

STRATEGIC LEADERSHIP BOARD MEETING – 5 OCTOBER 2007

WORK OF THE SUB-GROUPS – PROGRESS REPORT

AGENDA ITEM: 5

SUMMARY: Providing members with an update on progress on the work of the two Sub-groups.

ACTION REQUIRED: For information.

Background

1. Both Sub-Groups have had initial meetings, and have scheduled further meetings and awareness and development events over the next few months. Both groups are considering a range of projects and work areas and will draw together programmes of work in the near future. Support to each group is being supplied by council officers. Geraldine McGahey, Chief Executive of Larne Borough Council will support Strand A with Danny McSorley, Chief Executive of Omagh District Council, supporting Strand B.

Sub-Group A (Legislative Framework and Capacity Building)

Update on Legislative Position

2. The Sub-Group received an update on the current position on legislation from Local Government Division. An Order in Council was in the process of being drafted, taking into account the recommendations of the Taskforce sub-groups and the Code of Conduct and Councillors' Remuneration Working Groups, when the NI Assembly returned. The results of the current review are likely to affect some aspects of the proposed legislation, particularly those involving restructuring. Therefore, it is proposed to bring forward a draft Assembly Bill to take forward the remaining modernising issues which are not dependent on decisions on the number of councils or linked to restructuring, subject to Ministerial approval. On many of the modernising issues, Local Government Division are well advanced in both the policy development and drafting of the

legislation and are at the stage where they can go out to public consultation by Spring 2008.

Local Government Finance

3. It is proposed to bring forward legislation to update local government finance provisions, in line with best public sector practice and to reflect the recommendations of the Taskforce Finance Sub-group. As a result, there would be changes to financial controls, in line with the most appropriate modern management practices and to be more in keeping with the present requirements for accountable and flexible service delivery at a local level. It would result in the removal of the requirements for councils to gain departmental approval for the application of their funds, the proceeds from sale of capital assets and borrowings, and include the introduction of new powers, including the power to invest, and a clarification of their powers to work with the private sector in the delivery of services.

Remuneration

4. Many of the changes recommended by the working group to review councillors' remuneration were introduced by subordinate legislation or departmental determination (e.g. increasing basic and special responsibility allowances, abolishing attendance allowance, introducing dependants' carers' allowance). The Local Government (Payment to Councillors) (Amendment) Regulations (NI) 2007 came into operation in April 2007. The main related provision which the proposed Assembly Bill will provide is the setting up of an independent remuneration panel for Northern Ireland to make future recommendations on the level of allowances.

Severance Arrangements

5. To date severance proposals have been linked to reorganisation and the next local government elections, and it is unclear how they will be affected by the review underway. As a result it is proposed to take an enabling power in the

Local Government Bill to allow the Department, by Regulations, to provide for the making of severance payments to councillors.

Ethical Standards and Mandatory Code of Conduct

6. The working group set up in 2005 is currently finalising its Report, which is likely to recommend that a mandatory ethical framework should be introduced. This would include a mandatory code of conduct with the supporting investigation, adjudication and appeals mechanisms. The group has suggested that an ethical standards regime along similar lines to that introduced in Wales should be introduced but that the mandatory Code of Conduct for councillors should reflect the same principles as that of the Northern Ireland Assembly Code. The report and the revised code of conduct will be issued for consultation.

Civil Contingencies

7. OFMDFM's Civil Contingencies Policy Branch has also been working with local government on revising the emergency planning provisions. The proposed Local Government Bill could be used as a vehicle for introducing these changes.

Companies

8. Some further policy development in this area is required, not least because the regulatory framework on local authority participation in companies in GB is currently under review and is likely to be amended in the Local Government and Public Involvement in Health Bill which is being progressed through its legislative stages at Westminster. It would seem prudent to wait until this Act is made before finalising our proposals on companies. As a result it may not be possible to include such provisions in the Local Government (Modernisation) Bill, and they would have to follow later.

Governance and Performance Management

9. Further policy development is needed in these areas as they are more dependent on the review results and therefore these policy areas cannot be included in the Local Government Bill (Modernisation) Bill at this stage.
10. The Sub-Group considered Capacity Building and Performance Management issues, with further research on potential work being undertaken.

Sub-Group B (Service Improvement)

11. The Sub-Group recognised that new technology could play a significant role in Service Improvement. The NILGA E-Gov Working Group had already carried out research on a range of potential ideas and a number of pilot projects are already underway. These include two on mobile working (Newry and Mourne District Council leading on Environmental Health and Down District Council leading a project in Building Control). Lessons learned and results are to be shared with all councils. Terms of Reference are being finalised for the commissioning of work to develop an IS Strategy for the Local Government sector.
12. The Sub-Group agreed to further consider the development of projects on IT network provision for Local Government, Microsoft Enterprise Agreement and Local Authority Customer Relationship Management. The Sub-group are also considering work on Procurement (including e-procurement and sustainable procurement). Preliminary work is underway in all areas, including liaison with the IT Officers Group and the Association of Local Government Finance Officers (ALGFO). Further research on the potential to access EU funding, with the help of ERNACT, is also being carried out.
13. The Sub-Group is having a special meeting on 4 October to study the implications of shared services; developments in the eGovernment agenda at the regional level; and lessons from the Local Government Computer Services Board in the Republic of Ireland.