

STORMONT ESTATE (NORTHERN IRELAND) ORDER 2006

S.I. 2006 No. 612 (N.I. 5)

EXPLANATORY MEMORANDUM

INTRODUCTION

1. The Stormont Estate (Northern Ireland) Order 2006 (“the Order”) was made on 8 March.
2. This Explanatory Memorandum has been prepared by the Department of Finance and Personnel (“the Department”) in order to assist the reader in understanding the Order. It does not form part of the Order.

BACKGROUND AND POLICY OBJECTIVES

3. The Order removes, in part, the restrictions that currently prevent the Department from selling (or otherwise disposing of) the lands (and premises) within the Stormont Estate as are comprised in the conveyance of 1933 between the Commissioners of Public Works and the Ministry of Finance (referred to hereinafter as ‘the trust estate’). By that conveyance, the lands were transferred to the Ministry of Finance on trust for the Parliament of Northern Ireland and public departments in Northern Ireland. The Stormont Regulation and Government Property Act (NI) 1933 (the ‘Stormont Act’) provides a power to the Department to sell, exchange, lease or surrender any lands vested in the Department for the administration of any public service in Northern Ireland.
4. In October 2004, the Department published Workplace 2010 - the Strategic Development Plan for the Northern Ireland Civil Service (NICS) Office Estate. This forms a key part of the NICS reform agenda, Fit for Purpose, which requires the Civil Service to deliver a step change in Government infrastructure. The Plan recommends the introduction of new accommodation standards, including open plan working that would enable the NICS to rationalise its existing estate into a smaller and more efficient portfolio. The outline business case, approved by the Secretary of State, recommends that this is delivered through a Public Finance Initiative (PFI) solution providing accommodation that is fit for purpose, maximising efficiency and supporting modernisation and new ways of working.
5. The first phase of the PFI arrangement includes a substantial part of the Greater Belfast estate and a number of the larger regional office buildings. It is proposed that the office buildings and adjacent land located at the southeast end of the Stormont Estate would also be included in the contract, i.e. Castle Buildings, Craigtantlet Buildings, Dundonald House, Hillview, Massey House and the associated annexes. There are, however, some legislative impediments in relation to those Civil Service properties located within Stormont Estate. Whilst the ‘Stormont Act’ inter alia makes provision for the management of government properties it expressly excludes the trust estate from the application of its provisions. In other words, the lands comprising the trust estate cannot be sold, exchanged, leased or surrendered. The ‘Stormont Act’ and the trust

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under which the trust estate is held, therefore, effectively prevent all the main buildings on the Stormont Estate from being included in the proposed PFI.

6. The intention of the Order is to remove the effects of the trust on a designated part of the trust estate while retaining them for the remainder, being the lands related to Parliament Buildings, Stormont Castle, Stormont House and the surrounding public grounds. The effect of the Order is to enable the Department to include the properties at the southeast end of the Stormont Estate in a PFI contract whilst ensuring that Parliament Buildings, Stormont Castle, Stormont House and the surrounding public grounds would remain protected from any contract with the private sector.

CONSULTATION

7. The Order was subject to public consultation from which 5 responses were received. The nature and content of these responses did not give any grounds for amendment of the Order.

COMMENTARY ON ARTICLES

8. A commentary on the provisions follows. Comments are not given where the wording is self-explanatory.

Article 1: Title, commencement and interpretation

This Article sets out the title of the Order. It also specifies when the provisions come into effect.

Article 2: Power to dispose of designated lands in Stormont Estate

Article 2(1) empowers the Department of Finance and Personnel to dispose of all or part of any land designated by order under Article 2(3).

Article 2(2) over-rides the restrictions on disposal in the trust under which the lands comprised in a conveyance of 1933 between HM Commissioners of Public Works and the Ministry of Finance are held by the Department of Finance and Personnel.

Article 2(3) gives the Department of Finance and Personnel power to designate by order those lands that are to be released from the effects of the Stormont Estate trust.

Article 2(4) prevents Parliament Buildings, Stormont Castle or Stormont House from being included among the designated lands.

Article 2(6) restricts exercise of the designation powers to the six months following the date on which first designation order is made. This will prevent the disposal in the future of additional lands forming part of the trust estate without recourse to further primary legislation.

Article 3: Effect of disposal under Article 2 on regulations, etc. of Stormont Estate

Article 3 provides that, once the designated land is disposed of, sections 1 to 4 of the Northern Ireland Act 1933 will cease to apply to it and that the regulations made under Section 1 of that Act will also cease to apply at that point.

Article 3 also provides for the Secretary of State's power to require accommodation under Section 93 of the Northern Ireland Act 1998 to be applicable only where the Department of Finance and Personnel has the power to comply with such a requirement. This means that the Secretary of State will retain the power to require accommodation to be made available to him within buildings leased by the Department from the PFI provider.

COMMENCEMENT

9. The Order came into operation on 9 March 2006