EXPLANATORY MEMORANDUM TO THE LOCAL GOVERNMENT (GENERAL GRANT) (AMENDMENT) REGULATIONS (NORTHERN IRELAND) 2006 2006 No. 39

1. This Explanatory Memorandum has been prepared by the Department of the Environment (DOE) and is laid before Parliament by Command of Her Majesty**.**

2. **Description**

2.1 The Regulations update the published date of the employment and income deprivation scores from July 2001 to May 2005. The scores are contained in the Northern Ireland Multiple Deprivation Measure (NIMDM).

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

3.1 None.

4. **Legislative Background**

4.1 The Local Government (General Grant) Regulations (Northern Ireland) 2003 (the 2003 Regulations), introduced a new formula for determining the resources element of general grant payable by the DOE to district councils. The formula requires the DOE to use "employment deprivation scores" and "income deprivation scores" data sets. The employment deprivation scores, measure employment deprivation conceptualised as involuntary exclusion of the working age population from the world of work. The income deprivation scores reflect proportions of the population experiencing income deprivation in an area.

4.2 Under the New Targeting Social Need policy, which commits all Northern Ireland Departments to ensure that policies are targeted on areas, groups and people in the greatest need, the Northern Ireland Statistics and Research Agency (NISRA) published, in July 2001, the NIMDM on the geographical distribution of relative deprivation in Northern Ireland. The NIMDM 2001 was based on data relating mostly to 1999. By 2003, the 2001 Census of Population was available and the Inter-Departmental Statistics Co-ordinating Group agreed that it was timely to review spatial measures of deprivation in Northern Ireland. In May 2005, NISRA published the new NIMDM, which is now the official measure of spatial deprivation for Northern Ireland.

4.3 The Regulations are made using powers in the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 2002.

5. **Extent**

5.1 The Regulations apply to Northern Ireland only.

6. European Convention on Human Rights

6.1 As the Regulations are subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy Background

7.1 An extensive review of the formula used in calculating the general grant payable to district councils was completed in December 2002. The outcome of this review was given effect through the Local Government (Miscellaneous Provisions) (Northern Ireland) Order 2002 and the 2003 Regulations.

7.2 The 2003 Regulations provided for the distribution of the resources element of the general grant, using the latest data available to the DOE, which include the employment and income deprivation scores. These scores are contained in the NIMDM published in May 2005, replacing those published in July 2001.

7.3 The DOE has consulted all district councils in Northern Ireland and such other interested bodies or persons it considers appropriate. All respondents were content with the Regulations.

8. Impact

8.1 A Regulatory Impact Assessment has not been prepared for these Regulations, as they will not impact on business, charity or voluntary sector.

8.2 The Regulations affect district councils and a government department – the DOE.

9. Contact

9.1 Marie Finnegan at the DOE Tel: 028 9054 1009 or e-mail: marie.finnegan@doeni.gov.uk, can answer any queries about these Regulations.