

Written Ministerial Statement

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Social Development

REGENERATION BILL

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Mr Storey (The Minister for Social Development): I wish to make a Statement to the Assembly in respect of the Regeneration Bill.

The Reform of Local Government commenced on 1 April 2015 with the creation of 11 new councils and the transfer of a range of functions and powers from central government to local government on that date. The aim of the transfer of key functions such as planning, urban regeneration, local economic development and local tourism from central to local government is to allow councils to take the lead in reshaping their areas and communities in the context of their new powers of community planning.

In November 2014, the Executive agreed that the transfer of powers and responsibilities from the Department for Social Development should be deferred until 1 April 2016. The legislative vehicle through which this was to be achieved is the Regeneration Bill which I introduced to the Assembly on 8 December 2014. While some good progress has been made on taking the Bill forward, a number of fundamental policy issues were raised by the Social Development Committee, and by other interested stakeholders through the presentation of both oral and written evidence, during the Committee's scrutiny of the Bill. I am of the view that it is important that the Bill has broad support, and I have been working towards that end. Unfortunately there remain unresolved issues, which have slowed down the legislative process making the timetable for putting this legislation into place extremely challenging.

It is also important to consider the impact any further delay and uncertainty around the Bill would have on the detailed planning by my Department and the receiving councils for the transfer of staff, budgets and assets from April 2016. We have now got to the stage where I need to be able to provide clarity to key interests on the way forward.

I am also conscious that plans for the restructuring of Departments are well underway and this will result in the creation of the new Department for Communities (DfC). This new Department will have responsibility for a much wider range of responsibilities including regeneration, social security, housing, employment services, culture, arts and leisure. In that context I have also been considering whether it would still be appropriate to be proposing, for example, to transfer work on physical regeneration projects to councils when similar type work is being transferred to DfC from other Departments.

Taking all these factors into account, I have concluded that now is not the right time to go ahead with the transfer of these key DSD functions to councils. In my view it would be a better option to proceed with the restructuring of Departments, assimilate the various regeneration type functions in the Department for Communities and then we would be in a better position to determine if and when some of these responsibilities would be best delivered at a local level. I believe that this approach would also offer a valuable opportunity to start again and look at the underpinning policy afresh to take account of the concerns and questions raised in relation to the transfer of these powers and responsibilities to councils. I have therefore decided not to proceed with the Regeneration Bill as currently drafted. I have written to all key interests informing them of my decision.

This decision means that my Department will continue to have responsibility for the delivery of these key services to the community, retaining its statutory powers, control of the overall budget and ownership of the associated physical assets and it will continue to deliver the relevant programmes until such time as the Executive decides otherwise.

I can assure you that I am still fully committed to the principles of the Reform of Local Government and believe that local councils are best placed to deliver local solutions.

I hope that the good work which has been done to date on this programme and the excellent arrangements and relationships that have been built up between the councils and the Department will continue as we work together on delivering these key services for the citizens of Northern Ireland.