



## Belfast City Council

<b>Report to</b>	<b>Belfast Voluntary Transition Committee</b>
<b>Subject:</b>	<b>Belfast Statutory Transition Committee</b>
<b>Date:</b>	25th October, 2013
<b>Reporting Officer:</b>	Peter McNaney, Chief Executive
<b>Contact Officer:</b>	Ronan Cregan, Director of Finance & Resources Stephen McCrory, Democratic Services Manager

<b>1</b>	<b>Relevant Background Information</b>
1.1	Members will recall the detailed paper in relation to the creation of the Belfast Statutory Transition Committee which was provided to the SP&R / VTC Committee on the 21 June 2013 and subsequently on 9 August 2013. At both meetings it was agreed that Belfast City Council should <i>“defer consideration of a report in relation to the creation of the Belfast Statutory Transition Committee to enable the Minister for the Environment to consider the nominees to the Statutory Transition Committee by Lisburn City and Castlereagh Borough Council”</i>
1.2	Members will be aware that the Environment Minister had issued letters to Belfast City Council, Lisburn City Council and Castlereagh Borough Council in relation to the failure to establish the Belfast Transition Committee in line with the requirement set out in Regulation 3 of the Local Government (Statutory Transition Committees) (Northern Ireland) Regulations 2013.
1.3	In the letter to Belfast City Council dated 28 August the Environment Minister acknowledged ‘the difficult position which Belfast City Council has been put in by virtue of the decisions of Castlereagh Borough Council and Lisburn City Council in respect of their nominations to the Belfast Statutory Transition Committee’.
1.4	The Council’s response to the Minister’s letter is set out at <b>Appendix 1</b> . The response seeks clarification on the departments’ intentions in regards to the nominations to the Belfast Statutory Transition Committee.

<b>2</b>	<b>Key Issues</b>
2.1	Although a formal response has not been received from the Minister, indications are that he will issue a Departmental Direction to the Council in relation to the

establishment of the Belfast STC.

2.2 Also the Department has also recently issued guidance in relation to the expenditure controls for Statutory Transition Committees. The Direction is made under the section 10 of the Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010, and states that councils may not, without the written consent of the Statutory Transition Committee:

- (a) make any disposal of land, if the consideration for the disposal exceeds £100,000
- (b) enter into any capital contract
  - i. under which the consideration payable by the relevant council exceeds £250,000
  - ii. which includes a term allowing the consideration payable by the relevant council to be varied;
- (c) enter into any non-capital contract under which the consideration payable by the relevant council exceeds £100,000.

2.3 These expenditure controls mean that the Council cannot enter into contracts which are required, for example, to deliver capital projects, without the consent of the STC. The table below provides examples of contracts which are directly affected by the expenditure control direction.

**Capital Grant Funding from third parties**

<b>Project</b>	<b>External Funding</b>
<b>Marrowbone Pitch</b>	£495,000
<b>Waterfront Hall Exhibition and Conference Centre</b>	£19,000,000
<b>Girdwood Hub</b>	£9,597,249
<b>North Foreshore Green</b>	£6,000,000
<b>Innovation Centre</b>	£625,000
<b>Creative Hub</b>	£3,700,000
<b>Tropical Ravine Refurbishment</b>	£2,232,000

**Capital Works Contracts**

<b>Project</b>	<b>Estimated Contract Value</b>
<b>Marrowbone Pitch</b>	£765,000
<b>Waterfront Hall Exhibition and Conference Centre, Enabling Works</b>	£375,000
<b>Girdwood Hub</b>	£9,597,249
<b>North Foreshore (appointment of design team)</b>	£500,000

**Sample of supplies and Services contracts**

<b>Project</b>	<b>Contract Value</b>
<b>Super-connected cities communications campaign</b>	£500,000
<b>Business support initiative</b>	£681,500

	<b>Ancillary services for events</b>	£345,500																													
	<b>Super-connected cities growth initiative</b>	£600,000																													
	<b>Employee counselling services</b>	£400,000																													
2.4	<p>In addition to the expenditure controls the Statutory Transition Committee is required to:</p> <ul style="list-style-type: none"> <li>(i) Prepare a draft corporate and business plan for the new council</li> <li>(ii) Prepare a draft budget for agreement by the new council – this will form part of the rate setting process for 2014/15</li> <li>(iii) Arrange the first meeting of the new council</li> <li>(iv) Appoint the Chief Executive for the new council – the process is due to start in November</li> <li>(v) Appoint staff to the new council as it deems appropriate</li> </ul>																														
2.5	<p>Taking all of the issues above into account, Members will need to give consideration to the establishment and composition of the Belfast STC.</p>																														
2.6	<p><b>Appointments to Belfast STC</b></p> <p>In considering the appointment of Members from Belfast City Council to the STC, the Committee is reminded that the Department has issued guidance (copy attached at Appendix 2) which states that Belfast should appoint 21 Members to the STC using one of three methods – D’hondt, Sainte Lague or STV – based upon the strengths of the political parties immediately after the local elections in 2011. However, given that the guidance issued to councils in relation to the appointment of Members to STCs is advisory rather than statutory, the Council would be entitled to use a different method of appointment if it saw fit, for example by continuing to apply the Quota Greatest Remainder method which is used currently by the Council.. In considering this matter, the Committee is reminded that its position has been consistently that Castlereagh and Lisburn Councils should make their appointments to the STC based upon the Guidance issued by the Department and in order to be consistent with that position the Quota Greatest Remainder method would not be appropriate.</p>																														
2.7	<p>Attached at Appendix 3 is a summary of the results of the application of the Quota Greatest Remainder, D’hondt and Sainte Lague methods of proportionality when applied to the political party strengths immediately after the 2011 elections. The outcomes of the 3 methods are:</p> <table border="1" data-bbox="325 1644 1257 1951"> <thead> <tr> <th></th> <th>Quota Greatest Remainder</th> <th>D’hondt</th> <th>Sainte Lague</th> </tr> </thead> <tbody> <tr> <td>SF</td> <td>7</td> <td>7</td> <td>7</td> </tr> <tr> <td>DUP</td> <td>6</td> <td>7</td> <td>6</td> </tr> <tr> <td>SDLP</td> <td>3</td> <td>3</td> <td>3</td> </tr> <tr> <td>ALL</td> <td>3</td> <td>3</td> <td>3</td> </tr> <tr> <td>UUP</td> <td>1</td> <td>1</td> <td>1</td> </tr> <tr> <td>PUP</td> <td>1</td> <td>0</td> <td>1</td> </tr> </tbody> </table>				Quota Greatest Remainder	D’hondt	Sainte Lague	SF	7	7	7	DUP	6	7	6	SDLP	3	3	3	ALL	3	3	3	UUP	1	1	1	PUP	1	0	1
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2.8	<p>The nominations received from Castlereagh and Lisburn Councils are as follows:</p> <p><u>Castlereagh Borough Council</u></p> <p>D. Vitty - DUP C. McGimpsey – UUP</p> <p><u>Lisburn City Council</u></p> <p>M.H. Tolerton – DUP J. Drake – IND</p>
2.9	<p>The Committee is reminded that meetings of the STC are to be open to the public to attend, unless they are specifically excluded for certain types of decisions, and it is therefore suggested that the meetings should be held in the Council Chamber where the public gallery and Press facilities are already in place</p>

<b>3</b>	<b>Resource Implications</b>
3.1	<p>Once the Belfast STC is established, there will be a payment made to the Belfast City Council nominees of £2,700 per annum paid monthly in arrears. These payments can be accommodated through the budget established for transitional arrangements.</p>

<b>4</b>	<b>Equality and Good Relations Implications</b>
4.1	<p>The establishment of the Belfast STC is provided for in legislation and the methodology for the appointment of Members to the Committee is established in Guidance issued by the Department of the Environment. Accordingly, there are not considered to be any relevant equality or good relations considerations associated with this report.</p>

<b>5</b>	<b>Recommendations</b>
5.1	<p>It is recommended that the Committee:</p> <ol style="list-style-type: none"> <li>1. Note the contents of the report.</li> <li>2. Agree to consider the establishment of the Belfast STC at the VTC meeting on 8 November 2013.</li> <li>3. If recommendation 2 above is agreed; consider, at the VTC meeting on 8 November 2013, the proportionality method to be used to appoint Members from Belfast.</li> </ol>

<b>6</b>	<b>Decision Tracking</b>
<p>Stephen McCrory, Democratic Services Manager November, 2013</p>	

<b>7</b>	<b>Abbreviations</b>
STC – Statutory Transition Committee VTC – Voluntary Transition Committee	

<b>6</b>	<b>Documents Attached</b>
Appendix 1 – Council letter to the Minister for the Environment Appendix 2 – Guidance on the Establishment and Operation of Statutory Transition Committees issued by the Department of the Environment Appendix 3 – Quota Greatest Remainder, D’hondt and Sainte Lague methods of appointment	