

LEGISLATIVE POSITION PAPER

Agenda Item: 6

Summary: This paper provides an update on the legislative programme.

Action Required: To note.

BACKGROUND

1. The Department is taking forward 3 Bills in the Assembly's legislative programme:
 - the Local Government (Contracts and Compulsory Purchase) Bill;
 - the Local Government (Finance) Bill; and
 - the Local Government (Reorganisation) Bill.

DETAIL

Local Government (Contracts and Compulsory Purchase) Bill

2. The main purpose of the Bill is to clarify the powers of councils to enter into long-term service contracts with the private sector (e.g. Public Private Partnerships or Private Finance Initiative contracts) and so remove any concerns which contractors and their financiers might have about entering into such contracts. In addition, the Bill will enable councils to acquire land otherwise than by agreement (i.e. to vest land) for any of their waste management purposes.
3. The Bill is needed because of an EC Landfill Directive which requires Member States to meet recycling targets by 2010, 2013 and 2020. One of the options open to councils, through their Waste Management Groups, is for the private sector to build the necessary waste infrastructure and provide recycling services to them. It is imperative

that the legislation is in place later this year so that tendering processes proceed, contracts can be awarded and plant and facilities can be constructed in order to meet the EC Landfill Directive targets and thereby avoid infraction proceedings.

4. A Consultation Document on the Department's proposals (along with a copy of the draft Bill) was issued for consultation in December 2008. Comments are due to be received by 12 March 2009. Subject to comments received and any necessary legislative amendments, it is proposed that the Bill be introduced into the Assembly by June 2009.

Local Government (Finance) Bill

5. The main purposes of the Bill are to:
 - update the provisions for the financial management of district councils;
 - allow for the setting up of an independent remuneration panel for Northern Ireland;
 - introduce enabling provisions for severance arrangements for councillors;
 - introduce enabling provisions for the setting up of transition committees; and
 - prior to reorganisation, introduce controls over the current 26 councils with regard to borrowing, disposals, contracts and the application of capital receipts and reserves.
6. The Department is currently seeking policy approval from the Executive for the Bill. Subject to Executive approval, it is anticipated that the Bill, once drafted, will be issued for consultation in mid-2009.
7. Representations have been made about introducing the enabling powers for severance and for the setting up of transition committees at an earlier date. Consideration will be given to transferring these

provisions into the Local Government (Contracts and Compulsory Purchase) Bill before it is introduced to the Assembly.

8. The Department intends to issue policy proposals on the detail of the severance scheme and on transition committees in Spring 2009.

Local Government (Restructuring) Bill

9. The Department had originally planned to take forward two other local government Bills:

- The Local Government (Modernisation) Bill; and
- The Local Government (Reorganisation) Bill.

10. In recognition of the significant workload involved in taking forward the legislative programme, and to assist the Assembly, the Environment Committee and the Department to progress the legislation, the Minister has agreed to combine these two Bills into one local government Bill.

11. The purpose of the Bill is to:

- establish the new councils and bring the old local government districts to an end;
- provide new governance arrangements for councils;
- introduce a new ethical standards regime and a new Code of Conduct;
- make provision for central/local government relations;
- introduce community planning and well-being;
- deal with the transitional arrangements from the old council structure to the new structure i.e. by transferring the current functions; staff; contracts; assets; liabilities etc.

12. Subject to Executive agreement, it is anticipated that:

- policy consultation will commence in May 2009;
- policy will be finalised and the Bill will be drafted by January 2010;

- the Bill will be introduced to the Assembly by May 2010;
- the Bill will come into operation before May 2011.

DOE Joint Secretariat

March 2009