



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	Review of Public Administration Update
Date:	Friday 14 th November, 2008
Reporting Officer:	Mr Peter McNaney, Chief Executive
Contact Officer:	Kevin Heaney, Strategic Planning and Policy Officer (Ext. 6202)

1.0	<u>RELEVANT BACKGROUND INFORMATION</u>														
1.1	The Review of Public Administration (RPA) process is now entering into the critical stage of implementation whereby legislation is being drafted, delivery structures established and active consideration being given to the transitional arrangements to be put in place to support local government reform within Northern Ireland.														
1.2	Members will note that there have been a number of developments in regard to the RPA since the last update provided to Committee at its meeting in October 2008.														
2.0	<u>KEY ISSUES</u>														
2.1	Members will accept that the challenge ahead cannot be underestimated and ensuring that the Council is engaged within the process is paramount to ensuring that the best interests of the citizen, the Council and wider local government sector is pursued throughout the process.														
2.2	<u>Legislative Timetable – Critical Path</u>														
2.2.1	<p>It is important to recognise that the key driver for the RPA process over the next 6-12 months will be the need to meet the legislative timetable. The current legislative timetable is as follows:</p> <table border="0"> <tr> <td>1. Local Government (Contracts) Bill</td> <td>July 2009</td> </tr> <tr> <td>2. Local Government (Modernisation) Bill</td> <td>January 2010</td> </tr> <tr> <td>3. Local Government (Finance) Bill</td> <td>April 2010</td> </tr> <tr> <td>4. Local Government (Re-organisation) Bill</td> <td>May 2011</td> </tr> </table> <p>Other key milestones in the process are as follows:</p> <table border="0"> <tr> <td>▪ Final Report of Boundaries Commissioner</td> <td>June 2009</td> </tr> <tr> <td>▪ Report of District Electoral Area Commissioner</td> <td>July 2010</td> </tr> <tr> <td>▪ Local Government Elections</td> <td>May 2011</td> </tr> </table>	1. Local Government (Contracts) Bill	July 2009	2. Local Government (Modernisation) Bill	January 2010	3. Local Government (Finance) Bill	April 2010	4. Local Government (Re-organisation) Bill	May 2011	▪ Final Report of Boundaries Commissioner	June 2009	▪ Report of District Electoral Area Commissioner	July 2010	▪ Local Government Elections	May 2011
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2.2.2	A briefing paper (SLB 52/2008) and associated RPA critical path timeline which had been submitted by the joint NILGA/DoE Secretariat for the consideration of the Strategic Leadership Board at its meeting on 7 th November is attached at Appendix 1 .														
2.3	<u>Update on Policy Development Panels</u>														
2.3.1	Members will note that it is intended that the initial proposals emerging from the three Policy Development Panels in regard to the necessary Primary (enabling) Legislation will be submitted for the consideration of the RPA Strategic Leadership Board at its meeting in November 2008, and subsequently submitted to the NI Assembly for consideration in advance of the proposals being issued for formal consultation (3 months period) in early 2009.														

2.3.2	Members will note further that subordinate legislation has still to be drafted which will provide greater detail around the emerging proposals and take account of the practical implementation issues. Accordingly, it will be important that the Council continue to be actively engaged (at both elected Member and Officer level) within the Policy Development Panels and the other RPA implementation structures established (refer to point 2.4 below).
2.3.3	PDP A (Governance, Community Planning, Central-Local Government Relations) has set out its initial proposals in relation to high level governance arrangements for the new Councils, post 2011 (considering issues such as decision-making structures, proportionality, standards, codes of conduct, oversight and transparency); the framework for the council-led community planning process; and has set out the proposed framework for the formalisation of relations between central and local government i.e. establishment of a statute based Partnership Panel along the lines of the Welsh model. A copy of the draft proposals are attached at Appendix 2.
2.3.4	At this stage there are no formal proposals being put forward by PDP C (Service Delivery) for the consideration of the RPA Strategic Leadership Board. Nevertheless, work is ongoing in regards to the development of, for example, a draft Customer Service strategy, draft IS Strategy etc. A series of sub-groups have been established to take these issues forward and, again, the Council is actively engaged within these groups to ensure, as is reasonably possible, alignment with the Councils own improvement activities.
2.3.5	PDP C (Structural Reform) has set out its emerging policy proposals relating to those structural reform elements which require primary legislation in the areas of human resources, capacity building, finance, estates, regional and sub-regional design and the transfer of functions from central to local government. Examples of some of the areas identified as requiring primary legislation include: enabling the effective transfer of staff, assets and resources; necessary provisions to allow for the payment of compensation in relation to the early release of staff; necessary provisions to enable transferring departments to make grants to fund certain functions transferring to the new councils etc. A copy of the draft proposals are attached at Appendix 2
2.4	<u>RPA Implementation Structures</u>
2.4.1	Enclosed at Appendix 3 is a copy of correspondence recently received, dated 27 th October, from the Environment Minister, Sammy Wilson, MLA, in regard to his proposals for the implementation of the Local Government Reform Programme.
2.4.2	The Minister has indicated that <u>statutory Transition Committees</u> will be introduced for the 11 council areas in advance of the new Councils being elected in May 2011 and that there will be <u>no shadow council period</u> after the May 2011 elections with the new councils assuming full power and responsibility on the forth day after pooling day.
2.4.3	The Minister has also stated that each Transition Committee, one for each new council area, will consist of no more than <u>16 councillors</u> , with an initial resource package of <u>£150,000</u> made available to all the cluster Councils to pay for change management, staff and additional allowances to Members for sitting on the Transition Committees.
	<i>Transition Management Teams</i>
2.4.4	The Transition Committees would be supported by a Transition Management Team comprising of senior management representatives from the merging Councils. The Transition Management Team will have responsibility for the ongoing operational management of the transition at the local level and will work under the direction of the Transition Committee.
2.4.5	The Department of Environment has issued initial guidance on the establishment of Transition Committees and Transition Management Teams (a copy of which is attached at Appendix 4). It is intended that the guidance will support a consistent approach across all council areas to the establishment of such structures.
	<i>Regional Transition Co-ordinating Group</i>
2.4.6	In his correspondence, dated 27 th October, the Environment Minister outlined his intention to establish a Regional Transition Co-ordinating Group to support the RPA transitional process and to provide advice and detailed guidance to the RPA Strategic Leadership Board and Transitional Committees on implementation and transitional matters.

2.4.7	The Regional Transition Co-ordinating Group will provide the essential interface between the strategic policy direction set by the Strategic Leadership Board and its Policy Development Panels, and the local policy set by the Transition Committees and their operational delivery teams (the Transition Management Teams). The Regional Transition Co-ordinating Group will be responsible to the Strategic Leadership Board for co-ordinating and supporting the consistent implementation of the regional reform policies across the 11 council areas.
2.4.8	It would be the intention that the Group would be chaired by Paul Simpson (the Deputy Secretary of the DoE) and comprise of senior officials from transferring function Departments, 3 local government Chief Executives and representatives from other key stakeholder groups e.g. Local Government Staff Commission, NILGA etc.
2.4.9	Members will note that the Society of Local Government Chief Executives has nominated The Chief Executive of Belfast City Council as the deputy chair of the Group.
2.5	<u>Belfast Transition Arrangements</u>
2.5.1	The guidance issued by the DoE recognises that as Belfast City Council will not merge with any other Council it "will require its own Transition Committee arrangement; the detail of the Belfast approach can be developed in due course but the principles which are set out in the paper should apply where appropriate".
2.5.2	It is suggested that the Council nominate the Council's Strategic Policy and Resources Committee as its Transition Committee. The Committee is already constituted under proportionality principles. It is further suggested that for the duration of the RPA process until May 2011, the Strategic Policy and Resources Committee should meet twice a month with one meeting designated to deal with the transition issues set out in the attached guidance. Members of the Committee will be entitled to an additional allowance of £2,700 per annum. This should be paid to the existing Members of the Committee from the date the DoE indicate they are content that the Council should use an additional Strategic Policy and Resources Committee meeting as the Transition Committee. Members will be aware that membership of the Committees in the Council will be subject to review by the Council in May 2009.
2.6	<u>Transfer of Functions</u>
2.6.1	Members will note that whilst Policy Development Panel C (Structural Reform) had originally been tasked with drafting the necessary policies and legislation to support the transfer of functions from central to local government, recent discussions with DoE officials has reported that it would not be the intention to take forward a <u>single tranche</u> of legislation to cover the transfer of functions, but rather, each transferring department would take forward <u>individual tranches</u> of legislation to enable the transfer of functions.
2.6.2	Members will accept that caution should be taken to ensure that such a fragmented approach to taking forward necessary legislation does not result in any dilution or delay in the transfer of functions to local government. It is suggested that a more appropriate approach may be to take forward a combined Local Government Transfer of Functions (NI) Order which would reflect the approach applied in the 1972 reform of local government in Northern Ireland.
2.6.3	Notwithstanding, the Environment Minister has written to all Ministerial colleagues stating his support for the statement of principles to underpin the transfer of functions (refer to Appendix 5) developed by NILGA on behalf of local government. The principles are centred on openness of approach, consistency with the Ministerial statement to the Assembly on 31 March 2008 and ongoing consultation with the sector throughout the process. In his correspondence the Minister has encouraged his Ministerial colleagues to support these principles as we move into the implementation phase of the local government restructuring programme.
2.7	<u>Severance Scheme for Elected members and Co-Option</u>
2.7.1	The Environment Minister has indicated that the <u>details</u> of a proposed severance scheme for Councillors will be issued for consultation by the end of the year. It is our understanding that the Secretary of State is currently <u>considering</u> the introduction of legislation which would allow

	co-option onto Councils simultaneously to the enactment of the severance scheme legislation.
2.8	<u>Internal Support Structures</u>
2.8.1	Inevitably, the level of RPA related activity will grow in intensity and scope throughout the transitional period and its management and delivery must be adequately resourced and co-ordinated. The Council will need to take forward its internal preparation and changes required to support an effective RPA transition as well as ensuring that it engages within the delivery structures established to take forward the RPA.
2.8.2	It would be the intention that a series of focused task and finish officer working groups would be established to examine in detail the key emerging issues and to liaise with elected Members to formulate corporate positions as required.
2.8.3	The Council's Strategic Policy and Resources Committee will be continually engaged within the RPA process and political direction sought as required. This is further facilitated by the fact that the Strategic Policy and Resources Committee now meet twice a month enabling greater discussion around the RPA and associated issues.

3.0 Resource Implications
Whilst there is clearly substantial Human Resource and financial implications attached the Council's ongoing involvement and management of the RPA change process, it will be difficult to quantify until a detailed programme of work is put in place.

4.0 Recommendations
Members are asked to: <ul style="list-style-type: none"> a) note the contents of this report; b) determine whether they wish to nominate an additional meeting of the Strategic Policy and Resources Committee as the Council's Transition Committee and write to the Environment Minister to agree the Terms of Reference for the Committee.

Documents Attached	
Appendix 1	RPA Critical Path
Appendix 2	Policy Development Panels A & B 'Emerging Policy Proposals'
Appendix 3	Environment Minister proposals for the implementation of the Local Government Reform Programme
Appendix 4	DoE Guidance on the establishment of Transition Committees and Transition Management Teams
Appendix 5	Statement of principles to underpin the transfer of functions

Appendix 1: Critical Path

UPDATE PAPER ON CRITICAL PATH AND MILESTONES - SLB 52/2008

Agenda Item: 4

Summary: Update paper reviewing the high level milestones and critical path presented at SLB May 2008 meeting

Action required: To note

Background

It is now appropriate at this point in the programme (i.e. 6 months after the announcement of the decisions by the Executive) to review the high level milestones and critical path.

The initial critical path analysis (May 2008) set out our understanding of the programme at its inception, and was based on the analysis of key dates and priorities as understood at that date.

Since then the policy development and implementation structures have been developed and agreed, with Policy Development Panels in operation, and ready to deliver their initial findings on legislative requirements.

Update

On Wednesday 5 November a cross sectoral planning day is scheduled to allow the key participants in the restructuring process to discuss the key milestones and priorities to deliver the 11 new councils by May 2011.

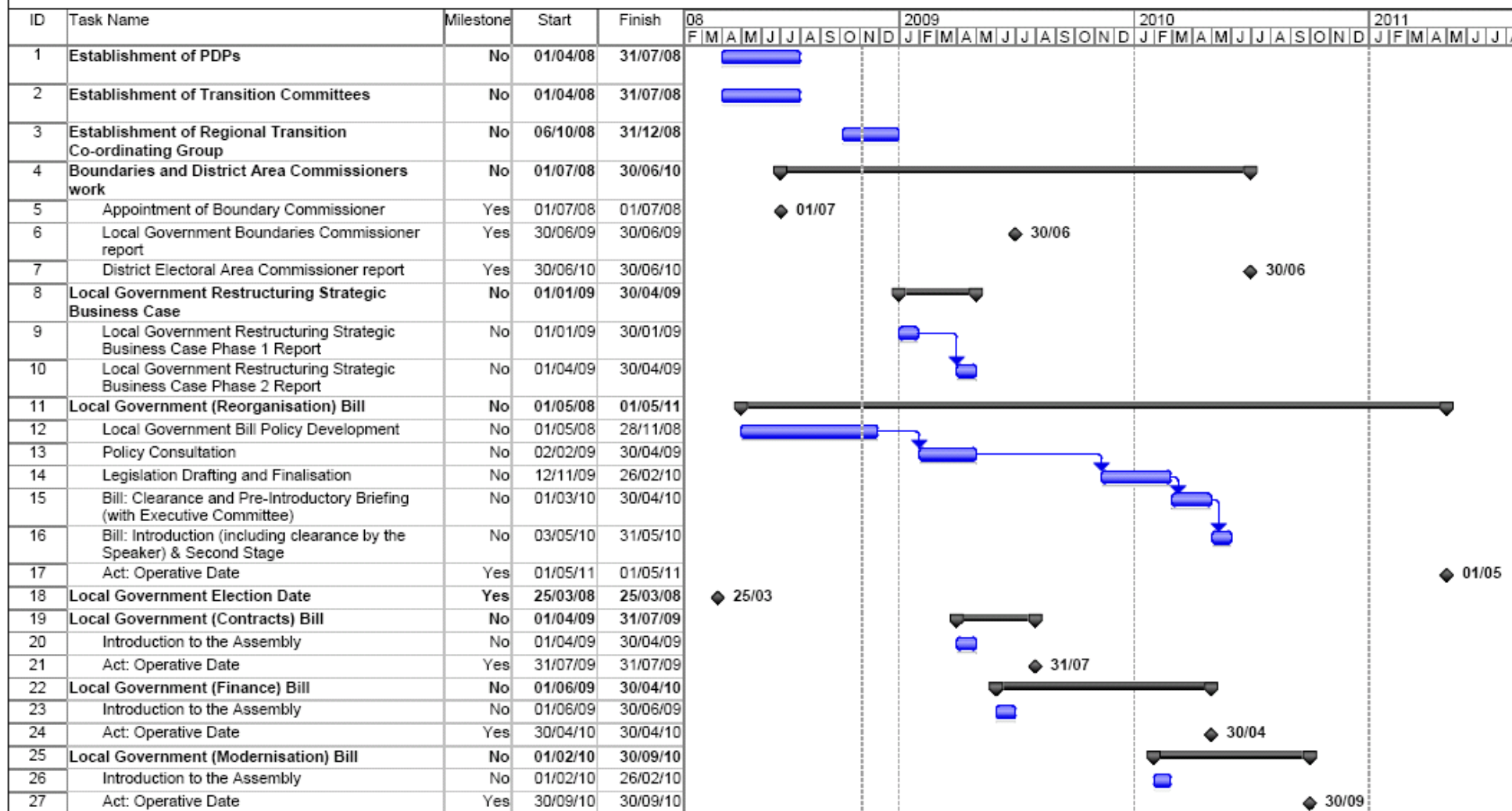
The critical path and milestone details are also informed by the PDPs, and a key step in the critical path which has emerged is the study being carried out under the auspices of PDP C on the Organisational Design. The study is in two phases; phase 1 covering organisational issues reporting to PDP C, and phase 2 reporting directly to SLB covering the wider Cost/benefit for the restructuring programme.

In the implementation phase planning will be co-ordinated by the Regional Transition Co-ordinating Group, and as more detail emerges at the operational level, further updates will be brought to the Strategic Leadership Board.

Another key issue which affects the critical path is the failure of the Executive to meet. Legislation necessary to bring forward a number of the key elements of the programme are affected including severance and the legislative underpinning for transition committees. This adds a risk to the deliverability of the programme within the timeframe, and is a material change since the critical path was last examined.

Local Government Implementation Plan 2008-2011

SLB 52/2008



Project: MSProj11
Date: 03/11/08

Task		Rolled Up Task		External Tasks	
Progress		Rolled Up Milestone		Project Summary	
Milestone		Rolled Up Progress		Group By Summary	
Summary		Split		Deadline	

Appendix 2: PDP A and PDP B Policy Proposals

POLICY PROPOSALS FROM POLICY DEVELOPMENT PANEL A (GOVERNANCE, COMMUNITY PLANNING & CENTRAL / LOCAL RELATIONS)

Agenda Item: 3.1 (SLB 48/2008)

Summary: **Outlining the Panel's agreed proposals in relation to the governance arrangement for the new councils, post 2011, the framework for the council-led community planning process, and the framework for the formalisation of relations between central and local government.**

Action required: **For discussion and agreement**

Background

1. In response to Minister Foster's statement of 31 March 2008 on the future shape of local government, the Strategic Leadership Board agreed the establishment of three Policy Development Panels to support the reform and modernisation programme. Policy Development Panel A is tasked with the development of policy and implementation proposals in relation to governance arrangements for the new councils, the council-led community planning process, and the formalisation of relations between central and local government.
2. The Policy Development Panel has met on six occasions and this paper sets out members' agreed policy proposals in relation to governance arrangements, community planning and central / local relations. Further work is required to develop detailed proposals in relation to the outworking of certain aspects of the governance arrangements and community planning that may potentially be provided for in subordinate legislation.
3. In developing the proposals members took the decisions announced by Minister Foster as the statement of the policy objectives, and used the reports from the relevant Taskforce Sub-groups as the starting point. Additional desk research was undertaken to provide members with details on developments in other jurisdictions, particularly in relation to governance arrangements.

Governance

4. In relation to governance the policy objective, drawn from Minister Foster's statement, is the development of arrangements with appropriate checks and balances that are designed mindful of the need to ensure effective and inclusive local democracy, to protect the rights of minorities, to prevent any direct or indirect discrimination, and to promote the need of equality of opportunity. These would include arrangements to allocate Council Chairs, Deputy Chairs and positions on Council committees and to facilitate cross community decision making. The aim of the new council governance arrangements is to ensure the protection of the rights of all people in Northern Ireland, and provide for fair, transparent and efficient decision making. Members agreed that any arrangements to satisfy these objectives should also be in keeping with the democratic process.
5. In the context of this strategic policy objective members agreed that the management Terms of Reference for this project be defined as:

'To bring forward proposals for governance arrangements that provide for effective, efficient and transparent decision making by Councils, with appropriate checks and balances, taking account of Councils additional service delivery and community planning responsibilities.'

6. The policy objective and the Terms of Reference were translated by the Panel into the following key drivers for change against which the various issues were considered and assessed:
 - i. Efficient and effective decision making
 - ii. Checks and balances
 - iii. Proportionality in allocating key positions
 - iv. Transparency and Oversight
7. Members also expressed the view that the governance arrangements should recognise the importance of the role of a councillor and that there should be capacity building opportunities for all councillors to enable them to perform their role effectively. The business of council should also be organised to allow as many people as possible to consider becoming, or remaining a councillor.
8. After considering the work of the original Taskforce's Governance Sub-group, and the additional research material provided by the joint secretariat, members have agreed a range of policy proposals in relation to governance arrangements for the new councils.

Decision Making Structures

9. In relation to decision making and the political management structures that will operate in the new councils, members are of the view that a short list of options should be provided in legislation. Individual councils would then have the flexibility to decide on the structure that is most appropriate for their circumstances. It is proposed that the list of options would be:
 - **Traditional committee system**
 - **Streamlined committee system**
 - **Cabinet**
10. In the cabinet option membership could be decided through a Voluntary Coalition comprising one or more parties. Parties would reserve the right to choose to opt out of the cabinet in preference for other positions in accordance with their own Party priorities.
11. In order to protect the rights of minorities, to prevent any direct or indirect discrimination, and to promote the need of equality of opportunity, proportionality would be a key principle underpinning **each** of the available options. As a check and balance the selection of the decision making structure would be a Key Decision of the Council.
12. The streamlined committee system and cabinet style structures by their nature provide for the devolution of a range of decisions from full Council. The extent of the powers to be devolved would however be a matter to be agreed by individual Councils. For these models members agree that provision must be made for effective scrutiny arrangements.
13. Whilst there is agreement amongst the members in relation to the political governance structures that would be available to the new councils there is nevertheless an acknowledgement that there could be circumstances where a council may not be able to agree on a specific model. In order to cover these circumstances provision would be made for a 'default model' that would contain the following key elements:
 - **based on the committee system;**
 - **the opportunity to devolve powers;**

- **a Scrutiny Committee in the event that powers are devolved; and,**
- **an overarching Central Policy committee.**

14. In relation to the decision making process it is the consensus view of members that there should be a specified list of Key Decisions which would be matters for full Council. Members are also of the view that certain of these decision could, if consensus cannot be reached, be subject to a Qualified Majority Vote (QMV). Further research and discussion will be undertaken by the Panel on this issue, and the threshold that would apply for the QMV.
15. In the context of the adoption of either the streamlined committee or cabinet structure there is the presumption that issues not defined as Key Decisions for Council would be devolved, within the framework of a Delegation Scheme. In these circumstances in addition to the provision of effective scrutiny arrangements, members propose that provision is made for the 'call-in' of decisions taken by a committee or the cabinet. The criteria for the 'call-in' provision would cover both procedural matters in relation to how the decision was reached, and issues in relation to the protection of minorities.
16. Further work will be taken forward, as a matter of urgency, to determine the arrangements that would be required to underpin the outworking of these arrangements. This will cover issues including the key features of how a decision is reached and those issues which must be considered; who may call-in a decision; arrangements for the determination of whether a 'call-in' is valid; and the options for handling a valid 'call-in'.
17. In order to support the effectiveness of the 'call-in' procedure and ensure that all councils are in a position to perform their role effectively it is proposed that councils will develop a mechanism which will provide advance notice to all Councillors of decisions to be taken. It is also proposed that in all bar a limited range of circumstances there should be a short period after a decision is made but before it is implemented during which the 'call-in' procedure can be invoked.

Proportionality

18. As indicated above members agree that proportionality would be a key principle underpinning the new governance arrangements. In relation to the arrangements for the allocation of key positions, members consider that the following methodologies should be available:
 - **D'Hondt**
 - **Saint Lague**
 - **Single Transferable Vote**

The choice of methodology would be a Key Decision for the Council. In the absence of agreement on the methodology to be applied the default would be the application of D'Hondt over the council term.

19. The allocation methodology would be applied to a stipulated list of key positions, including those for membership of external bodies, over the full 4 year term of the Council. Each appointment would be for a single year unless otherwise stated. Any additional key positions identified over the 4 year period would be allocated by continuing the application of the proportionality model adopted by council. The list will include the Mayor / Deputy Mayor or Council Chair / Vice Chair; Chairs / Vice Chairs of Standing Committees; Cabinet Positions (where applicable); and all external appointments.

20. In relation to external bodies this approach would only apply to automatic appointments. When the external body is seeking the nomination of a number of representatives and the final selection would be subject to the 'public appointments' process, these would be excluded from the 'list system'. This would also apply when the external body stipulates geographic or other specific criteria in relation to the Council representation. The approach to the allocation of positions excluded from the list system will require further consideration.
21. In relation to the membership of committees, positions would be allocated, over the 4 year term, by the following methods:
- **Greatest Remainder, or**
 - **Droop**
 - **quota**

The default model for committee membership would be Greatest Remainder.

Standards & Oversight

22. Work on the ethical standards regime for councils had been taken forward separately by the Code of Conduct Working Group as part of the modernisation agenda. That group had recommended following the Welsh system for ethical standards, but that the principles in the recommended Code of Conduct should mirror those for the Assembly Ethical Standards. Panel members agreed the broad recommendations, but some members expressed strong concern over the role of independent members on the proposed Standards Committee. Members have requested that further research be undertaken in relation to the role of the proposed Monitoring Officer and the Pledge of Office for Councillors. Members also indicated that consideration would need to be given to a protocol on relations between Councillors and senior council officers.
23. Panel members acknowledge the requirement for a changed role for the Local Government Auditor, following the reorganisation and the transfer of functions from central government. Members take the view that the determination of this changed role would best be informed in the context of the development of the proposed Performance Management framework which is being taken forward by the Policy Development Panel on service delivery.

Transparency

24. Transparency in the operation and the decision making processes in councils has been a consistent theme in the reform of local government in other jurisdictions. Members recognise that openness can be a key element when seeking to ensure the engagement of local citizens in the democratic process.
25. In order to support the achievement of this objective, members express the view that there should be a presumption that decision making would be open to the public, but that this needs to be tempered by the need to progress the business of Council effectively. In addition, members agree that the new councils should be required to prepare and publish a 'Constitution', which would set out details on how the Council operates, including its Standing Orders, decision making processes, and an Annual Report. The detail on the content of each of these documents, and the development of a framework within which Councils would prepare their 'Constitution' will be the subject of further research and discussion.

Community Planning

26. The essence of Community Planning is recognition that the needs of individuals and communities – if they are to be addressed successfully – must be addressed collectively,

not separately. The policy objective for this strand is the development of an effective statute-based community planning process, led and facilitated by local councils, that enhances civic leadership and that allows local councils, working in partnership with all sectors, to be at the heart of the provision of high quality, efficient services that respond to the needs of people and communities and which continuously improve over time.

27. The management Terms of Reference for this strand were defined as

'To bring forward proposals to effect the implementation of the duty of "Community Planning" and a power of "Well Being" to district councils in Northern Ireland, recognising local diversity and the need to devise approaches suited to local circumstances'.

28. Members considered the work of the Taskforce Sub-group on Community Planning and held a workshop at which senior officers from a number of Scottish Councils and a former Councillor from an English local authority provided insights into the operation of community planning in these jurisdictions. Flowing from the workshop, members support the view that the statutory framework for the council-led community planning process should not be overly prescriptive to provide for flexible approaches at a local level.

29. This framework should place a duty on councils to make arrangements for community planning which provides for consultation and co-operation in the planning and provision of public services in their districts. While the effectiveness of the process will be grounded in the establishment of effective relationships with other public sector bodies it is considered that their support and participation should be underpinned in statute. A number of members express the view that this duty should be couched in the strongest terms possible.

30. Members recognise that the broad framework approach will need to be supported by detailed guidance and further work will be taken forward on this during the next phase of the project.

Central / Local Relations

31. For this strand of the Panel's deliberations members considered the policy objective to be the development of appropriate mechanisms to provide for the optimum partnership between central and local government in carrying out their separate but inter-related functions in the provision of efficient and effective citizen centred services. Flowing from this members agreed the following management Terms of Reference:

'To develop the framework to underpin the formalisation of relations between the Northern Ireland Executive and local government on matters of mutual interest and concern.'

32. Members considered the report from the Taskforce's Sub-group on Central / Local Relations finalised in July 2006 and agreed that the establishment of a statute based Partnership Panel, along the lines of the Welsh model, remains an appropriate mechanism for the formalisation of relations. This model provides for a formal partnership comprising Ministers and representatives from local government. It is further proposed that a framework of key principles should be developed to underpin the relations.

EMERGING PROPOSALS – POLICY DEVELOPMENT PANEL C

Agenda Item: 3.3 (SLB 51/2008)

Summary: To provide details of the emerging policy proposals relating to the structural reform elements of local government reform which may require primary legislative provisions.

Action required: that the SLB

- Agrees the emerging policy proposals for structural reform; and,
- Notes that further detailed policy on these proposals will be presented to the SLB for discussion and agreement at their meeting on 5 December 2008.

Overview

1. In response to Minister Foster's statement of 31 March 2008 on the future shape of local government, the Strategic Leadership Board agreed the establishment of three Policy Development Panels to support the reform and modernisation programme. Panel C has been charged with the development of recommendations on policy and implementation proposals in relation to 6 structural reform work strands. These embrace Human Resources, Capacity Building, Finance, Estates, Transfer of Functions and Service Delivery (i.e. on a Regional/Sub Regional basis).
2. At the inaugural meeting Panel C, on 31st July 2008, it was agreed that working groups should be established to assist in the development of policy and implementation proposals for each of these work strands or projects as listed below:
 - Assessment of Options for Local Government Service Delivery
 - Human Resources
 - Finance/Estates
 - Capacity Building
3. The Assessment of Options for the Local Government Service Delivery project, which embraces the transfer of functions, is being taken forward by way of a consultancy assignment. The other three projects were taken forward mainly by Working Groups comprising central and local government officers.
4. Panel C has met on 6 occasions and this paper sets out members' agreed policy proposals in relation to Human Resources, Capacity Building and Finance/Estates. Further work is required to develop detailed proposals in relation to the outworking of certain aspects of these areas that may potentially be provided for in subordinate legislation/guidance.
5. This report provides the SLB with details of the structural reform policy proposals which have primary legislative implications.
6. It should be noted that the remit of Panel C will require further policy proposals to be developed which have no legislative implications. This will be addressed as part of the Panel's future work programme and presented to SLB at a later date.

Timetable

7. Each of the Panel's working groups was tasked with identifying, by 30 October 2008, policy proposals which will require primary legislation. Following this, the working groups

will prepare more detailed policy on each of the legislative proposals to allow Panel C to present a final legislative policy paper for clearance by the SLB

8. These proposals along with those identified by Panels A and B will issue for public consultation in spring 2009 with a view to being included in the Local Government Reorganisation Bill.

Introduction

9. The objectives of Policy Development Panel C, as agreed with SLB, are: -

“To lead the development of policy, for the structural reform work strands of the local government modernisation programme, to facilitate the effective and smooth transition from the current configuration of 26 council areas to the 11 new council areas which are to be in place in 2011. These structural reform work strands embrace Human Resources, Capacity Building, Finance, Estates, Regional and Sub Regional Design and the Transfer of Functions from central to local government.”

Detail

10. Panel C has made a number of initial legislative proposals in relation to structural reform which are attached at Annex A.
11. If the SLB agrees with these policy proposals then further details will be developed by the Panel and presented to SLB for further discussion and agreement at their meeting scheduled for 5 December 2008.

Recommendation

12. It is recommended that SLB:
 - Agrees the initial policy proposals for structural reform; and
 - Notes that further detailed policy on each proposal will be presented to SLB for discussion and agreement at their meeting on 5 December 2008.

Annex A

POLICY DEVELOPMENT PANEL C (Structural Reform)

EMERGING POLICY PROPOSALS

Policy proposals which will require primary legislation

1. Taking account of the Public Service Commission Guiding Principles, TUPE , additional commitments given in relation to the transfer of pensions (TUPE Plus), and following the principles for the Scheme of Transfer of Officers as outlined in the Libraries Act 2008, it is recommended by Policy Development Panel C (Structural Reform) that legislation should include provisions to: .

- a) enable the transfer of staff from central government to the new councils;
- b) enable the transfer of staff from the existing 26 councils to the new councils;
- c) enable the transfer of staff from the other bodies, e.g. NIHE, to the 11 councils.

Please note that The Local Government Staff Commission is currently developing a model Scheme of Transfer which will take account, for example, of staff affected by the redefined council boundaries.

2. It is also recommended by Policy Development Panel C (Structural Reform) that legislation should include provisions to:-

- a) enable the transfer of functions, assets and liabilities (including assets under construction/lease commitments) from central government to the new councils;
- b) enable the transfer of functions, assets and liabilities (including assets under construction/lease commitments) from the existing 26 Councils to the new councils;
- c) enable the transfer of existing functions, assets and liabilities (including assets under construction/lease commitments) from the other bodies, e.g. NIHE, to the 11 councils;
- d) protect local government from liabilities arising from the services transferring from central government;
- e) create a general definition for estate assets and liabilities, defined in legislation to avoid any ambiguity over which assets and liabilities are covered by the proposals and any subsequent controls;
- f) allow existing councils, (in the interest of good accounting practice) to incur expenditure on behalf of the new councils, prior to their establishment, and to subsequently recover that expenditure from the new councils e.g. expenditure associated with the funding of the local government elections 2011;
- g) provide the new councils with the power to acquire, hold, manage, develop and dispose of land and buildings in connection with their range of functions, including environmental and social improvement or well being of their districts or in connection with their other statutory functions. It is recommended that central government, in conjunction with the transferring departments, reviews and updates the legislation on vesting land and makes reference to statutory limits relating to the change of use.

Policy proposals which will require amendment to legislation

3. It is recommended by Policy Development Panel C that existing legislation is reviewed as outlined below:
 - a) Sections 81 and 82 of the Local Government Act (NI) 1972 (which were repealed and replaced by Articles 19 and 20 of the Local Government (NI) Order 2005) enable a surcharge to be imposed when a local councillor or officer is held to have cost the ratepayer money either by incurring unlawful expenditure or by wilful misconduct which causes a loss to be incurred. The provision of a Code of Conduct for Councillors is currently under consideration by Panel A. When legislation is introduced, the Code of Conduct will provide for a separate mechanism for declaring that certain actions by councillors may be unlawful. Sections 81 and 82 will need reviewed to reflect this.
 - b) Sections 41 of the Local Government Act (NI) 1972 relating to the specification of qualifications of officers by the Department should be repealed as the provision is considered to be out of date and of little value.
 - c) Section 42 of the Local Government Act (NI) 1972 relating to the requirement for Councillors not to be appointed officers of any Council, could be amended to reflect similar provisions in Scotland, and England and Wales where Councillors cannot be appointed Officers only in their own council area.

Emerging Policy Proposals which may require primary legislation

4. Striking of the Regional and District Rates

- a. Legislation may be required to achieve a transfer of funds from central to local government to cover those functions transferring to district councils.

It has previously been agreed that the overall rate burden should not increase simply as a consequence of transferring functions under RPA. It had been anticipated that the regional rates income would reduce, with a corresponding increase in the income from district rates. Initial financial modelling, suggests that there may be an imbalance in the rate to be determined for functions transferring to the individual new councils.

Before a final decision can be taken on how to address this anomaly, further work is required on:

- the costs of transferring functions across the new council boundaries;
- further detailed modelling on the generation of revenue through district rates; and
- how grants may operate under the new council structures.

It should be noted that this work cannot be completed prior to the publication of the final recommendations of the Local Government Boundaries Commissioner.

The Panel recommends providing powers to allow Councils to:

- b) strike differential rates for domestic and non domestic properties; and
- c) introduce a discretionary provision for district rate relief on specified non-domestic properties, which would be at a cost to the Council.

Depending on decisions yet to be taken by the Executive: -

5. Compensation

- a) Legislation may be required to provide for the payment of compensation in relation to the early release of staff. It is considered that legislation should provide for compensation from central government and not the existing 26 councils.

Cross cutting issues

6. Role of Chief Executive and Chief Finance Officer

- a) The Group recommends that, in accordance with CIPFA guidance, legislation is made to enable the separation of roles between that of the Chief Executive and the Chief Financial Officer of the new councils. This is a governance issue and has, therefore, been passed to Panel A for consideration.

7. Grants

- a) A power is required which will enable departments to make grants to fund certain functions transferring to the new councils. Each department will need to examine its current policy and legislation for those functions and consider how it should be amended.

8. Interim Controls

- a) It is understood that the Local Government (Finance) Bill will include provisions to ensure that financial controls in the areas of capital programmes, borrowings and reserves are in place in the lead up to 2011.

9. Other

- a) In line with the previous 2003 Taskforce recommendation, a review and consultation should take place on whether to provide the new councils with powers to dispose of land and property "at less than best consideration", without reference to the Department, subject to capital limits and conditions. Current legislation requires Departmental approval for the disposal of land "at less than best price".

DOE/NILGA Policy Development Panel C Joint Secretariat

Appendix 3: implementation of Local Government Reform

BCC NEWS RELEASE - Published: 2008/10/28

By Martina Purdy
BBC NI political correspondent

Executive block could hit reforms

Plans to streamline Northern Ireland's councils could be delayed by the failure of the Executive to meet, the environment minister has said.

Sammy Wilson has announced a new committee system to oversee the reduction from 26 to 11 councils.

However, he warned that the deadline would be missed if legislation was not tabled soon.

The plan is to have the 11 new councils up and running in time for elections in May 2011.

To achieve this, the minister is inviting councillors to take part in 11 new committees to manage the transition.

The minister, however, is concerned that a paper outlining the plans ahead of legislation had not been taken forward by the executive.

The executive has not met since June amid a dispute over the devolution of policing and justice powers.

Mr Wilson blamed Sinn Fein for blocking the meetings and said his request to have the first and deputy first minister deal with the issue using an urgent procedure has so far been declined.

"Some of this legislation should have actually been on the floor of the assembly now and be discussed by the environment committee," he said.

"I have asked for it to go through under special procedures that has not been agreed and therefore I'm still waiting for that legislation to get onto the floor of the assembly.

"The longer that goes on then the greater the risk to this whole project."

Each transition committee, one for each new council area, will consist of no more than 16 councillors, with an initial budget of about £150,000.

From the office of the
Minister of the Environment



Department of the
Environment
www.doeni.gov.uk

Mayors and Chairs of Councils

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Telephone: 028 9054 1166

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Your reference:

Our reference: SUB/550/2008

27 October 2008

Dear Mayor/Chair

IMPLEMENTATION OF LOCAL GOVERNMENT REFORM PROGRAMME

We have reached a key milestone in the delivery of the Local Government Reform Programme.

My predecessor announced the Executive's decisions on the Local Government Reform Programme to the Assembly on 31 March 2008. In doing so, she noted that her aim was to implement the agreed structural reform package by 2011, with elections to local councils being held on the same day as elections to the Assembly. That timescale is extremely challenging and the full and active co-operation of our colleagues in the Assembly, Local Government, the Northern Ireland Office and the Electoral Commission will be needed if that aim is to be achieved.

I am pleased to report that we are making good progress. The programme is being led by a Strategic Leadership Board, which I chair. That Board represents a strategic partnership between central government, local government and the five main political parties. It is working well and in a true spirit of partnership. It is supported in its work by three Policy Development Panels that are considering the key policy issues associated with the structural reform package, including: service delivery; governance; community planning, and the relationship between central and local government. All three Panels have already made good progress in addressing the critical policy issues associated with the reform programme, and their work will inform our legislative programme.

The next key structures in the programme are now ready to be put in place: a Regional Transition Co-ordinating Group, comprised of senior local government officers and civil servants, and eleven Transition Committees, one for each new Council area, and each supported by a Transition Management Team. The Regional Transition Co-ordinating Group will provide the essential interface between the strategic policy direction set by the Strategic Leadership Board and its Policy Development Panels, and the local policy set by the Transition Committees and their local operational delivery teams (the Transition

Management Teams). The Regional Transition Co-ordinating Group will be responsible to the Strategic Leadership Board for co-ordinating and supporting the consistent implementation of the regional reform policies across the 11 council areas.

The establishment of the Regional Transition Co-ordinating Group, the Transition Committees and the Transition Management Teams will provide the basic programme infrastructure to allow work to begin in the new council groups, and will allow those Departments transferring functions to engage in discussions with the local government sector at an operational level.

My officials are issuing a circular to your Chief Executives/Town Clerks, with detailed guidance to the councils on the terms of reference for the Transition Committees and Transition Management Teams. This guidance will enable the Transition Committees and Transition Management Teams to be implemented in a consistent manner, to a common understanding. My officials are developing a funding package, which will be provided to each of the council groups to support the establishment of the Transition Committees and Transition Management Teams. Details will follow in the next few weeks.

One of the critical issues I have addressed in framing terms of reference and guidance for the Transition Committees is whether the new councils should operate in shadow form for a period after the May 2011 elections before assuming full power and responsibility. I have considered this issue carefully and have sought the views of NILGA and the political parties through the Strategic Leadership Board.

I have considered carefully and fully all the views put to me and have concluded that I will not seek to provide for a shadow period. Power and responsibility will transfer to the new councils on the fourth day after polling day, in accordance with Part III of the Electoral Law (Northern Ireland) Act 1962. My overriding consideration in reaching this decision is that the public expect to see modern, efficient services, including those transferred from central to local government, in place as soon as possible and I believe it is my responsibility to deliver on this without delay. This means that the Transition Committees will be responsible for a very significant programme of work to ensure that the new Councils will be in a position to take full executive responsibility for services from the outset. This in turn means that the Transition Committees will need to be given statutory powers, subject to the direction of my Department. In bringing detailed proposals for the creation of statutory Transition Committees to the Executive and Assembly, I will ensure that the concerns raised by the political parties are addressed, and I will engage fully with all political parties, through the Strategic Leadership Board, in framing those legislative proposals. In particular, I will invite the Policy Development Panel with responsibility for developing proposals for council governance arrangements to urgently consider the issue of the governance arrangements for the statutory Transition Committees and to develop specific proposals for inclusion in the legislative proposals to provide for fair, transparent and efficient decision-making. In addition, I will seek to ensure that the arrangements put in place do not unduly fetter the democratic right of the new councils to develop and deliver their own vision for the area which they serve.

Providing for a smooth transition from the existing structures to the new councils will require very careful thought and planning. I am confident, however, that the implementation structures we are putting in place, coupled with the energy and enthusiasm of all those involved in the implementation process, will provide for a smooth transition to the new

council structures and, most importantly, ensure that citizens do not see a reduction in the quality or level of service during the transition period.

I look forward to working closely with the local government sector to deliver the new local government structures in 2011.

Yours sincerely

A handwritten signature in black ink that reads "Sammy Wilson". The signature is written in a cursive style with a large initial 'S'.

SAMMY WILSON MP MLA
Minister of the Environment



DOE

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**Clerk & Chief Executive of each District
Council**

Circular No: LG 16/08

Our reference: DO1-08-8703

28 October 2008

Dear Sir/Madam

GUIDANCE ON THE ESTABLISHMENT OF TRANSITION COMMITTEES AND TRANSITION MANAGEMENT TEAMS

We have reached a key milestone in the delivery of the Local Government Reform Programme.

On 31 March 2008, the then Minister of the Environment Arlene Foster announced the Executive's decisions on the Local Government Reform Programme to the Assembly. In doing so, she noted that her aim was to implement the agreed structural reform package by 2011, with elections to local councils being held on the same day as elections to the Assembly.

The programme is being led by a Strategic Leadership Board, chaired by the Minister. That Board represents a strategic partnership between central government, local government and the five main political parties. It is supported in its work by three Policy Development Panels that are considering the key policy issues associated with the structural reform package, including: service delivery; governance; community planning, and the relationship between central and local government. All three Panels have already made good progress in addressing the critical policy issues associated with the reform programme, and their work will inform our legislative programme.

The next key structures in the programme are now ready to be put in place: a Regional Transition Co-ordinating Group, comprised of senior local government officers and civil servants, and eleven Transition Committees, one for each new Council area, and each supported by a Transition Management Team. The Regional Transition Co-ordinating Group will provide the essential interface between the strategic policy direction set by the Strategic Leadership Board and its Policy Development Panels, and the local policy set by

the Transition Committees and their local operational delivery teams (the Transition Management Teams). The Regional Transition Co-ordinating Group will be responsible to the Strategic Leadership Board for co-ordinating and supporting the consistent implementation of the regional reform policies across the 11 council areas.

The establishment of the Regional Transition Co-ordinating Group, the Transition Committees and the Transition Management Teams will provide the basic programme infrastructure to allow work to begin in the new council groups, and will allow those Departments transferring functions to engage in discussions with the local government sector at an operational level.

Please find enclosed detailed guidance on the establishment of the Transition Committees and Transition Management Teams. This guidance will enable the Transition Committees and Transition Management Teams to be implemented in a consistent manner, to a common understanding. The Department is developing a funding package, which will be provided to each of the council groups to support the establishment of the Transition Committees and Transition Management Teams. Details will follow in the next few weeks.

One of the critical issues addressed in framing terms of reference and guidance for the Transition Committees is whether the new councils should operate in shadow form for a period after the May 2011 elections before assuming full power and responsibility. Minister Wilson has considered this issue carefully and has sought the views of NILGA and the political parties through the Strategic Leadership Board.

The Minister has concluded that he will not seek to provide for a shadow period. Power and responsibility will transfer to the new councils on the fourth day after polling day, in accordance with Part III of the Electoral Law (Northern Ireland) Act 1962. The Minister's overriding consideration in reaching this decision is that the public expect to see modern, efficient services, including those transferred from central to local government, in place as soon as possible and he believes it is his responsibility to deliver on this without delay. This means that the Transition Committees will be responsible for a very significant programme of work to ensure that the new Councils will be in a position to take full executive responsibility for services from the outset. This in turn means that the Transition Committees will need to be given statutory powers, subject to the direction of the Department. In bringing detailed proposals for the creation of statutory Transition Committees to the Executive and Assembly, the Minister will ensure that the concerns raised by the political parties are addressed, and he will engage fully with all political parties, through the Strategic Leadership Board, in framing those legislative proposals. In particular, the Minister will invite the Policy Development Panel with responsibility for developing proposals for council governance arrangements to urgently consider the issue of the governance arrangements for the statutory Transition Committees and to develop specific proposals for inclusion in the legislative proposals to provide for fair, transparent and efficient decision-making. In addition, the Minister will seek to ensure that the arrangements put in place do not unduly fetter the democratic right of the new councils to develop and deliver their own vision for the area which they serve.

Providing for a smooth transition from the existing structures to the new councils will require very careful thought and planning. The Minister is confident, however, that the implementation structures we are putting in place, coupled with the energy and enthusiasm of all those involved in the implementation process, will provide for a smooth transition to

the new council structures and, most importantly, ensure that citizens do not see a reduction in the quality or level of service during the transition period.

I would like to invite you to a briefing that I have organised for your attention on the 4th November from 10.30 am to discuss the Transition Committees and Transition Management Teams further. The briefing will be held in the Whinstone Suite in the Antrim Civic Centre (50 Stiles Way, Antrim, BT41 2UB; map and directions attached), and will be followed by a light lunch. Please confirm attendance by email to paula.oneill@doeni.gov.uk.

Yours faithfully

MR IAN MAYE

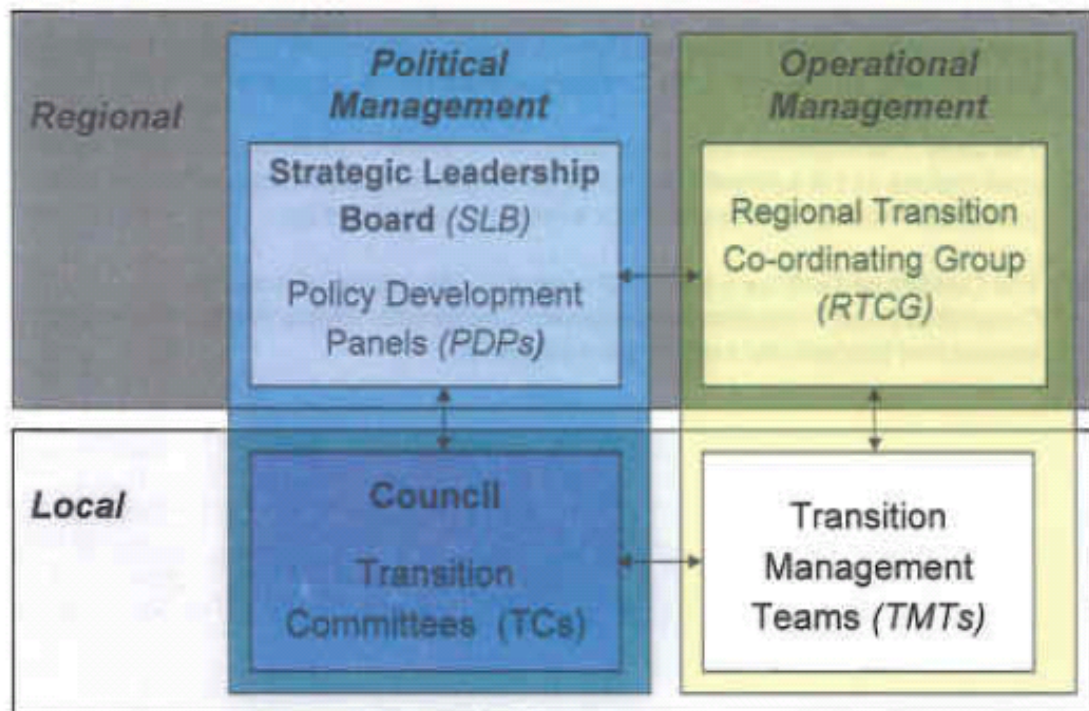
GUIDANCE ON THE ESTABLISHMENT OF TRANSITION COMMITTEES AND TRANSITION MANAGEMENT TEAMS

Background

1. This Circular sets out initial guidance on the formation of Transition Committees and Transition Management Teams.

Detail

2. In response to guidance from the Minister in July 2008, a number of amalgamating councils have either begun, or are about to begin, the process of establishing voluntary Transition Committees.



3. The diagram above illustrates the linkages and flows of information and control between the implementation structures.
 4. The Transition Committees are made up of elected members from the constituent councils which will form the new authorities. It is important to note that Belfast City Council will require its own transition committee arrangement due to the unique nature of the new council – i.e. it is not formed from the amalgamation of existing entities, but rather is based largely on the existing Belfast City Council, with its new boundaries as recommended by the Local Government Boundaries Commissioner. The detail of the Belfast approach can be developed in due course, but the principles which are set out in this paper should apply where appropriate.
 5. Transition Management Teams are tasked with the operational delivery of the
-

restructuring programme at the local level, working under the direction of their Transition Committees.

Context

6. The next key step in the programme of restructuring is to establish the Transition Committees and the Transition Management Teams. This will provide the basic programme infrastructure to allow the initial work to begin in the council groups.
 7. The terms of reference for Transition Committees and Transition Management Teams are attached at Annex 1 and Annex 2 respectively. A Guidance Note on governance arrangements for Transition Committees is attached at Annex 3.
 8. This should be considered to be initial guidance, to inform the creation and establishment of the bodies. As the implementation structures develop, it is anticipated that the Strategic Leadership Board, through the Regional Transition Co-ordinating Group, will issue further guidance as the programme proceeds.
 9. The early dissemination of this guidance is intended to assist in the formation of such groups at the earliest opportunity, and to ensure that they are formed in a consistent manner and operate to a common understanding.
 10. The Department will, as a matter of urgency, also provide Transition Committees and Transition Management Teams with a reporting framework, to ensure that programme reporting is consistent.
-

GUIDANCE ON THE FORMATION OF TRANSITION COMMITTEES

1 ROLE OF TRANSITION COMMITTEE

The primary role of the Transition Committee is to take the key decisions necessary to ensure that there are eleven effective Councils in place on the fourth day after polling day in May 2011, in accordance with Part III of the Electoral Law (Northern Ireland) Act 1962. Transition Committees will be comprised of elected members from the existing Councils supported by Transition Management Teams of officers from those Councils together with representatives of the transferor public bodies. Transition Committees will operate to the following Terms of Reference: -

1.1 Terms of Reference

(1) General

- To secure a coherent and co-ordinated approach to local decisions in line with the strategic direction and key policies developed by the Strategic Leadership Board and Policy Development Panels and the operational advice issued by the Regional Transition Co-ordinating Group.
- To action and develop the implementation template provided by the Regional Transition Co-ordinating Group through the development of a local prioritised work plan (including activity map and timeline).
- To liaise with local stakeholders to ensure that the implementation process takes account of their views.
- To direct the work of Transition Management Teams and establish working groups, as appropriate, to support the work of the Transition Committee.
- To ensure that agreed local programmes and timescales are met.

(2) Governance

- To develop a shared corporate vision for the new Council.
- To develop local governance arrangements to meet the requirements as set out by the Strategic Leadership Board, through the work of Policy Development Panel A.
- To prepare financial arrangements and draft standing orders for the operation of the new Council.
- To advance the convergence of key plans and programmes, including the capital development programmes of existing councils.

- To develop a local communication strategy, in line with and informed by the overarching Programme Communications Strategy, to inform members, staff and the public regarding the implementation process.
- To develop a local capacity building programme as necessary, based on the recommendations on capacity building agreed by the Strategic Leadership Board, as developed by Policy Development Panel C, for members and officers.
- To ensure that local winding-up arrangements are put in place for the affected public bodies.

(2) Service Delivery

- To ensure continuity of service delivery across the new Council area from the operative date.
- To integrate transferred services and new functions into the new Council's operations.
- To develop an Integrated Service Delivery Strategy and Performance Plan
- To formulate a customer service strategy for the new Council.
- To examine the potential for service delivery efficiencies and economies through service rationalisation measures.
- To plan a cohesive IT strategy for the new Council building on the output of Policy Development Panel B.

(3) Structural Reform

- To appoint a Chief Executive designate for the new Council as soon as possible.
- To design an appropriate staff structure for the new Council.
- To make early appointments of senior staff designate, especially in the finance and human resources fields.
- To address the local implications of the outworking of the staff transfer scheme and compliance with Public Service Commission Guiding Principles.
- To formulate an estates strategy and address accommodation issues for the new Council.
- To establish a corporate financial management system and prepare a budget for the new Council.

- To manage the transfer of assets and liabilities to the new Council and the associated legal and administrative issues.

1.2 Membership

Nominating Body	Member
Amalgamating Councils	Councillors <i>(Number of Councillors will vary from area to area according to size)</i>

1.3 Policy and Administrative Support

A Change Management Officer should be appointed by the Transition Committee to assist the transition process for both the Transition Committee and Transition Management Teams. The Change Management Officer should attend meetings, undertake associated activities and provide administrative support. Transition Committees will be assisted by the Strategic Leadership Board, Regional Transition Co-ordinating Group and Transition Management Teams in their planned programme of key policy activities. The new Chief Executive designate and senior management team designate, when appointed, will undertake the key advisory and management role until transfer to the new Councils.

1.4 Term of Office and Vacancies

The amalgamating Councils will nominate members for an agreed period. The nominating body will fill any vacancies arising as soon as possible. Transition Committees will cease activities on the operative date of the new Council.

1.5 Legal Status

The DOE will provide a legislative framework for the Transition Committees as soon as possible. Until this happens, Transition Committees should be set up as joint committees constituted as bodies corporate and should commence work immediately on the basis of a joint committee because of the urgency required to meet implementation timescales.

1.6 Flexibility

Transition Committees will operate in a flexible manner to successfully manage the change process in preparation for the effective operation of the new Council. Accordingly, the Terms of Reference may evolve to accommodate unanticipated policy development at Strategic Leadership Board and Policy Development Panel levels and any new issues that may emerge at the local level through existing Councils, Transition Management Teams and transferor bodies.

2 MANAGEMENT ARRANGEMENTS

(1) General

- Membership of the Transition Committees will consist only of elected members from the existing Councils and should proportionately reflect the political composition of those existing Councils.
- The size of a Transition Committee should take account of the need for efficient and effective management and numbers should be in the range of 10–16 members. (A guidance note will be issued on this matter.)

(2) Secretariat

- The secretariat will be provided by the Change Management Officer.

(3) Meetings

- Transition Committees will meet at times considered appropriate and venues for meetings should be rotated among the existing Councils.
- Transition Committees may invite any person or body to attend meetings and may invite such a person or body to make a presentation and/or submit evidence and produce documents.

(4) Agendae

- The Chair of the Transition Committee will determine the agenda for meetings, with the assistance of the Secretariat.
- Documents relating to the business will normally be made available to members at least three working days before the meeting to which they relate.

(5) Record of proceedings

- Minutes of meetings will be in action format listing key decisions and actions to be taken and will be prepared by the Secretariat. Copies of such minutes should be submitted to the Strategic Leadership Board.

Guidance on the Establishment of Transition Management Teams

1 ROLE OF TRANSITION MANAGEMENT TEAMS

Transition Management Teams will have responsibility for the ongoing operational management of the transition at the local level. Each Transition Management Team will work under the direction of the Transition Committee, taking account of the guidance from the Regional Transition Co-ordinating Group, to ensure that there is an effective Council in place on the operative date of the changeover. Transition Management Teams will include Chief Executives from the amalgamating Councils and Senior Officers from transferor public bodies at the local level. A Change Management Officer should be appointed by the Transition Committee to assist the transition process for both the Transition Committee and Transition Management Teams. The Change Management Officer should attend meetings, undertake associated activities and provide administrative support. Transition Management Teams will operate to the following Terms of Reference: -

1.1 Terms of Reference

(1) General

- To secure a coherent and co-ordinated approach to local operational management issues in line with the policies developed by the Strategic Leadership Board and Policy Development Panels, Transition Committees and the operational advice issued by Regional Transition Co-ordinating Group.
- To action and develop the implementation template provided by Regional Transition Co-ordinating Group through the development of a prioritised work plan (including activity map and timeline).
- To inform the Transition Committee of key issues needing policy direction.
- To inform the Regional Transition Co-ordinating Group of key issues needing regional operational guidance.
- To liaise with local officer stakeholders to ensure that their perspectives inform the implementation process.

(2) Governance

- To support the Transition Committee, where appropriate, to develop operational policies.
- To undertake, in the context of policy direction from the Transition Committee, the convergence of key plans and programmes, including the corporate plans and capital development programmes of existing councils.

- To ensure implementation of local capacity building and training programmes for affected staff, based on policy developed through Panel C, and operational guidance through the Regional Transition Co-ordinating Group, particularly those 'at risk'.
- To establish local winding-up arrangements for the affected public bodies at the local level.

(3) Service Delivery

- To assist the Transition Committee in developing key Service Delivery strategies, including: -
 1. *Integrated Service Delivery Strategy and Performance Plan;*
 2. *Identifying the potential for service delivery efficiencies and economies through service rationalisation measures;*
 3. *Formulating a customer service strategy for the new Council.*
- To prepare and execute operational plans to secure continuity of service delivery across the new Council area on the operative date.
- To help the Transition Committee ensure the smooth transfer of services and functions
- To help the Regional Transition Co-ordinating Group on associated regional transfer operational issues.
- To identify and implement improvements in key administrative and IT systems, procedures and processes through harmonisation and development of cohesive, efficient and effective management strategies for the new Council.

(4) Structural Reform

- To assist the Transition Committee with policy development, including:
 1. *The formulation of an estates strategy and accommodation issues;*
 2. *Establishment of a corporate financial management system and preparation of a draft budget;*
 3. *Development of an integrated IT strategy;*
 4. *The transfer of assets and liabilities to the new Council and the associated legal and administrative issues.*
- To implement the staff transfer scheme, as agreed by the Strategic Leadership Board and Transition Committee, taking account of the Public Service Commission Guiding Principles.
- To work closely with the Chief Executive designate and senior managers designate.
- To engage with Regional Transition Co-ordinating Group on potential

regional solutions and establish local officer working groups to support the work of the Transition Committee and Transition Management Teams.

1.2 Information and Resources

The Terms of Reference can only be successfully addressed if:

- full details are supplied to the Transition Committees and Transition Management Teams with regard to functions transferring to the new Councils; and
- an adequate level of central resources is made available to the Transition Committees and related Transition Management Teams to fund their activities.

1.3 Membership

Nominating Body	Representative
Councils	Chief Executive (Chair rotating until Chief Executive designate is appointed)
Councils	Senior Officers
Transition Committee	Chief Executive designate (when appointed)
DOE Planning Service	1 Officer
DRD Roads Service	1 Officer
DSD	1 Officer
DETI /INI	1 Officer
Other	Co-opted as required by task (time limited)

The Chief Executives and Senior Council officers will be from the amalgamating Councils. Officers from the transferor public bodies should preferably have a working knowledge and a functional relationship with the amalgamating Councils.

The new Council Chief Executive designate, when appointed, would assume the role of Chair. The Change Management Officer would attend and provide administrative support.

1.4 Term of Office and Vacancies

The Transition Management Teams will cease activities on the operative date of the new Council. The nominating body will fill any vacancies arising as soon as possible.

1.5 Flexibility

Transition Management Teams will operate in a flexible manner to successfully manage the operational change process. Accordingly, the Terms of Reference may evolve to accommodate unanticipated policy development at Strategic Leadership Board and Regional Transition Co-ordinating Group levels and the new issues that may emerge at the local level from Transition Committees, existing Councils and transferor bodies.

2 MANAGEMENT ARRANGEMENTS

(1) General

- Membership of the Transition Management Teams will consist of Chief Executives and Senior Officers of Councils and Senior Officers of the transferor bodies, as indicated above. The new Council Chief Executive designate, when appointed, would become Chair and selected members of the new officer management team designate would also attend.
- The Chair of a Transition Management Team will be a Chief Executive on a rotational basis until the Chief Executive designate is appointed and assumes the role.
- Each Transition Management Team will be assisted by a Change Management Officer and support staff.

(2) Secretariat

- The secretariat will be provided by the Change Management Officer.

(3) Meetings

- Transition Management Teams will meet at times considered appropriate and venues for meetings should be rotated among the existing Councils.
- Transition Management Teams may invite any person or body to attend meetings and may invite such a person or body to make a presentation and/or submit evidence and produce documents.

(4) Agendae

- The Chair of the Transition Management Team will determine the agenda for meetings, with the assistance of the Secretariat.
- Documents relating to the business will normally be made available to representatives at least three working days before the meeting to which they relate.

(5) Record of proceedings

- Minutes of meetings will be in action format, listing key decisions and actions to be taken, and will be prepared by the Secretariat and submitted to the Transition Committee. Copies of such minutes should also be submitted to Regional Transition Co-ordinating Group.

GUIDANCE NOTES ON GOVERNANCE FOR TRANSITION COMMITTEES

1 Background

The Terms of Reference for Transition Committees set out that they will play a lead role in taking the key decisions necessary to ensure that there are eleven effective Councils in place on the operative date of the reorganisation of Local Government in 2011.

Transition Committees will be comprised of elected members from the amalgamating Councils supported by Transition Management Teams of officers from those Councils together with representatives of the transferor public bodies. The Regional Transition Co-ordinating Group will also give advice and support on the important operational issues. These bodies will operate in the context of the Strategic Leadership Board high-level policy direction and advisory arrangements.

2 Framework

This Guidance Note provides a governance framework to Transition Committees for the effective, efficient and accountable management of their activities. Good governance is also considered to be an essential prerequisite for the allocation of funds by the Department of the Environment (DOE) to assist Transition Committees with their work. In creating the various governance components within the framework set out below, Transition Committees should utilise support services and best practice residing in the amalgamating Councils. To do so will accelerate formation and ensure that effective governance and administrative support systems are employed.

3 Legal Status

The 11 Transition Committees will be set up to reflect the groupings of councils specified in the Local Government (Boundaries) Act (NI) 2008. In the first instance, the Transition Committees will meet in a voluntary capacity and proceed as soon as possible to formation as a Joint Committee using the existing provisions of the Local Government legislation (*See Annex 4 – Extract from the Local Government Act (Northern Ireland) 1972*). As a body corporate, the Transition Committees will have a statutory basis for accountable decisions within the framework set out in the terms of reference.

The Department of the Environment intends to make enabling provisions for statutory Transition Committees in the Local Government (Finance) Bill, with a planned operative date of no later than April 2010. These new provisions will enable the Department, by regulations, to provide the Transition Committees with powers to enable them to make essential decisions in preparation for the new Councils.

Figure 1 below sets out the legal status, role progression and indicative timetable for Transition Committees.

Figure 1 – Progression of Transition Committees

Date	Key Role	Legal Status
Oct 2008 – Nov 2008	<i>Preparing for Change – agree Governance arrangements and undertake key lead - in activities</i>	<i>Voluntary Transition Committees</i>
<i>Dec 2008 – April 2010 (or sooner, depending on the legislative timetable and vehicle)</i>	<i>Prepare Transition Plan and initiate transition programme to ensure effective Council on the operative date</i>	<i>Joint Committees under section 19 of the Local Government Act (NI) 1972. The Department will constitute the joint committees as bodies corporate</i>
<i>April 2010 – May 2011 local government elections</i>	<i>Continue detailed transition work to ensure an effective Council on the operative date</i>	<i>Statutory Transition Committees as per legislation in the Local Government (Finance) Bill</i>
<i>May 2011 Elections</i>	<i>Statutory Transition Committees will complete their required programme of work 4 days following polling day</i>	<i>Under section 19(7) of the Local Government Act (NI) 1972, members of a joint committee remain in office until the day after the first meeting of the succeeding council</i>
<i>Post Elections 2011</i>	<i>Transformation programme</i>	<i>New Councils legally operative</i>

4 Accountability and Decision Making

Transition Committees will be accountable for their decisions and, accordingly, they must ensure that they have good governance arrangements, including: -

- Operating in accordance with agreed standing orders (*such standing orders may be adopted from an amalgamating Council*)
- Efficient and effective approach to work planning and decision making
- Openness and inclusiveness
- Compliance with all the legal obligations pertaining to a public body

5 Reporting and Transparency

Transition Committees will be subject to the accepted norms of internal and external scrutiny. They will operate to best practice in management of meetings, reporting arrangements and general administration.

The terms of reference for Transition Committees provide advice on meetings, agenda, and reporting. In particular, the terms of reference state that *'minutes of meetings will be in action format listing key decisions and actions to be taken and will be prepared by the Secretariat. Copies of such minutes should be submitted to the Strategic Leadership Board.'* The Strategic Leadership Board and Department of the Environment will require regular reports on transition progress for the effective coordination and strategic management of the reform process.

To ensure transparency, Transition Committees will make arrangements for public access to the decision making process. A communication strategy should be developed to regularly inform the public and stakeholders.

6 Chair and Representation

In order to secure fairness and inclusiveness: -

- The Chair of the Transition Committee will rotate between amalgamating Councils;
- Each Council within the Transition Committee should have the same number of members and this membership should reflect the existing political strength of the Council (*subject to a maximum of 16 Councillors per Transition Committee*).

7 Conduct and Standards

Members and officers working within the Transition Committees and associated projects will be expected to abide by the existing local government codes of conduct and ethical standards.

8 Responsibilities and Allowances

The Terms of Reference set out the responsibilities of a Transition Committee. As these responsibilities will constitute an important role for the Councillors appointed to Transition Committees they will be paid from the DOE allocated block grant an agreed supplementary allowance for the additional responsibility involved. The amount proposed is £2700 pa, in parity with the Strategic Leadership Board and Policy Development Panels. Members appointed to Transition Committees should have the time, capacity and commitment to contribute effectively to the development of new Councils.

9 Finance

Each Transition Committee must ensure probity, accountability and efficiency in all its financial activities. This will include: -

- Operating within approved financial arrangements (*such arrangements may be adopted from an amalgamating Council*)
- Preparation of a working budget
- Preparation of annual accounts
- Being subject to the Local Government Audit arrangements

In this context, the Department of the Environment will allocate a block grant to each Transition Committee to help fund its work including staff costs, members' allowances, research, etc. Expenditure from the block grant must be in pursuit of the activities of a Transition Committee and in accordance with the Transition Committee Terms of Reference and the legislative provisions.

10 Staff and Support Services

Each Transition Committee will reach agreement with the amalgamating Councils to provide support services such as finance, audit, HR, legal, insurance, etc. The Transition Management Team will have a key supportive role.

Local Government Staff Commission advisory and oversight provisions will apply to Transition Committees with regard to staffing and relevant human resource matters. In accordance with Local Government Staff Commission advice, a Change Management Officer will be appointed to provide support to each Transition Committee. This post will be funded from the DOE-provided block grant. As stated in the Terms of Reference, *Transition Committees will also be assisted by the Strategic Leadership Board, the Regional Transition Co-ordinating Group and Transition Management Teams in their planned programme of key policy activities. The new Chief Executive designate and senior management team designate, when appointed, will undertake the key advisory and management role until transfer to the new Councils.*

Transition Committees will abide by the Public Service Commission (PSC) Guiding Principles and, in particular, ensure the fair treatment of staff in the change process for which they (the Transition Committees) are responsible.

11 Location

A Transition Committee will not be based in any one Council and thus the meetings of the Transition Committee will rotate between the amalgamating Councils.

The good governance arrangements adopted will be the modus operandi for each Transition Committee during its tenure. However, governance arrangements may be subject to amendment as the legislative process proceeds.

EXTRACT FROM - LOCAL GOVERNMENT ACT (NORTHERN IRELAND) 1972¹**PART II****MEMBERS, MEETINGS AND PROCEDURE²****Councillors****19 Joint committees**

(1) A council may concur with any one or more than one other council in appointing a committee of those councils (in this Act referred to as a "joint committee") for any purpose in which they are jointly interested, and may delegate to the joint committee, with or without restrictions or conditions as the council thinks fit, any functions of the council relating to the purpose for which the joint committee is formed, except the power of making a rate, or (except where the joint committee is constituted as a body corporate by an order under subsection (9) and power in that behalf is conferred by the order) the power of borrowing money, or of acquiring, holding or disposing of land, and any transferred provision regulating the exercise of a function by a council shall also apply to regulate the exercise of that function by a joint committee.

(2) Subject to the provisions of this section, the number of members of a joint committee, their term of office and the area, if any, with respect to which the joint committee is to exercise its functions shall be fixed by the appointing councils.

(3) The persons appointed by a council to a joint committee may include persons who are not councillors, but at least two-thirds of the members of the joint committee who are so appointed shall be councillors.

(4) A joint committee may appoint a sub-committee for the exercise of any function which in the opinion of the joint committee would be better exercised by a sub-committee.

(5) A sub-committee appointed under subsection (4) may include persons who are not councillors, but the majority of the members of every sub-committee shall be councillors of the councils which appointed the joint committee.

(6) Every member of a joint committee or sub-committee who at the time of his appointment was a member of a council which concurred in appointing the joint committee shall, upon ceasing to be a member of that council, also cease to be a member of the joint committee or sub-committee.

(7) A member of a joint committee, unless his term of office earlier expires, shall continue in office until the day after the first meeting of the council by which he was appointed that is held after an election of councillors (other than an election to fill a casual vacancy), and at that first meeting the council shall appoint the members of the joint committee whom it is entitled to appoint.

¹ This version of this statute is extracted from the UK Statute Law Database (SLD)
http://www.opsi.gov.uk/RevisedStatutes/Acts/spni/1972/capni_19720009_ah_1

(8)A council which appoints members of a joint committee, or a joint committee which appoints a sub-committee, may revoke any appointment made under this section, and councils which concur in delegating any function, or imposing any restriction or condition, under subsection (1), or in fixing anything under subsection (2), may concur in revoking or varying anything so delegated, imposed or fixed.

(9)The Ministry concerned, on the application of all the councils concerned, may by order make provision for the purpose of—

(a)constituting a joint committee a body corporate with perpetual succession by the name specified in the order;

(b)fixing the functions of the body corporate so constituted;

(c)applying to that body any transferred provision, subject to the modifications (if any) specified in the order;

(d)providing for the winding-up and dissolution of any body corporate so constituted.

(10)A member of a joint committee or sub-committee who is not a councillor shall have the same exemption from personal liability as if he were a councillor.

[E119A Voting rights of members of committees, sub-committees and joint committees

(1)A person who—

(a)is a member of a committee appointed under section 18(1) by a council and is not a member of that council; or

(b)is a member of a joint committee appointed under section 19(1) by 2 or more councils and is not a member of any of those councils; or

(c)is a member of a sub-committee appointed under section 18(4) or 19(4) by such a committee as is mentioned in paragraph (a) or (b) and is not a member of the council, or one of the councils, which appointed that committee,

shall for all purposes be treated as a non-voting member of that committee, joint committee or, as the case may be, sub-committee.

(2)Where a person is treated by virtue of this section as a non-voting member of any committee, joint committee or sub-committee, he shall not be entitled to vote at any meeting of the committee, joint committee or sub-committee on any question which falls to be decided at that meeting.

(3)In this section any reference to voting includes a reference to making use of a casting vote.]

Annotations:

[E1192 NI 6](#)

20 Expenses of joint committees

The expenses incurred by a joint committee shall be defrayed by the councils by whom the joint committee is appointed in such proportions as they may agree upon, or in the case of disagreement as may be determined by the Ministry.

21 Disqualification for membership of committees

(1)A person who is disqualified for being elected or being a member of a council shall be disqualified for being a member of any committee or sub-committee of that council, or for being a representative of that council on any joint committee, or for being a member of a sub-committee of a joint committee on which that council is represented.

(2)Section 6 shall apply to members of a committee or sub-committee of a council who are not councillors as it applies to councillors

Appendix 5: Statement of Principles on Transfer of Functions



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Environment

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Our Ref:SUB/507/08

FROM: SAMMY WILSON MP MLA

DATE: 6 OCTOBER 2008

TO: MINISTERIAL COLLEAGUES

As you will be aware I am working with our local government colleagues to implement the decisions of the Executive on the restructuring of local government, which were agreed in March 2008. This restructuring will result in a reduction in council numbers from 26 to 11, and will give additional powers and duties to local government.

Since that time my officials have been working closely with the local government sector and central government departments to develop policy proposals and agree implementation arrangements for the local government restructuring programme.

I chair the Strategic Leadership Board, a consultative board, drawn from local government elected members. This body meets regularly to take forward the high level policy and implementation issues in the local government restructuring programme. A number of Policy Development Panels have also been formed to examine specific policy areas. Representatives from government departments have been invited to attend these meetings, and indeed are contributing significantly to policy development.

The Northern Ireland Local Government Association (NILGA) which represents councils, is a key partner in the process. The NILGA president is the Vice Chair of the Strategic Leadership Board, and NILGA is closely involved with my Department in both policy development and implementation.

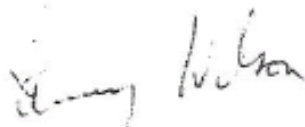
The transfer of functions from central to local government control forms a key part of the restructuring process. The subject is of great importance to local government, and NILGA has developed a statement of principles which it feels should guide the process for the transfer of functions from central to local government.

I attach the paper which NILGA submitted to the Strategic Leadership Board on the principles of transfer, as an annex to this letter.

I have been asked by NILGA to support the principles as set out, and to write to Ministerial colleagues to that effect.

The principles which NILGA has espoused are centred on openness of approach, consistency with the Ministerial statement to the Assembly on 31 March 2008 which launched the programme, and ongoing consultation with the sector throughout the process. I am sure that these are points to which we can all agree.

The principles themselves build further detail as set out in the NILGA paper. I would encourage you to consider and support these principles as we move into the implementation phase of the local government restructuring programme.

A handwritten signature in black ink, appearing to read 'Sammy Wilson', written in a cursive style.

SAMMY WILSON MP MLA
Minister of the Environment

DELIVERING ON THE REVIEW OF PUBLIC ADMINISTRATION

CREATING STRONG LOCAL GOVERNMENT

A Paper Outlining a local Government Preferred Approach

August 2008

Context

1. The Review of Public Administration (RPA) initiated by the devolved Assembly was announced in September 2002. It was subsequently overseen by direct rule Ministers from October 2002 until May 2006, when devolution was restored. In July 06, the then Minister for the Environment, Arlene Foster MLA, initiated a further Review of the Local Government Aspects of the Review of Public Administration.
2. Arlene Foster MLA announced the outcome of the review to the Assembly on March 31st 2007. The key elements of the final decisions were:-
 - the rationalisation in the number of local authorities in Northern Ireland from 26 to 11, to be effective from May 2011
 - the transfer of a range of functions from central to local government including planning, regeneration, public realm aspects of local roads, and some minor economic development, tourism and housing related functions
 - the creation of new Community Planning and Wellbeing Powers for Local Government
 - Statutory Governance arrangements
 - A clear indication that the strengthening of local government would be “a *process and not an event*” and that a further review would be carried out 12 months after the new councils become operational
 - Central and Local Government to work in partnership to deliver the Programme for Government and the vision for local government
4. In the announcement the Minister set out a vision for Local Government.

“Our vision for local government is therefore one of a strong, dynamic local government creating communities that are vibrant, healthy, prosperous, safe, sustainable and have the needs of all citizens at their core. Central to the vision is the provision of high quality, efficient services that respond to the needs of people and continuously improve over time. That vision resonates with the Executive’s Programme for Government and the strategic priorities contained within it. It also reflects the strong desire that central and local government should work in partnership to deliver the Programme for Government and the vision for local government.”

5. The **vision** articulated in the announcement is consonant with the vision outlined by NILGA at its conference on 16/17 February 2006. This vision recognises the requirement that citizens’ needs need to be at the centre of delivering public services. It further recognises the need to integrate public services both to serve the public more effectively and to provide better value for money. Finally it recognised that for community planning to work local government, central government, statutory agencies and the voluntary community and

private sector will have to build relationships and **common cause** on what they are trying to achieve.

6. In the context of the discussion about the future relationship between central and local government and the transfer of functions from central government to local government it is important to note the principles underpinning the Review.
 - (1) **Subsidiarity** – the need to balance the efficiency of regional service delivery against local democracy and local responsiveness;
 - (2) **Equality and Good Relations** – in terms of service delivery, diversity and employment, the governance of organisations including the Councils and the embracement of principles set out in A Shared Future – The Framework for Good Relations;
 - (3) **Common Boundaries** – experience elsewhere demonstrates that people can understand public services better when they are delivered in common boundaries which also make it much easier for organisations to deliver real joined-up services; and
 - (4) **Strong Local Government** – all the Review consultations saw people strongly in support of local government as the centrepiece in service delivery and local democracy.
7. The RPA is now reaching the critical stage of implementation where functions will be transferred from central government to local government. It is essential that there is a common understanding across central government on the purpose and vision underpinning the transfer of functions to local government. Local Government now calls upon the Minister and Executive Colleagues **agree a set of principles to firmly set the context in which the implementation work for the transfer of functions should be approached.**
8. Such a statement of principles will serve to ensure that both central and local government are working in partnership to a common vision and that the transfer of functions takes place in an environment of trust, mutual regard and the common cause of providing integrated public services meeting the needs of our citizens. NILGA therefore requests the Minister of the Environment in line with the specified vision to endorse the principles set out below and to seek agreement from Ministerial colleagues to inform the manner in which the Departments and local government approach the work of implementing the transfer of functions to local government.
9. The purpose of the transfer of functions to local government is to create a strong local government having direct control over local services which are delivered in a manner responsive to local needs. Such services must be provided fairly and equitably and in a manner which ensures value for money. Community planning is the mechanism through which the aim of integrated public services responsive to the needs of local communities will be pursued. This will require both central and local government to look at the manner in which services are delivered at the moment and the manner in which resources are allocated.
10. The common aim of both central and local government is to work in partnership to create sustainable, safe and fair communities that live in attractive places and enjoy effective public services and a good quality of life. Such communities will also be economically successful and socially cohesive with an appreciation of the rights and responsibilities of people from all backgrounds, providing opportunities for business and individuals to thrive in a sustainable manner.

Local Government Requests

11. Local government therefore requests the Minister of the Environment to endorse the following set of principles and to seek agreement from Ministerial colleagues to agree the statement of principles and subsequently ensure that Government Departments adhere to these principles when transferring functions to local government.

Local Government feel the following statement of principles to guide the work would be appropriate.

- (1) The transfer of functions to local government will be governed by the vision and guiding principles set out in the Ministers speech, as reiterated above in paragraphs 2-6 above.
- (2) To build and sustain the trust that will create the relationships to deliver community planning, the transfer of functions must take place in an open and transparent manner. This will require the Departments and agencies transferring functions and representatives of local government to hold early and open conversations involving the mutual exchange of information on the resources and capacity of the functions being transferred.
- (3) This work should be facilitated within the arrangements for the task force, ensuring a timetable, consultation arrangements and a project plan for implementation is prepared and overseen by the Minister in liaison with the Strategic Leadership Board.
- (4) Reports on the transfer of individual functions should be prepared by individual Departments and be reported to the Minister and Strategic Leadership Board for endorsement.
- (5) Ministers should require Departments to prepare reports in consultation with local government and each report going to the Strategic leadership Board should be signed off by both parties indicating the areas of agreement and disagreement.
- (6) Ministers should require their Departments to prepare these reports based on the following principles:
 - (a) All services announced by the Minister as transferring to local government will transfer (subject to discussions with local government on some minor items).
 - (b) A clear definition will be provided for of the transferring functions in terms of their scope, currently policy, associated resources and current governance arrangements.
 - (c) A clear time line and project plan will set out the methodology and processes (including consultation arrangements) necessary for the timely transfer of functions.
 - (d) Functions being transferred should be sufficiently funded at the point of transfer to ensure that the same quality of service is available to citizens pre- and post-transfer in a manner that ensures that at the point of transfer there is no additional cost to the ratepayer.
 - (e) All the resources associated with the function in terms of estate, fleet and human resources together with a proportionate amount of the back office administration and human resources associated with the exercise of the function will transfer.
 - (f) Both parties recognise that it is essential that skilled staff are transferred with the function as it is these staff who will ensure that

services to citizens are maintained and improved. Discussions will take place between both parties to agree the number, capacity levels and skills of staff who should transfer.

- (g) The Minister in liaison with the Strategic Leadership Board will determine whether the above principles have been complied with when considering the reports from the individual Departments and if there is disagreement will consider taking independent advice on the arguments put before them.
- (h) The Minister and Strategic Leadership Board recognise that it is vital to maintain staff motivation and morale through a period of radical change and therefore undertake that the principle of parity will apply to all staff who are affected by the change whether they be in local or central government. This means that the same compensation and transfer arrangements will apply and that the principle of fair and equal treatment will be at the heart of all decisions.

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