



## Belfast City Council

<b>Report to:</b>	Strategic Policy and Resources (Transition) Committee
<b>Subject:</b>	Review of Public Administration Update
<b>Date:</b>	18 <sup>th</sup> June 2010
<b>Reporting Officer:</b>	Peter McNaney, Chief Executive
<b>Contact Officer:</b>	Kevin Heaney, RPA Coordination Manager (ext. 6202)

1.0	<b><u>Relevant Background Information</u></b>
1.1	Members will be aware that the Environment Minister, Edwin Poots submitted a report to the Executive at its meeting on 27 <sup>th</sup> May 2010, setting out proposals on the way forward for the RPA local government reform programme. It is understood that different views were expressed at the Executive meeting on 27 <sup>th</sup> May and a discussion on the way forward was deferred to the Executive meeting on 10 <sup>th</sup> June 2010.
1.2	Following the meeting the Minister for Local Government, Edwin Poots, has written to NILGA and Councils setting out the funding pressures that central government will be under over the coming years and indicating that if local government reform is to proceed the estimated cost of £118M would have to be met by local government. Council responses were been sought by 4 <sup>th</sup> June to enable the Environment Minister to submit a revised paper for the Executive meeting on 10 <sup>th</sup> June.
2.0	<b>Key Issues</b>
2.1	Councils have previously considered the issue of financing specific elements of the RPA reform programme and had agreed a number of high-level principles including, for example, the following: <ul style="list-style-type: none"><li>• The Reform process should be cost neutral to the ratepayer.</li><li>• Where there is no benefit to Local Government, the cost must be borne by central government.</li><li>• Central government should fund activities where equity across the sector is required eg severance.</li><li>• The final programme costs and their apportionment between councils must be negotiated based on a robust and agreed business case.</li></ul>
2.2	NILGA recently arranged a meeting for representatives of all local authorities (including a number of Belfast City Council Members) to further discuss the issue of funding reform with a view to informing a NILGA response to be submitted to the Environment Minister on behalf of the local government sector. At the meeting there was acknowledgment that local authorities may be required to fund an element of the reform costs and that any consideration of funding would be based on the principles previously agreed. Subsequently, NILGA submitted a response to the Environment Minister, a copy of which is attached at <b>Appendix 1</b> .
2.3	Members will recall that the Committee, at its meeting on 4 <sup>th</sup> June, considered the Councils own response to the Minister and agreed, in summary, that it would be willing <i>'to explore with colleagues from central and local government how the costs of reform might be met'</i> . A copy of the BCC response submitted to the Environment is attached at <b>Appendix 2</b> .

	<b><u>Outcome of NI Executive meeting</u></b>
2.4	It is understood that different views were expressed at the Northern Ireland Executive meeting on 10 <sup>th</sup> June, with a lengthy period of intensive discussions ending in deadlock and no decision taken on the way forward. It was agreed that a special Executive meeting would be held on Monday 14 <sup>th</sup> June to attempt to agree a finalised way forward. Extensive discussions between parties are to continue over the weekend. Enclosed at <b>Appendix 3</b> is a recent Belfast Telegraph article, dated Friday 11 <sup>th</sup> June, which reports on the Executive discussions.
	<b><u>Next Steps</u></b>
2.5	As agreed by the Committee, officers are currently examining what options are available to the Council in moving forward with the RPA and taking into account the recent decision taken by the NI Executive. It will be important to build upon the substantial work already undertaken to date by the council and ensuring that any potential beneficial opportunities in regards to, for example, collaboration, transferring functions etc are pursued. It would be the intention that a further report setting out detailed options for moving forward will be submitted for the consideration of the Committee in August.
2.6	It is suggested for the Committees consideration that a Strategic Planning Workshop be held for Members in August to consider the RPA and other <b>pertinent</b> issues relating to the development of the Council's new Corporate Plan for the period 2011 and beyond. At this stage there should be feedback from all the surveys currently underway (i.e. Members, citizens and staff).

### **3.0 Resource Implications**

- There are potential implications attached to any commitment made by the Council to fund elements of the RPA reform programme, however, any financial commitment will be based on the development of a detailed business case which will remain subject to political consideration and endorsement.
- There will clearly be resource implications (in terms of officer time) attached to the Council's continued engagement and work on the key issues outlined within this report.

### **4.0 Recommendations**

The Committee is asked to note the contents of this report and agree that a Strategic Planning Workshop would be scheduled for Members in August 2010

### **5.0 Appendices**

Appendix 1: NILGA response submitted to the Environment Minister

Appendix 2: BCC response submitted to the Environment Minister

Appendix 3: Belfast Telegraph Article, dated 11<sup>th</sup> June, on NI Executive Discussions