

**Causeway Coast & Glens**  
**Statutory Transition Committee**

**Held in: Coleraine Borough Council Offices at 5.00pm**

**27 February 2014**

**Present:**

**Ballymoney Borough Council**

Ald Bill Kennedy (Item 1–14)  
Ald Frank Campbell (Item 1–14)  
Cllr John Finlay (Item 1–14)  
Cllr Philip McGuigan  
Cllr Ian Stevenson (Item 1–14)  
John Dempsey

**Coleraine Borough Council**

Ald Norman Hillis  
Cllr Sam Cole  
Cllr George Duddy  
David Jackson  
Kieran Doherty  
Stephen McMaw  
Ciara Toner

**Limavady Borough Council**

Cllr Brenda Chivers  
Cllr Tony McCaul  
Cllr James McCorkell

**Moyle District Council**

Cllr Joan Baird  
Cllr Donal Cunningham (Item 5-17)  
Cllr Robert McIlroy (Chair)  
Cllr Colum Thompson  
Richard Lewis

<b>Item</b>	<b>Detail/ Summary/Action</b>	<b>Officer</b>
<b>1.</b>	<b>Apologies</b>	
	Ald Michael Coyle (Limavady), Cllr Dermot Nicholl (Limavady), Ald Maura Hickey (Coleraine), Cllr William King (Coleraine), Cllr Cara McShane (Moyle), Roger Wilson (Coleraine), Liam Flanigan (Limavady)	CT
<b>2.</b>	<b>Declarations of Interest</b>	
	None.	CT
<b>3.</b>	<b>Minutes of the meeting held on 23 January 2014</b>	
	<b>Agreed:</b> On the proposal of Councillor Duddy and seconded by Alderman Kennedy that the minutes of the Statutory Transition Committee meeting held on 23 January 2014 were agreed (previously supplied).	CT
<b>4.</b>	<b>Matters Arising</b>	
4.1	<u>Contract Harmonisation</u> The TM reported that auditing of contracts was still ongoing in relation to contract harmonisation and joint procurement and it was very much a case of work in progress. A report would be made available at a later date and brought back to a future meeting of the STC.	TM
4.2	<u>Mid and East Antrim STC Group</u> It was advised that a letter had been drafted in response to the Mid and East Antrim STC group regarding Group Employer Council Considerations and was currently with R Wilson. The TM would follow this up and forward the letter once approval had been given.	TM
<b>5.</b>	<b>STC Accounts</b>	
	G McCourt updated members on the STC accounts and, in particular, advised that a cost reduction of just under £2,000 had been negotiated in respect of STC insurance.  <i>Councillor Cunningham joined the meeting.</i>	
<b>6.</b>	<b>Finance Software Convergence</b>	
	G McCourt provided members with details on a Systems Implementation Proposal for the Causeway Coast and Glens District Council from TotalMobile.  TotalMobile currently supplied the Finance Software for the four existing councils and the Finance Working Group now sought approval from the STC for TotalMobile to merge the four existing systems into one system come 1	GMcC

	<p>April 2015 at a total cost of £43,000 or £10,750 per council. The four existing systems would continue until 31 March 2015.</p> <p>Following a member's question, G McCourt advised that as part of the project plan, Finance Software Convergence would become part of a tender process come 2016.</p> <p><b>Agreed:</b> To endorse the TotalMobile Systems Implementation Proposal so that the four existing systems merge into one system as at 1 April 2015 at a total cost of £43,000 or £10,750 per council.</p>	
<b>7.</b>	<b>Shadow Council Chamber</b>	
<b>7.1</b>	<p><u>6 Month Convergence Work Plan</u></p> <p>Although not yet officially in post as the new Chief Executive of the Causeway Coast and Glens District Council, the chair welcomed Mr David Jackson to his first meeting of the STC and members expressed their messages of congratulations to him.</p> <p>D Jackson thanked members for their well wishes before presenting them with a 6 month work plan. The plan provided an insight into pending work that required action in the near future and covered areas such as convergence, the Political Structure, Finance, Staff and Structures and Project Management, Communications and Branding.</p> <p>Members expressed that staff communication was a key area of concern and that extra care and attention should be taken to ensure staff are kept well informed of progress throughout the reform process.</p> <p>Following a members question regarding his new post, D Jackson advised he was expecting an Employment Letter of Offer on 28 February 2014 and hoped to be in his new post as Chief Executive of the Causeway Coast and Glens District Council by the end of April 2014.</p>	DJ
<b>7.2</b>	<p><u>Shadow Council Chamber</u></p> <p>It was agreed at the November meeting of the STC that Coleraine Borough Council Chamber be used to accommodate the Shadow Council. Four options for the redesign and refurbishment of the existing Council Chamber were presented for consideration. D Jackson advised that a 6 week construction period was required and the budget was £78,000.</p> <p>Following consideration, members stated preference for option 4 with the inclusion of a modification to elevate the outside square and also option 1.</p> <p><b>Agreed:</b> To obtain more detailed drawings of options 1 and 4 along with cost estimates for consideration at the March STC meeting.</p>	DJ
<b>8.</b>	<b>STC Standing Orders</b>	
	<p>Amendments to the existing Standing Orders had been agreed at the January Meeting of the STC, following a review of the current Standing Orders, supplied by the Department of the Environment (DOE). The amended Standing Orders were now presented for consideration.</p> <p><b>Agreed:</b> That the amended Standing Orders be adopted by the STC.</p>	TM
<b>9.</b>	<b>Location of the Chief Executive</b>	
	<p>D Jackson advised that he proposed to spend one day per week, in each of councils within the cluster, on a rotational basis which would provide the opportunity to engage with all members of staff.</p> <p>Following a member's question, D Jackson advised his schedule would be shared with members.</p>	DJ

	<b>Agreed:</b> That D Jackson spends one day a week, on a rotational basis, at each of the councils within the cluster and shares his schedule with members.	
<b>10.</b>	<b>STC Business Plan (previously supplied)</b>	
	The TM provided members with a breakdown of the STC Business plan and advised that he now sought approval from the STC to endorse the plan.  <b>Agreed:</b> On the proposal of Councillor McCorkell and seconded by Alderman Kennedy, that the STC endorse the Business Plan.	TM
<b>11.</b>	<b>Election Update</b>	
	J Dempsey, the Deputy Returning Officer, provided members with an update of the schedule for the forthcoming Elections in May, mainly: <ul style="list-style-type: none"> <li>• Polling day for the Local Elections would take place on 22 May 2014 in Coleraine Leisure Centre;</li> <li>• Overseeing the Election was a combined effort with the Electoral Office and Council staff would run the Local Elections;</li> <li>• Media interest was high and would include both TV and Radio coverage;</li> <li>• The polling stations schedule would be available on the Electoral Offices website on 3 March 2014;</li> <li>• Notice of Elections would take place on 14 April 2014;</li> <li>• Nominations would take place in Limavady, Ballymoney and Ballycastle;</li> <li>• There were a total of 7 District Electoral Areas within the new constituency made up of 2 x 7 seats, 1 x 6 seats and 4 x 5 seats.</li> </ul> <p>It was further requested that, in the interest of preparation and organisation, members prearrange their appointments to nominate. More details would follow at a later date.</p>	JD
<b>12.</b>	<b>Draft Response to Nelson McCausland MLA – Guidance on Transfer of Urban Regeneration Budget</b>	
	It was agreed at the January meeting of the STC that a response to the Department of Social Development (DSD) regarding the Guidance on Transfer of Urban Regeneration Budget be drafted by the Chief Executives. A response had since been drafted and was presented to members for their consideration.  <b>Agreed:</b> On the proposal of Councillor McGuigan and seconded by Councillor Duddy that the draft response on Guidance on Transfer of Urban Regeneration Budget be forwarded to the Department.	TM
<b>13.</b>	<b>Correspondence</b>	
<b>13.1</b>	Seminar – Local Government Shaping the Future of Our Communities to take place on Thursday 27 March 2014. Members were requested to confirm their attendance with Ciara Toner.	CT
<b>13.2</b>	Regional Transition Committee – Draft note of meeting held on 29 January 2014. Noted.	
<b>13.3</b>	Governance Issues – Planning Decision Making Structures. Members were invited to consider the paper in the context of carrying out preparatory work for the new councils on governance. Noted.	
<b>14.</b>	<b>Minister of the Environment, Mark H Durkan M.L.A visit to the STC</b>	
	The Chair extended a warm welcome to the Minister. Mr Durkan thanked the STC for the opportunity to address the Committee, and in his opening remarks, provided an overview of the position of the Local Government Reform process. In particular: <ul style="list-style-type: none"> <li>• Local Government Bill</li> <li>• Local Government Elections</li> <li>• Remuneration Panel</li> </ul>	

- Provision of Statutory Partnership Panel
- Rates Convergence
- Transferring of functions

Following the overview, members put 7 questions to the Minister;

Question 1 – Councillor G Duddy

Why was Penny Product not included within the guidance as an option for calculating apportionment of costs in the Shadow Council budget?

Answer – On 7 January 2014 the Minister approved the recommendation that all costs during the shadow period are apportioned on the basis of total population. This option gave the most accurate representation of the population, as it included groups such as children and those not registered to vote, since councils provide services for these groups of people too.

In reaching his decision, he considered the option of using costs apportioned on the basis of the tax base, as measured by the Gross Penny Rate Product, but this method assumed that the only method of paying for reform was through rates, and this was not the case. Councils generate further income from services and also receive a number of grants from central government, including the Rates Support Grant, paid by my Department, which provided additional financial resources for those councils whose needs exceed their wealth base.

He also considered the option of allowing existing councils in each cluster to have the option of selecting the apportionment method to be used. However, as the purpose of the shadow period was to give the new councils the time and resources to take the key decisions necessary to ensure their effective operation from 1 April 2015, he felt that it would be preferable to avoid any undue doubt in relation to how they will be funded.

Defrayal of costs on the basis of this option would ensure that the existing councils would be able to prepare their annual budget for 2014/15 on the basis of this approach without having a further wait for agreement on a method of cost apportionment. On 9 January 2014, his officials issued guidance (Local Government Circular 01/2014) on the apportionment of costs during the shadow period - all costs during the shadow period were apportioned on the basis of total population.

Question 2 – Alderman Hillis

Are efficiency savings being taken out of Transferring Function budgets prior to transfer?

Answer – The Minister was aware that the proposed DSD budget allocation which issued in December 2013, proceeds on the assumption that transferred resources would be subject to a 4% reduction as part of the 2015/16 Executive Budget process.

This was an area that would require further discussion to resolve. However, he did not think that this position would be sustainable with the newly created councils in April 2015. As for his own department, he

did not believe he could persuade the new 11 councils that they should immediately be subject to a 4% cut in the funding available to cover the costs of the planning and other staff transferring to them in April 2015.

This would also not be consistent with the assurance already provided to councils that the transfer of functions would be rates neutral at the point of transfer. He assured members that he would continue to make this case with the Minister for Finance and Personnel and Executive colleagues.

Question 3 – Councillor McCorkell

If the Reform Legislation is not in place in time for Shadow Councils, how would the 72 Act work in practice?

Answer - The shadow period would be brought into effect by a combination of provisions contained within a number of different pieces of legislation. Legislation to bring forward the date of the election to 22 May 2014, extend the terms of office of the existing councillors to 1 April 2015 and establish the new District Electoral Areas, had been made by Parliament.

His Department had already made a commencement order which brings the Local Government (Boundaries) Act (NI) 2008 into effect for the purposes of holding the elections and allowing the new councils to prepare their annual budget and strike a rate for 2015/16. This would mean that they would not be empowered to carry out any service delivery functions, but they would be able to make the necessary preparations to take on their full range of powers on 1 April 2015.

The next step in the process would be the making of a set of transitional provisions regulations to further provide for the activities and administration of the new councils during the shadow period.

This legislation cannot be laid in the Assembly until the Local Government Bill had received Royal Assent and my Department is currently finalising the draft regulations.

Following the election on 22 May this year, the eleven new councils would have the same legal status as the 26 existing councils. As such, the provisions of local government legislation including the 72 Act and the Local Government Bill, would apply in full in relation to the administration of the new councils. This would mean that, in relation to the budgeting and rating functions that the new councils would be empowered to carry out during the shadow period, they would be bound by the same legislative provisions as the existing councils.

The transitional provisions regulations would provide further clarification in relation to the role and administration of the new councils during the shadow period. They would also make the necessary provisions to ensure there would be no confusion in relation to the activities of the existing and new councils. These regulations were on target to be in place by the date of the elections in May, and the new councils would have the powers they need to conduct their business immediately after the elections.

*Alderman Campbell and Kennedy left the meeting.*

Question 4 – Councillor Chivers

When would the Department step back from the Reform Process?

Answer – The Minister advised it would be a bit premature to answer and perhaps better to ask this question post April 2015.

At the Political Reference Group meeting on Monday, members discussed the fact that regionally and locally we were two thirds of the way through the reform process. There were approximately 400 days until D-Day, and whilst milestones were being reached with the final stages of the Local Government Bill and STCs concluding on Chief Executive appointments, important departmental work was still continuing at various levels. The Local Government Elections and new councils would need his Department's help through the shadow transition phase. The Department was also bringing other workstreams to the fore, namely capacity building, governance, code of conduct and councillors' remuneration – he therefore advised that he can't therefore see the Department stepping back from the reform process any time soon.

There is no doubt April 2015 would be a landmark with the completion of the transition and convergence stages of the Local Government Reform programme; his Department and other central government departments would have transferred functions to the local government sector and, as a consequence, there would always be a central policy link to the work being taken forward by the new councils.

He further advised that the Department was doing its bit. However, in this critical period he needed the STC to step up to the plate and conclude on its final areas of work before the handover to the new council.

*Councillor Finlay left the meeting.*

Question 5 – Councillor McGuigan

Does the Minister accept that Councils must be in control of setting its own performance targets?

The Minister did accept that councils needed to set their own performance targets. He was committed to ensuring that we secure sustainable improvements in public services, particularly those that directly impact on people and their quality of life. The performance improvement framework that will be introduced by the Bill was designed to be better coordinated and more responsive to local needs and circumstances.

The framework introduced and conferred on councils substantial flexibilities in the way in which they define, monitor and account for improvements. It would largely be for Councillors to determine the improvement objectives they wished to set for their Council, in response to local issues, particularly those identified through the council's community plan.

However, there was also a need for departments to set certain performance targets for those functions and services that local government would be delivering on its behalf. In exercising the power for departments to set performance indicators, it was his intention that any such indicators would be developed in partnership with local government, through the operation of the Partnership Panel. He considered it appropriate that a department that retains policy responsibility for a function being delivered by a council had the ability to set a performance indicator in relation to the delivery of that function.

Question 6 – Councillor McIlroy

When would the targets for waste re-cycling be announced?

Answer - Last year the Department consulted on the concept of statutory recycling targets for local authority collected municipal waste - to be achieved by 2020.

A great deal of useful and detailed information was provided by consultees in their responses. In deciding on the way forward, he wanted to consider the wider waste picture. He was particularly keen to avoid undoing the good work done by our councils and other stakeholders in terms of the great strides they had made in increasing our recycling rates and encouraging waste prevention. He was also conscious of the pressures that all councils were already facing in dealing with the reorganisation of local government.

He further advised that he would make his decision on the way forward as soon as possible. In the meantime the Department would continue to provide assistance to councils to meet the revised Waste Framework Directive target of at least 50% of wastes from households to be recycled (including composting) by 2020. In addition the Programme for Government Delivery Plan had set a target to achieve a household waste recycling (including composting) rate of 45% by 31 March 2015.

Question 7 – D Jackson

What does the term “rates neutral” mean in a regional and local context in relation to the transferring functions?

Answer - The term ‘rates neutral’ was based on the Executive commitment that, at the point of transfer, the functions transferring from central to local government would transfer with a budget that is equivalent to the cost currently incurred by central government in delivering those functions. Decisions that local government now needed to make on how it wishes to deliver those functions post transfer may result in either cost savings or additional costs, and he would encourage Members to give serious consideration as to how they would factor this into the work needed to do on organisational design.

Following this, the Minister welcomed individual questions from Members;

In response to a members question in relation to increased work load of Elected Members since some may be elected to the Shadow Council while representing their existing Council, the Minister advised that the

	<p>STC would play a vital role in selling Local Government Reform to the Public. He further stated he was well aware of the commitment and sacrifice that Councillors made in order to sufficiently carry out their role.</p> <p><i>Councillor Stevenson left the meeting.</i></p> <p>In response to a members question relating to the Gasification Project, the Minister advised he was currently looking at options to address the issue of costs surrounding illegally dumped waste in the new Causeway Coast and Glens District Council area and he felt strongly that the polluter should be held accountable for these costs.</p> <p>Following a question in relation to the proposed National Park in the Causeway Coast and Glens District Council area the Minister advised that he was fully aware of the issues surrounding National Parks and the benefits that they could bring to area, boosting the local economy and adding value, economic benefit and tourism appeal. However, he further advised he did not believe now was the correct time to proceed with National Parks and therefore this project had been shelved but not scrapped.</p> <p>In response to a members question relating to Planning Transfers and in particular the PPS21 Sustainable Development in the Countryside Regulations, the Minister advised that the PPS21 planning regulations was not as restrictive as its predecessor and he viewed it as an opportunity to improve on planning functions. He further advised that a consultation document on this issue was due in April 2014 and would be useful document for referral.</p> <p>The Chair thanked the Minister for attending the meeting and for his clarification on the various issues raised by the members.</p>	
<b>15.</b>	<b>AOB</b>	
	None.	
<b>16.</b>	<b>Date of Next Meeting</b>	
	Thursday 27 March 2014 at Limavady Borough Council.	TM