

WRITTEN MINISTERIAL STATEMENT

The content of this ministerial statement is as received at the time from the Minister. It has not been subject to the Official Report (Hansard) process.

Environment

LOCAL GOVERNMENT REFORM: COUNCILLORS' REMUNERATION AND FINAL SCHEME OF ALLOWANCES

Published at 1.00 pm on Wednesday 19 March 2014

Mr Durkan (The Minister of the Environment): On the 1st May 2013, a Councillors' Remuneration Panel for Northern Ireland, comprising a chairperson and four members, was set up to consider allowances for councillors, from June 2014 - March 2015 (**Shadow Period**) and from 1st April 2015 and beyond (**New Councils**).

The Panel was asked to consider and make recommendations on:

- The system and level of allowances which would be available to councillors from 1 April 2015 taking into consideration the role and responsibilities of councillors post-reform, the proposed new governance arrangements (particularly in relation to SRA) and schemes of remuneration for councillors in other jurisdictions in Britain and Ireland;
- The system of remuneration /allowances which would apply for a council chairperson and vice-chairperson; and
- The allowances which would be payable to councillors during the shadow period.

The Panel submitted its report to me on the 1st November 2013, making ten recommendations on:

- (a) Basic Allowance ;
- (b) Special Responsibility Allowance for committee chairs or Cabinet members;
- (c) Productivity Allowance for Chair or Mayor;
- (d) Vice-chairs;

- (e) Indexing;
- (f) Remuneration for the shadow period in 2014;
- (g) Travel and Subsistence Allowances for “approved duties”;
- (h) Caring or Dependant Carers’ Allowance;
- (i) Office Support Allowance;
- (j) Training and Development (attendance) Allowance.

The Panel’s Report is attached at Annex A

Departmental Response to Recommendations

I considered the recommendations made by the panel in conjunction with the views of the Political Reference Group for the Local Government Reform Programme and also representations made to me by the groups including the National Association of Councillors and a summary of the views put forward by those who attended one of the five targeted stakeholder events held by my Department. My response to the recommendations of the panel is attached at Annex B and a copy of circular setting out the resulting scheme of allowances is attached at Annex C.

Financial Implications

The allowances set are a maximum limit. From April 2015 onwards, all payments will be made by councils out of council funds. If all councils pay the maximum permitted and use all of their Special Responsibility Allowance, the overall cost would be £7,328,400 per annum, excluding travel and subsistence. This compares to £5,936,718 in 2012/13 (Figures for 2013/14 are not yet available). During the shadow period, the cost of allowances for those elected to the new councils will be partly met by the Executive who have agreed to provide £5.2 million for councils in shadow mode. Of this allocation the maximum amount made available for councillors’ allowances is £4.5 million and for travel and subsistence and other expense is £700,000.

Arrangements for Review

The value of the basic allowance and SRAs will be uprated in line with pay for council officers. However, as the Executive has made a commitment to review the transferring functions in 2016, I will review the basic allowance if and when further functions are transferred.

Copies of the annexes to the statement have been laid in the Assembly Library.