

EXPLANATORY MEMORANDUM TO

Local Government (Councillors' Remuneration Panel) Regulations (Northern Ireland) 2012

SR 2012 No. 279

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of the Environment ("the Department") to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under section 35 of the Local Government Finance Act (Northern Ireland) 2011 ("the Act") and is subject to the negative resolution procedure.

2. Purpose

- 2.1. The Statutory Rule makes provision for the Department to establish a remuneration panel to consider and make recommendations regarding the framework and level of allowances payable to councillors.
- 2.2. The Statutory Rule makes provision for the membership and tenure of the panel chairperson and panel members. It makes provision for the meetings of the panel and requires the panel to comply with any directions given to it by the Department as to the discharge of its functions. The Statutory Rule also makes provision for the panel to seek information or advice from any source to enable it to carry out its functions.
- 2.3. The Statutory Rule requires the Department to pay the expenses incurred by the panel in carrying out its functions and also makes provision for the payment of allowances to the panel and the provision of appropriate administrative support.

3. Background

- 3.1. Part 3 of the Act updates and consolidates the provisions of the Local Government Act (Northern Ireland) 1972, which deal with payments to councillors, taking account of the recommendations of the Councillors' Remuneration Working Group following its review of councillors' remuneration in Northern Ireland.
- 3.2. Part 3 of the Act contains a power enabling the Department to make regulations to establish an independent remuneration panel to advise the Department on the framework of allowances which should be payable to councillors and to make provision about the membership and functions of the panel.

4. Consultation

- 4.1. In accordance with section 44(1) of the Act, consultation on the draft Statutory Rule was conducted between 17th December 2010 and 24th February 2011.

4.2. The Department received a total of seventeen responses to the consultation, all supporting the establishment of the panel. None of the comments made by consultees necessitated a change in policy, or an amendment to the draft Statutory Rule.

5. Equality Impact

5.1. Under the terms of section 75 of the Northern Ireland Act 1998 the Department carried out an equality screening exercise on the draft Statutory Rule. No adverse impacts for any of the nine section 75 categories were identified. A full Equality Impact Assessment was therefore not required.

6. Regulatory Impact

6.1. A Regulatory Impact Assessment is not necessary, as the proposals result in no costs or savings for businesses, charities or voluntary bodies.

7. Financial Implications

7.1. The Statutory Rule has some financial implications. Salary costs of panel members have been estimated at around £20,000 per annum for a three-person panel, or at around £32,000 for a five-person panel. Panel members' travel and subsistence expenses will also be met by the Department.

8. Section 24 of the Northern Ireland Act 1998

8.1. The proposed legislation is considered compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. The provisions in the Statutory Rule are similar to provisions in section 13 of the Local Governance (Scotland) Act 2004, section 18 of the Local Government and Housing Act 1989 (as amended), and Part 6 of the Local Authorities (Allowances for Members) Wales Regulations 2007.

11. Additional Information

11.1. Not applicable.