

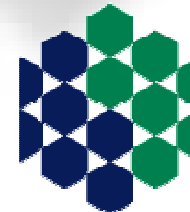
IRRV Northern Ireland / Chief Executives Forum

3 JUNE 2010

# Local Government Reform

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# Key Executive Decisions

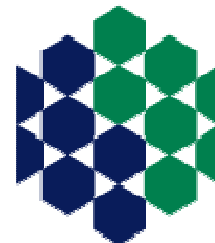
- **Reduction from 26 councils to 11**
- **Introduction of a community planning process and a new power of well-being**
- **Transfer of planning, urban regeneration, rural development, some local roads functions, housing related functions and local economic development and tourism**
- **New governance arrangements with appropriate checks and balances**
- **Severance package for long serving councillors**
- **Programme of modernisation for efficient and effective services**

# The Vision

“a strong, dynamic local government creating communities that are vibrant, healthy, prosperous, safe, sustainable and have the needs of all citizens at their core”



Arlene Foster – 31 March 2008



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# Key Issues

- **Legislation**
- **Local Government Boundaries**
- **PwC Report – Service Delivery Economic Appraisal**
- **Funding**



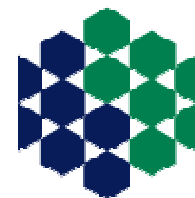
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# Legislation

## Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010

- District councils' powers to enter into long-term service contracts with private sector
- Enable councils to vest land for waste management
- Severance arrangements for councillors
- Setting up of statutory Transition Committees
- Introduce controls over the current 26 councils with regard to contracts and disposals of land and buildings



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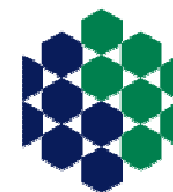
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# Legislation (continued)

## Local Government (Finance) Bill

- **Modernise local government finance arrangements**
- **Give councils greater control over their finances by removing the need to obtain Departmental approval for borrowings**
- **Introduce a Prudential Regime for capital finance**
- **Update the legislation on councillors' remuneration, including the setting up of an independent remuneration panel**



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# Legislation (continued)

## Local Government (Reorganisation) Bill

- Establish the new councils and end old local government districts
- Provide new governance arrangements for councils
- Introduce new ethical standards regime and new Code of Conduct
- Introduce community planning and well-being
- Transfer of current functions from old councils to new - staff; contracts; assets; liabilities etc.



# Local Government Boundaries

- **Local Government Boundaries Commissioner presented his Final Recommendations Report on 22 June 2009**
- **DOE Minister considered the Commissioner's Report and submitted a paper to the Executive**
- **Subject to Executive agreement, a draft Local Government (Boundaries) Order must be agreed by the Assembly**
- **The next stage is to draw up district electoral areas – needed to allow elections to the new local government districts in May 2011**



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# **PwC Report - Service Delivery Economic Appraisal**

- **Comprehensive breakdown of programme costs and benefits**
- **Preferred option – transformation with regional collaboration**
- **Proposed a Business Services Organisation & Single Waste Authority**
- **up-front investment of £118m over a 5-year period projected savings of £438m over a 25-year period**
- **LG rejected BSO model – developing an alternative model to deliver comparable savings**



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# Funding

- **Minister held constructive discussions with Executive on funding package.**
- **Executive facing a difficult financial future – cuts of £1billion over next 5 years**
- **Local Government asked to fund full up-front implementation costs.**
- **Minister is to bring Sector's response on funding to the Executive on 10 June 2010**

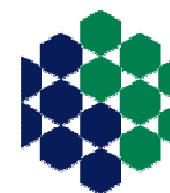


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# Conclusions

- **Main policy issues have largely been agreed**
- **Collaborative working is of crucial importance**
- **Very urgent need for Executive decision on reform if 2011 target to be achieved**



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# Any Questions?



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