

Cllr Niall Ó Donnghaile Lord Mayor Belfast City Council Belfast City Hall BELFAST BT1 5GS

27th March 2012

Dear Cllr Ó Donnghaile,

Re: Local Government Re-organisation Bill

The Northern Ireland Local Government Association is campaigning and working with a contemporary and clear evidence base, to deliver resources from central government to invest in and enable local government reform.

NILGA met the DoE Minister on 27th March 2012 and presented a clear, effective development of the outline plan offered through the Minister's letter to council first citizens in February 2012.

The Association called for the necessary mechanism, investment, timetable and resource plan to be developed *fully*, *dynamically* and *properly* with *local* government – not handed down to it.

The target of Local Government Reform within the Programme for Government requires councils to substantially transform, in terms of a reduction in the number of councils and an increase in the nature and scale of their service provision. To meet this target will require upfront investment to ensure that the programme is developed consistently, thoroughly and on a 'task and finish' basis. In 2009, base line costs to achieve reform were estimated at £118 million by PWC.

At present, the Executive, through the DoE Minister, has stated that all costs of reform, excepting some transfers of functions, must be borne by local government itself, through loans, rates and the Improvement, Collaboration and Efficiency Programme.

There are definitive reasons why up-front costs should be borne in substantial part by central government. Additionally, the I.C.E. programme must be seen in terms of what it is, how it can be developed, but what it cannot ever become – a bank of cash, deposited by all councils immediately, to enable even the up-front costs of reform to be paid for by local authorities.

Through your full council or a standing committee, I respectfully request that Belfast City Council considers this letter and responds in writing to NILGA:

Does Council support the view that defined and substantial investment needs to be enabled by Central Government to meet key upfront costs required for Local Government Reform?

LORD MAYOR'S OFFICE

2.9 MAR 2012

Ref. No:.........

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NILGA has, additionally, offered detailed evidence to the Assembly and Executive Review Committee in regard to the review of the size of the Northern Ireland Assembly and the number of government departments.

The Association's Office Bearers felt that this review should not be dealt with in isolation - that is, be restricted to a managerial process within the Assembly and one Committee but, rather, that it should encompass the whole system of public sector service delivery, democratic scrutiny and representation at all tiers of government.

This is because NILGA considers that unless the whole system is reviewed; to "reform" councils is a process, not an outcome, and a process driven by those who are not in local government.

NILGA gained the facility to present interim evidence (13th March 2012), present a full submission (28th March 2012) and has requested that it participates in the subsequent development (April to October 2012) of the sector's role in such matters of strategic importance to councils and of such importance to ratepayers.

Having met the DoE Minister on 27th March 2012, the Association now seeks a specific meeting with the First and Deputy First Minister. It is working with the Chair, Vice Chair and members of the DoE Committee, and has presented proposals and evidence to the DFP Minister and senior officials of his Department. NILGA is also preparing a Financing Local Government proposal in conjunction with senior officers and has prepared key evidence on Assets and Liabilities – offering alternatives to the proposals offered to Councils in February 2012.

It is not an understatement to consider this overall matter to be of *critical*, *corporate importance to the future and the very fabric of local government*. NILGA wants strong, contemporary, sustainable local government. It does not want reform done to us, which could create **not strong**, **but cheap**, **local government**.

I have copied this letter to your Chief Executive and I look forward to a written response, by e-mail or letter, from your Council.

Sincerely

Derek McCallan Chief Executive

ENC. Reform Press Release

29th February 2012

COUNCIL REFORM NEEDS UP FRONT INVESTMENT FROM ASSEMBLY OR WILL "FAIL THE CUSTOMER".

An intensive debate after the NILGA Annual Conference of 23rd February has galvanised Councillors across the Association's 26 Council membership.

NILGA members called for a "serious, evidence based, cross-party summit" involving the DoE and wider Assembly interests to solve the problem of a clear barrier to progress i.e. getting the up-front investment needed to kick start, develop and achieve local government reform on time, by April 2015.

Derek McCallan, NILGA's Chief Executive, referred to the collective will expressed by NILGA's members. "Councils and NILGA were alerted in mid February and told at conference that a legislated reform programme, which is a target in the Programme for Government, will not have any investment provided by the Executive to achieve it. The Environment Minister has offered a mechanism to achieve reform which needs to be further refined and understood – one, about which many Councils, officers and NILGA have fundamental reservations.

Since November last year NILGA has sought a task and finish approach to reform, has offered an investment partnership to achieve it, and presented new ways to shape Council services around local people. The Association has worked to reduce costs and improve the quality of services through a formal programme with all Councils participating; negotiated the transfer of functions from other government departmental in a business like, customer driven manner.

We do not want a "take it or leave it" approach and required to "sweat the asset" of local government even more – with nothing other than legislation and warnings coming from the Assembly. We don't want to fail the customer – local ratepayers should not bear the full cost of legislative policy."

Having presented ways in which elected members, officers and the Department can come together, in a dynamic, mutually supportive and results driven partnership, through modernisation and reform working groups, NILGA has now been told that these groups are not statutory and could simply supplement other structures being set up.

He added "contemporary evidence from NILGA has confirmed that Challenge and Transformation funds in Wales and Scotland, and a dynamic, inclusive, task and finish partnership involving Ministers, Local Government Departments, LGAs and Councils completed what was required in these jurisdictions, after legislation and local government's responsibilities and a collective investment fund were agreed, in partnership. To succeed

we want to work together to prepare a list of responsibilities, design a plan, co-invest and deliver a programme of work, on time.

NILGA has offered to co-ordinate this type of successful model, has 26 council support and yet, Councils have been offered an outline plan which defines certain processes and affirms that investment will be borne by Councils exclusively in terms of reform process costs".

NILGA has sought to meet the Minister, has resolved to meet Executive Ministers, and the Assembly Environment Committee has offered an open invitation for the Association to work with it, with Committee members from all 5 political parties present at NILGA's Panel debate last Thursday stating that Reform needed central government investment.

ENDS

For more information please contact:

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