

**A**

**Minutes of Annual Meeting of Mid Ulster District Council held on Thursday 5 June 2014 in the Council Offices, Circular Road, Dungannon**

**Members Present:        Agenda Items 1-4**

In the Chair, Councillor S McGuigan

**Agenda Items 5 -9**

In the Chair, Councillor Mallaghan

Councillors Ashton, Bateson, Bell, Buchanan, Burton, Clarke, Cuddy, Cuthbertson, Dillion, Elattar, Forde, Gildernew, Gillespie, Glasgow, Kearney, Mallaghan, McAleer, McEldowney, McGinley, B McGuigan, S McGuigan, McKinney, McLean, McNamee, McPeake, Molloy, Monteith, Mullen, Mulligan, C O'Neill, J O'Neill, T Quinn, M Quinn, Reid, Robinson, J Shiels, G Shiels, Totten, Wilson

**Apologies:**                Councillor McFlynn

**Officers In Attendance:**        Mr Tohill, Chief Executive  
Mr Burke Chief Executive DSTBC (Item 8)  
Mrs Forde, Member Support Officer  
Mr Moffett, Change Management Officer

The meeting commenced at 7.00pm

**C1/14        Chair's Business**

The Chair called the meeting to order and welcomed all to the inaugural meeting of Mid Ulster District Council commenting on both the sense of occasion and historical moment. In terms of procedure the Chair requested that all members identify themselves when speaking.

**C2/14        Apologies**

A SDLP Member submitted an apology for Councillor McFlynn.

**C3/14        Consider and Agree Standing Orders for the Transitional Period**

The Chair drew attention to the Model Standing Orders for Councils detailed in the report and sought a proposal.

Proposed by Councillor Wilson  
Seconded by Councillor Montieth

That on the basis that it allows the meeting to proceed that the Model Standing Orders for Councils be adopted but that the matter is placed as an agenda item for a future meeting.

A DUP Member sought clarity on how difficult it would be to change the standing orders once adopted. In response the Chair stated that it was his understanding that certain things could be changed if required but at present the Model Standing Orders for Councils had to be adopted to permit progress.

**Resolved** That

- (i) The Model Standing Orders for Councils be adopted for the meeting; and
- (ii) The Model Standing Orders for Councils be an agenda item at a future meeting.

**C4/14 Consider and Agree Method of Filling Positions of Responsibility for the Transitional Period**

The Chair sought a proposal on a method of appointing positions of responsibility for the transitional period.

Proposed by Councillor McPeake  
Seconded by Councillor Gildernew and

**Resolved** That the default method in the Local Government Act 2014 be adopted as the method of filling positions of responsibility for the transitional period.

**C5/14 Nomination/Election of Presiding Councillor for the Transitional Period**

The Chair under previously agreed d'Hondt arrangement sought a nomination from Sinn Féin for the position of presiding Councillor for the transitional period

The nominating officer of Sinn Féin nominated Councillor Mallaghan to hold the position of Presiding Councillor.

**Councillor S McGuigan left the Chair**

## **Councillor Mallaghan took the Chair**

The Chair welcomed Members commenting on the challenging two months past and congratulating everyone on winning seats on the Mid Ulster District Council. Stating that he was honoured to be nominated as Chair he spoke of the key decisions to be made in the next ten months when best aspects of former procedures together with new ideas would ensure that Council would be fit for business to achieve excellence in service delivery incorporating the new powers together with the challenges they would bring. Focusing on a people centred, equality based service the Chair stated his Chairmanship would be themed on communication aiming to remove all doubts and fears. The Chair congratulated the Chief Executive on his appointment, thanked the Chairs, Mayor, staff of existing Councils, the Transition Committee and its Chair who worked tirelessly to reach this point. In closing the Chair made reference to his wife Louise, their small family which was due to expand soon and wider family circle for their support stating that he would serve all people.

### **C6/14 Consider and Agree Budget Prepared for the Transitional Period**

The Chair sought approval for the budget prepared for the transitional period previously circulated.

Proposed by Councillor S McGuigan  
Seconded by Councillor McPeake

That approval be granted for the budget prepared for the transitional period.

A DUP Member sought clarity on how figures had been compiled. In response the Change Management Officer stated that the figures had been compiled by the Transition Committee with the background and rationale of provision of core functions. The Officer stated that the actual £1,908,860 would be offset by £653,988 income from the Department of the Environment for Members allowances and drew attention to the costs under the four headings which would allow the Council to carry out the work required.

A DUP Member drew attention to point one Members allowances seeking clarity on whether the figure was for a 10 or 12 month period. In response the Change Management Officer stated that when prepared it was uncertain when the Council would commence and that there was flexibility within the budget.

**Resolved** That the budget prepared for the Transitional Period be approved.

**C7/14 Consider and Agree Schedule of Council Meetings for the Transitional Period**

The Chair sought approval for the schedule of Council meetings for the transitional period previously circulated.

Proposed by Councillor Monteith  
Seconded by Councillor Cuddy and

**Resolved** That the schedule of Council meetings for the transitional period be approved.

**In Committee**

Proposed by Councillor McGuigan  
Seconded by Councillor McLean and

**Resolved** That Council go into committee for minute item 8.

The press left the meeting at 7.18pm

**Minute Items C8/14 & C9/14 taken in committee**

**C10/14 Duration of Meeting**

The meeting was called for 7.00pm and ended at 7.25pm

CHAIR(Presiding Councillor) \_\_\_\_\_

CHIEF EXECUTIVE \_\_\_\_\_

**B**

**Subject:** Governance Arrangements – Transitional Period

**Reporting Officer:** Chief Executive

<b>1</b>	<b>Purpose of Report</b>
1.1	To consider and approve governance arrangements for Mid Ulster District Council during the transitional period.

<b>2</b>	<b>Background</b>
2.1	Members will be aware that good governance is essential to both council operations and public confidence. It helps ensure that the Council's business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively.
2.2	Governance arrangements in the public services are keenly observed. Significant governance failings attract adverse attention and as such it is imperative that Mid Ulster District Council introduces an appropriate governance model with the right systems and processes to promote its culture and values.
2.3	Members will be aware that the Local Government Act 2014 introduces a number of options for governance, political management and decision-making.
2.4	Section 19 of the Act states that Councils must operate a committee system unless the council decides by a qualified majority to operate: <ul style="list-style-type: none"> <li>• Executive arrangements</li> <li>• Prescribed arrangements</li> </ul>
2.5	Executive arrangements must conform with the provisions of the wider Local Government Act, with particular reference to Part 6 and are broadly considered to be delivered via the two main models: <p>Cabinet Style Executive</p> <ul style="list-style-type: none"> <li>• 1 committee with between 4 – 10 members</li> <li>• Membership will be selected entirely using Schedule 3 (proportionality)</li> <li>• Subject to overview and scrutiny arrangements (mandatory)</li> <li>• May delegate functions to committees, sub-committees, officers</li> </ul>

Streamlined Committee Style Executive

- 2 or more committees made up of between 4 – 10 members per streamlined executive committee
- Membership will be selected using Schedule 4 (quota greatest remainder)
- Chair and Deputy Chair selected using Schedule 3 (proportionality)
- Subject to overview and scrutiny arrangements (mandatory)
- May delegate to committees, sub-committees and officers

2.6

A traditional committee system can be summarised as follows:

- Chair and Deputy selected using Schedule 1 (D'hondt)
- Membership will be selected using Schedule 2 (quota greatest remainder)
- No restriction on number of committees
- No restriction on number of elected members
- Not subject to overview and scrutiny arrangements
- May delegate to sub-committees and officers

2.7

A council may prescribe an alternative structure provided that the Department of Environment is satisfied that the proposition meets the criteria of section 20 of the Local Government Bill. Proposals to the Department may be made if the councils considers that the arrangements would be

- an improvement on the arrangements which the council has in place for the discharge of its functions
- likely to ensure that the decisions of the council are taken in an efficient, transparent and accountable way; and
- appropriate for all councils to consider.

2.8

Current governance structure and meeting arrangements for the existing councils and monthly meetings of Mid Ulster District Council are outlined in the table below.

	<b>Meeting</b>	<b>Date</b>	<b>Time</b>
<b>Cookstown</b>	Council PR&S Committee Development (Bi-monthly) Sport & Leisure (Bi-monthly)	2 <sup>nd</sup> Tue 4 <sup>th</sup> Tue 4 <sup>th</sup> Tue 4 <sup>th</sup> Tue	All at 7:00pm
<b>Dungannon</b>	Council Development Committee Service Delivery Committee Support Services Committee	2 <sup>nd</sup> Mon 4 <sup>th</sup> Mon 4 <sup>th</sup> Tue 4 <sup>th</sup> Wed	All at 7:30pm



	<b>Magherafelt</b>	Council Council Special Meetings (as required)	2 <sup>nd</sup> Tue 4 <sup>th</sup> Tue	All at 7:30pm
	<b>Mid Ulster District Council</b>	Monthly Meetings	4 <sup>th</sup> Thur	7pm
2.9	Members will note that both Cookstown District Council and Dungannon & South Tyrone Borough Council operate a committee based system while Magherafelt District Council meets twice each month.			
2.10	<p>Preparations for transition to the new Mid Ulster District Council were progressed during the Statutory Transition Committee period through eight working groups, comprising members and officers, as outlined below:-</p> <ul style="list-style-type: none"> <li>• Building Control and Environmental Health</li> <li>• ICT</li> <li>• Sport and Leisure</li> <li>• Waste Management and Technical Services</li> <li>• Development and Regeneration</li> <li>• HR</li> <li>• Finance and Procurement</li> <li>• Communications</li> </ul>			
2.11	Members will be aware that Dungannon and South Tyrone Borough Council acted as lead council for the STC on HR and finance matters. The audit function in respect of the STC was also provided through Dungannon.			

3	<b>Key Issues</b>
3.1	The work required to ensure a smooth transition to the new Mid Ulster District Council and the adoption of transferring functions is very challenging. It is essential that the decision making model chosen enables the Council to work effectively and demonstrate compliance with the principles of good corporate governance.
3.2	It is crucially important that both Members and Officers are familiar with the democratic decision making structures and while the Local Government Bill provides for various options, a committee system based on functional areas is most familiar within local government.
3.3	The work carried out to date by the STC within the cluster across eight functional working groups must be built upon as the shadow council prepares to take on its full range of powers from 1 April 2015.
3.4	The structure proposed to ensure good governance in the democratic decision making of the Mid Ulster District Council during the transitional period is a committee based system based on functional areas that embrace the eight existing working groups.
3.5	While powers in respect of planning do not transfer until 1 April 2015 it would be appropriate to establish a Planning Committee during the transitional period. This committee could receive reports in respect of preparations for the transfer of planning powers and staffing and undertake a range of capacity building initiatives.
3.6	The working groups established during the STC period would continue to meet and become officer based with reports, initiated by either officers or members coming for member's consideration at monthly meetings.
3.7	<p>The proposed committee structure with core aligned functions is outlined below</p> <p><b>Policy &amp; Resources Committee</b></p> <ul style="list-style-type: none"> <li>• Finance</li> <li>• Human Resources</li> <li>• ICT</li> <li>• Governance</li> <li>• Marketing &amp; Communications</li> </ul> <p><b>Environment Committee</b></p> <ul style="list-style-type: none"> <li>• Waste Management</li> <li>• Cleansing</li> <li>• Building Control</li> <li>• Environmental Health</li> </ul>

3.8	<p><b>Development Committee</b></p> <ul style="list-style-type: none"> <li>• Community Planning</li> <li>• Economic Development</li> <li>• Leisure</li> <li>• Arts and Culture</li> </ul> <p><b>Planning Committee</b></p> <ul style="list-style-type: none"> <li>• Capacity building</li> <li>• Area Plan preparations</li> </ul> <p>Positions of responsibility during the transitional period are as follows:-</p> <ul style="list-style-type: none"> <li>• Presiding Chair</li> <li>• Deputy Presiding Chair</li> <li>• Committee Chairs and Vice Chairs</li> <li>• Mid Ulster District Council Representative on DOE Partnership Panel.</li> </ul>
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4	<b>Resource Implications</b>
4.1	<p><b><u>Financial</u></b></p> <p>4.1.1 Some minor costs will be incurred due to travel expenses of members and officers and for hospitality at meetings.</p> <p>4.2 <b><u>Human resources</u></b></p> <p>4.2.1 The system of governance chosen will need to be adequately resourced and while some provision exists for staffing resources during the shadow year it is envisaged that predecessor councils will be required to assist in the administration of meetings of the shadow council and its committees.</p> <p>4.3 <b><u>Assets and other implications</u></b></p> <p>4.3.1 Committee meetings could be accommodated within the existing council chambers in any of the exiting councils and this matter is addressed in a separate paper.</p>

5	<b>Other Considerations</b>
	N/A

6	<b>Recommendations</b>
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6.1	<p>Members approval is sought:-</p> <ul style="list-style-type: none"> <li>• To establish four committees during the transitional period, ie Development, Environment, Planning and Policy &amp; Resources.</li> <li>• To appoint 16 Members to each committee, including the Presiding Councillor and Deputy Presiding Councillor as ex-officio members.</li> <li>• To permit any Member to be present and heard at any committee meeting but only committee members to have voting rights.</li> <li>• Committee meetings to take place at 7pm.</li> <li>• To establish a small cross party working group during the transitional period to review the effectiveness of the shadow governance model and consider the democratic governance and decision making structures to be effective from 1 April 2015.</li> </ul>

<b>7</b>	<b>Documents Attached</b>
	N/A

**C**

**Subject:** Filling Positions of Responsibility – Transitional Period

**Reporting Officer:** Chief Executive

<b>1</b>	<b>Purpose of Report</b>
1.1	To provide information to members in respect of the filling of positions of responsibility for Mid Ulster District Council during the transitional period.

<b>2</b>	<b>Background</b>
2.1	At its annual meeting on 5 June 2014, Mid Ulster District Council resolved to fill positions of responsibility during the transitional period using the default method contained in Schedule 1, Part 1 of the Local Government Act 2014, i.e. D'hondt.

<b>3</b>	<b>Key Issues</b>
3.1	<p>The positions of responsibility for the transitional period in Mid Ulster District Council are as listed, in no particular order, below:-</p> <ol style="list-style-type: none"> <li>1. Presiding Councillor</li> <li>2. Deputy Presiding Councillor</li> <li>3. Development Committee – Chair</li> <li>4. Development Committee – Vice Chair</li> <li>5. Environment Committee – Chair</li> <li>6. Environment Committee – Vice Chair</li> <li>7. Planning Committee – Chair</li> <li>8. Planning Committee – Vice Chair</li> <li>9. Policy &amp; Resources Committee – Chair</li> <li>10. Policy &amp; Resources Committee – Vice Chair</li> <li>11. Mid Ulster District Council Representative to DOE Partnership Panel</li> </ol> <p><b><u>D'hondt Order</u></b></p>
3.2	The order in which party nominating officers will be called to select a position of responsibility at the Council meeting on 26 June 2014 is as follows:-

3.3	<p>SF (**Position filled at Annual Meeting on 5 June 2014**)</p> <p>SF  DUP  UUP  SDLP  SF  SF  DUP  SF  UUP  SDLP</p> <p>As the first position of responsibility was filled at the annual meeting on 5 June 2014 the process to fill the remaining positions of responsibility will re-commence at, and continue from, position 2.</p>
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<b>4</b>	<b>Resource Implications</b>
4.1	<b><u>Financial</u></b>
4.1.1	Members will be aware that positions of responsibility during the transitional period will command payment of special responsibility allowance.
4.1.2	The Department have advised that the maximum amount that can be paid during the shadow council term for special responsibility allowance is £58,333. Allowances paid to councillors serving on the shadow council will be reimbursed by the Department.
4.2	<b><u>Human resources</u></b>  N/A
4.3	<b><u>Assets and other implications</u></b>  N/A

<b>5</b>	<b>Other Considerations</b>
	N/A

<b>6</b>	<b>Recommendations</b>
6.1	Members are asked to note the above.

<b>7</b>	<b>Documents Attached</b>
	N/A



**D**

**Subject:** Appointment of Councillors to Committees

**Reporting Officer:** Chief Executive

<b>1</b>	<b>Purpose of Report</b>
1.1	To provide information to members in respect of the appointment of members to committees for Mid Ulster District Council during the transitional period.

<b>2</b>	<b>Background</b>
2.1	Unless the Council passes a resolution, by qualified majority voting, to the contrary, the default method contained in Schedule 2 of the Local Government Act 2014 will apply in respect of the appointment of councillors to committees, i.e. Quota of Greatest Remainder.

<b>3</b>	<b>Key Issues</b>
3.1	<p>The committee structure table for discussed at the Mid Ulster Statutory Transition Committee is listed below:-</p> <p><b>Policy &amp; Resources Committee</b></p> <ul style="list-style-type: none"> <li>• Finance</li> <li>• Human Resources</li> <li>• ICT</li> <li>• Governance</li> </ul> <p><b>Environment Committee</b></p> <ul style="list-style-type: none"> <li>• Waste Management</li> <li>• Cleansing</li> <li>• Building Control</li> <li>• Environmental Health</li> </ul> <p><b>Development Committee</b></p> <ul style="list-style-type: none"> <li>• Community Planning</li> </ul>

<p>3.2</p> <p>3.3</p>	<ul style="list-style-type: none"> <li>• Economic Development</li> <li>• Leisure</li> <li>• Marketing &amp; Communications</li> </ul> <p style="text-align: center;"><b>Planning Committee</b></p> <ul style="list-style-type: none"> <li>• Capacity building</li> <li>• Area Plan preparations</li> </ul> <p>It is recommended that 16 Members should sit on each committee including the Presiding and Deputy Presiding Councillors as ex-officio members. This provides a total of 64 positions on committees during the transitional period. The allocation of these places across parties is as shown in Appendix A.</p> <p>Members should note that committee chairs and vice chairs held by each party are included in the party's allocation. A template for a typical committee is shown in Appendix B.</p>
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<p><b>4</b></p>	<p><b>Resource Implications</b></p>
<p>4.1</p> <p>4.1.1</p> <p>4.2</p> <p>4.3</p>	<p><b><u>Financial</u></b></p> <p>Some minor costs will be incurred due to travel expenses of members and officers and for hospitality at meetings.</p> <p><b><u>Human resources</u></b></p> <p>N/A</p> <p><b><u>Assets and other implications</u></b></p> <p>N/A</p>

<p><b>5</b></p>	<p><b>Other Considerations</b></p>
	<p>N/A</p>

<b>6</b>	<b>Recommendations</b>
6.1	Members are asked to note the above.

<b>7</b>	<b>Documents Attached</b>
	Appendix A : Appointment of Councillors to Committees – Quota of Greatest Remainder  Appendix B : Committee Template

## APPENDIX A

### Mid Ulster District Council - Appointment of Councillors to Committees Quota of Greatest Remainder

#### Party Strengths

Party	<b>SF</b>	<b>DUP</b>	<b>UUP</b>	<b>SDLP</b>	<b>IND</b>
Seats	18	8	7	6	1
1st PV	22587	9723	9574	7600	1458

#### STEP 1

#### Total Committee Places

4 committees with 16 Members on each = 64

#### STEP 2

#### Quota

Quota = Number of Members on Council / Number of Committee Places

Quota = 40 / 64 = 0.625

#### STEP 3

#### Allocations Across Committee

	<b>SF</b>	<b>DUP</b>	<b>UUP</b>	<b>SDLP</b>	<b>IND</b>	<b>Totals</b>
Members	18	8	7	6	1	
Party Allocation	28.8	12.8	11.2	9.6	1.6	
Positions - Whole Number	28	12	11	9	1	<b>61</b>
Remainder	0.8	0.8	0.2	0.6	0.6	
Positions - Greatest Remainder	1	1		1		
Total	<b>29</b>	<b>13</b>	<b>11</b>	<b>10</b>	<b>1</b>	<b>64</b>

#### STEP 4

#### Allocation per Committee and of odd numbers

	<b>SF</b>	<b>DUP</b>	<b>UUP</b>	<b>SDLP</b>	<b>IND</b>	<b>Totals</b>
Total Positions	<b>29</b>	<b>13</b>	<b>11</b>	<b>10</b>	<b>1</b>	<b>64</b>
Divide by number of committees (4)	7.25	3.25	2.75	2.5	0.25	
Allocation per committee (min - max)	7 - 8	3 - 4	2 - 3	2 - 3	0 - 1	
Minimum number per committee	7	3	2	2	0	
Total allocated Members (4 committees)	28	12	8	8	0	<b>56</b>
Remaining Positions	1	1	3	2	1	<b>8</b>

**STEP 5****Allocate remaining positions in order by  
D'hondt**

Committee Position	57	SF
Committee Position	58	DUP
Committee Position	59	UUP
Committee Position	60	SDLP
Committee Position	61	UUP
Committee Position	62	SDLP
Committee Position	63	UUP
Committee Position	64	IND

**Mid Ulster District Council – Committee Template**

<b><u>Policy &amp; Resources Committee</u></b>		
<b>Position</b>	<b>Party</b>	<b>Member</b>
1 (Committee Chair)		
2 (Committee Vice Chair)		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15 (Presiding Councillor)		
16 (Deputy Presiding Councillor)		

**Notes**

- a. The nominating officer of each party nominates their minimum number of councillors as members to each committee.
- b. The minimum committee positions for each party are:-
  - SF - 7
  - DUP - 3
  - UUP - 2
  - SDLP - 2
  - IND - 0
- c. The remaining committee positions are allocated for each party on the basis of D'hondt.
- d. The remaining committee positions for each party are as follows:-
  - SF - 1
  - DUP - 1
  - UUP - 3
  - SDLP - 2
  - IND - 1
- e. Party allocations are inclusive of positions of responsibility.

**E**



**Subject:** Scheme of Allowances – Transitional Period

**Reporting Officer:** Lead Finance Officer

<b>1</b>	<b>Purpose of Report</b>
1.1	To seek Members approval on a Scheme of Allowances payable to councillors of Mid Ulster District Council.
<b>2</b>	<b>Background</b>
2.1	Members are advised that under the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012, allowances payable to Councillors, namely the Basic, Special Responsibility, Dependents' Carers' and Travel and Subsistence allowances, shall be determined by the Council subject to maximum amounts determined by the Department of the Environment.
<b>3</b>	<b>Key Issues</b>
3.1	The maximum amounts determined by the Department are detailed in Circulars LG 09/2014, for Basic, Special Responsibility and Dependents' Carers' allowances, LG 02/2010, LG 16/2006 and 13/2010 for Travel and Subsistence Allowances.
3.2	Under the Regulations, a Scheme of Allowances has to be approved by the Council. A copy of the Scheme incorporating the relevant maximum rates referred to is included at Appendix C for Members' consideration.
3.3	A suggested allocation of Special Responsibility Allowance for the shadow period is included at Appendix A for Members' consideration.
<b>4</b>	<b>Resource Implications</b>
4.1	<b><u>Financial</u></b>
4.1.1	The payment of Members allowances during the transitional period will be fully funded by the Department.

4.2	<b><u>Human resources</u></b> N/A
4.3	<b><u>Assets and other implications</u></b> N/A

<b>5</b>	<b>Other Considerations</b>
	N/A

<b>6</b>	<b>Recommendations</b>
6.1	Members are requested to approve the proposed Scheme of Allowances including the suggested allocation of Special Responsibility Allowance.

<b>7</b>	<b>Documents Attached</b>
	Appendix A : Scheme of Allowances

**Mid Ulster District Council**

**Scheme of Allowances payable to Councillors**

**(Considered by Council – Thursday, 26 June 2014)**

## Contents

Section		Page
1	Legislative Background	3
2	Other Relevant Information	4
3	Proposed Scheme	4
4	Appendices	
	Appendix 1	
	• Basic Allowance – Current Rates	11
	Appendix 2	
	• Special Responsibility Allowances – Current Rates	13
	Appendix 3	
	• Dependants' Carers' Allowance – Current Rates	14
	Appendix 4A & 4B	
	• Dependants' Carers' Allowance – Claim Forms	16
	Appendix 5	
	• Travelling Expenses – Current Rates	
	• Subsistence Allowances – Current Rates	18
	Appendix 6	
	• Councillors' Claim Form	21

## **1. Legislative background**

1.1 Part 3 of the Local Government Finance Act (Northern Ireland) 2011 provides for the payment of allowances to Councillors and committee members in accordance with Regulations. The Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012, which came into operation on 1 April 2012, revoked and replaced the Regulations which previously provided for the payment of allowances to Councillors, i.e.:

- Local Government (Payments to Councillors) Regulations (Northern Ireland) 1999 (as amended); and
- Local Government (Travelling and Subsistence Allowances to Councillors) (No. 2) Regulations (Northern Ireland) 1973 (as amended).

1.2 Regulation 3(1) states:

“A council shall make a scheme in accordance with these Regulations for the payment of allowances to councillors and committee members in respect of each year.”

1.3 Regulation 11(1) states:

“A council shall, as soon as practicable after the making or amending of any scheme of payments made pursuant to these Regulations –

- (a) arrange for a copy of the scheme to be published on its website; and
- (b) make such other arrangements for the publication of the scheme within the district of the council as it considers appropriate.”

1.4 Regulation 11(2) states:

As soon as practicable after the end of a year to which a scheme relates, a council shall make arrangements for the publication on the council website of the total sum paid in that year to each councillor in respect of the following –

- (a) basic allowance;
- (b) special responsibility allowance; and
- (c) dependants’ carers’ allowance.”

1.4 Regulation 11(3) states:

As soon as practicable after the end of a year to which a scheme relates, a council shall make arrangements for the publication on the council website of the total sum paid in that year to each councillor or committee member in respect travel and subsistence.”

## **2. Other relevant information**

2.1 In making payments to Councillors, the Council must comply with the provisions of:

- “Guidance to councils on the reimbursement of payments to councillors during the shadow period” issued under cover of Circular LG 28/2014 on 6 June 2014; and
- “Guidance on Councillors’ Allowances” issued under cover of Circular LG 05/2012 on 22 March 2012.

2.2 The following circulars are also relevant:

- Circular LG 09/2014 “Councillors’ allowances” - specifies the maximum amounts of allowances payable for shadow councils and new councils; and
- Circulars:
  - LG 18/2013 - separate allowance for membership of Statutory Transition Committees;
  - LG 05/2012 – (see above);
  - LG 02/2010 – travel allowances; and
  - LG 16/2006 and LG 13/2006 – subsistence allowances.

2.3 All allowances paid will be subjected to PAYE and Earnings Tax (formerly National Insurance) deductions in accordance with HMRC requirements.

2.4 The Council notes that individual Councillors who consider their home to be a place of work will make an appropriate written disclosure to the Chief Finance Officer in a form to be determined by him. Failure to make such a disclosure will mean that the Council will seek to deduct PAYE and Earnings Tax from all mileage allowances paid to a Councillor. The Council will not seek to verify any such disclosure and, in making such disclosures, individual Councillors’ attention will be drawn to the consequences of making an inaccurate disclosure (whether inadvertently or not).

### 3. Proposed Scheme

3.1 The proposed Scheme of Allowances is separated into six categories as follows:

- System of allowances;
- Approved duties;
- Chair’s (or Presiding Councillor’s)/Vice Chair (or Deputy Presiding Councillor’s) allowances;
- Official and courtesy visits;
- Claims, records and information; and
- Appendices.

#### 3.2 System of allowances

3.2.1 This Scheme is made under Regulation 3 of The Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012. Allowances will be paid, in accordance with the Scheme, to Councillors and committee members under Part 3 of the Local Government Finance Act (Northern Ireland) 2011.

3.2.2 Provision is made for the following allowances to be paid to Councillors:

- Allowances which are to meet expenses and provide remuneration:
  1. Basic allowance;
  2. Special responsibility allowance;
  3. Dependants’ carers’ allowance
- Allowances wholly and exclusively to meet expenses incurred:

1. Travel and subsistence allowance;
2. Allowances for Chair/Vice Chair (or Presiding Councillor/Deputy Presiding Councillor) in respect of civic duties

3.2.3 Provision is made for the following allowances to be paid to committee members:

- Travel and subsistence allowances; and, if deemed appropriate by the Council,
- Remuneration at an approved amount (approved by Council on an individual basis).

### 3.2.4 **Basic Allowance**

3.2.4.1 Basic Allowance is intended to recognize a time commitment of all Councillors, including such inevitable calls on their time as meetings with officers and constituents, including all civic duties and attendance at site meetings.

3.2.4.2 Basic Allowance also covers incidental costs such as use of Councillors' homes and the cost of any telephone calls including mobile phone calls. The Basic Allowance is also intended to cover the cost of office consumables. The allowance must be the same for each Councillor and the Council therefore may not pay more than one basic allowance to each Member.

3.2.4.3 The Council will pay the maximum rate specified by the Department. The current maximum rates of allowance (Circular LG 09/2014) are included at Appendix 1.

### 3.2.5 **Special Responsibility Allowance**

3.2.5.1 The Council will also pay Special Responsibility Allowance in addition to Basic Allowance to those Members of the Council who have significant additional responsibilities over and above the general accepted duties of a Councillor.

3.2.5.2 In accordance with the Guidance issued by the Department:

- Councillors shall be able to claim only one Special Responsibility Allowance. If a Councillor qualifies for more than one Special Responsibility Allowance, only the highest Special Responsibility Allowance will be paid;
- No more than 50% of Councillors (excluding Chair and Vice Chair (or Presiding Councillor, etc) shall receive a Special Responsibility Allowance;
- There should be safeguards to ensure fair distribution of Special Responsibility Allowance across a representative sample of political party groupings.

3.2.5.3 The Council has approved the following responsibilities as attracting a Special Responsibility Allowance:

- Chair (or Presiding Councillor);
- Vice Chair (or Deputy Presiding Councillor);
- Committee Chairs;
- Committee Vice Chairs; and
- Mid Ulster District Council representative on Partnership Panel (To be Agreed)

The Committees to which Special Responsibility Allowance is applicable are as follows:

- Development;
- Environment;
- Planning; and
- Policy and Resources

3.2.5.4 The Council will seek to pay (in aggregate) the maximum rate specified by the Department. The current rates of allowance are included at Appendix 2.

### **3.2.6 Payment of Allowances for Members of the House of Lords, Members of Parliament, Members of the European Parliament or Members of the Legislative Assembly**

3.2.6.1 In accordance with Guidance issued by the Department, the payment of Basic Allowance and Special Responsibility Allowance will be reduced by two thirds for those Councillors who are also Members of the House of Lords, Members of Parliament, Members of the European Parliament or Members of the Legislative Assembly. A form confirming a Member's awareness of the reduction in allowances is included at Appendix 3.

### **3.2.7 Part Year Entitlement to Allowances**

3.2.7.1 In accordance with Guidance issued by the Department, provisions for part year entitlement to Basic Allowance and Special Responsibility Allowance may be made to reflect:

- a. The amendment of the Scheme;
- b. When the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, the amount of Basic Allowance and, if applicable, Special Responsibility Allowance shall reflect the proportion of the year when the entitlement ended.

3.2.7.2 The Council shall make part year payments of Basic Allowance and Special Responsibility Allowance as appropriate on the occasion of the above circumstances.

### **3.2.7 Dependants' Carers' Allowance**

3.2.7.1 Councillors are entitled to claim a Dependants' Carers' Allowance towards reimbursement of actual reasonable costs necessarily incurred in providing care for a dependant while carrying out an approved duty.

3.2.7.2 Dependants' Carers' Allowance is payable to Councillors who are the main carers of a dependant where care is required to enable the Member to perform an approved duty. Two types of Carers' Allowance will be paid in appropriate circumstances:

1. Standard Care will be paid on receipt of a signed claim form;
2. Specialised Care will be paid, again on receipt of a signed claim form accompanied by original invoices.

Sample claim forms are included at Appendices 4A and 4B. Forms will be available from the Chief Executive's Office for Councillors wishing to avail of this allowance.

3.2.7.3 The general conditions attached to the payment of this allowance are that the Dependant should reside with the Councillor as part of the family and should require full time care.

3.2.7.4 Relevant definitions are as follows:

- Carer – a responsible person over 16 years old who does not normally live with the Councillor and is not a member of the immediate family;
- Specialist Carer – a qualified person who is needed where it is essential to have professional assistance. Receipts must be obtained from specialist carers and these must accompany the claim form;
- Dependant – defined as:



- A child under 16 years old;
- A child aged 16 years old or more where there is medical/social work evidence that full time care is required;
- An adult with a recognised physical/mental disability where there is medical/social work evidence that full time care is required;
- An elderly relative requiring full time care.

3.2.7.5 The Council will pay the maximum rates specified by the Department. The current rates of allowance (LG 09/2014) are included at Appendix 1

### 3.2.8 Travel and Subsistence Allowance

3.2.8.1 Travel and subsistence allowances recompense Councillors for expenditure necessarily incurred when performing an approved duty.

3.2.8.2 The Council will pay travel and subsistence at the maximum rates approved by the Department. For overseas travel the Council will pay the Overseas Subsistence Rates produced by the Foreign and Commonwealth Office. In exceptional circumstances, e.g. due to inability to secure a reasonable standard of accommodation due to market forces, the Council may, following consideration by the Chief Executive (or in his absence, the Chief Finance Officer), pay such higher amount as is deemed reasonable in the circumstances.

3.2.8.3 In making travel and accommodation arrangements Councillors should seek to secure the most economically advantageous arrangements possible having regard to the potential to book low cost airlines, hotels, etc. in good time so as to avail of discounts, etc. However, in circumstances where attendance might have to be cancelled or rescheduled, Councillors should have regard to the benefits of securing rates which afford at least some degree of flexibility. However, in calculating the actual amount repayable to Councillors the Council will have regard to the Guidance Note which accompanies Circular LG 02/2010.

**3.2.8.3 Travel and subsistence claims will, save for exceptional circumstances (which must be expressly considered by the Council), only be paid if the duty to which they relate has been approved before the duty is performed.**

3.2.8.4 Approved duties are defined in section 3.3.

3.2.8.5 The following travel and subsistence allowances will be paid to Councillors in accordance with this Scheme:

- Public transport fares\*;
- Motor mileage rates\*;
- Supplements;
- Taxi fares\*;
- Air fares\*;
- Day subsistence allowances\*;
- Overnight subsistence allowances\*

\* where supported by receipts

The amount of subsistence paid will be reduced in respect of any meals provided free of charge (except where the Council accepts that a Councillor has a legitimate reason for not availing of the food provided, e.g. medical condition)

3.2.8.6 Current maximum rates of mileage rates (LG 02/2010) and maximum rates of subsistence allowance (LG 16/06) are included at Appendices 5 and 6 respectively.

### 3.3 **Approved Duties**

3.3.1 The list of approved duties includes attendance at:

- Council;
- Committee;
- Sub committee;
- Joint committee;
- Bodies/organisations to which the Councillor has been nominated by Council; and
- Meetings/courses/conferences/events expressly approved by Council or by committees/sub committee/transition committee/joint committee/bodies/organisations to which the Councillor has been nominated directly by Council (excluding travel and subsistence in relation to those intended to be reimbursed by Basic Allowance (see above));

3.3.2 Travel and subsistence allowances are not payable in respect of the following duties:

- Attendance at site meetings or civic functions (these examples are not the only such examples of duties intended to be reimbursed by Basic Allowance); and
- Any duty where equivalent or similar allowances are payable by another body (it is the Councillor's responsibility to submit directly to the relevant body a claim in the prescribed format and in compliance with any applicable conditions, etc.. Failure to submit a valid claim in the prescribed manner and time frame to the relevant body will not result in the Council reimbursing the Councillor).

### 3.4 **Chair's (or Presiding Councillor's) and/or Vice Chair's (or Deputy Presiding Councillor's) Allowances**

3.4.1 The Council may pay to the Chair (or Presiding Councillor) and/or Vice Chair (or Deputy Presiding Councillor) such allowances as the Council considers reasonable to meet the expenses of the Offices.

3.4.2 The Chair (or Presiding Councillor) and/or Vice Chair (or Deputy Presiding Councillor) will be required to account for the distribution/disbursement of any such allowance and must maintain such records as are prescribed by the Chief Financial Officer. These records and supporting documentation will remain the property of the Council and will be subject to audit. The records and supporting documentation may also form the basis of returns/disclosures to HM Revenue and Customs and other appropriate regulatory/judicial bodies.

3.4.3 Office bearers should, in accordance with paragraph 4.18 of The Northern Ireland Local Government Code of Conduct for Councillors (approved by the Northern Ireland Assembly on 27 May 2014) (and any equivalent paragraph in a future Code or similar), be aware of the requirement that Councillors must not use, or authorise others to use, the resources of the Council:

- a) Imprudently;
- b) In breach of the Council's requirements;
- c) Unlawfully;
- d) Other than in a manner which is calculated to facilitate, or to be conducive to, the discharge of the functions of their Council or the office to which they have been elected or appointed (emphasis added);

- e) Improperly for political purposes; or
- f) Improperly for private purposes.

### **3.5 Official and Courtesy Visits**

#### **3.5.1 The Council will:**

- a) Make payments towards expenditure reasonably incurred by Councillors in making official or courtesy visits, whether inside or outside the United Kingdom, on behalf of the Council; and
- b) Defray any expenses reasonably incurred in the reception and entertainment by way of official courtesy of distinguished persons residing in or visiting the Council district or persons representative of or connected with local government or other public services whether inside or outside the United Kingdom, and in the supply of information to any such persons

3.5.2 The amounts payable by the Council in respect of the making of official or courtesy visits will be made on the same basis and subject to the same limits, etc. as equivalent amounts payable to Councillors under this Scheme, e.g. travel and subsistence.

### **3.6 Claims, Records and Information**

#### **3.6.1 Claims**

3.6.1.1 The Council requires that all allowances, with the exception of Basic Allowance and Special Responsibility Allowance are claimed on the official claim form and supported by receipts where relevant.

3.6.1.2 Allowances will be paid monthly in arrears pro rata directly into each Councillor's nominated bank account via the BACS or equivalent system.

3.6.1.3 Claims must be submitted electronically on a monthly basis in arrears but each individual allowance claimed must be submitted to the Council's payroll department within three months of the relevant duty being performed. Failure to do this will result in the relevant duty being deemed non payable. Claims must be ordinarily submitted by the 10<sup>th</sup> working day of each month. Exceptionally the Chief Finance Officer may issue an earlier submission deadline to accommodate Bank/Public holidays, etc.

3.6.1.4 It is each Councillor's responsibility to ensure that their claim is accurate and complete.

#### **3.6.2 Records**

3.6.2.1 The Council shall maintain detailed records of claims submitted and paid and publish such information as required by The Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012.

3.6.2.2 Such records shall be open to inspection by any member of the public in accordance with the rights provided by article 17 of The Local Government (Northern Ireland) Order 2005 and Regulation 8 of The Local Government Accounts and Audit Regulations (Northern Ireland) 2006 (as amended).

3.6.2.3 The Council shall provide all statutory returns as required. Statutory Returns to the Department of Health and Social Services and Public Safety will include all entitlement to allowances whether claimed or not (regardless of whether a Councillor has renounced their

entitlement to Basic Allowance or Special Responsibility Allowance by notice in writing to the Chief Executive).

### 3.6.3 Information

3.6.3.1 The Council shall comply with its obligations under the Freedom of Information Act 2000 and the Data Protection Act 1998..

3.6.3.2 Individual Councillors may obtain information on any aspect of allowances from either the Chief Executive or the Chief Finance Officer.

3.6.3.3 This Scheme will be reviewed on an annual basis and updated in accordance with the Department's notifications. Scheme revisions, apart from the simple revision of maximum amounts which will be adopted automatically in accordance with the provisions detailed at paragraphs:

- 3.2.4.3 – Basic Allowance;
- 3.2.7.5 – Dependants' Carers' Allowance; and
- 3.2.8.2 – Travel and subsistence

will be brought to the Council's attention via the Policy and Resources Committee.



### 3. BASIC ALLOWANCE

	Shadow Period / Per Annum  £	Shadow Period / Per Month (approx.)  £
<b>Councillor serves on existing council only (12 months) (Existing council liability)</b>	*9,835	820
<b>Councillor serves on shadow council only (Executive Funded) 10 months @ 10/12<sup>th</sup> of £9,835 = £8,196</b>	*8,196	820 (June-March)
<b>Councillor serves on existing and shadow council</b> <ul style="list-style-type: none"> <li>• 2/12<sup>th</sup> of £9,835 (April/May) = £1,639 (Existing council liability)</li> <li>• 10/12<sup>th</sup> @ ½ of £9,835 for June-March = £4,098 (Existing council liability)</li> <li>• 10/12<sup>th</sup> of £9,835 for June-March = £8,196 (Executive Funded)</li> </ul> <b>Total £1,639 + £4,098 +£8,196 = £13,933</b>	*13,933	820 (April-May) 1,229 (June-March)

\*All figures shown are for maximum periods, pro rata should apply where applicable.

Per annum	New Council £
<b>Councillor serving on new council in 2015/16</b>	†*14,200

## Appendix 2

### Transitional Period (June '14 to March '15)

Maximum Allowance                      £58,333  
Funded by                                      DOE

<u>Positions of Responsibility</u>	<u>No</u>	<u>Months</u>	<u>% SRA</u>	<u>£ SRA</u>	<u>Total £ SRA</u>
Presiding Councillor	1	10	20%	£11,666.60	£11,666.60
Deputy Presiding Councillor	1	9	10%	£5,249.97	£5,249.97
Committee Chairs	4	9	10%	£5,249.97	£20,999.88
Committee Vice Chairs	4	9	2%	£1,049.99	£4,199.98
MUDC rep on Partnership Panel	1	9	TBA	TBA	TBA
					<b>£42,116.43</b> *

\*Total excluding SRA for Partnership panel which is TBA





**7. CARING OR DEPENDANT CARERS' ALLOWANCE (APPLICABLE FOR COUNCILLORS SERVING ON SHADOW AND NEW COUNCILS ONLY)**

The hourly rate has not changed although the maximum payable per month has doubled.

Standard Allowance	Max £329 per month	£6.31 per hour <sup>^</sup>
Specialist Allowance	Max £658 per month	£12.62 per hour

<sup>^</sup> (Based on minimum wage for age 21+)

**DEPENDANT CARERS' ALLOWANCE CLAIM FORM**

Date care provided: \_\_\_\_\_

Approved duty covered: \_\_\_\_\_

Time from: \_\_\_\_\_

Time to: \_\_\_\_\_

Total hours: \_\_\_\_\_

Cost per hour: \_\_\_\_\_

Name of dependant: \_\_\_\_\_

Relationship to councillor: \_\_\_\_\_

Name of carer: \_\_\_\_\_

National Insurance Number: \_\_\_\_\_

Signature of carer: \_\_\_\_\_

Declaration:

I declare that the above named provided a child carer/carer to me as detailed above in order that I could perform the approved duty stated.

Name of claimant: \_\_\_\_\_

Signature of claimant: \_\_\_\_\_

Date of claim: \_\_\_\_\_

**NB: Please note that the standard allowance is £6.31 per hour up to a maximum of £329 per month and specialist allowance is £12.62 per hour up to a maximum of £658 per month.**

---

**ADMINISTRATIVE COUNCIL FINANCE USE ONLY**

Checked By: \_\_\_\_\_

Date: \_\_\_\_\_

Authorised By: \_\_\_\_\_

Date: \_\_\_\_\_



## Appendix 5

## MAXIMUM RATES OF TRAVELLING ALLOWANCE FROM 1 APRIL 2010

1. The maximum rates of travelling allowance for travel in the circumstances specified in paragraph 6(2) of Schedule 1 to the Local Government (Travelling and Subsistence Allowances to Councillors) (No 2) Regulations (Northern Ireland) 1973, as amended, shall be the rates in Column 2 of the following table in respect of the type of vehicle of the cc cylinder capacity indicated in Column 1.

TYPE OF VEHICLE		RATES
COLUMN 1		COLUMN 2
(i)	A pedal cycle.	20.0p per mile
(ii)	A solo motor cycle of cylinder capacity not exceeding 149cc.	11.4p per mile
(iii)	A solo motor cycle of cylinder capacity exceeding 149cc but not exceeding 499cc.	16.5p per mile
(iv)	A solo motor cycle exceeding 499cc cylinder capacity or a motor cycle with a side car.	22.0p per mile
(v)	A motor car or tri-car of cylinder capacity not exceeding 450cc.	22.0p per mile
(vi)	A motor car or tri-car of cylinder capacity exceeding 450cc but not exceeding 999cc.	46.9p per mile 13.7p per mile*
(vii)	A motor car or tri-car of cylinder capacity exceeding 999cc but not exceeding 1,199cc.	52.2p per mile 14.4p per mile*
(viii)	A motor car or tri-car of cylinder capacity exceeding 1,199cc.	65.0p per mile 16.4p per mile*

\* National Joint Council for Local Government Services – Casual Users rates after 8,500 miles.

2. The additional rates by which the rates per mile for travel by a councillor's private motor vehicle may be increased under paragraph 6(3)(a) of Schedule 1 to the Local Government (Travelling and Subsistence Allowances to Councillors) (No 2) Regulations (Northern Ireland) 1973, as amended, shall be not more than 5p per mile for each passenger where the motor vehicle is being used in the circumstances specified in paragraph 6(2) of Schedule 1 of the above mentioned regulations.

**MAXIMUM RATES OF SUBSISTENCE ALLOWANCES FROM 1 APRIL 2006**

1. The maximum rates of day and overnight allowances in the circumstances specified in paragraphs 2(1) and 7(1) of Schedule 2 to the Local Government (Travelling and Subsistence Allowances to Councillors) (No 2) Regulations (Northern Ireland) 1973 as amended, shall be the rates in Columns 2 and 3 of the following table in respect of the period/meal in Column 1.

PERIOD/MEAL		RATES	
COLUMN 1		COLUMN 2	COLUMN 3
		British Isles £	London* £
i.	An absence involving an overnight stay only, from the usual place of abode.	100.70	122.45
ii.	Conditions for <b>BREAKFAST ALLOWANCE</b> : more than 4 hours away from the normal place of residence or, where the district council permits, a lesser period before 11 am.	11.50	11.50
iii.	Conditions for <b>LUNCH ALLOWANCE</b> : more than 4 hours away from the normal place of residence or, where the district council permits, a lesser period including the period between 12 noon and 2 pm.	13.50	13.50
iv.	Conditions for <b>TEA ALLOWANCE</b> : more than 4 hours away from the normal place of residence or, where the district council permits, a lesser period including the period between 3 pm and 6 pm.	4.70	4.70
v.	Conditions for <b>EVENING MEAL ALLOWANCE</b> : more than 4 hours away from the normal place of residence or, where the district council permits, a lesser period ending after 7 pm.	20.95	20.95
vi.	Sub-total Meals.	50.65	50.65
vii.	Total Maximum Rates (absence of 24 hours)	151.35	173.10

\* London or any other place in the British Isles approved by the Department.

2. The total maximum rates determined above shall be reduced by the appropriate amount in respect of any meal allowance, for an absence overnight of a period less than twenty-four hours.

**CLAIM FORM FOR TRAVEL AND SUBSISTENCE**

**NAME OF THE NEW COUNCIL:** .....

**COUNCILLOR'S NAME:** .....

**PAYROLL NO.:** .....

**PRIVATE VEHICLE REG NO.:** .....

**PERIOD END:** .....

Date	Depart	Arrive	Particulars of Journey Start : Destination : Finish	Description of Approved Duties	Mode and Class of Travel	Mileage Claimed	Other Travel Costs	Subsistence	Accommodation
			<b>TOTAL</b>						

\_\_\_\_\_ MILES @ \_\_\_\_\_ PER MILE =  
**OTHER TRAVEL COSTS** =  
**SUBSISTENCE** =  
**TOTAL QUARTERLY CLAIM** =

**DECLARATION**

I declare that:-

- I have necessarily incurred expenditure on travel and subsistence for the purpose of enabling me to perform the approved duties of the new council.
- I have actually paid the fares shown and all other amounts claimed are in accordance with rates approved by the new council.
- I have attached all necessary receipts in connection with Travel & Subsistence expenses claimed.
- I have not made, and will not make, any other claim under any enactment for Travel & Subsistence expenses in connection with the duties indicated in this form.
- The amounts claimed are strictly in accordance with the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012.
- Where I am claiming mileage expenses, I have a valid licence and appropriate motor insurance, which covers my vehicle being used for business purposes.
- Where I am a member of both the predecessor and new council, I confirm this claim is only for Travel & Subsistence relating to the work of the new council.

**SIGNATURE** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**ADMINISTRATIVE COUNCIL FINANCE USE ONLY**

**Checked By:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Authorised By:** \_\_\_\_\_

**Date:** \_\_\_\_\_



## **NOTES OF GUIDANCE FOR COMPLETION OF CLAIM FORM APPENDIX**

The claim form will provide the necessary documentation for Internal and External Audit.

To assist in completion of the form your attention is drawn to the following points:

### **1. DATE**

Please insert date for which expense item is claimed.

### **2. TIMES OF DEPARTURE/ARRIVAL**

Departure/arrival times should be entered for verification of amounts for subsistence where claims relate to overnight subsistence or meal costs, but not where claims relate only to travel.

### **3. PARTICULARS OF JOURNEY**

As meetings and approved duties are held at various locations, it is essential for the calculation of mileage that all locations visited are entered onto the claim form.

### **4. DETAILED DESCRIPTION OF APPROVED DUTY**

Clearly indicate which meeting you have attended or the relevant detail of the approved duty undertaken. Approved duties should indicate – attendance at a meeting of the council, a committee of the council, sub-committee of the council, joint committee, sub-committee of a joint committee or sub-group committee. In addition the doing of anything approved by a council or anything of a class so approved, for the purposes of, or in connection with, the discharge of the functions of the council, or any of its committees or sub-committees, or as the case may be, of the joint committee or any of its sub-committees.

### **5. MODE AND CLASS OF TRANSPORT**

It is essential for the calculation of mileage that the mode of transport – car, motorcycle, bicycle and passenger is entered onto the claim form.

### **6. PASSENGER MILES**

This calculation should be entered by calculating the number of miles travelled multiplied by the number of passengers e.g. 2 passengers times 30 miles = 60 passenger miles.

### **7. OTHER TRAVEL EXPENSES**

This column should be used to record claims for public transport, taxi and air fares and any other allowable travel expenses such as car parking for which a receipt is available.

### **8. SUBSISTENCE**

Subsistence relates to overnight accommodation and meals.

### **9. ACCOMMODATION DETAILS**

This column relates to claims for overnight accommodation with friends and family. These must include the address of the accommodation and the name(s) of the friends or family with whom you stayed.

**F**

**Subject:** STC – Financial Reporting Requirements

**Reporting Officer:** Chief Executive

<b>1</b>	<b>Purpose of Report</b>
1.1	To seek Members approval to appoint the Chief Executive as Chief Financial Officer of the Council.

<b>2</b>	<b>Background</b>
2.1	The Department of the Environment has issued correspondence to the Council, copies of which are attached, to advise councils of the financial reporting requirements in 2013/14 and 2014/15 in respect of Statutory Transition Committees (STC's).

<b>3</b>	<b>Key Issues</b>
3.1	The Department has confirmed that separate accounts must be prepared for the STC for each financial year 2013/14 and 2014/15. As the STC will cease to exist on 19 June 2014, the Department has made provision through Regulation 12 of The Local Government (Transitional, Supplementary, Incidental Provisions and Modifications) Regulations (Northern Ireland) 2014 to facilitate the preparation, approval and signing of the STC accounts by the new council/chief financial officer (CFO) of the new council.
3.2	Section 1(2) of the Local Government Finance Act (Northern Ireland) 2011 provides that a council shall designate an officer of the council as its CFO. The Department has directed that copies of the STC accounts for the period ended 31 March 2014, approved by the new council and signed by the chief financial officer of the new council, be submitted by 30 June 2014.

<b>4</b>	<b>Resource Implications</b>
4.1	<b><u>Financial</u></b>

4.2	N/A <b><u>Human resources</u></b>
4.3	N/A <b><u>Assets and other implications</u></b>
	N/A

<b>5</b>	<b>Other Considerations</b>
	N/A

<b>6</b>	<b>Recommendations</b>
6.1	It is recommended that the Chief Executive be designated Chief Financial Officer of the Council.
6.2	It is recommended that the draft unaudited STC Financial Statements 2013-14 be approved by Council.

<b>7</b>	<b>Documents Attached</b>
	Appendix A : Guidance to Councils and STCs on Financial Reporting Appendix B: Draft Unaudited STC Financial Statements 2013-14

# **LOCAL GOVERNMENT REFORM**

## **GUIDANCE TO COUNCILS AND STATUTORY TRANSITION COMMITTEES ON FINANCIAL REPORTING FOR STATUTORY TRANSITION COMMITTEES**

**DEPARTMENT OF THE ENVIRONMENT  
LOCAL GOVERNMENT POLICY DIVISION  
MAY 2014**

# CONTENTS

## Background

1. FINANCIAL REPORTING FOR STATUTORY  
TRANSITION COMMITTEES

# **GUIDANCE TO COUNCILS AND STATUTORY TRANSITION COMMITTEES ON FINANCIAL REPORTING FOR STATUTORY TRANSITION COMMITTEES**

## **Background**

This circular is intended to assist the 26 existing councils and the Statutory Transition Committees (STCs) by giving advance notice of the Financial Reporting requirements for STCs in 2013/14 and 2014/15.

## **1. FINANCIAL REPORTING FOR STATUTORY TRANSITION COMMITTEES**

1.1. A Statutory Transition Committee is a local government body for the purposes of Part 2 of the Local Government (NI) Order 2005. Following consultations with the Technical Accountancy Support Services (TASS) Steering Group, the Association of Local Government Finance Officers (ALGFO) and the Departmental Solicitor's Office (DSO), the Department can confirm that separate accounts must be prepared for each STC in 2013/14 and 2014/15. Advice from the DSO has confirmed that this is a legal requirement.

1.2. As STCs will cease to exist on 19 June 2014, under section 20 of the Local Government (Miscellaneous Provisions) Act (NI) 2010, the Department will modify the Local Government (Accounts and Audit) Regulations (NI) 2006 (S.R. 2006 No. 89) to facilitate the preparation, approval and signing of STC accounts by the new council / chief financial officer (CFO) of the new council. The Department will make provisions to modify the 2006 Regulations and any other relevant legislation, as required, in the Local Government (Transitional, Supplementary and Incidental Provisions and Modifications) Regulations (Northern Ireland) 2014. In particular please note that as a result of these provisions, where a STC ceases to exist, regulations 4 and 5 of the 2006 Regulations will apply as if:

- reference to a CFO of that committee were a reference to the CFO of that new council; and
- reference to that committee were a reference to the new council in relation to which that committee were established.



- 1.3. Please also note that section 1(2) of the Local Government Finance Act (Northern Ireland) 2011 provides that a council shall designate an officer of the Council as its CFO. New councils must therefore appoint a CFO in time to meet the requirements resulting from the new provisions to modify regulations 4 and 5 of the 2006 Regulations. STCs will be required to comply with all existing accounting and auditing requirements as prescribed by the Local Government (Northern Ireland) Order 2005 and the Local Government (Accounts and Audit) Regulations (NI) 2006.
  
- 1.4. In exercise of powers under Article 24(2) of the Local Government (Northern Ireland) Order 2005 and Regulation 4(1) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, the Department will direct that the STC accounts must comply with the Department's Accounts Direction. Given the role of the new council in the preparation of STC accounts, the Department's Accounts Direction in respect of STC accounts will be issued to the chief executive of both the STC and the new council for the 2013/14 accounts, and to the chief executive of the new council only for the 2014/15 accounts. A timeline of key actions for the 2013/14 STC accounts is attached at Annex A. In respect of the 2014/15 accounts, please note that separate Accounts Directions will therefore be issued to new councils for STC final accounts, existing council final accounts, and the new councils own accounts.
  
- 1.5. The format of the STC accounts will follow the layout of a new STC pro forma issued along with the Accounts Direction. As STCs have limited activity they will not be required to observe all accounting and disclosure requirements given in the applicable Code of Practice on Local Authority Accounting. The Department, in conjunction with the TASS Working Group, has ensured the pro forma is tailored to the needs of a STC given its limited activities.

### TIMELINE OF KEY ACTIONS FOR 2013/14 STC ACCOUNTS

ACTION	DATE
Accounts Direction to be issued to Statutory Transition Committee and Chief Executive of New Council	May 2014
Statutory Transition Committee unaudited accounts prepared, signed by Chief Executive of New Council, approved by New Council and submitted to Department	By 30 <sup>th</sup> June 2014
Local Government Auditor audits Statutory Transition Committee accounts	Between 1 <sup>st</sup> July 2014 – 31 <sup>st</sup> October 2014
New Council publishes Statutory Transition Committee accounts for 2013/14	By 31 <sup>st</sup> October 2014

# DRAFT UNAUDITED ANNUAL FINANCIAL STATEMENTS

Comprising Council Areas:  
Cookstown District Council  
Dungannon & South Tyrone Borough Council  
Magherafelt District Council

Mid Ulster Statutory Transition Committee

For the period ended 31st March 2014

# Mid Ulster Statutory Transition Committee

## Financial Statements

For the period ended 31st March 2014

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### Contents

<b>Explanatory Forward</b>	3
Introduction	3
Financial Report	3
Legislative Context for Preparation and Audit of the Financial Statements	4
<b>Statement of the Statutory Transition Committee's and the Chief Financial Officer's responsibilities for the Statement of Accounts</b>	5
The Statutory Transition Committee's Responsibilities	5
The Chief Financial Officer's Responsibilities	5
<b>Governance Statement</b>	6
Introduction	6
The purpose of the governance framework	6
Review of effectiveness	7
Significant governance issues	8
<b>Certificate of the Chief Financial Officer</b>	9
<b>Independent Auditor's Report to the Members of Mid Ulster Statutory Transition Committee</b>	10
<b>Movement in Reserves Statement</b>	12
<b>Comprehensive Income and Expenditure Statement</b>	13
<b>Balance Sheet</b>	14
<b>Cash Flow Statement</b>	15
<b>Notes</b>	
1 Accounting Policies	16
2 The Segmental Report	17
3 Income from Participating Councils	18
4 Government Grants	18
5 External Audit Fees	18
6 Staff Costs	18
7 Short Term Debtors	19
8 Cash Flow	19
9 Short Term Creditors	19
10 Related Party Transactions	19
Issue Certificate	20

# Mid Ulster Statutory Transition Committee

## Financial Statements

For the period ended 31st March 2014

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### Explanatory Forward

#### Introduction

The Mid Ulster Statutory Transition Committee was formed pursuant to the powers conferred by the Local Government (Statutory Transition Committees) Regulations (Northern Ireland) 2013.

These Regulations required each new Council area to establish a Statutory Transition Committee and the Mid Ulster Statutory Transition Committee was established on 2nd July 2013 in accordance with this legislation.

The Mid Ulster Statutory Transition Committee is comprised of 15 Councillors, 5 from each of the three constituent Councils, namely:

- Cookstown District Council
- Dungannon & South Tyrone Borough Council
- Magherafelt District Council

For the new council namely, Mid Ulster District Council, the Statutory Transition Committee must:

- 1) prepare a draft corporate and business plan;
- 2) prepare a draft budget; and
- 3) arrange the first meeting of the new Mid Ulster District Council.

#### Financial Report

The Financial Statements for the period ended 31st March 2014 have been prepared in line with The Code of Practice on Local Authority Accounting in The United Kingdom (the Code) and the Department of the Environment (DOE) Accounts Direction, Circular LG Circular 19/14. It is the purpose of this forward to explain, in an easily understandable way, the financial facts in relation to the Statutory Transition Committee for this period. However, the financial statements follow approved accounting standards and are necessarily technical in parts.

The Financial Statements explain the Statutory Transition Committee's finances during the financial period ended 31st March 2014 and its financial position at the end of that period.

The following statements provide further information:

- The Movement in Reserves Statement, as set out on page 12 shows the movement in the year on the reserves held by the Statutory Transition Committee. The surplus or (deficit) on the provision of services line shows the true economic cost of providing the Statutory Transition Committee's services.

## Mid Ulster Statutory Transition Committee

### Financial Statements

For the period ended 31st March 2014

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- The Comprehensive Income and Expenditure Statement, as set out on page 13, shows the income earned and the expenditure incurred during the period by the Statutory Transition Committee in accordance with generally accepted accounting practices. This includes details of funding received from Government bodies and participating Councils, together with details of administrative expenditure incurred by the Statutory Transition Committee.
- The Balance Sheet, as set out on page 14, shows the value as at the Balance Sheet date of the Statutory Transition Committee's assets and liabilities. The net assets of the Statutory Transition Committee (assets less liabilities) are matched by the reserves held by the Statutory Transition Committee.
- The Cash Flow Statement, as set out on page 15, shows the changes in cash and cash equivalents of the Statutory Transition Committee during the reporting period. The statement shows how the Statutory Transition Committee generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

For the period ended 31st March 2014 the Statutory Transition Committee accounted for grant income of £59,841, Council contributions of £11,232 and incurred total costs of £71,073. The financial activities of the Statutory Transition Committee are wholly funded by Government Bodies and the participating Councils, therefore resulting in a £nil surplus/deficit for the period.

### Legislative Context for Preparation and Audit of the Financial Statements

Section 15(8)(a) of the Local Government (Miscellaneous Provisions) Act (NI) 2010 provides that a Statutory Transition Committee is a local government body for the purposes of Part 2 of the Local Government (NI) Order 2005. The Local Government (Northern Ireland) Order 2005, Article 3, provides that:

The accounts of every local authority government body shall be :

- a) made up to the end of each financial year; and
- b) audited in accordance with Part 2 by a local government auditor designated by the Department, after consultation with the Comptroller and Auditor General for Northern Ireland

Article 24 of the Local Government (Northern Ireland) Order 2005 provides that the Department may issue regulations as to accounts and audit. In this regard the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 were made on 7 March 2006.

The Accounts Direction, issued by the Department of the Environment under Regulation 4 of the Local Government (Accounts and Audit) Regulations 2006 requires the Statutory Transition Committee to prepare accounts. These Financial Statements cover the period from 2nd July 2013 to 31st March 2014 and have been prepared in compliance with the Direction.

**Statement of the Statutory Transition Committee's and the Chief Financial Officer's responsibilities for the Statement of Accounts**

**The Statutory Transition Committee's Responsibilities**

Under Section 1 of the Local Government Finance Act (Northern Ireland) 2011 a Council shall make arrangements for the proper administration of its financial affairs. A council shall designate an officer of the council as its Chief Financial Officer (CFO). Arrangements made by a council for the proper administration of its financial affairs shall be carried out under the supervision of its Financial Officer.

Under Regulation 5 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 the Statutory Transition Committee is required by resolution to approve the accounts.

These accounts were approved by the Chief Financial Officer of the Mid Ulster District Council on 26th June 2014.

**The Chief Financial Officer's Responsibilities**

Under Regulation 4(1) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006, the Chief Financial Officer is responsible for the preparation of the Statutory Transition Committee's Statement of Accounts in the form directed by the Department of the Environment.

The accounts must give a true and fair view of the income and expenditure for the financial period and the financial position as at the end of the financial period.

In preparing this Statement of Accounts, the Chief Financial Officer is required to:-

- observe the Accounts Direction issued by the Department of the Environment;
- follow relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis;
- make judgements and estimates that are reasonable and prudent.

The Chief Financial Officer is also required to:-

- keep proper accounting records that are up-to-date; and
- take reasonable steps for the prevention and detection of fraud and other irregularities.

## **Governance Statement**

### **Introduction**

According to the Regulations, the primary role of the Statutory Transition Committee was to undertake preparatory duties to inform the key decisions of the new incoming Council following local government elections in May 2014.

The Statutory Transition Committee is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Statutory Transition Committee also has a duty under Local Government (Best Value) Act (NI) 2002 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Statutory Transition Committee is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Statutory Transition Committee is required to prepare an Annual Governance Statement, which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government. This statement explains how the Statutory Transition Committee meets the requirements of Regulation 2A of the Local Government Accounts and Audit (Amendment) Regulations (Northern Ireland 2006) in relation to the publication of a statement on internal control.

### **The purpose of the governance framework**

The governance framework comprises the systems and processes, and culture and values, by which the Statutory Transition Committee is directed and controlled and the activities through which the Statutory Transition Committee accounts to and engages with the community. It enables the Statutory Transition Committee to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate cost-effective services.

The governance framework has been in place for the financial period ended 31st March 2014 and up to the date of approval of the Financial Statements.

### **The Governance Framework**

This section provides a summary of the key elements of the systems and processes that comprise the Statutory Transition Committee's governance arrangements. As noted on page 7, the governance arrangements for the Statutory Transition Committee are set out in the Consortium Agreement and are supported by the overall governance framework set by Dungannon & South Tyrone Borough Council, in its role as Lead Council.



## Mid Ulster Statutory Transition Committee

### Financial Statements

For the period ended 31st March 2014

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The Chief Executive for the Lead Council has responsibility for maintaining a system of sound internal controls and risk management processes to support the Statutory Transition Committee in the achievement of its objectives, and for reviewing their effectiveness. The systems of controls are based on a continual process designed to identify the principal risks to the achievement of the project objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically.

A copy of the full Governance Statement for Dungannon & South Tyrone Borough Council is published in its own Financial Statements for the year ended 31st March 2014.

Overall control of the governance framework and system of internal controls is the responsibility of the Statutory Transition Committee.

#### Review of effectiveness

The Statutory Transition Committee has responsibility for conducting a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness was informed by the work of the Statutory Transition Committee's Officers, who have responsibility for supporting the Committee in the development and maintenance of the governance environment and also by recommendations made by auditors from the Department, the Audit Authority and other external auditors.

Overall control of the governance framework and system of internal controls is the responsibility of the Statutory Transition Committee. Regular meetings, policy documents and periodic progress reports enabled the Statutory Transition Committee to examine and evaluate the progress made and address issues affecting the implementation of the Statutory Transition Committee Plan.

The Chief Executive for the New Council has responsibility for the preparation of this Annual Governance Statement. In preparing this statement, they have considered the governance framework and system of internal controls in place. This review has been undertaken taking account of Guidance on the Local Government (Accounts and Audit) Regulations (Northern Ireland)

(Amendment) Regulations (Northern Ireland) 2006 issued by the Department of the Environment in February 2008. The Chief Executive of Dungannon & South Tyrone Borough Council leads the Council's Senior Management Team to collectively have involvement in and oversight of the processes involved in maintaining and reviewing the effectiveness of the governance framework, this includes the delivery of the Council's responsibilities as Lead Council for the Statutory Transition Committee. Progress on the implementation of the Statutory Transition Committee Plan and issues arising are reviewed and reported to the Councillors by way of Council reports.

## Mid Ulster Statutory Transition Committee

### Financial Statements

For the period ended 31st March 2014

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In producing this statement, full regard has been made to Dungannon & South Tyrone Borough Council's Corporate Risk Register and to Statements of Assurance provided by each Director to the Chief Executive for the period ended 31st March 2014.

The Lead Council undertook an annual review of the effectiveness of Internal Audit in line with the requirements of the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom 2006. This review proved satisfactory.

The Chief Executive for the Lead Council has advised the Statutory Transition Committee of the results and implications of the review of the effectiveness of the governance framework.

#### Significant governance issues

There were no significant governance issues noted

Signature .....  
Chief Financial Officer

Date 26th June 2014

Signature .....  
Presiding Councillor of Mid Ulster District Council

Date 26th June 2014

**Mid Ulster Statutory Transition Committee**

**Financial Statements**

**For the period ended 31st March 2014**

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**Certificate of the Chief Financial Officer**

I certify that :-

- a) The Statement of Accounts for the financial period ended 31st March 2014 on pages 3 to 28 has been prepared in the form directed by the Department of the Environment and under the accounting policies set out on page 22.
  
- b) In my opinion the Statement of Accounts give a true and fair view of the income and expenditure and cash flows for the financial period and the financial position as at the end of the financial period.

Signature .....  
Chief Financial Officer

Date 26th June 2014

Signature .....  
Presiding Councillor of Mid Ulster District Council

Date 26th June 2014

**Mid Ulster Statutory Transition Committee**

**Financial Statements**

**For the period ended 31st March 2014**

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**Independent Auditor's Report to the Members of Mid Ulster Statutory  
Transition Committee**

Mid Ulster Statutory Transition Committee

Financial Statements

For the period ended 31st March 2014

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Mid Ulster Statutory Transition Committee

Financial Statements

For the period ended 31st March 2014

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**Movement in Reserves Statement**

	Total Usable Reserves	Total Unusable Reserves	Total Reserves
	£	£	£
At 2nd July 2013	0	0	0
<b>Movement in reserves during the year</b>			
Surplus or deficit on provision of services	0	0	0
Other Comprehensive Income and Expenditure	0	0	0
Total Comprehensive Income and Expenditure	0	0	0
At 31st March 2014	<u>0</u>	<u>0</u>	<u>0</u>

**Mid Ulster Statutory Transition Committee****Financial Statements****For the period ended 31st March 2014****Comprehensive Income and Expenditure Statement**

	Notes	2013/14 £
<b>Income</b>		
Participating Councils	3	11,232
Government Grant	4	59,841
<b>Total Income</b>		<u>71,073</u>
<b>Expenditure</b>		
Staff Costs	5	31,376
Running Costs		21,770
Capacity Building		14,427
Election Expenditure		0
Audit Fee	6	3,500
Other Expenses		0
<b>Total Expenditure</b>		<u>71,073</u>
Surplus / (Deficit) on the provision of Services		<u>0</u>
Other Comprehensive Income and Expenditure		0
<b>Total Comprehensive Income and Expenditure</b>		<u>0</u>

Mid Ulster Statutory Transition Committee  
Financial Statements

For the period ended 31st March 2014

**Balance Sheet**

	Notes	2014 £
Short Term Debtors	7	48,036
Cash and Cash Equivalents	8	(41,396)
Current Assets		6,640
Short Term Creditors	9	6,640
Current Liabilities		6,640
Net Assets		<u>0</u>
Usable Reserves		0
Unusable Reserves		0
Net Worth		<u>0</u>



Mid Ulster Statutory Transition Committee

Financial Statements

For the period ended 31st March 2014

Cash Flow Statement

	Notes	2013/14
		£
Net (surplus) or deficit on the provision of services		0
Adjustments for items included in the net surplus or deficit on the provision of services that are investing	8	(41,396)
Net Cash Flows from Operating Activities		<u>(41,396)</u>
Net Cash Flows from Investing Activities		0
Net Cash Flows from Financing Activities		0
Net increase / (decrease) in cash and cash equivalents		<u>(41,396)</u>
Cash and Cash Equivalents at the beginning of the reporting period		0
Cash and Cash Equivalents at the end of the reporting period		<u><u>(41,396)</u></u>

**1 Accounting Policies**

**General Principles**

The Financial Statements summarise the Statutory Transition Committee's transactions for the 2013/14 financial period and its position at the end of 31st March 2014. The Statutory Transition Committee is required to prepare Financial Statements in a form directed by the Department of the Environment in accordance with regulations 4 (1) and (2) in the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2006 in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2013/14 and the Service Reporting Code of Practice 2013/14 supported by International Financial Reporting Standards (IFRS).

**Accruals of Income and Expenditure**

The Financial Statements have been prepared on an accruals basis. The accruals basis of accounting requires the non-cash effect of transactions to be reflected in the Financial Statements for the year in which those effects are experienced and not in the year in which the cash is actually received or paid. This ensures that provision has been made for known outstanding debtors and creditors at the year end, estimated amounts being used where actual figures are not available.

## Mid Ulster Statutory Transition Committee

### Financial Statements

For the period ended 31st March 2014

#### 2 The Segmental Report

	2013/14		
	DOE Funding	Cluster Funding	Total
	£	£	£
Income from Participating Councils	0	11,232	11,232
Government Grants	59,841	0	59,841
<b>Total Income</b>	<b>59,841</b>	<b>11,232</b>	<b>71,073</b>
Staff Costs	31,376	0	31,376
Running Costs	14,038	7,732	21,770
Capacity Building	14,427	0	14,427
Election Expenditure	0	0	0
Audit Fee	0	3,500	3,500
Other Expenses	0	0	0
<b>Total Comprehensive Income and Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Mid Ulster Statutory Transition Committee

## Financial Statements

For the period ended 31st March 2014

<b>3</b>	<b>Income from Participating Councils</b>	<b>2013/14</b>
		<b>£</b>
	Cookstown District Council	3,744
	Dungannon & South Tyrone Borough Council	3,744
	Magherafelt District Council	3,744
		<u>11,232</u>
<b>4</b>	<b>Government Grants</b>	<b>2013/14</b>
		<b>£</b>
	Change Manager Funding	31,376
	Member/Staff Capacity Building and running costs	28,465
		<u>59,841</u>
<b>5</b>	<b>Staff Costs</b>	<b>2013/14</b>
		<b>£</b>
	Salaries	24,475
	National Insurance	1,997
	Pension Costs	4,904
		<u>31,376</u>
		<b>2013/14</b>
		<b>FTE</b>
	Total Staff Numbers	1
		<b>Actual Numbers</b>
	Full-time numbers employed	<u>1</u>
		<u>1</u>
<b>6</b>	<b>External Audit Fees</b>	<b>2013/14</b>
		<b>£</b>
	External Audit Fees	3,500
	Other Fees	0
		<u>3,500</u>

## Mid Ulster Statutory Transition Committee

### Financial Statements

For the period ended 31st March 2014

<b>7 Short Term Debtors</b>	<b>2014</b>
	£
Government Departments	40,548
Councils	7,488
	<u>48,036</u>

The Statutory Transition Committee does not have a bank account. All financial transactions are administered by the Lead Council or the constituent Councils directly.

<b>8 Cash Flow Note – Analysis of Adjustments to Surplus/Deficit on the Provision of Services</b>	<b>2013/14</b>
	£
(Increase) / decrease in debtors	(48,036)
Increase / (decrease) in creditors	6,640

Cash and Cash Equivalents	<u>(41,396)</u>
---------------------------	-----------------

<b>9 Short Term Creditors</b>	<b>2014</b>
	£
Councils	231
Accruals	6,409
	<u>6,640</u>

#### 10 Related Party Transactions

A Related Party Transaction is a transfer of resources or obligations between related parties, regardless of whether a price is charged. Related Party Transactions exclude transactions with any other entity that is a related party solely because of its economic dependence on the Joint Committee or the Government of which it forms part.

A related party is one that has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes cases where the related party entity and another entity are subject to common control but excludes providers of finance in the course of their normal business with the Joint Committee and Trade Unions in the course of their normal dealings with the Joint

In addition where the relationship with the Statutory Transition Committee and the entity is solely that of an Agency, these are not deemed to be Related Party Transactions.

Transactions with related parties have been disclosed elsewhere in these financial statements.

## Mid Ulster Statutory Transition Committee

### Financial Statements

For the period ended 31st March 2014

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### Accounts Authorised for the Issue Certificate

In accordance with International Accounting Standard 10, Events after the Balance Sheet Date (IAS 10) this Statement of Accounts which contains a number of minor amendments from the Accounts approved on 26th June 2014 are at today's date hereby authorised for issue.

IAS 10 sets out

- The period during which an entity should adjust its financial statements for events after the balance sheet date as being the period between the date the financial statements were prepared and the date of this authorisation; and
- In the event of adjustments the disclosures that should be made.

Signed

.....

Chief Financial Officer

Dated

**G**

**Subject:** Lead Council for HR & Finance – Transitional Period

**Reporting Officer:** Chief Executive

<b>1</b>	<b>Purpose of Report</b>
1.1	To seek Members approval for Dungannon & South Tyrone Borough Council to act as lead council on behalf of Mid Ulster District Council during the transitional period in respect of finance and human resource matters.

<b>2</b>	<b>Background</b>
2.1	Members may be aware that Dungannon & South Tyrone Borough Council acted as lead council for the Mid Ulster Statutory Transition Committee.

<b>3</b>	<b>Key Issues</b>
3.1	Members are advised that Mid Ulster District Council will not have adequate resources during the transitional period to deliver the required range of finance and human resource functions.
3.2	It is essential that good governance and efficient delivery of these key functions are maintained during the transitional period and that risk is mitigated.
3.3	The Chief Executive of Dungannon & South Tyrone Borough Council has indicated that he is content with this arrangement subject to close monitoring on the affect that the additional workload may have on staff and service delivery within his Council.

<b>4</b>	<b>Resource Implications</b>
4.1	<b><u>Financial</u></b>
4.1.1	There may be a requirement to provide additional resource to Dungannon and South Tyrone Borough Council to facilitate delivery of this function. If



	required this will have a financial implication for Mid Ulster District Council.
4.2	<b><u>Human resources</u></b>  Workloads will be closely monitored to ensure that staff are not overburdened with additional work.
4.3	<b><u>Assets and other implications</u></b>  N/A

<b>5</b>	<b>Other Considerations</b>
	N/A

<b>6</b>	<b>Recommendations</b>
6.1	Dungannon & South Tyrone Borough Council act as lead council on behalf of Mid Ulster District Council during the transitional period in respect of finance and human resource matters

<b>7</b>	<b>Documents Attached</b>
7.1	N/A

**H**

<b>Subject</b>	<b>Rate Convergence Consultation</b>
<b>Reporting Officer</b>	<b>Change Manager</b>

<b>1</b>	<b>Purpose of Report</b>
1.1	To communicate and provide authority for member and officer attendance at Rate Convergence Consultation Engagement Event on Monday 30 June.

<b>2</b>	<b>Background</b>
2.1	As part of Local Government Reform the NI Executive through the Department of the Environment will introduce a Rates Convergence Scheme to manage the potential financial impact on ratepayers of new district council areas. Decisions on the administration of the scheme still have to be made on how the package of funding available can be distributed in the fairest and simplest way possible.

<b>3</b>	<b>Key Issues</b>
3.1	The Rate Convergence Scheme will be rolled out and made available across each new District Council. Members should be given the opportunity to inform the final design of the Scheme from a Mid Ulster perspective and become engaged in the process.

<b>4</b>	<b>Resource Implications</b>
4.1	<b><u>Financial</u></b>
4.2	The consultation event is free to members and officers to attend.
4.3	<b><u>Human resources</u></b>
	N/ A
	<b><u>Assets and other implications</u></b>

<b>5</b>	<b>Other Considerations</b>
5.1	N/A

<b>6</b>	<b>Recommendations</b>
6.1	Members agree to the attendance of members and officers as required to participate in the consultation event.

<b>7</b>	<b>List of Documents Attached</b>
	Appendix 1 NILGA Rate Convergence Consultation Leaflet

## RATE CONVERGENCE CONSULTATION- KEY COUNCIL ENGAGEMENT EVENT

### Managing Convergence of District Rates — *What type of scheme do YOU want?*

Magherafelt District Council Offices

30th June 2014 10.00am—12.30pm

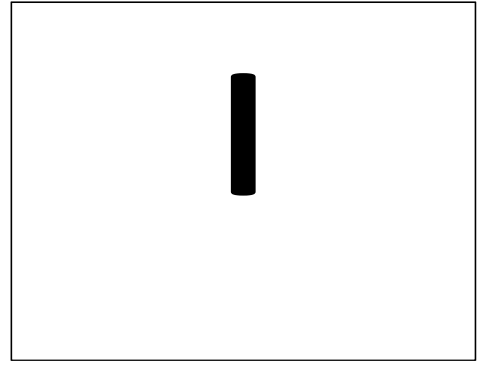
(Registration and refreshments from 9.30am, light lunch provided)

Rate Convergence is an important issue for many of the incoming councils and their ratepayers. The NI Executive has listened to concerns from local government and ratepayers about managing the financial impact of Councils coming together and has made available up to £30m for a scheme to avoid as far as possible hikes in District Rates resultant from council mergers and boundary changes. Key decisions still have to be made about how this can be distributed in the fairest, most effective and simplest way possible. This morning event examines options identified in the Department of Finance & Personnel's consultation paper. It's vital that elected members fully understand the options available and how the components of the scheme come together, such as:

- The duration of the scheme
- How relief will be phased during the life of the scheme
- Eligibility criteria for relief, including the need for thresholds

Mr Brian McClure, Direct or of Rating Policy Division of the Department will be in attendance to speak and help answer any queries Members may have. The event will be interactive, allowing Members a full opportunity to express views and raise issues in relation to the issues discussed in the consultation paper, and will also help to form NILGA's regional response to the consultation.

This **FREE** event is open to all Elected Members and Officers, but numbers are limited. For guidance, we ask each Shadow Council to nominate up to six representatives to attend. NILGA will also try to accommodate attendance from Members of the existing 26 Councils. Councils should complete the booking form on the reverse and return it to NILGA by emailing [a.mcbride@nilga.org](mailto:a.mcbride@nilga.org), before 12.00pm on 27th June 2014.



**Subject:** DSD Budget Allocation Model

**Date:** 26 June 2014

<b>1</b>	<b>Purpose of Report</b>
1.1	To advise Members of correspondence received from the DSD Minister in respect of the DSD Budget Allocation Model.

<b>2</b>	<b>Background</b>
2.1	Members will be aware that under the review of public administration the current Department for Social Development responsibilities for operational delivery of local urban regeneration and community development will transfer to the new Councils in April 2015.
2.2	As part of this transfer, DSD's budget for local urban regeneration and community development will be allocated to the new Councils. DSD developed a draft methodology for the apportionment of their budget and issued this to Councils on 18 December 2013.
2.3	The table in Appendix A summaries how DSD's budget would be transferred across Councils. The table indicated that Mid Ulster District Council would receive an annual allocation of £3.467m.
2.4	The budget allocation model reflected an anticipated 4% reduction in expenditure due to need for DSD to make efficiency savings and noted that the figures were indicative until the Executive agreed the 2015/2016 budget.
2.5	The budget model was considered by the Mid Ulster Statutory Transition Committee who expressed concern regarding the implications for Mid Ulster and sought a meeting with the DSD Minister to discuss. The meeting was due to take place on 20 May 2014 but was cancelled due to the unavailability of the Minister.

<b>3</b>	<b>Key Issues</b>
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3.1	The DSD Minister wrote again to Councils on 18 June 2014 to advise that the Budget Allocation Model had been revised to reflect comments made by Councils.
3.2	The correspondence notes that the proposed methodology, with some small modifications, provides the most objective basis for the distribution of DSD's Urban Regeneration and Community Development budgets.
3.3	A revised budget allocation model has been prepared by DSD to reflect the available revised population statistics and the removal of the Laganside functions for the purpose of distributing salary costs across the 11 Councils.
3.4	The revised budget allocations across the new Councils are outlined in the table in Appendix B for Members information. Members will note that the proposed annual allocation for Mid Ulster has been reduced by £0.468m to £2.999m.

<b>4</b>	<b>Resource Implications</b>
4.1	<b><u>Financial</u></b>
4.1.1	The proposed annual budget allocation for Mid Ulster District Council now stands at £2.999m, a reduction of £0.468m in the figures previously provided.
4.2	<b><u>Human resources</u></b> N/A
4.3	<b><u>Assets and other implications</u></b> N/A

<b>5</b>	<b>Other Considerations</b>
5.1	The proposed reduction of £0.468m in the annual budget that Mid Ulster District Council will receive from DSD will have a severe detrimental effect on the ability of the Council to discharge its local urban regeneration and community development responsibilities.
5.2	There is a need for urgent discussions with the DSD Minister in relation to this matter with a view to ensuring that:-



5.3	<ol style="list-style-type: none"> <li>1. Transitional funding is provided to ensure the completion of the public realm schemes in Cookstown, Dungannon and Magherafelt</li> <li>2. The transfer of DSD functions do not place a burden on the rate payers of Mid Ulster</li> <li>3. Funding is distributed in a fair and equitable manner to reflect the deprivation across the entire Mid Ulster district, not just in settlements with a population in excess of 1000.</li> <li>4. Funding reflects the population growth in Mid Ulster</li> <li>5. The funding allocation model be subject to rural proofing</li> </ol> <p>The Chief Executive's Office has been in touch with the DSD Minister's Office following receipt of the revised budget allocation to request that a meeting with a delegation from Mid Ulster District Council be convened as a matter of urgency. This meeting has been scheduled for 1 July 2014 at 3:15pm in Stormont.</p>
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<b>6</b>	<b>Recommendations</b>
6.1	Member's comments and recommendations are invited.

<b>7</b>	<b>Documents Attached</b>
7.1	Appendix A : Budget Allocation Model – December 2013 Appendix B : Budget Allocation Model – June 2014

**REFORM OF LOCAL GOVERNMENT**

**TRANSFER OF URBAN REGENERATION  
AND COMMUNITY DEVELOPMENT  
BUDGETS TO LOCAL GOVERNMENT**

**BUDGET ALLOCATION MODEL**

## CONTENTS

	<b>Page</b>
1. Background	3
2. Assumptions	5
3. Guiding Principles	6
4. Budgets available for allocation to local government	7
5. Options considered	8
6. Tackling Disadvantage Component	9
7. Physical Regeneration Component	12
8. Laganside Component	13
9. Community Development Component	15
10. Finalised allocation model	16
11. Regionally Significant Projects	17
 <b>Annexes</b>	
Annex 1: Objectives of the Regeneration and Community Development Framework	18
Annex 2: Summary of Options Considered	19
Annex 3: Estimated results of the allocation formula	22

## **1. BACKGROUND**

- 1.1 Under the Executive's current plans for the Reform of Local Government, DSD's responsibility for operational delivery of local urban regeneration and community development will transfer to the new Councils in April 2015. The Executive has agreed that the following activities currently carried out by DSD should transfer: town and city regeneration; area-based regeneration; and support for the voluntary and community sectors at local level.
- 1.2 Under the reforms, the Department will retain responsibility for the overarching policy for regeneration and community development, and be responsible for regionally significant interventions. DSD will confer on the new Councils the powers conferred on the Department by Part VII of the Planning Order 1991 and the Social Need Order 1986. DSD will place a statutory duty on the new Councils to have regard for strategic guidance that the Department will issue, but they will decide how best to deliver their increased responsibilities with their areas. Therefore, the new Councils will be under no obligation to continue to deliver the same kind of projects or programmes that DSD has delivered to date.
- 1.3 As part of the transfer, DSD's budget for delivery of regeneration and community development will be allocated to the new Councils. It has been necessary to establish an objective model on which to base the amounts to be allocated to each Council.
- 1.5 For the regeneration and community development elements of the budget, it is not appropriate to use historic patterns of expenditure as the basis for the allocation model. Patterns of spend by DSD, particularly on capital projects, are highly variable from place to place and over relatively short periods of time. Therefore, an analysis of current or recent spend patterns is unlikely to be a reliable guide to how money should be allocated to Councils.
- 1.6 The funding for Councils' new responsibilities will transfer through the rates system and will form the basis of an ongoing annual allocation.
- 1.7 As the transfer of budgets will be through the rating system, there will be no distinction between revenue and capital expenditure. Therefore, the Department does not need to develop separate allocation formulas for capital and other resource budgets.
- 1.8 The following sections of this document set out the assumptions which the Department has made and the guiding principles which it has applied to the design

of the formula. It also explains in some detail how the formula has been developed and how the individual components have been calculated.

## **2. ASSUMPTIONS**

- 2.1 In developing the funding allocation model, the Department has assumed that there will be EU funding for rural development provided to the new Councils through DARD. The allocation model for the DSD regeneration budgets should, therefore, take account of this.

### **3. GUIDING PRINCIPLES**

3.1 The Department has also drawn up a set of guiding principles which it has applied to the design of the budget allocation formula.

- (a) The model for budget allocation should be settled as quickly as possible to allow effective business continuity planning by DSD, Statutory Transition Committees and Shadow Councils.
- (b) The budget allocation formula should provide the new Councils with an objectively based allocation to take forward their regeneration and community development responsibilities, having regard for the objectives and associated outcomes of the recently published Urban Regeneration and Community Development Policy Framework (summarised at Annex 1). Therefore, the allocation model should be forward looking. The model should not be designed either to perpetuate current patterns or to balance out or compensate for perceptions of imbalance in historical spending patterns.
- (c) The objectives of the Regeneration and Community Development Policy Framework cannot be effectively delivered should a Council choose to do so unless every Council area receives a reasonable allocation from the formula.
- (d) The allocation model should not be dependent on the amount of budget available to allocate. The model should produce a fair allocation regardless of the amount that is available to allocate.
- (e) Assets owned by the Department will also transfer to the relevant Council but the allocation of programme budget should not be linked to these transfers. Therefore, a Council which will inherit a large number of high value regeneration assets from DSD should not have its budget allocation adjusted as a result.
- (f) The allocation formula should be calculated on the basis of the most robust and reliable data and indicators available to the Department.

#### **4. BUDGET AVAILABLE TO ALLOCATE**

4.1 The budget for the transferring regeneration and community development activities in 2014/15 comprises the following elements:

- (a) £29 million in the baseline for tackling disadvantage (£21 million other resource; £8 million capital);
- (b) £25.7 million in the baseline for physical regeneration;
- (c) £2.7 million for Laganside (this is the average annual cost of maintaining the Laganside assets; actual expenditure varies widely between years) ;
- (d) £7.2 million in the baseline for the Community Support Programme and Community Investment Fund; and
- (e) the Department will transfer the staff costs and general administrative expenditure (GAE) costs connected to the transferring activities. These are projected to be £5.6 million salaries and £0.7m GAE in the current financial year.

4.2 The transfer of responsibilities for regeneration and community development to local government will take place at the start of the 2015/16 Budget period. The Department assumes that it will be required to deliver a minimum 4% efficiency saving on its budgets. Therefore, in order to ensure a prudent approach to planning, the allocation model applies this reduction to the budgets set out in paragraph 4.1. Ultimately, the final budget to transfer will be decided by the Executive as part of its 2015/16 Budget process and the Department cannot rule out the possibility that it may be reduced further as part of the outcome of that process.



## **5. OPTIONS CONSIDERED**

- 5.1. A number of options for the allocation formula were considered by the Department. A summary of the options, the rationale for each and the pros and cons is attached at Annex 2
- 5.2 Of the options considered, Option 4 – a combination formula which applies different methodologies to the various components of the budget – was considered to be the option which best fits the guiding principles.

### **Preferred Option**

- 5.3 In summary, the combination formula will involve allocating the:
- (a) budget for tackling disadvantage on the basis of population weighted by socio-economic need;
  - (b) budget for physical regeneration on the basis of the urban population of the cluster;
  - (c) budget for Laganside to Belfast;
  - (d) budget for the Community Support Programme and Community Investment Fund on the basis of population weighted by socio-economic need; and
  - (e) associated salary costs in proportion to the programme allocations.
- 5.4 The Department has considered two key questions around the basis for allocating the various components of the formula, namely the:
- (a) measure of socio-economic to be used as the weighting element of the calculations for the Tackling Disadvantage and Community Development components; and
  - (b) population base to be used for the calculations.

## **6. TACKLING DISADVANTAGE COMPONENT**

6.1 The Regeneration and Community Development Policy Framework includes tackling area-based deprivation as one of the four strategic priorities. The Department considers that the component of the allocation formula relating to tackling disadvantage should be targeted towards the areas where deprivation is greatest and that this can be best achieved through a calculation which weights the population of the Council area by a measure of socio-economic need.

### **Weighting for Socio-Economic Need**

6.2. There are a number of measures on which the needs weighting element of the calculations could be based. The possibilities which have been examined by the Department are as follows:

- (a) the population in the Council cluster living in the most deprived 10% of Super Output Areas (SOAs) on the Multiple Deprivation Measure. This option is broadly similar (but not identical) to the method currently used to allocate Neighbourhood Renewal funding;
- (b) the extent of deprivation figure produced by NISRA for each new Council area. This measure presents the proportion of the population living in deprived SOAs expressed as a percentage. This percentage could be applied to the population of the district. A weakness with this option is that the extent of deprivation figure relates to the whole district and cannot be mapped reliably onto urban populations;
- (c) the income deprived population in the Council cluster produced by NISRA. There is a 0.98 correlation (that is, very close to an exact match) between the spatial distribution of income deprivation and the spatial distribution of the Multiple Deprivation Measure at SOA level. Therefore, this measure provides a reliable indicator of the level of multiple deprivation in an Council area; and
- (d) the employment deprived population in the Council cluster as provided by NISRA. The correlation between the spatial distribution of employment deprivation and the Multiple Deprivation Measure at SOA level is weaker than for income deprivation.

6.3. In view of the significance of the decision as to how socio-economic need should be targeted, the Department considers that the needs weighting element of the

calculation should be based on the option which provides the most robust and sensitive measure of socio-economic that is readily available.

6.4 The Department's view is that the measure which best meets this requirement is the income deprived population of each new Council area. Income deprived population is a measure which is already produced by NISRA and is, therefore, robust and readily available from a source independent of DSD. There is a very strong correlation between the most income deprived areas and areas experiencing the worst multiple deprivation, making this measure a very good basis for allocating a budget which has been created to tackle multiple deprivation.

### **Population base for calculations**

6.5 The Department considered three options for the population base for the calculations. These were as follows:

- (a) the total population living in the Council cluster area;
- (b) the urban population of the Council cluster area based on current DSD practice – that is, the population living in settlements in classifications A (Belfast) to E (small town); and
- (c) the urban population of the Council cluster area based on a new definition of urban, namely the population living in settlements in classifications A (Belfast) to G (large village).

6.6 One of the guiding principles is that the allocation formula should avoid 'double counting' with rural development funding. The Department considers that double counting can only be avoided by directing the budget currently used by DSD for regeneration activities to urban areas.

6.7 Currently DSD's urban regeneration activity is directed towards settlements with populations of 4,500 or above. This policy is based on the need to clearly establish a definition of urban and rural in Northern Ireland as DSD's remit is clearly defined in the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 as urban regeneration. For this reason, the Department has since 1 April 2004 directed its regeneration activities in line with the 4,500 definition.

6.8 Local government's scope of action will not be subject to the same legislative constraints. The new Councils will be able to undertake regeneration work of the kind currently delivered by DSD in smaller settlements. The Department's

engagement with local government to date indicates that many of the new Councils will be interested in taking up this opportunity may revisit some of the successful regeneration schemes such as CRISP, the Community Property Development Scheme and the Urban Development Programme, that the Department delivered in smaller settlements prior to 2004.

- 6.9 The Department considers that the likely direction of the new Councils' decisions should be recognised in the allocation formula by amending the definition of urban to include all settlements in classifications A to G. This will reset the definition to the position prior to 2004 by bringing in large villages and intermediate settlements with populations between 1000 and 4,500.

## **7. PHYSICAL REGENERATION COMPONENT**

- 7.1 Two objectives in the Urban Regeneration and Community Development Policy Framework relate to physical regeneration: Objective 2 ‘to strengthen the competitiveness of our towns and cities’; and Objective 3 ‘to improve linkages between areas of need and areas of opportunity’. It is the Department’s experience that physical regeneration projects tend to be undertaken in response to physical problems such as dereliction, market failure or opportunities arising from private sector interest. As a consequence, measures of socio-economic need do not offer a reliable method for targeting resources for physical regeneration. The Department considers that a population based calculation is the most appropriate method for allocating the physical regeneration component of the formula.
- 7.2 For the reasons outlined in section 6, the Department considers that the allocation formula should be based on the population of urban settlements, with urban being defined as all settlements in classification bands A to G.

## 8. LAGANSIDE COMPONENT

- 8.1 The Laganside assets, including the impounded River Lagan and weir will be transferred from DSD to Belfast City Council, along with the responsibility for managing and maintaining those assets. Unlike the other components of the budget to transfer, it is appropriate to take into account historic spend.
- 8.2 Annual expenditure by the Department on management and maintenance of the Laganside assets varies widely due to the need to carry out major works on multi-annual cycles and under the guidance of civil engineers. For example, the Lagan needs to be dredged approximately every 7 years, the rams on the Lagan Weir need to be refurbished every 10 years (estimated by Civil Engineers Branch of Central Procurement Directorate) and repairs need to be made to the revetments from time to time. Given that the Laganside river infrastructure has been in place for a relatively short time, historical patterns of expenditure by the Department will provide a poor basis for working out the allocation for the Laganside component.
- 8.3 The method which has been used to calculate the Laganside allocation is as follows.
- (a) The total actual spend on Laganside for the 3 years from 1 April 2010 to 31 March 2013 has been calculated.
  - (b) The actual costs for dredging, ram refurbishment and revetment works have been deducted.
  - (c) The remaining figure has been divided by 3 to give a base annual average expenditure of £1.8 million.
  - (d) The annualised cost of the major cyclical works has been calculated at £900,000. This is made up as follows:
    - The cost of dredging the Lagan is estimated at £3.5 million. This has been divided by 7 to give an annualised cost of £500,000.
    - The cost of refurbishing the ram weirs is estimated at £2.5 million. This has been divided by 10 to give an annualised cost of £250,000.
    - The average annual cost of works to the revetments is estimated at £150,000.

8.4 The entirety of the £2.7 million Laganside allocation will transfer to the new Belfast City Council.

## **9. COMMUNITY DEVELOPMENT COMPONENT**

- 9.1 The fourth objective of the Urban Regeneration and Community Development Policy Framework – ‘to develop more cohesive and engaged communities’ – relates to community development.
- 9.2 In general terms, it has been the Department’s experience that the need for community development activity is greatest in areas of social and economic need. Therefore, a measure of socio-economic need would be the most appropriate method for targeting resources for community development. For the reasons outlined in section 6, the Department considers that the measure which is most suitable for this purpose is the income deprived population of each new Council area.
- 9.3 The Department’s community development activity has not been limited to urban areas in the same way as its regeneration work. Therefore, the Department considers that the calculation of the community development component should be based on income deprived population of the whole Council area.



## 10. FINALISED ALLOCATION FORMULA

10.1 Bringing all of this together, the Department will calculate the allocation of its budget to the new local authorities on the following basis:

- (a) £27.840 million for tackling disadvantage will be allocated on the basis of the income deprived population living in settlements in classification bands A to G in the new Council area; plus
- (b) £24.690 million for physical regeneration will be allocated on the basis of the total population living in settlements in classification bands A to G in the new Council area; plus
- (c) £2.592 million will be allocated to Belfast City Council in respect of Laganside; plus
- (d) £6.912 million for the Community Support Programme and Community Investment Fund will be allocated on the basis of the income deprived population living in the new Council area; plus
- (e) associated salary and general administrative expenditure (GAE) costs of £5.4 million plus £0.67 million respectively will be allocated in proportion to the programme allocations (that is, (a) + (b) + (c) + (d) above for each cluster ÷ total programme budget).

10.2 The precise figures to support the allocation formula will not be available until March 2014, when NISRA will have updated the new Council population figures. Until that point, the results from the calculation (which are shown in Annex 3) are estimates only. However, these estimates provide a reasonable indication of how the Department's budget will be allocated.

## **11. REGIONALLY SIGNIFICANT PROJECTS**

- 11.1 The arrangements for the transfer of urban regeneration and community development to local authorities allow the Department to retain an operational role in the delivery of regeneration projects considered to be regionally significant, either at the request of a local authority or as determined by the Department.
- 11.2 There is no precise definition of what would qualify as a regionally significant project but, at this point, the Department's planning assumption is that there will be no such projects retained by DSD at the transfer date in 2015. Therefore, the Department does not plan to withhold any of the current transferring budget to meet the costs of regionally significant projects.
- 11.3 The Department recognises that regionally significant projects may be identified in the future. Since regionally significant projects will most likely require capital rather than resource funding, the number delivered by DSD in an average year is likely to be small and the annual spend will be highly variable, the Department's preferred approach is to maintain lines for regeneration projects within the DSD budget and bid for the necessary funding for individual projects as and when they are identified.

## **OBJECTIVES OF THE REGENERATION AND COMMUNITY DEVELOPMENT POLICY FRAMEWORK**

### **Policy Objectives**

1. To Tackle Area-Based Deprivation
2. To Strengthen the Competitiveness of Our Towns and Cities
3. To Improve Linkages between Areas of Need and Areas of Opportunity
4. To develop More Cohesive and Engaged Communities

### **Supporting Actions**

1. Support and Evidence-Based Policy Environment
2. Support and Innovative Financial Environment
3. Support the Development of Skilled and Knowledgeable Practitioners
4. Support and Effective and Efficient Voluntary and Community Sector

### **Framework Outcomes**

1. Sustainable, viable neighbourhoods integrated into urban assets and opportunities
2. Competitive and connected towns, cities and urban communities
3. Reductions in contested spaces and interfacing
4. Engaged communities
5. Skilled and knowledgeable practitioners
6. Maximising investment in disadvantaged communities

## ANNEX 2

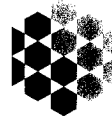
Description	Rationale	Pros	Cons
<p>Option 1: Per capita allocation of total available budget on the basis of the total population of each cluster as measured on a specified date</p>	<p>The need for funding follows the population, therefore the funding should be allocated on the basis of the population</p>	<p>Straightforward basis for calculation Addresses concerns about arbitrary limiting of DSD activities to towns with populations over 4,500</p>	<p>Does not take account of socio-economic need; does not address 1st policy objective of URCD framework Some areas benefiting from both the urban regeneration budget and Rural Development funding from DARD for the same populations - unfair to Council areas with mainly urban populations. Substantial change from existing spend patterns; transition problems in some areas; could be politically contentious if there is a perceived community background bias to the 'winners and losers'.</p>
<p>Option 2: Per capita allocation of total available budget on the basis of the <u>urban</u> population of each cluster as measured on a specified date.</p>	<p>DSD's funding was provided by the Assembly to deliver urban regeneration, therefore the funding should be allocated on the basis of the urban population.</p>	<p>Straightforward basis for calculation</p>	<p>Does not take account of socio-economic need; does not address 1st policy objective of URCD framework Does not take account of urban and rural community development activity. Change from existing spend patterns; transition problems in some areas; could be politically contentious if there is a perceived community background bias to the 'winners and losers'. Definition of 'urban' not universally agreed; definition could be politically contentious and delay agreement.</p>

Description	Rationale	Pros	Cons
<p>Option 3: Per capita allocation (based on either total population or urban population or the Council cluster) with some form of weighting for need</p>	<p>DSD's funding was provided by the Assembly to meet socio-economic need (in urban areas). Therefore, the funding should be allocated with some form of weighting towards the Councils with the greatest levels of socio-economic need.</p>	<p>Takes account of need Less change from existing spend patterns that options 1 and 2; fewer transition issues.</p>	<p>Could be a more complicated formula Does not take account of the need to promote competitiveness of towns and cities; does not address 2nd policy objective of URCD framework. No universally agreed measure for targeting spatial deprivation; DSD would have to decide which method to use; decision is essentially political and likely to be contentious. May result in allocations which do not provide all Councils with a reasonable budget for regeneration.</p>
<p>Option 4: A combination formula which allocates</p> <ul style="list-style-type: none"> <li>(a) tackling disadvantage on basis of needs weighted urban population; plus</li> <li>(b) physical regeneration on basis of urban population; plus</li> <li>(c) community development on basis of needs weighted population; plus</li> <li>(d) staffing budget in proportion to the programme allocations</li> </ul>	<p>Mirrors the basis on which DSD's funding has been provided by the Assembly. It also reflects the objectives of the Urban Regeneration and Community Development Policy Framework</p>	<p>Takes account of socio-economic need; addresses 1st policy objective of URCD framework Takes account of the need to promote the competitiveness of towns and cities; addresses 2nd policy objective of URCD framework. Takes account of community development activity; addresses 4th policy objective of URCD framework. Likely to produce reasonable allocations for all Council areas Less change from existing spend patterns that options 1 and 2; fewer transition issues.</p>	<p>More complicated formula Definition of 'urban' not universally agreed; definition could be politically contentious and delay agreement. No universally agreed measure for targeting spatial deprivation; DSD would have to decide which method to use; decision is essentially political and likely to be contentious.</p>

Description	Rationale	Pros	Cons
Option 5: A new system involving scoring and weighting relevant criteria	Would reflect the objectives of the Urban Regeneration and Community Development Policy Framework	<p>Takes account of socio-economic need; addresses 1st policy objective of URCD framework</p> <p>Takes account of the need to promote the competitiveness of towns and cities; addresses 2nd policy objective of URCD framework.</p> <p>Takes account of community development activity; addresses 4th policy objective of URCD framework.</p> <p>Likely to produce reasonable allocations for all Council areas</p>	<p>More complicated formula</p> <p>Lot of work for a one-off exercise</p> <p>No objective measures currently exist for many of the factors; decisions are essentially political and therefore likely to be contentious.</p>

## Annex 3

	Tackling Disadvantage Component			Physical Regeneration Component			Laganside	Community Development Component			Total Programme		Salary & GAE costs in proportion to Programme allocation	Total Allocation	
	Income Deprived Population Settlement Bands A-G	% of total	Indicative allocation (£,000)	Total Population Settlement Bands A-G	% of total	Indicative allocation (£,000)	Average annual cost	Income Deprived Population of District	% of total	Indicative allocation (£,000)	Indicative allocation (£,000)	% of total		Indicative allocation (£,000)	% of total
Antrim and Newtownabbey	22,161	6.44%	1,793	111,038	7.86%	1,942		25,100	5.67%	392	4,127	6.65%	405	4,532	6.65%
Armagh, Banbridge and Craigavon	32,364	9.41%	2,619	158,089	11.20%	2,765		43,800	9.89%	684	6,067	9.78%	596	6,663	9.78%
Belfast	107,505	31.25%	8,700	319,375	22.62%	5,585	2,592	109,900	24.81%	1,715	18,592	29.97%	1,826	20,418	29.97%
Causeway Coast and Glens	23,250	6.76%	1,881	115,861	8.21%	2,026		34,900	7.88%	545	4,452	7.18%	437	4,890	7.18%
Derry and Strabane	47,173	13.71%	3,817	119,867	8.49%	2,096		55,900	12.62%	872	6,786	10.94%	667	7,453	10.94%
Fermanagh and Omagh	12,662	3.68%	1,025	50,562	3.58%	884		27,500	6.21%	429	2,338	3.77%	230	2,568	3.77%
Lisburn and Castlereagh	15,037	4.37%	1,217	96,065	6.80%	1,680		18,300	4.13%	286	3,182	5.13%	313	3,495	5.13%
Mid and East Antrim	20,847	6.06%	1,687	120,954	8.57%	2,115		25,300	5.71%	395	4,197	6.77%	412	4,609	6.77%
Mid Ulster	14,959	4.35%	1,211	81,937	5.80%	1,433		32,900	7.43%	513	3,157	5.09%	310	3,467	5.09%
Newry & Mourne and Down	25,605	7.44%	2,072	102,120	7.23%	1,786		43,900	9.91%	685	4,543	7.32%	446	4,989	7.32%
North Down and Ards	22,464	6.53%	1,818	135,968	9.63%	2,378		25,400	5.73%	396	4,592	7.40%	451	5,043	7.40%
	<b>344,027</b>		<b>27,840</b>	<b>1,411,836</b>		<b>24,690</b>	<b>2,592</b>	<b>442,900</b>		<b>6,912</b>	<b>62,034</b>		<b>6,093</b>	<b>68,127</b>	



Department for  
**Social  
Development**

**From: The Minister**

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**Chief Executive**

**Our ref: SUB/498/2014**

**16 June 2014**

**Dear Chief Executive**

Thank you for your response in relation to my Department's Budget Allocation Model. As you might have expected responses from across the Local Government sector were comprehensive and diverse.

I have attached for your information at Appendix 1; a summary of the main issues raised during the consultation process and my Department's response. Of the twelve main issues, the biggest concern was the application of a 4% reduction to the allocation in anticipation of expected efficiency savings in the next Budget period. The reduction to the indicative allocation was made in order to ensure a prudent approach to planning. Ultimately, the final budget to transfer will be decided in the context of final decisions by the Executive as part of its 2015/16 Budget process.

Having taken into consideration all of comments and concerns about elements of the methodology and reflected on the feedback provided, in my view the proposed methodology with some small modification provides the most objective basis for the distribution of my Department's Urban Regeneration and Community Development funds going forward. I attach at Appendix 2, the revised model amended to reflect the availability of revised population statistics and the removal of the Laganside functions for the purposes of distributing salary costs across the 11 clusters.

In addition, a recent due diligence exercise uncovered approximately £3.6m of baseline costs that potentially should not have been included in the model for distribution to Councils. Further analysis has confirmed that £2.4m of that £3.6m should be retained by my Department as it relates to commitments that will not transfer to local government. The model has also been revised to reflect these and for your information the £2.4m is broken down as a footnote in Appendix 2. You will be aware that the due diligence work is on-going and further amendments may be made to the allocation model to reflect this work and the Executive's final decisions.





I trust now that you have your indicative allocation for 2015, you will work proactively with my officials on the myriad of decisions to be taken over the next number of months on continuity arrangements, staffing and capital projects, as they stand ready to work in partnership with you both in the run up to April 2015 and beyond.

I am copying this letter to Chief Executives, Local Government representatives, SOLACE, NILGA and Ministers Durkan and Hamilton and would be grateful if you would ensure Presiding Councillors and deputy Presiding Councillors are made aware of its content as and when they are appointed.

Yours sincerely

*Nelson McCausland*

**NELSON McCAUSLAND MLA**  
**Minister for Social Development**

## **A SUMMARY OF THE MAIN ISSUES RAISED IN RELATION TO THE BUDGET ALLOCATION MODEL AND THE DEPARTMENT'S RESPONSE**

### **1. Discontent with the application of a 4% cut to budgets:**

The reduction to the indicative allocation was made in order to ensure a prudent approach to planning, recognising that the Executive will apply spending reductions in the next Budget period. Ultimately the final budget to transfer will be decided in the context of final decisions by the Executive as part of its 2015/16 Budget process.

### **2. Issues with urban/rural definition:**

The allocation model has been developed by the Department as a mechanism for calculating the distribution of the regeneration and community development budget to the new Councils. The Department has sought to strike a balance between the fact that it is DSD's current remit for urban regeneration which is transferring to local government and the reality that the new Councils will chose to direct regeneration activity to smaller settlements than those which DSD has been active in. Therefore, in keeping with the principle that it should be forward looking, the model brings in large villages and intermediate settlements with populations between 1,000 and 4,500 to achieve this balance. This acknowledgement of the future scope of the new Councils remit should not be interpreted as a change to any existing definition and does not in any way place any obligations on the new Councils in terms of where they choose to direct their regeneration activities in the future. It will be for each new Council to decide its own priorities.

### **3. Lack of clarity on DARD funding:**

The assumption made in the allocation model does not imply any commitment on the part of DARD to provide funding to the new Councils. The availability of future rural development funding is a matter for DARD and at this stage it is not known what budget will be available for the next Rural Development Programme. DSD's allocation model does not provide for any amounts of DARD funding in its calculation. The allocation model is simply a mechanism for calculating the distribution of funds to the new Council

areas and whilst it uses population sizes and income deprivation as a measure, this does not in any way restrict Councils future funding aspirations.

#### **4. Request for clarification on historical spend:**

Historic spend figures have now been provided to all Councils

#### **5. Historic spend a better basis for allocating funds:**

One of the principles set by the Department is that the allocation formula should be forward looking and not designed either to perpetuate current patterns or to balance out or compensate for perceptions of imbalance in historical spending patterns; therefore historic patterns were not used to determine future funding allocations. This is an important principle as the formula will set the budget for this area of work for a significant period of time and it would not be appropriate to skew it to reflect short term patterns of expenditure in the 3 to 5 years either side of the transfer date.

#### **6. A call for transitional funding for projects which were started but not finished at handover date:**

The Executive has decided that responsibility for regeneration and community development at a local level will transfer to local government on 1 April 2015. As the Department is transferring its entire budget for regeneration and community development to local government in 2015, there will be no regeneration budget remaining to be allocated as a transitional fund. Councils have more flexible financing arrangements than central government, and in the short term this should be the mechanism used to overcome any transitional issues rather than a series of complex and potentially contentious adjustments to the allocation mechanism.

#### **7. Need to finalise budget and personnel issues as quickly as possible:**

The model is being driven by a need to have a methodology agreed by summer 2014 to enable DFP to put in place the necessary arrangements for the transfer. In addition DSD Change managers are working with Council change managers on the detail of projects currently supported by DSD and to enable new Councils to make an informed choice on how they might distribute their new budgets whilst having regard for the outcomes

contained within the Urban Regeneration and Community Development Framework. All of this work will culminate in the need for Councils to provide DSD with information on the staff resources they will need to support them post April 2015. The Department would welcome early decisions from the Shadow Councils on these issues to enable appropriate arrangements to be put in place.

#### **8. Clarity on the definition of a regionally significant development scheme;**

This refers only to the Department's powers to take forward Development Schemes. The Department has carried out very few formal comprehensive development schemes over the last 10 years. This situation does not compare with the position in planning where thousands of applications are received annually and Councils need clarity on which type of applications may need to be considered by the Department (as potentially of significance to the whole or a substantial part of Northern Ireland) rather than by the Councils themselves.

On that basis DSD does not consider it appropriate to be prescriptive in legislation around the circumstances when a development scheme might be of significance to the whole or a substantial part of Northern Ireland. This can be covered in guidance from the Department as appropriate

#### **9. Need to review formula in the future:**

There are no plans for DSD to revisit the funding allocated to Councils in 2015. Any review of the financial support to local government will be undertaken by DOE.

#### **10. Need to consider a new model/ different metrics:**

The model uses income deprivation as a proxy because there is a high correlation between the spatial distribution of income deprivation and the spatial distribution of multiple deprivation. Unlike many other measures of deprivation, the use of the income deprived population of a district in the model allows for a straightforward calculation to be made as it provides a measure of the proportion of the total Council population who have that characteristic.

The Department's concern around developing a new Option 5 is that no objective measures currently exist for many of the factors which might be considered. Furthermore, the Department considers that it would be very difficult, if not impossible to achieve consensus on the factors that should be taken into consideration since each choice would impact on the result of the formula. This is borne out by the wide variety of issues and factors suggested by local government in response to this model. The approach adopted by the Department has the advantage of correlating highly with an agreed measure of the main characteristics of deprivation whilst also allowing for the quantification of such across the 11 new Council areas.

#### **11. Clarification on assets/liabilities:**

The costs of maintaining the Department's assets are included within the physical regeneration component of the allocation model.

#### **12. Comments on impact of specific issues such as Laganside costs.**

The Department is happy to engage with Belfast City Council on issues associated with Laganside. A number of Councils commented on the allocation model unfairly including the budget for Laganside in the distribution of total salaries therefore Laganside has been removed from the model for the purposes of distributing salaries and for confirmation, its inclusion in the model does not affect the distribution of the other funds available.

Appendix 2

	Tackling Disadvantage Component			Physical Regeneration Component			Laganside Average annual cost	Community Development Component			Total Programme		Salary & GAE costs in proportion to Programme allocation	Total Allocation	
	Income Deprived Population Settlement Bands A-G	% of total	Indicative allocation (£,000)	Total Population Settlement Bands A-G	% of total	Indicative allocation (£,000)		Income Deprived Population of District	% of total	Indicative allocation (£,000)	Indicative allocation (£,000)	% of total		Indicative allocation (£,000)	% of total
Antrim and Newtownabbey	22,959	6.47%	1,801	113,820	8.73%	2,156	25,511	5.65%	391	4,347	7.01%	423	4,602	7.00%	
Armagh, Banbridge and Craigavon	32,921	9.27%	2,582	127,658	9.79%	2,418	44,882	9.94%	687	5,687	9.17%	622	6,087	9.26%	
Belfast	114,141	32.16%	8,952	332,905	25.54%	6,306	114,361	25.33%	1,751	19,601	31.60%	1,640	20,493	31.18%	
Causeway Coast and Glens	23,546	6.63%	1,847	86,806	6.66%	1,644	35,125	7.78%	538	4,029	6.49%	456	4,327	6.58%	
Derry and Strabane	46,699	13.16%	3,663	116,067	8.90%	2,199	55,684	12.33%	853	6,714	10.82%	696	7,149	10.88%	
Fermanagh and Omagh	12,476	3.51%	978	42,688	3.27%	809	27,357	6.06%	419	2,206	3.56%	240	2,360	3.59%	
Lisburn and Castlereagh	16,352	4.61%	1,283	101,797	7.81%	1,928	19,406	4.30%	297	3,508	5.65%	326	3,699	5.63%	
Mid and East Antrim	20,737	5.84%	1,626	99,272	7.62%	1,880	25,001	5.54%	383	3,890	6.27%	430	4,168	6.34%	
Mid Ulster	15,423	4.34%	1,210	55,707	4.27%	1,055	33,923	7.51%	519	2,784	4.49%	324	2,999	4.56%	
Newry & Mourne and Down	26,753	7.54%	2,098	91,735	7.04%	1,738	44,655	9.89%	684	4,520	7.29%	466	4,810	7.32%	
North Down and Ards	22,954	6.47%	1,800	135,007	10.36%	2,557	25,540	5.66%	391	4,749	7.65%	470	5,035	7.66%	
	<b>354,960</b>		<b>27,840</b>	<b>1,303,462</b>		<b>24,690</b>	<b>451,447</b>		<b>6,912</b>	<b>62,034</b>		<b>6,093</b>	<b>65,728</b>		

\*Total allocation reduced by £2.4m iro Women's Centre Childcare Funds (£850k), Integrated Services for Children and Young People (£125k), the Innovation Fund (£650k), Land Assembly services (£250k), the Boys Model school (£350k) and £175k Analytical Services Unit services.

**J**

**Subject:** Expenditure Controls - Transitional Period

**Reporting Officer:** Chief Executive

<b>1</b>	<b>Purpose of Report</b>
1.1	To advise Members of a Departmental Direction in respect of expenditure of existing Councils during the transitional period.

<b>2</b>	<b>Background</b>
2.1	Members may be aware that the Department issued a direction during the period of the Statutory Transition Committee in respect of expenditure by existing Councils. The direction required existing Councils to seek the consent of the STC prior to entering into capital contracts in excess of £250k and revenue contracts in excess of £100k.

<b>3</b>	<b>Key Issues</b>
3.1	Members are advised that a further direction has been issued for the transitional period with the same provisions that were in place during the STC period. A copy of the relevant documentation is enclosed at Appendix F for Members information.
3.2	In summary existing councils must, in the period 26 May 2014 to 31 March 2015 seek the consent of the new Councils (in shadow form) before making a disposal of land where consideration exceeds £100,000, entering into a capital contract where consideration exceeds £250,000 entering into a non-capital contract where consideration exceeds £100,000 or entering into borrowing arrangements where the sum borrowed exceeds £250,000.

<b>4</b>	<b>Resource Implications</b>
4.1	<b><u>Financial</u></b>  N/A



4.2	<b><u>Human resources</u></b> N/A
4.3	<b><u>Assets and other implications</u></b> N/A

<b>5</b>	<b>Other Considerations</b>
	N/A

<b>6</b>	<b>Recommendations</b>
6.1	Members note the contents of this report and the attached guidance.

<b>7</b>	<b>Documents Attached</b>
7.1	Appendix A : Expenditure controls for Councils in Shadow Form



Department of the  
**Environment**

[www.doeni.gov.uk](http://www.doeni.gov.uk)

**Local Government Policy Division 1**

To all Council Mayors, Chairs and Chairs of  
Statutory Transition Committees

Level 4  
Causeway Exchange  
1-7 Bedford Street  
Town Parks  
BELFAST  
BT2 7EG  
Telephone: (028) 9082 3375

Circular LG 22/2014 REFORM

Email: [Jeff.glass@doeni.gov.uk](mailto:Jeff.glass@doeni.gov.uk)

Your reference:  
Our reference:  
Date: 28 May 2014

Dear Mayors, Chairs and Statutory Transition Committee Chairs

**EXPENDITURE CONTROLS FOR COUNCILS IN SHADOW FORM**

The Department has prepared guidance (attached) for the new councils in relation to the control of expenditure during the shadow period. This guidance and the associated Direction have been agreed by the Minister and are operational with immediate effect.

The guidance relates specifically to Departmental Direction on Expenditure Controls dated 26 May 2014 (also attached).

Yours faithfully

**JEFF GLASS**  
**HEAD OF FINANCE**  
**Local Government Policy Division 1**

cc. Ms Louise Mason, Chief Local Government Auditor  
Mr Rodney Allen, Director  
Finance Officers, District Councils  
Change Managers  
Mr Kieran McMahon, DOE  
Mr Conor McGinn, DOE  
Mr Terry Curran, DOE

Encs.

# **LOCAL GOVERNMENT REFORM**

## **GUIDANCE ON EXPENDITURE CONTROLS AND THE ROLE OF THE NEW COUNCILS DURING THE SHADOW PERIOD**

**DEPARTMENT OF THE ENVIRONMENT  
LOCAL GOVERNMENT POLICY DIVISION  
28 MAY 2014**

## CONTENTS

### Background

1. DIRECTIONS
2. THREE YEAR CAPITAL PLANS AND REVENUE FORECASTS
3. DISPOSALS
4. CAPITAL CONTRACTS
5. NON-CAPITAL CONTRACTS
6. BORROWING
7. CONSENT REFUSED OR GIVEN SUBJECT TO CONDITIONS
8. CONTRAVENTION OF DIRECTION

# **GUIDANCE ON EXPENDITURE CONTROLS AND THE ROLE OF THE COUNCILS DURING THE SHADOW PERIOD**

## **Background**

This circular is one of a series of guidance notes issued by the Department in relation to the operation of the new councils during the shadow period between 26 May 2014 and 31 March 2015, until the 11 new councils will become fully operational. It is intended to assist the existing councils and the new councils in shadow form in maintaining control over capital and other expenditure and borrowing of the existing councils in the run-up to 1 April 2015.

The circular sets out the current legislative and statutory requirements as stated in Chapter 2 of Part 2 of the Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010 (as amended by the Local Government Act (Northern Ireland) 2014).

## **1. DIRECTIONS**

- 1.1. The Department of the Environment (The Department) will issue a direction obliging the existing council to seek the written consent of the relevant new council (in shadow form) in relation to certain expenditure.
- 1.2. The direction will be in writing.
- 1.3. The direction will make different provision in relation to different matters for which consent is required, i.e. a direction may deal with disposals, capital contracts and non-capital contracts and borrowing.
- 1.4. The direction may be varied or revoked by a subsequent direction.

## **2. THREE YEAR CAPITAL PLANS AND REVENUE FORECASTS**

- 2.1 Councils must have regard to the CIPFA "Prudential Code for Capital Finance in Local Authorities" (the Prudential Code) when carrying out their duties in Northern Ireland under Part 1 of the Local Government Finance Act (Northern Ireland) 2011.
- 2.2 The Prudential Code requires the development of three-year revenue expenditure forecasts as well as three-year capital plans.
- 2.3 The Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010 (as amended by the Local Government Act (Northern Ireland) 2014) taken together with the Departmental direction, provides that existing councils must, in the period 26 May 2014 to 31 March 2015, seek the consent of the new councils (in shadow form) before making a disposal of land where consideration exceeds £100,000, entering into a capital contract where consideration exceeds £250,000, entering into a non-capital contract where consideration exceeds £100,000 or entering into borrowing arrangements where the sum borrowed exceeds £250,000.

2.4 The simplest way of achieving this would be for councils to have their three year capital plans and revenue expenditure forecasts examined and approved by the new council (in shadow form) at the beginning, which would mean that only those transactions above and beyond what are in the three year capital plans and revenue expenditure forecasts would subsequently have to be referred to the new council (in shadow form).

2.4 All other disposals, capital contracts and non-capital contracts and borrowings outside of the three-year capital plans and revenue expenditure forecasts should comply with the direction issued by the Department and the guidance set out in paragraphs 3 – 7 below.

### **3. DISPOSALS**

3.1. The Department will issue a direction to oblige an existing council to seek the written consent of its new council (in shadow form) to dispose of any land if the consideration for that disposal is in excess of £100,000.

3.2. The direction will specify a date from which the direction will take effect. The date is 26 May 2014.

### **4. CAPITAL CONTRACTS**

4.1 A capital contract is one in which the consideration payable by the council is capital expenditure. Capital expenditure is that expenditure that falls to be capitalised in accordance with proper accounting practices (within the meaning of Article 6(3) of the Local Government (Northern Ireland) Order 2005.

4.2 The Department will issue a direction to oblige an existing council to seek the written consent of its new council (in shadow form) to enter into any capital contract:

- under which the consideration payable by the council exceeds £250,000; or

- which includes a term allowing the consideration payable by the council to be varied.

4.3 The direction will specify a date from which the direction will take effect. The date is 26 May 2014.

## **5. NON-CAPITAL CONTRACTS**

5.1 A non-capital contract (including an employment contract) is any contract that is not a capital contract.

5.2 The Department will issue a direction to oblige an existing council to seek the written consent of its new council (in shadow form) to enter into any non-capital contract under which the consideration payable by the council exceeds £100,000, where:

- the period of the contract extends beyond a specified date (31 March 2015); or
- under the terms of the contract, that period may be extended beyond that date.

5.3 The direction will specify a date from which the direction will take effect. The date is 26 May 2014.

## **6. BORROWING**

6.1 Under section 11 of the Local Government Finance Act, a council may borrow money –

- for any purpose relevant to its functions under any statutory provision; or
- for the purposes of the prudent management of its financial affairs.

6.2 The Department will issue a direction to oblige an existing council to seek the written consent of its new council (in shadow form) to enter into any



borrowing arrangement where the sum borrowed by the council exceeds £250,000.

- 6.3 The direction will specify a date from which the direction will take effect.  
The date is 26 May 2014.

## **7. CONSENT REFUSED OR GRANTED SUBJECT TO CONDITIONS**

- 7.1 If the consent of a new council (in shadow form) is required in relation to:

- a proposed disposal;
- a contract; or
- a borrowing arrangement,

of an existing council and is refused by the new council (in shadow form) or is given subject to conditions, the existing council may refer the decision of the new council (in shadow form) to the Department.

- 7.2 Where the decision is referred to the Department, the Department may:

- confirm the decision of the new council (in shadow form);
- if consent has been given by the new council (in shadow form) but is subject to conditions, amend or revoke those conditions; or
- if consent has been refused by the new council (in shadow form), grant the consent unconditionally or subject to conditions.

## **8. CONTRAVENTION OF DIRECTION**

- 8.1 Any disposal made by an existing council in contravention of a Departmental direction is void.

- 8.2 Any contract entered into by an existing council in contravention of a Departmental direction is not enforceable against a new council.

**Direction made under section 10 of the Local Government (Miscellaneous Provisions) Act (Northern Ireland) 2010.**

- 1) In exercise of the powers under section 10 of the Local Government (Miscellaneous Provisions) Act 2010 (as amended by the Local Government Act (Northern Ireland) 2014), the Department of the Environment (“the Department”) makes this direction which has effect from 26 May 2014.
- 2) This direction revokes the direction dated 25 September 2013 and issued by the Department on 26 September 2013.

**Interpretation**

- 3) In this direction “the new council” means the council elected to the relevant district area on 22 May 2014.
- 4) In this direction:
  - a) “Antrim and Newtownabbey council” means the new council for the Antrim and Newtownabbey District;
  - b) “Armagh, Banbridge and Craigavon council” means the new council for the Armagh, Banbridge and Craigavon District;
  - c) “Belfast council” means the new council for the Belfast District;
  - d) “Causeway Coast and Glens council” means the new council for the Causeway Coast and Glens District;
  - e) “Derry and Strabane council” means the new council for the Derry and Strabane District;
  - f) “Fermanagh and Omagh council” means the new council for the Fermanagh and Omagh District;
  - g) “Castlereagh and Lisburn council” means the new council for the Lisburn and Castlereagh District;
  - h) “Mid and East Antrim council” means the new council for the Mid and East Antrim District;
  - i) “Mid Ulster council” means the new council for the Mid Ulster District;
  - j) “Newry, Mourne and Down council” means the new council for the Newry, Mourne and Down District; and
  - k) “North Down and Ards council” means the new council for the North Down and Ards District.

**General**

- 5) The Department directs each council listed in Column A of the attached Schedule, being a council which is to be dissolved by virtue of the Local Government (Boundaries) Order (Northern Ireland) 2012, that it may not, without the written consent of the new council listed against it in Column B of the attached Schedule:
  - a) make any disposal of land, if the consideration for the disposal exceeds £100,000;
  - b) enter into any capital contract;

- i. under which the consideration payable by the relevant council exceeds £250,000; or
  - ii. which includes a term allowing the consideration payable by the relevant council to be varied;
  
- c) enter into any non-capital contract under which the consideration payable by the relevant council exceeds £100,000. A non-capital contract is any contract that is not a capital contract. Such contracts may include:-
  - i. employments contracts (individual employment contracts over £100,000 per annum and fixed term contracts of employment exceeding £100,000 in total over the length of the fixed term);
  - ii. service contracts (such as asset maintenance contracts (individual contracts over £100,000 per annum and fixed term contracts exceeding £100,000 in total over the length of the fixed term)); and
  - iii. revenue contracts (such as those for accountancy or legal services (individual contracts over £100,000 per annum and fixed term contracts exceeding £100,000 in total over the length of the fixed term)); or
  
- d) enter into any arrangement to borrow a sum of money which exceeds £250,000.

Signed by the authority of the Department of the Environment



Date: 28/5/14

A senior civil servant

Department of the Environment

## SCHEDULE

<b>Column A – authorities to be dissolved on 1 April 2015</b>	<b>Column B – Councils in shadow form whose written consent is required for the matters specified under section (5)</b>
Antrim Borough Council	Antrim and Newtownabbey
Ards Borough Council	North Down and Ards
Armagh City and District Council	Armagh, Banbridge and Craigavon
Ballymena Borough Council	Mid and East Antrim
Ballymoney Borough Council	Causeway Coast and Glens
Banbridge District Council	Armagh, Banbridge and Craigavon
Belfast City Council	Belfast
Carrickfergus Borough Council	Mid and East Antrim
Castlereagh Borough Council	Castlereagh and Lisburn
Coleraine Borough Council	Causeway Coast and Glens
Cookstown District Council	Mid Ulster
Craigavon Borough Council	Armagh, Banbridge and Craigavon
Derry City Council	Derry and Strabane
Down District Council	Newry, Mourne and Down
Dungannon and South Tyrone Borough Council	Mid Ulster
Fermanagh District Council	Fermanagh and Omagh
Larne Borough Council	Mid and East Antrim
Limavady Borough Council	Causeway Coast and Glens
Lisburn City Council	Castlereagh and Lisburn
Magherafelt District Council	Mid Ulster
Moyle District Council	Causeway Coast and Glens
Newry and Mourne District Council	Newry, Mourne and Down
Newtownabbey Borough Council	Antrim and Newtownabbey
North Down Borough Council	North Down and Ards
Omagh District Council	Fermanagh and Omagh
Strabane District Council	Derry and Strabane

**K**

<b>Subject</b>	<b>Capacity Building Plan: 2014 - 2015</b>
<b>Reporting Officer</b>	<b>Change Manager, Mid Ulster District Council</b>

<b>1</b>	<b>Purpose of Report</b>
1.1	This report updates Members on the development of a Capacity Building Plan and learning opportunities being scheduled throughout the transitional period for Mid Ulster cluster.

<b>2</b>	<b>Background</b>
2.1	Members, officers of Mid Ulster DC and all staff from across the Mid Ulster cluster will be required to undertake programmes of work which will see the full establishment of Mid Ulster DC on 1 April 2015.
2.2	Those currently involved in the process are now embarking upon an unprecedented change programme, many of whom will not have been engaged in before. Members and officers will require support throughout the transitional period to provide them with the skills necessary and capacity to undertake their programmes of work. Following agreement by Minister Mark H Durkan the DoE Local Government Policy (HR Reform) allocated £100,000 to the Mid Ulster
2.3	A capacity building plan has been developed for the period to 31 March 2015 for all members and officers, where relevant, to avail of. DoE Local Government Policy (HR Reform) requested that a capacity building plan for the period be submitted with them by Friday 20 June 2014.

<b>3</b>	<b>Key Issues</b>
3.1	The Capacity Building Plan is reflective of identified learning and capacity needs for the transitional period to 1 April 2015 associated with the setting up the new Council.
3.2	It is reflective of the entire capacity building requirements and inclusive of support already offered by the Local Government Training Group and DoE Planning. A request has been made to DoE Local Government Policy Division (HR Reform) for financial support for those elements identified locally for Mid Ulster DC
3.3	The Capacity Building Plan does not replace existing training programmes with Cookstown, Dungannon & South Tyrone and Magherafelt Councils.

<b>4</b>	<b>Resource Implications</b>
4.1	<p><b><u>Financial</u></b></p> <p>Full delivery of the plan will cost £135,000. A request has been made to DoE Local Government Policy Division (HR Reform) to fund £118,000 using the £100,000 allocated to Mid Ulster cluster in February 2014. Full delivery will require approval of this request plus an additional allocation of £18,000.</p>
4.2	<p><b><u>Human resources</u></b></p> <p>Officers from each of the existing Councils will provide support to deliver the Plan and undertaken from within resource.</p>
4.3	<p><b><u>Assets and other implications</u></b></p> <p>Not applicable</p>

<b>5</b>	<b>Other Considerations</b>
5.1	Not applicable

<b>6</b>	<b>Recommendations</b>
6.1	Members note receipt the Mid Ulster District Council Capacity Building Plan 2014-2015

<b>7</b>	<b>List of Documents Attached</b>
	Appendix A: Mid Ulster DC Capacity Building Plan 2014-15

# Mid Ulster DISTRICT COUNCIL

## **Capacity Building Plan**

2014 – 2015

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Mid Ulster District Council was recently established following local elections held on Thursday 22 May 2014 and met for the first time on Thursday 5 June. The Council will take responsibility for the delivery of a full suite of local government services in the region on 1 April 2015 when Cookstown, Dungannon & South Tyrone and Magherafelt Councils cease to exist. Leading to 1 April 2015, the transitional period, Council Members and Officers appointed will undertake activities and works as necessary to prepare for the discharge of its functions and full delivery of services.

## **1.0 Background**

- 1.1.1 Mid Ulster District Council will take full responsibility for the delivery of services currently provided by Cookstown, Dungannon & South Tyrone and Magherafelt Councils, a range of functions transferring from central government and new powers coming to Mid Ulster District Council stemming from the Local Government Act (NI) 2014.
- 1.1.2 Central to making all preparations necessary will be Mid Ulster District Council's 40 Members, the Mid Ulster Chief Executive, staff appointed to assist the Chief Executive throughout the transitional period and all other staff as required from each of the existing councils.
- 1.1.3 All Members and staff as required will need varying degrees of learning support to become fully involved in the transition process leading to 1 April 2015 and beyond, coupled with measures and programmes designed to continually build the capacity of everyone moving into the new organisation beyond 1 April 2015. Direct support will also be required to assist members and Mid Ulster District Council's Transition Team to undertake programmes of work throughout 2014-2015.
- 1.1.4 This document details Mid Ulster District Council's Capacity Building Plan for the period to 31 March 2015. It does not replace existing learning, training and capacity building programmes of Cookstown, Dungannon & South Tyrone and Magherafelt Councils.

## **2.0 Capacity Building Plan: Structure**

- 2.1 This Capacity Building Plan is structured and will be delivered through a series of programmes focusing on (i) Induction, (ii) Building Knowledge and (iii) Supporting Transition & Change. Programmes and support measures will focus on systems development and new business thinking rather than direct service delivery.

- 2.2 *Induction* - programmes which will inform all members and staff on new business practices, legislative requirements, policies and procedures at the start of the transition period and leading into the new council on 1 April 2015
- 2.3 *Building Knowledge* - programmes aimed at providing members and staff with knowledge and expertise to bring new thinking and ideas to the transition process and Mid Ulster District Council.
- 2.4 *Supporting Transition & Change* – engagement of external support to facilitate the creation and implementation of new systems of doing business and governance arrangements within the new council. There will also be knowledge transfer opportunities.

### **3.0 Mode of Delivery**

- 3.1 The capacity building plan will be delivered throughout 2014-15 and organised in three month blocks to permit sufficient time for members and staff to diarise for advanced planning purposes. Delivery on a three month block basis will allow for sufficient flexibility to respond to change and need throughout the period.
- 3.2 Programmes within this Capacity Building Plan will be targeted at:
  - (i) Members
  - (ii) Chief Executive and Transition Team
  - (iii) Mid Ulster cluster staff (management and operational bandings)
- 3.3 The Mid Ulster District Council’s Lead Human Resources Officer and Change Manager have responsibility for the delivery of the Plan under the direction of the Chief Executive. Support will be drawn from relevant officers of Cookstown, Dungannon & South Tyrone and Magherafelt Councils to deliver this plan across the cluster.
- 3.4 Programmes, as referred, within Section 4 under each strand (Induction, Building Knowledge and Supporting Transition & Change) will be delivered throughout quarters 2, 3 and 4 of 2014-15. Detail on learning programmes will be scheduled quarterly and details made known to allow for advanced planning of Members and Officers. Intended recipients will be targeted to attend programmes as relevant.
- 3.5 It minimise disruption to Mid Ulster District Council business and maximise participation learning programmes will be arranged for the third week of each month, where practical.

## 4.0 Capacity Programmes

The capacity programmes have been set within (i) Induction, (ii) Building Knowledge and (iii) Supporting Transition & Change and further detail on each is provided below. The intended target audience is also identified for elements of each learning strand.

Cllr Councillor  
 TT Transition Team  
 S Mgt Staff Management  
 S Op Staff Operational

### 4.1 Induction

Target	Learning	Description	Delivery		Qtr 2	Qtr 3	Qtr 4	Cost	Funding Source
Cllr	Elected Member Induction: <i>Ethics &amp; Standards</i>	<ul style="list-style-type: none"> <li>Public Life Principles</li> <li>Legislative Context</li> <li>Code of Conduct for Councillors</li> <li>Officer - Councillor Relationships</li> <li>Scope of NI Ombudsman</li> <li>Complaints and investigation</li> </ul>	2 sessions per quarter  afternoon and early evening sessions					Training: £1,700  Logistics: £600	LG TG  DoE Capacity
Cllr	Election Member Induction: <i>Role &amp; Responsibilities</i>	<ul style="list-style-type: none"> <li>Role of the Councillor</li> <li>Corporate &amp; Civic Leadership</li> <li>Scrutiny Role &amp; committees</li> <li>Conduct at meetings</li> <li>Serving on Committees</li> <li>Serving on external bodies</li> </ul>	2 sessions  Afternoon and early evening session					Training: £850  Logistics: £300	LG TG  DoE Capacity
Cllr	Elected Member Induction: <i>How the Council Works &amp; Governance Models</i>	<ul style="list-style-type: none"> <li>Local Government in N Ireland</li> <li>Local Government Act (2014)</li> <li>Permitted Forms of Governance</li> <li>Committee Systems and types</li> <li>Standing Orders</li> <li>Policy Development</li> </ul>	2 sessions per quarter  Afternoon and early evening sessions					Training £1,700  Logistics: £600	LG TG  DoE Capacity

		<ul style="list-style-type: none"> <li>• Business &amp; Strategic Planning</li> <li>• Partnership Working</li> </ul>						
Cllr	Elected Member Induction: <i>Equality - Anti Discrimination</i>	<ul style="list-style-type: none"> <li>• Statutory Equality Duties</li> <li>• Anti-discrimination law in NI</li> <li>• Human Rights</li> </ul>	2 sessions  Afternoon and early evening sessions				Training £850  Logistics: £300	LGTG  DoE Capacity
TT S Mgt S Op	Mid Ulster District Council Employee Induction	<ul style="list-style-type: none"> <li>• Prepare Induction Package</li> <li>• Deliver Cluster Induction Programme</li> <li>• All staff</li> <li>• Integrating transferring Staff</li> </ul>					Prepare: £15,000  Logistics: £1,000	DoE Capacity  DoE Capacity
TT S Mgt S Op	Cross Cluster Service Familiarisation Sessions	<ul style="list-style-type: none"> <li>• Cross cluster familiarisation session by service area</li> <li>• Meeting, introducing, planning and working together</li> </ul>	6 sessions  Full day				Training £5,000  Logistics: £1,200	DoE Capacity  DoE Capacity
Cllr TT	Briefing on Planning	<ul style="list-style-type: none"> <li>• Two tier planning system</li> <li>• Policy and legislative context</li> <li>• Categories of planning</li> <li>• Env Impact Assessments</li> </ul>	1 session  Half Day				Training: £NK  Logistics: £NK	DoE Planning  DoE Planning
Cllr TT	Development Plans & Working with Communities	<ul style="list-style-type: none"> <li>• Process and plan components</li> <li>• Requirements to involve communities</li> <li>• Next Steps on plans</li> <li>• Spatial and Community Plan links</li> </ul>	1 session  Half Day				Training: £NK  Logistics: £NK	DoE Planning  DoE Planning
Cllr TT	Development Control & Tips for Councillors	<ul style="list-style-type: none"> <li>• Transitional arrangements</li> <li>• Performance regime and targets</li> <li>• Enforcement processes</li> <li>• Role in planning appeal</li> <li>• Planning Portal</li> </ul>	1 session  Half Day				Training: £NK  Logistics: £NK	DoE Planning  DoE Planning
Cllr	Role of Councillors in	<ul style="list-style-type: none"> <li>• Code of Conduct and Planning</li> </ul>	1 session				Training: £NK	DoE Planning

TT	Planning - Propriety and Good Practice	<ul style="list-style-type: none"> <li>Balancing interests</li> <li>Applying local knowledge</li> <li>Potential conflicts of interest</li> </ul>	Half Day					Logistics: £NK	DoE Planning
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## 4.2 Building Knowledge

Target	Programme	Description	Delivery		Qtr 2	Qtr 3	Qtr 4	Cost	Funding Source
Cllr TT S Mgt	Importance of the Audit Committee	<ul style="list-style-type: none"> <li>Role of Audit Committee</li> <li>Role of the Member</li> <li>What to look for in Audit Reports</li> <li>Audit Committee best practice</li> </ul>	1 session  Afternoon and early evening					Training: £1,500  Logistics: £300	DoE Capacity  DoE Capacity
Cllr TT S Mgt	Local Government Finance Basics	<ul style="list-style-type: none"> <li>Legislative basis</li> <li>How the Council is Funded</li> <li>Rates Setting</li> <li>Income generation</li> </ul>	1 session  Afternoon and early evening					Training: £1,500  Logistics: £300	DoE Capacity  DoE Capacity
Cllr TT S Mgt	Prudential Code, Local Government Finance Act	<ul style="list-style-type: none"> <li>Aspects of the Code</li> <li>Requirements of the Code</li> <li>New governance requirements</li> <li>Good practice arrange</li> </ul>	1 session  Afternoon and early evening					Training: £1,500  Logistics: £300	DoE Capacity  DoE Capacity
Cllr TT S Mgt	Introduction to Corporate Governance	<ul style="list-style-type: none"> <li>Aspects and principles</li> <li>Importance of good governance</li> <li>Responsibilities on governance</li> <li>Building a good governance framework</li> </ul>	2 sessions  Afternoon and early evening					Training: £1,500  Logistics: £300	DoE Capacity  DoE Capacity
Cllr	Member Development programme	<ul style="list-style-type: none"> <li>Elected Member Charter and Political Skills Framework</li> <li>Coaching and mentoring</li> </ul>						Training £NK	LG TG & NILGA
Cllr TT	Handling Media with Confidence	<ul style="list-style-type: none"> <li>Dealing with broadcast media</li> <li>Techniques for TV &amp; Radio</li> </ul>	1 session					Training £1,500	DoE Capacity

		<ul style="list-style-type: none"> <li>interviews</li> <li>Prepare and deliver messages</li> <li>How to prepare for interview</li> </ul>	Afternoon and early evening session				Logistics: £300	DoE Capacity
Clr	Chairing Committees	<ul style="list-style-type: none"> <li>Role of the Chair</li> <li>Meeting preparation</li> <li>Strategies for effective chairing</li> </ul>	1 session Early evening session				Training: £1,000 Logistics: £300	DoE Capacity DoE Capacity
TT S Mgt	Performance Management & Improvement: Introduction	<ul style="list-style-type: none"> <li>The context</li> <li>MUDC Framework</li> <li>Application of agreed model</li> <li>Business Planning</li> <li>Service Plans</li> <li>Delivering the new framework</li> </ul>	10 sessions Half day				Training: £5,000 Logistics: £100	DoE Capacity DoE Capacity
TT S Mgt	Project Management: Practices & Principles	<ul style="list-style-type: none"> <li>Understand varying techniques</li> <li>Importance of management</li> <li>Applying varying techniques</li> <li>Rapid Improvement Events</li> </ul>	2 sessions 1 day				Training: £1,700 Logistics: £100	DoE Capacity DoE Capacity
Clr TT	Leading & Implementing Change	<ul style="list-style-type: none"> <li>Successful change programmes</li> <li>Tools and techniques to implement change</li> <li>Leading, supporting, embedding</li> <li>High performing teams</li> </ul>	1 programme 5 days				Training: £4,250 Logistics: £250	LGTG DoE Capacity
TT S Mgt S Op	Health & Safety Induction	<ul style="list-style-type: none"> <li>The basic principles</li> <li>Importance of health and safety</li> <li>MUDC Policy and Procedure on Health &amp; Safety</li> </ul>	15 sessions 2 hour sessions				Training: £0 Logistics: £0	Within resource Within resource
TT S Mgt S Mgt	Health & Safety: Managing Safely & Directing Safely	<ul style="list-style-type: none"> <li>Facility Managers undertake IOSH Managing Safely</li> <li>Directors undertake IOSH Directing Safely</li> </ul>	Various				Training: £4,000 Logistics: £300	DoE Capacity DoE Capacity
TT S Mgt	MUDC Corporate Policies & Practices	<ul style="list-style-type: none"> <li>Familiarisation of new Corporate policies and procedures</li> </ul>	10 sessions				Training: £0	Within resource

S Op			2 hour sessions					Logistics: £0	Within resource
TT S Mgt S Op	Customer & Service Delivery	<ul style="list-style-type: none"> <li>Understanding Service demands</li> <li>Identifying improvements</li> <li>Designing services around the customer</li> <li>Continually reviewing</li> </ul>	5 sessions  5 days					Training: £4,250  Logistics: £250	LGTG  DoE Capacity
TT S Mgt	Quality Management Systems	<ul style="list-style-type: none"> <li>Understand range of quality systems</li> <li>Understand their usefulness</li> <li>Understand their application</li> </ul>	2 sessions  Half day					Training: £850  Logistics: £100	DoE Capacity  DoE Capacity
TT S Mgt S Op	Finance for Non-Finance Professionals	<ul style="list-style-type: none"> <li>Budget management</li> <li>Reviewing financial statements</li> <li>Understanding finance basics</li> </ul>	2 session  Half Day					Training: £2,550  Logistics: £100	DoE Capacity  DoE Capacity
Clr TT S Mgt S Op	Communicating & Influencing with Impact	<ul style="list-style-type: none"> <li>High Impact Communication</li> <li>Increasing Influencing skills</li> <li>Focus on internal and external communication</li> </ul>	2 sessions					Training: £1,700  Logistics: £100	DoE Capacity  DoE Capacity
TT S Mgt	Procurement: <i>Quotations &amp; Tenders</i>	<ul style="list-style-type: none"> <li>Principles of procurement</li> <li>MUDC Procurement Policy &amp; Procedure</li> </ul>	2 sessions  2 hour sessions					Training: £0  Logistics: £0	Within resource  Within resource

### 4.3 Supporting Transition & Change

Target	Programme	Description	Delivery		Qtr 2	Qtr 3	Qtr 4	Cost	Funding Source
S Mgt S Op	Information Sessions	<ul style="list-style-type: none"> <li>Chief Executive and Transition Team undertake a round of bi-monthly engagements with staff across the Mid Ulster cluster</li> </ul>	1 hour sessions					Training: £0  Logistics: £500	Within resource  DoE Capacity

Cllr TT S Mgt S Op	Culture Audit	<ul style="list-style-type: none"> <li>Define existing cultures</li> <li>Identify existing strengths and weaknesses of cultures</li> <li>Build mechanisms which facilitate staff involvement</li> </ul>	Professional Support				£7,500	DoE Capacity
Cllr TT S Mgt S Op	Design of Performance Management & Improvement Framework	<ul style="list-style-type: none"> <li>Review existing processes</li> <li>Engage staff to develop MUDC framework</li> <li>People centred process</li> <li>Building the culture to match the framework</li> </ul>	Professional Support				£1,700 £6,800 10 support days at £850 per day - 2 days paid by LGTG	LGTG DoE Capacity
EM TT S Mgt	Planning Committee Study Visit	<ul style="list-style-type: none"> <li>Planning Committee visit(s) to local authorities to experience good practice on delivery of planning</li> </ul>	Study Visit				£12,000	DoE Capacity
Cllr TT S Mgt	Community Planning Study Visit	<ul style="list-style-type: none"> <li>Elected Member visit(s) to local authorities to experience good practice on delivery of Community Planning</li> </ul>	Study Visit				£6,000	DoE Capacity
Cllr TT S Mgt	Governance Study Visit	<ul style="list-style-type: none"> <li>Elected Member visit(s) to local authorities to focus on varying forms of governance and decision making: committee and executive arrangements</li> </ul>	Study Visit				£6,000	DoE Capacity
Cllr TT S Mgt	Receiving Delegations to Share Good Practice	<ul style="list-style-type: none"> <li>Receiving delegations from local authorities to share good practice on (i) planning, (ii) governance arrangements (iii) community planning and (iv) organisational change</li> </ul>	Workshop Discussions				£4,000	DoE Capacity



CLlr TT	Organisational Design, Service Design and Development	<ul style="list-style-type: none"> <li>Guided organisational design process involving Councillors and Transition Team</li> <li>Review of existing structures, transferring functions and powers leading to design of a new</li> </ul>	Professional Support				£1,700  £15,300  20 support days at £850 per day - 2 days paid by LGTG	LGTG  DoE Capacity
TT S Mgt	Mid Ulster Transition Working Groups & cross-council services	<ul style="list-style-type: none"> <li>Facilitated support for Groups to encourage synergy across existing councils and events</li> <li>Challenge established service delivery thinking</li> <li>Encourage new ideas on ways to deliver services</li> <li>Encourage new business models on revenue generation</li> </ul>	Professional Support				£8,500  10 support days at £850 per day	DoE Capacity

## 5.0 Capacity Building Plan Resourcing

The following provides a summary cost for delivering the Council Capacity Building Programme, where costs are known.

	Cost	LG TG	DoE Capacity Building Unit
Capacity Programme: <i>Induction</i>	£29,100	£5,100	£24,000
Capacity Programme: <i>Building Knowledge</i>	£35,900	£8,500	£27,400
Capacity Programme: <i>Supporting Transition &amp; Change</i>	£70,000	£3,400	£66,600
<b>Total</b>	<b>£135,000</b>	<b>£17,000</b>	<b>£118,000</b>