



Report to:	Strategic Policy and Resources Committee
Subject:	Creation of Statutory Transition Committees
Date:	21 June 2013
Reporting Officer:	Peter McNaney, Chief Executive
Contact Officer:	Ronan Cregan, Director of Finance and Resources (Ext. 6184) Ciaran Quigley, Assistant Chief Executive (Ext. 6038)

1.0	<u>Relevant Background Information</u>		
1.1	The Council has recently received the <u>draft</u> 'Local Government (Statutory Transition Committees) Regulations (Northern Ireland) 2013' which seeks to move Voluntary Transition Committees onto a statutory footing. A copy of draft Regulations is attached at Appendix 1 for Members information.		
1.2	The Regulations set out the procedures to be applied for the creation of the Statutory Transition Committee including the composition and appointment of Members, the functions to be undertaken and the governance within which the STCs will operate. Members should note that the draft Regulations are made under the Provisions of the Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010.		
1.3	The Regulations were laid in the Assembly on 17th June and are subject to draft affirmative resolution procedure. They will have to be considered by the Examiner of Statutory Rules, the Environment Committee as well as the Assembly itself. It is understood that as part of the affirmative resolution process that the Regulations can only be accepted (affirmed) or rejected.		
1.4	The table below sets out the anticipated process and timetable to be applied by the Department in taking forward the Regulations.		
		Date (Anticipated timescale)	Who
	Action		
	Regulations laid in draft in the NI Assembly	Mon 17 June	DOE
	Draft regulations passed to Assembly Committee and the Examiner of Statutory Rules for technical scrutiny	Mon 17 June	DOE
	Departmental briefing to the Environment Committee on regulations	Thurs 20 June	DOE
	Environment Committee reports outcome of committee examination to the Assembly Business Office	Week commencing 24 June	Environment Committee
	NI Assembly Debate on the regulations / Minister tables motion of approval	Mon 1 or Tues 2 July	NI Assembly / Minister
	If affirmed - regulations are made (sealed & signed)	Mon 1 or Tues 2 July	Minister / Department of Environment
	Detailed Guidance issued	July	DOE
	It is envisaged that, if there are no material issues raised during this procedure, the Regulations will come into effect at the beginning of July, 2013. The Regulations state that the Statutory Transition		

	Committees shall hold its first meeting <u>within 35 days</u> of the date on which the Regulations come into operation and based on the above timetable would mean August 2013 at the latest.
	The Regulations state that STCs shall cease to exist 28 calendar days after the local government elections in 2014 which is anticipated for 22 May 2014 (subject to Secretary of State agreement).
2.0	<u>KEY ISSUES</u>
2.1	Membership/Representation on Belfast Statutory Transition
2.1.1	The Regulations state that the Belfast Statutory Transition Committee shall consist of not more than 25 councillors comprising of: <ul style="list-style-type: none"> • not more than 21 councillors from Belfast City Council; • two councillors of Castlereagh Borough Council; and • two councillors of Lisburn City Council.
2.1.2	It should be noted that, despite the Minister indicating that he would support the adopted position of Belfast City Council that the appointees from Lisburn City Council and Castlereagh Borough Council should represent those areas transferring to the new Belfast District in 2015, no such provision is made in the draft Regulations. It is understood, however, that the DoE would intend to issue supporting STC Guidance which may give further direction on the process to be applied for the nominations of members onto STCs. The Chief Executive has written to senior DoE officials seeking early sight of the draft Guidance.
2.1.3	With regard to the representatives from Belfast City Council, the Committee is recommended to agree to appoint 21 councillors and that, as advised by the Minister; these should reflect the political make-up of the existing Voluntary Transition Committee. Therefore, the Belfast City Council representatives would comprise: <ul style="list-style-type: none"> - 7 Sinn Fein Party - 7 Democratic Unionist Party - 3 Social Democratic and Labour Party - 2 Alliance Party - 1 Ulster Unionist Party - 1 Progressive Unionist Party <p>It should be noted that this political party breakdown mirrors precisely the party split which would result were a one-off proportionality exercise be undertaken to appoint a 21 Member representation.</p>
2.2	Functions of a Statutory Transition Committee
2.2.1	The Regulations set out the functions to be undertaken by the STCs including: <ol style="list-style-type: none"> (i) gather information and consider and advise on matters relevant to ensuring that the new council will be able to adopt its full range of powers and functions from 1st April 2015; (ii) prepare a draft Corporate and Business Plan for the agreement of the new council; (iii) prepare a draft budget for the agreement of the new council; (iv) arrange the first meeting of the new council; (v) publish its Corporate and Business Plan; and (vi) agree with the predecessor councils within the district in relation to which it is established, a budget for the operation of the Statutory Transition Committee

2.2.2	<i>Appointment of staff to a new council</i>
	<p>The Regulations also state that STCs shall appoint the clerk (Chief Executive) of the incoming new Council, applying the following process:</p> <ul style="list-style-type: none"> (a) must be on merit on the basis of fair and open competition; and (b) must be approved by a two-thirds majority of the membership of the statutory transition committee (Chairperson of the committee shall not have a casting vote) <p>The Environment Minister has issued a letter (copy attached at Appendix 2) to all Council Chief Executives, Mayors and Chairs of Voluntary Transition Committees, reaffirming the role of STCs in appointing Chief Executive as set out within the draft Regulations. The letter states that STCs will appoint a Chief Executive designate for the incoming new Council through an open competitive process and that any such appointment will transfer across to the new councils when they are elected in 2014. There is no detailed Guidance been released by the Department as yet appointment process to be applied.</p>
2.3	Payment of Allowances to Members of Statutory Transition Committees
2.3.1	<p>Paragraph 11 of the Draft Regulations authorises the Council to pay an allowance to the members of the STC from Belfast City Council. The maximum amount which can be paid is £2,700 per annum. The Committee is recommended, given the importance of the work to be undertaken by the STC members and the additional time commitment which will be required of them, to agree that the allowance be established at £2,700 per annum paid monthly in arrears. Provisions for this will be incorporate within the budget to be established for the Statutory Transition Committee.</p>
2.4	<u>Governance</u>
2.4.1	<p>Schedule 1 of the draft Regulations sets out the proposed governance and operational proceedings (i.e. Standing Orders) of meetings of Statutory Transition Committees. Whilst the majority of the provisions set out appear to align with the Council's own Standing Orders, there may be a need for some minor changes in proceedings. Members should note that the draft Regulations makes specific provision for the <u>admission of the public to meetings of STCs</u>. The STC may, by resolution, exclude the public from a meeting of the committee whenever publicity would be prejudicial to the public interest.</p>
2.5	<u>Next Steps</u>
2.5.1	<p>In anticipation that the draft Regulations will be approved (affirmed) by the Assembly in early July 2013, and with 35 day timescale specified to establish the STC, it is recommended that:</p> <ol style="list-style-type: none"> 1. We seek to schedule the inaugural meeting of the Belfast Statutory Committee for early August; 2. Initiate early engagement with Lisburn & Castlereagh regarding nominations to the Belfast STC; 3. A presentation will be delivered at the inaugural meeting of Belfast STC expanding upon the functions to be undertaken and the governance arrangements to be applied to the STC; 4. A written briefing will be circulated to all Members of the Committee following Agreement of STC Regulations and release of associated Guidance over the July recess period; 5. The appointment of Chairperson and Deputy Chairperson of Belfast STC will be agreed at the inaugural meeting of STC

3.0 Recommendations

Members are asked to:

- (i) consider the contents of the report and the appendices attached;

- (ii) reaffirm that the current Members of the Belfast VTC be put forward as the nominations to the Belfast Statutory Transition Committee as set out at para. 2.1.3 above;
- (iii) agree that early engagement take place with Lisburn City Council and Castlereagh Borough Council regarding nominations to the Belfast STC;
- (iv) agree that the inaugural meeting of the Belfast Statutory Transition Committee be scheduled for early August 2013
- (v) consider and agree that £2,700 be set as the Members' allowance for participation on STC

4.0 Equality and Good Relations Considerations

Equality and good relations implications in relation to this policy are still under consideration. Further updates will be sent to the Equality and Diversity Officer in due course.

5.0 Resource Implications

There will be both financial and HR implications attached to the establishment and running of the Belfast Statutory Transition Committee including the payment of £2,700 allowance to Members of the Committee. Such costs have been identified and build into the proposed budget to be established to support the Council's overall preparations and implementation of Local Government Reform.

6.0 Appendices

Appendix 1 Draft Regulations for Statutory Transition Committee

Appendix 2 Environment Minister correspondence regarding appointment of Chief Executives