# EXPLANATORY MEMORANDUM TO

# The Draft Local Government (Indemnities for Members and Officers) Order (Northern Ireland) 2012

## 1. Introduction

1.1. This Explanatory Memorandum has been prepared by the Department of the Environment to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2. The Statutory Rule will be made under Article 33 of the Local Government (Northern Ireland) Order 2005 and is subject to the draft affirmative resolution procedure.

## 2. Purpose

2.1. The proposed Statutory Rule will give district councils the power to provide indemnities (including by means of securing the provision of an insurance policy) for some or all of its members or officers and sets out the cases in which indemnities may be provided.

## 3. Background

3.1. District councils have in recent years expressed doubts about the extent to which they can indemnify their members and officers from personal liability arising from actions or decisions taken by them as members of other bodies to which they have been appointed by their councils, e.g. local partnerships, regeneration initiatives, companies that councils have established or participate in, etc. The Department therefore included an order-making power in the Local Government (Northern Ireland) Order 2005.

## 4. Consultation

4.1. As required by Article 33(2) of the Local Government (Northern Ireland) Order 2005, the Department, on 21 December 2009 consulted on its proposal to commence Article 33 of that Order and a draft of Local Government (Indemnities for Members and Officers) Order (Northern Ireland), comments were requested to be sent by 31 March 2010. The Department received 18 responses to the consultation, none of which opposed the proposal.

## 5. Equality Impact

5.1. The Order will not have a differential impact on any of the nine section 75 groups and will not present an opportunity to promote good relations. A full equality impact assessment was not considered necessary.

## 6. Regulatory Impact

6.1. The Order does not place any additional burdens on businesses, charities, voluntary bodies or the public sector.

## 7. Financial Implications

7.1. There are no anticipated financial implications.

## 8. Section 24 of the Northern Ireland Act 1998

8.1. The Order is considered compliant with section 24 of the Northern Ireland Act 1998.

## 9. EU Implications

9.1. Not applicable.

## 10. Parity or Replicatory Measure

10.1. This Statutory Rule replicates the provision introduced in England and Wales by the Local Authorities (Indemnities for Members and Officers) Order 2004 (S.I. 2004/3082).

## 11. Additional Information

11.1. Not applicable.