

Local Government Policy Division

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Your reference:
Our reference:

Date: 14 December 2009

Dear Consultee

Consultation on the Department's proposal to make the Local Government (General Grant) (Amendment) Regulations (Northern Ireland) 2010

Proposal

1. The purpose of this letter is to seek comments on the Department's proposal to make the Local Government (General Grant) (Amendment) Regulations (Northern Ireland) 2010, (the 2010 Regulations). A copy of the draft 2010 Regulations is attached as Appendix B to this letter.

Background

2. The Department proposes to make the 2010 Regulations using powers contained in Article 4 of the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 2002.
3. The 2010 Regulations will make amendments to the Local Government (General Grant) Regulations (Northern Ireland) 2003 which have previously been amended by the Local Government (General Grant) (Amendment) Regulations (Northern Ireland) 2007.

Proposed amendments

4. In accordance with the Local Government (General Grant) Regulations (Northern Ireland) 2003, (the 2003 Regulations), the Department calculates, using a statutory formula, the amount of the resources element of General Grant payable to district councils. This formula measures the wealth of a council against its estimated needs and only those councils whose needs exceed their wealth base qualify for a share of this element of the grant.
5. In order to determine the correct data for this calculation, councils are asked to complete an annual return detailing expenditure relating to the 5 key services – tourism, community services, other cleaning, waste collection and economic development. This return is set out in the pro forma contained in Part III of the Schedule to the 2003 Regulations.
6. The Department currently directs that councils follow both the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom – a Statement of Recommended Practice (the SORP) and the Best Value Accounting Code of Practice (BVACOP), in the preparation of their annual accounts. Both of these Codes have been developed by CIPFA (UK) with local input from CIPFA (NI).
7. Each year there are certain updates to accounting procedures in these documents and, the Department needs to revise the key services expenditure pro forma to more accurately reflect the amendments within the SORP and BVACOP, thus ensuring a more precise distribution of the resources element of General Grant.
8. It is proposed therefore, that the existing key services pro forma, be updated by inserting a new column for ‘Amortisation of Capital Grants’. It is considered that this adjustment is still in keeping with the definition of “expenditure” under the Regulations.
9. Two of the original key services – “street cleansing” and “refuse collection” have been broadened and amended within the BVACOP to read “other cleaning” and “waste collection”. This is to take account of additional sub-divisions within each of these

service divisions, which have been included in order to promote consistency between district councils in terms of both the format of the accounts and comparability of financial reporting. For example, the amended term “other cleaning” includes the following costs; collection of fly tipped rubbish, removal of dead animals, cleansing of foreshores, major clean ups, and street cleaning, etc. Likewise, “waste collection” has the following sub-divisions; household waste, trade waste, skip service, civic amenity sites, abandoned vehicles, recycling collection, and transfer stations, etc.

Freedom of Information Act 2000 – confidentiality of consultations

10. The Department may publish a summary of responses following completion of the consultation process. Your response, and all other responses to the consultation, may be disclosed on request. The Department can only refuse to disclose information in exceptional circumstances. Before you submit your response, please read the paragraphs below on the confidentiality of consultations as they give guidance on the legal position about any information given by you in response to this consultation.
11. The Freedom of Information Act 2000 gives the public a right of access to any information held by a public authority, namely, the Department in this case. This right of access to information includes such information provided in response to a consultation. The Department cannot automatically consider as confidential information supplied to it in response to a consultation. However, it does have the responsibility to decide whether any information provided by you in response to this consultation, including information about your identity, should be made public or be treated as confidential.
12. This means that information provided by you in response to the consultation is unlikely to be treated as confidential, except in very particular circumstances.
13. For further information about confidentiality of responses, please contact the Information Commissioner’s Office (or see website at:

www.informationcommissioner.gov.uk).

Equality

14. Under the terms of Section 75 of the Northern Ireland Act 1998, the Department carried out an equality screening exercise and is satisfied that the proposed 2010 Regulations will not lead to discriminatory or negative differential impact on any of the Section 75 groups. A copy of the screening form can be viewed on the Department's website -www.doeni.gov.uk/index/information/equality_unit.htm.

Regulatory Impact Assessment

15. The Department has not conducted a regulatory impact assessment as the proposed legislation does not give rise to any associated costs or savings on business, charities, social economy enterprises or the voluntary sector.

Rural Proofing

16. The Department has assessed the proposed measures and considers that there would be no differential impact in rural areas or on rural communities.

Comments

17. The Department is seeking comments on the draft 2010 Regulations. Comments should be forwarded to Janet Cooper at the above address or by email to janet.cooper@doeni.gov.uk no later than 19 February 2010. Unless you indicate otherwise, we will assume that you have no objection to your comments being made public if we were requested to do so.
18. This consultation document is being circulated to persons and bodies listed at Appendix A for your information.

Alternative format

19. This document is available in alternative formats. Please contact us to discuss your requirements.

Yours faithfully

Brenda Mooney

BRENDA MOONEY

List of consultees

Age Concern
Archbishop of Armagh and Primate of all Ireland
Assembly Business Office
Assembly Departmental Committee
Assembly Library
Association of Local Government Finance Officers
Belfast Solicitors Association
Carers Northern Ireland
Catholic Bishops of Northern Ireland
Chief Local Government Auditor
Chinese Welfare Association
Civic Forum
Civil Law Reform Division
Community Relations Council
Community Technical Aid
Confederation of British Industry, Northern Ireland Branch
Departmental Library
Disability Action
District Councils
District Judge Magistrates Court - Laganside Courts
Equality Commission for NI
Executive Council of the Inn of Court of NI
Executive Ministers and Junior Ministers
Federation of Small Businesses
Food Standards Agency
General Consumer Council for NI
Gingerbread (NI)
Help the Aged (NI)
HM Council of County Court Judges
HM Revenue & Customs
Human Rights Commission (NI)
Law Centre (NI)
Law Society of NI
Leaders of Northern Ireland Political Parties
Legal Deposit Libraries
Local Government Staff Commission
Methodist Church in Ireland
Members of European Parliament (NI)
Members of Parliament (NI)
Members of the Legislative Assembly
Men's Project
Ministry of Defence
National Association of Councillors

Northern Ireland Association of Citizens Advice Bureaux
Northern Ireland Audit Office
Northern Ireland Chamber of Commerce and Industry
Northern Ireland Chamber of Trade
Northern Ireland Committee - Irish Congress of Trade Unions
Northern Ireland Council for Ethnic Minorities
Northern Ireland Council for Voluntary Action
Northern Ireland Court Service
Northern Ireland Departments
Northern Ireland Gay Rights Association
Northern Ireland Judicial Appointments Commission
Northern Ireland Law Commission
Northern Ireland Local Government Association
Northern Ireland Office
Northern Ireland Ombudsman
North South Ministerial Council - NI Secretariat
OFMDFM Central Management Unit
OFMDFM Legislative Programme Secretariat
OFMDFM Machinery of Government Division
Participation & the Practice of Rights Project
Presbyterian Church in Ireland
Queens University Belfast – School of Law
Society of Local Authority Chief Executives
The Rainbow Project
The Speaker of the Assembly
University of Ulster – School of Law
Victims Groups and Individuals
Women’s Forum Northern Ireland
Youth Council for Northern Ireland

Draft Regulations laid before the Assembly under Article 4 of the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 2002, for approval

DRAFT STATUTORY RULES OF NORTHERN IRELAND

2010 No. **

LOCAL GOVERNMENT

**The Local Government (General Grant) (Amendment) Regulations
(Northern Ireland) 2010**

Made - - - - *******

Coming into operation - *******

The Department of the Environment makes the following Regulations in exercise of the powers conferred by Article 4 of the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 2002(a).

In accordance with Article 4(7) of that Order, the Department has consulted such district councils and such other interested bodies or persons as the Department considers appropriate.

Citation and commencement

1.—(1) These Regulations may be cited as the Local Government (General Grant) (Amendment) Regulations (Northern Ireland) 2010 and shall come into operation on *****2010.

Amendment to The Local Government (General Grant) Regulations (Northern Ireland) 2003

2.—(1) The Local Government (General Grant) Regulations (Northern Ireland) 2003(b) shall be amended in accordance with paragraphs (2) to (5).

(2) In regulation 2—

- (a) for “2. In these Regulations—” substitute “2.—(1) In these Regulations—”; and
- (b) after the definition of “travel to work data”, insert—

“(2) With the exception of the definitions set out in sub-paragraph (1), expressions used in these Regulations and in the Best Value Accounting Code of Practice Northern Ireland (2008 Edition) published by the Chartered Institute of Public Finance and Accountancy shall have the same meaning in these Regulations as in that Code”.

(a) S.I. 2002/3149 (N.I. 3)
(b) S.R. 2003 No. 58, as amended by S.R. 2006 No. 39

Appendix B

- (3) In paragraph 5(2)(c) of Part II of the Schedule for the words “refuse collection” substitute “waste collection”.
- (4) In paragraph 5(2)(d) of Part II of the Schedule for the words “street cleansing” substitute “other cleaning”.
- (5) For the expenditure pro forma in Part III of the Schedule substitute the expenditure pro forma set out in the Schedule to these Regulations.

Sealed with the Official Seal of the Department of the Environment on ***

(L.S.)

Wesley Shannon
A senior officer of the Department of the Environment

SCHEDULE

Regulation 2(5)

“EXPENDITURE PRO FORMA

NET EXPENDITURE (i.e. EXCLUDING ALL CAPITAL
RELATED EXPENDITURE)

	Key Services	Net Expenditure	Capital Charges (Depreciation)	Amortisation of Capital Grants	Adjusted Net Expenditure
	Column A	Column B	Column C	Column D	Column E
1	Net cost of services				
2	Net Bank Interest +/-		NOT APPLICABLE	NOT APPLICABLE	
3	Adjusted Net Cost of Services (Sub-total rows 1-2)				
4	Tourism				
5	Community Services				
6	Other Cleaning				
7	Waste Collection				
8	Economic Development				
9	Other Services (row 3 minus sum of rows 4-8)				
10	TOTALS”				

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Local Government (General Grant) Regulations (Northern Ireland) 2003 (the 2003 Regulations).

The Regulations provide for terms not already defined in the 2003 Regulations, to have the same meaning as those contained in the Best Value Accounting Code of Practice Northern Ireland (2008 Edition).

The Regulations also make minor amendments to Part II and Part III of the Schedule to the 2003 Regulations to reflect changes in accounting procedures.

Regulation 2 replaces the term “refuse collection” with the term “waste collection” and replaces the term “street cleansing” with the term “other cleaning”.

Regulation 2 also makes consequential amendments to the expenditure pro forma in Part III of the Schedule to the 2003 Regulations.

Copies of the Best Value Accounting Code of Practice Northern Ireland (2008 Edition) referred to in these Regulations may be obtained from the Chartered Institute of Public Finance and Accountancy, 3 Robert Street, London WC2N 6RL (www.cipfa.org.uk).