



## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources Committee
<b>Subject:</b>	<b>Severance arrangements for Councillors</b>
<b>Date:</b>	Friday, 23 August, 2013
<b>Reporting Officer:</b>	Stephen McCrory, Democratic Services Manager (ext 6314)
<b>Contact Officer:</b>	Gareth Quinn, Senior Democratic Services Officer (ext. 6316)

<b>1</b>	<b>Relevant Background Information</b>
1.1	Members will recall that in April the Department of the Environment had issued a consultation document on severance arrangements for councillors.
1.2	The Committee, at its meeting on 19th April 2013, agreed to respond to the consultation document in the terms as set out in the report (Appendix 1).

<b>2</b>	<b>Key Issues</b>
2.1	The legislation introducing a one-off severance scheme for councillors has now been made and came into operation on 1st August 2013.
2.2	The legislation, entitled the Local Government (Severance Payments to Councillors) Regulations (Northern Ireland) 2013, sets out the details of the severance arrangements for councillors and is enclosed at Appendix 2.
2.3	<b><u>Summary of legislation</u></b>
2.3.1	<b><i>Eligibility and application periods</i></b>
2.3.1.1	To meet the eligibility requirements of the severance scheme, a serving councillor must have a minimum of 12 years service, excluding any periods when the councillor was also an MLA, MP and MEP. Service will be counted on a cumulative basis.
2.3.1.2	The first application period started on 1st August 2013 and will close on 31st December 2013. The second application period will run from 1st January 2014 to the closing date for nomination as a candidate in the next local government elections. Councillors who apply during the first application period must resign by 31st December 2013 and those who apply during the second application period must resign by 31st March 2015.

2.3.2	<b>Severance payment</b>
2.3.2.1	There will be a graduated payment system of two bands. There will be an annual rate £1,000 for any service during the period from 30th May 1973 to 21st May 1998, and £600 per year for service thereafter. Periods when the councillor was also an MLA, MP or MEP are discounted when calculating the award. The value of a payment to an individual councillor is limited to a maximum of £35,000. Councillors will receive the severance payment on, or shortly after, the date of their resignation.
2.3.2.2	Councils will be responsible for making the payments and the cost will be refunded by the Department of the Environment.
2.3.3	<b>The 2014 Local Government Elections</b>
2.3.3.1	An application for a severance payment from a councillor who goes forward for nomination for the 2014 elections will be invalidated. The payments are designed to recognise the service of councillors who have decided to retire from local government. Councillors who have received a severance payment are disqualified from standing as, or being, a councillor.

<b>3</b>	<b>Resource Implications</b>
3.1	As the cost of the scheme will be reimbursed to the Council by the Department of the Environment, the net cost to the Council will be nil.

<b>4</b>	<b>Equality Implications</b>
4.1	There are not any Equality or Good Relations considerations associated with this report.

<b>5</b>	<b>Recommendations</b>
5.1	Members are asked to note the report and to contact Democratic Services should they personally wish to explore severance and its implications.

<b>6</b>	<b>Decision Tracking</b>
Stephen McCrory, Democratic Services Manager September, 2013	

<b>7</b>	<b>Documents Attached</b>
Appendix 1: Report to the Strategic Policy and Resources Committee, 19 April, 2013, Severance Arrangements for Councillors	
Appendix 2: The Local Government (Severance Payments to Councillors) Regulations (Northern Ireland) 2013	