



## Belfast City Council

<b>Report to:</b>	<b>Strategic Policy and Resources Committee</b>
<b>Subject:</b>	<b>Review of Public Administration Update</b>
<b>Date:</b>	<b>Friday, 25<sup>th</sup> January, 2008</b>
<b>Reporting Officer:</b>	<b>Peter McNaney, Chief Executive</b>
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### 1.0 Relevant background information

- 1.1 Members will recall that on 19<sup>th</sup> October, the Environment Minister, Arlene Foster, M.L.A. released the Review of Public Administration (RPA) Emerging Findings Report on the future reform and shape of local government within Northern Ireland. The document outlined the proposed functions and resources to transfer under local government control and highlighted the variance from the original RPA proposals for local government reform.
- 1.2 At a special meeting of the Council's Strategic Policy and Resources Committee on 9<sup>th</sup> November, Members voiced their concern and strong disappointment in respect to the proposed package of functions and resources outlined within the Emerging Findings Report which would transfer to local government. It was noted that the current proposals, if carried forward into the implementation of the RPA, would represent a missed opportunity to really make a difference in the way that Northern Ireland is governed and would deliver a substantially 'watered down' version of the 'strong local government' which the original RPA proposals had set out to achieve. The Council also made the point that sufficient funding and resources would have to accompany any transferring functions.
- 1.3 Accordingly, the Council, at its meeting on the 3<sup>rd</sup> December 2007, endorsed a response to the Emerging Findings Report, together with a supplementary paper prepared by Mr Colin Stutt entitled 'Beyond the Emerging Findings Report - Implementation Paper' which contained proposals on both the transfer of specific functions to local government and on how the RPA debate could be taken forward. Both papers have been submitted to the Department of Environment's RPA Review Team.

### 2.0 Key issues

- 2.1 Members will accept that we are rapidly approaching a critical stage in the RPA process and in defining the future shape and role of local government within Northern Ireland. It is anticipated that a **revised RPA recommendations report would be submitted to the NI Executive on 31<sup>st</sup> January, 2008**, with an announcement to the NI Assembly and the general public in early February.
- 2.2 The revised report will outline the exact nature of the functions (and the resources that support them) which will be transferred from central government to local government, the number of Councils which will exist in the new local government configuration and the proposed timescale for implementation.
- 2.3 During December, 2007, the Environment Minister, Arlene Foster held a number of bilateral meetings with Ministerial colleagues to discuss the transfer of functions strand of the review of the RPA local government decisions. The discussions between Ministers touched upon a number of key issues including:
- the feedback from the stakeholder engagement process which registered the disappointment and concern expressed by stakeholders, particularly in the local government sector, about the limited scale and nature of the transfer package outlined in the RPA Emerging Findings Report;

- the potential to augment the transfer package with additional functions; and
- the possibility of introducing innovative service delivery models, through group systems and other approaches, which would enhance local government accountability for functions but also take account of efficiency considerations.

2.4 Whilst there seems to be significant support for the concept of strong local government among Ministers, there remains a reluctance to devolve additional functions to local government. Discussions between Ministers will continue over January with a view to informing the announcements expected in early February.

2.5 At a recent meeting of the RPA Strategic Leadership Board on 8<sup>th</sup> January, 2008, the Environment Minister, Arlene Foster indicated that that NI Executive Ministers still remain reluctant to transfer more functions to local government. A copy of a briefing paper on discussions at the RPA Strategic Leadership Board meeting is attached at **Appendix 1**.

## 2.6 **Lobbying and Ministerial Engagement**

2.6.1 It is essential that there is a common understanding within both central government and the NI Executive of the need for an adequate cluster of functions to be devolved to local government to enable Councils to fulfill their crucial role as a place shaper, enabler and co-ordinator of the delivery of joined-up local public services.

2.6.2 Over recent weeks a joint deputation consisting of representatives from the Northern Ireland Local Government Association (NILGA) and the Society of Local Authority Chief Executives (SOLACE) have met with Ministers of the NI Executive to challenge the proposals contained within the RPA Emerging Findings Report and to discuss the concerns of the local government sector.

2.6.3 A summary of the key discussions at the Ministerial meetings is outlined below. A detailed briefing on each meeting is attached at **Appendix 1**.

- ***Meeting with Peter Robinson MLA, Minister for Finance and Personnel*** (5<sup>th</sup> December)

The Minister confirmed his commitment to strong, effective local government and agreed that there is a need to take a more integrated approach to the delivery of public services. The Minister indicated that he felt that local roads should remain as a single integrated service but recognised that Councils needed greater local influence.

- ***Meeting with Nigel Dodds MLA, Minister for Enterprise Trade and Investment*** (13<sup>th</sup> December)

The Minister confirmed his commitment to strong, effective local government and recognised the important role of Councils in delivering public services. The Minister agreed that there needed to be less duplication and greater clarity of roles. He indicated that work had already begun to map out existing service provision to identify gaps and overlaps. The Minister agreed that local government should be involved in taking this work forward.

- ***Meeting with Margaret Ritchie MLA, Minister for Social Development*** (3<sup>rd</sup> January)

The Minister reinstated her commitment to transferring regeneration and community development functions to local government. The Minister indicated her willingness to consider the development and implementation of pilot schemes with local Councils in advance of the transfer of functions.

- ***Meeting with Conor Murphy MLA, Minister for Regional Development*** (9<sup>th</sup> January)

The Minister acknowledged the need to strengthen local government to enable them to deliver better outcomes for the citizen and to provide the appropriate development ground for the next generation of politicians. Whilst the Minister expressed a strong view that responsibility for both mainstream and local road functions should sit within central government, he noted his commitment to the development (with the involvement of local government) of a genuine and meaningful engagement model which would provide the new Councils with a formal and direct input into local roads decision making.

## 2.7 **Local Government Modernisation**

2.7.1 Members will be aware of the intentions of the Environment Minister, Arlene Foster M.L.A to take forward a Local Government Modernisation Programme within Northern Ireland through the interim arrangements of two Modernisation Sub-Groups of the RPA Strategic Leadership Board. The Sub-Groups will focus on the following strands of activity:

### **Strand A: Legislative Framework and Capacity Building**

Strengthening the way in which Councils work by modernising the policy and legislative framework within which they operate and by addressing the capacity of elected Members to deliver accountable citizen-centred local government services. Specific areas which are being considered include:

#### ***Legislative Framework***

- Local government finance arrangements
- Remuneration and severance arrangements for councillors
- Ethical standards including a mandatory code of conduct for councillors
- A regulatory framework in relation to Council's participation in limited companies
- Provisions to allow Councils to participate in Public Private Partnerships and Public Finance Initiatives
- Performance management
- Governance arrangements for Councils

#### ***Capacity Building***

- Capacity building of Elected Members and officers

### **Strand B: Service Improvement**

Improving the way in which local Councils work in terms of delivering services in a way that is standardised, simple and provides value for money. This should enable Councils to release resources to improve front-line service delivery. Specific areas to be considered include:

- Front-line customer service mechanisms (e.g. one stop shops, call centres)
- Back office services (e.g. HR, finance, procurement, estates)
- Common ICT infrastructure

2.7.2 At the recent meeting of the RPA Strategic Leadership Board on 8<sup>th</sup> January, 2008, the **major priorities for each sub-group** were outlined.

Within **Strand A** the priorities have been identified as:

- to undertake an assessment of current capacity with the local government sector;
- to develop an appropriate Communication Strategy;
- to develop an Elected Members Development Programme;
- to develop a Customer Service Strategy;
- to develop a Change Management/Transition Strategy; and
- to develop a Human Resource Strategy.

Within **Strand B** the priorities have been identified as:

- NI Direct (creation of a single contact point for citizens dealing with public services);
- to develop a Procurement Strategy;
- to develop a IS Strategy to include eGovernment projects and Local Government Customer Relationship Management.

- 2.7.3 On both strands of activity, detailed work is underway to develop the key priorities and initiatives which would underpin the modernisation programme. A progress update on the activities of both Modernisation Sub-Groups, submitted to the RPA Strategic Leadership Board at its meeting on 8<sup>th</sup> January, is attached at **Appendix 3**.
- 2.7.4 It is apparent that the Modernisation Sub-Groups are examining a very large and complex area of important work. The outworking of the modernisation programme will inevitably have significant implications for the Council and the wider local government sector. Therefore, it is important that the Council is proactively engaged within this process and ensures that the emerging modernisation programme is based on sound information and reflects the needs of the sector.
- 2.7.5 It is important that securing greater alignment between the local government modernisation agenda and the Council's own improvement agenda is pursued and possible synergies realised. The experiences and lessons learnt by the Council should inform the wider modernisation process.
- 2.7.6 It is important to note that representation from Belfast City Council on the Modernisation Sub-Groups is limited. The Council does not have any political representation on Strand B 'Service Improvement' or officer representation on Strand A 'Legislative Framework and Capacity Building' (a list of membership is available on page 6 of Appendix 3).
- 2.7.7 Accordingly, it is important that those elected Members and officers from the Council who are represented on the Modernisation Sub-Groups are provided with adequate support to assist them in that role and that appropriate mechanisms are in place to enable them to examine, discuss and articulate, as required, a corporate perspective on emerging issues.

### **3.0 Conclusions**

#### **3.1 Numbers and Functions**

It is likely that an announcement will be made by the Northern Ireland Executive on functions and numbers by the end of January.

- 3.2 This will either be 11 or 15 Councils based on the options identified in the March 2005 consultation paper; an extract of the paper is contained at **Appendix 4**. A new Boundaries Commissioner will have to be engaged to precisely draw the new boundaries depending on the model chosen.

#### **3.3 Timescale for Implementation**

The indications are that the Northern Ireland Executive wish the elections for the new Councils to be aligned with the elections to the new Assembly which are scheduled to take place in 2011. There are two main options for this to occur. Firstly, the current Council term might be extended to 2011. This option requires the consent of the Secretary of State and legally it might be difficult to extend the current term for any longer than a year. Secondly, elections might take place in 2009 but for less than a normal four year term which would allow shadow Councils to come into operation in 2011, to take up full powers in 2012.

#### **3.4 Severance Arrangements (Elected Members)**

It is likely that once numbers are agreed and a timescale for implementation put in place that severance arrangements could be introduced either to kick in at 2009 if there is an election or as a rolling programme if there is not.

#### **3.5 Functional and Transitional Arrangements**

Work will have to be undertaken to build the necessary mechanisms to enable the transfer of functions. Smaller functions will be easier to transfer than bigger functions such as Planning and Regeneration. The mechanisms for transfer will depend on the number of Councils and whether functions are to be delivered by individual Councils or on a group basis. Representations have been made to the Northern Ireland Executive's RPA Sub-Committee that Belfast is large enough to deliver functions as a single entity. Much detailed work will be required to build the capacity of Councils to take on some functions and pilot arrangements may be required in areas such as community planning, regeneration and development planning. It will be important that once announcements are made the Council engages directly with Ministers to demonstrate its willingness to develop pilots in these areas.

### 3.6 Modernisation / Capacity Building

The Department of the Environment has applied for £30million modernisation funding over the next three years. Decisions will be made shortly by the Department of Finance and Personnel, within the context of an agreed Budget, how much funding will be available.

£2million has already been committed to NILGA to support a number of new posts for the next three years.

Representations have been made to the Department that resources should be made available directly to Councils to develop pilots. However, it is clear that the Minister for the Environment intends to use NILGA, the Strategic Leadership Board and the modernisation panels as the primary mechanisms for engagement with the local government sector and the Council has to be prepared to play its role engaging with these mechanisms.

## 4.0 **Resource Implications**

### Financial and Human Resources

Whilst there will clearly be Human Resource and financial implications emerging from the Council's ongoing participation and engagement within the Local Government Modernisation Programme, it will be difficult to quantify until a detailed programme of work is put in place by the Strategic Leadership Board and its Modernisation Sub-Groups.

## 5.0 **Recommendations**

The Committee is asked to note the contents of this report and agree the Council should request meetings with the Ministers for Environment and Social Development to pursue pilot opportunities.

## 5.0 **Documents Attached**

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| <b>Appendix 1</b> | Briefing paper on discussions at the RPA Strategic Leadership Board meeting, 8 <sup>th</sup> January   |
|                   | Briefing papers on meetings with the undernoted Ministers:   |
| <b>Appendix 2</b> | <ul style="list-style-type: none"><li>▪ Minister Peter Robinson MLA, responsibility for Finance and Personnel</li><li>▪ Minister Nigel Dodds MLA, responsibility for Enterprise Trade and Investment</li><li>▪ Minister Margaret Ritchie MLA, responsibility for Social Development</li><li>▪ Minister Conor Murphy MLA, responsibility for Regional Development</li></ul> |
| <b>Appendix 3</b> | Progress update on the Local Government Modernisation Sub-Groups   |
| <b>Appendix 4</b> | Boundaries - 11 / 15 Councils 2005 RPA Paper   |

