EXPLANATORY MEMORANDUM TO

The Draft Local Government Best Value (Exclusion of Non-commercial Considerations) 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 is made under sections 2(1) and (2) of the Local Government (Best Value) Act (Northern Ireland) 2002 and is subject to the draft affirmative resolution procedure.

2. Purpose

2.1. The Statutory Rule specifies certain matters in Article 19 of the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 1992 (the 1992 Order) to cease to be non-commercial matters.

3. Background

3.1. Article 19(1) of the the 1992 Order provides that, in exercising any of the functions mentioned in paragraph (3) of that Article in relation to public supply or works contracts, district councils must exercise these functions without reference to certain non-commercial matters listed in paragraph (4) of that Article.

3.2. The Local Government (Best Value) Act (Northern Ireland) 2002 requires district councils to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, effeciency and effectiveness.

3.3. The restriction imposed by Article 19 of the 1992 Order, by excluding the consideration of certain matters, could have an adverse impact on council contracts.

4. Consultation

4.1. The Department consulted on a draft of the Statutory Rule and associated guidance on 7 September 2011 and comments were requested to be sent by 31 October 2011. The Department received 11 responses, none of which were opposed to the proposals.

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. The Order replicates provisions introduced in England and Wales by the Local Government Best Value (Exclusion of Non-commercial Considerations) Order 2001 (SI 2001/909) and the Local Government Best Value (Exclusion of Non-commercial Considerations) (Wales) Order 2002 (SI 2002/678) respectively.

11. Additional Information

11.1. Not applicable.