

**FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007**

Categories

- 1 Councillors**
- 2 Officers of Councils**
- 3 Financial Arrangements**
- 4 Borrowings**
- 5 Acquisition of Property**
- 6 Contracts**
- 7 Audit of District Councils' Accounts**

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 1 – Councillors		
1972 Act	Detail	Comments
s12	Payment of allowance to chairman	Councillors' Remuneration Working Group – Report
s13 (1985 – 24)	Payment of allowance to vice-chairman of council	
s36	Payments to councillors	
s37	Expenses of official and courtesy visits, etc	
s38	Expenses incurred in attending conferences and meetings	

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 2 – Officers of Councils		
1972 Act	Detail	Comments
s54	Arrangements for handling receipts and payments	<p>Designation of Chief Financial Officer (CFO) and separation of Chief Executive and CFO posts/qualification</p> <p><i>Cross-cutting issue – Governance Sub-Group and HR Sub-Group</i></p>

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 3 – Financial Arrangements		
1972 Act	Detail	Comments
s40 and Schedule 3	The Staff Commission	Consider repeal/amendment
s44	Joint Committees	Consider future requirements for Environmental Health Group and Building Control Group. <i>Cross-cutting issue – Shared Services Sub-Group</i>
s55	The district fund	Consider general power to establish funds and removing approval requirement.
s56	Power to establish capital fund and renewal and repairs fund	
s57	Capital fund	
s58	Renewal and repairs fund	
s59	Proceeds of sale of capital assets	
s60	Limitation on application of funds	
s65 Schedule 5	Sinking funds	Consider update
s113A (1995 - 7)	Power to provide advice and assistance	Consider removing approval requirement

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 3 – Financial Arrangements		
1972 Act	Detail	Comments
s115	Expenditure for special purposes	Consider relevance, in light of introduction of new ‘power of well being’ <i>Cross – cutting issue – Community Planning Sub Group.</i>
s115 (1985 – 40)	Expenditure for special purposes	
s115 (1995 – 8)	Contributions to public appeals	
s115 (2005 – 32)	Alteration of limit on expenditure under section 115 of the principal Act	

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 3 – Financial Arrangements		
2002 Order	Detail	Comments
Article 3	The general grant to district councils	Subject to decisions re future financing of local government
Article 4	Determination of the resources element	
Article 5	Determination of the derating element	
Article 6	Reductions in general grant	
Article 7	Other grants to councils	
Article 9	Powers of district councils in relation to community safety	May need amendment, to extend to all departments.
		May need reviewed

Note :

- (i) Consider provision to amend VAT refund scheme.
- (ii) Consider provision to clarify the relationship between legislative directions and accounting codes of practice.

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 4 – Borrowings/Investments		
1972 Act	Detail	Comments
s61	Purposes for which money may be borrowed	Consider removing approval requirement
s66	Power to suspend annual provision for repayment of, and to borrow for payment of interest on, certain borrowed money.	
s67	Application of unexpended portion of borrowed money.	
s72	Consolidated loans fund.	
s73	Use of money forming part of capital fund or renewal and repairs fund.	
s62	Modes of borrowing	Consider updating provision (eg. specify 'local banks')
s63	Security for borrowing	Consider need for amendment.
s64	Priority of securities.	

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 4 – Borrowings/Investments		
1972 Act	Detail	Comments
s65	Repayment of money borrowed.	Consider need for amendment.
s68	Power to re-borrow.	
s69	Lenders relieved from certain inquiries.	
s70	Securities regulations.	
s71	Appointment of receiver.	

Note: Consider introduction of additional investment powers.

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 5 – Acquisition of Property		
1972 Act	Detail	Comments
s96	Acquisition etc., of land	Consider approval requirement (may need to retain/update)
s97	Acquisition of land otherwise than by agreement	

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 6 – Contracts		
1972 Act	Detail	Comments
s99	Contracts of councils	Consider removing approval requirement.
s100	Sealing of contracts	Amend to reflect GB legislation (ie higher limits etc)

Note:

Consider new provisions re. PFI/PPPs

FINANCE RELATED LEGISLATION
Proposals for Local Government (Restructuring) (NI) Order 2007

Category 7 – Audit of District Councils’ Accounts		
2005 Order	Detail	Comments
Article 16	Inspection of statements of accounts and auditors’ reports	May need amendment, in light of Freedom of Information.
Article 17	Inspection of documents and questions at audit.	
Article 19	Declaration that item of account is unlawful	Consider updating, in conjunction with introduction of a compulsory Code of Conduct/ Standards Committee.
Article 20	Recovery of amount not accounted for and losses caused by the wilful misconduct of any person.	