

LOCAL GOVERNMENT REFORM

GUIDANCE TO COUNCILS ON THE ESTABLISHMENT AND OPERATION OF STATUTORY TRANSITION COMMITTEES

**DEPARTMENT OF THE ENVIRONMENT
LOCAL GOVERNMENT POLICY DIVISION
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GUIDANCE ON THE ESTABLISHMENT AND OPERATION OF STATUTORY TRANSITION COMMITTEES

Background

This circular is intended to assist councils in establishing statutory transition committees. It is the first in a series on the establishment and operation of statutory transition committees.

The circular sets out legislative and statutory requirements and offers practical advice. It therefore comprises:

- information setting out requirements that are stated in the Local Government (Statutory Transition Committees) Regulations 2013;
- statutory guidance issued in relation to the functions to be exercised by statutory transition committees by virtue of section 18 of the Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010;
- advisory guidance intended to support councils in the establishment of statutory transition committees.

Further circulars will follow as necessary. The anticipated timetable for the issuing of further guidance by the Department is set out in the Table overleaf.

Timetable for Departmental Guidance

DATE OF ISSUE	MATTERS REQUIRING GUIDANCE
July 2013	<ul style="list-style-type: none">• Role of Statutory Transition Committees• Establishment and Membership• Governance and Procedures• Functions• Premises and Facilities• Chairpersons and Vice Chairpersons• Payment of Allowance
August 2013	<ul style="list-style-type: none">• Operational Finance• Financial Controls• Assets and Liabilities• Staffing of Statutory Transition Committees• Corporate and Business Plan for Statutory Transition Committee• Duties of existing councils and Statutory Transition Committees
September 2013	<ul style="list-style-type: none">• Appointment of staff to a new Council (Clerk/Chief Executive)
December 2013	<ul style="list-style-type: none">• Winding up of Statutory Transition Committees• First meeting of a new Council

NB: The Department will also issue additional and supplementary guidance as may be required by statutory transition committees.

1 ROLE OF STATUTORY TRANSITION COMMITTEES

- 1.1 Statutory transition committees will have the key responsibility of driving convergence between merging councils and commencing preparatory work for the new successor councils. It is intended that statutory transition committees will help ensure that the transition from 26 to 11 councils is as seamless as possible, that service delivery is maintained and that the new councils are in a position to discharge their new functions and deliver on their vision for their district.
- 1.2 In broad terms, the incoming councils, during the shadow period, should be the decision making bodies in respect of key decisions necessary to ensure the establishment and effective operation of the new councils, whereas the role of the statutory transition committee will be to undertake preparatory duties to inform the key decisions of the incoming council following local government elections in May 2014.

2 ESTABLISHMENT AND MEMBERSHIP

- 2.1 Each cluster should establish a statutory transition committee that must meet within 35 days of the regulations being made (i.e. by 7th August 2013). It will be the responsibility of the existing Voluntary Transition Committee to convene a date for the first meeting of the statutory transition committee.
- 2.2 Each statutory transition committee is permitted to have up to 16 members on the committee, with two exceptions. The Causeway Coast and Glens will be permitted to have 20 members since it is the only cluster with four constituent councils. Belfast may have up to 25 members on its committee, comprising not more than 21 councillors

from Belfast and two councillors each from both Castlereagh Borough Council and Lisburn City Council.

- 2.3 As has been the case with the voluntary transition committees, membership of the statutory transition committees will consist only of elected members from constituent councils and should proportionately reflect the political composition of the existing councils immediately after the 2011 local government elections.
- 2.4 In order to achieve proportionality in selecting nominees, councils should nominate using one of the three recognised methods of proportional representation — that is d'Hondt, Sainte-Laguë or Single Transferable Vote. The three methods are outlined in **Annex A** to this guidance. If a council wishes to use another method of proportionality for appointing its nominees, this method will be subject to agreement with the Department of the Environment. If a council cannot agree a method or the Department does not agree its preferred method, the default method shall be d'Hondt.
- 2.5 The Department requires that the councillors nominated to the Belfast Transition Committee by Castlereagh Borough Council and Lisburn City Council are selected, on a proportional basis, from those areas which will transfer to Belfast in 2015. There is further guidance on this issue at **Annex B**.
- 2.6 If a member of a statutory transition committee fails to attend three consecutive committee meetings, they cease to be a member of the statutory transition committee. However, they may be reinstated as a member if the reason for their failure to attend is approved by the statutory transition committee at its next meeting.
- 2.7 When nominating councillors to the statutory transition committee, political parties should have regard to female representation and take

into account how its nomination may improve the gender balance on the statutory transition committee.

3 GOVERNANCE AND PROCEDURES

3.1 Schedule 1 of the Regulations sets out model Standing Orders for the operation of the 11 statutory transition committees. These Standing Orders were approved by the Strategic Leadership Board in 2010 following work by Policy Development Panel A (Governance and Relationships).

3.2 It is envisaged that the provision of Standing Orders will allow for consistent regulation and common understanding on the operation of statutory transition committees.

4 FUNCTIONS

4.1 A statutory transition committee, in respect of a new council, shall gather information and consider and advise on matters relevant to ensuring the new council will be able to adopt its full range of powers and functions from 1 April 2015.

4.2 For the new incoming councils, statutory transition committees must:

- prepare a draft corporate and business plan;
- prepare a draft budget; and
- arrange the first meeting.

4.3 Each statutory transition committee, as a body corporate, must also publish its own corporate plan and business plan and agree a budget for the operation of the committee.

- 4.4 The Regional Programme Implementation Plan for local government reform also sets out a number of tasks which fall under the responsibility of a statutory transition committee. The tasks for which the statutory transition committees are responsible are outlined in **Annex C**.

5 PREMISES AND FACILITIES

- 5.1 Predecessor councils must provide suitable premises, facilities and administrative staff to their statutory transition committee, and must also meet any reasonable costs incurred by the statutory transition committees. Costs will be split between predecessor councils in proportion to the number of members each nominates to the statutory transition committee.

6 CHAIRPERSONS AND VICE-CHAIRPERSONS

- 6.1 At its first meeting, the statutory transition committee must elect a chairperson and vice-chairperson from among its members.
- 6.2 The role of chairperson and vice-chairperson may rotate on a rolling basis. However, a statutory transition committee may also appoint a chairperson and vice-chairperson for the duration of the life of the statutory transition committee if it chooses to do so.

7 PAYMENT OF ALLOWANCE

- 7.1 The Department will shortly issue a finance guidance circular in respect of the allowances to be paid to statutory transition committee members.

FILLING POSITIONS BY NOMINATION

Selection of positions by nominating officers

d'Hondt

- 1.1 The nominating officer of the party for which the formula in paragraph 2 gives the highest figure may select a representative for the statutory transition committee.
- 1.2 If the nominating officer does not exercise the function conferred by sub-paragraph 1 or the person nominated does not take up the position that function becomes exercisable by the nominating officer of the party for which the formula in sub-paragraph 3 gives the next highest figure.
- 1.3 Sub-paragraphs 1 and 2 must be applied as many times as may be necessary to secure that every position for that council on the statutory transition committee has been selected.

The formula

- 2.1 Subject to sub-paragraphs 2, the formula is—

$$\frac{S}{1 + M}$$

where—

S = the number of members of the council who stood in the name of the party when elected;

M = the number of positions of responsibility (if any) which are held by such members of the council (treating the holding of a position of responsibility for each term as a separate position of responsibility).

- 2.2 Where the figures given by the formula for two or more parties are equal, each of those figures shall be recalculated with S being equal to the number of first preference votes cast for the party at the last local general election.

Sainte-Lague

- 3.1 The process is as above except that the formula is

$$\frac{S}{1 + 2M}$$

FILLING POSITIONS BY ELECTION

Method of election

- 4.1 Elections under this Part must be by single transferable vote.
- 4.2 A single transferable vote is a vote—
- (a) capable of being given so as to indicate the voter's order of preference for the candidates; and
 - (b) capable of being transferred to the next choice when the vote is not needed to give a prior choice the necessary quota of votes or when a prior choice is eliminated from the list of candidates because of a deficiency in the number of votes given for that person.

Guidance on the practical operation of the three alternative methods for selecting members for a statutory transition committee set out above, is provided in Annexes A (1), A (2) and A (3).

ANNEX A (1)

APPLICATION OF D'HONDT - STATUTORY TRANSITION COMMITTEES (Default Method)

- Step 1 List the number of members to be appointed by the council to the statutory transition committee.
- Step 2 Record the number of elected members by political party, as elected at the last general Local Government election.

Members elected as independents shall be recorded individually.

The number of 1st preference votes cast for each political party and for each independent member shall also be recorded.

Fig 1

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Members	6	5	3	3	1	1
1 st Pref Votes	5,434	4,203	2,620	3,633	1012	960

The appointment of members to the statutory transition committee shall be made by the group leaders of the respective political parties when called upon by the Council's Chief Executive.

A group leader may decline to appoint someone to the transition committee when asked to do so. In such a circumstance the group leader of the party with the next highest notional strength, as calculated following the procedures set out below, will be asked to nominate a member.

- Step 3 The group leader of the political party with the greatest number of elected members may appoint a person who is a member of the party and of the Council to be a member of the statutory transition committee. [See Note 1 below in relation to the situation where two or more political parties have the same number of members.]

Using the example in Fig 1, the group leader for Party A will make the first appointment as this party has the greatest number of elected members.

- Step 4 Following the filling of a position, the strength (the number of elected members) of the party that has been allocated the position is recalculated. The resultant figure is referred to as the notional strength. This is done by dividing the number of elected members of that party by 1 plus the number of positions already allocated to that particular party.

Using the example in Fig 1, the recalculated notional strength for Party A is 3 – after the first position has been allocated.

$$\frac{\text{-----}}{1 + 1 \text{ (Positions allocated)}} = 3$$

This is the notional strength that will be used for that party in the determination of the party to nominate a member for the next position.

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Position 1	6	5	3	3	1	1
	6/1+1 = 3					
Position 2	3	5	3	3	1	1

Step 5 The group leader of the political party that **now** has the greatest notional strength or allocation quotient may appoint a person who is a member of the party and of the Council to be a member of the statutory transition committee. [See Note 1 below in relation to situation where the notional strength for two or more political parties is the same.]

In this example the group leader of Party B may make the nomination as its notional strength is the greatest at 5.

This process is repeated until all of the remaining representative positions have been allocated.

As subsequent positions are allocated to the same party the divisor to determine that party's notional strength increases.

Using Fig 1, the allocation of a second position to Party A would result in their notional strength or allocation quotient reducing to 2

$$\frac{6 \text{ (Party Strength)}}{\text{-----}} = 2$$

$$1 + 2 \text{ (Positions already allocated)}$$

Note 1 Where the notional strength (in terms of elected members) for two or more political parties is the same, the determination of the political party to make a nomination is made by reference to the number of 1st preference votes cast for the respective parties at the last general Local Government election, instead of the number of elected members. In such cases the calculation is made by dividing the 1st preference votes for the relevant parties by 1 plus the number of positions already allocated to each relevant party.

In the example in Fig 1 above, parties A, C and D will have the same notional strength following the allocation of the first two positions as shown below:

Fig 2

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Position 1	6	5	3	3	1	1
Position 2	3	5	3	3	1	1
Position 3	3	2.5	3	3	1	1

The determination of the party that will nominate the third representative is shown below:

Fig 3

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
1 st Pref Votes	5,434		2,620	3,633		
Positions Allocated	1		0	0		
Calculation	5,434 / 1+1		2,620 / 1+0	3,633 / 1+0		
Quotient	2,717		2,620	3,633		

As Party D has the highest allocation quotient based on 1st preference votes its group leader makes the nomination of the third representative. In this example 1st preference votes cast is also used to determine which party will nominate the fourth representative.

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Position 1	6	5	3	3	1	1
Position 2	3	5	3	3	1	1
Position 3	3	2.5	3	3	1	1
Position 4	3	2.5	3	1.5	1	1
Position 5	2	2.5	3	1.5	1	1
Position 6	2	2.5	1.5	1.5	1	1
Position 7	2	1.6	1.5	1.5	1	1
Position 8	1.5	1.6	1.5	1.5	1	1

ANNEX A (2)

APPLICATION OF SAINTE-LAGUË – STATUTORY TRANSITION COMMITTEES

- Step 1 List the number of members to be appointed by the council to the statutory transition committee.
- Step 2 Record the number of elected members by political party, as elected at the last general Local Government election.

Members elected as independents shall be recorded individually.

The number of 1st preference votes cast for each political party and for each independent member shall also be recorded.

Fig 1

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Members	6	5	3	3	1	1
1 st Pref Votes	5,434	4,203	2,620	3,633	1012	960

The appointment of members to the statutory transition committee shall be made by the group leaders of the respective political parties when called upon by the Council's Chief Executive.

A group leader may decline to appoint someone to the transition committee when asked to do so. In such a circumstance the group leader of the party with the next highest notional strength, as calculated following the procedures set out below, will be asked to nominate a member.

- Step 3 The group leader of the political party with the greatest number of elected members may appoint a person who is a member of the party and of the Council to be a member of the statutory transition committee. [See Note 1 below in relation to the situation where two or more political parties have the same number of members.]

Using the example in Fig 1, the group leader for Party A will make the first appointment as this party has the greatest number of elected members.

- Step 4 Following the filling of a position, the strength (the number of elected members) of the party that has been allocated the position is recalculated. The resultant figure is referred to as the notional strength. This is done by dividing the number of elected members of that party by 1 plus twice the number of positions already allocated to that particular party.

Using the example in Fig 1, the recalculated notional strength for Party A is 2 – after the first position has been allocated.

$$\frac{\text{-----}}{1 + (2 \times 1) \text{ (Positions allocated)}} = 2$$

This is the notional strength that will be used for that party in the determination of the party to nominate a member for the next position.

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Position 1	6	5	3	3	1	1
	6/1+(2x1) = 2					
Position 2	3	5	3	3	1	1

Step 5 The group leader of the political party that **now** has the greatest notional strength or allocation quotient may appoint a person who is a member of the party and of the Council to be a member of the statutory transition committee. [See Note 1 below in relation to situation where the notional strength for two or more political parties is the same.]

In this example the group leader of Party B may make the nomination as its notional strength is the greatest at 5.

This process is repeated until all of the remaining representative positions have been allocated.

As subsequent positions are allocated to the same party the divisor to determine that party's notional strength increases by two.

Using Fig 1, the allocation of a second position to Party A would result in their quotient reducing to 1.2

$$\frac{6 \text{ (Party Strength)}}{1 + (2 \times 2 \text{ (Positions allocated)})} = 1.2$$

Note 1 Where the notional strength (in terms of elected members) for two or more political parties is the same, the determination of the political party to make a nomination is made by reference to the number of 1st preference votes cast for the respective parties at the last general Local Government election, instead of the number of elected members. In such cases the calculation is made by dividing the 1st preference votes for the relevant parties by 1 plus twice the number of positions already allocated to each relevant party.

In the example in Fig 1 above, parties C and D have the same notional strength following the allocation of the first two positions as shown below:

Fig 2

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Position 1	6	5	3	3	1	1
Position 2	2	5	3	3	1	1

The determination of the party that will nominate the third representative is shown below:

Fig 3

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
1 st Pref Votes	5,434	4,203	2,620	3,633	1012	960
Positions Allocated			0	0		
Calculation for position 3			$2,620/1+0$	$3,633/1+0$		
Quotient			2,620	3,633		

As Party D has the highest allocation quotient based on 1st preference votes its group leader makes the nomination of the third representative.

	Party A	Party B	Party C	Party D	Ind 1	Ind 2
Position 1	6	5	3	3	1	1
Position 2	2	5	3	3	1	1
Position 3	2	1.66	3	3	1	1
Position 4	2	1.66	3	1	1	1
Position 5	2	1.66	1	1	1	1
Position 6	1.2	1.66	1	1	1	1
Position 7	1.2	1	1	1	1	1
Position 8	0.9	1	1	1	1	1

APPLICATION OF SINGLE TRANSFERABLE VOTE – STATUTORY TRANSITION COMMITTEES

Step 1 Following the conclusion of the election within the Council the ballot papers should be sorted into parcels according to the candidate for whom the first preference votes have been given.

The number of first preference votes given to each candidate is recorded, along with the total number of valid and invalid papers.

For the purposes of this example there are 50 electors, 50 valid votes and 6 positions to be filled.

Fig1

Candidate	Votes	Totals
A	AAAA	4
B	BBBB BBBB	8
C	CCCC CCCC CCCC CCCC	16
D	DDDD	4
E	EEE	3
F	FFFF FFF	7
G	GGGG GGGG	8
		50

Step 2 The quota needed for election is calculated. This is the smallest number of votes a candidate needs in order to be elected.

To calculate the quota, the responsible officer divides the total number of valid votes by one more than the number of candidates to be elected, plus one. Any fractions that may arise in calculating the quota are disregarded.

In this example the quota equals: $(50 \text{ divided } 7) + 1 = 8$

Step 3 Stage 1

In this example three candidates, **C**, **B** and **G** have already obtained the quota of votes, and are therefore declared elected at Stage 1

STV Election: Stage 1			
Candidate	Votes	Totals	Results
A	AAAA	4	
B	BBBB BBBB	8	Elected
C	CCCC CCCC CCCC CCCC	16	Elected

D	DDDD	4	
E	EEE	3	
F	FFFF FFF	7	
G	GGGG GGGG	8	Elected
		50	

Step 4 Stage 2 - Transfer of surplus votes

C has 16 votes, but only needs 8 to be elected. Their surplus, the equivalent of 8 votes, must be transferred, i.e. they do not require eight-sixteenths of their votes.

All sixteen of **C's** first preference ballot papers are examined and transferred, each at a value of $8/16^{\text{th}}$, or 0.5 of a vote, to the next available preference. In the case of a second preference for **B** or **G** (already elected), the paper is passed to the next available preference (in this situation the transferred vote is treated as a second preference).

If we suppose that 10 of the 16 papers show a next available preference for **E**, and 6 for **A**, then **E** receives 5 (10×0.5) votes, and **A** receives 3 (6×0.5) votes from the surplus of 8. The transfer of this surplus constitutes Stage 2 of the Count. **E** now has 8 votes, equal to the quota, and is elected.

STV Election: Stage 2			
Candidate	Votes	Totals	Results
A	AAAA CCC	7	
B	BBBB BBBB	8	Elected
C	CCCC CCCC	8	Elected
D	DDDD	4	
E	EEE CCCC C	8	Elected
F	FFFF FFF	7	
G	GGGG GGGG	8	Elected
		50	

Step 5 Stage 3 – Exclusion of Candidate

As there are no further surpluses to be distributed, the candidate who now has fewest votes, **D**, is excluded, and all their votes are transferred to the next available preference of all those who voted for them. All four of **D's** votes pass to **F** – at full value. Any preferences for **B** or other elected candidates are passed to the next preference not already elected. No votes are transferred to **A**.

STV Election: Stage 3			
Candidate	Votes	Totals	Results
A	AAAA CCC	7	
B	BBBB BBBB	8	Elected
C	CCCC CCCC	8	Elected

D			
E	EEE CCCC C	8	Elected
F	FFFF FFF DDDD	11	Elected
G	GGGG GGGG	8	Elected
		50	

F on attaining the quota is declared elected.

As there are no further transfers and there are six positions to fill **A** is declared elected to the last position, even though they have not attained the quota.

ARRANGEMENTS FOR CASTLEREAGH AND LISBURN

1. As stated at paragraph 2.5, the Department requires that the councillors nominated to the Belfast Transition Committee by Castlereagh Borough Council and Lisburn City Council are selected, on a proportional basis, from those areas which will transfer to Belfast in 2015.
2. In respect of Lisburn, this means that the two nominees should be selected, using a proportional method, from those councillors elected to represent Dunmurry Cross.
3. The position in respect of the areas transferring from Castlereagh is less clear cut. Castlereagh Central will transfer in its entirety along with parts of Castlereagh East and Castlereagh West. Therefore, it would seem prudent to ensure that at least one of those nominated is from Castlereagh Central with the other coming from Castlereagh Central, East or West. Again, a proportional method of selection should be used.
4. In respect of the Lisburn/Castlereagh Transition Committee, members should be drawn from across the whole of the existing council areas, not just from those areas that will form the new Council area. This is because decisions made by the Committee have the potential to impact on the whole of each of the current council areas. For example, if certain financial controls are exercised. However, it would be good practice to ensure that no councillor is a member of more than one transition committee.

STATUTORY TRANSITION COMMITTEE TASKS

AREA	ASSOCIATED TASKS
Transition and Convergence - Local Governance	<ul style="list-style-type: none"> • Develop Standing Orders for agreement by new Council • Develop Governance Arrangements for agreement by new Council • Develop Corporate and Business Plan for STC • Corporate Plan for the new Council agreement by new Council
Transition and Convergence – Local Finance	<ul style="list-style-type: none"> • Identify all assets and liabilities • Agree budget for STC period • Secure resources for STC period • Prepare budget for Shadow period • Secure resources for Shadow period • Establish financial systems for adoption by new Council • Develop strategy for dealing with current and future contracts for final sign off by new Council • Tender for new contracts for new Council as appropriate
Transition and Convergence – Service Delivery	<ul style="list-style-type: none"> • Collate information on existing service delivery arrangements • Design new service delivery arrangements (existing functions) for agreement by new council • Design new service delivery arrangements (new and transferred functions) for agreement by new council • Plan integration of transferring and new functions for agreement by new council • Develop service continuity plan for agreement by new council • Gather data to underpin community plan • Develop draft community plan for agreement by new council

<p>Transition and Convergence: Local Human Resources and Capacity</p>	<ul style="list-style-type: none"> • Develop and commence implementation of local capacity building strategy (staff and members) • Set up and run local pilots in line with regional programme • Design new structures and staffing levels for agreement of new council • Prepare Draft Equality Schemes etc for agreement of new council • Appoint Chief Executive • Develop local staff transfer process for agreement of new council • Begin development of arrangements for staff handover
<p>Transition and Convergence: Local IT</p>	<ul style="list-style-type: none"> • Agree and implement IT platform for new Council • Agree IT systems for service delivery (including telephony)

