framework of checks and balances; and
- conduct their business with openness and transparency.

3.2. The existing framework for the role of elected representatives in political decision-making in district councils is set out in the Local Government Act (Northern Ireland) 1972 (as amended). This framework is, therefore, almost 40 years old and needs to be updated.

3.3. The objectives underpinning the proposals for new political governance arrangements for district councils after reorganisation, are that they should provide for:

- efficient and effective decision-making;
- checks and balances to support equality and fair treatment;
- proportionality in allocating key positions;
- transparency and oversight of decision-making; and
- the effective and efficient creation of new local government.

3.4. Research has been carried out on local government decision-making in other regions. This has been used to inform the proposals set out in this consultation document. The research includes the executive arrangements introduced in England and Wales by the Local Government Act 2000, and the streamlined committee structure adopted by the majority of councils in Scotland. The local government sector and the main political parties have also had a significant involvement in the formulation of the proposals through their engagement in the Policy Development Panel on Governance and Relationships.

#### Decision-making Structures

3.5. At present, in most councils, an issue that requires a decision is delegated to a committee of the council which considers all the relevant material and ultimately makes a recommendation to the full council. The committee has no responsibility or authority to make the final decision (unless the council has specifically delegated a decision-making power to it). It is for the council to consider the recommendation from the committee when the minutes of that committee come before the council for ratification. The ratification of the minutes of the committee signifies the council's endorsement of the recommendation. There is, therefore, a delay between a recommendation being made and a final decision being taken.

3.6. In considering proposals for the new arrangements, the Department takes the view that it is important to build in choice and permit flexibility in relation to the development of new decision-making structures by councils, rather than introducing a single structure for all councils. The Department proposes that a short list of decision-

making structures should be available to councils. A council would then be able to select the most appropriate structure. The decision-making structures which the Department proposes should be available to councils are:

- the cabinet-style model: executive responsibility for all operational decisions would be devolved from the full council to a relatively small committee of councillors;
- the streamlined committee model: a central policy committee and a limited number of other committees would be established with executive responsibility for specific decisions being devolved from the full council to those committees; and
- the traditional committee structure: individual committees would be established to consider specific issues and make recommendations on appropriate courses of action, for decision by the full council.

3.7. To provide a check and balance on the operation of the cabinet-style and streamlined committee models, which devolve decision-making from the full council, the Department proposes that structures should be supported by effective internal scrutiny arrangements. These arrangements will include the provision of a call-in procedure, which will allow decisions taken under devolved arrangements to be reviewed. It is also proposed that councils which choose to operate one of the systems of devolved decision-making should be required to establish a scrutiny committee. Flowing from the principle of checks and balances, this committee will be able to scrutinise the work of the cabinet-style model or streamlined committees and will consider the outcome of the review of any decision subject to a call-in, in defined circumstances.



Further details on the operation of the call-in procedure are outlined in paragraphs 3.18 to 3.23.

3.8. To provide for the eventuality that a district council cannot agree the adoption of a particular decision-making structure, the Department proposes that a default model should be provided for. The key elements of the default model will be:

- the operation of a committee-based system;
- the opportunity to devolve powers from the full council to a committee or committees;
- the establishment of a scrutiny committee, if powers are devolved from the full council to committees; and
- the establishment of a central policy committee.

3.9. For the operation of the devolved decision-making systems, the Department also proposes specifying a list of core issues on which decisions must be taken by the full council. This list will cover strategic issues that would have an impact across the whole local government district and include, for example, striking the rate, borrowing, governance arrangements, the corporate plan, the community plan, etc.

**Question 1:**

**Do you agree that a list of alternative decision-making structures should be available to councils?**

**Question 2:**

**Where decision-making is devolved to a committee of the council, do you agree that effective internal scrutiny arrangements should be required?**

**Question 3:**

**If a list of decision-making structures, as set out, is provided, do you support the proposal that a default option should be available?**

**Question 4:**

**Should a list of core issues, for which decisions must be taken by the full council, be specified? If so, what are your views on the issues that should be included in this list?**

Sharing of Power and Responsibility

3.10. The members of a council, when it is established and on an annual basis after that, are required to select a councillor to act as chair of the council; they may also choose to select another councillor as vice-chair. They will also select individual members to take on the roles of chair and vice-chair of any committees that they create to have responsibility for specific issues. In addition, a number of public bodies appoint councillors to their management boards, and in so doing, seek nominations from the relevant councils.

3.11. To ensure that power and responsibilities are shared amongst elected members, it is proposed that a number of methods should be available to councils for the allocation of these key positions

within the council and for its representative positions on external bodies. The methods which the Department proposes should be available are:

- the D'Hondt and Saint-Lague divisor systems which use a formula for determining the order in which political parties will make their selection of the position that they wish to hold; and
- the Single Transferrable Voting system, where each councillor will vote for the individual that they wish to hold a position.

3.12. The D'Hondt system will be the default approach if the political parties on a district council fail to agree on the system to be adopted. The Department proposes to set out the precise method of application of each the systems that will be available to ensure consistency of approach across councils.

**Question 5:**

**Do you support the proposal that a limited number of methods for ensuring the sharing of positions on a council, its committees, and external appointments should be made available? Are the methods identified appropriate?**

**Question 6:**

**Should the D'Hondt system be specified as the default model, for use in the absence of agreement?**

**Question 7:**

**Do you support the proposal that the Department specifies the method for applying each of the available systems?**

3.13. The key positions to which the process for the sharing of power and responsibility will apply will include:

- mayor / council chair;
- deputy mayor / council vice-chair;
- committee chairs;
- committee vice-chairs; and
- positions on a cabinet-style executive (where that model of decision-making is adopted).

3.14. The Department does not propose to specify that the cabinet-style model should require the inclusion of elected members from each of the political parties represented on the council. It will be a matter for a political party to determine whether it wishes to participate in such a committee or select other positions of responsibility on the council.

3.15. The use of divisor methods, such as D'Hondt and Saint-Lague, for allocating positions would potentially favour bigger political parties within a council, if selection is applied in each year of the council. To minimise this potential, the Department proposes that the agreed method will be applied to all positions of responsibility within a council (including nominations to external bodies) over its full four-year term. A list of the key positions covering each year for the full council term of office will be used to allocate all positions whenever the council is first established.

3.16. The order in which positions should be allocated will not be specified, but rather the selection of a position and the year of appointment will be matters for each political party in the council to determine, against its own priorities. The allocation of additional positions, where a new committee is established or a new appointment to an external body is identified following the initial allocation of positions, will use the agreed approach starting from the point at which the last position was allocated.

**Question 8:**

**Do you agree that the Department should specify the list of positions that would be allocated using these methods?**

3.17. It will be important to ensure that the membership of council committees reflects the representation of the various political parties on the council. The Department proposes that councils should be given a choice of two methods to determine the number of positions to be allocated to each party. These are the Quota Greatest Remainder and Droop Quota methods which use slightly different formulae for calculating the basis for the sharing of positions across the political parties.

**Question 9:**

**What are your views on the proposal for ensuring proportionality in the membership of council committees?  
Are the methods to be used appropriate?**

### Checks and Balances

3.18. In order to ensure the fair treatment and representation of everyone served by a council, the Department considers that there is a need for a system that provides checks and balances in relation to the council decision-making processes.

3.19. The Department, therefore, proposes that a call-in procedure should be introduced. This would apply to decisions taken but not yet implemented under devolved arrangements and decisions waiting to be endorsed by a council through the ratification of minutes from a committee. The call-in procedure would be used in the following circumstances:

- where procedures used in reaching a decision are questioned, i.e. to ensure that all the established steps were followed and account was taken of council policies; and
- where there is an issue in relation to the protection of political minorities in the council district.

3.20. The call-in procedure would operate in a similar manner to the 'petition of concern' procedure in the Assembly, in other words, a number of councillors would be able to join together to request that a specific decision is reviewed. It is proposed that the trigger for a call-in will be set at 15% of the total council membership, with the resultant figure always rounded up to the nearest whole number. For example, in a council with 40 members, a call-in would require the support of 6 councillors.

3.21. It is further proposed that, where a decision is the subject of call-in on procedural grounds (see paragraph 3.19), the outcome of the subsequent investigation will be considered, as appropriate, by either:

- the scrutiny committee (where one has been established because the council has opted to devolve a range of decisions);  
or
- the full council.

3.22. A scrutiny committee would have no authority to overturn a decision. It would only be able to confirm the original decision or refer it back to the committee that made the decision for further consideration. Council committees would, however, be required to have regard to any report from a scrutiny committee. In cases where a council has opted to retain the traditional committee system, any decision that is called in on procedural grounds would be considered by the full council.

3.23. Where the call-in procedure is used in seeking to protect political minorities from adverse impact in the council area (see paragraph 3.19), the Department proposes that a process to assess if the call-in is valid would be put in place. This process would be external to the council to avoid the potential for disputes between councillors. It is further proposed that all decisions subject to call-in on this basis would be referred to the full council for a final decision.

3.24. As a further safeguard to council decision-making, the Department also proposes to introduce qualified majority voting (or weighted

majority voting) for specified strategic decisions to be made by district councils. Examples of these decisions would include:

- decision-making structures;
- major capital projects; and
- programmes that impact across a number of wards.

The use of qualified majority voting would also be available to councils for decisions that had been the subject of a legitimate call-in.

3.25. Decisions relating to the statutory duties of a council, e.g. striking the rate, and those of a quasi-judicial nature, e.g. making bye-laws, will be excluded from qualified majority voting. For the operation of qualified majority voting, it is proposed that a straightforward threshold, set at 80% of council members present and voting, will apply, rather than a system of cross-community voting (such as the one operated by the Northern Ireland Assembly).

**Question 10:**

**Should a call-in procedure be introduced to provide a check and balance for council-decision making?**

**Question 11:**

**Do you support the proposal for such a call-in to be available in the two circumstances outlined, and for how it would operate?**



**Question 12:**

**Do you agree that 15% of council membership should be the trigger for a call-in?**

**Question 13:**

**Should the use of qualified majority voting be introduced to provide safeguards in the council's decision-making processes?**

**Question 14:**

**Do you agree that 80% of council membership should be the threshold for qualified majority voting?**

Transparency

3.26. Section 23 of the Local Government Act (Northern Ireland) 1972 provides that, subject to certain conditions, every meeting of a council shall be open to the public. To ensure the continued transparency of the decision-making process and take account of the proposed new structures, these provisions will be updated to provide for improved access to council meetings and documents.

3.27. In addition to updating the provisions in relation to the transparency of the decision-making process, the Department proposes that a council will be required to prepare and publish a constitution that sets out details of how it operates. This constitution would provide details of:

- the council's decision-making structures and how decisions are reached;

- the council's standing orders, the production of which will be mandatory;
- the scheme of delegation in operation for decision-making by officers;

and will provide links to the Corporate and Business Plan.

**Question 15:**

**What are your views on the proposed steps to enhance transparency and openness in the operation of a council and its decision-making?**

## **Ethical Standards**

### Background

4.1. Northern Ireland is the only jurisdiction in the United Kingdom which does not have a mandatory code of conduct for district councillors. The current Northern Ireland Code of Local Government Conduct was introduced in April 2003 and provides guidance to councillors on the standards of conduct expected of them in carrying out their official duties and in maintaining working relationships with fellow councillors and council employees. It is a guidance document only and there are no formal mechanisms for dealing with cases where the Code might not have been adhered to.

4.2. The administrations in England, Wales and Scotland have each developed and introduced ethical standards frameworks for local

government to encourage appropriate levels of conduct and to build public confidence. These frameworks include mandatory codes of conduct for elected representatives of local authorities, with associated processes for investigating and adjudicating on alleged breaches of the codes.

4.3. The Committee on Standards in Public Life's Tenth Report entitled "Getting the Balance Right - Implementing Standards in Public Life" (published in January 2005) included two recommendations in relation to local government in Northern Ireland which were agreed by the United Kingdom Government, namely:

- Recommendation 15: Following the Review of Public Administration, and upon the restoration of the Assembly in Northern Ireland, a Statutory Code of Conduct for Councillors should be introduced with a proportionate and locally-based framework for enforcement, drawing upon experience of other parts of the United Kingdom; and
- Recommendation 29: The three principal regulators (the Standards Board for England, the Local Government Ombudsman for Wales, and the Standards Commission for Scotland) should put in place formal arrangements for the sharing of experiences and best practice. This should be extended to include the body with designated responsibility for enforcement of a new statutory framework in Northern Ireland.

4.4. In 2005, a Code of Conduct Working Group (CCWG) was set up by the Department to review the current Code of Conduct and to

consider options for monitoring the application of the Code, including investigation, enforcement and appeals procedures.

- 4.5. The CCWG compared the current ethical standards arrangements for local government in Northern Ireland with those in England, Scotland, Wales and Ireland and also with the Northern Ireland Assembly.
- 4.6. As ethical standards and the Code of Conduct are governance issues, the policy development and recommendations of the CCWG were subsequently presented to the policy development panel on governance and relationships for consideration.
- 4.7. The Department proposes to introduce a new ethical standards regime for local government which would include the introduction of a mandatory Code of Conduct for councillors with supporting mechanisms for investigation, adjudication and appeals. This would initially involve all complaints regarding breaches of ethical standards in district councils being referred to the Northern Ireland Commissioner for Complaints (the Commissioner) to decide whether a case should be referred to the relevant council for local resolution or whether the matter should be retained for investigation by the Commissioner's Office.

**Question 16:**

**Do you agree that a statutory ethical standards framework should be introduced for members of district councils in Northern Ireland?**

Code of Conduct

4.8. The Department proposes to introduce a mandatory Code of Conduct to replace the current Northern Ireland Code of Local Government Conduct. The Code will set out the conduct which is expected of all councillors and co-opted members in Northern Ireland.

4.9. The Department proposes to specify in the Code the general principles which will provide a guide for councillors' behaviour in the execution of their duties and which will underpin the mandatory Code. It is intended that the principles to be specified in the Code will be:

- the seven principles of public life (the Nolan Principles) which are a recognised set of principles used across the public sector i.e. selflessness, integrity, objectivity, accountability, openness, honesty and leadership; and
- four additional principles which were adopted by the Northern Ireland Assembly on 12 October 2009, i.e. respect, equality, good working relationships and promoting good relations.

**Question 17:**

**Do you agree that the principles mentioned above should apply to councillors and co-opted members?**

- 4.10. It is proposed that the Department should be required, before issuing the Code of Conduct, to consult with councils and bodies representative of councils, councillors and council officers.
- 4.11. In addition, it is proposed that, before taking up office, a councillor should be required to serve on the clerk of the council a declaration of acceptance of office which would include an undertaking that the councillor will observe the Code.
- 4.12. It is proposed that the Code should include sections dealing with:
- the key principles of the Code of Conduct and general obligations expected;
  - interests – personal, financial and prejudicial interests;
  - registration of interests, gifts and hospitality;
  - declaration of relevant interests and dispensations;
  - lobbying and access to councillors;
  - a protocol for relations between councillors and officers of councils; and
  - dealing with planning applications (after land-use planning has been transferred to local government).

**Question 18:**

**Do you agree that a mandatory Code of Conduct should be introduced and that all council members should give a written undertaking to comply with it before accepting office?**

Complaints

- 4.13. It will be the responsibility of councillors to make sure that they are familiar with the provisions in the Code and that they comply with those provisions.
- 4.14. The Department proposes that all complaints regarding alleged breaches in ethical standards in district councils would initially go the Commissioner for consideration. An advantage of placing this role with the Commissioner is that the Commissioner's Office is already well established and trusted and this is likely to increase public confidence in the new system.
- 4.15. A complaint would be assessed to determine whether there appeared to be any case to answer or whether it appeared to be a minor or a serious breach in standards. This would then determine how the subsequent investigation and adjudication of the case would be taken forward i.e. either referred to the relevant council for local resolution (which should happen in the majority of cases) or retained by the Commissioner's Office (i.e. serious, complex or high profile cases).

**Question 19:**

**Do you agree that all written complaints concerning alleged breaches of the Code should be sent in the first instance to the Commissioner for Complaints to determine how they should be investigated?**

**Question 20:**

**If you do not agree, what other suitable alternative would you suggest?**

Investigation and Adjudication

4.16. As indicated above, the Department proposes that the duties of the Commissioner should be extended in relation to the new ethical standards framework and that the Commissioner should receive all complaints of alleged breaches of the Code. We would propose that the Commissioner's Office should investigate more serious, complex or high profile cases and should report and make recommendations on the outcome of the investigation. Where a breach of the Code has occurred, the Commissioner would also adjudicate on what sanction is to be taken against the councillor or co-opted member. The Commissioner would also facilitate the hearing of any appeals relating to cases that have been adjudicated on by a council standards committee (see paragraph 4.24).

**Question 21:**

**Do you agree that the Commissioner for Complaints should only deal with those cases that are deemed to be serious or high profile?**



**Question 22:**

**Alternatively, would you prefer the Commissioner for Complaints to be responsible for all types of cases? What would you consider to be the advantages of this?**

- 4.17. The Department proposes that each council should have an independent monitoring officer and a standards committee to deal with complaints referred to it by the Commissioner. Where a complaint appears to be a less serious breach of the Code or where there may be no case to answer, it is intended that the Commissioner would refer the matter to the relevant council's standards committee for local resolution.
- 4.18. If a case is referred to a council for local resolution, the independent monitoring officer would investigate and report to the standards committee to assess whether a breach had occurred and, if necessary, to adjudicate on the matter.
- 4.19. The Department proposes that an independent monitoring officer should be appointed or assigned for each council. The main roles of an independent monitoring officer would include:
- providing advice and guidance on the ethical standards framework and Code of Conduct within the council, including establishing contact with other monitoring officers within Northern Ireland and the Great Britain to share and develop best practice;

- carrying out investigations of relevant complaints and supporting and assisting the council's standards committee in the processing of cases and maintaining appropriate records; and
- ensuring that the council establishes and maintains a register of members' interests and a register of gifts and hospitality and has procedures for dealing with declarations of interest.

4.20. The Department proposes to specify in legislation the way in which independent monitoring officers should deal with matters referred to them.

4.21. It will be the duty of each council to establish a standards committee to promote and maintain high ethical standards. The Department proposes that the functions, procedures and membership of standards committees should be specified in legislation. The Department further proposes that:

- a standards committee's role in considering the reports and recommendations of independent monitoring officer;
- the actions which the committee may take against any councillor who is subject to such a report or recommendation; and
- the committee's adjudication function and the penalties which it can hand out;

should also be provided for in legislation.

4.22. In order to gain public confidence in the system and to promote openness and fairness, it is proposed that standards committees should include independent members.

**Question 23:**

**Do you agree that each council should be required to establish a standards committee?**

**If so, do you agree that each Standards Committee should include independent members and that an independent member should chair the committee?**

4.23. It is proposed that, when a case is referred by the Commissioner to a standards committee, it will be for the committee to decide if the matter should be investigated by the independent monitoring officer and, if so, the monitoring officer will submit a report on his/her findings to the standards committee for consideration. The standards committee will decide whether any sanction should be taken against the council member.

**Question 24:**

**Do you agree that complaints concerning less serious breaches of the Code should be dealt with by the relevant council's standards committee;**

**Do you agree that the council's independent monitoring officer should undertake any necessary investigation;**

**Do you agree that the standards committee will consider all cases on the basis of the monitoring officer's reports and on the evidence presented; and**

**Do you agree that the council's standards committee should decide what sanctions, if any, should be taken against the members concerned?**

**Question 25:**

**Do you agree that monitoring officers should be independent of councils or do you think that they should be council officers who, in addition to investigating less serious complaints, might be better placed to support the development of an ethical culture within councils?**

**Do you agree that an independent monitoring officer should be appointed to each council?**

**If not, what alternative would you propose?**

4.24. The Department proposes that, where a councillor is found to be in breach of the Code, either the Commissioner or the council's

standards committee (depending on how serious the complaint is) may impose a sanction. The Department further proposes that a councillor may appeal:

- to the Commissioner concerning a decision taken by the standards committees; and
- through the Court system concerning a decision taken by the Commissioner.

**Question 26:**

**Do you agree that sanctions should be available to standards committees and the Commissioner for Complaints where breaches of the Code have occurred?**

**Question 27:**

**Do you agree that members should have a right of appeal to the Commissioner for Complaints concerning decisions taken by standards committees and to the Court system concerning decisions taken by the Commissioner for Complaints?**

## **Service Delivery & Performance Improvement**

5.1. The Local Government (Best Value) Act (Northern Ireland) 2002, (the 2002 Act) placed a duty on councils for continuous improvement in the delivery of their services. The overriding purpose of best value is to establish a culture of good management for the delivery of efficient, effective and economical services that meet users' needs. The principle of continuous improvement is the

ongoing effort to seek incremental improvements in the delivery of these services over time.

- 5.2. The 2002 Act, however, provides no specific mechanisms to enable councils to demonstrate their accountability to ratepayers or Ministers for the delivery of their services or improvements to those services. The reorganisation of local government, the transfer of functions from departments to councils, and the introduction of community planning and the power of well-being provide an appropriate opportunity to strengthen the framework for councils' service delivery and performance improvement.
- 5.3. Performance management (and within it, best value), community planning and the power of well-being are closely linked. Local government should view them as such in seeking to plan and deliver quality services that are responsive to the needs of the people who use them. For example, use of the new flexibilities and freedoms offered by the power of well-being (see paragraphs 7.1 – 7.3) should be influenced significantly by issues identified through the community planning process. Similarly, best value considerations should influence a council's choices in using the power of well-being and how it engages with its community planning partners.
- 5.4. The Department proposes that a new service delivery and performance improvement framework should be introduced for local government. This would include a broader duty in relation to securing best value and continuous improvement. This would be supported by a requirement to publish an annual improvement plan to provide accountability to ratepayers and Ministers. The new

framework would also enable Ministers, through the Department of the Environment, to:

- issue guidance on the delivery of continuous improvement;
- set performance indicators and standards for the delivery of services; and
- intervene in a council's delivery of a service if its performance falls below acceptable standards.

### Revised Best Value Duty

5.5. The Department proposes that the current best value provisions should be replaced and that:

- councils should be required to secure best value, which will be described in terms of the continuous improvement of the council's performance of its functions;
- councils, in securing best value, should be expected to maintain an appropriate balance between the quality of performance of their functions, the cost of performing those functions, and the cost to persons of any services provided on a wholly or partly rechargeable basis;
- in maintaining that balance, councils should be required to have regard to efficiency, effectiveness, economy and equity;
- councils should be required to discharge their duties in a way which contributes to the achievement of sustainable development; and
- councils should have regard to outcomes when measuring improvement in their performance.

**Question 28:**

**Do you agree that a newly defined best value (continuous improvement) duty should be placed on councils?**

Best Value Guidance

5.6. It will be important to ensure a consistent approach to service delivery and performance improvement across all councils. For that reason, the Department would propose to issue guidance to underpin the best value duty and the delivery of continuous improvement and to consult with councils and other representative organisations of local government in the preparation of the guidance. It is anticipated that the guidance should cover:

- how to make best value arrangements;
- what is to be included in best value arrangements; and
- how to implement the best value duty.

5.7. It is proposed that councils should be required to have regard to any departmental guidance in the performance of its duties about best value. Councils would also be expected to have regard to other general guidance on arrangements for securing best value (unless it conflicts with the guidance produced by the Department).

**Question 29:**

**Should the Department be able to issue guidance in relation to best value?**



**Question 30:**

**Should councils be required to have regard to any guidance issued?**

Performance Indicators and Standards

- 5.8. It is proposed that departments should be able to specify performance indicators for the delivery of council functions. These would allow the measurement of councils' performance in exercising the functions. The performance standards which councils will be expected to meet in relation to those performance indicators would also be specified. We propose that departments should take account of the different circumstances that exist between councils when setting performance indicators and standards.
- 5.9. The aim in specifying performance indicators and standards would be to promote efficiency, effectiveness and economy in the way that councils carry out their functions.

**Question 31:**

**Do you agree that the Department should be able to specify performance indicators for the delivery of council functions?**

Public Performance Reporting: A Corporate and Improvement Plan

- 5.10. The Department proposes to place a requirement on councils to produce a corporate plan, which would include an improvement plan

for service delivery and performance improvement. Councils will be required to publish their performance indicators in this plan. This would enhance local accountability and enable comparisons to be made between councils.

5.11. It is proposed that the Department should be able to specify the elements that must be included within a corporate plan and the associated improvement plan, and to issue guidance on the form and content of plans, including the manner in which they should be published.

5.12. This should ensure that a council's corporate and improvement plans achieve three primary aims:

- to summarise how successful the council was in meeting its objectives and performance targets for the previous year;
- to inform local people of the council's performance targets for the following year and future years; and
- to set out the council's progress in meeting any longer term targets and, where it is not on course to meet them, to give an outline of what action it is taking to remedy the situation.

The information to be reported in the plan would also enable comparisons to be made between councils.

**Question 32:**

**Do you agree with the proposals for the public reporting of a council's performance improvement?**

A Statutory Audit of the Corporate and Improvement Plan

5.13. The Department proposes that the role of the local government auditor should be extended to include the audit of a council's corporate and improvement plan. This would ensure that the plan has been prepared in compliance with any future legislative framework and any supporting guidance issued by the Department. This would provide Ministers and ratepayers with independent assurance that a council's improvement plan stands up to scrutiny and gives independent verification of any improvements.

5.14. We would propose that, in scrutinising a council's corporate and improvement plan, the auditor should:

- certify that the plan has been audited;
- consider the extent to which the plan meets specified requirements;
- recommend any remedial action that the auditor judges necessary for a council to take where its plan does not comply with the legislative requirements or guidance; and
- in cases where the auditor considers there to be serious deficiencies and failures in a plan, recommend the appropriate follow-up action. This may take the form of an examination by the auditor or, in the most serious cases, by the relevant government department (depending on the functions concerned) under its proposed powers of intervention.

5.15. The auditor should also be required to report publicly on the results of his assessment. In turn, when a council receives an auditor's

report on its corporate and improvement plan it will be required to publish the auditor's report.

5.16. The Department also proposes that the local government auditor should be able to carry out examinations aimed at assessing compliance with the requirements of the best value legal framework. To enable the auditor to undertake these examinations, we propose that:

- the relevant government department should have the power to direct the local government auditor to carry out an examination of a council in respect of its delivery of functions transferred by that department;
- the auditor should have powers of access to documents and information and to have reasonable rights of access to premises; and
- a report outlining the auditor's findings would be published.

**Question 33:**

**Should the local government auditor have a role in providing external assurance in relation to a council's improvement plan?**

**Question 34:**

**Is the proposed role for the local government auditor as comprehensive as might be required?**

A Power of Intervention/Enforcement

5.17. We recognise that there may be occasions, albeit limited, when an inspection of a council makes information available to Ministers which gives them cause for concern about whether a council is discharging its responsibilities as required.

5.18. To provide for such occasions, the Department proposes that Ministers should be allowed to intervene if a council fails in delivering a particular service or services. The powers, which would be exercised by Ministers through their departments, would be wide ranging. These failures in service delivery would include matters which are of a procedural nature, and others which require more substantive action. This action might be either:

- on the part of the council concerned (for example, it might be required to arrange for another organisation to carry out a function on its behalf); or
- on the part of a department (which might, in extreme cases of failure, intervene to exercise a function of the council itself or through a nominee).

5.19. Where a department intends to take action against a council, it would normally be required to allow the relevant council to make representations both about the recommendation itself and the remedial action that is proposed. In exceptional cases, where a department judges the failure to be so serious or the immediate risk to sections of the community to be so great, it would have the power to give a direction to the council without allowing time for representations. If a department chooses to exercise this power, it would be obliged to inform both the council concerned, and any

appropriate representative body, of the direction and the reason why it was given, without recourse to the normal procedure for representations.

- 5.20. In cases where a department intervenes directly in a council, and in doing so assumes responsibility for delivering a function, a regulatory power would be made available to the department. This power could be used to make alternative provision for the delivery of the service. A department would then be able to make necessary alternative arrangements where it intervenes in a function which already provides recourse to that department, either through appeal or otherwise.

**Question 35:**

**Do you agree that Ministers should be able to intervene if a council is failing to deliver services?**

## **Community Planning**

- 6.1. A key theme underpinning the reform of local government is the Executive's vision of a strong, dynamic local government creating communities that are vibrant, healthy, prosperous, safe, sustainable and which have the needs of all people at their core. Central to this vision is the provision of high quality, efficient services that respond to the needs of people and continuously improve over time.
- 6.2. The introduction of an effective community planning process, led and facilitated by councils, is seen as critical to the delivery of this

overarching objective. Community planning would enable councils to work in partnership with a full range of other sectors, for example public bodies, businesses, and community and voluntary organisations. This would facilitate linking the delivery of services in their districts to provide a joined-up approach to meeting the needs and aspirations of local communities. The Department proposes that the community planning process to be introduced would not be overly prescriptive, to take account of the range of situations that exist across the region and within individual districts. This would provide individual councils with the flexibility to act at a local level to best meet local needs.

- 6.3. To ensure that councils are placed firmly at the hub of the process, the Department proposes that they should be required to make arrangements for community planning. To do this, councils would be expected to consult and co-operate with all bodies responsible for providing public services in the district. They would also be expected to engage with the community and other bodies and individuals in planning the provision of public services. Councils would also be required to ensure that their community plans are reviewed and revised, as appropriate, to meet changing circumstances and needs in their districts.

**Question 36:**

**Do you agree that councils should lead and facilitate community planning and that a requirement should be placed on them to do so?**

- 6.4. The effectiveness of the community planning process and the delivery of improved outcomes will, to a very large extent, be grounded in the establishment and maintenance of effective relationships between councils, departments and other public sector organisations. This is the experience in Scotland, England and Wales, where community planning has been in place for a number of years.
- 6.5. Whilst effective working relationships already exist with public bodies, businesses and community and voluntary organisations in some districts, the Department proposes that these bodies/organisations should be required to support and participate in the process. It is proposed that government departments should be required to promote the use of community planning and have regard to community plans. Other identified public bodies would be required to participate in and assist community planning.

**Question 37:**

**What are your views on departments and statutory bodies being required to participate in and support community planning?**

- 6.6. The Department proposes that district councils should be required to publish reports on community planning. These reports would include information about improvements in public services. The form, content and frequency of such community planning reports would be specified by the Department.



**Question 38:**

**Should councils be required to publish community plans for their districts, and to review these as necessary?**

- 6.7. Experience in the other jurisdictions would indicate that delivering on the potential of community planning will present a range of challenges for district councils and the Department would therefore propose to issue detailed guidance to support the effective operation of the flexible approach that is being put forward.

**Question 39:**

**Do you agree that the Department should be able to issue guidance to support community planning, and in relation to the format and content of a council's community plan?**

**Power of Well-Being**

- 7.1. The transfer of responsibility for the delivery of a range of new functions, and the introduction of the community planning process will enable councils to begin addressing the needs and aspirations of local communities. However, councils can only do what legislation enables them to do. In responding to issues that may be identified through community planning, a council may wish to take an action that is not specifically provided for in legislation. In order

to provide for such an eventuality, the Department proposes that councils should have a new power of well-being.

- 7.2. The proposed new power would enable councils to take any action not already the responsibility of another agency (unless that agency has given explicit agreement) to promote or improve the well-being of their district. It would not, however, be an unrestricted power for councils. A council would not be able to use the power of well-being to do anything that it is unable to do because of any other legal prohibition, restriction or limitation on their powers.
- 7.3. As with the proposals for the introduction of community planning, the Department proposes to issue detailed guidance in support of the exercise of the power of well-being which councils would be required to have regard to.

**Question 40:**

**Do you agree that a power of well-being should be introduced for councils, and that the Department should be able to issue guidance to support its operation?**

**A Partnership Panel**

- 8.1. The Executive's vision for the future delivery of its Programme for Government recognises the need for a partnership approach between departments and local government if the desired outcomes for everyone are to be delivered. The proposed community planning powers will require departments and agencies to work with

councils in developing and delivering on the themes and targets identified in community plans. A partnership approach to the delivery of the Executive's Programme for Government will also require a mechanism for government departments to agree and monitor a number of regionally determined performance indicators for service delivery by district councils.

- 8.2. The existing relationships between departments and their agencies and the local government sector, whether at a representative level through the Northern Ireland Local Government Association or at a local level with individual councils, are informal, ad hoc and inconsistent. They do not provide a firm foundation for a more strategic approach to the delivery of joined-up services.
- 8.3. Against this background, the Department proposes that a Partnership Panel for Northern Ireland should be established. This panel would formalise the relationships between the Executive and district councils and provide a forum for the collective consideration of strategic issues. The Partnership Panel would consist of Northern Ireland Ministers (especially where their departments have a significant policy relationship with local government) and representatives from councils.
- 8.4. The proposed Partnership Panel would be purely advisory, recognising the separate and distinct legal authority of departments and local government. It would not hamper the discretion of the Executive or of an individual Minister, or the operational discretion of local government. Accordingly, the Department proposes that the panel's remit would be to:

- give advice to Ministers about matters affecting the exercise of any of their department's functions;
- make representations to Ministers about any matters affecting, or of concern to, those involved in local government in Northern Ireland; and
- give advice to those involved in local government in Northern Ireland.

**Question 41:**

**Should a Partnership Panel be established to formalise relations between central and local government?**

**Question 42:**

**What are your views on the proposed remit of the Panel?**

## **Supervision of Councils**

9.1. Sections 127-129 of the Local Government Act (Northern Ireland) 1972 contain powers to enable the Department to supervise how councils exercise their functions. Those powers, which have rarely been used, would enable the Department to:

- require a council to make reports and give information about the exercise of its functions to the Department;
- cause local or other inquiries to be held or investigations to be made in connection with any matters relating to the functions of a council; and

- take action where a council has failed to discharge any of its functions (including empowering a departmental official to exercise the function in question).

9.2. Responsibility for policy and legislation in relation to local government functions falls to a number of Northern Ireland departments. Consequently, it is proposed that the above powers should be extended so that the department concerned (rather than the Department of the Environment) may exercise these powers where necessary. This will be particularly important when functions over which particular departments have policy responsibility are transferred to local government.

**Question 43:**

**Do you agree that the supervision powers currently available to the Department of the Environment should be made available to all departments?**

## **The Reorganisation of District Councils**

### Creation of new councils and dissolution of existing councils

10.1. The Local Government (Boundaries) Act (Northern Ireland) 2008 sets out the broad boundaries of the new local government districts and provided for the appointment of a Local Government Boundaries Commissioner to review and make recommendations on the boundaries of the new local government districts and their

constituent wards. The Local Government Boundaries Commissioner presented his report to the Department of the Environment on 22 June 2009. When Executive decisions have been made about the timetable for local government reorganisation, the Department will bring forward legislation to the Assembly to give effect to the Boundaries Commissioner's recommendation, with or without modification. This legislation will specify the boundaries of the new local government districts and wards.

10.2. Legislation will then be required to:

- abolish the current local government districts;
- dissolve the current district councils; and
- establish a council for each of the new local government districts.

10.3. Section 2 of the Local Government Act (Northern Ireland) 1972 enables a district council to submit a petition to the Secretary of State to request the granting of a charter designating the district of the council as a borough. Also, section 132 of the 1972 Act made provision at the time of the previous local government reorganisation in 1973 for a new council, in certain circumstances, to keep the borough status of an old council (i.e. one which was to join with other councils to form the new council). It is proposed that similar provisions to those in section 132 should be made to allow a successor council to keep the borough or city status of an existing council which is to join with another council (or other councils) to form the new council.

Transfers of staff, assets & liabilities

10.4. The proposed reduction in the number of councils from 26 to 11 will affect the employment position of some 9,900 local government staff, and require the transfer of the ownership of assets and liabilities from the current district councils to the new district councils. Around 1,000 Northern Ireland Civil Service staff will also be affected by the transfer of central government functions to local government.

10.5. The Department proposes that each department transferring functions to local government will be responsible for effecting this transfer through either legislative provisions or an appropriate transfer agreement. To ensure consistency in the transfer of all affected staff, assets and liabilities to local government the department concerned would be able to make schemes for the transfer of all affected staff, assets and liabilities to the new council structure from:

- the Northern Ireland Civil Service;
- the existing 26 councils and associated bodies; and
- other bodies as applicable (for example, the Northern Ireland Housing Executive).

10.6. Such a scheme (or schemes) may contain details concerning interests in and rights over property, employment contracts and other incidental matters. The Department proposes that the Libraries Act (Northern Ireland) 2008, which provided for the transfer of staff, property rights and liabilities of the affected bodies

to the Northern Ireland Library Authority, should be used as a model for the local government transfer schemes.

10.7. In particular, staff transfer schemes would make provision for:

- identifying the transferring employees (whether by name or otherwise);
- the date of transfer, post and location;
- contractual terms and conditions to be protected;
- securing pension protection for transferring employees;
- dispute resolution; and
- the payment of compensation to any transferring employee who suffers a loss or detriment in consequence of the scheme.

### Staff Transfer Schemes

10.8. Further consideration needs to be given to where the responsibility for making a staff transfer scheme might lie. To ensure a consistent approach in the transfers, the Department proposes that model transfer schemes are prepared. These model schemes will follow the precedent already established in previous RPA-related staff transfers and cover issues including the statutory protection of rights under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and pension rights. Where necessary, the schemes could be tailored, through schedules to the scheme, to meet the differing needs across departments and local government. Model schemes would be subject to consultation with transferring departments, existing councils, representatives of receiving councils and any other appropriate body.



**Question 44:**

**Do you agree that model transfer schemes should be developed?**

**Question 45:**

**Who should be responsible for preparing any model transfer schemes?**

Assets and Liabilities Transfer Schemes

- 10.9. The dissolution of the current 26 councils, and the creation of the proposed 11 new councils, will require the transfer of legal title to assets and the legal responsibility for any liabilities from a current council to its successor council. The Department proposes that transfer schemes, in line with previous RPA-related transfers, would be put in place.
- 10.10. Legal title for any assets and legal responsibility for any liabilities associated with the transfer of functions from departments to local government will also need to be transferred to the 11 new councils. The Department proposes that a scheme in relation to such a transfer would create, for the department concerned, interests in or rights over assets transferring, to ensure that assets are used for the purpose for which they were intended, following transfer. It would also address issues such as liabilities. Arrangements would be made to enable the transfer, for example, of property that a council or department would not otherwise legally be entitled to transfer, such as property purchased or

donated with clauses (e.g. buyback) limiting the ability for this property to be passed on through sale or transfer.

- 10.11. The Department also proposes that there should be a mechanism whereby interests in, or rights over, property could be clarified. This would be undertaken through the issue of a certificate by the department concerned. The transfer of assets and liabilities would be effected by legislation and the issue of a certificate would only be required in the event of, for example, an ownership challenge.

**Question 46:**

**Do you agree that transfer schemes in relation to property and assets of government departments transferring to the new councils should provide for a continuing interest for the department concerned?**

Financial Arrangements

- 10.12. Current legislation applicable to local government provides that councils may only incur expenditure for carrying out functions for which they have responsibility. Prior to the reorganisation of local government, there may however be a requirement for existing councils to incur expenditure in relation to matters that would not fall into this category, for example, expenditure in relation to elections to their successor councils.
- 10.13. The Department therefore proposes that existing district councils should be able to incur expenditure on behalf of their relevant successor councils. For accounting purposes, it is proposed any

expenditure incurred in this way would be recoverable from the new councils once they are established.

**Question 47:**

**Do you support the proposal that existing district councils should be able to incur expenditure on behalf of the new council to be established for that area?**

## **HUMAN RIGHTS**

11. The Department believes that the proposals are compatible with the Human Rights Act 1998.

## **EQUALITY**

12. Under the terms of section 75 of the Northern Ireland Act 1998, the Department carried out screening for equality impact and is satisfied that the proposed legislation will not lead to discriminatory or negative differential impact on any of the section 75 groups. A copy of the screening form can be viewed on the Department's website [http://www.doeni.gov.uk/index/information/equality\\_unit.htm](http://www.doeni.gov.uk/index/information/equality_unit.htm).

## **REGULATORY IMPACT ASSESSMENT**

13. The Department has not conducted a regulatory impact assessment as the proposed legislation does not give rise to any associated costs or savings on business, charities, social economy enterprises or the voluntary sector.

## **RURAL PROOFING**

14. The Department has assessed the proposed measures and considers that there would be no differential impact in rural areas or on rural communities.

## **FREEDOM OF INFORMATION ACT 2000 – CONFIDENTIALITY OF CONSULTATIONS**

15. The Department may publish a summary of responses following completion of the consultation process. Your response, and all other responses to the consultation, may be disclosed on request. The Department can only refuse to disclose information in exceptional circumstances. Before you submit your response, please read Annex B on the confidentiality of consultations. It gives guidance on the legal position about any information given by you in response to this consultation.

## **ALTERNATIVE FORMAT**

16. This document is available in alternative formats. Please contact us to discuss your requirements.

## **CONSULTATION**

17. Comments should be sent by 11 March 2011 to Local Government Policy Division at the address below or by e-mail to [LGPDConsultations@doeni.gov.uk](mailto:LGPDConsultations@doeni.gov.uk).
18. If you have any queries in relation to the proposals, you should contact the following:

	<b>Name</b>	<b>E-mail</b>	<b>Telephone</b>
Governance; and Partnership Panel	John Murphy Lynn McCracken	<a href="mailto:john.murphy@doeni.gov.uk">john.murphy@doeni.gov.uk</a> <a href="mailto:lynn.mccracken@doeni.gov.uk">lynn.mccracken@doeni.gov.uk</a>	028 9025 6048 028 9025 6074
Ethical Standards	Mylene Ferguson Phyllis Mulholland Julie Broadway	<a href="mailto:mylene.ferguson@doeni.gov.uk">mylene.ferguson@doeni.gov.uk</a> <a href="mailto:phyllis.mulholland@doeni.gov.uk">phyllis.mulholland@doeni.gov.uk</a> <a href="mailto:julie.broadway@doeni.gov.uk">julie.broadway@doeni.gov.uk</a>	028 9025 6086 028 9025 6087 028 9025 6094
Service Delivery and Performance Improvement	John Murphy Lorcan O’Kane Damien Dean	<a href="mailto:john.murphy@doeni.gov.uk">john.murphy@doeni.gov.uk</a> <a href="mailto:lorcan.o’kane@doeni.gov.uk">lorcan.o’kane@doeni.gov.uk</a> <a href="mailto:damien.dean@doeni.gov.uk">damien.dean@doeni.gov.uk</a>	028 9025 6048 028 9025 6045 028 9025 6836
Community Planning; and Power of Well-being	John Murphy Damian McKeivitt	<a href="mailto:john.murphy@doeni.gov.uk">john.murphy@doeni.gov.uk</a> <a href="mailto:damian.mckevitt@doeni.gov.uk">damian.mckevitt@doeni.gov.uk</a>	028 9025 6048 028 9025 6050
Reorganisation	John Murphy Julie Broadway	<a href="mailto:john.murphy@doeni.gov.uk">john.murphy@doeni.gov.uk</a> <a href="mailto:julie.broadway@doeni.gov.uk">julie.broadway@doeni.gov.uk</a>	028 9025 6048 028 9025 6094

19. This Consultation Document is being circulated to persons and bodies listed in Annex C and is also available to view at: [http://www.doeni.gov.uk/index/local\\_government/](http://www.doeni.gov.uk/index/local_government/).

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## GLOSSARY

Best value	The establishment of a culture of good management for the delivery of efficient, effective and economical services that meets users needs.
Cabinet-style model	Executive responsibility for all operational decisions is devolved from the full council to a relatively small committee of councillors.
Call-in	<p>A process to allow a specified number of councillors to request that:</p> <ul style="list-style-type: none"> <li>• a decision taken but not yet implemented under devolved arrangements; and</li> <li>• a decision to be endorsed by the council through the ratification of minutes from a committee</li> </ul> <p>be looked at again, under specified circumstances.</p>
Central policy committee	A central committee that will be responsible for developing the policies by which a council will operate.
Checks and balances	A system of principles of an organisation that ensures the correct operation of structures and that no one person or group has too much power or influence.
Continuous improvement	Ongoing effort to seek regular improvements in the delivery of these services over time.
D'Hondt	A formula developed by the Belgian mathematician D'Hondt which is used to ensure that positions of responsibility can be allocated relative to political parties electoral strengths.
Decision-making structures	The structures operating within an organisation to enable relevant participants to be in a position to make a decision.

Devolved decision-making	A decision-making principle where a specified committee or officer makes the final decision on issues within their remit.
Droop Quota method	A formula for allocating positions, taking into account the electoral strengths of political parties. Similar to quota greatest remainder but with a greater divisor.
Executive responsibility	Having sole authority and responsibility for taking an action or making a decision.
Full Term	The period of time (usually four years) a council regularly meets and carries out its formal duties.
Mandatory cross-party committee	A committee which is required to have membership drawn from more than one political party elected to the organisation.
Proportionality	The principle of recognising the relative electoral strengths of the political parties in the allocation of positions of responsibility.
Qualified majority voting	A voting method that requires a specified minimum level of votes to be cast in favour of the proposal for it to be accepted.
Quota Greatest Remainder	A formula for allocating positions taking into account the electoral strengths of political parties.
Saint Lague	A formula developed by the French mathematician Saint-Lague which has a similar purpose to D'Hondt but where the divisor is greater.
Scrutiny committee	A committee established under the principle of checks and balances to scrutinise the work of devolved decision-makers and make recommendations in relation to council policy review.
Streamlined	Executive responsibility for specific decisions is

committee model	devolved from the full council to a central policy committee and a limited number of other committees.
STV	Single transferable vote where a voter has a single vote but may express a preference for the person to whom that vote should be transferred if his/her first preference has more votes than is required to be elected.
Traditional committee structure	Individual committees are established to consider specific issues and return recommendations on appropriate courses of action, for decision by the full council (unless authorised by full council to make that decision).



## **THE FREEDOM OF INFORMATION ACT 2000 CONFIDENTIALITY OF CONSULTATIONS**

1. The Department may publish a summary of responses following completion of the consultation process. Your response, and all other responses to the consultation, may be disclosed on request. The Department can only refuse to disclose information in exceptional circumstances. Before you submit your response, please read the paragraphs below on the confidentiality of consultations and they will give you guidance on the legal position about any information given by you in response to this consultation.
2. The Freedom of Information Act gives the public a right of access to any information held by a public authority, namely, the Department in this case. This right of access to information includes information provided in response to a consultation. The Department cannot automatically consider as confidential information supplied to it in response to a consultation. However, it does have the responsibility to decide whether any information provided by you in response to this consultation, including information about your identity, should be made public or be treated as confidential.
3. This means that information provided by you in response to the consultation is unlikely to be treated as confidential, except in very particular circumstances. The Lord Chancellor's Code of Practice on the Freedom of Information Act provides that:
  - the Department should only accept information from third parties in confidence if it is necessary to obtain that information in

connection with the exercise of any of the Department's functions and it would not otherwise be provided;

- the Department should not agree to hold information received from third parties "in confidence" which is not confidential in nature; and
- acceptance by the Department of confidentiality provisions must be for good reasons, capable of being justified to the Information Commissioner.

4. For further information about confidentiality of responses please contact the Information Commissioner's Office (or see website at: <http://www.informationcommissioner.gov.uk> ).

## LIST OF CONSULTEES

**This is not an exhaustive list but it is indicative of the organisations to whom the document has been issued**

All Northern Ireland District Councils

arc21

Association for Public Service Excellence

Association of Local Government Finance Officers

Belfast Solicitors Association

Chief Local Government Auditor

Civil Law Reform Division

Community Relations Council

Confederation of British Industry

Courts and Tribunal Service

Equality Commission for NI

Federation of Small Businesses

Food Standards Agency

HM Council of County Court Judges

HM Revenue & Customs

Human Rights Commission

Judge McKibbin District Judge (Magistrates Court)

Law Centre (NI)

Local Government Staff Commission for Northern Ireland

MEPs

Ministry of Defence

MLAs

MPs

National Association of Councillors

NI Assembly, Committee for the Environment

NI Association of Citizens Advice Bureau

NI Chamber of Commerce and Industry

NIACRO

NIC/ICTU

NIPSA

Northern Ireland Chamber of Trade

Northern Ireland Court Service

Northern Ireland Judicial Appointments Commission

Northern Ireland Law Commission

Northern Ireland Local Government Association

Northern Ireland Local Government Officers' Superannuation Committee

Northern Ireland Political Parties

NWRWMG

Participation & the Practice of Rights Project

Royal Society for the Protection of Birds

School of Law

Secretary - Catholic Bishops of Northern Ireland

Section 75 Groups

SOLACE

Staff Commission for Education & Library Boards

SWaMP2008

The Executive Council of the Inn of Court of NI

The General Consumer Council for Northern Ireland

The Law Society of NI

The NI Council for Voluntary Action

The Queens University of Belfast – School of Law

University of Ulster - School of Law

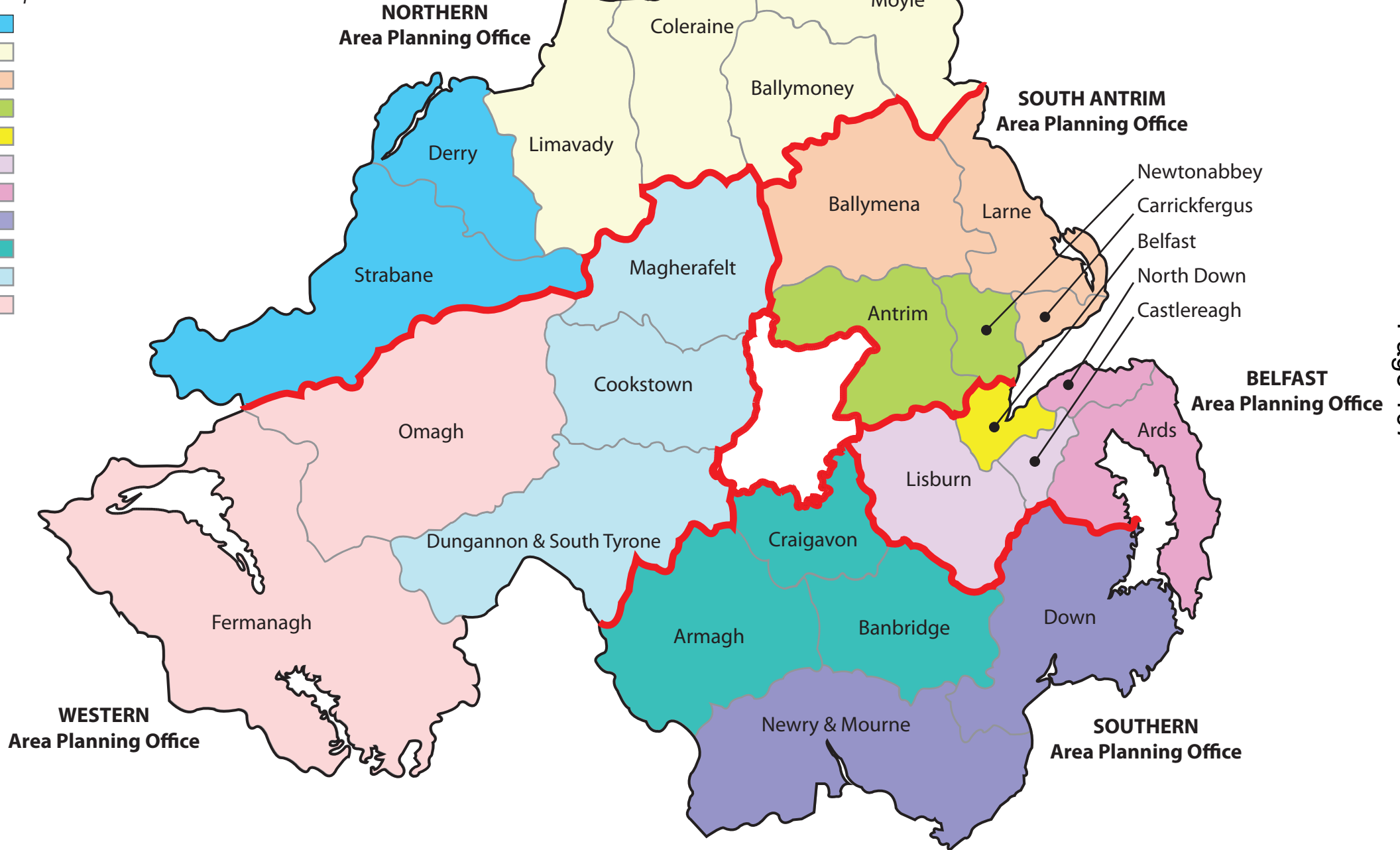
# NEW MODEL FOR LOCAL DEMOCRACY



## Area Planning Offices

■ Planning Area Border

## Proposed New Council Clusters



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### Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	Requests for the use of City Hall and the provision of Hospitality
<b>Date:</b>	Friday, 10th December, 2010
<b>Reporting Officer:</b>	Mr. Stephen McCrory, Democratic Services Manager (Ext. 6314)
<b>Contact Officer:</b>	Mr. Gareth Quinn, Senior Democratic Services Officer (Ext. 6316)

<b>1.</b>	<b>Relevant Background Information</b>
1.1	Members will recall that the Committee, at its meeting on 26th September, 2003, agreed to the criteria which would be used to assess requests from external organisations for the use of the City Hall and the provision of hospitality. Subsequently the Committee at its meeting on 7th August, 2009, further amended the criteria so as to incorporate the new Key Themes as identified in the Council's Corporate Plan.

<b>2.</b>	<b>Key Issues</b>
2.1	The revised criteria has been applied to each of requests contained within the appendix and recommendations have been made to the Committee on this basis.

<b>3.</b>	<b>Resource Implications</b>
3.1	Provision has been made in the Revenue Estimates for hospitality.

<b>4.</b>	<b>Equality Implications</b>
4.1	N/A

<b>5.</b>	<b>Recommendations</b>
5.1	The Committee is asked to approve the recommendations as set out in the Appendix.

<b>6.</b>	<b>Decision Tracking</b>
Officer responsible – Gareth Quinn 2nd December, 2010	

<b>7.</b>	<b>Key to Abbreviations</b>
Not applicable.	

<b>8.</b>	<b>Documents Attached</b>
Appendix 1 – Schedule of Applications	



**SCHEDULE OF APPLICATIONS FOR THE USE OF THE CITY HALL AND  
THE PROVISION OF HOSPITALITY**

Organisation / Body	Event / Date – Number of Delegates / Guests	Request	Comments	Recommendation
Nomadic Preservation Society	SS Nomadic Centenary Celebration Convention 2011 3rd June, 2011 Approximately 100 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception	Delegates will be staying in accommodation in Belfast and the conference will take place within the city.  This event would contribute to the Council's Key Theme of 'City Leadership, Strong, Fair and Together'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.  Approximate cost £400
Sport Northern Ireland	UK Coaching Summit 2011 7th June, 2011 Approximately 350 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception.	Delegates will be staying in accommodation in Belfast and the conference will take place within the city.  This event would contribute to the Council's Key Theme of 'City Leadership, Strong, Fair and Together'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.  Approximate cost £500
European Communication Research and Education Association	2 <sup>nd</sup> Conference of the Interpersonal Communication and Social Interaction Section 8 <sup>th</sup> September, 2011 Approximately 150 attending	The use of the City Hall and the provision of hospitality in the form of a pre-dinner drinks reception.	Delegates will be staying in accommodation in Belfast and the conference will take place within the city.  This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together' and 'Better support for people and communities'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.  Approximate cost £500
Queen's University Belfast	International Research Society for Public Management Conference 14th April, 2011 Approximately 50 attending	The use of the City Hall and the provision of hospitality in the form of a drinks reception.	Delegates will be staying in accommodation in Belfast and the conference will take place within the city.  This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together', 'Better opportunities for success across the city' and 'Better support for people and communities'.	The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.  Approximate cost £500
Age Sector Platform	Northern Ireland Pensioners' Parliament - Belfast 4th March, 2011 Approximately 100 attending	The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits	This event will provide a way for older people across Northern Ireland to have their say on the issues that matter to them.  The event is one of seven local events which will identify issues of concern within the city and will be used to elect representatives to the overall Pensioners	The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits.  Approximate cost £200

			<p>Parliament.</p> <p>This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together', 'Better Services - listening and delivering' and 'Better support for people and communities'.</p>	
British Council	<p>Global Xchange Awards Ceremony</p> <p>12th January, 2011</p> <p>Approximately 50 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of a pre-reception drinks reception.</p>	<p>This event seeks to recognise the contribution of volunteers in the community and to acknowledge the role of voluntary and community groups in providing placements. The programme also seeks to increase the intellectual understanding and dialogue of the volunteers.</p> <p>This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together', 'Better opportunities for success across the city' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of red/white wine and soft drinks.</p> <p>Approximate cost £200</p>
The Scout Association	<p>Queen's Scout Award and Chief Scout's Award Certificate Presentation</p> <p>17th June, 2011</p> <p>Approximately 450 attending</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits</p>	<p>This event aims to recognise the achievements of young people who have successfully demonstrated the determination and persistence required to achieve their personal best in terms of effort, commitment and self-reliance.</p> <p>This event would contribute to the Council's Key Themes of 'City Leadership, Strong, Fair and Together' and 'Better support for people and communities'.</p>	<p>The use of the City Hall and the provision of hospitality in the form of tea/coffee and biscuits.</p> <p>Approximate cost £900</p>



<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	<b>Request for a Special Committee Meeting on the 'Review of the future use and management of the City Hall'</b>
<b>Date:</b>	10 December 2010
<b>Reporting Officer:</b>	Gerry Millar, Director of Property and Projects
<b>Contact Officer:</b>	Gerry Millar, Director of Property & Projects

<b>1.0</b>	<b>Purpose of report</b>
1.1	The purpose of this report is to ask Members to agree to the holding of a special meeting of the Strategic Policy & Resources Committee to discuss the future use and management of the City Hall.
<b>2.0</b>	<b>Relevant Background Information</b>
2.1	The City Hall is the most prestigious building in Belfast and is one of the most instantly recognisable symbols of the city. It has a unique, iconic status and is very much seen as the 'heart of the city'.
<b>3.0</b>	<b>Key Issues</b>
3.1	As Belfast's most impressive and iconic asset it is crucial that the City Hall is protected and maintained for current and future generations to enjoy. It is therefore important that a robust framework is put in place which contains the policies and processes needed to govern its future role, management and use. Members will be aware that while there are currently a number of established policies and processes in place for the use and management of the City Hall many of these policies were created when the City Hall was less frequently used and/or they predate the Council's current organisational and decision-making structures. There are a number of other areas for which there are no explicit policies in place or else there are historic outdated policies.
3.2	A detailed report (13 pages) has been prepared by officers which outlines a number of options which could help streamline the current processes and address any gaps which may exist in current policies. This options paper has been prepared in consultation with staff from departments and services across the Council including Chief Officer's, Democratic and Legal Services, the Facilities Management Unit, the Events Unit and the Culture & Arts Unit.
3.3	The options paper outlines some of the general issues in respect of the management and governance arrangements for the City Hall and looks in detail at a number of key inter-related issues including - <ul style="list-style-type: none"> <li>- Booking of events in the City Hall,</li> <li>- Criteria for the use of the City Hall</li> <li>- Scope to introduce a policy for the charging of function room hire in City Hall</li> <li>- Catering for City Hall events</li> <li>- Tours</li> <li>- City Hall Grounds – criteria for the use of City Hall grounds, accountability and scope to introduce charging for use of the City Hall grounds</li> </ul> <p>Members will appreciate that this is a complex, detailed and interrelated piece of work and will therefore require time for Members to consider, in detail, the emerging proposals and the associated implications for the Council.</p>
3.4	However all the policy areas, issues and options presented in the options paper fundamentally raise the key question of ' <b><i>What is/should be the role of the City Hall and what sort of building do Members want the City Hall to be in the future?</i></b> ' Members are therefore asked, in advance of and in preparation for the proposed special meeting of the Strategic Policy and Resources Committee, to consider the central issue of what the role of the City Hall is/should be e.g.

	<ul style="list-style-type: none"><li>- should it remain an open, accessible, free building for all?;</li><li>- should the Council seek to ensure that its costs are covered as a minimum so that these are not passed onto the ratepayer?; or</li><li>- should it operate on a more commercial type basis?.</li></ul> <p>Within this context, the draft detailed paper prepared sets out a number of options which are available to in respect to the potential scope to introduce charges for room hire, tours or for use of the City Hall grounds.</p>
3.5	While these options will be explored in detail at the proposed special meeting, it should be noted the preferred options which will subsequently be progressed will be driven by the central decision taken by Members in respect to the future role of the City Hall.

#### **4.0 Resource Implications**

Members are asked to note that the resource implications of the options outlined in the paper have not been quantified as the final resource implications (financial and human) will be dependent on the options which Members chose in relation to each policy area. Further work will be carried out in relation to these areas when Members have agreed the way forward.

#### **5.0 Recommendations**

Members are asked to agree to the holding of a special meeting of the Strategic Policy & Resources Committee in order to allow for detailed discussion on the future use and management of the City Hall.



**Belfast City Council**

**Report to: Strategic Policy and Resources Committee**

**Subject: Connswater Community Greenway Update**

**Date: 10<sup>th</sup> Dec 2010**

**Reporting Officer:** Gerry Millar, Director of Property and Projects

**Contact Officer: Celine Dunlop, Estates Surveyor, Property and Projects.**

<b>Relevant Background Information</b>	
1.1	Belfast City Council, as part of the City Investment Strategy, has agreed to coordinate the acquisition of lands to enable the Connswater Community Greenway Programme to proceed. The Council will secure rights over the land needed for the Greenway and shall be responsible for the management and maintenance of this land and any assets on the land. The Greenway must be accessible for 40 years to comply with the Big Lottery Fund letter of offer, although the intention is to secure rights for longer if possible.
1.2	The Council have awarded the contract for the construction of the Greenway to SIAC/Galliford Try and the Project Manager is currently finalising the programme of work with the contractor.

<b>Key Issues</b>	
2.1	(i) An area of land at the Knock dual carriageway adjacent to Laburnum playing fields consisting of 26 square metres and shown outlined red on the attached plan at Appendix '1' has been identified as being required for the Connswater Community Greenway. Council officials have agreed to take an easement to create access over these lands for the Greenway from Andrew Millar and Co Ltd in consideration of five pence if demanded.
2.2	(ii) An area of land at Glen Road to the south-east of the Knock Dual carriageway consisting of 0.98 acres and shown outlined red on the attached plan at Appendix '2' has been identified as being required for the Connswater Community Greenway. Council officials have agreed to purchase these lands

	from the Northern Ireland Housing Executive (NIHE) for £5.00. The purchase is subject to NIHE Board approval which is currently being sought by staff from the NIHE's Craigavon offices.
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<b>Resource Implications</b>	
	<b>Financial</b>
3.1	(i) The proposal to acquire the land from Andrew Millar and Co Ltd requires expenditure of £0.05 if demanded to acquire the easement over the land plus associated reasonable professional and legal fees.
3.2	(ii) The proposal to acquire the land from the NIHE requires expenditure of £5.00 to purchase the land plus reasonable professional and legal fees.
	<b>Human Resources</b>
3.3	Staff resource required from Estates Management Unit and Legal Services.
	<b>Asset and Other Implications</b>
3.4	The additional land will form part of the Connswater Community Greenway which when complete will be managed and maintained by the Council.

<b>Equality and Good Relations Implications</b>	
4.1	The Connswater Community Greenway will have a positive impact in terms of equality of opportunity and good relations.

<b>Recommendations</b>	
5.1	(i) It is recommended that the Committee grant approval for the Council to acquire an easement over the lands outlined red on the plan attached at Appendix '1' from Andrew Millar & Co Ltd for £0.05 if demanded.
5.2	(ii) It is recommended that the Committee grant approval for the Council to purchase the land shown outlined red on the plan attached at Appendix '2' from the NIHE for £5.00.

	<b>Decision Tracking</b>
6.1	Action by Celine Dunlop and Legal Services to be completed by June 2011.

	<b>Key to Abbreviations</b>
7.1	N/A

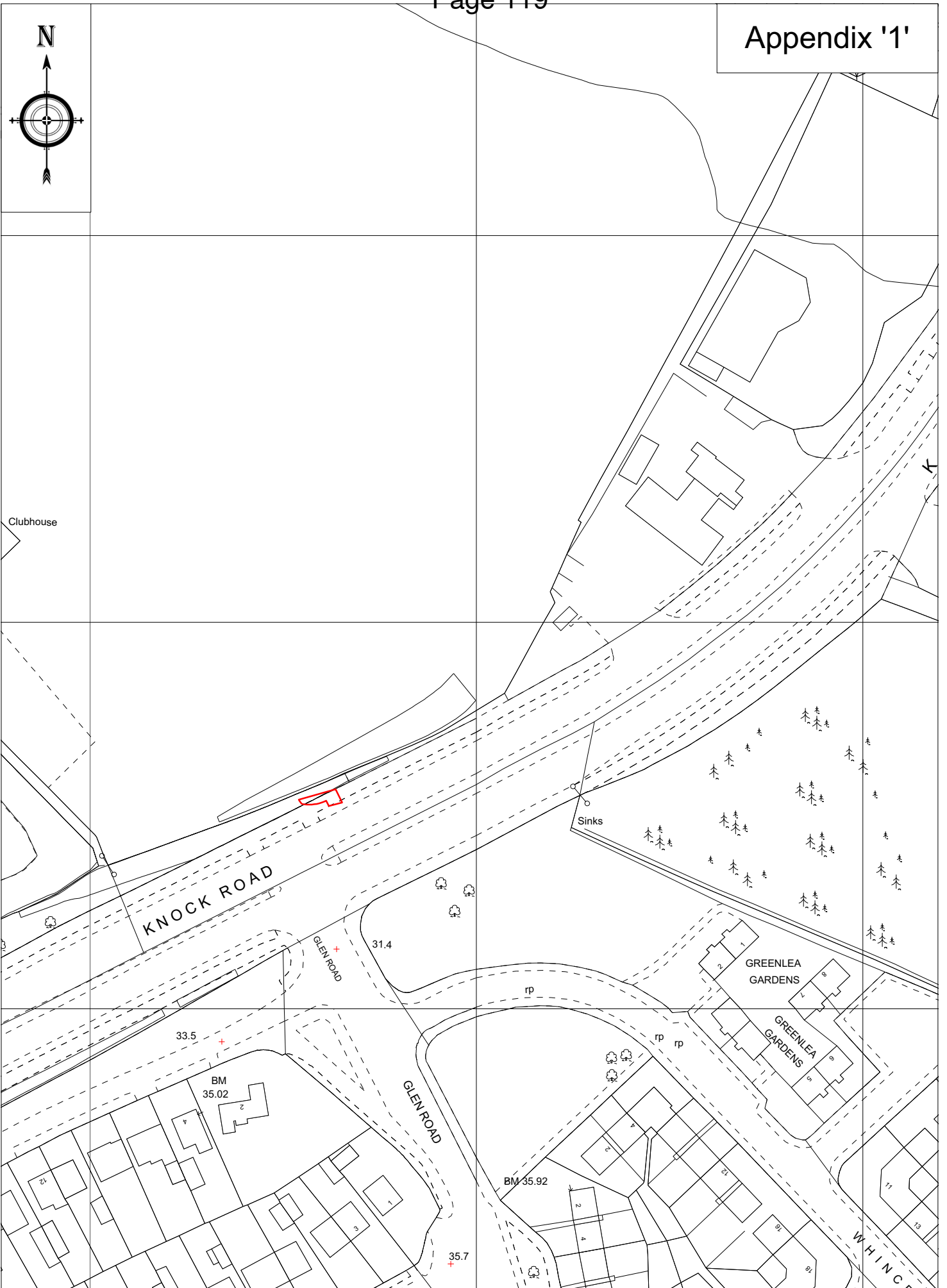
	<b>Documents Attached</b>
8.1	Plans at Appendix '1' and '2'.

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Clubhouse



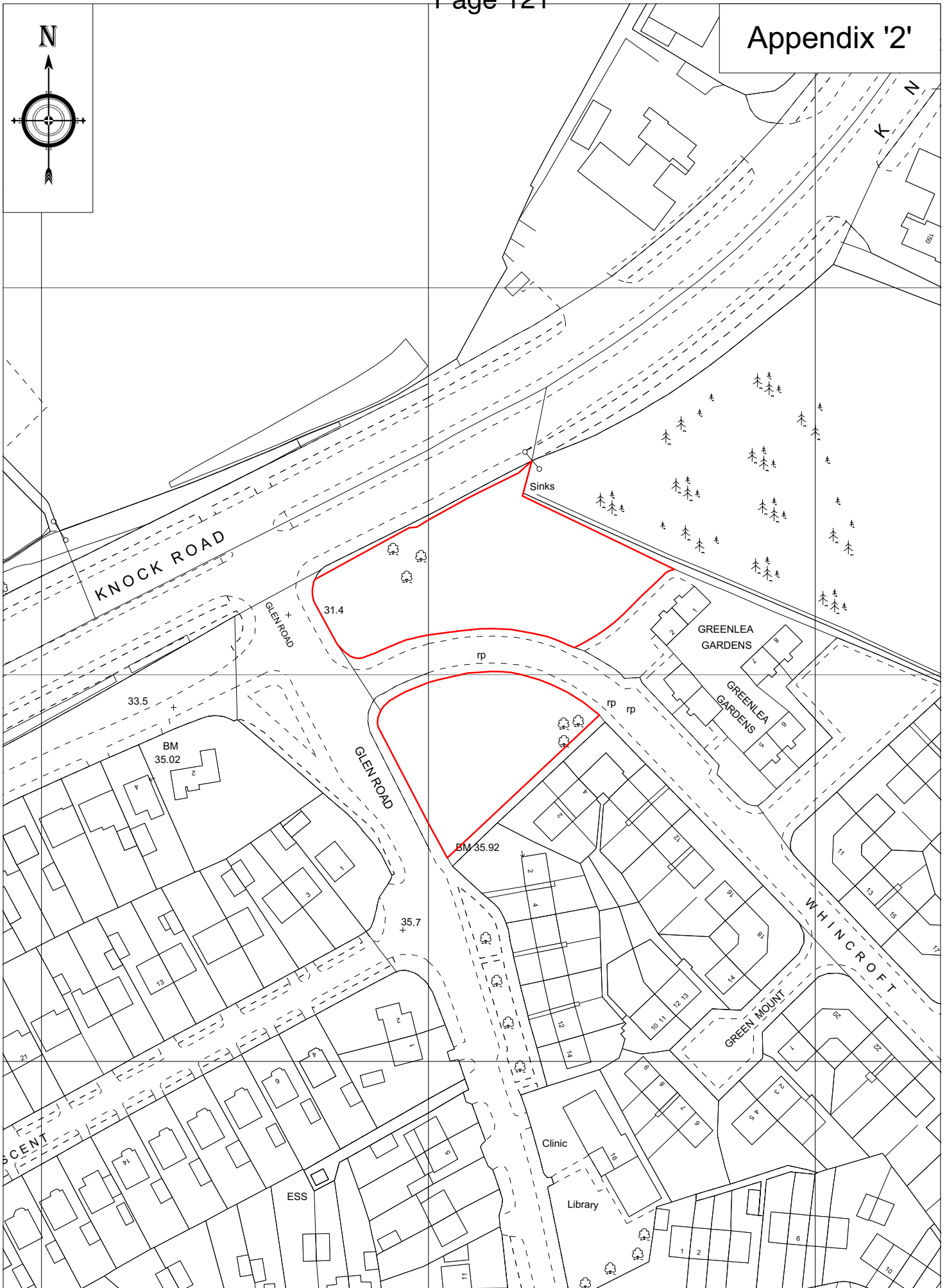
Scale 1:1250

Connswater Community Greenway - Plot 91b

Area 26 sq m

SS

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Scale 1:1250

Connswater Community Greenway - Plot 92

Area 0.98 acres

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**Belfast City Council**

<b>Report to:</b>	Strategic Policy & Resources Committee
<b>Subject:</b>	Land at McClure Street
<b>Date:</b>	10 December 2010
<b>Reporting Officer:</b>	Gerry Millar, Director of Property & Projects - Ext 6217
<b>Contact Officer:</b>	Cathy Reynolds, Estates Manager - Ext 3493

<b>Relevant Background Information</b>	
1.1	The Council owns a long linear strip of land at McClure Street off Ormeau Road, as shown on the attached plan (Appendix 1). This land (together with other lands located opposite) was transferred to the Council by the Department of the Environment in 1987 for the purposes of open space & landscaping.
1.2	The land which adjoins the railway, extends to approximately 0.95 acres and is currently used as open space/landscaping.
1.3	Members will be aware that a number of reports were previously taken to Committee over the past few years regarding the potential disposal of this land. There is a long history of decisions in relation to this land and in order to understand the background; a summary of the main decisions is attached at Appendix 2.
1.4	The owner of an adjoining office block fronting onto Ormeau Road has also recently enquired about the possibility of acquiring a portion of the subject lands to extend his existing car park which fronts onto McClure Street.

2	<b>Key Issues</b>
2.1	<p data-bbox="325 264 544 297"><u>Planning Issues:</u></p> <p data-bbox="325 331 1385 432">In dBMAP the site is zoned as 'open space' although this is 'for information only'. The Council objected to this zoning on the basis that it should be identified as land available for housing.</p> <p data-bbox="325 465 1390 801">Planning advice has recently been sought from Planning Consultants who have advised that the preliminary view of the BMAP team is that an application for housing should not raise matters of prejudice or prematurity and that the key planning policy document would be PPS 8 'Open Space, Sport &amp; Outdoor Recreation'. In light of the preliminary view of the BMAP team and the fact that PPS 8 is the key planning policy document the consultants are of the view that there is no particular advantage (in planning terms) in awaiting the outcome of the BMAP process. Discussions have also recently been held with Planning Service in relation to any potential for obtaining planning approval in view of the 'open space' designation.</p> <p data-bbox="325 835 1390 969">PPS 8 incorporates the presumption against the loss of existing open space but it also provides for an exception where <i>'it is clearly shown that redevelopment will bring substantial community benefits that decisively outweigh the loss of open space'</i>.</p> <p data-bbox="325 1003 1390 1507">Advice given by the planning consultants indicates that it may be possible to consider this exception test in light of the fact the site was previously used for housing; that it's public value as open space is limited because of its nature (linear site) and context (located between a railway embankment and a road); that there is an area of better quality open space nearby i.e. the open space to the south of McClure Street. However any proposed development would have to bring substantial community benefit to outweigh the loss of open space and the view of the consultants is that the provision of, for e.g. social housing, would deliver such benefits. On the basis of both the consultant's advice and following discussions with Planning Service it is considered that the test of substantial community benefit is highly unlikely to be met by the provision of private housing. If a planning application is submitted for social housing or other type of development of a community nature it would have to be considered on the basis of this exceptions test in terms of the substantial community benefits it might bring.</p> <p data-bbox="325 1541 1390 1742">However, as well as the planning policy issues there are other hurdles that would have to be overcome in terms of the physical and technical constraints of developing on this long linear site. As part of any planning application an acoustic report (in light of the proximity of the site to the railway line) and an engineering report (due to proximity of the railway embankment and railway line) are also likely to be required.</p> <p data-bbox="325 1776 1390 1910">In addition, PPS 7 Addendum, issued in August 2010, provides additional planning policy to protect areas of established residential character and will consider issues such as existing density in the area in terms of any new planning applications.</p>

2.3	<p><u>Restrictions on Sale:</u></p> <p>Previous advice from VLA (now LPS) indicated that the inclusion of an exclusively social housing restriction would reduce the sale price of the land in the open market. This was at the peak of the market at a time when there was a strong demand from private housing developers and a resultant recognisable difference in values between private and social housing. In the current market there is, however, very limited demand from private housing developers and social housing is often the only demand in the open market for residential sites. This, together with a significant reduction in values overall for all house types, has resulted in a situation in the current market where there may in fact be little, if any, difference between the value of the land for social or general housing. However this will not be known until the land is marketed (if a decision is made to offer for sale on the open market).</p> <p>From an audit perspective, and given that the Council does not have a housing function, then in order to comply with the Local Government Act (NI) 1972 best price obligation, it is recommended that the land is marketed without any restriction as to social housing. By imposing a user restriction (particularly where the use is a function not carried out by the Council) which might suppress the open market value this could potentially result in the sale price not complying with disposal at best price as required in the LGA (NI) 1972. In such instances approval would be required from the DOE. In addition, if the Council are too prescriptive this will limit the potential end uses which might be desirable from the Council's perspective. If the use is not restricted to merely social housing this would also allow for any other potential uses that might fall into the 'substantial community benefit' test. Social housing providers/housing associations would however be free to bid accordingly.</p> <p>However, whilst the marketing particulars may not specifically provide for such a restriction, they could refer to the current planning policies and planning advice which would determine the end use. Any bids subsequently received will therefore reflect the planning position and likewise so too will the value.</p>
2.4	<p><u>Title Restrictions:</u></p> <p>The subject land was acquired by the Council from DOE and is subject to a covenant that restricts use of the lands to landscaping and open space. At the time of the previous marketing exercise DSD (as successor to DOE) had agreed to a relaxation of this user covenant subject to certain conditions, including payment to them of 50% of the sale price. DSD have recently been contacted again to ascertain if a similar arrangement would apply in the event that the Council decides to remarket the land.</p>
2.5	<p><u>Value:</u></p> <p>Members will be aware that there has been a marked downturn in the property market. Whilst previous marketing resulted (at the peak of the property market) in a high offer for the land based on a high density development, this was subject to obtaining planning, which, in light of current planning policy and the technical and physical constraints, now seems highly unlikely.</p> <p>Given the current planning restrictions and the technical and physical constraints in developing this site (and this is assuming that planning might in fact be</p>

	<p>obtainable) as well as the marked downturn in the property market, it must be emphasised that the current open market value of the site will be significantly lower than the offers received back in 2006. These offers were based on high density apartment schemes and were subject to planning. In addition, if there is a similar arrangement as agreed previously with DSD in relation to the relaxation of the use covenant then the Council would only receive 50% of the proceeds.</p>
2.6	<p><u>Council requirements:</u></p> <p>The Client Services Committee, at their meeting back in 17 August 2004, declared the land surplus to Council requirements (and agreed to place on the open market) although the land was obviously not subsequently sold and continues to be used as informal open space.</p>
2.7	<p><u>Options:</u></p> <p>In light of the above comments, the following options can be considered:</p> <p><u>Option 1: Retain the land in Council ownership:</u> Certain benefits will be derived from continued use as informal open space. However, there is an area of better quality open space directly opposite and its value as open space is diminished somewhat in that it is located between a railway line and a road and is also subject to fly tipping.</p> <p><u>Option 2: Offer for sale on the open market with use restricted to social housing:</u> As outlined above, restricting the use to a non Council function, and to a use that may potentially suppress the open market value may potentially cause problems in terms of demonstrating that the best price (or best terms) has been obtained in accordance with the requirements of the LGA (NI) 1972. It also limits other potential end users that may in fact be desirable from the Council's perspective and which could potentially satisfy the 'substantial community benefit' exception test in terms of PPS 8. Given this planning policy issue, however, it is possible that the potential end use may well be social housing but this is essentially a matter for the market to determine in line with the planning restrictions.</p> <p><u>Option 3: Council apply for planning approval for a housing scheme:</u> Planning Service and the planning consultants have indicated that a full planning application as opposed to an outline planning application is likely to be required Whilst this might bring more certainty in terms of any future marketing of the site it nonetheless restricts the use and design to a particular scheme only. It may limit the market which again may have an impact on value. In addition any future end user is unlikely to use the same housing layout/design as per any application made by the Council. Individual Housing Associations, for e.g. have very specific requirements in terms of layout and design etc and would therefore still have to make a new planning application in due course to meet their own specific requirements.</p> <p><u>Option 4: Advertise for sale on the open market, free of restrictions as to future use:</u> This option would accord with the Council's requirements to obtain best price (or best terms) and may allow the Council to consider other potential end uses that might be desirable from a community or social perspective (subject to planning). The sales marketing particulars could highlight the planning policy restrictions, particularly in terms of PPS 8, and the exceptions test in terms of</p>



	<p>'substantial community benefits to decisively outweigh the loss of open space' Any interested parties would need to have regard to this and in light of the current economic climate and depressed property market it is considered highly unlikely that developers will be as willing to simply take a chance in getting planning permission for a development that does not accord with the current planning policies. It is however also recommended that the Council makes any sale that is subject to planning time bound i.e. give the purchaser a specified time to obtain planning and complete the sale.</p> <p>Option 4 above is recommended.</p>
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<b>3</b>	<b>Resource Implications</b>
3.1	<p><u>Financial:</u></p> <p>Unknown at this stage until the land is marketed and planning approval obtained. DSD may seek 50% of sale proceeds for relaxation of the user covenant.</p>
3.2	<p><u>Human Resources</u></p> <p>Staff Resource, primarily within Estates Management Unit to progress.</p>
3.3	<p><u>Asset &amp; Other Implications</u></p> <p>Whilst the land is currently used as open space there are problems of dumping and anti social behaviour at this location. There is an area of better quality open space directly opposite. Development of these lands at a suitable density appropriate for the locality and with good quality design should result in an improved asset for the benefit of the local area.</p>

	<b>Equality and Good Relations Implications</b>
	None at this time.

	<b>Recommendations</b>
	<p>Members are asked to indicate, in principle, if they wish to progress on the basis of Option 4, i.e. that the lands are to be re-marketed, free of restrictions as to future use and on the basis that any disposal would be time bound. If Members wish to progress on this basis, then a report will be brought back to advise on the marketing price and to advise of the requirements of DSD in releasing the covenant</p>

	<b>Decision Tracking</b>
<p>Director of Property &amp; Projects to bring a report back to Committee within 2 months to advise re marketing.</p>	

	<b>Key to Abbreviations</b>
<p>VLA: Valuation &amp; Lands Agency LPA: Land &amp; Property Services LGA: Local Government Act dBMAP: Draft Belfast Metropolitan Area Plan</p>	

	<b>Documents Attached</b>
<p>Appendix 1 : Location Map Appendix 2 : Summary of previous Committee decisions</p>	

## APPENDIX 2:

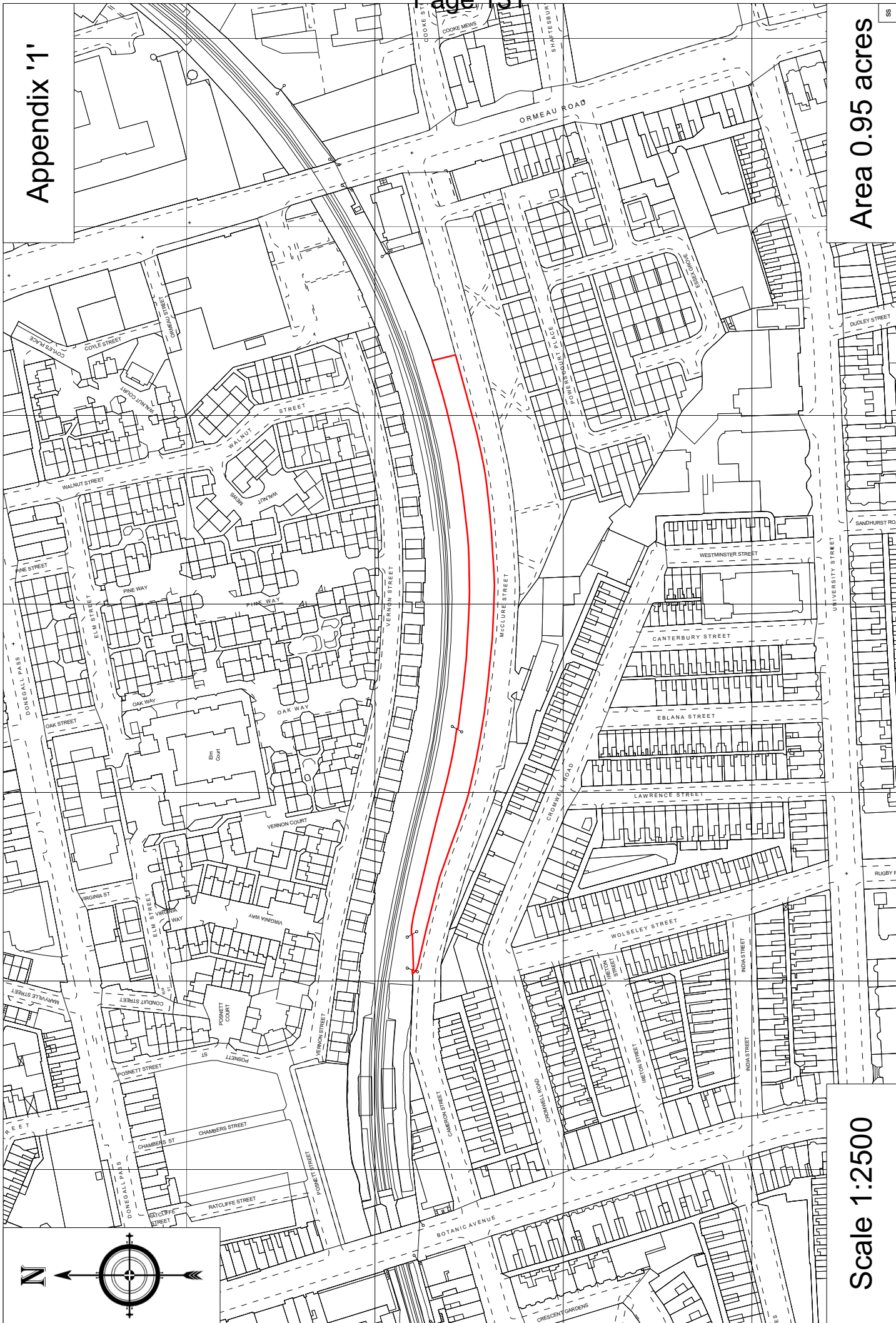
### **SUMMARY OF PREVIOUS COMMITTEE DECISIONS RE: LAND AT MCCLURE STREET:**

- Parks & Amenities Sub Committee 11/2/2003: Agreed to not grant approval dispose of land to BIH Housing Association.
- Client Services Committee 18/2/2003: Agreed to adhere to decision of 11/2/2003 not to sell.
- Council 1/4/2003: Agreed to take back to Sub Committee
- Parks & Amenities Sub Committee 8/4/2003: Agreed that discussions take place with BIH Housing Association for purpose of development of social housing, subject to a legal opinion from the Director of Legal Services.
- Parks & Amenities Sub Committee 10/8/2004: Agreed to dispose of the site for £450,000 (as valued by VLA) to BIH subject to BIH obtaining planning approval to develop for social housing.
- Client Services Committee 17/8/2004: Agreed to amend decision of Parks & Amenities Sub Committee of 10/8/2004 to provide that the lands be declared surplus to Council requirements & placed on the open market and seek expressions of interest for development of the site for social housing purposes.
- Parks & Recreation Sub Committee 9/8/2005: After placing on open market the two best offers received were for student accommodation and for a mixed housing scheme. The Committee were advised that both bids appeared to be outside of the terms on which the land has been marketed. It was agreed that expressions of interest be sought through public advertisement for the development of the site for both social & private housing.
- Community & Recreation Committee 16/8/2005: Agreed that expressions of interest to be sought via public advertisement was to be subject to a minimum of 20% being advertised for social housing purposes.
- Council 1 Sep 2005: An amendment to provide that the proposed development is used for social housing purposes only, was voted on and lost.
- Parks & Cemeteries Sub Committee, 9 May 2006: Agreed to accept the highest offer following marketing of £3,401,000 by Hagan Homes.
- Community & Recreation Committee, 16 May 2006: Agreed to refer that matter back to the Parks & Cemeteries sub Committee to enable Hagan Homes, together with the company which had submitted the second highest bid, Big Picture Ltd to attend a future Committee meeting to present their proposals. Both developers were proposing high density apartment schemes, but these were subject to planning.
- Parks & Cemeteries Services Sub Committee 13 June 2006: Further consideration of the decision of 9 May '06 approving sale to Hagan Homes. Agreed to defer consideration to enable a further legal opinion to be obtained from the Director Legal Services.
- Special Meeting of Community & Recreation (Parks & Cemeteries Services) Sub Committee 7 Aug 2006: Consideration of legal advice & relevant background information. This included advice that if the price obtained for land is artificially depressed by a restriction the Council imposes on the future use of the land, then the Council must refer the proposed disposal to DOE for approval in accordance with the LGA (NI) 1972. VLA had also indicated that they would estimate that the current 20% Social Housing criteria could have some small impact upon value.

- Agreed to accept the highest offer received from Hagan Homes of £3,401,000 (which was subject to obtaining planning permission)
- Community & Recreation Committee 21 August 2006: Agreed to refer matter back to Parks & Cemeteries Services Sub Committee.
- Parks & Cemeteries Services sub Committee – 8 September 2006: Further consideration of 7 August 2006 decision. The published marketing criteria had identified a minimum threshold of 20% for social housing. Legal opinion provided from Senior Counsel, Mr Stephen Shaw Q.C, who advised that he failed to see how the Council, in the process they were involved in at that time, could move away from the highest conforming bid placed. After a proposal to rescind the decision of 9 May 2006 was voted on and lost, the Sub Committee agreed to affirm its decision of 9 May '06 to accept the highest offer received from Hagan Homes at £3,40,000
- Community & Recreation Committee 19 September 2006: Agreed to rescind the decision of the Parks & Cemeteries Sub Committee of 9 May 2006 and requested that officers prepare a report on the future disposal of the land with provision of social housing as the preferred option and that views of the local communities within the area be sought.
- Council 2 October 2006: agreed that the minute of 19 September 2006 be taken back to Committee for further consideration.
- Community & Recreation Committee 17 October 2006. Agreed to affirm its decision of 19 September 2006.
- Strategic Policy & Resources Committee 13 June 2008: Report on potential disposal of a number of Council assets including the subject land at McClure Street.

Appendix '1'

Area 0.95 acres



Scale 1:2500

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### Belfast City Council

<b>Report to:</b>	Strategic Policy & Resources Committee.
<b>Subject:</b>	An information session on the development of a corporate strategy to strengthen council's contribution to Belfast's community development goals
<b>Date:</b>	10 December 2010
<b>Reporting Officer:</b>	John McGrillen, ext 3470
<b>Contact Officer:</b>	Catherine Taggart, ext 3525.

<b>1</b>	<b>Relevant Background Information</b>
1.1	<p><b>Introduction</b> Proposals for a corporate community development strategy, that would allow the council to contribute more effectively to shared community development goals, was presented to Development Committee as part of the department's 2010/11 business plan. It was also discussed by Members at individual party briefings on the business plan.</p> <p>The proposals describe an inclusive corporate approach to the development of the strategy as it will have an impact not just within Community Services but across the council and amongst our partners and local communities.</p> <p>It is particularly important that the strategy has significant political direction. Thus the pre-consultation plan places a strong emphasis on the role of Members. The plan also encourages the participation of officers from across council; the voluntary and community sectors; and our key partner organisations.</p> <p><b>Current status</b> The voluntary organisation, Community Places, were appointed in June 2010 as facilitators in the design and development of the strategy of which there are three planned stages:</p> <p><b>The preparatory stage</b> (June to September 2010) has now been completed. This work included ensuring corporate alignment that the development of an evaluation model for the strategy that integrates into wider corporate performance measurement; analysing community development best practice in Northern Ireland and elsewhere; carrying out preliminary conversations with council officers; preparing a draft community development statement that would form the basis of discussion; and designing an approach to engagement with relevant stakeholders both internal and external.</p>

<p><b>Stage 2</b> (September to December) includes initial engagement with Members – in particular the Community Planning Reference Group - and delivering a comprehensive engagement programme with a range of stakeholders including officers from across council, the Belfast community sector; and our statutory partners.</p> <p>In preparation for the information session with Members a stakeholder workshop was held at Malone House on 6 October and involved over 30 representatives from statutory partners and the community sector. Initial feedback has been extremely positive, with broad agreement on the need for work on a shared understanding of community development; the creation of a council strategy; and support for council leadership on this in the absence of developments elsewhere.</p> <p>There was such a high demand for attendance at the event that a second external stakeholder session was held at Belfast Castle on Wednesday, 3rd November. This event attracted 50 representatives from the statutory and community sector partners who contributed significant ideas to content of the community development statement.</p> <p><b>Stage 3</b> (January 2011) is the formation of a draft community development strategy for the council and a three year implementation plan with detailed actions for year one and outline plans for years two and three.</p>
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<p><b>2</b></p>	<p><b>Key Issues</b></p>
<p>2.1</p>	<p>If the community development strategy is to be relevant and have a significant impact across the council it will require political direction from elected representatives with a close understanding and ownership of its aims and objectives.</p> <p>Work on the community development strategy will be considered by the new Community Planning Reference Group. There are a number of reasons for this, not least of which being that community development work is a critical supporting strand of any successful approach to Community Planning as it can ensure more effective engagement with communities about issues and priorities. The Reference Group will therefore be exploring the strategy as a key part of its agenda and will be receiving regular reports on its progress. This will be an important on-going link between Members and work on the strategy going forward.</p> <p>The emerging CD strategy will, ultimately, inform the council's submission to DSD's Community Support Programme, a draft of which is due to be ready by February 2011. It is therefore also important for Members to have this early opportunity to consider some of the emerging ideas around the impact of CD work as they are likely to inform the shape and direction of the council's Community Support Plan.</p> <p>It is therefore proposed that a general information session be arranged for all Members to provide details on the pre-consultation work to date and the emerging ideas. This session would be facilitated by the project consultants, Community Places, and would likely last not more than two hours.</p> <p>Following this workshop, the CD strategy will continue to be considered by the Community Planning Reference Group as part of its on-going agenda.</p>



<b>3</b>	<b>Resource Implications</b>
3.1	The Members have stressed that one of their key requirements in the new governance arrangements is to take control of the Council resources at a strategic level. In order for this to be done, it is considered that this section of the new report needs to be much more concise and robust.
3.2	<p><u>Financial</u></p> <p>Under the 2010/2011 departmental plan, Development Committee have already agreed a budget for the development of the strategy.</p> <p><u>Human Resources</u></p> <p>None.</p>
3.3	<p><u>Asset and Other Implications</u></p> <p>None.</p>

<b>4</b>	<b>Equality and Good Relations Considerations</b>
4.1	This is a pre-consultation stage in the work progressing to a corporate community development strategy. The activities in this stage will form the evidence base that contributes to the equality screening assessment.

<b>5</b>	<b>Recommendations</b>
5.1	Members are asked to agree to a lunchtime information session for all Members to be held in January 2011. An exact date and venue to be agreed..

<b>6</b>	<b>Decision Tracking</b>
John MGrillen, Director of Development; January 2011.	

<b>7</b>	<b>Key to Abbreviations</b>
<p>CD – Community development</p> <p>DSD – Department for Social Development</p>	

<b>8</b>	<b>Documents Attached</b>
None.	

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