



Belfast District Council (Shadow)

Report to	Shadow Strategic Policy and Resources Committee
Subject:	Council response to the draft response to the Department of the Environment consultation on “The Apportionment of Costs Associated with the Ethical Standards Framework between Councils”
Date:	26 September 2014
Reporting Officer:	Suzanne Wylie, Chief Executive
Contact Officer:	Ronan Cregan, Deputy Chief Executive and Director of Finance and Resources (ext: 6184)

1.0	Purpose
1.1	<p>The purpose of this report is to seek approval from Members on a draft Shadow Council response to the DoE’s Consultation on the Apportionment of Costs Associated with the Ethical Standards Framework between Councils.</p> <p>The deadline for response to the consultation has been extended recently to 31 October 2014.</p> <p>This draft response will remain subject to ratification by the Shadow Council at its meeting on 7 October 2014.</p> <p>A copy of the consultation document is attached at Appendix 1.</p>
2.0	Background
2.1	<p>The Local Government Act (Northern Ireland) 2014 has put in place a new ethical standards regime for local government, including a mandatory Code of Conduct for Councillors. The Northern Ireland Commissioner for Complaints will be responsible for handling any allegations made against councillors of breaches of this code.</p>

2.2	Part 9, Section 64 of the Local Government Act sets out that before the commencement of each financial year the Northern Ireland Commissioner of Complaints' office must prepare an estimate of the expenses of the Commissioner for dealing with complaints. The Department must then apportion the amount estimated between all councils in Northern Ireland in such manner as the Department, after consultation, considers appropriate.
2.3	The set up costs and any costs relating to casework of the ethical standards framework this year are being met by the Executive. This consultation therefore seeks views on the proposed method for apportioning costs from April 2015 onwards.
3.0	Options
3.1	<p>Four options for apportioning costs have been identified and are described in the consultation document as follows:</p> <ul style="list-style-type: none"> • Option A - number of councils (11). This option would result in an equal split in costs between the councils which would put an inequitable pressure burden on the budgets of those less wealthy council clusters. This option is the easiest to administer. • Option B - number of councillors (462). This method would give a more accurate representation as it includes the councillors in each cluster and has a clear link to the work and costs of the Commissioner. This option requires minimal calculation to apportion the cost and provides the most equitable solution. (Preferred Option) • Option C - total population (1,823,600). This option gives an accurate representation of the total population, as it includes groups such as children and those not registered to vote. However, this could be interpreted as the more urban areas subsidising the more rural areas irrespective of the number of councillors in that cluster. • Option D - gross penny rate product (22,459,998). This method represents the biggest disparity between the four apportionment methods. This method assumes that the only method of paying for reform is through the rates, and this is not the case. It also bears no relationship to the work and associated costs of the Commissioner. <p>The Finance Working Group, which consists of senior local government officials, have assessed the options and consider that Option B – number of councillors, is the preferred option to be consulted upon with councils and bodies representative of councils.</p> <p>The consultation also recommends that the method of apportionment should be reviewed in 2017/18 when the actual costs, and the impact of casework on the Commission becomes available.</p>
4.0	Consultation Response

4.1	<p>A copy of the proposed council response is included below for the consideration of Members.</p> <p><i>“The Council has reviewed the various options outlined in the consultation paper and would concur with the findings of the Finance Working Group and the Financial Matters Sub Group which concluded that Option B (allocating costs based upon the number of elected members in each council) would be the preferred option for apportioning costs between the councils.</i></p> <p><i>The Council would also be supportive of the proposal that a review of the allocation methodology be undertaken in 2017/18 when the actual costs and the impact of the casework upon the Commissioners’ office can be analysed in detail”.</i></p>										
5.0	Resource Implications										
5.1	<p>The respective options will have the following resource implications for Belfast:</p> <table border="1" data-bbox="225 846 1501 1137"> <thead> <tr> <th data-bbox="225 846 483 1014"></th> <th data-bbox="483 846 742 1014">Option A – number of councils</th> <th data-bbox="742 846 1000 1014">Option B – number of councillors</th> <th data-bbox="1000 846 1259 1014">Option C – population</th> <th data-bbox="1259 846 1501 1014">Option D – gross penny rate product</th> </tr> </thead> <tbody> <tr> <td data-bbox="225 1014 483 1137">Belfast District</td> <td data-bbox="483 1014 742 1137">£34,545</td> <td data-bbox="742 1014 1000 1137">£49,350</td> <td data-bbox="1000 1014 1259 1137">£69,598</td> <td data-bbox="1259 1014 1501 1137">£94,103</td> </tr> </tbody> </table> <p>If Option B is selected as the most appropriate method to apportion costs to councils then Belfast will be required to commit £49,350 per annum to the Commissioner for Complaints Office to cover the cost of adjudication of complaints until such time as a review of the methodology is carried out in 2017/18.</p>		Option A – number of councils	Option B – number of councillors	Option C – population	Option D – gross penny rate product	Belfast District	£34,545	£49,350	£69,598	£94,103
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6.0	Equality and Good Relations Implications										
6.1	None										
7.0	Recommendations										
7.1	<p>It is recommended that Members:</p> <ul style="list-style-type: none"> (i) Note the contents of the report including the draft consultation document at Appendix 1; and (ii) Consider and approve the attached Shadow Council response at Paragraph 4 above - subject to any amendments proposed by the Committee. 										
7.0	Documents attached										

Appendix 1 –

Consultation on the DoE's Consultation on the Apportionment of Costs
Associated with the Ethical Standards Framework between Councils