



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	RPA: Suspension of Transition Funding
Date:	22 nd October 2010
Reporting Officer:	Peter McNaney, Chief Executive
Contact Officer:	Kevin Heaney (ext. 6202)

1.0	<u>Relevant Background Information</u>
1.1	Members will be aware that in order to facilitate the Review of Public Administration reform process, voluntary Transition Committees (vTC) had been set up in each of the proposed new 11 council areas (including Belfast). In terms of the Belfast vTC, it was agreed that the Council's Strategic Policy and Resources Committee would undertake this role with a second Committee meeting scheduled each month to deal with transition related business.
1.2	The vTCs had been established to work towards setting up the new 11 council model through undertaking the required preparatory work to facilitate the convergence of amalgamating councils and the transfer of functions from central to local government. This was intended to pave the way for Statutory Transition Committees, to have been established early in 2010, to take key decisions in advance of the new councils coming into effect in May 2011.
1.3	In order to support the work of voluntary Transition Committees, the DoE allocated £150k annual transition grant to fund Members allowances for participation on the vTCs (i.e. £2,700 Member allowance per annum), the temporary appointment (i.e. fixed-term contract) of a Change Management Officer and any support costs directly associated with the RPA transition process (e.g. commissioning specialist advice, training and development etc). A copy of the DoE funding letter of offer is attached at Appendix 1 .
1.4	On 14 th June 2010, the NI Executive deferred its decision on the future of the RPA, which has resulted in elections to the existing 26 councils in May 2011 instead of 11 councils as planned. Consequently there are uncertainties in regards to the future of the RPA reform process, the timeframe for implementation, funding of any reform programme and the transfer of functions.
1.5	Despite this uncertainty and in response to the current financial austerity, local government has sought to maintain momentum and develop its own proposals in respect of an 'Improvement, Collaboration and Efficiency' programme for the sector. The intention would be to support councils in delivering more efficient and value for money services to the citizen.
2.0	<u>Key Issues</u>
2.1	The Chief Executive has recently received a letter from the DoE Minister, Edwin Poots (copy attached at Appendix 2), informing councils that given the absence of clarity on the way forward for the RPA and the current financial pressures facing the Department, a decision has been taken to suspend the funding for council voluntary Transition Committee's with effect from 31 st October 2010.
2.2	In his correspondence, the Minister has indicated also that the funding for Change Managers would continue up until 31 st March 2011 to support councils in their endeavours to find potential efficiency savings; and that the established RPA implementation structures (e.g. Strategic Leadership Board and Policy Development Panels) be stood down from immediate effect.

2.3	The removal of DoE transition funding and the standing down of the RPA delivery infrastructure reinforces the uncertainty in respect to any future prospect of local government reform, the future of transition committees and may in fact subvert any engagement between cluster councils which may be occurring.
2.4	The decision by the Environment Minister to suspend transition funding will result in the removal of the Transition Committee allowance currently paid to Members of the Council's Strategic Policy and Resources Committee with affect from 31 st March 2010. This equates to approximately £225 per member per month up until March 2011, totalling £1,125 during this period.
2.5	Members will note that the Transition Committee allowance was 100% grant funded by DoE and is not a reduction in Members' basic allowance of £9,738 (which is inline with DoE guidance) or amounts paid under the Council's special responsibility allowance.
2.6	While the decision to schedule a second monthly meeting of the Council's Strategic Policy and Resources Committee had been predicated on dealing with transition/modernisation related business, Members may wish to consider retaining the two meetings per month up until the end of this financial year as scheduled. This would provide the Committee with further scope to consider important corporate issues such as the development of the new corporate plan; financial planning and efficiency; capital programme; city investment; performance management; organisational development etc. alongside other routine Committee business.
2.7	Alternatively, Members may wish to consider reverting back to the position prior to the establishment of the voluntary Transition Committee whereby there would be only one scheduled Strategic Policy and Resources Committee per month. This would not prevent special meetings being arranged as required (e.g. as requested by the Committee; to received representation from outside bodies; or to deal with specific corporate issues such as corporate plan, city investment, capital programme etc.

3.0 Resource Implications

The decision to suspend funding for voluntary Transition Committees (vTC) will result in the removal of the allowance paid to those Members on the Council's vTC. This equates to £225 per month per Member up until March 2011, totalling £1,125 during this period.

4.0 Recommendations

Members are asked to:-

- i) note the contents of this report and, in particular, the removal of funding for Council's voluntary Transition Committees with affect from 31st October;
- ii) consider whether a letter should be issued to the Environment Minister outlining the Councils concerns in regards to the impact that such a decision may have on any future prospect for local government reform; and
- iii) consider whether two meetings of Council's Strategic Policy and Resources Committee should be retained for the remainder of the financial year as scheduled.

5.0 Appendices

Appendix 1: DoE Letter of Offer re: Funding Transition Committees

Appendix 2: Correspondence received from the Environment Minister, dated 13th October, notifying of the suspension of funding for Council's voluntary Transition Committees