

**MINISTERIAL STATEMENT FROM MINISTER POOTS, MLA**

**LOCAL GOVERNMENT REFORM AND PLANNING REFORM**

**TUESDAY 30<sup>TH</sup> NOVEMBER 2010**

Mr Speaker

With your permission, I wish to make a statement about the reform of local government and the planning system.

The Executive's vision for the future shape of local democracy is of a strong, dynamic, citizen-focused local government built upon vibrant, healthy, prosperous, safe and sustainable local communities. Central to this vision is the provision of high quality, efficient services that respond to the needs of people and continuously improve over time.

On the 18<sup>th</sup> of this month, the Executive brought this vision another step closer; firstly by agreeing that I should consult on proposals for the reorganisation of local government; and secondly by endorsing my plans for a fundamental overhaul of the planning

system. Consequently, I am today launching a consultation on policy proposals that will modernise the framework within which district councils operate and these proposals will, in due course, be translated into a draft Bill for this Assembly to consider. With your permission Mr Speaker, I also intend to introduce the Planning Bill at the earliest opportunity. In transforming the planning system, I will strengthen local democracy by devolving planning powers to the 11 new councils and putting locally elected politicians at the heart of local decision-making.

I also propose to bring forward a number of other initiatives which will build on the work agreed by the Executive and give my programme real momentum.

Turning first to the reorganisation and modernisation of local government.

Members will recall that the Executive's decisions on the future shape of local government provide the foundation to develop strong, effective local government that will deliver improved outcomes for everyone in Northern Ireland. Strong civil leadership

based on effective and inclusive local democracy is key to achieving these improved outcomes.

I am pleased to be able to announce today the launch of a consultation setting out proposals that I believe will achieve the Executive's vision. These proposals provide for efficient, fair and transparent decision making across local government; they will ensure that the highest standards of behaviour are maintained; they set out a framework for the new community planning process and they propose a new regime to help improve how councils deliver their services to their ratepayers.

I want to outline the key proposals to members of this house but before I do so I want to record my thanks to the Strategic Leadership Board and its three Policy Development Panels for the support and guidance that they have provided in helping to frame the proposals. Indeed, the work of Board and Panel members, which include elected representatives from each of the main political parties, has proved to be invaluable.

The **first** of the five areas, which the consultation proposals embrace, is the introduction of **new governance arrangements**. I

want to ensure that councils operate to high standards, that they pursue equality and fairness within a framework of checks and balances and that there is openness and transparency in how they conduct their business.

The **second area** is the introduction of a **new ethical standards regime** for local government which would include a mandatory code of conduct for councillors with supporting mechanisms for the investigation and adjudication of appeals.

The **third area** is the development of a new council led **community planning process**. I believe that an effective, statute based community planning process, led and facilitated by the new councils, is critical to delivering the Executive's vision for local government. This process will enable councils to work in partnership with the full range of other sectors to link the delivery of effective joined-up services in their areas to meet the aspirations of local communities.

The transfer of responsibility for the delivery of a range of new functions, allied to the community planning process, will enable councils to address the needs and aspirations of local

communities. However, I appreciate that district councils can only do what legislation empowers them to do and I recognise that there may be actions that they wish to take that are not specifically provided for in their legal responsibilities. In order to provide for this eventuality, it is proposed that district councils have a new power of well being. This new power would enable councils to take any action, that is not already the responsibility of another agency, to promote or improve the well being of their districts.

The **fourth key area**, which the consultation proposals embrace, is the introduction of **a new service delivery and performance improvement framework for local government**. This would involve a revised, more expansive statutory duty for councils requiring them to secure best value and to continuously improve the services they deliver to their ratepayer.

**Finally**, I propose to establish a **Partnership Panel for Northern Ireland** to formalise the relationships between the Executive and district councils and provide a forum to consider strategic issues collectively. I propose that the Panel consist of Ministers, particularly those whose Departments have a significant policy

relationship with local government, and representatives from each of the eleven new councils.

Full details of these reform and modernisation proposals are set out in the consultation document which I am publishing today. I believe that these proposals, allied to the reforms of the planning system I will shortly outline, are fundamental to our local democracy. They will strengthen local decision making and give elected representatives, who understand the needs and aspirations of their communities, the opportunity to shape the areas within which they are elected.

Planning reform is also vital to the success of local government reform, but it is in itself a much needed designed to improve the way in which the planning system operates. Such reform has long been needed, but it is now a crucial element of the Executive's programme to support economic recovery.

I intend to take forward the reforms to the planning system through a mixture of legislation and other means. On the legislative side, with your permission Mr Speaker, I intend to introduce the

Planning Bill at the earliest opportunity and look forward to second stage debate.

The Planning Bill will provide for the transfer of development plan and development management powers from my Department to councils within a timetable to be agreed by the Executive.

Councils will no longer be consultees. They will be the Planning Authority – responsible for drawing up their own development plans and making the vast majority of planning decisions.

The new 11 councils will be able to use the new local development plans to provide a clear and realistic vision of how places should change and what they will be like in the future. The plan will support that vision by clearly indicating where development, including regeneration, should take place, and what form it should take. In addition, I believe that the opportunity to develop appropriate linkages with the proposed community planning responsibilities should not be missed.

Councils will also be responsible for determining planning applications. Councillors will be the decision makers. They will

have the recommendation of their professional planners – but they will make the decision and live with the consequences.

This is a sea change for councils and councillors. Also for those who work in the planning system and for the developers, agents and the public who use it.

I will do everything in my power to prepare the way for that change. I will take practical steps to help councils, planners and the public prepare.

Earlier, I mentioned my intention to bring forward a number of other initiatives which will build on my legislative proposals for reform and modernisation. I have still not received clarity from the Executive on the local government reform delivery timetable - that is a matter I will continue to pursue vigorously with the Executive.

Nevertheless, I believe that a modernised local government, strengthened by the devolution of planning powers is a worthwhile goal and I am determined to drive this work forward. I have, therefore, decided to take a number of practical steps to



reinvigorate the local government and planning reform programmes. None of this requires legislative change.

Within my Department we have already brought together responsibility for all local government and planning functions – this means we have a single coherent programme of policy, legislation and delivery of local government and planning reform, with one team at the helm.

By 1<sup>st</sup> April 2011, I will have transformed the Planning Service to anticipate as closely as possible the proposed arrangements.

Planning Service's status as an Agency will end on 31<sup>st</sup> March.

Agency status is a legacy of direct rule. It involves duplication of structures and functions. It is not needed in the devolved situation. It is costly. And it gets in the way of decision making.

On 1<sup>st</sup> April 2011, Planning Service's functions and the people who deliver them will have been absorbed into the core of my Department.

By the same date, planning functions will also have been reorganised to anticipate the transfer of development plan and development management to councils. This will mean a Local Planning Operations Division taking operational responsibility for the development plan and development management functions that will in due course transfer from my Department to councils. A Strategic Planning Operations Division will take forward the responsibilities which will remain with the Department following local government reform. This will clarify the functions, people and other resources to transfer to local government – issues on which the local government sector has long called for clarity.

We need a local office structure that is capable of providing an excellent service to the existing 26 councils and, in due course, the 11 new councils.

Rationalising the six existing Divisional Planning Offices to five Area Planning Offices and designed around the 11 council clusters will provide for an affordable, effective and consistently robust service across Northern Ireland. And that is what I have decided to do.

By 1<sup>st</sup> April 2011, we will reorganise to have a Northern Area Planning Office, South Antrim Area Planning Office, Western Area Planning Office and Southern Area Planning Office. Each of these will cover 2 of the 11 council groups; the Belfast Office will cover the remaining three. This is illustrated on the map which accompanies written copies of this statement.

Strategic Planning Operations Division will take responsibility for the functions which my Department will retain on the transfer of development management responsibilities to local government. It will advise Local Planning Operations Division on development plans and development management and on design and landscape. It will also be responsible for processing applications for strategic projects and for developing the Northern Ireland Marine Plan which will be prepared by 2014.

To increase clarity, I will put in place a formal written scheme by which I and my successors delegate decision making authority to the Department and to identify the situations in which that authority may be withdrawn. I will publish that scheme for everyone to see. This scheme would then serve as a model for council schemes of

delegation when planning functions transfer, building on the existing streamlining arrangements.

I am also examining the financing of my Department's planning functions. To be sustainable, we must live within our means. This means matching our resources we have available to the workload we face.

We are not charging the right fee for the job. Smaller, simpler applications such as single houses or modest industrial units are subsidizing the largest most complex proposals which are worth many millions of pounds to developers.

Planning Service income does not cover its costs.

This year, with the agreement of the Environment Committee, I increased fees in line with inflation, and I anticipate that in future, fees will be kept in line with inflation.

I have completed the first phase of my fees review and I am now consulting on proposals for making the fee structure fairer and more realistic. Applying my proposed changes to the current level

of applications, would bring in £3m- £3.5m extra income for Planning Service.

At the same time, we are working to resize and reshape so that we have the right staff in the right place to provide an excellent service. The changes I am announcing today give us the opportunity to restructure senior management and strengthen frontline delivery.

I want to broaden and deepen the debate about the future of planning and to hear for myself what experts on planning and users of the planning system think about the way things are going. I will set up a Planning Forum, which I will chair, and which will involve key stakeholders in the planning field, the development industry, local government and central government. I expect to convene this group in the New Year.

I will also be re-emphasising and pushing forward the non-statutory elements of the existing planning reform programme, including the delivery of streamlining, ePIC and a new approach to the development and delivery of a suite of more succinct and focused planning policies.

Finally, I intend to develop and deliver a pilot programme to test the proposed consultative and practical working arrangements between the new Local Operations Directorate and the 11 council groups. We will also use this pilot programme to test the proposed governance arrangements and the provisions for community planning.

I also feel that the pilot programme will be of particular interest to the Department for Social Development, whose urban regeneration responsibilities have been earmarked for transfer to local government. I have therefore written to the Minister for Social Development to ask if his Department would wish to be involved in individual pilots.

I intend to begin with a small number of pilots in April 2011 with a view to the pilots being progressively rolled out across all 11 council groups by April 2012. I hope that, by engaging council and departmental staff, the pilots will enable us to test new arrangements to ensure that they are robust and also to build capacity in the run up to the creation of the new 11 councils.

Before I close, I'd like to record my appreciation of the work that Planning Service staff have already done to make improvements over the last two years. Over this period, the Planning Service has introduced a number of reforms to improve the planning system, which includes promoting the predictability of the planning system, the speeding up of planning decisions, and improving customer experience.

The introduction of two Special Projects teams, with a focus on processing applications of social or economic significance to Northern Ireland, employing pre-application discussions has resulted in some 90 strategic applications have been processed, amounting to planning approvals representing investment well in excess of £2 billion, bringing with that associated construction jobs and post development job creation.

Since April 2009, a further 34 economically significant applications have also been processed, the majority of which within 6 months, including the likes of Bombardier, Radox Laboratories, and Titanic Quarter, to name a few.

Also, since devolution, Ministers have used planning policy as an effective way of responding to real issues that affect communities. Planning staff in my Department have facilitated this process — producing a number of Planning Policy Statements, including PPS21: Sustainable Development in the Countryside. I have deliberately adopted a new style for these PPSs. They are now shorter, sharper and more accessible to developers, the public and planners.

The development and implementation of the new Streamlined Council Consultation Scheme, in partnership with our Local Government colleagues, has been an outstanding success in speeding up the processing of non-contentious applications. All 26 council areas have adopted the Scheme, which has dramatically reduced the average time to process and issue approvals. The impact of which means that 50% of all applications are now being processed and approved on average in just 40 days/8 weeks! And work is continuing to raise the bar to 60% of all applications by the end of the business year.

These short-term reforms have not only speeded up the processing of applications through the statutory planning process,



but they have also improved the transparency and predictability of the planning system, which is of benefit to investors and the public at large.

Furthermore, it is good to note that the majority of Planning Service customers rated their experience in a positive way. Two years ago only 32% of customers rated the overall service provided by Planning Service as satisfactory. Today, some 63% of all customers expressed that they were satisfied with the overall service provided.

This significant turn around in Speed, Predictability, and Customer experience stands testament to the dedication and professionalism of all those who work in the Planning Service, and it is their continued commitment and professionalism that will be instrumental in taking forward the changes to come.

Mr Speaker, I think it will be evident to you and to the members of this Assembly that I am still fully committed to reforming local government. It is clear that the Executive as a whole is still committed to reforming local government. I think you will agree that the measures, both legislative and non legislative, I have

outlined today are significant steps forward in achieving that goal.

I look forward to working with members here and with local government representatives to reinvigorate both the local government and planning reform programmes that I know will ultimately deliver a new model for local democracy and a vastly improved planning system.

Mr Speaker, I wish to end with a quotation from King Whitney

Junior:

“Change has a considerable psychological impact on the human mind. To the fearful it is threatening because it means that things may get worse. To the hopeful it is encouraging because things may get better. To the confident it is inspiring because the challenge exists to make things better.”

Let us together demonstrate that we are confident, and that we will make things better. That’s what I’ve set out to demonstrate today, and that’s what I will strive to deliver.

I commend the proposals to the House.