

Appendix 1: Correspondence from Social Development Minister, Mervyn Storey MLA



From: The Minister

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Council Chief Executives

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Dear Chief Executives,

REGENERATION BILL

On 11 April 2013, the Executive agreed that the Reform of Local Government (RLG) should be implemented with effect from 1 April 2015, and that as part of that, certain Housing and Regeneration powers would transfer from my Department to councils on that date. I subsequently decided that the Housing functions would be removed from the transfer legislation, and the Executive agreed that the effective date for the conferral of the regeneration powers on councils would be 1 April 2016. I advised you of this last November, and my officials continued to work with you to prepare for implementation as the Regeneration Bill proceeded through its Assembly passage.

During the Committee Stage of this process, when the Regeneration Bill was scrutinised by the Social Development Committee, and both written and oral evidence was presented by interested parties, a number of fundamental policy issues were raised. I am of the view that it is important that the Bill has broad support, and I have been working towards that end. Unfortunately there remain unresolved issues, which have slowed down the legislative process making the timetable for putting this legislation into place extremely challenging. It is also important to consider the impact any further delay and uncertainty around the Bill would have on the detailed planning by my Department and the receiving councils for the transfer of staff, budgets and assets from April 2016. Contact from both council representatives and my officials have made it clear that there was a distinct cut-off date by which it must be certain that the legislation would be put into place, in order to ensure business continuity and that all parties were prepared from an operational perspective. We have now got to the stage where I need to be able to provide clarity to key interests on the way forward.

I am also conscious that plans for the restructuring of Departments are well underway and this will result in the creation of the new Department for Communities (DfC). This new Department will have responsibility for a much wider range of responsibilities including regeneration, social security, housing, employment services, culture, arts and leisure. In that context I have also been considering whether it would still be appropriate to be proposing, for example, to transfer work on physical regeneration projects to councils when similar type work is being transferred to DfC from other Departments.

Taking all these factors into account, I have concluded that now is not the right time to go ahead with the transfer of these key DSD functions to councils. In my view it would be a better option to proceed with the restructuring of Departments, and assimilate the various regeneration type functions in the Department for Communities and then we would be in a better position to determine if and when some of these responsibilities would be best delivered at a local level. This would be done in a future mandate, and would also offer an opportunity to take a fresh look at the underpinning policy. I have therefore decided not to proceed with the Regeneration Bill as currently drafted. This means that my Department will continue to have responsibility for the delivery of these key services to the community, retaining its statutory powers, control of the overall budget and ownership of the associated physical assets and it will continue to deliver the relevant programmes until such time as the Executive decides otherwise.

While I recognise that this may come as a disappointment to you, I assure you that I remain committed to the principles of local government reform and believe that local councils are best placed to deliver local solutions. I hope that the good work which has been done to date on this programme and the excellent arrangements and relationships that have been built up between the councils and the Department will continue as we work together on delivering these key services for the citizens of Northern Ireland.

Yours sincerely



MERVYN STOREY MLA
Minister for Social Development