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# The Local Government (Performance Indicators and Standards) (Amendment) Order (Northern Ireland) 2022

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## **SCOPE OF CONSULTATION**

### **SCOPE OF THIS CONSULTATION**

This consultation seeks views on proposed amendments to the Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015 (“the 2015 Order”) to take account of proposed changes to the current Department for the Economy DfE performance indicator and standards included in the 2015 Order.

### **GEOGRAPHICAL SCOPE**

These proposed amendments relate to Northern Ireland only.

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## BASIC INFORMATION

This consultation covers proposals by the Department for the Economy (DfE) to amend the current (DfE) performance indicator and standards included within the Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015.

The proposed amendments cover revisions to the Performance Indicator and Standards placed on councils in relation to DfE's policy area of job promotion through a business plan development programme.

<b>BODY/BODIES RESPONSIBLE FOR CONSULTATION</b>	This consultation is being undertaken by the Local Government & Housing Regulation Division in the Department for Communities (DfC) (which is the responsible department for specifying, under s89 of the Local Government Act (NI) 2014, local government performance indicators and standards). However the policy in respect of these proposed amendments is the responsibility of DfE.
<b>DURATION</b>	This consultation is open from 21 December 2021 to 28 February 2022.
<b>ENQUIRIES</b>	<p>For any enquiries about the consultation please email the Department at: <b>lgpdconsultations@communities-ni.gov.uk</b></p> <p>or write to: Local Government Performance Indicators and Standards Consultation, Department for Communities, Local Government &amp; Housing Regulation Division, Level 4, Causeway Exchange, 1-7 Bedford Street, Town Parks, Belfast, BT2 7EG</p>

## HOW TO RESPOND

Please email your consultation response to:

**lgpdconsultations@communities-ni.gov.uk**

or post to:

Local Government Performance Indicators and Standards Consultation  
Department for Communities,  
Local Government & Housing Regulation Division,  
Level 4,  
Causeway Exchange,  
1-7 Bedford Street,  
Town Parks,  
Belfast,  
BT2 7EG

When you reply it would be very useful if you could confirm whether you are replying as an individual or submitting an official response on behalf of an organisation.

If you are replying on behalf of an organisation please include:

- your name,
- your position in the organisation (if applicable),
- the name of your organisation,
- an address (including postcode),
- an email address.

<b>CONSULTATION RESPONSE</b>	<p>We will consider the responses received and publish an outcome report on the Departmental website.</p> <p>In line with good practice and sustainable development, this document has been published electronically.</p>
<b>ACCESSIBILITY</b>	<p>A range of alternative formats are available upon request from this Department.</p> <p>Please email the Department at: <b>lgpdconsultations@communities-ni.gov.uk</b></p> <p>Or write to:</p> <p>Local Government Performance Indicators and Standards Consultation, Department for Communities, Local Government &amp; Housing Regulation Division, Level 4, Causeway Exchange, 1–7 Bedford Street, Town Parks, Belfast, BT2 7EG.</p>

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## HOW WE CONSULT

### CONSULTATION PRINCIPLES

The consultation is being conducted in line with the Fresh Start Agreement (**Appendix F6 – Eight Steps to Good Practice in Public Consultation - Engagement**). These eight steps give clear guidance to Northern Ireland departments on conducting consultations.

### FEEDBACK ON THE CONSULTATION PROCESS

We value your feedback on how well we consult. If you have any comments about the consultation process (as opposed to comments about the issues which are the subject of the consultation), including if you consider that the consultation does not adhere to the values expressed in the Eight Steps to Good Practice in Public Consultation - Engagement or that the process could be improved, please address them to:

Local Government Performance Indicators and Standards Consultation,  
Department for Communities,  
Local Government & Housing Regulation Division,  
Level 4,  
Causeway Exchange,  
Town Parks 1–7 Bedford Street,  
Belfast,  
BT2 7EG

Email: [lgpdconsultations@communities-ni.gov.uk](mailto:lgpdconsultations@communities-ni.gov.uk)

Please title your correspondence as **“Feedback on the Consultation Process”**.

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**PRIVACY, CONFIDENTIALITY  
AND ACCESS TO  
CONSULTATION RESPONSES**

For this consultation, we may publish all responses except for those where the respondent indicates that they are an individual acting in a private capacity (e.g. a member of the public). All responses from organisations and individuals responding in a professional capacity may be published. We will remove names, email addresses and telephone numbers from these responses; but apart from this we will publish them in full. For more information about what we do with personal data please see our consultation privacy notice.

Your response, and all other responses to this consultation, may be disclosed on request in accordance with the Freedom of Information Act 2000 (FOIA) and the Environmental Information Regulations 2004 (EIR); however all disclosures will be in line with the requirements of the Data Protection Act 2018 and the General Data Protection Regulations (EU) 2016/679.

If you want the information that you provide to be treated as confidential it would be helpful if you could explain to us why you regard the information you have provided as confidential, so that this may be considered should the Department receive a request for the information under the FOIA or EIR.

DfC is the data controller in respect of any personal data that you provide and DfC's privacy notice, which gives details of your rights in respect of the handling of your personal data, can be found at: **<https://www.communities-ni.gov.uk/dfc-privacy-notice>**.

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## **1. Purpose of the Consultation - Scope and timeframe**

- 1.1 This consultation covers proposals to amend the Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015 (the 2015 Order) to include the Department for the Economy's (DfE) proposed revised performance indicator and standards in respect of economic development.
- 1.2 The proposed amendments cover revisions to the performance indicator and standards placed on councils

in relation to DfE's policy area of job promotion through a business plan development programme.

- 1.3 The closing date for submitting responses is 28 February 2022.
- 1.4 The Department will consider and respond to comments it receives during this consultation.
- 1.5 Responses are invited to this consultation about any aspect set out in this paper.

## 2. Introduction

- 2.1 Part 12 of the Local Government Act (Northern Ireland) 2014 (the 2014 Act) put in place a framework to support continuous improvement in the delivery of council services, in the context of strategic objectives and issues that are important to those who receive the services. Councils are required to gather information to assess improvements in their services and to report annually on their performance against indicators which they have either set themselves or that have been set by departments.
- 2.2 Section 89 of the 2014 Act allows the Department for Communities (DfC), by Order, to specify performance indicators and standards for councils in order to improve the exercise of their functions. This can include performance indicators and standards which other Departments deem relevant and have requested DfC to include within such an Order.

- 2.3 The Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015 (the 2015 Order), which is currently in operation, was made under section 89 of the 2014 Act. The 2015 Order acts as the legislative vehicle for 3 other departments to set performance indicators and standards for councils, being:

- the Department for the Economy (DfE) – in respect of business start-up activity
- the Department for Infrastructure (DfI) – in respect of planning
- the Department of Agriculture, Environment and Rural Affairs (DAERA) – in respect of waste management

- 2.4 DfE has requested that its performance indicator and related standards in the 2015 Order be amended.

### **3. Background**

- 3.1 The current Economic Development Indicator included in the 2015 Order relates to the number of jobs promoted through business start-up support. This is a calculated figure based on the number of client-led business plans created through the Northern Ireland Business Start-Up Programme (NIBSUP), also known as the Go for It (GFI) programme.
- 3.2 The job promotion standards, in the 2015 Order, were developed from a five-area model by DfE in conjunction with Invest NI, informed by an economic appraisal on the Regional Start Initiative (RSI, forerunner to NIBSUP), which set rates for each area based on their potential to deliver. The key variable in this model is the number of business plans approved, to which a conversion rate is applied to determine job creation figures.
- 3.3 When the Transfer of Functions to local government took place in April 2015, DfE set the job targets based on the 2011-2015 Programme for Government (PfG) target, to create 6500 local jobs, or 1625 jobs per year, which was then split across each council area, approximately following the RSI programme split. These targets have remained in place since that date.
- 3.4 The new GFI programme, which began on 1 April 2021, recently received approval from Invest NI for funding under the European Regional Development Funding (ERDF) measure for Local Economic Development (LED). Lisburn and Castlereagh City Council will be the council lead for this GFI programme. As a consequence of this new programme being introduced, the 2015 Order needs amended.

## **4. Details of proposed amendments**

- 4.1 This section contains details on the proposed amendments to the 2015 Order. A draft of the Local Government (Performance Indicators and Standards) (Amendment) Order (Northern Ireland) 2022 and related Statutory Guidance have been prepared (see Annex A and B respectively) and we would welcome comments on both these drafts.
- 4.2 This consultation proposes to retain the current Economic Development indicator at this time, and to amend the standards to reflect the outcome of research undertaken and agreed with councils in 2019. The Economic Development indicator of number of jobs created remains in line with the draft PfG and draft Industrial Strategy. Additionally, the primary focus of support under the European Regional Development Funding (ERDF) measure for Local Economic Development is job creation and interventions supported by the Measure will need to deliver against this.
- 4.3 The proposed revised standards are based on an independent review of the NIBSUP/ GFI job target figures commissioned by the councils in 2018. The review proposed a new rationale for allocating job creation targets by council area, using data such as recent business start programmes in Northern Ireland, NI Statistic and

Research Agency data for NI job creation by council Area, Global Entrepreneurship Monitor data for job creation by council area and DfE Data for job creation by council area.

- 4.4 The data compiled was then used to create a Proportionality Formula that could be applied to each Council area to produce a jobs target range for each area. The following three indices are used:
- the proportion of NI Small Businesses within Council Areas
  - the proportion of NI Micro Enterprises within Council Areas
  - the proportion of NI Business Births by Council Area
- 4.5 Each of the 11 councils considered the proposed figures for their respective area and the agreed standards were provided to DfE by the GFI administration team for the purpose of replacing the existing statutory targets.
- 4.6 Details of the proposed standards, by council area, can be found in the draft amendment Order (see Annex A).
- 4.7 DfE confirmed with the GFI team prior to this consultation that the targets remain appropriate and current for use as Statutory Standards. They will remain under review.

4.8 DfE acknowledges that in the future there may be developments in approach around indicators of local economic development and business start-up in line with wider developments in the policy ecosystem, and looks forward to working in partnership with local government as future policy direction is developed. In particular, while the current proposed standards relate directly to activity funded through the GFI programme, there will be a range of activity undertaken by Councils that support new businesses that is not necessarily reflected in the current figures. DfE would be keen to understand and reflect this wider activity through future standard-setting, based

on appropriate research and data. It is, however, important to update the current standards now, based on the available data, to align with the GFI programme which commenced in April 2021.

4.9 Finally, the use of business plans created through the programme as a proxy for jobs created is retained in the current proposal, as this also aligns to the approach in the GFI programme. Future research in the appropriate measure to be used to either approximate or verify jobs created is an area that DfE will be interested in exploring in any future review.

## 5. Impact Assessments

5.1 As DfE is responsible for the policy relating to the proposed amendments it has completed all the required impact assessments. Copies of these can be found at <https://www.economy-ni.gov.uk/publications/impact-assessments-consultation-local-government-order-2015>.

5.2 DfE has confirmed that it considers that the draft Order does not contain proposals to change policy in a

substantive way, therefore, no adverse impact on the categories of person in section 75 of the Northern Ireland Act 1998 are identified.

5.3 DfE has confirmed that it has not conducted a regulatory impact assessment as the proposed changes will have no regulatory impact.

5.3 DfE has confirmed that it considers that the proposed amendments in the draft Order will not have any differential impact on people living in rural areas.

## **6. Human Rights**

- 6.1 The Department believes that the proposals set out in the draft Order are compatible with the Human Rights Act 1998.

## Annex A

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# STATUTORY RULES OF NORTHERN IRELAND

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**2022 No.**

## **LOCAL GOVERNMENT**

### **The Local Government (Performance Indicators and Standards) (Amendment) Order (Northern Ireland) 2022**

*Made* - - - - - *XXst/nd/rd/th Month 2022*  
*Coming into operation* - - - *X XXst/nd/rd/th Month 2022*

The Department for Communities<sup>(1)</sup> makes the following Order in exercise of the powers conferred by section 89(1) of the Local Government Act (Northern Ireland) 2014<sup>(2)</sup> and now vested in it<sup>(3)</sup>.

In accordance with section 89(2) of that Act, the Department has consulted councils and such associations or bodies representative of councils, such associations or bodies representative of officers of councils and such other persons or bodies as appear to the Department to be appropriate.

#### **Citation and commencement**

**1.** This Order shall be cited as The Local Government (Performance Indicators and Standards) (Amendment) Order (Northern Ireland) 2022 and shall come into operation on XXst/nd/rd/th Month 2022.

#### **Amendment of The Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015**

**2.** The Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015<sup>(4)</sup> shall be amended in accordance with Article 3.

**3.** For Schedules 1 (economic development indicators) and 2 (economic development standards) of the Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015 substitute Schedules 1 and 2 within the Schedule.

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(1) Formerly known as the Department for Social Development; see the Departments Act (Northern Ireland) 2016 c.5 (NI).

(2) 2014 c. 8 (N.I.)

(3) See S.R. 2016 No. 76, Article 8 of and Schedule 5 to the Departments (Transfer of Functions) Order (Northern Ireland) 2016 transferred functions to the Department for Communities which were previously exercisable by the Department of the Environment

(4) S.R. 2015 No. 327

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## “SCHEDULE 1

Article 2

### ECONOMIC DEVELOPMENT INDICATORS

Council	Indicator reference number	Indicator
All councils	ED 1	The number of jobs promoted through business start-up activity <sup>(1)</sup>

(1) Business start-up activity means the delivery of client led business plans under the Council-led Northern Ireland Business Start-up Programme (NIBSUP) or successor programmes.

## SCHEDULE 2

Article 2

### ECONOMIC DEVELOPMENT STANDARDS

<i>Council</i>	<i>Standard reference number</i>	<i>Standard</i>
	EDS 1	To promote in each financial year the following number of jobs through business start-up activity <sup>(1)</sup>
Antrim and Newtownabbey		80
Ards and North Down		123
Armagh, Banbridge and Craigavon		182
Belfast		325
Causeway Coast and Glens		128
Derry and Strabane		140
Fermanagh and Omagh		170
Lisburn and Castlereagh		116
Mid and East Antrim		111
Mid Ulster		153
Newry, Mourne and Down		173

(1) Business start-up activity means the delivery of client led business plans under the Council-led Northern Ireland Business Start-up Programme (NIBSUP) or successor programmes”

### EXPLANATORY NOTE

(This note is not part of the Regulations)

This Order amends The Local Government (Performance Indicators and Standards) Order (Northern Ireland) 2015 by updating Schedules 1 (economic development indicators) and 2 (economic development standards).

## Annex B

### **DRAFT GUIDANCE**

#### **ECONOMIC DEVELOPMENT PERFORMANCE INDICATORS AND STANDARDS**

1. The statutory performance indicator and standards have been set by the Department for the Economy (DfE) as part of the governance and performance management arrangements for the economic development functions transferred to local government in 2015. It is critical to ensure that these functions are carried out, and are seen to be carried out, in a clear, fair and consistent manner and that best practice is applied across the district councils.

2. The Indicator and Standards have been prepared under the Northern Ireland Business Start-Up Programme (NIBSUP), also known as the Go for It (GFI) programme. In order to ensure consistency and reliability of performance data, reporting on the performance indicator and standards will be carried out centrally by Lisburn and Castlereagh City Council as GFI coordinating team and reported to DfE. DfE will publish or arrange for this performance data to be published on an annual basis.

3. This will allow for accurate comparison between Councils across performance indicators and standards and will provide the DfE Minister and the public with assurance over the performance. Central reporting will also ensure that DfE continues to meet its statutory obligations under the Code of Practice for Official Statistics when reporting performance at the Regional level.

### **DATA COLLECTION ARRANGEMENTS**

#### **Northern Ireland Go For It Programme 1 April 2021 – 31 March 2023**

4. The GFI team will submit monthly data lists to DfE within 5 working days of the end of each month, in relation to

- the number of business plans completed for each Council area within Northern Ireland
- the number of equivalent jobs promoted within each Council area

### **REPORTING AND MONITORING**

5. The reporting and monitoring arrangements are as follows:

- Invest NI will audit a random sample of all transactions associated with Business Start including initial meetings, workshops and business plans
- The GFI team has its own internal audit procedure which is undertaken on a 20% basis of all transactions and quality of business plans
- The GFI team produces a monthly report for Invest NI by way of ensuring compliance with data integrity, funding and quality of business plans
- Performance of individual council areas will be tracked and documented on a monthly basis forming the basis of monthly meetings between Invest NI and the GFI team.
- Validation of monthly quantity of Business plans will be completed by an external agency on an annual basis

## **VALIDATION OF DATA**

6. The data validation arrangements are as follows:

- The GFI team will conduct quality validation on 20% of the plans produced each month
- The plans will be selected at random from the final agreed monthly file.
- The key areas of validation will be in keeping with the Terms of Reference agreed with Invest NI and the validation process will:
  - ensure that the plan includes a robust set of financial projections consistent with the project described in the plan
  - ensure that analysis of the plans (specifically financial information) identifies any significant issues and specific commentary should be made where issues exist
  - ensure the plan is evidenced-based, with a minimum of 10% of the first year's sales justified in the market section. This should be supported with customer names and contract values
- In addition, the validation process will be used to identify best practice
- A summary of the validation will be prepared by the GFI team each month and be made available to Invest NI and Councils.

Available in alternative formats.

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