

# Strategic Policy and Resources Committee

Friday, 6th November, 2009

## Meeting of Strategic Policy and Resources Committee

- Members present: Councillor Hartley (Chairman);  
the Deputy Lord Mayor (Councillor Lavery); and  
Councillors Adamson, Attwood, Austin, W. Browne,  
Campbell, Convery, D. Dodds, Hendron, N. Kelly,  
C. Maskey, Newton, Rodgers, Rodway and Stoker.
- In attendance: Mr. P. McNaney, Chief Executive;  
Mr. G. Millar, Director of Improvement;  
Mr. C. Quigley, Director of Legal Services;  
Mrs. J. Thompson, Director of Finance and Resources;  
Mr. L. Steele, Head of Committee and  
Members' Services; and  
Mr. J. Hanna, Senior Committee Administrator.

### Apologies

Apologies for inability to attend were reported from Councillors M. Browne and McCann.

### Transition Committee Business

#### Review of Public Administration – Visit by the Environment Minister

In pursuance of its decision of 9th October, the Committee met to receive from Mr. Edwin Poots, M.L.A., the Minister for the Environment, an update on the overall Review of Public Administration programme.

The Chairman (Councillor Hartley), on behalf of the Committee, welcomed the Minister to the meeting.

The Minister thanked the Committee for agreeing to receive him. He pointed out that there had been speculation that Local Government reform would not proceed because it was too costly and would not produce savings. He stated that he wanted to put an end to those rumours and make it absolutely clear that Local Government Reform was proceeding and that he was committed to delivering it successfully. He pointed out that his office had published recently the PricewaterhouseCoopers Economic Appraisal Report and he was confident that, if the right political choices were made, proceeding with Local Government Reform made absolute sense in terms of efficiency, effectiveness and value-for-money.

The Minister indicated that he was aware that a lot of the work which had been undertaken to date had related to policy development for legislation and had been carried out largely by the Policy Development Panels and the Strategic Leadership Board. The legislation would be encompassed within four Bills: 1) the Local Government (Miscellaneous Provisions) Bill, which was already before the Assembly and had just completed its Committee Stage; 2) the Local Government (Finance) Bill, which would modernise the financial framework within which Local Government would work and on which consultation had just been completed with a view to the Bill being introduced to the Assembly in January, 2010, and two Bills which were still being developed and which would give effect to the reorganisation of Local Government and the reform and transfer of planning functions.

The Minister then answered a number of questions which were put to him by Members of the Committee. A copy of the questions and the Minister's responses is set out hereunder:

***“Q1. Could the Minister please confirm the proposed timetable for the Review of Public Administration and its component parts?”***

**Answer**

**‘The Local Government (Miscellaneous Provisions) Bill which will enable regulations to be made to establish Statutory Transition Committees is already before the Assembly and has just completed its Committee Stage. I am hopeful it will complete the rest of its passage through the Assembly in the next month or so with a view to it receiving Royal Assent by the end of the year. This would allow for the Statutory Transition Committees to be formed in early 2010.**

**The Local Government (Finance) Bill, will modernise the financial framework within which local government will work and the consultation on this has just finished last week. My officials will now consider the responses with a view to the Bill being introduced into the Assembly in January.**

**Policy proposals for the Local Government (Re-organisation) Bill are currently before the Executive and, subject to agreement; I propose to publish those proposals for consultation this month.**

**Boundaries**

**The Local Government Boundaries Commissioner published his final recommendations Report on 26th June 2009.**

**I have now considered the report and have issued a paper to the Executive. Subject to its agreement, the Final Recommendations Report, a draft Order giving effect to the proposed new local government boundaries and a statement about any modifications to the report will be laid before the Assembly.**

My intention is that that Order should be debated before the Christmas Recess and, if approved, take effect for the next local government election.

I have also established negotiating machinery, the Local Government Reform Joint Forum, to enable employer organisations affected by the programme to come together with Trade Unions to negotiate and agree the detailed arrangements for dealing with staffing issues. The Forum has already agreed and published a Vacancy Control System for Councils and has produced a first draft procedure for filling posts in the new organisations. The Forum also hopes to finalise a Staff Severance Scheme for publication this month.'

**Q2. *Can the Minister outline the current position in regard to the composition of the Statutory Belfast Transition Committee and the process through which this will be brought forward through legislation?***

**Answer**

'Following a request from the Environment Committee, I propose to amend the Local Government (Miscellaneous Provisions) Bill at Consideration Stage to provide that, in the case of the Belfast Statutory Transition Committee, it will include representatives from Lisburn City Council and Castlereagh Borough Council.

The number of representatives will depend on the boundaries for the new Local Government District of Belfast which will be provided for in the forthcoming Local Government (Boundaries) Order.'

The Committee stated that, in drafting the proposed legislative amendments to the Local Government (Miscellaneous Provisions) Bill, appropriate provisions should be put in place to ensure that the political representation from Lisburn City and Castlereagh Borough Councils onto the Statutory Belfast Transition Committee was representative of those geographical areas transferring within the Belfast boundary and nominated on the basis of proportionality.

**Q3. *Can the Minister update us on his discussions with the Northern Ireland Office regarding the co-option of Members and progress regarding severance?***

**Answer**

'I had a constructive meeting with Paul Goggins who agreed to consider amending the procedure for filling casual vacancies in the period up to the next local government elections in 2011.

Minister Goggins launched a consultation on filling local government vacancies on 23rd October. Two options are given for filling vacancies that occur as a result of a severance scheme, either:

- the current co-option rules are retained with vacancies carried until the next election if there is a failure to co-opt; or
- all vacancies arising from the severance scheme should be carried and filled at the May 2011 election.

The closing date for comments on the Northern Ireland Office proposals is 15th January 2010.'

**Q4. *We note the recent Statement made by the Minister to the Assembly on 20th October, 2009 in which reference was made to potential modifications being made to the Boundary Commissioner's report with regard to, in particular, the new Belfast City Council boundary.***

***Can the Minister outline the proposed modifications to be made to the Boundary Commissioner's recommendations, the justification for changing the recommendations and the associated process and timescale for a final decision to be taken on this issue?***

**Answer**

**'Modest modifications have been made to the Local Government Boundaries Commissioner's Final Recommendations Report.**

- The names of some districts have been modified.
- I have proposed modifications of the district boundary between Lisburn and Castlereagh and Belfast. These are that Dunmurry Village should remain in the Lisburn and Castlereagh district along with the civic offices in Castlereagh.
- The leisure development at Ballyhanwood will be in the Belfast council area.

**Q5. *Given the particular circumstances of Lisburn, Castlereagh and Belfast, would it be the intention of the Minister and Department to issue detailed guidance in regard to the transfer of assets, liabilities and staff? Will the Minister confirm that the standard rule of assets following function will be applied?***

**Answer**

**'It is my intention to bring forward legislation to enable a model transfer scheme or schemes to be developed in consultation with central and local government, for the transfer of assets, liabilities and staff from the existing councils to the new councils.**

**I anticipate that guidance will be developed to accompany this scheme and a commitment has already been given by the Strategic Leadership Board that any guidance prepared will give particular consideration to councils affected by boundary changes.**

**I support the broad principle that ALL Transfer Schemes should be developed by agreement between the relevant councils (and transferring departments) and that would also apply to the Lisburn/Belfast and Castlereagh/Belfast Transfer Schemes.'**

**Q6. *What consideration has been given to the introduction of some form of rates' support to help moderate the potential differential impact upon the rate base of the incoming councils?***

**Answer**

**'There is a role for my Department and the Department of Finance and Personnel to undertake some work to examine the potential impact on ratepayers within amalgamating councils.**

**The issue of the convergence of rates is critical to the success of the local government reform programme and I will be discussing this with the Finance Minister, the rest of the Executive and with District Councils over the coming months.**

**The PricewaterhouseCoopers Economic Appraisal highlights a number of key considerations in relation to the setting of rates within the new councils.**

**While the report makes no specific recommendations around a rates' support scheme, it recommends that any financial strategy for the implementation of Review of Public Administration reform in local government should include consideration of a rates' support scheme.'**

- Q7. *Can the Minister confirm his continued commitment to work with his Ministerial colleagues within the Executive to ensure that those government functions transferring to local government are properly resourced?***

**Answer**

**‘Yes. As I indicated in my statement to the Assembly on Tuesday 20th October I am fully committed to delivering local government reform in May, 2011.**

**This includes putting in place the necessary resources, policy, legislation and practical arrangements to transfer a significant range of central government functions and staff to local government.’**

- Q8. *Recognising the recent publication of the draft PricewaterhouseCoopers Economic Appraisal, can the Minister confirm when further clarity will become available in relation to securing funding for the Review of Public Administration local government reform process?***

**Answer**

**‘As you know, I published the PricewaterhouseCoopers Economic Appraisal on 20th October and announced a 6 week period of stakeholder engagement. I encourage you to consider the report fully and let me have your views by the end of November.**

**I will also be discussing the report with the Finance Minister, to explore the implementation and longer-term funding options, in order to put detailed proposals to the Executive towards the end of the year.’**

- Q9. *The Council notes that the PricewaterhouseCoopers report recommends the establishment of a Business Services Organisation which will deliver a number of functions on a regional basis. Can the Minister confirm that it is still the intention that the Business Services Organisation would be in place by 2011? Can the Minister also confirm that transfer of functions to the Business Services Organisation will be voluntary and that if a Council can demonstrate Value for Money in other arrangements it will be allowed to continue those arrangements***

**Answer**

**‘Under the recommended option, the new Business Services Organisation will be in place by 2011 albeit delivering only an initial range of services.**

**The PricewaterhouseCoopers Economic Appraisal suggests some service areas that should be included on the establishment of the new Business Services Organisation (including some of the functions transferring from central government that don't logically disaggregate over the 11 new councils and some potential 'quick wins' such as procurement). However, these are only suggestions and the final decisions on the services to be delivered collaboratively will be the responsibility of local government.**

**The Business Services Organisation is not an end in itself, i.e. the objective is not to establish a new organisation but rather to drive out efficiencies across the local government sector. In this context, collaboration only makes sense if it delivers increased value for money.**

**However, such a “common sense” and practical approach cannot allow any council to approach discussions on collaborative opportunities in any way other than one which is open, supportive and innovative.’ ”**

The Chairman, on behalf of the Committee, thanked the Minister for attending and for the detailed responses which he had given to the Members' questions.

Chairman