

Putting People First

Action Programme for Effective Local Government

Department of the Environment,
Community and Local Government

October 2012



Comhshaol, Pobal agus Rialtas Áitiúil
Environment, Community and Local Government



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NÓ TRÍ AON DÍOLTÓIR LEABHAR.

DUBLIN
PUBLISHED BY THE STATIONERY OFFICE
TO BE PURCHASED DIRECTLY FROM THE
GOVERNMENT PUBLICATIONS SALE OFFICE
SUN ALLIANCE HOUSE, MOLESWORTH STREET, DUBLIN 2,
OR BY MAIL ORDER FROM
GOVERNMENT PUBLICATIONS, POSTAL TRADE SECTION,
UNIT 20 LAKESIDE RETAIL PARK, CLAREMORRIS, CO. MAYO
(TEL: 01-6476834 / 37 OR 1890 213434; FAX: 01-6476843 OR 094 9378964)
OR THROUGH ANY BOOKSELLER.

€10.00

ISBN 9781406427134

October 2012



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Foreword by Minister

Local Government represents and serves the citizen. Uniquely, it is given a franchise by all residents in Ireland. *Putting People First* involves the most fundamental set of changes in local government in the history of the State from regional and county level through to the municipal level of governance. These changes are an integral part of the Government's comprehensive programme to improve the way the political system serves our people. The reforms include: making our political funding system more transparent; increasing the participation of women; reducing the number of TDs; establishing the Constitutional Convention; and introducing legislation to address conflicts of interests, lobbying procedures and to strengthen our planning system. My Department has a key role in spearheading many of these reforms.



This Action Programme, *Putting People First*, outlines Government policy for reform and development right across the local government system. The reforms put a strong emphasis on accountability as the bedrock of a properly functioning system of local democracy, providing for better engagement with citizens. I believe fervently in the need for Local Government to build strong relationships with and gain the interest of local people. However, Local Government structures in Ireland have not been updated since the 19th Century. I am renewing those structures and introducing more effective democratic arrangements, which will increase efficiency and provide better value for money for the people it serves. This will involve radical measures, such as a substantial reduction in the number of Councillors and the number of local and regional authorities.

Local Government must also operate to the very highest standards. *Putting People First* introduces new degrees of accountability, transparency and external scrutiny, as essential pillars of local democracy. There will be a new National Oversight and Audit Commission with external expertise, which will provide a more robust system of Performance Monitoring with a focus on: key performance indicators, customer service and comparative performance of local authorities. I will strengthen the role of Local Authority Audit Committees and I will also review reserved powers under section 140 of the Local Government Act 2001 to ensure that Councillors will no longer be allowed to direct the executive in respect of planning functions.

Local Government has been ahead of most sectors in the changes it has made to reduce costs and drive efficiency, with €830 million in savings made since 2008, and the sector is well on the way to achieving the €511 million savings identified in the Report of the Local Government Efficiency Review Group. I will ensure that local authorities continue to pursue the efficiency agenda vigorously, while maintaining essential frontline services and delivering the highest standards of customer service.

Putting People First reinforces Local Government as the primary means of public service at local level, harnessing the commitment of elected members and officials. For my part, I am committed to

building stronger, more cohesive Local Government, giving it a greater capacity not only to address the challenges we face, but also to promote local community, social and economic development, and collectively to maximise the strengths of our country as a place in which to live, to invest and to work. At a critical time for our country, local government has a crucial role to play in Ireland's national recovery. The Action Programme empowers Local Government in an entirely new way, particularly in relation to economic development, and most importantly, sustaining and creating jobs. This programme affirms the need for the system to embrace change, share the burden, modernise, adapt to new financial circumstances and deliver even better services with scarce resources.

Over the last number of years, and particularly since I became Minister, I have consulted widely and have reflected deeply on how local government should be developed. It is now time for action and there is a keen appetite for change. This document is not only a statement of decided Government policy, it is a focused action programme for reform and it puts people first.

A handwritten signature in black ink that reads "Phil Hogan". The signature is written in a cursive, flowing style.

Phil Hogan TD
Minister for the Environment, Community and Local Government

Action Programme for Effective Local Government

Summary

Part 1: Vision for Local Government in Ireland

Vision for Local Government (Chapter 1)

Local government will be the main vehicle of governance and public service at local level - leading economic, social and community development, delivering efficient and good value services, and representing citizens and local communities effectively and accountably.

The reform programme is built around this vision, with a clear rationale for the role and potential of local government. Consistent with this vision, the functions of government at local level will be performed through the local government system to the greatest possible extent and local authorities will perform a wide range of appropriate functions. A key purpose of local government is to promote the well-being and quality of life of citizens and communities, through effective, accountable representation, and efficient performance of functions and delivery of services. Local authorities have certain advantages over more centralised organisations. Many public services can be delivered best through locally-based bodies that are responsive to local needs and circumstances. Local responsibility and accountability, subject to overall standards and oversight, can help to achieve good performance, with greater commitment and ownership than is likely through centralised organisations.

Local government has Constitutional status, accounts for substantial resources, and is present in every part of the State. It makes sense, therefore, to use it to the full, making the most of its resources, capacities and potential. Local authorities should play as wide a role as possible in public service and administration, not only in the specific service areas that have traditionally been their main business focus, but also in contributing to national recovery and economic growth.

Consistent with the overall vision, separate structures or organisations of public administration will not be established outside of the local government system unless, in exceptional circumstances, the need for this is clearly demonstrated.

Objectives of the Reform Programme (Chapter 1)

To reach its full potential, the local government system must maximise both representational effectiveness and accountability on the part of the elected councils, and operational efficiency on the part of the administration.

The reform programme is designed to achieve these objectives through a comprehensive and coherent set of measures to improve the main elements of local government; its structures, functions,

resources, operational arrangements and governance. The reforms are based on the Programme for Government, guided by relevant principles, including various recommendations by the Council of Europe, and informed by recent reports such as the Local Government Efficiency Review (LGER) and the report of the Local Development/Local Government Steering Group, by previous work on local government reform, and by wide consultation. The reform programme is attuned particularly to prevailing economic circumstances in which both administrative and political elements of the public service at all levels are undertaking radical restructuring and change.

Part 2: Local Government Functions - Doing More for the Economy, Enterprise and the Local Community

A Wider Role for Local Government (Chapter 2)

The role of local government in Ireland is narrow by international comparison. Some traditional functions have moved to specialist organisations in recent years due to necessities of scale, resources and expertise. To make the most of its resources and capacities, the role of local government will be strengthened, having regard to relevant criteria, with a wider range of suitable functions. Its role will be refocused, particularly towards economic, social and community development. Central government involvement in operational details of local services will be further reduced and administrative controls and procedures streamlined. Local authority capacity to undertake services for a wider range of sectors will also be fully utilised.

In the short term, the functions of local government are being strengthened in the following areas in particular:

- an enhanced and clearer role in economic development and enterprise support;
- close involvement in community and local development;
- devolution of specific functions from central level and delegation of greater authority or relaxation of specific central controls on local authorities; and
- widening the reach of local government by using its capacity to undertake functions with or on behalf of other sectors and performing a broad co-ordination and leadership role locally.

Extending the remit of local government to a much wider range of functions similar to some other countries will be a longer-term process. However, the reform of local government structures, operational arrangements, funding and governance will help to make this more feasible in the future by addressing factors that have inhibited the development of local government in Ireland.

Promoting Economic Development and Local Enterprise (Chapter 3)

There will be a stronger role for local government in promoting economic development, thereby sustaining and creating jobs - building on the 2,000 local initiatives already in train. There is a strong rationale for increased local government involvement in economic development because of the economic impact of its functions generally, its links with enterprise, its local knowledge and leadership, economic initiatives by many local authorities, and its new local development and enterprise functions.

Operation of the local micro-enterprise support service through Local Enterprise Offices (LEOs), embracing the functions of City/County Enterprise Boards and local authority Business Support Units, will be a key element of the local government role in economic development. Other economic development functions will include:

- Regional Spatial and Economic Strategies, to which other agencies must contribute and adhere;
- a stronger and more explicit direct role for local authorities in promoting economic development, more clearly specified in legislation;
- ensuring that all local authorities focus their general functions and services proactively towards supporting enterprise and economic development, including actions under the Local Government Sectoral Strategy of the Government's Action Plan for Jobs, Supporting Economic Recovery and Jobs - Locally;
- leading and mobilising economic development locally in conjunction with relevant agencies;
- drawing up local economic development plans in conjunction with the overall City/County Development Plan.

The economic development role will be supported by a dedicated Strategic Policy Committee (SPC) in each local authority and in many cases, a specific Director of Services for Economic Development.

Local and Community Development (Chapter 4)

Local government will have a central role in the oversight and planning of local and community development programmes, through arrangements based on the report of a Steering Group on the alignment of the local government and local development sectors, which is published on the Department of the Environment, Community and Local Government (DECLG) internet site www.environ.ie. The Group's main recommendations include:

- a Socio-Economic Committee in each city/county council for planning and oversight of local and community development programmes;
- an inter-departmental group to secure a 'whole-of-government approach';
- a national policy to establish a framework for a cross-government approach to local and community development at local level, and a common approach to budgets, costs and targeting of resources;
- a 5-year City/County Local and Community Plan forming a component of the overall City/County Development Plan;
- alignment of the areas of the local and community development programme with city/county boundaries as far as possible;

Devolution to Local Level (Chapter 4)

A programme of devolution of specific functions and delegation of greater responsibility to local authorities will be implemented. This will involve:

- delegation of greater responsibility for certain functions in which local authorities are involved such as environment, water, foreshore, local/community development, food safety, roads/traffic, housing and energy efficiency;
- in addition to the local micro-enterprise support function, assignment of certain functions from Government Departments/agencies to local authorities in the areas such as transport, tourism, sport, management of State property and heritage sites, flood management/relief, and certain infrastructural functions.

The scope for further devolution of functions to local government will be pursued through ongoing engagement with relevant Departments. More far-reaching expansion of the local government remit will be pursued on an ongoing basis as the reforms across the local government system take effect.

Collaboration, Leadership and Co-ordination (Chapter 4)

Existing local authority functions are being confirmed, other than those that will be taken on by Irish Water and certain functions relating to river basin management. Available resources, capacity and expertise in local authority services will be utilised as fully as possible, for example, working with or on behalf of other sectors in a collaborative way to undertake relevant functions and services locally.

The potential of local government to play a leadership and co-ordination role locally will be explored, building on its role in developing sustainable communities, for example, in relation to sectors such as education, health and welfare.

Involvement of local government in enterprise support and the local and community development programmes, gives local authorities a much stronger direct co-ordination capacity. The City and County Development Boards, which were established primarily to provide a linkage between local government, the local development sector and economic development agencies, will, therefore, be phased out, consistent with the reduction in public service structures generally.

Part 3: A Local Government System for the 21st Century

Local Government Structures - Issues to be Addressed (Chapter 5)

To support a stronger local government role, the “architecture” of the system (which has changed little since it was put in place in the 19th century) must be rational, economic, efficient, reflective of modern day realities and capable of advancing the objectives of operational efficiency and representational effectiveness. Pursuant to the commitment in the Programme for Government to a fundamental reorganisation of local governance structures and in keeping with public service reform generally, local government structures at sub-county, county and regional levels, are being streamlined and strengthened.

Local Government Arrangements within Counties (Chapter 6)

The most extensive change is proposed at sub-county level. Previous recommendations for outright abolition of sub-county local government or transfer of most functions to county level will not be

implemented. A new, more positive, approach will be taken to address current weaknesses and anomalies such as town/county duplication, inconsistencies, boundary issues and mismatch between functions and resources. Towns and their hinterlands will form a comprehensive sub-county system, corresponding more closely to municipal arrangements that apply in many European countries. Key features of the new arrangements include the following:

- There will be a rationalised organisation integrating town and county governance with a reduction of some 500 councillors involving the replacement of 114 local authorities with 31 integrated authorities organised on the basis of municipal districts within counties.
- Municipal districts will cover each entire county, drawn as far as possible around existing town authorities and larger non-municipal towns and their hinterlands.
- Councillors will be elected simultaneously to both municipal district and county council, with members in common instead of the current separate town and county membership whereby municipal towns have double representation.
- The boundaries of the municipal districts will be drawn up on the basis of a review by an independent statutory committee based on relevant parameters including the position of towns. Representational disparity between and within counties will significantly reduce. The total number of seats nationally will not exceed 950, compared with 883 county and city council and 744 town council seats currently.
- There will be a single county-wide administrative/operational structure but the elected members will decide relevant matters at district and county levels, respectively, with no duplication or overlapping of functions.
- The elected members will perform a substantial range of “reserved” functions at district level on a fully devolved basis, including: a local policy/regulatory role in areas such as planning, roads, traffic, housing, environmental services, recreation, amenity and community development; formal civic functions; a general representational and oversight role; and citizen/community engagement. Definitive allocation of functions will be decided in the context of legislation, but indicative proposals are set out in the Action Programme.
- The division of functions between county and district levels will be decided by what is most relevant to each level. Local matters will be dealt with at district level while those of wider strategic application will be dealt with at county level. For example, the members will adopt rates and development plans at county level, but local area plans and bye-laws at district level.
- There will be requirements such as consistency with county policy, but also power to delegate additional functions to district level.
- Detailed financial arrangements and procedures between district and county levels will be developed in the context of relevant legislation and new local government funding arrangements.

The new arrangements will improve democratic responsibility and accountability, community identity, responsiveness to local issues, subsidiarity, coherence and efficiency; yield cost savings and better value for money and generally strengthen local government.

City and County Level (Chapter 7)

The City or County Council will continue to be the core element of local government. Joint management arrangements on a permanent basis, as proposed by LGER in 2010 will not be implemented and existing councils will be retained subject to amalgamation in three cases, resulting in reduction in the number of City and County Councils from 34 to 31.

Some strengthening of city/county structures is desirable and consolidation of authorities will be pursued where it is considered that this is warranted to strengthen local government. Unification of the City/County councils in Limerick and Tipperary, as already decided by Government, will proceed in accordance with recommendations by the Implementation Groups for these areas.

The Government has also decided that a single new local authority will be established in Waterford, as recommended in the report of the Waterford Local Government Committee. The Committee recommended the unification of the existing Waterford City Council and Waterford County Council, with effect from the 2014 local elections. It identified a number of benefits with merger including strong local leadership, more cohesive economic and social development, enhanced public service coordination and integration, better and more efficient staffing arrangements, and financial savings that can be used to reduce the rate burden and improve services generally. The Committee reached its conclusion having rigorously examined possible alternative options. Implementation arrangements, similar to those in Limerick and Tipperary, will apply, including an independently chaired Implementation Group to oversee initial reorganisation arrangements.

Interim dual management arrangements will operate in the merging local authorities pending full unification in 2014.

A key objective of local government unification is to increase the capacity of local government to promote economic and social development. The merging authorities can act as leaders in the development of the enhanced local authority role in economic development.

The Tipperary Implementation Plan, a Progress Report by the Limerick Implementation Group and the report of the Waterford Local Government Committee are published on the DECLG internet site www.environ.ie.

Other city and county authorities will be retained and permanent managers will be appointed to current vacancies and others as they arise. Efficiencies and economies will be vigorously pursued in local authorities generally through other measures proposed by the LGER, including shared services and other inter-authority arrangements.

Local government structures will reflect appropriate metropolitan areas in the cities. In the case of Limerick and Waterford an appropriate metropolitan district will be provided for in the context of the new municipal district arrangements and the civic status of the cities will be fully maintained in the context of the new municipal governance arrangements. In other cases, for example Cork, it will be open to the local authorities to consider boundary alterations as appropriate.

In the case of Dublin, having regard to the relatively recent major restructuring and the extent of reforms generally being implemented, it is not proposed to consider reorganisation of local government structures ahead of the 2014 local elections. However, a special forum of the elected members of the four local authorities will be convened to consider the options for the introduction of a directly elected Mayor for a Dublin metropolitan area, which will be put for decision through a plebiscite in 2014.

Regional Level (Chapter 8)

Regional structures and functions will be revised and strengthened with replacement of the eight regional authorities and two assemblies by three new regional assemblies to perform an updated range of strategic functions.

The new regions will be as follows:

- Connacht-Ulster Region
- Southern Region (the province of Munster and counties Carlow, Kilkenny and Wexford)
- Eastern-Midland Region (the counties of Leinster other than those in the Southern Region)

The areas of the current regional authorities can continue to be used as sub-units, as appropriate, for example, in compiling statistics, building up plans, etc, but formal adoption of strategies or other statutory functions will be dealt with by the three assemblies. Total regional membership will reduce from 270 to 62, composed of two members of each constituent city/county council.

The main functions of the new Regional Assemblies will include formulation of Regional Spatial and Economic Strategies, other strategic functions under relevant legislation, relevant functions in relation to EU funding programmes, and oversight of local authority performance and national policy implementation.

Part 4: Local Government Soundly Funded, Working Better, Serving the Community

Operational and Organisational Efficiency, and Customer Service (Chapter 9)

A rigorous programme of efficiency measures, organisational streamlining and robust performance evaluation is being implemented to ensure that local government is organised and operates as efficiently as possible, achieves the highest standards of performance and provides the best possible quality of service and responsiveness to customers, citizens and taxpayers.

The first Report of the LGER Implementation Group, which is published on www.enviro.n.ie, includes recommendations relating to the implementation of a number of efficiency measures identified in the 2010 LGER Report, particularly in the areas of shared services arrangements, work force planning, ICT Strategy, procurement management, and revenue collection.

Of €346m savings identified in the LGER Report as total potential direct efficiency savings in local government due to efficiency measures (as distinct from reduced activity), savings of €195.5m were achieved in the period 2010-2011. Estimated total local government savings since 2008 are €830m.

Local authorities have already implemented considerable shared services arrangements, for example in the areas of charges, waste permitting, financial management systems, human resources and payroll systems, and procurement. Implementation of the recommendations in the Group's report will proceed as a priority. A dedicated Programme Management Office has been established to support local authorities with the shared services agenda and a Sectoral Shared Services Plan is being prepared.

A Workforce Planning process is in progress to determine optimum local authority organisational and staffing requirements, and rigorous staffing and organisational rationalisation will continue in the context of the reform programme. Local government has already achieved the highest proportionate staffing reduction of any public service area, with staff numbers having reduced by 8,478 or 23% from 37,243 in mid-2008 to 28,765 at March 2012, involving significant reduction in senior management grades and overall savings of €288m. Reforms in employment terms and conditions are being implemented including those applying to appointment of managers, revised annual leave arrangements and review of sick leave provisions. Significant rationalisation of state agencies in the local government sector is also under way with reduction in the number of bodies from 21 to 11 and projected staff reductions of 239 or 25%.

Local authorities are prioritising customer service in the context of substantial reduction in resources. A significant process of innovation in local authority organisation and services is under way to maximise efficiency and maintain the highest possible standard of customer service and the potential of such initiatives will continue to be fully exploited. Customer service initiatives to date include the www.Fixyourstreet.ie website, enabling the public to report problems online. It is already operational in a number of local authorities and will be available nationally by end 2012. Local authority customer charters will be reviewed where they are more than 3 years old or where significant changes have been made in service provision in order to ensure continuing improvement in the provision of the optimum level of service to the citizen. Local authorities will provide good quality information, particularly in relation to local services and how resources are utilised and in future, each City and County Council will have a dedicated, suitably trained, Customer Service Officer.

Service Level Agreements will be developed between Government Departments and local authorities. A more robust system of Performance Standards and Monitoring will be introduced in local government, with focus on key indicators and on outcomes rather than outputs, emphasis on value for money, and comparative performance of authorities.

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Existing Service Indicators will be replaced by an enhanced system of Performance Indicators which will demonstrate a local authority's overall performance in delivering a particular activity or service and

will facilitate evaluating its performance against the Performance Standard for that activity or service. Local authority members will also adopt annual Service Plans in parallel with the budgetary process, and set targets to be achieved in the delivery of services. Local authority Annual Reports will include a comprehensive review of Performance Standards by reference to the Performance Indicators.

Local Government Funding (Chapter 10)

Consistent with the overall local government reform process, the Government is committed to the introduction of a local property tax with provision for an appropriate element of local authority financial responsibility to underpin local democratic decision-making. An Inter-Departmental Expert Group on Property Tax has reported on proposals for a property tax designed, inter alia, to provide a stable and equitable funding base for the local authority sector in the medium and longer term.

The approach to the Report will be considered by the Government in the context of overall budgetary strategy.

Part 5: Good Governance, Strong Leadership, Democratic Accountability

The Elected Council, Executive, Oversight and Community Engagement (Chapter 11)

An effective and accountable system of local authority governance involves a range of requirements in relation to the elected council and the executive, relationships with citizens, local communities and external interests, including central Government, and structures and procedures within local authorities. Key requirements in this regard include:

- effectiveness of the elected councils in setting policy and rigorously overseeing the performance of their organisations;
- appropriate balance between the policy and leadership role of the elected councils and the administration and implementation role of the executive, with proper allocation of functions, checks and balances, and a robust ethical code;
- accountability and transparency, with effective arrangements for information, oversight and external evaluation;
- compliance with national policy and appropriate balance between local objectives and wider strategic/national interests and the common good;
- adequate engagement with and participation by, communities and individuals in local government.

To meet these requirements, a range of reforms are being implemented to strengthen and clarify governance and related aspects of the local government system, including local government oversight, accountability, policy-development, ethics and citizen engagement, and the status and role of the elected council and executive. Specific measures include the following:

- The structure, role, membership and operational mechanisms of local authority SPCs and Corporate Policy Groups (CPG) will be reviewed and strengthened.
- A special forum or colloquium of the elected members of the four Dublin local authorities will be convened to consider the options for the introduction of a directly elected Mayor for a Dublin metropolitan area, which will be put for decision through a plebiscite in 2014.
- A new National Oversight and Audit Commission for Local Government will be established to provide an independent high quality scrutiny of local government performance in fulfilling national, regional and local mandates. It will involve external evaluation expertise, political and administrative experience, and an independent chair. The Commission will operate partly through Regional Oversight Committees under the aegis of the regional assemblies. It will report publically and to relevant Ministers, Oireachtas Committees, regional assemblies and local authorities.
- Measures will be implemented to strengthen further accountability and audit in local government, involving the following changes:
 - local authority Audit Committees will be put on a full regulatory footing and the Committee's review of the audit report will be included in its report to the Council;
 - the Local Government Auditor will make a presentation to the Council, and where requested, the CPG, regarding the audit;
 - a critical review of the possible merger of the Local Government Audit Service and the Office of the Comptroller and Auditor General is being carried out.
- In line with the Programme for Government, the position of local authority manager will be replaced by a Chief Executive post, consideration will be given to strengthening the statutory position of the elected council in that context, and the reserved functions of elected members will be strengthened.
- Issues related to supports and resources for councillors will be considered, including merger of the council representative bodies (which will strengthen their input to national policy), councillor training/development, limiting funding for conference attendance, and review of payments to councillors.
- The local government ethics code will be strengthened and incorporated in a single national legislative framework across the public sector;
- Having regard to the Final Report of the Tribunal of Enquiry into Certain Planning Matters and Payments, powers of councillors under section 140 of the Local Government Act 2001 will no longer apply in respect of planning functions and consistent with this, these powers will not apply to any decision by a local authority involving financial or other benefit to an individual or a specific organisation.
- Mechanisms to promote greater community/citizen engagement with local government will be considered, including possible participative democracy arrangements.

Part 6: Taking Matters Forward.

Implementation and Further Development (Chapter 12)

A central element of implementing the Action Programme will be a major programme of legislation to provide for the wide range of measures under the programme in time for the 2014 local elections.

Other implementation arrangements for the Action Programme will be put in place, including:

- Reorganisation in the context of local authority mergers in Limerick and Tipperary will proceed on the basis of the Implementation Plans of the Reorganisation Implementation Groups.
- A Reorganisation Implementation Group will be established to direct the reorganisation process in Waterford.
- A statutory local government committee will be established to provide recommendations on the configuration of municipal districts/electoral areas.
- A national steering group will be established to formulate implementation details of new sub-county arrangements and oversee the process generally, in conjunction with local reorganisation arrangements in each county.
- Further implementation arrangements can be established where necessary for particular aspects of the programme.

It is also envisaged that the measures to be implemented under the Action Programme will provide the platform for further development of the local government system and broadening of its role as part of the ongoing reform of the overall system of public administration in Ireland.



PART 1

VISION FOR LOCAL GOVERNMENT IN IRELAND

Chapter 1 - Vision for Local Government and Objectives of Reform

Local government will be the main vehicle of governance and public service at local level - leading economic, social and community development, delivering efficient and good value services, and representing citizens and local communities effectively and accountably.

1.1 Vision for Local Government

1.1.1 Purpose of local government

The ultimate purpose of local government is to promote the well being and quality of life of citizens and communities, through effective, accountable and democratic representation, and efficient performance of functions and delivery of services at the local level. Thus, the local authority role embraces a combination of service delivery, regulating relevant matters in the public interest, promoting sustainable physical and spatial development, and uniquely, providing democratic representation and accountability. The representational and leadership role is relevant not only to the local authority's own direct functional responsibilities, but also to wider matters affecting the welfare of people and generally mobilising action for the betterment of the area and the community. Successful performance of this multi-faceted role requires a range of qualities, including responsiveness, leadership, innovation, commitment to efficiency and value for money, along with support for national objectives and compliance with international obligations.

1.1.2 Rationale for strong local government

There is a compelling rationale for an effective system of local government, as distinct from purely "local administration" (whereby services are provided through locally-based staff of central organisations or where local authorities act as mere agents of central government). This rationale is underpinned by a range of factors including, the following:

- (a) Local democracy is an essential component of a robust system of representative democracy. Indeed, local government has Constitutional recognition in Ireland. Local government involves more than service delivery. Democratic representation and oversight are important elements and local political leadership and oversight can bring greater accountability and

responsiveness to local needs than is likely in the case of bodies that operate solely as agents of centralised organisations.

- (b) A system of local government that is largely representational and lacking significant functions and responsibilities will, however, be hollow and possibly even counter-productive, frustrating for elected members and lacking relevance for their constituents. Local authorities therefore, and in particular the elected members, must have substantial functions and responsibilities.
- (c) Local government has a presence throughout the country. It is therefore inefficient and uneconomical not to maximise its potential as a vehicle of governance and provider of services across as wide a spectrum of activities as possible.
- (d) Local authorities are more multi-faceted in nature than other public bodies and possess a wide range of expertise and competencies. Their flexibility, responsiveness and organisation, particularly in delivering major projects and responding to urgent situations, give them a strong capacity to address new challenges successfully.
- (e) Many public services and functions are local in character and scope and their delivery involves locally based staff and facilities. These do not need to be part of, or controlled by, central organisations. It is appropriate, therefore, that elective local government should have a reasonable degree of devolved decision making capacity over a wide range of relevant public affairs and services, subject to adequate accountability and, critically, financial responsibility, underpinned by effective governance, structures and arrangements to achieve consistency with national policies and standards.
- (f) Services that are largely local in character are more effectively dealt with and produce outcomes best suited to local needs if locally devolved rather than centrally controlled. A positive performance dividend, in terms of enhanced commitment, initiative and care, can be gained from local decision-making and the sense of “ownership” and local “ambition” which it can promote. The quality of local services can also be enhanced by being informed by awareness of local needs, priorities and circumstances.
- (g) Rebalancing of responsibilities from central to local government can improve efficiency by reducing duplication and process associated with centralised supervision and by enabling central government to concentrate more on national issues and strategic policy matters.
- (h) Local government has a strong capacity to collaborate and to adhere to wider norms and objectives, not only through operational arrangements such as shared services, but also in the context of supporting national policy and promoting high standards, best practice and effective oversight arrangements. Devolved responsibility does not therefore imply fragmentation or isolated action by local authorities.
- (i) A strong and modernised system of local government can form an important element of a reformed national public service and political system, in the context of overall public service reform.

1.1.3 A vision for local government

Local government will be the primary vehicle of governance and public service at local level, delivering efficient and good value services to people, performing a wide range of appropriate functions, and

representing citizens and communities, as effectively and accountably as possible. Consistent with this, the functions of government at local level will be performed through the local government system to the greatest possible extent. No separate structures or organisations of public service or administration will be established outside of the local government system unless necessitated by clearly demonstrated exceptional circumstances. The structural, functional, organisational, operational and governance proposals in this reform programme will support and advance the achievement of this vision. In the context of the evolving role of local authorities, they will, in future be significant leaders of economic, social and community development at local level.

1.2 Broad context and previous deliberations

1.2.1 Extensive analysis and consultation on local government in Ireland has been recently undertaken in the context of the 2008 Green Paper on Local Government¹ and the 2010 *Local Government Efficiency Review* (LGER) Group report². While this reform programme builds on such work, it does not dwell unduly on matters that have been extensively examined previously but, rather, focuses primarily on action to address clearly identified issues. Relevant information on aspects of the local government system under consideration is provided at appropriate points in this Action Programme and some key data are set out in Appendices 2 to 4. Account has also been taken of views expressed in more recent consultations with, and submissions by, interested individuals and organisations, including the representative associations of local authority elected members. To inform the completion of policy proposals, the Minister for the Environment, Community and Local Government invited each individual councillor in the country in June 2012 to submit views on a range of issues relating to local government reform. Some 350 responses were received by the closing date (representing a response rate of 21.5%) and an overview of these is provided on the Department of the Environment, Community and Local Government (DECLG) internet site www.envron.ie. Particular issues raised are referred to at relevant points in this programme. The responses to the survey will also be considered in the implementation of reforms. Key results from the 350 responses were as follows:

- While councillors felt that many aspects of the local government system work well, especially accessibility of democratically elected representatives to citizens, their main areas of concern were -
 - the relative power of unelected officials in comparison with that of councillors - need for a rebalancing in favour of the latter
 - the centralisation of power at Government/Government Department level - need for devolution
 - the weak financial base of local government
 - the lack of coordination with other public service providers locally

¹ *Stronger Local Democracy - Options for Change*, Department of the Environment, Heritage and Local Government, April 2008.

² *Local Government Efficiency Review*, Department of the Environment, Heritage and Local Government, July 2010.

- 74% believe the position of city/county manager should be changed or replaced with that of chief executive
- 51% believe that there should be provision for a directly-elected Cathaoirleach/Mayor at local authority level
- 84% believe that the remuneration and expenses for local authority elected members needs to be reformed
- 63% believe that more needs to be done to encourage women to stand as candidates in local authority elections
- 80% believe that local authority elected members should not be precluded from involvement in decisions in relation to the zoning of land.

1.2.2 The economic context has changed significantly since the publication of the Green Paper in early 2008. However, much of the information and analysis contained in it and in the LGER Report is still largely relevant, albeit the need for action on many issues identified is increased by further economic challenges and constraints. Local government reform proposals have been formulated with due regard to current economic imperatives which reinforce the need to exploit all possible scope for further improvements in effectiveness and efficiency. Local government reform must align with policy and action generally to address economic problems and promote national recovery, with particular reference to overall public service reform.

1.2.3 Local authorities have already adapted considerably to the economic downturn. For example, they have significantly reduced staffing levels and implemented a range of efficiency measures, while maintaining generally good standards of public services. One objective indicator of the responsiveness of the sector in this context is the fact that, since 2008, total staff numbers in local government have reduced by 8,478, or 23%, among the highest of any area of the public service. Similarly, while weaknesses and shortcomings in local government are often highlighted and need to be addressed, the system works well, for the most part, in delivering a range of essential services, responding quickly to local emergencies and evolving circumstances, regulating various activities in the common good, providing a wide range of amenities and working to develop local areas and communities. The strengths and successes of the system must be maintained and built on, while addressing its problems.

1.3 Local government policy agenda

1.3.1 The Government's broad policy approach to local government was set out in the Programme for Government³ which provides a wide agenda for reform and development, including reorganisation of structures; devolution of greater decision making to local level; aligning community and enterprise functions with the local government system; implementing the shared services agenda to deliver efficiencies; examination of funding arrangements; and a number of more specific proposals and commitments. Relevant items in the Programme are referenced at appropriate points in this Action

³ Government for National Recovery 2011-2016, March 2011.

Programme, which sets the Government's proposals for a wide-ranging programme of local government reform and development, involving action to strengthen and improve the structures, functions, resources, operations and governance of the local government system.

1.4 Aims of local government reform

1.4.1 The overall objective of local government reform is to achieve a system that will deliver as effectively as possible for citizens and communities, and to progress towards the future vision of a more multi-functional local government service. A fundamental requirement in developing reform proposals is to make the local government system more fit for purpose to meet current and future challenges and to maximise its potential. This involves creating a strong, cohesive and effective system of local government that can play a substantial role in the democratic government of the State.

1.4.2 Related to these broad aims, more specific targets which need to be achieved include the following:

- (a) Development of a more self-reliant system of local government which will have less of a dependency-based relationship with central government;
- (b) Enhancing the capacity of local government in promoting economic development and social progress, including the well-being of communities, and supporting job creation efforts and economic recovery generally;
- (c) Improving the credibility of, and level of confidence generally in, the local government system and thereby positioning it more favourably to undertake a wider role in the future;
- (d) Ensuring that the local government system evolves in a way that is consistent with and supportive of the overall public service reform agenda and the restoration of the public finances.

1.5 Principles of local government reform policy

1.5.1 Government policy in relation to the local government system is informed by a range of internationally accepted principles and requirements intended to enable local government to fulfil its purpose effectively and maximise its potential. These are enshrined in relevant documents produced by the Council of Europe and OECD⁴, and have been reflected in various previous reports on local government reform in Ireland⁵ and indeed, in various aspect of the Irish local government legislative code⁶. In light of these, the reform programme is underpinned by the following principles and requirements in particular:-

⁴ In particular, the Council of Europe European Charter of Local Self-Government (2.2.4) and the Strategy of Innovation and Good Governance at Local Level (March 2008) and the OECD review on the Irish Public Service - Towards an Integrated Public Service, May 2008.

⁵ In particular, Local Government Reorganisation and Reform (1991), Towards Cohesive Local Government (1996), and Better Local Government (1996).

⁶ Notably, the Local Government Acts 1991, 1994 and 2001.

- (a) More responsive, ethical and accountable representation and governance, with provision for appropriate participation by, and engagement with, communities;
- (b) Greater openness and transparency, including performance monitoring, involving external evaluation;
- (c) Better coherence between the roles of agencies operating at local level, with emphasis on the potential for democratic leadership and oversight in relation to relevant issues and services generally⁷;
- (d) Maximum operational efficiency, with particular reference to implementation of Local Government Efficiency Review measures, and quality and consistency of service, with maximum value for money and receptiveness to innovation, particularly in customer service;
- (e) Ability to provide a first port of call for people to solve local problems locally;
- (f) Enhanced credibility so that Government can look confidently to local government for performance of existing and new functions consistent with national policy objectives, including contribution to the national recovery effort, and with relevant international obligations.
- (g) Wider functions appropriate to local level, reversing the trend of local government being by-passed;
- (h) Sustainability across the spectrum of social, economic, financial and environmental performance;
- (i) More stable funding, including a greater element of discretion for raising revenue and prioritising its use, with less dependence on the centre, which in turn promotes greater autonomy, responsibility, accountability and facilitates broadening of local authority powers;
- (j) Improved subsidiarity⁸ and advancing the commitment in the Programme for Government to devolve much greater decision-making to local level and give local communities more control over a greater range of matters.

1.5.2 Policy relating to reform also reflects the unique feature of local government in Ireland whereby it incorporates two interacting and mutually supporting elements: On the one hand the executive element, consisting of management and staff, is charged with the performance of defined functions and implementation of action in line with policy decisions of the elective council, having regard to national policy determined by Government and (where relevant) international obligations. On the other, the elected members, who are the democratically mandated representatives of their communities and the leaders and policy decision makers of their authorities. Policy in relation to local government must, therefore, aim to enhance not only operational efficiency, but also the effectiveness of the core system of democratic representation, leadership, accountability and transparency.

⁷ A case study on Managing Agencies in the OECD review referred to in Footnote 4 above demonstrates that proliferation of local agencies with policy co-ordination responsibilities may be linked to weakness of the local government sector.

⁸ The principle whereby matters are handled by the smallest, lowest, or least centralised competent authority closest to the citizen, involving devolution of appropriate functions from the centre.

1.6 Overarching strategic objectives of reform

1.6.1 The essence of the foregoing might be synthesised broadly into two overall strategic objectives of reform policy, as follows:

- (a) to maximise operational efficiency, including standard of performance, customer service, quality of services and value for money; and
- (b) to enhance the effectiveness of democratic representation, including oversight and local authority leadership, accountability, transparency, and responsiveness to, and inclusiveness of, local communities.

1.6.2 The reform programme will incorporate action on a number of fronts to advance these strategic objectives by improving the capacity of local authorities to deliver quality services, to regulate effectively matters within their remit, to represent effectively the needs and concerns of local communities and to support and advance national policy objectives, while providing good value for money. Measures will be put in place ahead of the 2014 local elections to strengthen and develop various elements of the local government system and to expand its range of functions in the short and medium term. The reform programme will also position the local government system to take on a potentially wider role in the longer term, particularly by virtue of the increased capacity, effectiveness and credibility that the reforms should achieve.

1.7 Wider policy context

1.7.1 The reform of local government structures, functions, operations and governance must take account of, and has implications for, a number of key developments and policy initiatives in the wider economy and public policy arena. These include the overall public service reform agenda, the Government's *Action Plan for Jobs* and, of particular relevance to the local government sector, sustainable development policy. In the context of overall public service reform⁹, the local government sector has achieved a lead position in delivering efficiencies. Moreover, while levels of achievement inevitably vary, the sector generally has been to the forefront in many positive and innovative public service developments and initiatives, in enhancing customer service, and generally pursuing excellence in performance (see Chapter 9). The reforms now being pursued will build on these successes as well as addressing system weaknesses that retard performance in some other respects.

1.7.2 *Our Sustainable Future* - the Framework for Sustainable Development for Ireland, published in June 2012, sets out the economic, environmental and social challenges facing Ireland between now and the year 2020, and how they might be addressed to ensure that quality-of-life and general wellbeing can be improved and sustained in the decades to come. Effective implementation of the Framework will require a broad partnership comprising central Government, local government and the State sector generally, as well as the broad range of actors across Irish society and the community at

⁹ Public Service Reform Plan, Department of Public Expenditure and Reform, November 2011.

large. The Framework states that the local government system has a critical role to play in the delivery of a wide range of important services, and local authorities will have direct responsibility for implementing many of the measures concerned. The local government reform programme is directly relevant and will make an important contribution to the implementation of *Our Sustainable Future*, particularly as the latter affirms that the local government system needs to be -

- financially viable, with fair funding;
- capable of ensuring that resources are used as efficiently as possible;
- transparent and open to scrutiny, with decision-making taking place at the most appropriate level.

1.7.3 Local government reform proposals must be considered in the context of the prevailing unprecedented financial situation, particularly the need to bring public expenditure and Government income into line by 2015 and the imperative which this creates to reduce public expenditure in a way which maintains a sound platform for future growth, while maintaining essential public services. Difficult choices must be faced in the allocation of resources among different sectors and programmes. Local government faces similar challenges to all other areas of public administration. Both the political and administrative elements of government at all levels face radical restructuring and change. A key focus for reform must be on the organisation and delivery of effective, efficient and customer focussed services, operating to optimum benefit within available resources and designed to maximise national recovery.

1.8 Structure of the reform programme

1.8.1 Some important decisions on local government structures have already been taken, involving unification of certain city/county councils. A number of major policy deliberations have been proceeding concurrently through separate specialist groups in parallel with the development of the overall reform proposals. These include the work of the Local Government Efficiency Review Implementation Group; the Steering Group on Alignment of Local/Community Development with Local Government; the local government Workforce Planning process; the Expert Group on Property Tax, and the groups dealing with local government arrangements in Limerick, Tipperary and Waterford. Developments arising from these are important components of the overall reform programme.

1.8.2 Given the history of previous deliberation on local government reform, strong emphasis is now being placed on pursuing an action-focussed programme. This will move forward relevant measures and arrangements ahead of the 2014 local elections, rather than merely publication of proposals primarily for discussion or consultation. While drawing on previous experience and achievements, innovative approaches are being adopted, having regard particularly to current economic, social and demographic circumstances generally and the position of the public finances. Implementation of many of the reform measures will require legislative provision which will, of course, be subject to the normal process of rigorous public deliberation.

1.8.3 The reform programme addresses the commitments on local government in the Programme for Government and related matters. The reform programme incorporates a range of interlinked elements to address the key “fundamentals” of local government, particularly:

- (a) Broadening the role of local government and reorienting its focus in line with developments in public administration generally, involving certain new functions for local authorities in the short term, with potential for more far-reaching expansion of the role of local government in the longer term. Powers and functions appropriate to the various levels of the local government system are set out, focussing on areas of greatest potential or “comparative advantage” for local government having regard to relevant criteria. Particular emphasis is given to an enhanced role for local authorities in economic development and in local and community development. (Part 2)
- (b) Strengthening the structural “architecture” of the local government system and adapting it to meet the requirements of each level of governance more effectively. Building on decisions taken to date, detailed proposals are set out in relation to local government structures generally at regional, county and sub-county levels. (Part 3)
- (c) Securing the adequacy of local government finance through the establishment of a stable and sustainable system of funding, with increased local financial responsibility to reinforce the capacity and independence of local government. (Part 4)
- (d) Enhancing the operational efficiency of local authorities and maximising performance, including the implementation of arrangements arising from the Local Government Efficiency Review, and other organisational and customer service measures. (Part 4)
- (e) Improving the governance arrangements and requirements relating to the local government system, including ethics; oversight and leadership by elected members; arrangements to facilitate policy formulation, decision-making and co-ordination; citizen and community engagement and participation; and civic and community leadership by local public representatives. (Part 5)
- (f) Implementation arrangements, to take forward measures in the reform programme and further develop certain aspects. (Part 6)



PART 2

LOCAL GOVERNMENT FUNCTIONS - DOING MORE FOR THE ECONOMY, ENTERPRISE AND THE LOCAL COMMUNITY

Chapter 2 - A Wider Role for Local Government

This Chapter sets out the rationale for broadening the role of local government and criteria for determining local authority functions. The reform programme will facilitate more far-reaching expansion of the local government remit on an ongoing basis. In the short term, the functions of local government are being strengthened in the following areas in particular:

- an enhanced and clearer role in economic development and enterprise support;
- close involvement in community and local development;
- devolution of specific functions from central level and delegation of greater authority or relaxation of specific central controls on local authorities; and
- widening the reach of local government by using its capacity to undertake functions with or on behalf of other sectors and performing a co-ordination and leadership role locally.

2.1 Current role of local government

2.1.1 Existing range of local authority functions

The functions of local authorities are currently classified into eight broad categories containing the traditional local authority functions such as roads, traffic, planning, housing, environment, recreation and amenity services. Apart from these functions which are directly performed by local authorities, members or officials of local authorities are represented on a range of local or regional bodies, including the following:

- Vocation Educational Committees which coordinate and review the provision of education and ancillary services in recognised schools and centres for education established or maintained by them. As well as the VEC primary, VEC post-primary, post-leaving certificate and further adult education sectors, they also have important roles in community and comprehensive schools, and in a variety of educational measures designed to promote social inclusion. Arising from a Government decision to restructure the VEC system, legislation is currently being drafted to provide for 16 Education and Training Boards to take over the work of the 33 current VECs and to have an expanded role in the delivery of further education and training

across the country. Each of the new Boards will have 18 members, 10 of whom will be local authority elected members.

- The 7 River Basin District Advisory Councils, which have responsibility for river basin management plans under the EU Water Framework Directive, membership of which includes 2 appointees from each local authority in the river basin district, an elected member or a sectoral representative from a Strategic Policy Committee (SPC).
- Regional Tourism and Regional Health Fora, the City and County Enterprise Boards and Local Development Companies, which are now being integrated/aligned with local government.

2.2 Issues and principles relating to local government functions

2.2.1 Central or local delivery of public services

The issue of which public services should be delivered by decentralised bodies involves a range of economic, political, historical, social, cultural and other considerations. It can be difficult to quantify and balance the respective advantages of delivery centrally or by local authorities. The quantification of economies of scale within local government is a complex matter due, among other things, to different scale characteristics of different activities and the multi-functional nature of local authorities. The most important rationale for the provision of a service by central government is generally the fact that, from an efficiency perspective, it maximises the potential for economies-of-scale. The development of shared services in the local government system (Chapter 9) will identify and deliver savings from economies of scale.

2.2.2 Delivery of a service or a function at local authority level can have important advantages. In particular locally-based decision making and responsibility can be conducive to effective performance of functions and services that are primarily locally-focused, and more likely to promote a sense of “ownership”, commitment and initiative, which enhances standards of performance and achievement. Other circumstances in which decentralised functions can be more beneficial include those where -

- delivery or performance on a centralised basis would not yield substantial economies of scale, or where shared services can deliver economies of scale;
- the costs and benefits of the service accrue primarily within the local area and not over a more extensive geographical area;
- the nature of the service or function is largely local in scope and character and delivery locally enables better matching of the service to local requirements and the needs and preferences of citizens;
- delivery or performance locally would better complement other local services or functions or facilitate better “joining-up” of services, thereby achieving synergies;
- there is a need for flexibility locally in relation to service design and delivery;
- a high degree of participation by local communities and citizens in the decision making process is desirable.

2.2.3 In devolving greater discretion to local authorities to determine local policy and service delivery priorities, it must be acknowledged that variation in the level or cost of services between areas is more liable to arise. This can inhibit what is sometimes referred to as “postalisation” in service delivery, particularly as local authorities become responsible for raising and allocating a greater proportion of their funding locally. There is a trade-off in that greater local responsibility will promote effectiveness and reduce overall administrative overhead. Ultimately, the issue is one of local accountability, whereby local authorities are judged on how their decisions reflect the priorities of their electorate, how efficiently services are delivered, and the degree of value for money that is achieved in terms of the level and quality of services perceived by those who pay for them, subject to appropriate oversight.

European perspectives - European Charter of Local Self-Government and the principle of subsidiarity

2.2.4 The European Charter of Local Self-Government, an international treaty of the Council of Europe which Ireland ratified in 2002 stresses the right of citizens to participate in the conduct of public affairs and that this right can be most directly exercised at local level. It states that the existence of local authorities with real responsibilities can provide an administration which is both effective and close to the citizen. Furthermore, it states that this implies local authorities possessing a wide degree of autonomy with regard to their responsibilities, the ways and means by which those responsibilities are exercised and the resources required for their fulfilment.

2.2.5 The concept of local self-government is defined in the Charter as the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population. This right is to be exercised by councils or assemblies composed of elected members which may have executive organs responsible to them. Local authorities should, within the limits of the law, have full discretion to exercise their initiative. The Charter also provides that -

- Local authorities have, subject to the law, full discretion to exercise their initiative with regard to any matter which is not excluded from their competence nor assigned to any other authority.
- Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen, subject to considerations of efficiency and economy.
- Powers given to local authorities shall normally be full and exclusive, allowing discretion to the authorities, as far as possible. Any supervision of local authorities should be limited in accordance with the law.
- Local authorities' financial resources should be commensurate with their responsibilities.

2.2.6 The principle of subsidiarity is concerned with determining the appropriate competence at European, national or local levels and aims at guaranteeing that action is taken at local level where it proves to be necessary. It is particularly relevant to the allocation of functions between central and local government and between county and sub-county levels (6.5) of local government.

Constitutional and statutory position of local government

2.2.7 Since 1999, the position of local government has been recognised in article 28A of the Constitution of Ireland, which was inserted following a referendum as part of a series of measures arising from the *Better Local Government*¹⁰ policy programme. In this article, the State recognises the role of local government, not only in exercising and performing at local level powers and functions conferred by law, but also the role of local government in promoting, by its initiatives, the interests of local communities. The general statutory functions of local authorities are set-out in the Local Government Act 2001 as including -

- the carrying-out of such functions as are conferred on them by legislation;
- taking such action as they consider desirable to promote the community interest.

2.2.8 As local authorities are elected democratically, they have a particular status distinct from other public bodies below the level of central Government. Furthermore, as bodies with a diverse range of functions, their responsibility requires them to identify with the overall interests of their respective areas and welfare of their communities. This broad responsibility is reflected in the Local Government Act 2001, which enables a local authority to take such measures in accordance with the law as it considers necessary or desirable to promote the interests of the local community.

2.2.9 Rationale for widening the role of local government

The foregoing statutory, constitutional and international provisions make it clear that a fundamental purpose of local government is to give effect to the right of local self-government and the right of citizens to have a say in the conduct of public affairs. While citizens participate in the conduct of public affairs at national level, local government has the advantages of being closer and more accessible to them. A further corollary of this purpose is to reinforce the principle that local government needs to fulfil more than just a “local administration” function. However, even from a service provision perspective, the range of functions being discharged by local authorities in Ireland is extremely narrow by international comparison as has been documented and remarked on in many reports over the years. This is disadvantageous from a number of perspectives, as follows -

- (a) Given the extensive system of local government in place (currently involving 114 local authorities, more than 29,000 staff and over 1,600 elected members), it is inefficient that it should deliver a relatively narrow range of functions. In particular, it
- inhibits their development as broader multi-functional bodies similar to their counterparts in most European States, acting as the main vehicles of government and public service at local level,
 - weakens the perceived link between the provision of public services and the need to raise revenue to fund their cost through a sustainable system of funding, and

¹⁰ [Better Local Government - A Programme for Change, Department of the Environment, December 1996](#)

- detracts from the standing and accountability of local government, particularly if local government is excluded from certain functions that impact on citizens' lives.
- (b) The potential of local government is under-utilised. There is scope for it to make a greater contribution to public administration and public services, to enhance the national system of democracy and to make a stronger contribution to national economic recovery.
- (c) The authority of local government is eroded. The fact that local government has lost certain functions over the years (2.6.1) underlines the need to reorient its role and to exploit fully its capacity to deliver services that are primarily local in character.
- (e) Delivery by central bodies (depending on the nature of the service) may not -
- maximise efficiencies, due to the possible need for centralised systems to be accompanied by more complex bureaucratic and administrative approaches,
 - benefit from local knowledge and expertise, particularly in relation to decisions on issues and services which ought to be made as close as possible to the local community and citizens, and
 - benefit from the input of local oversight and accountability that can be achieved through local authority delivery.
- (f) An inappropriately centralised approach to public service delivery can overburden central government and other bodies, and divert their focus from issues of strategic national importance. Devolving appropriate functions to local government can relieve central government of a considerable burden of administration and enable it to focus scarce resources more effectively. It can also reduce the element of duplication that is inherent in central "supervision" of local government. More devolved arrangements, for example in relation to funding, with less specific approval of proposals, vetting of claims, issuing of recoupments, etc., can help to eliminate what is in effect duplication of work at central and local level.

2.2.10 To underpin the devolution of a wider range of functions and more delegated responsibility to local government, a more robust framework of governance, accountability, transparency, performance oversight and ethics will be put in place. Proposals in this regard are set out in Part 5 which will address issues and concerns that have arisen in this regard and provide greater confidence in the operation of a more devolved and responsible system of local government.

2.3 Previous recommendations on local authority functions

2.3.1 Various reports and recommendations have addressed the issue of the devolution of functions to local authorities. In 1991, the "Barrington" report¹¹ commented that Irish local authorities had a narrow range of functions compared to their counterparts in other Western European Countries. It noted that they had either no, or only minimal, involvement in functional areas such as social welfare,

¹¹ [Local Government Reorganisation and Reform - Report of the Advisory Expert Committee, 1991](#)

health, education, policing, transport, consumer protection, economic development, etc, which tend to be local or regional authority functions in many European States. The report considered that the resulting severe lack of local power and discretion was detrimental to local government, inhibiting local stimulation of social, economic and cultural development, and leading to a passive dependence on central government. It recommended a major programme of devolution of functions to a new revitalised local government system, stressing the importance of the principle of subsidiarity.

Particular elements envisaged in the devolution process were -

- matters that should be devolved from central government and administered directly by local government, such as foreshore licences, non-commercial small harbours, non-national (heritage) parks, protection of historical and archaeological sites, and maintenance of public buildings;
- matters that should be related to (though not necessarily integrated into) the local government system, including aspects of education, health, social welfare, transport and traffic, heritage and amenity; tourism, social employment schemes and agriculture.

2.3.2 In 1997, a devolution process was initiated under the aegis of the Department of the Taoiseach on foot of the Second Report of the Devolution Commission¹², which had been requested to make recommendations in relation to the devolution of significant additional functions to local government. In its report, the Commission remarked on the narrower range of functions undertaken by local government in Ireland, which did not compare well internationally and noted that local authorities are seldom in a position to offer a comprehensive response to problems confronting local communities. It recommended a devolution programme that should aim to develop the widest possible role for local authorities in specific functional areas where the individual or the local community would benefit from local administration of services. It stated that local authorities should become accepted as genuinely multi-purpose bodies. The report envisaged that there would be local authority involvement in policy-making at national, regional, county and local levels. The Commission recommended indicative groupings of services - welfare services, economic and development services, and environment, infrastructure and transport - which it considered merited detailed consideration with a view to devolution of functions to local government.

2.3.3 *Better Local Government* in 1996 stated that local authorities had tended to be by-passed by new approaches to local development which had been pursued through the creation of a wide range of disparate organisations. It proposed an integrated local government and local development system and the establishment of more structured mechanisms for interaction between local authorities and other State agencies to achieve more informed decision-making.

¹² Devolution Commission, April 1997

2.3.4 More recently, an OECD report¹³ noted the limited jurisdiction of local government in comparison with other OECD countries, and that non-local government agencies often deal with matters devolved to local government in other countries. It stated that the challenges and opportunities of greater devolution to local government should be explored. The follow-up report of the Task Force on the Public Service, *Transforming Public Services*, recommended that the devolution of appropriate service delivery by central government and agencies to local authorities and other public service agencies, utilising service level agreements, should be encouraged.

2.3.5 One of the main concerns of councillors emerging from the responses to the recent consultation survey is the centralisation of power at government level. Functions suggested for devolution to local government included local policing; elderly and social care; economic development; tourism, heritage and conservation; education (new education boards to be under the remit of an SPC; maintenance of school buildings); property tax; transport; sport and recreational funding; FAS/Solas.

2.4 Requirements for strengthening the role of local government

2.4.1 There has been a limited degree of transfer of functions to local government; for example transfer of responsibility for all regional harbours from harbour commissioners to the relevant local authorities was recently completed. An extensive range of detailed controls and consents previously exercised by the DECLG in relation to local authorities have been removed or relaxed. However, the type of devolution process recommended by the Barrington Committee and the Devolution Commission has not happened.

2.4.2 Factors which have inhibited the development of local government's role in Ireland, notably lack of confidence in the local government system, reinforced by a mixed track record in the performance of some existing functions, must be addressed. Reforms in relation to local authority structures, governance, finance and operational arrangements set out in this Action Programme will help to address these issues and put local government in a stronger position to take on additional functions. Structural reform will be backed up by action to strengthen other aspects of the local government system. This includes efficiency measures and arrangements, increased accountability and financial responsibility, effective governance, appropriate balance between local and wider strategic/national interests, and mechanisms to ensure adequate consistency, standards and compliance with Government policy. These reforms will increase confidence in the local government system and provide a sound platform for broadening its role. In particular, increased local authority discretion and responsibility for raising revenue and determining how it is utilised will significantly strengthen the responsibility, accountability and self-reliance of local government.

2.5 Determination of local authority functions

2.5.1 In considering new functions for assignment to local government, conditions and criteria to be satisfied include:

- (a) Responsibility at national level, including funding, policy and accountability, should normally not alter. Local authorities should report to, and be supported by, the relevant Government Department or other national or sectoral agency. The relationship between local authorities and the Department of Transport since 2002 in relation to roads and traffic functions provides the relevant model for this approach, which is standard practice internationally.
- (b) Functions should be compatible with the role of local government generally and must be matters that local authorities are well positioned to perform having regard to relevant factors, as outlined at 2.2. The balance of advantage should lie with performance of the function at local level. Functions that can be performed more appropriately through a national authority (e.g. for reasons of scale, specialist expertise or need to ensure consistency nationally) are not likely to be suitable for transfer to local authorities.
- (c) Local authorities should have a coherent set of functions, and should not be burdened with a range of miscellaneous, unrelated functions or matters transferred to local government for the purpose of offloading “problems” or relieving other agencies of difficult decisions. Functions to be devolved to local government should form a good fit with the local authority role generally.
- (d) There must be assurance that adequate funding, staffing and any other necessary resources will be available to enable local authorities to perform effectively any additional functions. Retention of existing Ministerial policy direction, budget allocation and accountability where a function transfers to local government should help to avoid problems in that regard.
- (e) Where staff transfer to the local government system, the Employment Control Framework ceiling of local authorities should be adjusted accordingly.
- (f) There should be an explicit mandate in government policy and maximum clarity regarding the nature and extent of the local authority role in relation to the particular function, including arrangements such as service level agreements, setting of standards and performance monitoring and evaluation, as appropriate.
- (g) Duplication of activities or functions between local and central level, between different agencies at local level, or between different tiers of local government, town/district, county and region, should be eliminated.

2.6 Evolving role of local government

2.6.1 The role of local government has evolved over a number of years. Some functions requiring greater scale, resources, specialist expertise, strategic focus or more uniform national approach, have moved from local government to national agencies. For example certain environmental and roads functions transferred to the Environmental Protection Agency and the National Roads Authority respectively, and the advent of Irish Water is a further stage in this process. On the other hand, the

status of local government as a primary vehicle of democratic representation and public service oversight at local level is reflected in the emergence of arrangements extending its influence in certain areas.

2.6.2 An example of the widening scope of local government influence is the creation of Joint Policing Committees which were extended to all areas in 2008 following a pilot phase. The committee comprises councillors, Gardaí, members of the Oireachtas and representatives of the community and voluntary sector, and is chaired by a local authority member. It serves as a forum for consultation, discussions and recommendations on matters affecting the policing of the local authority area, and in particular to keep under review the levels, patterns of and factors underlying and contributing to crime, disorder and anti-social behaviour in that area. The committees also advise the local authority and the Garda how they might best perform their functions in the above context. The establishment of 34 City/County Development Boards (CDBs) in 2000 to increase local coordination and integration of public services and local development also helped to broaden the local authority sphere of influence¹⁴.

2.6.3 In recent years local authorities interact with a wider range of Government Departments than previously, as Departments have been reorganised. Local authorities have become involved in a wider range of activities in areas such as sports, arts and culture and community development. This trend is set to continue in the context of the development of more multi-functional local authorities under the reform programme, working with or reporting to a wider range of agencies and Departments. This arises both in the context of transfer to local authorities of responsibility locally for functions which remain under the aegis of Departments other than DECLG and in terms of maximising the scope for local authorities to collaborate with or perform a leadership role in relation to matters for which they do not have direct or primary responsibility. These aspects are considered further at 4.3.

Establishment of Irish Water

2.6.4 Delivering the volume and quality of water required for citizens and enterprises, as well as the environmental standards required by the Water Framework Directive, poses a significant challenge for the water sector in Ireland. Substantial investment is required at a time when the Exchequer and local authority finances are severely constrained. Key funding and organisational issues must, therefore, be addressed in order to meet these challenges. An important dimension of the reform of the sector is the proposed establishment of Irish Water, as a public water utility responsible for all aspects of water services investment and operation. In the initial phase, Irish Water will work largely through service level agreements with local authorities. This will ensure a smooth transition to a new, fit-for-purpose model and guard against loss of local expertise.

2.6.5 The decision to establish Irish Water follows from a specific commitment in the Programme for Government. The form of organisation chosen is based on an independent assessment conducted as a result of the requirement of the Programme of Financial Support for Ireland with the EU/IMF/ECB. This independent assessment concluded, based on examination of the current system, international

¹⁴ The position regarding CDBs is outlined at 4.3.10 - 4.3.14 under.

experience and stakeholder soundings, that moving the water services functions from local authorities to a dedicated public water utility offers the best opportunity to improve the efficiency and effectiveness of water services delivery, provide access to new funding sources, and improve strategic planning and accountability. The Government has decided to establish Irish Water within the Bord Gáis Group. Bord Gáis has key capabilities that can be brought to bear in the establishment of Irish Water, including experience in operating as a utility in a regulated environment and a track record in raising finance, and has specific skills from its own experience of transformation, customer relations, network management, metering and utility operation that can be quickly deployed to assist in the successful establishment and operation of Irish Water. The skills within the Bord Gáis Group will be paired with the experience and commitment to service in local authorities and the specific water and wastewater capabilities and expertise that exist in local government to build the new organisation. Irish Water will be regulated by the Environmental Protection Agency from an environmental perspective and by the Commission for Energy Regulation from an economic perspective.

2.6.6 As a public water utility, in a regulated environment, Irish Water can build on the strengths of the existing system to develop a sustainable financial model, leverage additional funding for investment and achieve efficiencies through economies of scale. Irish Water will work in partnership with local authorities to achieve these aims. While statutory responsibility for water services will pass to Irish Water at an early stage, local authorities will remain closely involved in the sector for a considerable period, acting as agents of Irish Water in relation to operation and maintenance of services. The independent assessment envisaged the phased transfer of such operations not commencing until 2015, and ending in 2017 at the earliest. This will ensure continuity of service in the transition, by retaining locally based services, but bringing to bear the benefits of regional and national approaches to deliver economies of scale for example in procurement, nationwide deployment of “best in class” technology and consistency of service through standard operating procedures.

2.6.7 Irish Water and local authorities will have important inter-dependencies in relation to their functions. Operationally, this will include emergency management, where local authorities will retain a key role. The role of local authorities and regional authorities in relation to strategic planning will also have an important bearing on investment planning by Irish Water. Following on from a process of public consultation, the DECLG is developing an implementation strategy that will address the key implementation issues for the management of this important reform measure.

Waste management and regulation

2.6.8 As they have developed significant expertise and experience in relation to waste management planning, local authorities will retain this function. Local authorities will, with the support of the National Waste Planning Coordination Group, deliver new waste management plans. The shared service approach to planning of waste management will be expected to deliver the planning function in a more efficient manner under a new regional waste management planning configuration which will be decided by the local authorities. The number of waste planning regions will be significantly reduced from 10 at present to no more than 3, taking full account of the proposed new regional assembly

structure (see Chapter 8). Local authorities will be expected to redeploy resources freed up from a more efficient waste management planning regime to essential work on the implementation and enforcement of the new regional plans.

2.6.9 While local authorities have largely withdrawn from the direct provision of waste management services, particularly collection services, they continue to be the primary regulator of such services. In order to ensure the robust protection of the environment from the impacts of illegal waste activity, local authorities will continue to be to the forefront of the enforcement of the relevant waste management legislation

2.7 Specific proposals to strengthen the role of local government

2.7.1 In view of developments outlined, it is important to define additional new functions for local government, having regard to the principles and criteria outlined in earlier paragraphs of this chapter and current circumstances and priorities, particularly in the economic area. The 1991 Barrington report acknowledged that a process of devolution of functions from central to local government would take some years to complete. In the longer term, as the effectiveness and credibility of the local government system is reinforced, the potential for further expansion of its remit will be fully realised. In the short to medium term, scope for strengthening and broadening the role of local government will be pursued in the following areas in particular:

- (a) Clarification and enhancement of the role of local government in economic development and enterprise support, including transfer of the local enterprise support functions of CEBs to local authorities.
- (b) Local authority involvement in community and local development (including economic aspects), particularly in the context of the alignment of local/community development with the local government system.
- (c) Devolution of appropriate specific functions from central level to local government in the short term, and delegation of greater authority/discretion or relaxation of specific central controls on local authorities, where appropriate.
- (d) Maximising the potential of local authorities to contribute in relation to functions outside of its direct remit through collaboration, leadership and co-ordination.

2.7.2 Proposals in relation to each of the foregoing are set out in the next two Chapters. Chapter 3 outlines an enhanced role for local government in relation to economic development, to which the Government attaches particular priority, while Chapter 4 deals with the alignment of local development with local government and proposals for devolution of further services at local level to local authorities and developing the involvement of local authorities in provision of services or co-ordinating action in relation to functions under the aegis of other bodies.

Chapter 3 - Promoting Economic Development and Local Enterprise

This Chapter outlines a clearer and enhanced role for local government in promoting and facilitating enterprise and economic development, involving the following measures in particular:

- Regional Spatial and Economic Strategies will be formulated by new Regional Assemblies in collaboration with the various enterprise/economic development agencies.
- The Regional Strategy will underpin the economic dimension of the NSS and provide a coherent framework for economic action by local authorities.
- The role of local government in economic development will be more clearly and explicitly specified in legislation.
- Operation of the local micro-enterprise support service will be a core element of the local authority economic development role.
- All local authorities will take a systematic and proactive approach to ensure that their general functions support enterprise and economic development.
- Local authorities will also play a greater direct role in economic development, building on best practice.
- Local government will lead, mobilise and provide a local focus to economic development in conjunction with other agencies and will take direct responsibility for the economic functions of CDBs.
- Local authorities will adopt an economic development plan in conjunction with the overall City/County Development Plan to guide economic development action.
- The local economic development plan will align with, and form an implementation mechanism for, the Regional Spatial and Economic Strategy.
- There will be SPCs for economic development in each authority and a distinct Director post for Economic Development in many areas.

3.1 Rationale for an enhanced local authority role in economic development

3.1.1 The Programme for Government contains a number of commitments relating to economic development, enterprise supports and job creation, which require rigorous consideration of the potential of local government to promote and contribute to economic development. In current economic circumstances local government needs to contribute to the national recovery effort both by maximising efficiency and cost savings throughout its operations and also by capitalising fully on its potential to help promote economic development, enterprise and job creation locally. There is a strong rationale for increased local government involvement in economic development. It has unique characteristics and a strategic position that make it well placed to lead economic development, notably:

- the statutory function of local government to represent and promote the interests of the community, including economic development of the area;
- local authorities are important enablers of economic development and many of their mainstream or traditional functions, particularly planning, environment and infrastructure, are critical to enterprise and economic activity;
- local authorities engage closely with businesses and with relevant agencies, providing an effective point of contact for existing and prospective businesses to engage with local government on relevant matters in setting up and managing their businesses and to ensure speedy and coordinated access and response;
- the fiscal impact of local government on business;
- the democratic mandate and leadership status of local government; economic development, including job creation, with emphasis on small and community enterprise developments, was among the functions that many councillors indicated, in the June 2012 consultation process, should be devolved to regional and local government;
- local authorities work with business to moderate, as far as possible, their impact on business costs and some provide or source advice towards reduction of business costs, for example:
 - Limerick and Clare County Councils' Limerick Clare Energy Agency, providing advice and assistance to industry and the public on energy efficiency, sustainable development and alternative renewable energy sources;
 - Louth Economic Forum's pilot energy saving programme for businesses aimed at reducing their carbon footprint and expenditure on heat power and light;
- local authorities are well placed to identify economic potential and requirements to realise it and most already actively promote economic development and promote/market their areas for tourism, investment, and enterprise;
- local government functions have an important bearing on key local attributes such as the quality of its environment, accessibility, physical character, and quality of life generally, which are important for competitiveness, influencing investment decisions and promoting economic activities such as tourism;
- the mayor and manager are usually to the forefront in responding to major employment loss in an area and mobilising action to address problems;
- local authorities are well placed to identify local strengths and opportunities, weaknesses and deficiencies relevant to economic performance.

3.1.2 The nature and performance of local government in the economic area varies between local authorities due partly to the need to adapt to and reflect local circumstances, but also to varying capacities and priorities. Their performance would benefit from a clearer and more definite policy mandate. There is need to define a clear, coherent, and more explicit and enhanced role for local government in relation to economic development and enterprise promotion/support, both at regional

and city/county level, which will complement and help deliver national policies and commitments, and also ensure avoidance of duplication or overlap with the role of other agencies.

3.1.3 The analysis and conclusions in the NESC report on Promoting Economic Recovery and Employment¹⁵ were taken into account in formulating proposals regarding the role of local government in economic development. That report concluded that the economic crisis had highlighted the important role of local authorities in assisting enterprise to identify and exploit business opportunities. The local authority role is relevant to some of the key policy areas identified by NESC for consideration, such as the issues of housing policy and “need to consider how high-profile projects, in a local region could attract investment from within those communities” and how government might support local initiatives. The NESC report referenced a number of other areas where local government has potential to help address constraints on growth and employment, such as the system of local government funding, local authority efficiency implementation, public procurement and the use of information and data as a basis for economic, social and environmental gain. In the specific area of enterprise policy, the NESC report stated that, not only enterprise agencies, such as IDA and EI, play a role in supporting new business possibilities, but also local authorities, referring specifically to Dublin City Council in its work with IBM on the Smarter Cities Initiative.

3.2 Regional Spatial and Economic Strategy

3.2.1 At regional level, the local government system can perform a strategic role in relation to economic development in partnership with other relevant agencies. This is warranted on a number of counts. In the spatial context, economic activity and economic development need to be viewed from a regional perspective, having regard particularly to the location of gateways under the National Spatial Strategy. A regional approach will facilitate engagement of the local government sector with relevant national and regional agencies. A coherent regional economic strategy will provide a broad framework for the local authority role in economic development. Recent experience with Regional Planning Guidelines (RPGs) indicates both the importance of the economic dimension in their development, and the capacity of regional strategies to guide successfully planning and implementation at local level of policies and objectives adopted at a regional level, linking also with national policy.

3.2.2 It is proposed that new Regional Assemblies, as outlined in Chapter 8, will formulate Regional Spatial and Economic Strategies, incorporating spatial planning guidelines, in collaboration with the various enterprise/economic development agencies such as Department of Jobs, Enterprise and Innovation, Enterprise Ireland and IDA. The Strategy should align with, or reflect and provide for the implementation of, strategic objectives identified by these agencies. The Strategy should also have regard to the policy document *Our Sustainable Future* which outlines a series of measures to support sustainable development and also provides a platform for the development of the green economy that

¹⁵ Report No. 125 of the National Economic and Social Council "Promoting Economic Recovery and Employment in Ireland", February 2012

recognises the opportunities for investment and employment creation in emerging sectors such as renewable energy, energy efficiency and waste and water management.

3.2.3 It is envisaged that the regional economic development strategy would be a relatively “high level” instrument, featuring a specific set of objectives for regional economic development. It will include a relatively small number of critical policies/areas of action of regional significance and will align with, and provide for, the implementation of policy objectives of the Department of Jobs, Enterprise and Innovation. For example, it will identify high level actions to address fundamental economic issues in the region, key sectoral and other issues such as employment drivers, education, infrastructure and transport. The Strategies will have particular regard to development of NSS gateways and hubs as drivers of growth for the region.

3.2.4 It is envisaged that the agreed actions in the Strategies will, in effect, be adopted as Government policy for economic development of the region. They should have support across Departments and agencies/authorities, forming a charter for economic development of the region and being incorporated into statutory plans and mission statements. Appropriate legal, administrative and accountability arrangements will underpin the economic development strategies to ensure that they are effective and achieve their desired impact, particularly in terms of adherence and follow through by all relevant bodies. All of the relevant agencies (including local authorities) will be required to adhere to the agreed strategy which will incorporate key performance indicators, and to align their plans and policies with the Regional Spatial and Economic Strategy. All regional strategies should be consistent with national policy but the latter should also be able to respond to emerging needs e.g. identified in the formulation of regional strategies. Resources of relevant agencies should be pooled, where necessary, in order to achieve major economic goals. A process or structure through the regional bodies will be established to promote implementation of the economic strategies, involving representatives of the Department of Jobs, Enterprise and Innovation, Enterprise Ireland, I.D.A, DECLG and the city/county managers/chief executives, to develop and progress action with a formal reporting process on economic development to the Department of Jobs, Enterprise and Innovation. The role of regional assemblies and other agencies in the development and implementation of the regional strategies is outlined further at Chapter 8.

3.2.5 The proposed approach has a number of important practical and strategic benefits. It will facilitate engagement by relevant agencies. It will enable robust decisions to be agreed on economic development strategy which should eliminate counter-productive proliferation of, and possible competition between, different proposals across a region, which can dilute or be detrimental to the efforts of the development agencies, for example in seeking to attract investment. It will also align with the approach outlined in *Our Sustainable Future* regarding the integration of sustainable development principles into relevant policies and programmes and the strengthening of vertical levels of governance between Government Departments and their agencies at regional and local levels in regard to sustainable development. The Regional Spatial and Economic Strategy will cascade downward to guide the economic and spatial development role of local authorities and consideration

will be given to applying a “core strategy” mechanism to secure this, on the lines of that which now applies in relation to residential development.

3.3 Economic development role at city/county level

3.3.1 The specifics of the role which individual local authorities will play in economic development and job creation will vary, reflecting local circumstances, needs and capacities. Particular focus will be needed on the nine gateways and nine hubs identified in the NSS. Subject to such variation, the enhanced local authority economic role at city/county level, incorporating and building on current best practice where appropriate, will be based particularly on the following main elements:

- (a) Providing the local micro-enterprise support service, working and under national enterprise policy set by the Department of Jobs, Enterprise and Innovation, as outlined further at 3.3.2 under.
- (b) A greater direct role by all local authorities in economic development, involving the continuation, augmentation and extension to authorities generally of existing activities and best practice in promoting/supporting economic activity, investment and job creation. Specific examples of this role are outlined in section A of Appendix 1.
- (c) In their traditional or “mainstream” functions generally (e.g. planning, infrastructure, environment, rating, etc) a systematic and proactive approach by all local authorities to ensure that their functions and services generally support enterprise and economic development, embedding and reflecting this objective as a priority across other relevant local authority functions and coordinating such functions to that end. This will include a key role in the delivery of the Government’s *Action Plan for Jobs*, published in February 2012. In this regard, the local government sector has developed a sectoral strategy to promote employment and support local enterprise, *Supporting Economic Recovery and Jobs - Locally*. This includes measures in the area of business charges, local enterprise and business support arrangements, procurement support, local development and community based initiatives, the Green Economy and local government participation in employment support schemes. Developing local infrastructure for inward investment is also a core function of the local government system. There will be an enhanced role for local authorities in identifying critical infrastructure needs and opportunities and maximising returns on the investment made in terms of economic development and job creation. Specific examples are outlined in section B of Appendix 1 of the economic development role as reflected in the mainstream functions of local authorities.
- (d) Proactive strategic leadership, co-ordination and mobilisation of economic development efforts of relevant organisations in respect of the area, to maximise the effectiveness of such actions and bring a specific city or county focus to them. This role includes taking on direct responsibility for the current economic development role of CDBs and taking a proactive role in attracting and providing for inward investment. Other examples of this leadership and co-ordination role are outlined in section C of Appendix 1.

- (e) Promoting labour activation measures. The local government sector is involved in a wide range of labour activation supports including JobBridge, the RAP scheme and the Community Employment Scheme. Local authorities will continue to develop proactively labour activation placements under Pathways to Work, within the constraints of available resources.

Local enterprise support service

3.3.2 The operation of a local enterprise support service, widening and deepening the business support functions of local authorities, will be a core element of their economic development role. The Government decision to integrate the local micro-enterprise support services currently undertaken by CEBs with local authorities and the establishment of Local Enterprise Offices (LEOs) will provide a strong platform for the local authority economic role and will boost significantly the ability of local government to play a lead economic role locally. Over 95% of the quarter of a million businesses in Ireland are SMEs employing less than 10 people, and this will be the core client base of the LEOs. These businesses are located in every town and village in the country and are a valuable source of employment for local communities. The LEOs will act as a “one-stop-shop” for the micro-enterprise and small business sector, delivering direct enterprise support and coordinating access to other services for business. All local enterprise related functions and the local authority Business Support Units will be integrated with the LEOs. The Minister for Jobs, Enterprise and Innovation will retain overall responsibility for national enterprise policy and budgets and the LEOs will work closely with Enterprise Ireland. As well as ensuring consistency with national policy, this will strengthen linkages between local authorities and the economic development agencies.

3.3.3 The new LEOs will offer all of the services currently provided by the CEB network, including access to business supports/incentives (e.g. finance, innovation, marketing, mentoring, business training, management development), in addition to:

- local business advisory services (licensing, regulation, planning, etc);
- information and support for accessing public procurement processes;
- close coupling to NEES/SOLAS services (referrals and access to training, development and recruitment); and
- progression for high-growth companies to appropriate EI supports.

3.3.4 The establishment of the LEOs will ensure that local authorities will have enhanced capacity to perform their role in enterprise and economic development, and that the Department of Jobs, Enterprise and Innovation will have a resource to deliver national enterprise policy at the local level. While the primary budget for the operation of the LEOs will be provided by DJEI, local authorities will allocate additional funding to local enterprise and job creation measures through the LEOs, where this would be a cost-effective enhancement for enterprise support in their area, and the LEOs will have the capacity to leverage other funding opportunities as they arise.

3.3.5 An Implementation Working Group, chaired by the DJEI, representative of the key agencies in local government and enterprise support is overseeing action to give effect to the Government decision.

Economic development in the context of local authority mergers

3.3.6 The proposed enhanced local government role in economic development has particular relevance for local authorities which are currently subject to restructuring processes. Strengthening the capacity of local government to promote economic and social development is a key objective in proposals for local authority unification being implemented in Limerick, Tipperary and Waterford, with particular emphasis on enabling the gateway centres of Limerick and Waterford to be dynamic generators of growth. The Limerick Reorganisation Implementation Group, for example, has addressed the issue of economic revitalisation of Limerick City (7.2), including the commissioning, in conjunction with the City and County Councils of an Economic Development and Spatial Implementation Plan to identify ways to generate significant economic activity and related investment and employment in the city. The Group has given consideration to the general role of the unified local authority in promoting economic development. The type of approach being developed in Limerick can serve as a model for other local authorities.

3.3.7 The merger implementation work has identified important matters which local authorities generally should take account of in the context of their role in promoting economic development including:

- Local government can play a lead role in ensuring that local conditions encourage and facilitate investment. This includes cost competitiveness with regard to rates, development contributions, etc, but more importantly, location attractiveness factors including quality of life factors. Particular matters which local government can influence include: an attractive urban environment; good urban experience; cultural amenities; highly developed social infrastructure; accessibility to diverse sporting and recreational amenities; social inclusion; efficient transport and communications networks.
- Local authorities should also be proactive in working to attract investment and must anticipate and provide for future market investment trends. This requires effective engagement and good working relationships between the local authority and the economic development agencies, including involvement in IDA-led itineraries by potential investors;
- There is strong interdependence between an attractive environment and enterprise development. Quality of Life - a location being a good place to work, live and to do business - is an important consideration for potential investors and for regional competitiveness, particularly in attracting and retaining internationally mobile skilled labour and knowledge intensive foreign direct investment, including research and innovation activities.
- A dedicated Director post for enterprise and economic development is warranted in many areas, with a strong remit to attract and facilitate enterprise, bringing together the economic development agencies and ensuring that key urban centres (gateways and hubs in particular) are competitive in attracting investment;

- In tandem with an economic development directorate, a dedicated Economic Development SPC, with restructured membership focused particularly on agencies with a strong economic role, should be established to consider matters connected with the formulation, development, implementation, monitoring and review of policy in relation to economic development.
- Specific funding should be allocated at national and local level to underpin the local authority economic development role.
- In the context of the new local enterprise arrangements, the current enterprise development remits of the local development companies (including LEADER) should be aligned with the functions of the local authority to avoid confusion and duplication;
- The development of “critical clusters” of sectoral economic activity in strategic locations can put the regional economy on a much stronger footing and provide impetus for export-led growth.
- Established foreign companies in an area should be brought into contact with prospective foreign investors to convey their positive experience.
- Developing and marketing cultural offerings is important to attracting and retaining tourists and creating a more positive profile for an area.

Local economic development planning

3.3.8 It is proposed that, as a minimum in the case of cities and counties containing NSS gateways and hubs, and merging authorities, the range of local authority economic development functions will be brought together and underpinned in an economic development plan in conjunction with the spatial planning function, as a component of the City/County Development Plan, in effect, forming a local “Spatial and Economic Development Plan”. This Plan will guide the economic actions of local authorities and will align with, and form the implementation mechanism at individual local authority level for, the Regional Spatial and Economic Strategy. It will also incorporate actions under the Local Government Sectoral Strategy *Supporting Economic Recovery and Jobs - Locally*, under the *Action Plan for Jobs*. The City/County Development Plan, augmented to reflect the economic dimension, as appropriate, will guide the proper planning and sustainable development of the area, embracing social and economic, as well as physical and environmental, sustainability. As such, the plan would be well placed to support the operation of local authorities as more multi-functional authorities. While it is envisaged that the key inter-agency engagement for statutory spatial and economic planning purposes would, in future, occur at regional level, there would be appropriate consultative mechanisms for input in the context of the City/County Development Plan.

Supporting the local authority economic development role

3.3.9 Other arrangements and measures to underpin and support the enhanced economic development role of local government will include the following:

- (a) The Regional Spatial and Economic Strategies will provide the broader strategic framework for local authorities in formulating local economic development plans and initiatives.
- (b) *Supporting Economic Recovery and Jobs - Locally* will activate the local authority sectoral elements of the *Action Plan for Jobs* by identifying actions where local authorities have direct

responsibility or require strong local government involvement and collaboration, promoting best practice and identifying linkages to the *Action Plan for Jobs*. The sectoral strategy will also be of use to local authorities in drawing up their own local plans to realise sectoral objectives.

- (c) There will be a dedicated Strategic Policy Committee for economic development in each local authority and it is proposed that a distinct Director post for Enterprise and Economic Development will be established as a minimum, in local authorities containing NSS gateways and NSS hubs and in the context of mergers. In other local authority areas the function will be combined with another relevant directorate (possibly spatial planning and/or local and community development). Support staff with adequate knowledge, skill and training will be available through the establishment of LEOs with the incorporation of CEBs into local authorities and from the existing Business Support Units.
- (d) It is envisaged that the merging local authorities will act as “leaders” in progressing the enhanced economic development role.
- (e) Other structural arrangements relevant to the economic function, for example, with regard to the role and constitution of SPCs, will be considered in the context of implementation of the new local enterprise arrangements, local development/local government alignment and local authority mergers.
- (f) In the development of legislation to implement the reform programme, provisions will be introduced to strengthen, clarify and make more explicit the role of local government in promoting and supporting enterprise and economic development.
- (g) Improved alignment between the economic programmes and enterprise supports in the local development sector (Chapter 4) and other local authority economic and enterprise action will bring greater coherence to the efforts of both sectors in this area. This will include co-ordinating and targeting the substantial economic and enterprise supports under the local and community development programmes, with emphasis on, and delivering, complementary programmes as part of the overall local government/local development alignment process. Work has commenced on preparing an implementation plan for the recommendations contained in the report of the Steering Group on alignment (4.1.2). It is envisaged that the implementation plan will be completed by end autumn 2012.



Chapter 4 - Local/Community Development and Local Services

This Chapter outlines proposals for a significantly increased role for local government in local and community development programmes in the context of alignment of that sector with the local government system. It also sets out proposals for devolution of responsibility for a range of further local services and functions to local government and greater involvement of local government in other matters. Specific measures proposed include the following:

- Local government will have a more central role in the oversight and planning of local and community development programming, while maintaining a key role for local development entities in frontline delivery.
- Revised arrangements on foot of the report of a Steering Group on the alignment of the local government and local development sectors will be put in place on a phased basis over the period 2012-2014 involving the following specific measures:
 - a Socio-Economic Committee in each city/county council for planning and oversight of all local and community development programmes,
 - an inter-departmental group to secure a 'whole-of-government approach' to local and community development programmes and interventions,
 - a national policy on local and community development to establish a framework for a cross-government approach at local level,
 - a 5-year City/County Local and Community Plan encompassing all State funded local and community development interventions as part of the City/County Development Plan,
 - a shared approach to the determination of administration budgets by Government Departments/State agencies,
 - common systems of measurement and impact assessment to facilitate a more effective targeting of resources, involving external evaluation,
 - alignment of the local and community development programme with city/county boundaries, as far as possible.
- A programme of devolution of functions and responsibilities from a number of Government Departments and agencies to local authorities will be undertaken. This involves:
 - delegation of greater discretion or responsibility in relation to certain matters in which local authorities are involved such as environment, water services, foreshore administration, local and community programmes, food safety, roads and traffic, housing and energy efficiency,

- an initial range of functions in relation to certain transport, tourism, sport, management of state property and heritage sites, flood management/relief and infrastructure matters, under the aegis of relevant Departments/agencies,
 - ongoing engagement with relevant Departments to identify further potential for devolution.
-
- City/County Development Boards will be wound down in view of the significant changes in local government functions, structures and governance, but work under way and relevant to the new structural arrangements will be followed through to completion in 2012.
 - The capacity of local authorities will be utilised as fully as possible to work with or on behalf of other bodies in undertaking relevant functions and services locally.
 - Building on its role in developing sustainable communities, the potential for a wider local government leadership and co-ordination role locally will be explored, for example, in relation to sectors such as education, health and welfare.
 - The potential for more far reaching expansion of the local government remit will be pursued as the reforms across the local government system take effect.

4.1 Local government role in local and community development

4.1.1 In the local development sector over the years, a proliferation of local bodies and agencies has evolved under the auspices of various government Departments, often to meet particular funding requirements, and usually with little local authority involvement or oversight. Appendix 5 contains information regarding some of the key programmes implemented by the 51 Local Development Companies, including the amount of funding channelled through the companies for the various programmes in the period 2009 - 2012. An estimated total of 2,000 staff were employed by the Local Development Companies at September 2011. A level of coherence has been brought to the sector over the years through the introduction of City/County Development Boards; a cohesion process, which resulted in the merging of Partnership and LEADER companies into single (mainly county-based) entities, reducing their number from 94 to 51; and through the joint working of local authorities and local development companies. However, there is still significant scope for a more joined-up approach by the local government and local development sectors that utilises mutual strengths and experiences of both sectors, results in a more cost effective and efficient delivery of services and provides more meaningful impacts for communities.

4.1.2 In keeping with the transfer of responsibility for the local and community development function at central level to the DECLG and having regard to the Programme for Government commitment to review local governance structures, a Steering Group was established in September 2011 to examine the scope for greater alignment between the local government and local development sectors and advise on options for a more integrated delivery of local and community development services. The Steering Group's report, which has been published on the DECLG's website www.environ.ie as part of the reform programme, recommends a more central role for local government in the oversight and

planning of local and community development programming, while maintaining a key role for local development entities which bring significant added value through a community-led, bottom-up approach to community development. Greater oversight on an area basis will bring a more coherent and strategic direction to the delivery of local and community development interventions at a local level and should result in a better targeting of resources, more sustainable administrative costs, reduced bureaucratic burdens and, ultimately, more effective services for the citizen. It will be underpinned at national level by a new national policy framework and a more joined-up 'whole-of-government' approach to the planning, delivery and oversight of local/community development interventions.

4.1.3 The Government has committed to implementing the recommendations of the Steering Group, which are aimed at improving services to citizens at local level, contributing to economic and social well-being, making maximum use of resources to benefit local communities and contributing to economic recovery and employment. The recommendations are summarised as follows:

- (a) The establishment of a Socio-Economic Committee (SEC) by each city/county council, which will have responsibility for planning and oversight of all local and community development programmes. The SEC will play a key role in decision-making on EU and national funded programmes and interventions, as well as certain co-ordination functions of the CDBs (which will, in effect, be replaced by the SECs). This will afford local authorities opportunities for greater involvement in relation to planning, oversight and management of locally-focussed programmes and it will provide for greater co-ordination across the full breadth of these programmes.
- (b) Oversight and responsibility for the management and disbursement of local and community development programme funds will be vested in the SEC. The role of local development companies in programme implementation, using the 'bottom-up' approach (whereby local actors participate in decision-making regarding the policies for their area and in the selection of the priorities to be pursued in their local area) will be retained given that local development companies have considerable expertise and a proven track record in delivery of services for their communities.
- (c) The establishment of an inter-Departmental group to lead and oversee the implementation of a coherent "whole-of-government approach" to planning, management and delivery of local and community development programmes and interventions.
- (d) The development of:
 - a national policy on local and community development, to set national priorities and establish a framework for the realisation of a cross-government approach at local level; this will be led by the DECLG with the support of the inter-Departmental group and in consultation with relevant Government Departments and agencies, which will be required to take cognisance of the national policy; and

- a 5-year City/County Local and Community Plan encompassing all State funded local and community development interventions, involving a socio-economic dimension to planning, with a key role for the local development companies to undertake area-based needs analysis and planning that will feed into the City/County Local and Community Plan; the Plan will be consistent with and provide input to other local authority plans as appropriate and as in the case of the local Economic Development Plan (3.3.8), the City/County Local and Community Plan will be formulated as a component of the City/County Development Plan which is the comprehensive instrument to guide the development of the area in various respects, social, economic, community, infrastructural, etc.
- (e) Strategic planning and local programme delivery will, as far as practicable, be aligned with local authority city/county boundaries (i.e. single contracts can be awarded on a county basis, in contrast to the multiple contracts that currently apply in some counties).
- (f) Through the inter-Departmental group, the development of a shared approach to the determination of sustainable local and community development programme administration budgets by Government Departments/State agencies, including the standardisation of administration costs across all such programmes.
- (g) Development of common systems of measurement and impact assessment, involving external evaluation, to measure the impact on the ground of local and community programmes, to facilitate the planning and implementation of such programmes and the appropriate targeting of resources where they will have the greatest impact and in response to need.
- (h) Implementation of revised arrangements on a phased basis over the period 2012-2014, to allow for the delivery of a programme of change management and capacity building across both local government and local development and the enhancement of co-operation, trust and respect between the sectors.

4.1.4 Such an enhanced role for oversight by local government in this area is consistent with its purpose of promoting the well-being and quality of life of citizens and communities. Local government can be positioned to work with local entities and communities, as well as with the structures of central Government, to bring greater coherence, efficiency, effectiveness and better governance to local development programmes and activities.

4.2 Devolution of functions or delegation of authority from central to local level

4.2.1 The decisions to locate local enterprise and local development within the local authority sector, and an enhanced role for local authorities in local development, as already outlined, represent possibly the most significant departures in decades in terms of strengthening the role of local government. As regards the scope for further devolution of functions under the auspices of the

DECLG, the vast majority of services locally are already delivered through the local authority system. Moreover, as already indicated, a significant measure of delegation of authority and relaxation of specific controls or requirements in relation to matters under its area of responsibility has already occurred. However, the Department conducted a further review of its functions and activities in the context of the present reform programme, with a view to identifying the potential for further delegation to local authorities, removal of controls, or alteration of requirements or procedures in relation to existing local authority functions. In addition, Government Departments generally were requested, in the context of the local government reform programme, to undertake an examination of their functions and services and those of related agencies, with a view to identifying matters that could potentially be devolved to local government.

4.2.2 This process has so far identified a number of functions that are potentially suitable for devolution to local authorities, or in which local authorities could play a greater role. Initial proposals for transfer of functions from Departments or agencies to local government are shown in Table 1 at the end of this chapter. It is proposed that these devolution proposals will be subject to -

- engagement with the relevant central authority currently discharging the function to tease out the full implications of the proposed devolution;
- the principles and criteria for devolution outlined in Chapter 2 being satisfied, including the requirement that responsibility for overall policy, funding, support and accountability at central level remains with the appropriate sectoral Minister, Department or State body, and
- assessment of the practical implications and required implementation arrangements for local authorities to assume responsibility for the function or service concerned, including consultation with local authority managers/chief executives.

4.2.3 The range of functions proposed for devolution by Departments so far is relatively limited and there will be further engagement with relevant Departments with a view to identifying additional potential functions for devolution to local government, ahead of the development of legislation to implement local government reform measures. An example of an area where greater potential exists for devolution is in relation to certain functions of the Department of Social Protection. The local authority is a frontline access point in the provision of housing and related supports and many of those whose housing needs are catered for are also on the Live Register. The local authority could, therefore, enter into a service level agreement with the New Employment and Entitlements Service (NEES) to assist in the provision of services (especially case management), for those on the live register that also occupy social housing. This will ensure a more integrated and co-ordinated approach to labour activation measures and is in keeping with:

- the intention to segment the client base,
- the Programme for Government objective to ‘move many of the functions currently being performed by agencies, such as community employment.... back to local government,’ and
- the role of local authority as a frontline access point.

4.2.4 The position with regard to delegation of greater discretion or responsibility in relation to matters in which local authorities are already involved, or further relaxation of specific controls or requirements is set out in Table 2, which outlines recent developments in that regard and proposals or potential for further measures of this type.

4.3 Collaboration, leadership and co-ordination role of local government

Existing local authority functions

4.3.1 In addition to widening the functions of local authorities as outlined in the preceding paragraphs and Chapter 3, this Action Programme affirms that, with the exception of functions relating to water supply that will be assumed by Irish Water (2.6.4) and certain functions relating to river basin management planning that will be transferred from local authorities to the EPA (which is better-placed to perform those functions), the functions that have hitherto been performed by local authorities will continue to be exercised by them.

Utilising local authority capacity

4.3.2 By utilising capacities of local authorities in these “traditional” local government functions, augmented by the additional functions identified in this Programme, there is scope to broaden further the reach of local government in terms of collaborative work or services locally with or on behalf of other agencies in areas of activity where direct responsibility is not assigned to the local authorities, particularly where local authorities may have available resources or capacity which are capable of being employed in other sectors. This could arise in relation to land, buildings, human resources and expertise, for example, in areas of activity such as selection, acquisition and development of land, procurement, development design and project management. An example of this is the good level of cooperation that is already in operation under the Memorandum of Understanding between the Minister for Education and Skills and local authorities which provides for -

- collaboration in the planning process and in identifying where and when new schools may be required,
- local authorities assuming responsibility for identification and acquisition of individual sites for new school projects.

4.3.3 This cooperation has proved advantageous in accelerating the provision of schools and in avoiding the need for the Department of Education and Skills itself to provide staff and resources that are already in place and available for use. The Department of Education and Skills and local authorities are also developing approaches to encourage and manage greater community usage of school facilities outside of school operating periods in support of wider local authority activities in the community development area. Greater cooperation between local authorities and providers of services locally can produce synergies between complementary expenditure programmes, produce greater “joined-up” results, and yield greater value for public expenditure.

4.3.4 The foregoing approach is consistent with the 2008 OECD review of the Irish Public Service (2.3.4) which recognised the role of local government capacity and revenue as twin components in relation to broadening the sector’s roles. The OECD suggested that there is “scope to develop models of integrated service delivery giving greater coherence and efficiency through collaborative arrangements with bodies under local government leadership”¹⁶.

Co-ordination and leadership role of local government

4.3.5 With its brief to develop and support sustainable communities, there is the potential for local authorities to play a very strong leadership role in working with other agencies to achieve better results on the ground. Local authorities have shown a capacity to engage successfully with agencies and individuals to achieve good outcomes in relation to job support, initiatives for older people, travellers and in the education area. The Task Force on the Public Service stated that “Local Government structures should be drawn upon to enhance public service delivery, particularly through leadership at local level of shared services, case-based approaches and integrated responses. The position of Local Government, as the level of government closest to the citizen, puts it in an effective position to provide this local leadership role”¹⁷. The Task Force went on to advocate “maximising the democratic legitimacy of elected councils as a focus for consultation and feedback in relation to the delivery of national services at local level taking account of assigned resource allocations and national policy and standards”¹⁸.

4.3.6 In keeping with its democratic mandate, the function of representing the interests of the community and the vision of local government as a primary vehicle of governance and public service at local level, it is appropriate that there be linkage between local government and local public services generally extending beyond the specific service delivery responsibilities of local authorities. Accordingly, proposals will be brought forward, in the context of the detailed development and implementation of the reform programme, to address the commitment in the Programme for Government to give councillors a legal power to seek reports from, and question in public, all providers of public services in their area and certain private sector service providers. A wide range of bodies/sectors (including some private sector bodies) to which this process might apply were suggested in the responses to the June 2012 consultation. These can be considered in the development of proposals.

4.3.7 A sector in which the role of local government as a broad ranging vehicle of public governance locally may have particular potential is education, working with and reporting to the Department of Education and Skills, as appropriate. For example, there may be scope for local government to play a role in the context of the evolving approach to the patronage of primary and post-primary schools, particularly in view of the presence of local government throughout the State, its

¹⁶ Page 244.

¹⁷ Page 16.

¹⁸ Page 36.

democratic mandate and accountability and Constitutional status. Given their representative and leadership role in the community, local authorities would seem well placed to play an appropriate oversight role in relation to such schools in collaboration with the Department of Education and Skills. It would also be appropriate to re-assess the relationship between the local government and vocational education sector, particularly in terms of the role of the elected members, in the context of both the local government reforms which are being implemented and the new Education and Training Boards. Similarly, local authorities can perform a role in coordination of inter-sectoral working to address health and wellbeing as part of the proposed National Framework for Health and Wellbeing.

4.3.8 The local leadership role of local government will be developed further on a progressive basis, starting primarily from its enhanced roles in the enterprise and community areas. New working relationships will be built through the development of the local enterprise offices and the operation of the social and economic committees to engage on better outcomes in terms of services to citizens as individuals and at community level.

City/County Development Boards

4.3.9 The establishment of 34 CDBs in 2000 to increase local coordination and integration of public services and local development helped to broaden the local authority sphere of influence. The Boards have a statutory basis in the Local Government Act, 2001 in the areas of economic, social and cultural planning. Membership comprises representatives of local government, local development bodies, the social partners and State Agencies. They have no staff or executive powers, though they are supported by Directors of Service for Community and Enterprise in each city/county council. CDBs operate primarily by seeking to co-ordinate the work of other organisations, both statutory and voluntary, in relation to the public funded services they provide at local level.

4.3.10 A study carried out on behalf of the then Department of the Environment, Heritage and Local Government in 2008 found that CDBs had made some progress in regard to the co-ordination of local service delivery, most notably in relation to social inclusion, but had not been as effective or able to achieve fully their potential on some fronts. In particular, their contribution to economic development has been less impactful than expected and they have failed to achieve desired results, even following the establishment of economic development sub-committees. While the position varies from area to area, there appears to be a general lack of commitment and engagement on the part of agencies participating on the Boards. Equally, there is little awareness and visibility within local communities of the existence or work of CDBs. However, some authorities have found that the inter-agency relationships developed through engagement with the constituent bodies of CDBs have been beneficial in a broader way. It will be a concern to retain and build on this dimension where it exists.

4.3.11 The significant changes which are taking place in local authority functions and in the relationship between local government and other sectors have important implications for the role of, and rationale for, CDBs. In effect, many of the purposes for which CDBs were established in terms of linking with or providing co-ordination with areas of activity outside the local government sector have

now become more mainstream elements of the local government system. In particular, the rationale for CDBs is reduced by the location of the enterprise support role in the local government system and the alignment of local development with local government. It is similarly reduced by the more direct role for local government in relation to economic development, and the strategic role of the regional bodies as primary vehicles for engagement with economic development agencies. Overall, the strengthened position for local authorities in enterprise promotion and in local development, will give greater implementation responsibility than is possible under the CDB structure.

4.3.12 It is considered that there is no longer sufficient rationale for the continued operation of CDBs, particularly in the context of rationalisation of structures generally, the proposed establishment of the SECs as an important element of local development, and of Economic Development SPCs (in local authority areas with a gateway or hub). However, it will be important to preserve the wider stakeholder engagement that flowed from the more effective CDBs and for this purpose, the SECs will be required to use tailored approaches to provide for engagement with agencies and other local stakeholders which are not, as a matter of course, members of the SEC. The CDBs will be wound down but any particular work under way and relevant to the new structural arrangements will be followed through to completion in 2012.

4.3.13 Cross-agency initiatives co-ordinated by CDBs, which will not be encompassed within the new arrangements, should be continued by local authorities where they are necessary and add value. This might include specifically focused activities such as Sports Partnerships, Traveller Interagency co-ordination, Comhairle na nÓg, etc.

4.4 Longer term development of the local government role

4.4.1 As already indicated, strengthening the role of local government will be an ongoing process, particularly in terms of devolution of functions from central to local level. The specific devolution proposals set out in this statement are regarded as initial proposals which are capable of being augmented in the course of ongoing implementation of the reform programme. Experience in other countries indicates that successful devolution of power to local government requires an adequate lead-in time during which power is released gradually to local level. The changes outlined in this Part provide a good basis on which to build further progress. The effectiveness and credibility of the local government system will be enhanced through the reform programme. Local government will be better positioned to take on a wider and more influential role, particularly through improvements in local authority structures, operations, funding and governance, together with experience in the operation of the enterprise and local development functions. The potential for more far reaching expansion of the local government remit will, accordingly, be pursued, with momentum building progressively as the reforms across the local government system take effect.

Table 1
Functions and activities to be considered for assignment to local authorities from
Government Departments/Agencies

Body currently responsible	Function or activity
Fáilte Ireland	Responsibility for approximately 40 additional smaller Tourist Information Offices. Responsibility for some Tourist Information Offices has already been transferred by Fáilte Ireland to local interest groups.
Department of Transport, Tourism and Sport	Responsibility (total or partial) for some smaller sea ports, piers and lights. Greater discretion to local authorities in relation to roads funding. Involvement in delivery of an efficient and effective integrated local and rural transport programme linking with the wider state and public transport network.
Irish Sports Council	Responsibility relating to Local Sports Partnerships (which promote participation in sport at a local level) by supporting clubs, coaches and volunteers, promoting increased levels of local participation, building partnerships across clubs and agencies, and creating increased awareness of sports and physical activities.
Department of Agriculture, Food and the Marine	Responsibility for coastal navigation aids.
Department of Arts, Heritage and the Gaeltacht	Management of some property on behalf of the National Parks and Wildlife Service. Responsibility for the provision of certain transport infrastructure and subsidies in respect of off-shore islands. Responsibility for the provision of funding in respect of certain other infrastructure on offshore islands.

Body currently responsible	Function or activity
Office of Public Works (OPW)	<p>Local delivery of flood risk management measures through local authorities, including participation on flood risk management steering groups.</p> <p>Local authorities to act as the contracting authority or obtain necessary statutory approvals for a flood relief scheme; OPW to provide funding.</p> <p>Cooperation and partnership approaches in relation to -</p> <ul style="list-style-type: none"> (a) the presentation and local management of heritage sites in conjunction with other local tourism initiatives. (b) the operation of state property in a local area. (c) the use of procurement contracts drawn from central framework agreements put in place by the National Procurement Services. <p>Partnership generally with OPW to ensure that decisions are made with appropriate input from and participation of local authorities, communities and citizens.</p>
Garda Síochána	Certain functions in relation to the assignment and use of bus stops.

Table 2

Delegation of further local discretion or responsibility in local authority functions

Housing

Over the past number of years, there has been a gradual increase in the level of devolution of parts of the operational programmes to local authorities. This is particularly the case in areas such as -

- the regeneration agencies (which were given wide responsibilities);
- the Rental Accommodation Scheme (i.e. sanction from the Department is not required for the acquisition / construction of properties under the Social Housing Investment Programme below certain thresholds);
- the improvement works programmes;
- a more devolved allocation-based system for homeless funding under a Funding Protocol with the 9 lead housing authorities of the homelessness fora, involving increased local decision making, instead of the existing individual project based arrangements, leading to improved efficiency, value for money and local responsibility for rigorous assessment of projects;
- the appraisal of proposals submitted for funding by approved housing bodies.

While tighter financial controls have had to be introduced in response to the difficulties in public finances, it remains the objective to delegate responsibility to housing authorities for operational programmes where this is possible.

The governance model adopted in the Housing (Miscellaneous Provisions) Act, 2009 maintains the responsibility for implementing schemes for rents, allocations and tenant purchase at local level. Ministerial sanction is no longer required for the adoption of local schemes, provided that the schemes remain within the parameters set by the Act and regulations. The Minister has taken power in the 2009 Act to issue general policy directions to housing authorities. Subject to Government approval, the proposed integration of housing services will likely involve a further significant devolution of functions from national to local level in relation to responsibility for what is now Rent Supplement (currently operated by Department of Social Protection).

Work is underway in developing the policy regarding the regulation of the voluntary housing sector. It is likely that city and county councils will have functions in this regard.

Energy Efficiency

Consideration will be given to the development of a scheme, with local authorities acting as lead authority, in which energy saving works could be undertaken on all houses (social plus private) in an estate as part of a single contract. This approach has been successfully implemented as part of large urban regeneration schemes in Limerick, Dundalk and Dublin City. Such an approach will

require close collaboration between SEAI and the relevant local authority and a commitment by SEAI to fund the necessary works to private houses. A targeted measure aimed specifically at providing basic attic and wall insulation would yield positive outcomes in terms of improving comfort levels, sustaining jobs and securing energy and cost savings.

Waste

The importance of consultation with elected members is fully recognised and will be highlighted to local authorities in a new Departmental circular.

Air Pollution

The Minister is empowered to make regulations under the Air Pollution Act 1987 banning the marketing, sale and distribution of bituminous (or 'smoky') fuels in specified areas in cities and towns for the purpose of preventing air pollution. Under new consolidating regulations planned for later this year, there will be fixed-term reviews of specified areas where the ban applies. As part of the fixed-term review process, local authorities will be able to submit proposals to the Minister for boundary revisions and designation of new specified areas.

Water Services

The Rural Water Programme is largely devolved to local authorities, and the Water Service Investment Programme has been subject to a number of reviews to ensure that it is as streamlined as possible.

The Government has decided that Irish Water should be established as an independent State owned company within the Bord Gáis Group.

As part of a process of ensuring that the investment programme is maintained while this major reform programme is being implemented, the Department has devolved some aspects of the administration of the Water Services Investment Programme to local authorities to reduce the number of approvals required from the Department.

Changes, involving a more programmed approach to the block grants available under the Rural Water Programme, have also been made to the small schemes programme for 2012 in advance of this work, and based on the recommendations of the National Rural Water Services Committee.

Further work on development of a multi-annual approach to the small schemes measure under the Rural Water Programme is being undertaken by a working group involving the Department and the County and City Managers' Association.

Foreshore Administration

Under the proposed Foreshore and Marine Area Development Bill, relevant coastal local authorities would become the plan-making authorities for development on the foreshore through the setting of mandatory objectives in the planning hierarchy (Regional Planning Guidelines, Development Plans, Local Area Plans) under the Planning Acts. In addition, local authorities would become the development consent authorities for determining all non-strategic infrastructure projects on the foreshore. Appeals would be made to An Bord Pleanála.

Roads/Traffic

Consideration of greater devolution of power or delegation of responsibility to local authorities in relation to local roads.

Food Safety

Greater coordination between local authorities and the Department of Agriculture, Food and the Marine in relation to enforcement of food safety standards and veterinary matters.

Community and Voluntary Fora

Funding is allocated to local authorities annually to provide support to 34 Community and Voluntary Fora (11.8.3), and to the Irish National Community & Voluntary Forum, a representative body for the Fora. The administrative functions performed by the Department will be considered for devolution to local authorities.

Community Development Projects

At present, nine Community Development projects have not integrated with a local development company as part of the integration process, and a further six “third party groups” in the former Dublin Inner City Partnership Area operate somewhat independently of the Programme. These Projects are currently managed and funded directly by the Department and Pobal¹⁹. Responsibility for the management and funding of the remaining projects and the “third party groups” will be considered for devolution to relevant local authorities, post-2014. In Dublin city, such devolution could take place earlier depending on progress with the cohesion of the local development companies in Dublin city.

Social Inclusion Units

At present, 16 local authority Social Inclusion Units are largely managed and administered by the relevant local authorities, with a limited funding role by the Department. The option of devolving the payment of funding to local authorities from 2013 will be considered, subject to the Department assessing and recommending what the future role and function of the Social Inclusion Units should be in the context of alignment.

¹⁹ Pobal is a “not-for-profit” company with charitable status that manages programmes on behalf of the Irish Government and the EU in support of communities and local agencies toward achieving social inclusion, reconciliation and equality.

Volunteer Centres

The Department provides funding for a range of initiatives to promote volunteering, including funding for core costs for a network of 21 volunteer centres around the country. These centres facilitate the placement of volunteers working within community and voluntary organisations and arrange for Garda vetting of these volunteers. Following consultation, the Department will bring forward proposals on how the work of the Volunteer Centres could be delivered in a more integrated and cost-effective way.

Rural Development Walks Scheme

The Walks Scheme (a programme for the development, maintenance and enhancement of National Way-Marked Ways and Looped Walks that is managed by local development companies) is administered by staff in the Department, which also provides secretariat services to Comhairle Na Tuaithe. While the Scheme will be retained in its present form for the present, in the context of alignment of local development and local government, the Department will consult with managers/chief executives and Directors to assess the possibility of devolving the Walks Scheme to Local Authorities.



PART 3

A LOCAL GOVERNMENT SYSTEM FOR THE 21ST CENTURY

Chapter 5 - Local Government Structures: Issues to be Addressed

5.1 Current structural arrangements and issues to be addressed

5.1.1 There are 124 local or regional bodies in Ireland, consisting of 80 town councils²⁰, 5 city councils, 29 county councils, 8 regional authorities and 2 regional assemblies. The regional bodies have a largely co-ordination role and do not, for example, have service delivery functions. Some relevant profile data in relation to local authorities are provided in Appendices 2 and 3 showing area, population, staffing, membership, financial data and relevant population-related ratios, in relation to city and county authorities, with more summary information for town authorities. Local authorities diverge significantly in area, population, operational scale, staffing and other resources, council membership and ratio of councillors to population. The divergence among counties alone ranges in population from 32,000 (Leitrim) to 400,000 (Cork), in territorial size from 127sq km (Dun Laoghaire-Rathdown) to 7,468 sq km (Cork) and in membership from 20 to 48 councillors. Such differences exist notwithstanding the fact that the range of powers, functions and structures is largely standard across city and county authorities. The population of town authorities²¹ ranges from 298 to 31,149. Excluding the Dublin area, which has 4 local authorities, there are currently 110 local authorities serving a population of 3.3 million. While sub-national authorities exist at three levels, these are not strictly hierarchical “tiers” of government in that, for example, the town councils exercise some functions within their areas parallel to those performed by the county council for the balance of the county. In addition to the local and regional authorities, a range of other bodies have emerged at local level in recent years, including local development bodies, city/county enterprise boards and co-ordinating structures such as city/county development boards.

5.1.2 Apart from changes in the 1980s/1990s involving the creation of three new counties in Dublin and the separation of Galway City and County Councils, local government structures have changed little since the establishment of the county-based administrative system in 1898, despite the extent of changes in demographic, social, and economic circumstances and in factors such as settlement and employment patterns and communications. Since abolition of a tier of rural district councils in the 1920s, most of the territory of the State has lacked a sub-county local government structure. Town

²⁰ Including 5 titled as boroughs.

²¹ Within statutory boundary of towns excluding environs.

councils have remained, in some respects, as “isolated” units within the counties rather than, for example, being focal points of a comprehensive set of sub-county divisions or municipalities as is the norm in many countries. Few additional towns have been granted municipal status²². The lack of change in local authority structures, notwithstanding many studies, reviews and policy documents over the years, contrasts with modernisation of local government law, changes in local authority powers and upgrading of the administrative components and policy appraisal mechanisms within local authorities.

5.1.3 This Part sets out policy to address the commitment in the Programme for Government to a fundamental reorganisation of local governance structures. These proposals are intended to bring greater clarity and coherence to this key element of the local government system. There is a strong inter-relationship between the structures of local government and its functions. This is reflected in the linkage in the Programme for Government between local governance structures and devolution of decision making.

5.1.4 The principle that “form follows function” requires that the structure of any system should have regard to its functions. However, it would be a mistake to apply this principle in a static manner to local government. The functions and role of local government are not likely to develop to their full potential unless its structures are made stronger and more efficient. A strong, rational, cohesive and modern structural “architecture”, reflecting current realities and well equipped to address future challenges, is fundamental to advancing the strategic aims of operational efficiency and representational effectiveness and accountability, enabling local government to perform its current role as effectively as possible, and improving its capacity to take on new functions.

5.1.5 The prevailing economic circumstances and budgetary constraints reinforce the need for efficient and economical structures and organisational arrangements in all areas of public administration, including local government. Structural strengthening is, accordingly, being prioritised in the reform programme. The Government’s policy decisions and underlying analysis in relation to local government structural arrangements are outlined in succeeding chapters, with respect to the three components of local government, regional, city/county and sub-county and in relation to the broad allocation of roles between these different elements of the local government system.



Chapter 6 - Local Government Arrangements within Counties

This Chapter outlines issues and developments relating to local government arrangements within counties and sets out the proposals to address current weaknesses and anomalies. It sets out policy decisions for a new model of municipal governance, including proposed structures, powers and functions, and the relationship between the different components of the system. Previous recommendations for either abolition of sub-county structures or transfer of most functions to county level will not be implemented. The main features of the new model are as follows: -

- There will be a comprehensive territorial configuration of each county into “municipal districts” based generally around principal towns and titled appropriately.
- Members will be elected in the first instance for the municipal district, with the combined district membership constituting the membership of the plenary County Council. There will not be separate, parallel sets of local authority members at two levels, with duplicate representation and the total number of councillors will not exceed 950 compared with 1,627 currently.
- There will be no duplication or overlapping of functions of members between county and municipal district jurisdictions; unlike the current parallel town and county system, matters decided at district level will not be dealt with at county level.
- There will be a single county-wide executive or operational structure and no duplicate administrative or organisational overhead.
- Districts will be determined on the basis of an independent review of electoral areas involving a statutory local electoral area boundary committee, with the further objective of reducing current representational disparity.
- Substantial cost savings should be achieved through operational integration and elimination of duplication.
- A significant range of reserved functions will be performed by elected members at district level, with strategic matters dealt with at county level and provision for consistency with overall county policy, involving:
 - policy and regulatory functions in areas such as planning, housing, roads, traffic, environment, recreation and amenity and relevant finance and governance matters,
 - representational and oversight functions,
 - civic and ceremonial roles,
 - citizen/community engagement and leadership,
 - provision for further matters to be devolved from county to district level.
- Cities, municipal districts containing boroughs, county towns and towns over a certain population e.g. 20,000, will have mayoral status.
- Detailed financial arrangements between county and district level will be developed in the implementation of the reform programme and legislation.

- Issues and anomalies that have affected local government such as outdated boundaries, some large centres lacking municipal status and town/county disconnect will be removed.
- Funding for implementation of matters decided at municipal district level would come from a combination of “block” allocations decided by the members at county level, along with additional local funding raised within the municipal district.
- The new arrangement will go beyond both the current town council and county area committee systems which it will replace, since it will involve distinct powers for the elected members at municipal district level.
- The organisational format of local government will involve a single corporate entity incorporating two elements of jurisdiction for the elected members - the county-wide level and district level.
- The configuration of local electoral areas in Dublin will also be considered separately (see para. 6.4.9). Local authorities in Dublin will have discretionary power to enable appropriate matters to be decided by members at electoral area level.

6.1 The current system of town/sub-county local government - strengths

Strengths of municipal government

6.1.1 There are 80 town councils with varying levels of power; boroughs (5) and former urban district councils (49), having the highest level of town functions, including powers to levy rates and perform functions in areas such as, planning, roads and housing (with some variations depending on size of town), while the 26 former town commissioners have very limited functions and resources. It is recognised that town local authorities enjoy advantages such as proximity to the citizen, ability to respond to local needs and the fact that some have developed new roles in areas such as community and economic development, social inclusion, sport and recreation, arts and tourism. Town authorities are well positioned to build and maintain good connections with local communities, which is particularly relevant in the context of possible concerns regarding lack of connection between citizens and local authorities, particularly in urban areas, with the continuing trend towards urbanisation in the context of increasing population and demographic diversity. In principle, sub-county structures should facilitate subsidiarity, accountability and democratic representation but the degree to which these objectives can be optimised through the current arrangements is affected by weaknesses which are discussed under.

6.1.2 The 2010 Local Government Efficiency Review Group report acknowledged the positive contribution which town councils have made in supporting community development and economic activity, representing the interests of their towns, and promoting and facilitating improvement of their areas.

6.1.3 In addition to the service delivery and regulatory functions of town authorities, there is a considerable element of history, heritage, tradition and civic status associated with town local government, many towns having charters dating back several centuries. There is a measure of

attachment, particularly on part those involved in the local government system, to institutions of governance which predate the State by a considerable margin. This status contributes to the potential of towns as centres of civic life and community engagement, particularly in view of the degree of public identification with urban areas as focal points for social, commercial, recreational, educational, employment and other requirements of daily life and the increasing urban profile of the population. Appropriate recognition needs to be given to the considerable history and civic status of municipal government in any proposed new arrangements

Current weaknesses and issues to be addressed

6.1.4 Certain inconsistencies and anomalies are evident even from the brief description of the current structure of local government at 5.1.1 and 5.1.2. Previous analysis of the existing system of town local government identified weaknesses such as limited functions (negligible in the case of former town commissioners), inconsistency of structures, fragmentation, outdated boundaries (including different administrative and electoral boundaries in some cases and particular issues with towns near county boundaries), duplication of administration, lack of sufficient scale to maximise efficiency, or to support sufficient expertise or resources to perform a range of complex or sophisticated functions, resulting in erosion of functions. Duplication of functions at different levels of local government does not support subsidiarity. While the relationship between scale and efficiency can vary with different functions, a multiplicity of small authorities is not generally conducive to operational efficiency, especially in the case of services that are subject to economies of scale or which require specialised resources or expertise. The Local Government Efficiency Review Group report recognised that town councils are an additional overhead in the local government service. It drew attention to duplication of administrative work arising from the existence of separate local authorities within the county having parallel functions in areas such as planning, housing and roads.

6.1.5 In addition to key issues of administrative duplication, operational scale and related efficiency, there are inherent weaknesses and anomalies in the current arrangement of largely separate town and county governance. The town authorities themselves are relatively weak in terms of legal powers and resources and their relationship with the county councils is not coherent, involving considerable fragmentation of resources and operations and duplication of functions and membership. The isolated nature of town authorities, without a functional role in their surrounding hinterlands, fails to reflect the reality that the influence or “reach” of a town extends well beyond its boundary which, in many cases, does not even encompass the entire built up area of the actual town. The distribution of town local authorities is arbitrary, with many large centres of population²³ not having municipal status at sub-county level, while much smaller towns have a separate local authority. The existence of parallel sets of elective bodies within the county involves an element of double representation whereby members representing 80 towns containing 14% of the population of the State account for 46% of all councillors, in addition to those towns being represented at county council level.

²³ For example, Carrigaline Co. Cork, population 14,775; Celbridge, population 19,537; and Maynooth, population 12,510, in Co. Kildare; Ashbourne, population 11,338, and Laytown-Bettystown-Mornington, population 10,889, in Co. Meath.

6.1.6 The existence of “independent” town authorities, particularly with revenue-raising powers can, arguably, involve an element of distortion of resources, with the possibility of a disproportionate element of revenue being confined within the “town walls”. This can be evidenced, for example, by the fact that, in many large towns which do not have municipal status, certain town amenities and services are more limited than their (in some cases smaller) municipal neighbours. Similarly, the fact that, there are often significant differences between commercial rate levels in town and county councils areas demonstrates the imbalance in funding arrangements within the same county area. Around two thirds of town councils, have a lower commercial rate level than in the county, with the remaining third having the opposite position. The proposed new approach to municipal districts will provide the opportunity to achieve a more coherent approach to rates and charges on a county-wide basis having regard to funding requirements and the need to support employment and business competitiveness. A relatively weak and fragmented structural arrangement is not likely to result in efficient use of staffing and other resources.

6.2 Views and Proposals on town/sub-county local government

Previous reviews

6.2.1 The “Barrington” Committee in 1991 indicated a need for fundamental overhaul in sub-county arrangements but failed to agree on a particular structure and presented two different options, directly elected district councils or district committees of the county councils, both involving replacement of the existing town authorities. In the mid-1990s, a Commission on Town Local Government undertook a specific review of town local authorities and their relationship with the county councils. The Commission’s terms of reference were based on retention of all town authorities and it did not, accordingly, have discretion to recommend structural change. Its report in 1996²⁴ identified a range of difficulties with the existing system, including the isolated nature of town authorities, which does not reflect current social and economic realities whereby towns exert a significant role as the focal point of a much wider hinterland; organisational and operational limitations on most town authorities; mismatch between their legal functions and actual capacity and difficulty associated with any possible upgrading in that regard. The Commission proposed, in particular, action to achieve greater cohesiveness between the two elements. This approach was taken forward through the *Better Local Government* programme in the later 1990s and in the Local Government Act 2001, resulting in greater cohesiveness both in policy and operational respects. In practice, certain statutory functions of town councils now tend, to varying degrees in different areas, to be performed by the county council on behalf of the town, and county staff often carry out support work, particularly in technical areas, for town council functions. In addition, it is common practice for County Council Directors of Service to undertake the role of town manager in addition to their other duties. The LGER report noted a constructive approach towards adopting shared service models to date, but felt that more could be done in this area. While performance of functions by the county council on behalf of town authorities is conducive to overall operational efficiency, it further calls into question the rationale for a system of separate corporate entities at town level which, having regard to the other weaknesses and anomalies

²⁴ *Towards Cohesive Local Government - Town and County, Report of Commission, April 1996.*

identified, might be regarded as primarily a historical legacy, rather than one suited to meeting today's needs or to supporting the objectives of operational efficiency and representational effectiveness.

More recent proposals

6.2.2 The LGER report recommended transfer of the rating, housing, planning and roads functions of town authorities to county councils on grounds of efficiency, complexity, administrative overhead, duplication, equity and cost, but with scope for delegating certain appropriate functions to sub-county level. However, the LGER recommendations were, necessarily, formulated within the existing structural parameters, including the continuation of separate town authorities (even if with significantly reduced functions) since it was not within the Group's terms of reference to make proposals in relation to alteration of local government structures.

6.2.3 The Report of the Special Group on Public Service Numbers and Expenditure Programmes²⁵ (the "McCarthy report"), while noting that the local government element of public expenditure was not within the Group's core remit, saw scope for rationalising the structures of local government by abolishing all town councils (along with regional authorities) to provide a single local authority tier with a reduced number of local authorities.

6.2.4 The Association of Municipal Authorities of Ireland, which represents elected members of all categories of urban authorities, set out views on the future of local government in a submission to the Minister for the Environment, Community and Local Government in April 2011²⁶. Relevant points in this document, broadly synthesised, include the following:

- Town local government should be the most fundamental tier of local democracy.
- The town level of government is in need of reform in the context of a radical overhaul of the entire system.
- Ireland needs a more comprehensive tier of town or community government covering the entire country.
- Reform of the local government system has to be based on a bottom-up approach and should be based on community identity, citizenship, participation and dispersal of power.
- Local government would be more accountable for its finances and under greater pressure to budget prudently if it was less dependent on central government.
- Lack of powers is a weakness for town councils and reform is needed to address weakness and maximise their potential.
- A comprehensive reform of local government is needed to establish a system that is democratic, effective and efficient and which should place town local government at the core of the system.

²⁵ Department of Finance, July 2009.

²⁶ *The Case for Town Local Government in Ireland in the 21st Century*

6.2.5 The Association of County and City Councils, which represents elected members of these authorities, in a submission to the Minister for the Environment, Community and Local Government in April 2012²⁷, put forward a number of views and suggestions relevant to, among other things, county and sub-county governance, including the following:

- The basic primary units of local government are the city and county councils.
- A prerequisite of any reform is a solution of vexed boundary issues. This has been recognised since the 1996 report *Towards Cohesive Local Government-Town and County*, which stated, “it is relevant to record that there appears to be an excessive pre-occupation in some cases with boundaries and territorial considerations rather than practical arrangements for optimising services”. Elsewhere in that document it states, “Whilst most European countries have a comprehensive set of sub-national territorial structures, the Irish pattern of entirely separate town authorities is probably unique in the modern era. While the city and county areas, the primary units of local government, cover the entire State, the towns are isolated units within this tier.” ACC is also satisfied that this town-county “disconnect” is a flaw in the multi-tier structures as laid down in the 1899 foundation of democratic local government in Ireland.
- Representational “misalignment” is seriously out of date. In correcting this anomaly, an acceptable equalisation method should be included to protect any rural representation shortfall in counties that are now challenged by a lack of demographic critical mass.
- The system in Irish local democracy where some voters have county and town votes is an unfair and a conflicting item in democratic understanding.
- The Association endorses a strengthened area committee model as a practical and realistic approach to the modern local government needs of our evolving communities be they rural, urban or suburban.
- The population scale of greater Dublin warrants a different approach to structural changes. A regional governance model may be an option in co-ordinating the activities of the Dublin city and county councils.
- Retaining unnecessary administrations below area committee level will result in understandable business community resistance to pay for overlapping administration and service delivery. For example, it is extraordinary to note that there are more than 80 planning authorities in this relatively small State.

Polarised views

6.2.6 The question of the most appropriate form of town, or sub-county, local government has been one of the most difficult issues to resolve in decades of policy debate on local government reform. In the absence of consensus, policy proposals have largely avoided addressing fundamental issues relating to sub-county structures and functions. In that context there has been a drift towards centralising functions at county level. Positions in relation to town or sub-county local government

have tended to be polarised. Abolition of all sub-county structures has been advocated on grounds of efficiency, while opposing positions emphasise the democratic and community-focused representational aspects of town authorities, with calls for enhancements such as increased powers, updating of many town boundaries, establishment of new town authorities or creation of a universal tier of district councils centred on towns but additional to the county tier. Contrasting views were also evident in responses to the June 2012 consultation, with suggestions ranging from devolution of power to town councils to abolition of some or all town councils and their absorption into county councils. Specific issues raised included lack of power and functions, overlapping of town and county council areas and the need to address funding disparities between town and county councils arising from budget decisions.

The imperative for change

6.2.7 While certain improvements have, as indicated, been implemented, failure to formulate policy proposals capable of addressing the widely divergent positions has resulted in a degree of inertia, characterised by performance of some existing functions in practice passing from town to county level and reluctance to assign “significant” new functions to town authorities, to update town boundaries or to create new authorities. At the same time, fundamental reforms that might be perceived as downgrading or leading towards abolition of town authorities, such as rationalisation or modernisation of structures or functions, have been avoided. Broad criteria against which options for change might be measured include, the need to secure maximum benefit from the operation of the local government system generally, subsidiarity, democratic responsibility and accountability, coherence, value for money, efficiency and quality customer service.

6.2.8 Sub-optimal arrangements within counties due to factors such as duplication, lack of significant functions, inefficient scale, etc, are not tenable, particularly in the current economic circumstances. The general economic and public policy context in which local government reform proposals must now be developed is radically different from that which obtained during the period leading up to the production of the Green Paper, or even at the completion of the LGER report in mid-2010. The prevailing economic situation and the severe constraints on the public finances make maximisation of efficiency and cost reduction imperatives, all the more reinforcing the need to ensure that the local government system is configured and organised so as to help achieve these ends. Any anomalies and weaknesses in the system, which appear to be particularly pronounced at sub-county level, must be addressed. Equally, however, there is need for effective democratic leadership, representation and accountability. The case for strengthening governance within counties is not solely financial. There is a compelling need to address structures and functions at sub-county level, not only on efficiency grounds, but because of the potential to strengthen democratic representation and accountability and improve the effectiveness and coherence of the local government system as a whole. The full spectrum of governance - policy making, representational and community leadership roles of the elected members - cannot be effectively supported either by the current fragmented and inconsistent arrangement of parallel county and (largely isolated) town structures, or by a purely county-level system of representation and decision-making.

Addressing divergent positions

6.2.9 A conclusion emerging from review of the analysis, consultation and deliberation on this issue to date is the need to implement policies that will fundamentally underpin and enhance both efficiency and democracy in local government at county and sub-county level, rather than regarding these as alternative, much less incompatible, objectives. A key to formulating a policy approach that can address both of the foregoing objectives is avoidance of, on one hand, an excessively one-dimensional approach to efficiency that fails to optimise democratic representation, accountability and responsiveness to communities and, on the other hand, rigid adherence to existing organisational structures that would constrain the scope to implement arrangements that would enhance operational efficiency.

6.2.10 To achieve an inclusive solution, it is necessary to develop a system of governance which takes account of the fact that, whereas operational efficiency is likely to be enhanced by larger scale organisation, this is not the sole criterion to be applied in determining the structure of local government. Larger scale would not necessarily be conducive to representational effectiveness and accountability. It is necessary, therefore, to develop a model that can capitalise on the inherent operational advantages and scale efficiency of the county organisation, while at the same time retaining and enhancing the particular advantages and potential of municipal governance located close to the community. The challenge is to combine these benefits within a more cohesive overall system, with an appropriate allocation of functions that eliminates duplication, and provides an effective organisational and operational structure with minimal administrative overhead and comprehensive community-focused electoral/representational configuration.

6.3 A new model of municipal governance within counties

6.3.1 To advance the combination of strategic objectives outlined above, a significant qualitative change in approach is required that applies differentiated, balanced and correctly tailored approaches in relation to the different constituent elements of local government - elective and executive, operational and policy/representational, county and sub-county - within a cohesive overall system. The Government has decided, accordingly, against implementing the proposals in relation to town councils in either the McCarthy report or the LGER report. Instead, a new model of governance is proposed to transcend polarised approaches and achieve the objectives identified in the foregoing paragraphs. Elected members will exercise jurisdiction at two levels: in the first instance for "municipal districts", based around key urban centres, and collectively on a county-wide basis. Significant powers and functions will be assigned appropriately to each level of jurisdiction but, crucially, without overlap or duplication of responsibilities, and supported at both levels by a single, integrated executive organisation.

6.3.2 The role of the elected members embraces, not only responsibility for the overall policy and governance of the authority, but also a significant additional set of responsibilities particular to their elective role in terms of providing effective democratic representation, responsiveness and

accountability to citizens and local communities. The capacity of the elected members to perform these functions can be enhanced significantly through a new coherent, consistent, and comprehensive system of sub-county governance in which decisions are allocated respectively to county and sub-county levels, as appropriate. For the executive or implementation function, operational efficiency is a primary consideration. It is proposed, accordingly, that there will be full county-wide organisational integration of the operational resources of the local authority service under the control of the county manager/chief executive and management team, enabling efficiency and economies of scale, organisational flexibility, availability of resources and expertise and other operational benefits, to be maximised.

6.3.3 The main features of the proposed new county/sub-county governance model are as follows:

- (a) There will be a complete territorial configuration of each county into “municipal districts”, based around principal towns which will be augmented by their hinterlands into a comprehensive system of districts, corresponding more closely to the arrangements that apply in many European countries, with local matters decided by councillors at district level. The central role of the municipal towns and boroughs, and indeed other significant urban centres which currently do not enjoy municipal status, will be reflected in the configuration, designation and (subject to overall numerical constraints), membership, of the municipal districts. It is noteworthy in this context that many councillors emphasised, in response to the June 2012 consultation survey, the importance of strong municipal government along the lines commonly seen throughout Europe. The report of the Waterford Local Government Committee (7.2.16) also recommended provision for a territorially comprehensive sub-county division.
- (b) Members will be elected in the first instance for the municipal district, with the combined membership of all districts in a county constituting the membership of the plenary county council. The municipal district will, in effect, be the first level of governance and democratic representation in the State. There will not, accordingly, be parallel sets of local authority members and the current anomaly whereby some towns enjoy, in effect, double representation, will cease.
- (c) The municipal district will generally constitute a single electoral area, the precise configuration for each county being determined in the context of a review of local electoral areas for the purposes of the 2014 elections, which is considered further at 6.4. The parameters of this review will be framed carefully having regard to relevant factors such as population, area, existing town authorities and county electoral areas. Boroughs will be given particular recognition within the proposed configuration. It is proposed that boroughs will retain that status, being designated as “borough districts”, with slightly higher representational weighting. Similarly, the territory of city districts within merging counties (Limerick and Waterford) will be appropriately delineated, will retain city designation along with all traditional civic and ceremonial status and functions, and will be accorded an appropriate representational weighting. Cities and boroughs will retain mayoral status, which will also apply in the case of county towns, and towns over a certain population e.g. 20,000, within the new municipal

district system. However, their structural relationship with the overall county would be the same as in the case of other municipal districts.

- (d) There will be a single county-wide executive or operational structure and accordingly, no separate corporate entities or duplicate administrative or organisational overhead, offices, staff, etc, within the county. Operational resources will, therefore, be fully integrated and at the disposal of both the county and district elements of local government. Deployment of these resources to implement policy decisions at both levels of jurisdiction and to perform the functions and services of local government generally within the county will be a matter for management. Internal organisational arrangements within the county will be adapted to reflect and support the political structures and facilitate service delivery. In effect, the model of cohesive local government that has been developed from the 1996 report, through the Better Local Government programme, the 2001 legislation and subsequent organisational and procedural modernisation, will be developed further to produce a more complete and coherent system of governance within counties.
- (e) Subject to legal formulation, it is proposed that the format of local government will involve a single corporate entity incorporating two elements of jurisdiction for the elected members - the county-wide level and the sub-county municipal district level. In effect, the elective element within the dual reserved/executive model, which defines the legal and corporate character of local government in Ireland, will now be developed further in terms of the territorial jurisdiction of the elected members. The members will act in separate formations for the purposes of performing respective sets of reserved functions. Firstly, as members for the municipal district in respect of matters to be determined in that jurisdiction, and secondly, in plenary formation as the overall county council for the purpose of matters to be determined at county-wide jurisdiction. The elected members in performing reserved functions at municipal district level will, in effect, act as the local authority in determining matters assigned to that level.
- (f) The model now proposed will allow significant matters to be determined by the elected members at district level. This contrasts with previous proposals on sub-county local government which were constrained by issues of operational scale to recommend relatively minor functions for sub-county or town authorities. With the differentiated approach to the operational and elective elements of local government now proposed, involving consolidation of operational responsibility into one single county-wide organisation/executive responsible for implementing policy decided at municipal level, considerations of scale-related operational capacity will not be an inhibiting factor *per se* in assigning decision-making power to municipal districts. This will promote operational efficiency within the county, which will be further advanced through shared service arrangements between city/county authorities as appropriate. Matters requiring decision at a county-wide jurisdiction for reasons of spatial, strategic, or wider policy perspective, or where decisions need to take account of needs and priorities on a wide scale, will be determined at county level. Decision on various matters of importance to the local community will, however, be assigned to the elected members at municipal district level, thereby enhancing local democratic responsibility and accountability in local government.

- (g) There will be no duplication or overlapping of functions between county and municipal district jurisdictions. At operational level, the possibility of duplication will be eliminated by the full integration of the organisation, including management, staffing and other resources. In the case of the elected members, any matter that is to be decided within their municipal district jurisdiction will be dealt with on a fully devolved basis and will not be submitted to county level for approval, ratification or acceptance, subject to certain requirements in relation to consistency in the performance of functions. This is a logical corollary of a system in which functions are allocated on the basis of the appropriate area of jurisdiction, in which there will be common membership at both levels, and in view of the need to avoid layers of administration or decision making. Similarly, matters to be decided at county level will not require formal consultation with the municipal level since the county council will consist entirely of members elected for the municipal districts. With county-wide municipal district coverage, the sort of parallel functions that currently exist between town and county authorities cannot arise since, unlike the current arrangement, there will be no “residual” territory subject only to county council administration.
- (h) The new arrangement will go beyond both the current town council and county area committee systems which it will replace, since it will involve distinct powers for the elected members at municipal district level, statutorily devolved functions, comprehensive territorial coverage, absence of duplicate roles, and a fully integrated operational structure, deployment of which, at county or municipal district level, will be a management responsibility in accordance with local or national policy requirements.

6.4 Configuration of municipal districts/electoral area review

Electoral area review

6.4.1 The areas of municipal districts will be drawn up, on the basis of appropriate criteria, for the purposes of the 2014 local elections. As is the normal practice, a review of local electoral areas, involving public consultation, will be carried out through an independent statutory boundary committee. The most recent review of local electoral areas was carried out in 2008. That review committee’s terms of reference set out relevant parameters e.g. that there should be no change in the number of members elected to each local authority and that electoral areas would have between four (or, in very exceptional circumstances, three) and seven members and desirably, keep variances in the ratio of population to members within +/- 10% of the overall average within each county. Other factors to be taken into account included the desirability of having electoral areas with urban or neighbourhood focal points, preserving natural communities or the hinterlands of population centres, aligning areas, where possible, with Dáil constituency boundaries and maintaining continuity in relation to the arrangement of local electoral areas. Many of these criteria will again be relevant but some will need to be relaxed, while the need to address the configuration of sub-county districts introduces certain additional factors and constraints, which are considered under.

Criteria for determination of areas

6.4.2 The configuration of districts will be influenced by a range of considerations, such as population distribution, overall membership constraints, distribution of towns, local identities, spatial coherence and other factors relevant to representation and policy/functional oversight. Some of these go beyond the type of criteria that might be applicable in the normal course to review of local electoral areas. Factors and parameters of particular relevance to the definition of appropriate municipal districts/electoral areas include the following:

- (a) Minimum District membership: In the interests of proportionality and balance it is desirable to avoid unduly small electoral areas. Moreover, it is considered that, for the effective operation of a decision-making unit, such as the proposed municipal districts, a minimum level of membership is necessary. Save in exceptional cases, each district will constitute a single electoral area with a membership typically of a minimum of 6 and a maximum of 10.
- (b) Overall numbers: Total local authority membership (city/county and town) currently is 1,627, involving around 1,450 individuals (allowing for dual town/county memberships). Since district members will, in future, constitute the county council, the overall consolidated district/county membership will, inevitably, be significantly lower than the current combined total. Numbers will be particularly constrained where city/county authorities are being merged or where the current ratio of members to population is disproportionately high. Relevant factors will include the following:
- Scope to achieve greater consistency nationally in the ratio of members to population, which currently ranges from 1:1,444 to 1:8,398 in the case of county councils outside of Dublin (with some even higher ratios in the latter).
 - From a practical perspective there will need to be a certain minimum level of membership rather than determining this in direct proportion to population. It seems necessary to accept a relatively high member to population ratio in smaller counties, to allow for a minimum total membership to provide for effective council operation, adequate geographic representation and municipal districts having adequate minimum membership.
 - In high population counties, a lower member to population ratio will need to be applied, confining overall membership to a reasonable maximum to avoid councils becoming unwieldy. This factor is also likely to involve reduction in combined membership of merging authorities in Limerick, Tipperary and Waterford (currently 45, 47 and 38, respectively).
 - Notwithstanding the need to reduce representational imbalance, some regard should be paid to existing size of membership so as to avoid unduly severe change.
 - In counties with a relatively low ratio of members to population there may be some scope to increase membership in order to reduce the degree of variance in the representational ratio. However, the extent to which this can be achieved is limited

having regard to the need to achieve economies as far as possible and to avoid the creation of unduly large councils. Similarly, while there might be a case for some increase in county membership as a counter-balance against loss of separate town representation, the scope for this is limited due to the fact that costs associated with county members is significantly higher than town members (due to factors such as wider functions and greater distances involved).

- Apart from reduction in representational ratios between counties, there is scope to achieve greater consistency between areas within counties, as the degree of variation is significant in some cases, for example, Cork.

(c) Town focus:

- Account will be taken of the fact that towns will no longer have separate representation, which would warrant a degree of weighting in districts where town councils are located.
- Since the proposed municipalities will replace the town councils, the areas will be designed, as far as possible, around the existing municipal towns while also taking particular account of large urban centres which do not currently enjoy municipal status. In a minority of cases, the inclusion of more than one town in a district is likely to be unavoidable. However, in all cases the district should incorporate the relevant hinterland of each town, subject to the constraints imposed by county boundaries close to towns²⁸ e.g. New Ross located adjacent to the Kilkenny/Wexford boundary, Carrick-on-Suir adjacent to the boundary between Tipperary and Waterford, or Athlone on the Roscommon/Westmeath border. In cases such as these, suitable agency arrangements or service level agreements should be implemented to ensure that one authority has responsibility for all functions (including development plans) and services throughout the entire area of the town, notwithstanding county boundaries.

(d) Other factors:

- Geographic coherence will be maximised to facilitate effective representation, avoid excessive distance from the main urban centre and take account of local identity and linkages.
- It is desirable to maintain continuity as far as possible, subject to other requirements, with existing electoral areas, associated area committees and local authority service arrangements but some change is unavoidable as the number of districts is likely to be less than the current number of electoral areas.

²⁸ *The 2011 census reports shows 9 municipal towns or their environs located in more than one county.*

Approach to determination of districts

6.4.3 A significant challenge arises in trying to take account of the full range of relevant factors, parameters and constraints while, at the same time, achieving reasonable balance between divergent objectives. Population is not the sole relevant criterion and, in any event, it is not feasible, without dramatic effects, to determine the level of representation on the basis of an across the board national formula based on member to population ratio. It appears desirable, in any event, to take a “bottom up” approach to determining local electoral areas, with the starting point being the membership requirements for each Municipal District, factoring in the distribution and size of towns and making suitable adjustments to improve representational ratio. The number of Districts in the county would be influenced by factors such as population, area and number of electoral areas currently, subject to overall numbers.

6.4.4 An approach on the lines outlined in the preceding paragraph could involve the following elements:

- The number of electoral areas (which, other than in exceptional cases, would be the same as the number of municipal districts) in each county would typically be reduced by one, but by more in some cases, having regard to factors referred to already, particularly minimum membership per district and constraints on overall county membership. The majority of counties would be likely to have 3 or 4 districts but a small number which currently have a high number of electoral areas could warrant a greater number of districts and some counties with low population and area might warrant only 2 districts. This would be determined through the electoral area review.
- In the vast majority of cases there would be at least 7 members per district and, in any event, not less than 5 (the latter only in exceptional circumstances), which will be the minimum electoral area membership. District membership will not exceed 9 save where more than one electoral area in a municipal district is considered warranted in the electoral area review.
- A weighting could be applied to take account of existing municipal towns.
- Account would be taken of member to population ratio.
- There would be a minimum of 18 seats per city/county and a maximum of 40 outside of Cork County and Dublin City, which have populations (400,000 and 528,000, respectively) far greater than any other city or county.

6.4.5 The foregoing approach would be likely to result in quite significant reduction in representational imbalance between counties and within a number of counties. It would be likely to involve a moderate increase in overall county council membership but reductions in some individual cases. There would be a significant reduction from the current combined total of 1,627 local authority members (town and county) due to replacement of separate town councils by municipal districts. The total number of individual councillors would be likely to reduce from around 1,450 (taking account of dual membership currently) to not more than 950. There would be a rebalancing of membership towards counties which currently have low member to population ratios and towards counties which have a high incidence of towns/boroughs. The total number of municipal districts in the 25 counties

involved (excluding Dublin (see 6.4.9 under) and taking account of mergers) would be in the region of 90, compared with the 80 town authorities and 120 county electoral areas currently. The 950 maximum would represent an overall ratio of 1:4,830 which would be an appropriate benchmark against which to measure variance in different counties and improvement in representational balance.

6.4.6 It is emphasised that the approach outlined above is purely indicative, without prejudice to the formal electoral review by a statutory committee. However, it is proposed that the type of criteria and parameters set out would be reflected in the Terms of Reference of a committee. A degree of flexibility and discretion will be allowed in determining membership in each case to take account of factors such as the desirability of reducing representational imbalance and maximising consistency within counties, particular factors in merging authorities, and the possibility of defining electoral sub-areas within districts in exceptional cases where the committee considers that there are compelling reasons for this.

6.4.7 Particular considerations will arise in the case of Limerick and Waterford cities which are being merged with the respective counties. The issue of defining an appropriate “metropolitan” area, involving much higher population and membership than typical municipal districts, will arise in these cases, and also in the case of Cork and Galway cities (which are remaining as distinct city authorities). This is considered further in Chapter 7. In view of the extent of population and membership, division of the Limerick and Waterford metropolitan districts into electoral sub-areas is likely to be warranted. This will be a matter for determination by the electoral review committee.

6.4.8 A number of particular issues are likely to arise also in the case of County Cork in view of its size, population, the degree of representational variance within the county currently, the large number of existing municipal towns and their close proximity in some cases, in addition to the metropolitan factor referred to above, which is considered further in the context of city/county structures at 7.3.4 to 7.3.9.

Arrangements in Dublin

6.4.9 Dublin is a special case, having regard to a range of considerations relating to demographic, spatial, organisational and governance issues which are significantly different from other areas. The introduction of municipal district arrangements in other areas to replace town councils raises a question of whether some, possibly similar, form of district governance should be introduced in Dublin. The introduction of any new arrangement in Dublin that would involve the creation of an additional element of local administration and associated cost would be at variance with the approach towards rationalisation and efficiency which underpins the local government reform programme generally. The issue of replacing town authorities does not arise in Dublin (aside from Balbriggan) as in other counties. However, the concept of an element of governance or decision-making below the level of the county does, in principle, appear applicable. Accordingly, it is proposed that provision would be made to enable the type of reserved functions which will be performed by the elected members at municipal district level in other counties, to be exercisable also by the elected members in the

counties of Dun Laoghaire-Rathdown, Fingal and South Dublin, meeting in a sub-formation at the level of each electoral area. It is proposed, however, that the operation of this system would be optional in Dublin. It would be a matter for the overall council in each county to decide whether this form of sub-county arrangement should apply.

6.4.10 Any proposals in relation to local authority membership in Dublin would need to be carefully considered in the context of other significant issues relating to local government structures and governance, particularly as reduction in the population to member ratio could have significant implications for the size of councils and associated efficiency and cost. However, there is a good case for reducing the degree of representational imbalance currently in the Dublin counties, particularly Fingal, which has 24 seats and a member to population ratio of 1:11,416 and South Dublin which has 26 seats and a ratio of 1:10,200. The member to population ratio in Dun Laoghaire-Rathdown, which currently has 28 seats, is less unfavourable at 1:7,366, but still relatively high compared with many other areas. A review of local electoral areas and the number of members assigned to each of those areas will be undertaken.

6.5 Functions of elected members at municipal district level

6.5.1 In determining the specific functions of elected members to be assigned to county or municipal district levels, the decisive factor will be the appropriate territorial jurisdiction within which particular matters should be determined on spatial or strategic grounds, rather than considerations primarily of operational scale or resources. The initial reference point in determining functions for district level will be the existing town council functions. Unless a function requires to be decided on the basis of county-wide (or broader) implications, needs and priorities (for example, matters such as rating or other revenue decisions, development plans and possibly functions relating to overall networks such as roads), it should, in principle, be considered a candidate for decision within the municipal district jurisdiction. As a general principle, functions that are focused particularly on local communities rather than wider territorial jurisdiction, or for which local accountability is a priority, would be appropriate for decision at municipal district level.

6.5.2 In line with the foregoing approach, matters to be decided at municipal district level would include decisions in relation to local facilities and amenities, matters of purely local policy or regulation, and determination of priorities and programmes of works or services that are self-contained in the area, within global funding allocations decided by the overall county council or the use of locally generated revenue. Under the model proposed, appropriate reserved functions of the elected members, even in areas such as planning and roads, which the LGER envisaged being transferred to county level, should be capable of being retained at the municipal district level, along with others not referred to in the LGER, since operational imperatives such as scale, efficiency, and capacity to deal with complexity, as cited in the LGER, would be addressed by availability of an integrated county-wide organisation (with appropriate local delivery or implementation arrangements) and associated resources and expertise for implementation of decisions, delivery of services,

execution of works, etc. The main criterion for assignment of a particular function to municipal district or county level will not be the inherent or perceived “importance” of a function or the organisational scale or resources required, but the nature of the particular matter and strategic/territorial policy, rather than operational requirements for its performance.

Proposed functions for municipal district level

6.5.3 A standard or default set of statutory municipal functions will be specified in legislation, with discretion for the overall county council membership to devolve further functions for decision at municipal district level, subject to appropriate conditions and requirements in legislation. The latter decisions will be facilitated by the commonality of membership between levels. An outline of the more significant functions that are proposed for district level is provided in succeeding paragraphs.

6.5.4 Policy making and regulatory role: In addition to bringing local area views, concerns and priorities to bear, as appropriate, on decisions at the overall county council level, the elected members will perform a range of reserved functions at municipal district level involving policy decision and local regulatory functions in respect of matters for which a local area jurisdiction is appropriate. Definitive specification of functions will need to be undertaken in the context of legislation. Subject to this, an illustrative outline of specific reserved functions of local authority members which it is proposed, in principle, to consider for assignment to municipal district level is set out in Appendix 6 to this Action Programme, with associated legislative references. The following is an abstract of the more significant functions which it is proposed to assign to elected members at district level, subject to detailed consideration in the context of implementation of the reform programme including legislative provision, where appropriate:

- (a) Various **financial, governance and civic** matters in respect of the district, including:
- Determining policy generally in respect of functions at district level in keeping with the overall policy role of local authority members under the Local Government Act 2001 and the operation of the municipal policy committee;
 - Determining policy in relation to relevant programmes within the remit of the members at District level in accordance with appropriate provisions;
 - Decisions on financial matters appropriate to the district, including levying charges under relevant powers (e.g. through bye laws in respect of matters such as parking and casual trading), subject to financial arrangements applying between the county and district levels (6.7.8 to 6.7.10);
 - Establishing a community fund;
 - General bye-law making powers;
 - Civic functions, including electing a Cathaoirleach/Leas-Cathaoirleach and related matters, conferring civic honours and twinning arrangements;
 - Members powers in relation to the manage/chief executive - including a range of powers to require the provision of information, details and costings of proposed works; attendance at meetings; requirements for the performance of particular

executive functions (“section 140”); requiring that particular works should not proceed;

- Establishing a Municipal Policy Committee;
- Decisions relating to meetings and procedures.

(b) Relevant **housing and planning** functions, including:

- Making of a Housing Services Plan under the Housing (Miscellaneous Provisions) Act 2009 Act;
- Anti social behaviour strategy;
- Functions relating to sale of apartments;
- Making local area plans;
- Functions in relation to protected structures;
- Making special amenity area orders;
- Making tree preservation orders;

(c) A range of functions relating to local **roads and traffic**, including:

- Approving an annual programme of works in relation to local roads;
- Making bye-laws to regulate and control skips on public roads;
- Control and regulation of parking;
- Speed limit bye-laws on local roads;
- Decision to operate a school warden service;
- Decision on traffic calming measures;
- Determination of taximeter areas and fares.

(d) Functions in relation to **environmental services and protection**, including:

- Making litter management plans;
- Making bye-laws in relation to the use, operation and protection of local authority controlled land, facilities, etc., or to regulate and control specified activities or nuisance;
- Making bye-laws for preventing and controlling litter;
- Making bye-laws for control and regulation of casual trading.

(e) **Recreation, amenity, community and miscellaneous** functions, including:

- Deciding to provide assistance to promote the interests of the local community;
- Making bye-laws and orders in respect of the use of temporary dwellings;
- Making bye-laws in respect of local authority owned national monuments;
- Representing the views of a local community;
- Changing of place names;
- Dog control functions, including making of bye-laws;
- Appropriate involvement in formulation of local and community development plans; details in this regard will be determined in the context of development of

- implementation arrangements arising from the report of the Steering Group on the alignment of local/community development with local government;
- Decisions relating to other relevant community-related functions and activities.

6.5.5 Electoral, representational and democratic oversight role: The municipal districts will constitute the basic electoral building blocks and representational components of an integrated local government system. Representatives will be elected as local authority members for the municipal district and, by virtue of that, will also be members of the county council. Accordingly, they will fulfil a general representational role for their constituents, as well as in respect of the particular functions designated for decision at municipal district level. An important objective of the new district governance arrangement is to bring a greater local focus to county council operations in terms of enhanced local representational input and oversight by members in relation to delivery of services and local authority performance generally. Local issues and problems should be dealt with largely by members at district level. The relatively high degree of local oversight and “ownership” traditionally associated with town governance should be reflected in the new municipal district arrangement.

6.5.6 Citizen/Community engagement and local authority leadership role: The scope for local authorities to develop deeper engagement with local communities and citizens generally and to promote and facilitate greater public participation in local government will be pursued. The new system of municipal districts can make an important contribution in this regard. The exercise of significant decision making powers at a level close to the local community (which, in the case of places outside of municipal towns, are currently dealt with only at county level) will enhance local accountability and the area-focussed representational and civic role of elected members, promote community identification with local government and generally contribute to more meaningful, community and citizen-focused local government. Proposals are set out in Part 5 in relation to citizen/community engagement with local government and the leadership status and role of local authority members, both within local authorities and in terms of civic and community leadership generally. A public information role in relation to local authority services and resource utilisation is proposed at district level (9.4.6). The implementation of a modernised, locally-focused system of municipal governance will facilitate and support the development of stronger community engagement.

6.5.7 The fact that the municipal district will be the most fundamental component of the formal democratic system will not preclude the existence of other types of representative structures for more localised areas such as community or parish councils. Indeed there is provision in local government law for recognition of such bodies and in practice, many local authorities have on-going engagement with and provide support to, such organisations. It is envisaged that the municipal districts will facilitate this type of engagement as part of the process of developing greater citizen engagement and community participation in local government which is considered further in Chapter 11.

6.5.8 Civic and ceremonial status and role: Continued recognition of towns that currently enjoy municipal status will be secured by their inclusion in the titles of the municipal districts. A number of

large urban centres which do not currently have municipal status will also be recognised. It is proposed that the title of Mayor would be reserved for cities, boroughs and county towns; in other cases the office would be titled Chair/Cathaoirleach or Leader. To mark the historic departure that the creation of a comprehensive array of municipal districts will involve, it is proposed that each municipal district will be issued with a statutory charter affirming the status of the municipal district as a key element of the local government system alongside historic charters that already exist for ceremonial and related purposes in accordance with local civic tradition in many towns. Specific civic functions are listed at 6.5.4 above and at Appendix 6. In addition to recognition of municipal status and titles, civic and ceremonial roles, including conferral of civic honours, etc, currently played by town and borough local authorities will be respected and reflected in the new municipal model, particularly through the role of the members at municipal district level. These can help to foster local civic pride and identity and provide a community focus. The role of the elected members in providing leadership and facilitating greater community engagement with, and participation in, local government will be strengthened by the implementation of the modernised system of municipal governance. This should facilitate the development of more community-focused local government.

6.5.9 General provisions relating to district level functions: It is envisaged that the specific functions proposed will be subject to certain important general provisions, including:

- (a) Power for the full county council to decide that certain additional reserved functions should be assigned from the overall county council to district level, possibly subject to mandatory retention of certain matters at county level or to ministerial approval, as provided in legislation.
- (b) Provision for the members at district level to propose that certain functions should be performed at overall county level rather than district level, subject to ministerial approval.
- (c) Provision that particular district level functions are subject to right of “call in” by the overall county council for performance of the function in specific instances and circumstances.
- (d) Provision to ensure consistency between municipal district decisions and significant aspects of overall policy, including a mechanism whereby particular district level functions are subject to compliance with relevant requirements, for example a requirement of consistency with particular county level policies or instruments e.g. local area plans to be consistent with the county development plan.
- (e) Avoidance of unnecessary duplication in generic provisions between districts in functions such as the making of certain plans, bye-laws, or rules, for example by adopting generic provisions on a county wide basis, with provision for decision at district level on specific aspects particular to individual districts.
- (f) Insofar as decisions by elected members in relation to some matters may not currently be provided for through specific reserved functions but rather through the general estimates process, consideration will be given to the possibility of making separate provision in this regard, for example, in the form of the adoption by members at municipal district level of programmes/plans setting out priorities for works, services or activities within their functional

remit that are contained within, or specific to, the district and expenditure in respect of matters that are appropriate for decision locally, within the overall budgetary and policy framework.

- (g) Current proposals relating to the allocation of functions within counties is without prejudice to possible future broadening of the overall scope of local government functions, which the establishment of a more rational and effective system of governance should facilitate. The scope to allocate a decision making role to elected members at district level will be considered in the case of any new reserved functions created in the future.

6.6 Benefits of the proposed municipal governance model

6.6.1 The policy formulation and decision making role of elected members at sub-county level will be emphasised and enhanced, with power to decide a range of significant matters on a fully devolved basis. The drift of powers from sub-county level will be reversed, with the assignment of appropriate, substantive and meaningful functions to members at municipal level, involving policy decisions on matters of significance to the district. The proposed new model of governance will significantly enhance subsidiarity in Irish local government by ensuring that decisions are taken as closely as possible to the citizen within a cohesive overall local government organisation.

6.6.2 Representational effectiveness, accountability and responsiveness to local needs and priorities will be enhanced with a system of community-focused, locally accountable governance, configured on the basis of present day demographic and social realities, with functions exercised at a level close to local communities. The municipal districts, forming a comprehensive set of sub-county divisions, will constitute the primary electoral and representational components of an integrated local government system. The elected members for each municipal district will constitute the most immediate and accessible level of democratic representation and accountability for citizens and communities. The fact that the members elected for each municipal district will also carry forward that mandate to county level will significantly enhance their representational role and status beyond that currently enjoyed by most town council members.

6.6.3 Current system weaknesses, anomalies, fragmentation, inconsistency, lack of coherence and potential distortion in resource distribution in local government within the counties will be addressed. Duplication of functional responsibilities and scope for divergence or friction between town and county will be eliminated, both in administration and representation, with full organisational integration and the ending of the “double mandate” system that arises currently with separate town and county membership. Specific issues associated with the system of “isolated” town authorities that have been contentious, such as boundary anomalies, inconsistency between municipal and non-municipal towns and calls for the establishment of new town authorities, will no longer arise with the proposed new model.

6.6.4 Cost and administrative overhead will be reduced and efficiency potential maximised through an integrated organisational arrangement with operational resources and scale efficiencies of the

overall local government service in the county being maximised and a rational allocation of functions. The LGER report estimated that transfer of planning, roads and housing functions from town to county council level (but retention of separate town councils) would yield savings of £6 million, with unspecified savings to be achieved from co-location of county council and town council offices. Full integration of operational and administrative functions and resources could be expected to result in appreciably higher savings. Financial implications of the proposed new arrangements are considered further at 6.7 under.

6.6.5 A clear example of the type of costly and wasteful duplication that will be eliminated by virtue of the proposed new county/district arrangement is in the development plan process. In future a single overarching development plan will be produced for the county, including relevant towns, and supplemented by more detailed and location-specific local area plans. Currently, each of the 88 rating authorities (34 City and County Councils and 54 Borough and Town Councils) is a separate planning authority and must draw up its own development plan. Separate development plans must be drawn up for each town authority and the county, entailing multiple Strategic Environmental Assessments and Appropriate Assessments under EU SEA and Habitats Directives as well as Flood Risk Assessments and Core Strategies under national planning legislation. There is a continuous risk of fragmented policy making driven by the process of preparing the various county and town development plans at separate times. Furthermore, where, a town has developed outside its formal boundaries, which is commonplace, separate plans are frequently developed by the town council for the area within the boundary and by the county council for that part of the town located outside the town boundary. This can be further compounded by the involvement of a third authority in some cases where the environs of the town straddle other county boundaries as well. Reform in this area will realise considerable efficiencies in process and costs and deliver better outcomes for citizens through joined up planning.

6.6.6 The benefits of the proposed changes cannot, however, be measured adequately purely in terms of financial savings. As indicated, the proposals are designed to promote both increased operational efficiency and value for money through more integrated administrative and implementation arrangements and also to enhance the capacity of local authorities to achieve their broader role of promoting the sustainable development of their areas, the welfare of local communities and the quality of life of individual citizens by virtue of the effectiveness with which they perform their entire range of regulatory, representational and service delivery functions.

6.6.7 The role of the county will also be complemented by more rational, cohesive and effective governance arrangements within counties. In the context of merger of certain city/county councils, as has been decided in the case of Limerick, Tipperary and Waterford, the creation of a more effective, accountable and locally focused system of municipal governance will address any possible concern that a larger administrative unit might appear more remote from the citizens.

6.6.8 Rather than downgrading sub-county local government, or allowing it to stagnate or decline further, the status of towns will be effectively enhanced as focal points of municipal districts forming an

integral element of a strong, meaningful modern and coherent system in which traditional town and county loyalties and identification will be respected. The proposed arrangement reflects the reality that towns are key centres of daily life, not only for the ever-increasing numbers who live in urban communities, but also for a much wider hinterland population who look particularly to them for many requirements of their daily lives. The natural connections between the main urban centres and the surrounding smaller settlements and rural hinterland will be reflected in the form of comprehensive and cohesive local government arrangements within each county. Implementation of the new arrangements will complete the process of creating cohesive local government both in political and administrative terms, and help to achieve the twin objectives of delivering operational efficiency and economy at the same time as promoting representational effectiveness, responsibility and locally-focussed accountability. In short, the new model will be conducive to a stronger and more vibrant system of local government based on fewer, but more effective, separate local authorities with better linkage to local communities.

6.7 Financial Implications

Costs and revenue

6.7.1 General principles underpinning the approach to financial arrangements within the new sub-county structure will include the following:

- There should be no increase in financial demand on the Exchequer arising from new financial arrangements.
- Funding arrangements for municipal districts will conform with new arrangements for local government funding generally, which will reflect the principles that funding of locally delivered services must be based on a system that is stable, reliable and fair, and that the extent to which responsibility for local financing rests with elected members impacts on the effectiveness of their role and the efficiency of service delivery.
- Wide discretion will be given to members at municipal district level insofar as priorities in matters decided at that level are concerned.
- A unified rating system will be created within each county, with transitional arrangements, as appropriate. To avoid fragmentation or distortion of the total revenue base, it is not proposed that municipal districts would be separate rating authorities.

6.7.2 The proposed new arrangements are likely to have implications both for local authority revenue and costs. On the revenue side, there are implications for commercial rates income and in terms of possible transitional arrangements in that regard, due to differences between the Annual Rate on Valuation (ARV) of towns and counties. These variations are significant in some cases. Town rates are lower than the relevant county level in two thirds of cases. In these cases, if the rate were increased over time to the county level, total revenue would increase, whereas rates revenue would reduce in the remaining instances as a result of harmonisation. It will be necessary to ensure, on the one hand, that rates harmonisation does not lead to significant net loss of revenue in individual

counties with consequential implications for services, and on the other, that increases in rates do not impact negatively on businesses and employment. Harmonisation of rate levels has arisen in the context of local authority boundary alterations. It is usual in such cases for any disparity in ARV between relevant councils to be equalised gradually over a number of years. In this regard, there is precedent for the application of different ARVs to different parts of the rating area in cases of boundary extensions and similar provision could be made in the context of integration of town authorities with counties.

6.7.3 Potential cost savings are likely to arise from greater integration of county and sub-county operations and structures in relation to staff-related and non-staff costs, as follows:

(a) Staff costs:

A significant amount of staff resources are employed in administering and providing services in respect of sub-county local authority structures. In many ways, large town councils mirror city and county councils in terms of the functions and services provided and the profile of the staff employed. An analysis of staffing profiles in selected town councils identifies: outdoor staff (general operatives and crafts), fire fighters in some instances, administrative and clerical staff (including a Town Clerk) and supervisory/management staff, both professional/technical and clerical/administrative.

Local authorities have already made progress in streamlining operations (front and back office) between county and town councils, particularly under the Public Service (“Croke Park”) Agreement. The potential further to streamline/integrate service delivery and back office functions depends on the nature of the work and services involved. For example, works such as road repairs and managing water schemes in a town area must be carried out in that particular area. However, there is likely to be more potential for streamlining local authority operations within each county with full organisational integration as proposed in the context of the new sub county structures. This should give rise to staff-related and other cost savings over time. Savings on staff-related costs could be anticipated due to a number of factors, as follows:

- elimination of duplication of operational functions, for example, separate staff corps in respect of the various service areas such as housing, planning, roads, etc;
- while services “on the ground” should not change, there should be scope for economies of scale arising from creation of a single county-wide organisation and more flexibility in staff deployment and in relation to filling of vacancies, in a larger combined staff structure;
- the fact that there will not be staffing to support separate corporate functions and separate elective bodies;
- related to the foregoing, elimination of need for separate “back office” and corporate support units - HR, IT, finance, etc;

(b) Non-staff costs:

Savings on non-staff costs would be expected to arise both from economies of scale achievable at operational level through merger of town authority activities into much larger county operations and also the fact that duplication in a range of practical and legal requirements and associated processes will be dispensed with e.g. separate development plans, annual reports, accounts, etc. In addition savings will arise in costs associated with membership of town councils but the extent to which this might be offset by some increases in county council membership will be determined in the context of the local electoral area review.

6.7.4 The implications of structural reorganisation and the extent of savings arising will vary depending on local circumstances such as the extent to which joint services or agency arrangements already exist between town and county authorities, the number and scale of towns in a county, the revenue implications of harmonisation of rates (and other charges) and the type of service arrangements that need to be put in place to suit local circumstances. Deployment of staff within the integrated county organisation will be a matter for management. This is likely to take a variety of forms including, retention of some staff in existing locations for functions that are local in nature, especially “outdoor” staff, and also a small measure of enhanced support staff for members at municipal district level above current county council area office staffing; other voluntary redeployment to county council posts or redeployment, where necessary, under the terms of the Public Service Agreement. However, there will not be replication of town authority staffing structure at district level since a key objective is to achieve overall integration and streamlining. It will not be possible to identify potential savings accurately until rigorous examination is carried out in the context of implementation arrangements.

6.7.5 There should not, however, be unrealistic expectations regarding potential financial savings from replacing separate town authorities with the proposed system of municipal districts, in the context of the overall level of local government expenditure, having regard to the fact that towns currently account for some 7% of total local authority expenditure, and in practice, town and county operational arrangements are already integrated to a considerable extent in many instances. Moreover, a significant element of local authority costs, notably on front line services, will not be affected by change in the system of governance. As is evident from the range of benefits outlined at section 6.6, the rationale for the proposed new arrangements is not primarily financial. However, it is reasonable to expect that worthwhile savings should be achievable on costs associated with supporting 80 separate corporate organisations and the related duplication of functions and processes with the county council, particularly as a large proportion of towns are located in a relatively small number of counties.

6.7.6 While it is not possible, at this point, to provide definitive estimates of the level of savings that might be achieved from sub-county reorganisation, an indication of the likely broad order of magnitude can be obtained by applying reasonable global assumptions in relation to elements of town authority

expenditure that are likely to be amenable to cost reductions arising from the more cohesive governance and operational arrangement proposed. Applying relatively conservative assumptions regarding savings and revenue buoyancy, it would be reasonable to project a target for overall savings in the range €15 to €20 million per annum relative to 2010 expenditure figures as potentially achievable when the new arrangements have bedded down. Some one-off costs associated with the transition to the new arrangements, including retirement gratuities for councillors, which it is not possible to quantify precisely at this stage, can be expected to arise, but should be quickly recovered through savings.

6.7.7 In addition to financial savings, the consolidation of the finance function in a city/county area would reinforce the professionalism of the function throughout the local government system, which has been greatly enhanced in recent years at county level while, at the same time, contributing to enhancing administrative efficiency in that separate budgets and accounts would not be required for the sub-county structure. Within such a framework, appropriate discretion and flexibility in relation to expenditure at the sub-county level, within agreed budget parameters, could be devolved.

Financial arrangements

6.7.8 Resources for implementation of decisions at municipal district level, staff and other overheads involved, would form part of the overall operational resources of the integrated county wide organisation. Accordingly, expenditure on programmes and services in each district will, for the most part, be funded from the consolidated finances of the county, as provided for in the overall budget, which will need to include provision for any expenditure arising from decisions by members at municipal district level. It is proposed also that the elected members at district level would have discretion to decide on the utilisation of an element of funding within the district, having regard to local needs and priorities. It is envisaged that a principal source of this funding could be “block” allocations for each district decided by the combined elected members in “plenary” formation at county level. This process will be facilitated by common district and county membership. Consideration could be given to the scope to augment this funding, as appropriate, by other possible sources, for example:

- funding under section 109 and section 110 of the Local Government Act 2001, whereby a local authority may establish a fund for projects or programmes that benefit the local community and may require contributions by residents of any areas towards community initiatives;
- provision for members at district level to levy an amount in the district (or a town within the district) additional to the general commercial rate level (possibly by means of an arrangement similar to the “town charges” system for former town commissioners and subject to any appropriate requirements), with a “supplement” to the general rate being adopted as part of the budget process, collected at central county level, and the additional amount for a district being allocated accordingly;
- consideration could be given to the possibility of applying some mechanism to take account in the determining funding for districts (possibly in the context of deciding “block” funding or by some other means) of the amount of charges (e.g. from parking, control of skips, casual

trading, and under other local bye-laws) raised in a district; however, more detailed consideration would be needed to establish the feasibility of such an arrangement having regard, for example, to the need to take account of the cost of services provided in the district out of “county-wide” funding.

6.7.9 It would be reasonable to expect that representational factors would ensure balance and proportionality in relation to decisions on service provision and investment in different areas in a county. In determining overall budgets, it will be essential that an appropriate balance is achieved between the requirements of rural and urban areas and, particularly, that the standard of services in towns does not diminish due either to inadequacy of revenue or insufficient allocation of funding in the overall budget. The need to apply this principle in determining block funding for districts and in allocating such resources within districts should be emphasised in relevant Department guidelines or requirements. Insofar as reduction in commercial rates could result in potential loss of revenue in some instances, the effect of this could be moderated by phasing in over time, and any shortfall would be offset by savings associated with the ending of separate town authorities and provision to raise additional supplementary revenue within the district as indicated above. Where town rates are currently below the relevant county level (around two thirds of cases), it may be considered appropriate to apply a moratorium up to say 2015, with phasing of any increases over an appropriate subsequent period. Where there is a mix of towns in a county with rates above and below the county level, phasing should allow an equalisation over a subsequent fixed period of years.

6.7.10 Definitive details, arrangements and procedures in relation to funding of district level functions and financial relations between district and county levels, will be developed in the context of the new local government funding arrangements generally, implementation of the new sub-county system, and the development of legislation in relation to the reform programme. It is proposed that a rigorous examination will be undertaken, involving relevant expertise in local authority finance, to determine comprehensive details for effective financial arrangements in respect of the new sub-county governance system. Subject to this, general features of proposed financial arrangements within counties are likely to include the following:

- The ‘rating authority’ under the new arrangements will be defined as a county council and the power to determine the ARV²⁹ will rest at plenary county council level.
- There will be an overall budget process for the county, with responsibility resting with members at plenary level³⁰.
- There will be a single annual financial statement (AFS) within the new structures. Financial provisions relating to municipal districts will be comprehended within the AFS.

²⁹ Section 103 of the Local Government Act 2001.

³⁰ As part of the annual local authority budgetary process, a draft budget must be drawn up showing proposed expenditure and estimated income for the forthcoming year across the programme groups. Some services are currently provided by county councils in town council areas (e.g. library, fire services, register of electors) and the town council contributes to the cost by way of a payment to the county council which appears in the town draft budget as a ‘county charge’. It is envisaged that these will in future be budgeted for directly as part of the county councils general budget.

- Determination of block allocations to municipal district level will be a reserved function of the members at the plenary council. Proposals for these allocations will be drawn up by the Executive as part of the budgetary process, based on proposals from members at district level. It is envisaged that State grants will be allocated to county level in the first instance subject to any relevant requirements regarding the purpose and location of their use.
- Parameters in relation to relevant aspects of the budget process can be set out in guidelines, including the principle that funding decisions within counties should be made with due regard to rigorous assessment of needs and priorities.

³⁰ As part of the annual local authority budgetary process, a draft budget must be drawn up showing proposed expenditure and estimated income for the forthcoming year across the programme groups. Some services are currently provided by county councils in town council areas (e.g. library, fire services, register of electors) and the town council contributes to the cost by way of a payment to the county council which appears in the town draft budget as a 'county charge'. It is envisaged that these will in future be budgeted for directly as part of the county councils general budget.



Chapter 7 - City and County Level: the Core Element of Local Government

This chapter considers the structures of local government at city and county level and outlines policy decisions in that regard, which are summarised as follows:

- City and county councils will continue to form the core element of local government in Ireland.
- Following consideration of likely implications, it has been decided that joint management arrangements of the type proposed by the LGER involving “dual” council management on a permanent basis should not be implemented.
- Increased efficiency and local government strengthening will be achieved through full amalgamation of related authorities where this is appropriate.
- Arrangements for merger of the Limerick and Tipperary authorities in 2014 will proceed in line with Implementation Plans by the Reorganisation Implementation Groups for these areas.
- Interim dual management arrangements are being implemented in Limerick and Tipperary under provisions of the Local Government (Miscellaneous Provisions) Act 2012, pending merger.
- The Government has also decided that Waterford City and County Councils will be merged in 2014, as recommended in the report of the Waterford Local Government Committee which is being published. An independently chaired Reorganisation Implementation Group will be established to produce an implementation plan for the reorganisation process and dual management arrangements will also be extended to Waterford City and County Councils.
- The civic status of Limerick and Waterford cities will be fully monitored in the context of the new governance arrangements.
- Efficiencies and economies will be vigorously pursued in local authorities generally through other measures proposed by the Local Government Efficiency Review Group, including shared services and other inter-authority arrangements.
- Other measures will be taken to strengthen local government at city and county level, including, more balanced representation in counties, measures to strengthen governance within counties, with greater integration of local government through the new sub-county arrangements.
- Arrangements to appoint permanent managers for all authorities other than those being merged will proceed.
- A special forum of elected members will be convened in Dublin to consider the options for the introduction of a directly elected Mayor for a Dublin metropolitan area, which will be put for decision through a plebiscite in 2014.

7.1 City and County Structures

7.1.1 The city and county councils are the primary units of local government in terms of powers, services, budgets and representational status. Any possible departure from this position, for example, with a view to achieving greater efficiencies or economies of scale, might involve consideration of restructuring on the basis of the main functions being performed at a scale larger than the county, which would imply some form of regional structure. As is outlined more fully in Chapter 8, the impact of regional authorities has been limited and very little regional identity has developed since the designation of regions and establishment of the authorities on a statutory basis in the early 1990s. Change from a primarily city and county based system of local government to one in which the principal powers and functions might be assigned to territorially larger entities would not be likely to be conducive to greater representational effectiveness and accountability, which is much more likely to be enhanced by community proximity, or subsidiarity. In effect, there is not a convincing case for configuration of local government into regionally based political or representational entities.

7.1.2 Moreover, in considering the possible case for any radical restructuring on grounds of scale efficiencies, it is necessary to have regard to demands of any wide scale re-structuring process at city/county level, particularly in terms of organisational and service disruption in the short to medium term relative to the potential longer term benefit. While the LGER indicated a correlation generally between scale and efficiency, non-financial considerations, which are considered at 7.1.6, would, in many cases, be an impediment to subsuming counties into larger entities.

7.1.3 The city and county councils account for the vast majority of local government resources; the key functions of local government are primarily located at city or county level; there is an established citizen allegiance to the county; and the principle that the city or county, be adopted, where possible, as the standard pattern for the planning, organisation, delivery and evaluation of services and programmes by the public service, is well established. The Government considers, accordingly, that the longstanding policy whereby city and county authorities form the core element of local government is still valid and that the local government system should continue to be structured on this basis.

7.1.4 Some strengthening of city/county structures is desirable and consolidation of city and county structures will be pursued where it is considered that this would strengthen local government and advance the objectives set out in Part 1, while respecting established county-wide identities and having regard to other relevant criteria (7.1.6). Strengthening these core structural elements, where warranted, will support the key aims of enhancing operational efficiency and representational effectiveness and accountability and also facilitate increased devolution of decision making to local government and potential expansion of its future role and influence in relation to sectors outside the current local government remit.

7.1.5 The LGER in 2010 recommended the clustering of 20 smaller contiguous counties to enable them to achieve greater scale efficiencies. It recommended that they be combined into joint administrative areas, to be headed by a manager with dual responsibility, with a minimum population

target of 100,000, noting that there was a historical precedent for one manager being responsible for two counties, and pointing to estimated savings totalling €9 million. Local government boundaries and political structures were, however, outside the Terms of Reference of the LGER. Accordingly, the foregoing recommendation envisaged all of the authorities in question retaining independent statutory corporate status with their own separate elected councils.

7.1.6 While dual management arrangements of the type suggested in the LGER report can have a role in the context of interim arrangements, the Government considers that an arrangement whereby a manager would serve two independent city/county councils would not provide a satisfactory permanent solution. Insofar as efficiency is to be pursued through greater integration of local government administration at city/county level, this will be approached through full amalgamation of related authorities where this is warranted having regard to relevant factors and criteria. In considering the scope for possible merger of local authorities, factors such as scale, efficiency and population, as considered by the LGER, are significant. However, in the context of the more far-reaching approach of potential mergers, a range of further significant conditions would need to be satisfied and relevant factors taken into account in contemplating amalgamation of city or county councils, including:

- the need to achieve effective democratic representation and accountability, in addition to operational efficiency;
- the need to view effectiveness and efficiency of local government in the broad sense of the quality of decision making and governance in the overall interests of the community rather than in terms of a narrow input/output ratio;
- the importance of established county-wide identities and loyalties;
- the relationship and compatibility between the areas;
- social and economic characteristics of the areas and the potential of, or indeed imperative for, structural integration to help in addressing serious issues in this regard;
- the geographic scale, configuration and coherence of the areas concerned;
- the need to balance the benefits of administrative and political continuity against the possible effects of failure to adapt to modern circumstances and demands;
- potential cost and possible organisational disruption associated with major restructuring.

7.2 Establishment of new unified county councils

7.2.1 Having balanced the potential benefits and costs in light of the foregoing factors, the Government decided in 2011 that, of the ten joint areas proposed by the LGER for joint management, full merger, as distinct from dual management arrangements, should be implemented, with effect from the local elections in mid-2014, in the case of Limerick City and County Councils and North Tipperary and South Tipperary County Councils. The current position in relation to the reorganisation processes in these authorities is outlined further under. In each case, the creation of a unified local authority, serving increased population, should have benefits of greater scale, effectiveness, cohesiveness and capacity to help meet challenges arising and promote economic and social development.

7.2.2 While the primary purpose of unification is to strengthen the effectiveness of local government in the areas concerned and its capacity to promote their development, it is also expected to realise significant savings. The LGER recommended joint administration primarily on the basis of anticipated savings in management and corporate areas. Full merger would go significantly further and could be expected to realise correspondingly greater savings through the removal of duplication, the generation of scale economies and efficiencies, and potential for more flexible staff deployment with integration of administrations and service delivery. In addition to savings on staffing per se, merger should result in savings arising from elimination of duplication of processes and services - various things having to be done once rather than twice as, for example, in the case of the production of development plans, as outlined at 6.6.5. Merger will also facilitate rationalisation of any other bodies which are linked with, or ancillary to, local authority structures, for example Joint Policing Committees. Merger also eliminates any local tendency to compete over commercial rates or potential economic development in the same local city/county area.

7.2.3 A targeted saving of around €15m has been announced in the case of the Limerick authorities and as indicated at 7.2.14, savings of over €6m per annum have been identified in the case of Tipperary. The creation of unified local authorities, along with implementation of measures pursuant to the LGER, will help reduce overall costs to business including equalisation of commercial rates downwards to the lower level in each pair of authorities. Any concern that a larger administrative unit in the unified authorities might appear more remote from the citizens will be effectively addressed through the new system of municipal governance within counties as outlined in section Chapter 6. In the context of alignment of the local and community development sector with local government and wider areas of State and community and voluntary supports, the proposed establishment of a single authority is considered logical from a strategic and operational perspective.

7.2.4 Amendments to the Local Government Act 2001 were made through the Local Government (Miscellaneous Provisions) Act 2012, which was enacted in June 2012, to enable dual management arrangements to be implemented in the case of both Limerick City and County Council and North and South Tipperary County Councils, in the period up to the local elections in mid-2014. This legislation provides that, in the case of each of these groups of authorities, the same person shall be the manager of each of the authorities involved. This is an important step in the transition towards unification, enabling a single executive head to be put in place for both sets of authorities to lead the process of reorganisation and convergence.

Limerick local government reorganisation

7.2.5 The Minister for the Environment, Community and Local Government appointed an Implementation Group in July 2011 to oversee and promote planning and preparatory work and initial implementation of the local government reorganisation process in Limerick, including the incorporation of the Limerick Housing Regeneration Agencies under the aegis of the new local government arrangements. The Group is required to produce an Implementation Plan setting a clear agenda and guidance for the continuation and completion of the reorganisation process under transitional management arrangements, leading to the establishment of the unitary authority in 2014. The

Group's Terms of Reference reflected particular objectives of local government merger in Limerick, including the need to address problems associated with fragmentation in local government and to promote the economic revitalisation of Limerick City and enhance its capacity to lead the development of the wider region. The Group submitted an Initial Report in February 2012, which outlined progress and identified key issues and challenges in the merger process, early priorities in service delivery to be achieved ahead of merger, legislative changes required and the next steps to be taken in the reorganisation process.

7.2.6 The initial report identified, as a key priority, the achievement of savings to fund the reduction of the city commercial rate to the county level (estimated cost €6m per annum) in conjunction with merger. The report indicated potential savings through staff reduction over time, economies of scale through joint services, and scope for increased revenue generation in time resulting from economic regeneration. Other priorities identified included continuation of the work of housing regeneration, maintenance of the City's civic, cultural and historic traditions, early decisions on management structures for the new authority, on which recommendations were set out, and careful management of the reorganisation progress to address staff concerns while maintaining high levels of customer service. An initial programme for delivery of joint services was also set out and proposals for future organisational arrangements for the housing regeneration function.

7.2.7 A key objective of local government reorganisation in Limerick is to increase the capacity of local government to promote economic and social development, enabling Limerick City to be a dynamic force for growth. This is reflected in the terms of reference of the Implementation Group. Local government unification in Limerick, involving reduced cost and more effective governance and leadership, provides an unprecedented opportunity to place economic development at the centre of local government reform. The redefining of the Limerick City urban area with a population of 100,000 within the new authority will place a focus on the City as the driver for economic development in the wider region. The Group has addressed the issue of economic revitalisation of Limerick City, including the commissioning, in conjunction with the City and County Councils of an Economic Development and Spatial Implementation Plan to identify ways to generate significant economic activity and related investment and employment in the City. This has been supported by funding of €12.5 million from the DECLG to bring the strategically located Opera Centre site into public ownership as a key component of physical and economic regeneration of the City and its transformation into a social, commercial, civic, cultural and residential centre that is successful, diverse and vibrant. In addition to its involvement in commissioning the Economic Plan, the Limerick Implementation Group has given consideration to the general role of the unified local authority in promoting economic development. As indicated in Chapter 3, the merging authorities can act as leaders in the development of the enhanced local authority role in economic development.

7.2.8 Continuation and enhancement of the status of Limerick City is also an essential requirement of the reorganisation process. The proposed sub-county municipal arrangements will play an important role in this regard. A "greater" Limerick City or "Metropolitan District" can be defined in that

context with a population of around 100,000 and commensurate membership. The members would perform a range of reserved functions at that level similar to other municipal districts. There will continue to be a Mayor for the City (i.e. the enlarged district) elected annually who would continue to have all the civic, ceremonial and other traditional functions and status of the office, would be the chief representative of the City, as well as chairing the district council. While it is envisaged that the Mayor would be selected annually, it would be open to members to select a person as Mayor for multiple periods including the full term of the Council. The City Mayor would be separate from the office of Chair or “Leader” of the overall City and County authority. The latter would chair the plenary authority and have overall responsibility in that regard.

7.2.9 The Reorganisation Group’s Implementation Plan is to be submitted in Autumn 2012, enabling the new dual manager to review progress before it is finalised. The group submitted a progress report to the Minister in July 2012, building on the priorities documented in the initial report. Matters reported by the Group, include:

- A new more efficient and unified service delivery model is being developed;
- A new senior management structure is being implemented, involving a reduction of 40% in senior grades;
- Substantial savings will be realised on pay and non-pay administrative costs;
- Cost savings of €6.1m per annum to be identified by January 2015 in order to reduce commercial rates in Limerick City to Limerick County level;
- Further savings will arise as a result of economies of scale and other local government reform measures;
- A detailed Workforce Plan is to be prepared which will match the new local authority’s organisational needs with human capital and financial resources;
- The HQ of the new authority is likely to be located in Limerick City Hall;
- A number of initiatives are proposed to rebrand Limerick in order to create a new and positive image for Limerick based upon its rich cultural and sporting heritage;
- Amalgamation will provide an unprecedented opportunity to set economic development at the centre of local government reform and will place the focus on the City as a driver for economic development in the Mid-West region;
- The new Limerick Local Authority will lead the revitalisation of Limerick city centre, including the redevelopment of strategic derelict sites;
- An independent consultant will work with the elected members of both local authorities to prepare a report on governance arrangements for the new local authority; and
- A new Directorate for Regeneration will be established.

Tipperary local government reorganisation

7.2.10 The rationale for unification of North and South Tipperary County Councils is not related to administrative shortcomings in the existing authorities. It is based on the general objectives of stronger local government, efficiency and value for money which gave rise to a recommendation in the LGER for the introduction of dual management arrangements in Tipperary. This is reinforced by a

number of specific positive factors, including: a strong level of county-wide identity, which transcends current administrative arrangements; compatibility and similarity of profile; and a previous history of joint management. The proposed merger is also taken into account in proposals relating to regional structures in Chapter 8, whereby the unified county would occupy a central position in a single enlarged region along with all of the authorities with which both of the existing Tipperary authorities currently share a region.

7.2.11 An Implementation Group was appointed to assess the implications of merger and oversee and promote delivery of preparatory work and initial implementation of the reorganisation process in the period up to the establishment of transitional dual management arrangements (under new legislative provisions recently enacted - 7.2.4). The Implementation Group submitted a Progress Report in November 2011, which identified a range of anticipated positive medium and longer term outcomes from unification, including:

- Enhanced capacity to support the economic, physical and social development of the county in an integrated manner.
- A stronger, more cohesive county structure that is better positioned to promote the interests of the county.
- Effective deployment of human resources of the integrated Council.
- More streamlined, effective and coherent delivery of customer services across the county.
- Reduced administrative costs and overheads.
- Significant local government reform.
- Streamlining of other existing county structures including the Joint Library Committee, County Development Boards, and Joint Policing Committees.

7.2.12 The Group submitted an Implementation Plan, as required by its terms of reference, in June 2011 setting out recommendations on arrangements for the establishment of a single local authority for County Tipperary. The plan has regard to the imperative to achieve the merger effectively and on time, to maintain delivery of services across the county, to optimise resource deployment, and to maximise savings. It has been published on the Department's website www.environ.ie. The principal recommendations in the Plan are:

- a new service delivery model involving streamlining of functions while maintaining local service delivery;
- a new senior management structure for the integrated council, involving a reduction of approximately 40% in senior grades;
- significant investment in customer services;
- a target of 10% reduction in payroll costs;
- further savings on non-pay administrative costs;
- harmonisation of commercial rates and service charges in North and South Tipperary;
- retention of two principal local authority centres at Clonmel and Nenagh, reflecting the strong

economic and social locus of each centre at either end of the county and their reach into different wider regional bases; major public investment of over €33m in council office infrastructure at these locations over the past decade; and the impracticability of moving around 500 staff from one end of the county to the other.

- preparation of an economic development plan for County Tipperary.

7.2.13 Under the new service delivery model, in order to address duplication, council functions will be divided across the two main centres of Nenagh and Clonmel so that some are located fully at one, and others at the second centre. However there will be capacity to provide a certain level of customer service in respect of all areas of council business at both centres. To this end, there will be investment in customer service desks at both locations, and a staff resource, supported by a customer resource management software suite, to provide a core service.

7.2.14 With regard to potential savings, in the short term, the Implementation Group has identified potential savings in the region of €30m over the 5-year lifetime of a Council, representing over €6m per annum. This is exclusive of savings arising from developments not specifically related to the unification process such as LGER implementation, workforce planning and other local government reform measures. Moreover, as the detailed implementation process proceeds, a key objective will be to maximise any further potential savings beyond those quantified in the report including any non-pay savings attainable through further organisational or other changes. Accordingly, the estimated savings of €6m can be regarded as a quantified baseline figure which should be augmented in the course of the reorganisation process. The Group considers that once-off costs, estimated in the region of €1.79m which will be recovered quickly by the savings outlined above, will arise in the short term in respect of the merger, related principally to the provision IT infrastructure essential to the operation of the unified authority. Reduction of revenue due to equalisation of levels of commercial rates and other charges is estimated in the region of €560,000 per annum.

Local government arrangements in Waterford

7.2.15 The Government decided in July 2011 that an objective review, by a statutory Committee under the Local Government Act 1991, should be undertaken to determine whether Waterford City and County Councils should be unified and to consider related matters. This decision had regard to the LGER recommendation for joint management arrangements, to the fact that relevant criteria as outlined at 7.1.6 appeared generally to be satisfied, and to the potential benefits, as outlined at 7.2.2, that are achievable from the creation of more cohesive local government, including reduction of the County commercial rate level to the City level and creation of a stronger, successful City, better positioned to lead growth on a regional basis. Other considerations included the fact that each of the existing authorities in Waterford is considerably smaller than their Limerick counterparts in terms of area, population and budgets and the potential for inter-authority service arrangements had not been exploited. It was also considered that a unified Waterford authority should be better positioned to help address certain social and economic challenges and other issues associated with separate city and

county administration in Waterford, albeit not perceived to be of the same intensity as those which led to the decision to amalgamate the local authorities in Limerick.

7.2.16 The report of the Waterford Local Government Committee³¹ on local government arrangements in Waterford was submitted to the Minister for the Environment, Community and Local Government on 29 March 2012 and has been published on the DEHLG internet site www.environ.ie. The report recommends that the County Council of Waterford and the City Council of Waterford should be unified to replace the existing councils with effect from the local elections in 2014. The Committee indicated that it reached its conclusion having carefully weighed the evidence and considered concerns about amalgamation raised during the consultation process.

7.2.17 While the specific purpose of the review was to recommend whether the County Council and the City Council should be unified, in order to inform this choice, to provide a fuller context for its recommendations, and in light of certain concerns raised, the Group felt it useful to examine the impact of a number of possible options for local government arrangements in Waterford. In light of this examination, the Committee concluded that one local authority is the most clearly beneficial option for Waterford, as part of a wider and more dynamic response to the challenges currently facing the region, including sub-optimal institutional arrangements, below average growth in city population and high regional unemployment. The report identifies a number of benefits associated with merger and outlines the Committee's vision for a new Waterford under strong local leadership, with a regenerated City as an intellectual and business engine of the region, attracting visitors and investors on a scale not previously envisaged. Specific advantages identified by the Committee with the merger option include:

- More cohesive economic and social development and a single point of entry for businesses wishing to locate or continue to do business in Waterford;
- A single authority to provide a voice for 114,000 people and hence scale and critical mass to enhance Waterford and enable it to compete more effectively regionally, nationally and globally;
- Enhanced public service coordination and integration at the local level;
- Simplifying and enhancing the delivery landscape for the people of Waterford through the ability to configure services under one elected council and manager;
- Better and more efficient staffing arrangements providing benefits both to clients and to staff of the merged authority through clearer workforce planning;
- Annual financial savings from merger of the order of at least €5 million that can be used to reduce the rate burden and improve services generally, with potential total savings of up to €9m from all reform measures.

7.2.18 The report also recommends a number of initiatives to accompany a possible merger, including: -

³¹ *Local Government Arrangements in Waterford, The Report of the Waterford Local Government Committee, March 2012.*

- The retention of local authority offices in both Waterford City and Dungarvan;
- Revised sub-county structures;
- Arrangements to address financial issues;
- More effective arrangements for coordinated development and planning;
- In the event that the merger recommendation is accepted, planning for the new arrangements should begin immediately and be carried out in an inclusive manner, having regard to the respective urban and rural considerations.

7.2.19 The Minister for the Environment, Community and Local Government has considered the Waterford Local Government Committee's report and on his recommendation, the Government has decided to implement the recommendation of the Committee. This involves the creation of a new single local authority to replace the current Waterford City and County Councils, the rationale for which and benefits of which, have been fully set out in the Committee's report. Implementation arrangements similar to those followed in relation to Limerick and Tipperary will be put in place. An Implementation Group will be appointed shortly by the Minister for the Environment, Community and Local Government, to identify further details of requirements for the merger, building on the report of the Waterford Local Government Committee, and to oversee the establishment of the arrangements necessary for the reorganisation and transition to a single authority in mid-2014. Consistent with the Committee's recommendation regarding the need for an inclusive approach to planning having regard to the respective urban and rural considerations, there will be an independent external chair of the Implementation Group. As in the case of Limerick and Tipperary, the Group will be asked to produce an implementation plan to provide a blueprint to guide and direct the restructuring process. In view of the level of detailed examination already carried out by the Waterford Local Government Committee, the Implementation Group will be requested to complete its report by March 2013 and the two authorities will be asked to co-operate fully with the Group to meet this deadline.

7.2.20 A single manager will be appointed, by early 2013, with dual executive responsibility for both Waterford City Council and Waterford County Council. The current temporary management arrangement in Waterford County Council will continue to operate in the interim. The dual Manager will lead the reorganisation process and will have responsibility for ensuring that all necessary arrangements are in place for the completion of the merger and commencement of the new unified Waterford authority in mid-2014. Consistent with the Committee's recommendation for revised sub-county structures, it is envisaged that the type of arrangement outlined at paragraph 7.2.8 in the case of Limerick will be implemented, involving the creation of a City or Metropolitan District of Waterford, with Mayoral and other associated leadership, governance and civic arrangements.

Further action to implement unification

7.2.21 A dual manager for Limerick City and County Councils was appointed with effect from 15 August 2012 under the recently enacted amendments to local government legislation. The dual manager will also be manager designate/chief executive of the unified authority on merger in 2014. Similarly, arrangements to implement dual management arrangements in Tipperary will be made later in 2012. The dual management provisions will be extended to Waterford also at the earliest legislative

opportunity and arrangements to implement appropriate management arrangements there, as indicated at paragraph 7.2.20, will proceed accordingly. In each case, the dual manager/chief executive and management team will oversee and ensure implementation of the range of action necessary to make the transition to unified local authorities in accordance with the respective Implementation Plans. Other actions to facilitate the mergers will be undertaken, including any necessary amendments to other primary or secondary legislation, for example, with regard to the application of development plans and the incorporation of the unified Tipperary authority in a single region under revised regional arrangements from 2014 as outlined in Chapter 8. Further detailed legislation will be required to implement, with effect from the 2014 local elections, the full merger of the two authorities, the establishment of a new unitary authority in their place, and the transfer of the functions, and relevant finance, assets, liabilities, staff, etc, from the existing councils to the successor authorities.

7.3 Local government arrangements in other cities and counties

7.3.1 Of the other combinations of authorities for which the LGER proposed joint management arrangements, while amalgamation of authorities would, in principle, have the potential to achieve certain benefits of the type anticipated in the case of Limerick, Tipperary and Waterford, the case for merger is not as compelling. For example, the need to merge authorities in order to address significant social, economic and development issues or to remedy shortcomings associated with fragmentation in local government, as in Limerick and Waterford, does not arise in other areas. In some cases a high degree of co-operation and joint service arrangements already exist, for example, between Galway City and County Councils, which were established in their current status as recently as 1985. The ratio of staff to population in both of the Galway authorities is relatively low and there is no significant imbalance between the commercial rate levels. Amalgamation of the Galway authorities would result in a population of over 250,000, higher than any area outside of Cork and Dublin and significantly greater than any of the proposed new unified authorities. While areas adjacent to Galway City are closely linked to and influenced by the City and are likely to be subject to future development, significant “overspill” of suburban development and population beyond the city boundary has not yet occurred to the extent that has been experienced in Limerick and Waterford.

7.3.2 In keeping with the general approach outlined, arrangements will now proceed for the appointment of permanent managers to the vacant posts of Galway City Manager, Monaghan County Manager and South Dublin County Manager, which are currently being filled on a temporary basis and similarly, arrangements will proceed in the normal way to fill any future manager/chief executive vacancies arising.

7.3.3 As already indicated, population or size are not the sole criteria for determining local authority structural configuration. A number of the criteria outlined at paragraph 7.1.6 provide grounds for maintaining separate local authorities in the areas referred to in the LGER report. In particular, it is considered that amalgamation of different county authorities would not be appropriate in view of strongly established county identity and loyalty (which, reinforces the rationale for unification in

Tipperary). Accordingly, while the possibility of further structural consolidation at county level in the future has not been ruled out, it is not proposed to implement further changes at this time. Instead, operational efficiencies and economies will be vigorously pursued through the range of actions and mechanisms proposed by the LGER, including the establishment of appropriate shared services arrangements and the performance of functions through joint arrangements between relevant city/county councils, as appropriate. Further details regarding the implementation of local government efficiency measures, and related operational and organisational matters, are outlined in Chapter 9.

Metropolitan areas

7.3.4 The need to define a city or “metropolitan” area in the case of Limerick and Waterford, of much higher population and membership than typical municipal districts, has already been indicated. The need to recognise and define an appropriate metropolitan area is also clearly evident in the case of Cork, having regard to the very significant spill over of suburban development and population in the environs of Cork City located in the administrative area of Cork County Council and adjacent towns. For practical purposes, these areas of development form part of the *de facto* city, with obvious close linkage for a range of purposes - social, commercial, employment, transport and indeed, in terms of identity - with the urban centre that constitutes the administrative area of Cork City Council. More significantly perhaps, the fact that the administration of what is, in real terms, a largely continuous, or closely connected, urban area is divided between two entirely separate local authorities carries potential future risks, for example, with regard to development, spatial planning, and economic and social evolution, of the type which were identified in the reports of the local government committees in Limerick and Waterford. Such risks can be mitigated by close co-operation between the relevant authorities, which has been a feature of administration in Cork, but a more prudent long-term approach would be to bring the administrative configuration into line with the demographic and developmental reality.

7.3.5 In the case of Limerick and Waterford, the only feasible solution to administrative fragmentation was local authority amalgamation, due particularly to issues of scale and resources. In Cork, an alternative option would be available in the form of boundary adjustment to define an appropriate metropolitan area incorporating allowance for a suitable future development horizon. This is feasible in Cork because of the scale of the county in contrast with the position in Limerick and Waterford. Indeed, this would also have a secondary benefit of facilitating reduction in the significant representational imbalances that currently exist in Cork County and also configuration of more homogeneous municipal districts in the county. There would, accordingly, appear to be a good case in principle for considering a boundary alteration in Cork with a view to creating a wider Cork Metropolitan area. The initiative in this regard rests primarily with the local authorities.³² It is envisaged that if suitable arrangements are not finalised within a maximum of 5 years, the power of ministerial initiative in the matter would be invoked.

7.3.6 In the case of Galway, while the issue of suburban spillover has not arisen to an appreciable degree because the city boundary defined in the 1980s allowed reasonable development scope, as

³² *A city or county council may, by resolution, propose a boundary alteration under section 29 of the Local Government Act, 1991. However, the Minister also has power under section 31 of that Act to initiate a boundary review.*

noted at 7.3.1, locations in the administrative area of Galway County Council adjacent to the City are closely linked to and influenced by the City and are liable to be subject to development pressure in the future. As in the case of Cork, the option of defining an appropriate metropolitan area by means of boundary adjustment exists.

7.3.7 Metropolitan factors and issues clearly arise also in the case of Dublin. Indeed this was specifically recognised in the legislation establishing the three new county councils³³ which places a statutory duty on each of the four Dublin local authorities in formulating policies and preparing and carrying out functional programmes to have regard to the “metropolitan interest”, defined as the overall interests of the combined administrative areas of the authorities and their inhabitants. The specific question of introducing an office of directly elected mayor for the Dublin area is considered in Part 5 in the context of other governance issues. A key conclusion in that regard is that such an office should not be simply inserted as an additional layer of governance and administration on top of the current local government system. The establishment of an office with more far-reaching powers, functions and budgetary capacity would be likely to require significant changes in existing local government arrangements. The implications in this regard and the changes required at local government level would need to be considered carefully. In this regard, it is relevant to note that a major revision of local government structures in Dublin was completed as recently as the mid-1990s. This was the culmination of a very substantial reorganisation process over a period of around 10 years. It is not feasible to carry out a rigorous review of local government arrangements in Dublin to implement significant changes in time for the 2014 local elections, in tandem with the very substantial body of work involved in implementing the other measures outlined in this Programme, including the development and enactment of extensive legislation.

7.3.8 The approach to be taken in Dublin must take account of the foregoing factors and the emphasis on the implementation of the present major proposals in this paper in the first instance. Building on these, it is intended to convene a special forum or colloquium of the elected members of the four authorities to consider the options for the introduction of a directly elected Mayor for a Dublin metropolitan area, which will be put for decision through a plebiscite in 2014. This would provide for suitable democratic debate and consultation on all dimensions of the issue. Among other things, it would allow for due democratic consideration of the powers, structures and functions of an office of mayor and the changes required in the powers, structures and functions of local authorities and other relevant bodies in this context. Proposals for a directly elected mayor for the Dublin area would, as is the case in the local government system generally, be subject to the need to maximise efficiency in local government arrangements, to avoid cost increases and to achieve savings where possible.

7.3.9 In keeping with the general direction of the reform process to enhance the democratic factor within local government and maximise the role of elected leaders, as a first step towards developing an enhanced mayoral role, provision will be made for the Lord Mayor of Dublin to have a metropolitan co-ordinating role in respect of the four Dublin local authorities³⁴. This could, for example, include

³³ Local Government (Dublin) Act 1993.

³⁴ The “metropolitan area” as defined in the Local Government (Dublin) Act 1993.

provision for functions under section 32 of the Local Government (Dublin) Act 1993 relating to promoting the metropolitan interest, including chairing meetings in that regard. It is also envisaged that the proposed colloquium/forum would be convened by the Lord Mayor. The pathway to develop enhanced local governance and leadership in Dublin is set out more fully in Chapter 11.

7.3.10 While the shape of future governance arrangements in the Dublin area will depend on the outcome of the deliberations of the proposed Forum, it is possible to envisage broad outlines of a future vision for local government in the area. There would appear to be a case, in principle, for a metropolitan council or assembly, in the context of revised local governance arrangements, having regard to experience in other city areas abroad. Such an authority would need to have significant functions and budget, with the possibility of a Directly Elected Mayor, depending on the outcome of the Forum and a subsequent plebiscite (but development of metropolitan governance is not contingent on the introduction of such an office). Functions and funding would come from transfer from the current local authorities and central government Departments and agencies. Support for devolution of functions and budgets from central level is likely to be facilitated by the success of the local government reform programme in bringing about visible improvements in local government efficiency and streamlining. The sort of areas from which metropolitan level functions might, in principle, be drawn could include matters such as, transport; economic and spatial strategy; education; policing; emergency planning; waste management and an oversight or “call-in” role in respect of certain local authority functions having a metropolitan impact. Proposals for revised local government arrangements in Dublin would, however, need to take account of cost implications and would be subject to prevailing economic circumstances.

7.4 Other measures to strengthen city and county councils

7.4.1 Proposals outlined in Part 5 to improve various aspects of governance within local authorities will strengthen the effectiveness of city and county councils. Greater organisational integration within counties, in the context of new municipal governance arrangements, as set out in Chapter 6, will contribute to greater effectiveness at county council level, as well as improving governance at sub-county level. As indicated at 6.4.1, a review of electoral areas will be undertaken in preparation for the introduction of the new sub-county arrangements. This will result in more balanced representation and, in tandem with the new locally-focussed district configuration, will contribute to greater representational effectiveness. The municipal district arrangement will have a positive efficiency effect on the overall local government system. A significant amount of business will be performed at district level, reducing the extent to which county council meetings are taken up with local issues and enabling these meetings to focus on more strategic matters. A related outcome should be scope to reduce the frequency of meetings at county level, with related savings in administration and cost. Further details relating to arrangements in this regard will be considered in the implementation of the reform programme. A range of other measures are outlined in Part 5 to strengthen internal governance arrangements within local authorities, to support more effective policy development and to enhance the position of elected members of local authorities, particularly in terms of their oversight, leadership and accountability roles.



Chapter 8 - The Regional Dimension

This Chapter outlines policy decisions in relation to the future configuration and functions of regional structures as follows:

- There is need for a regional dimension in the local government system with rationalised structures and updated functions.
- Regional authorities and regional assemblies will be amalgamated.
- There will be three standard regions (which will not affect the existing NUTS II and NUTS III classifications for EU funding purposes):
 - Southern Region (Munster and the south east counties of Carlow, Kilkenny and Wexford);
 - Eastern and Midlands Region (Leinster other than the south-east counties in the Southern Region);
 - Connaught-Ulster Region.
- Membership of a regional assembly will consist of two members from each constituent local authority, making a combined total of 62 compared with 290 currently.
- The key role at regional level will be a strategic planning and oversight one.
- The main specific functions of the regional assemblies will be:
 - adopting and overseeing the implementation of regional strategies;
 - oversight of local authority performance and implementation of Government policy;
 - functions relating to the Regional Operational Programmes and EU funding, subject to further Government decision regarding arrangements for administering EU structural funds during the 2014 - 2020 programming period;
 - other regional projects, studies and initiatives involving EU or other external funding.
- The current Regional Planning Guidelines will be augmented as Regional Spatial and Economic Strategies to be adopted by the regional assemblies. Relevant agencies will be required to input to, and adhere to, the strategies.
- There will be an enabling provision in legislation for a strategy formulation or oversight role for regional assemblies in relation to other strategic functions.
- Operational, procedural and administrative aspects will be updated in the new arrangements.

8.1 Existing Regional Bodies

Regional Authorities

8.1.1 There are 8 statutory regional authorities established under the Local Government Act 1991. The authorities consist of members appointed by the constituent city and county councils, as set out in Appendix 7, with a small staff complement headed by a Director. Their general functions are to -

- review the overall needs and development requirements of the region;
- promote coordination between local authorities and other public authorities in the region, and consistency with Government policies, in relation to the provision of public services in the region;
- promote consideration by public authorities of the effects of their activities on the region as a whole.

8.1.2 The most important specific function performed by regional authorities is the adoption of statutory Regional Planning Guidelines (RPGs) and oversight of their implementation in the statutory development plan process at local authority level, as provided in Planning legislation. Otherwise, regional authorities do not have executive, regulatory or service delivery functions. The principal purposes of RPGs are -

- to link the planning process at city and county level to national strategic spatial planning policies under the Government's National Spatial Strategy (NSS) with a view to achieving balanced regional development and proper planning and sustainable development, and
- to coordinate the development plans of local authorities and their approach to the level and distribution of future employment, housing and retail development and environmental considerations.

8.1.3 Each RPG incorporates an Economic Development Strategy for its region providing background economic information, a high level strategy for economic and enterprise development, and a framework to harness the economic potential of committed public investment programmes under the National Development Plan 2007-2013. Each strategy is intended to inform the RPG review and update.

8.1.4 Regional authorities are also involved in a range of co-ordination type projects, networks and studies, acting with, or on behalf of, their constituent local authorities and other bodies, with the general objective of facilitating the development of cost-effective regional approaches to various areas of policy. The following is a summary of the more substantial activities of this type undertaken by regional authorities in recent years (further details of these projects are set-out in Appendix 10):

- Working with a range of other public and private bodies (for example, Government departments, enterprise bodies and third-level educational institutions) to promote and facilitate collaboration on initiatives relating to economic and infrastructural development, and on social and environmental matters. An example of such activities is the management of the planning, procurement and construction of Metropolitan Area Networks (MANS) for telecommunications, internet, etc., by the South East Regional Authority.
- Facilitating cooperation and coordination between local authorities in undertaking studies, and the development of policies. Examples of such activities include the preparation by the Mid-West Regional Authority of the Shannon Estuary Integrated Framework Plan, and the preparation by the Dublin Regional Authority in 2009 of an Enterprise Strategy for the Dublin City Region.
- Activities, initiatives and studies that have EU or international dimensions, generally involving regional and local authorities in other States, including Northern Ireland and Great Britain and activities entailing receipt of EU structural funding (e.g., under various INTERREG programmes). Examples of such activities include the Irish Sea Region Project (led in Ireland by Dublin Regional Authority), the WEASTflows project to improve freight logistics (managed in Ireland by the Mid-West Regional Authority), the South-East Regional Authority's CIME project to assist micro-enterprises, and the South-West Regional Authority's Venture Academy project.

8.1.5 The Dublin Regional Authority also provides the secretariat and support for the Irish delegation to the EU Committee of the Regions, including EU information services to local and regional authorities and regional assemblies in relation to developments at EU level.

8.1.6 The total expenditure of the eight regional authorities in 2010 was €5.16 million, with expenditure in individual authorities ranging from €383,000 in the case of the West Regional Authority to €1.246 million in the case of the Dublin Regional Authority. The cost of staff (which total 39) accounts for approximately 45% of expenditure, while expenditure on programmes and activities accounts for approximately 26%. Of the remaining costs of the authorities, members' expenses account for approximately 12%, while overheads account for approximately 10%. Regional authorities receive most of their funding from their constituent local authorities in proportion to their respective populations. They also receive funding from the EU in respect of certain EU-related activities in which they are involved. Total regional authority receipts in respect of EU projects and recoupments in 2010 were a little over €1.1m.

Regional Assemblies

8.1.7 In addition to the eight regional authorities, two Regional Assemblies, the Border, Midland and Western Regional Assembly and the Southern and Eastern Regional Assembly, are also constituted under the Local Government Act 1991. Members of the regional assemblies are drawn from and

appointed by the constituent local authorities. In total, the two regional assemblies have 70 members and 37 staff. The assemblies have important functions as “managing authorities” for the regional operational programmes funded by both the Exchequer and EU structural funds under the National Development Plan 2007 to 2013, with responsibility for overseeing investment under a range of measures. This includes programme preparation, monitoring implementation of spending programmes, carrying out evaluations, and ensuring proper financial management and compliance with EU policies. The assemblies also have a supra-national role, e.g. they have a representational role on trans-national and inter-regional EU INTERREG programmes, and are involved in a number of programmes involving bodies in other States, including facilitating the delivery of some EU funded or co-funded projects. Funding for the assemblies is provided mainly by the constituent local authorities. The assemblies also receive funding (mainly channelled through the Department of Public Expenditure and Reform) in respect of certain EU-related activities in which they are involved. The total amount of funding received in this regard in 2010 was approximately €9.4 million, of which approximately €6.5 million was recoupable from the EU. The BMW Regional Operational Programme 2007-2013 involves expenditure of €458 million (of which €229 million is recoupable from the EU), while the S&E Regional Operational Programme involves expenditure of €367 million (of which €146 million is recoupable from the EU).

8.2 The impact of Regional Authorities

8.2.1 The impact of the regional authorities has been varied and in the consultation process in June 2012, a number of local authority members with experience of regional authority membership indicated that their present operation was unsatisfactory. While devolution of functions to regional level in areas such as economic development, tourism, spatial strategy, education, energy and waste management, was suggested, other respondents favoured abolition of the regional level as a level of bureaucracy. While regional authorities are now playing an important role in a reformed and more strategically focused system of regional planning guidelines, their role and impact otherwise has not been substantial, and many of their original functions relating to EU funding are now performed by the regional assemblies. There appears to be a degree of overlap between the regional authorities and regional assemblies in terms of membership, activities and funding.

8.2.2 The core objective of regional authorities to promote greater cooperation and coordination in relation to services provided by public authorities (as distinct from their specific role in relation to the planning and development system) has largely not been realised. A particular factor cited in relation to this deficiency is inadequate commitment on the part of relevant public authorities. This is reflected in the fact that the Operational Committees of the regional authorities (which were originally intended to be the main vehicles for advancing the work of the authorities) fell into abeyance largely due to lack of participation and commitment on the part of many of their constituent public authorities. Difficulty in achieving adequate commitment and input to inter-agency bodies or co-ordinating groups on the part of relevant organisations has been a feature of public administration in Ireland, particularly where the

co-ordinating body does not have some significant leverage such as statutory control or, perhaps of greater practical importance, financial influence or power.

8.2.3 The Local Government Efficiency Review did not envisage a role for regional authorities in relation to shared services and instead suggested inter-authority arrangements (including, for example, the designation of a particular local authority to lead certain work). At an operational level, significant cooperation in the form of shared services is set to be developed further between local authorities in line with the LGER recommendations and the implementation of procurement initiatives under the Public Service Reform Plan. This will not require separate corporate organisations at regional level. However, an oversight role in relation to implementation of LGER measures is envisaged for revised regional bodies (8.6.2).

8.2.4 The intention that most public bodies would align their regions with the regional authority areas has not been realised. A variety of different regional configurations and sub-national divisions has emerged, as indicated at Appendix 7. For example, alongside the 8 regions designated under the Local Government Acts, the country is currently divided into 10 regions for the purposes of waste management plans (to be reduced to no more than 3 regions in accordance with the new National Waste Management Policy³⁵), 4 for health services and 6 for tourism development, while a number of State bodies (commercial and non-commercial) operate through a variety of regional or sub-national structures. Different regional structures have operated for EU funding purposes at different times and the non-statutory Regional Development Organisations, which existed from 1969 to 1987, had somewhat different regional configuration to the current regional authorities.

8.2.5 There are practical reasons why regional standardisation has not emerged, primarily the fact that the territorial configuration which is appropriate tends to vary between different sectors and organisations, having regard to the particular circumstances, requirements and nature of their activities. In some instances, physical features rather than county boundaries are appropriate determining factors for regions, as in the case of river basin districts. It can be concluded that there is no single ideal regional configuration suited to all sectors in terms of organisational efficiency. The imposition of rigidly standardised regional configurations would not result in organisational or operational efficiency for particular activities or organisations. Other factors which have militated against the development of strong regional structures in Ireland include the relatively small size of the State, the degree of demographic concentration (particularly in the Dublin area), the fact that there are not “natural” or physically defined regions, and the absence of the kind of linguistic, cultural or historic factors that are influential in the existence of strong regional identities in certain, mainly larger, EU countries, some of which are, in fact, federal States.

³⁵ A Resource Opportunity; Waste Management Policy in Ireland, Department of the Environment, Community and Local Government, 2012.

8.3 The future of regional structures

8.3.1 While the Programme for Government does not make specific reference to regional structures, the general commitment in the Programme to a fundamental reorganisation of local governance structures is relevant to the regional level. Having regard to the issues outlined above, it is reasonable to question whether the retention of regional bodies as independent corporate entities is warranted, particularly in the context of Exchequer constraints and consolidation of public service structures generally. However, a number of factors can also be identified in favour of retention of appropriate regional structures, including the following:

- The Programme for Government highlights the importance of greater coherence between national, regional and local planning laws in order to achieve better and more coordinated development that supports local communities.
- Since the publication of the National Spatial Strategy in 2002, there has been a clear regional dimension to government policy in line with the territorial cohesion agenda at EU level. The regional authorities are playing an increasingly effective role in relation to the development and implementation of Regional Planning Guidelines, with particular reference to the Core Strategies under the Planning and Development (Amendment) Act 2010. For example, city and county council based allocations in respect of expected future population growth, housing and development land requirements, are now instrumental in co-ordinating the land-use zoning process at local level through the introduction of core strategies in statutory development plans. The RPGs will underpin the statutory roles of regional authorities in making observations on future development plan reviews and variations.
- It may be deemed necessary to retain the regional assemblies (or some equivalent structures) for the purposes of functions in relation to EU funding (8.3.5).
- There is likely to be potential for regional bodies to perform strategic functions of significance at regional level in addition to their RPG functions (8.6.11).

8.3.2 The majority of staff working in regional authorities are seconded from local authorities. Therefore, the abolition of the regional authorities would probably give rise to a requirement to absorb the staff in the local authorities concerned so the direct savings on staff costs (approximately 45% of regional authority costs) may be limited in the short term. Other staff are engaged on a contractual basis for specific purposes or fixed durations. The rationalisation of regional structures would be likely to result in savings (which would accrue to the constituent local authorities in the form of the discontinuation or reduction of their contributions to the regional authorities and assemblies) on the following matters -

- Establishment costs (10% of total costs): Savings on various corporate or support type functions should be immediately achievable; however, as the regional authorities may, in certain cases, have commitments that could not be unwound immediately (for example,

leases on accommodation, and contracts for the provision of IT services), some savings may be achievable only in the medium to long-term.

- Costs associated with the membership of the authority (12% of total costs).
- Costs associated with the participation of regional authorities in certain activities (to the extent that such activities are to be discontinued).
- Elimination of any overlapping or duplication of activities between regional authorities and regional assemblies.

8.3.3 Taking account of the above factors, it is considered, on balance, appropriate to maintain a regional dimension to public administration generally and local government specifically, particularly with regard to the development and review of regional planning guidelines, associated strategies, and co-ordination arrangements, and certain EU-related matters. However, the role and configuration of regional structures must be consistent with, and contribute to, the development of a more coherent and effective overall system of local government, having regard to -

- current economic conditions,
- changes since the establishment of the regional authorities in the early 1990s,
- evolving policy relating to local government generally.

8.3.4 In line with commitments in the Programme for Government to “make substantial cuts to the number of State bodies” and to pare back “fragmented structures of public administration”, regional governance needs to be rationalised and strengthened in the context of implementing better governance locally and nationally. The focus of such improvement must be on maximising performance as part of a public service that is more effective and efficient. In summary, it is proposed that there should, in effect be a “re-launch” of the regional element of local government in keeping with current circumstances and requirements, with the scope for consolidation of regional structures being pursued rigorously and the functions of regional bodies revised to ensure that they operate effectively and make a contribution of significant value to public administration in the context of present day requirements and priorities.

8.3.5 Proposals to revise the existing regional structures and functions will be guided by the following considerations, in particular:

- (a) Progress in enhancing the strategic focus of the planning system, including the statutory role currently played by regional authorities in relation to the Regional Planning Guidelines and associated EU Directive requirements, must be maintained.
- (b) The need to continue certain activities of regional authorities or regional assemblies that involve EU funding, where the receipt of such funding is conditional on the Irish body involved being at regional level. Any decision affecting the continuation of the regional assemblies in

the short term (to 2014) would be very problematic given their central and on-going role in the management and oversight of EU funding. Therefore, any rationalisation of regional structures must not jeopardise such funding.

- (c) Ireland's representation on the EU Committee of the Regions must be maintained and a support role provided to the Irish delegation to the Committee of the Regions, on the lines of that currently performed by the Dublin Regional Authority.
- (d) Certain activities currently performed by regional authorities may need to be discontinued, subject to possible need to maintain some of these in the short to medium term, particularly where the regional authorities have entered into commitments of a binding nature.

8.4 Reorganisation of regional structures and functions

8.4.1 It is proposed that regional arrangements will be revised, involving a rationalisation of the number of areas and corporate structures in the interests of efficiency, economy and elimination of duplication. It is proposed to amalgamate the regional authorities and regional assemblies to comprise regional assemblies only, with no need for a separate set of regional authorities. The regional assemblies, suitably adjusted, will be capable of providing appropriate overarching regional structures to oversee important elements of a regional development agenda, to comply with Government policy set-out in the National Spatial Strategy and to take on any appropriate additional strategic functions. The concept of "assembly" is more appropriate than "authority" for the type of role involved and will give greater emphasis to the role of the elected members.

8.4.2 In conjunction with the amalgamation of authorities with assemblies, the configuration of regions will be consolidated. It is proposed to designate three standard regions under local government legislation. Subject to finalisation in light of any considerations related to EU funding arrangements (8.6.3) and related regional classification, it is envisaged that the configuration of regions (as shown in Appendices 8 and 9) would be as follows:

- a Southern Region (consisting of Munster and the south east counties of Carlow, Kilkenny and Wexford);
- an Eastern and Midlands Region (consisting of the province of Leinster other than the south-east counties in the Southern Region);
- Connacht-Ulster Region (consisting of the province of Connaught and the counties along the Border with Northern Ireland other than County Louth).

8.4.3 An important advantage of this proposed configuration is that each of the current regional authority areas will be incorporated without fragmentation within one of the three new regions with the exception of the existing Border Region (where Louth will transfer to the Eastern and Midlands Region). This facilitates continuity of relationships and links between adjacent local authorities. The new Southern Region will include the unified Tipperary authority along with all the local authorities

with which each of the present Tipperary counties currently have a regional involvement. The proposed configuration makes for a large Eastern and Midlands Region but, on balance, it is felt that the counties are sufficiently intertwined as a region, for example in terms of economic linkage and communications, to justify this grouping. The proposed re-structuring will assist in eliminating or minimising the possibility of any adverse impact on the level of EU funding currently received by the regional authorities and assemblies. Importantly, the proposed three new regions will not affect the existing NUTS II and NUTS III classifications for EU funding purposes. The wider configuration than the present regional authorities will also achieve greater inclusiveness of the variety of regional configurations of different bodies and sectors. The Connacht-Ulster region will facilitate engagement on cross-border issues relevant to the local government system, which will include building on several existing cross border local authority networks. The new Connacht-Ulster, Southern and Eastern-Midland regions will have 9, 10 and 12 constituent local authorities and populations of 0.8 million, 1.5 million and 2.2 million, respectively.

8.4.4 In view of the difficulty in defining standard regions to suit all sectors or functions, there will be provision to vary the standard or default regional areas for particular sectoral strategies or functions, as determined under relevant legislation. The wider territorial areas proposed will facilitate this.

8.5 Membership and staffing of New Regional Assemblies

8.5.1 Given that the reconfiguration of regional structures will involve the incorporation of a greater number of local authorities in each assembly than is at present the case with the regional authorities, there will be a related need to consider carefully the optimal number of members of the assemblies. There needs to be a balance between effective representation of the constituent local authorities on the one hand, and a capacity for achieving greater focus and efficiency in discharging the assembly's functions on the other. It is proposed, accordingly, that the membership of the assemblies would be reduced to consist of two members from each constituent local authority. On this basis, membership would be 18 in the Connaught-Ulster Region, 20 in the Southern Region and 24 in the Eastern and Midlands Region. Such an arrangement will give rise to a total membership of 62 with the merger of the Limerick, Tipperary and Waterford authorities, compared with a combined total of 290 currently (70 regional assembly and 220 regional authority members).

8.5.2 The administrative/executive element of the regional assembly will continue to be headed by a Director, who will have a small staff corps of appropriately skilled officials, drawn from existing regional authority/assembly staff resources, as well as by local authority staff seconded or otherwise made available on an "as required" basis as agreed with local authority managers/chief executives, e.g. in relation to RPGs or other regional strategies. Redeployment arrangements will be implemented for this purpose, as appropriate. It is also proposed that there can be sharing of resources of the Western Development Commission with the Connacht-Ulster Regional Assembly. Consideration will be given to the establishment of a shared pool of skilled staff that would be available to support the specialised work of regional assemblies.

8.6 Role of Regional Assemblies

General Role

8.6.1 It is proposed that the new regional assemblies will have revised and strengthened functions with a view to maximising their effectiveness, ensuring that they play a significant strategic role, promoting greater cooperation and coordination between local authorities, and between local government, central government and other agencies, thereby contributing to achieving better outcomes for citizens and better governance nationally. The key role to be performed in future at regional level will be a strategic planning and oversight one - in particular to support strategic planning and coordination in relation to spatial/development planning, which is the most compelling rationale for maintaining a regional dimension in the local government system. This dimension will provide a key focus and support for the local authority role at city/county and sub-county level in relation to planning and sustainable development in the context of the National Spatial Strategy and will include, for example, regional infrastructure assessments. The potential for the new regional assemblies to take on additional strategic roles, in addition to the spatial planning role, will be explored also, both in respect of functions within the local government sector and other relevant areas, such as transport, that are currently administered outside the local government sector.

8.6.2 In view of the decision (7.1.3) that the city and county councils should continue to be the core units of local government, it is not proposed that regional assemblies will have service delivery functions. Operational functions will rest with local authorities or other relevant sectoral agencies. Consistent with this, it is not envisaged, at this point, that they would have a direct role in the implementation of Local Government Efficiency Review measures such as shared services. However, it is envisaged that the new assemblies will, at a future date support the proposed National Oversight and Audit Commission for Local Government (11.4.19-11.4.29) in the function of overseeing and driving the implementation of efficiency measures, currently performed by the LGER Implementation Group. Subject to the priorities and capacity of the assemblies, other relevant existing activities and programmes of regional authorities will be continued, with priority for those projects, studies and initiatives that attract EU and other external funding. Existing regional authority functions that have not proved, or are deemed no longer to be, either relevant or effective will not be included in the functions of the new assemblies.

Specific functions of regional assemblies

8.6.3 The following is a summary of the main specific functions which it is proposed to assign to the regional assemblies under relevant legislation (further information is set out in succeeding paragraphs):

- (a) Adopting and overseeing the implementation of regional planning guidelines provided for in planning law with an augmented economic dimension (8.6.4-8.6.8)

- (b) Performing such other strategic functions as may be assigned under legislation, (8.6.11).
- (c) Oversight, in tandem with the proposed National Oversight and Audit Commission for Local Government, of the performance of local authorities in discharging their functions generally, including implementation of Government policy and in relation to implementation of LGER efficiency measures (8.6.14-8.6.15).
- (d) Subject to further Government decision regarding arrangements for administering EU structural funds during the next programming period, 2014 - 2020, functions relating to the Regional Operational Programmes and EU funding currently held by the regional assemblies as managing authorities. The Government will, in due course, consider proposals in this regard to be brought forward by the Minister for Public Expenditure and Reform.
- (e) Undertaking relevant regional authority projects, studies and initiatives, as appropriate, particularly involving EU or other external funding.
- (f) Providing democratic input in the context of the new national water supply arrangements (8.6.16).

Spatial and economic planning at regional level

8.6.4 The three new regional assemblies will have responsibility, which currently rests with regional authorities, for developing and adopting RPGs as well as monitoring their implementation particularly through statutory observations. Any necessary strengthening of RPGs, for example, in relation to development adjacent to local authority boundaries, can be addressed in relevant legislation. In addition, as indicated at 3.2, it is proposed that the economic planning dimension of this role will be enhanced. There is an increasing body of opinion that economic development strategy should be an overarching theme of a regional strategic role in the local government system. It is logical that this role should operate in conjunction with the spatial/development strategy function. In view of this, and the desirability of bringing a greater element of democratic mandate to bear on economic development strategy, provision will be made for the formulation of regional economic development strategies as part of the statutory RPG process, with the RPGs being recast as a “Regional Spatial and Economic Strategy”.

8.6.5 As indicated in Part 2, the role of local authorities in relation to economic development and enterprise support/promotion will be strengthened and clarified. This is a significant departure in strengthening the role of local government. Its importance has been brought into particular focus in the context of local government restructuring in Limerick and is being addressed by the Limerick Reorganisation Group, as already indicated. The proposed regional strategies will act as a bridge between the NSS and local authority plans and programmes, particularly with regard to development of NSS gateway centres. They will provide a wider framework not only for local authority policy and action in the economic area, but also that of other relevant Government Departments and agencies, which will participate in the formulation of the strategies and will also be required to adhere to them in their ongoing functions.

8.6.6 Regional assemblies (along with local authorities) will link with, or where appropriate report to, the Department of Jobs, Enterprise and Innovation and relevant agencies (e.g. Enterprise Ireland and IDA) in the performance of functions relating to economic development. Arrangements for the development of the strategy will take account of the role of the various agencies that have an involvement in economic development and enterprise support and the enhanced local authority role in the area, including the operation of the Local Enterprise Offices that are taking on the functions of County Enterprise Boards, and economic elements of the local development sector pursuant to the report of the Steering Group on the alignment of that sector with the local government system.

8.6.7 Among the sectors which should have an important input to the formulation of, and implementation of, regional economic development strategy is the higher education sector. That sector has a particularly significant contribution to make to addressing prevailing economic challenges and improving national competitiveness, including meeting the demands for high-order knowledge based skills, research and innovation in conjunction with industry. This, in turn, is vital for investment and job creation, including through Foreign Direct Investment. Moreover, the revised regional structures, with their enhanced economic remit, can provide a vehicle to support collaboration between the individual third level institutions. Constructive engagement between the regional assemblies and the higher education sector will contribute to more effective Regional Spatial and Economic Strategies and their role in national economic renewal.

8.6.8 The broad objectives and scope of the economic component of the regional strategies are outlined at 3.2. More specific details in relation to the economic elements of the regional strategies, what they will involve and how best to ensure that the relevant agencies participate in their formulation and adhere to and give effect to them in their various plans and programmes, will be developed by the DECLG in conjunction with the Department of Jobs, Enterprise and Innovation, Enterprise Ireland and other relevant bodies. In particular, it is envisaged that the economic development strategies will have appropriate legal and administrative underpinning, with arrangements and requirements to ensure that they are effective and achieve their desired impact. This will involve adherence and follow-through by all relevant public sector bodies, particularly those with responsibility for economic development and enterprise promotion, and other relevant stakeholders. It is proposed, accordingly, that there will be a mandatory requirement for relevant bodies to:

- (a) input to, and participate fully in the development of, regional strategies every 5-6 years (similar to the input by Forfás in the preparation of the 2010 RPG's),
- (b) set clear targets for activities and outcomes consistent with the regional strategy, and
- (c) be accountable to the regional assemblies through an appropriate annual or biennial reporting arrangement in relation to progress towards achievement of the economic dimensions of Regional Spatial and Economic Strategies.

8.6.9 The strategic role of regional assemblies in relation to economic development has potential implications for the role of CDBs. As indicated in Chapter 4, the operation of the CDBs will be phased out. In future, the regional structures will be the primary vehicles for engagement between the local government sector and economic development agencies, which was among the functions intended for the CDBs.

8.6.10 The Regional Spatial and Economic Strategies will be developed in time to replace the eight existing Regional Planning Guidelines, which will continue to apply and be implemented until 2016. Each of the three new Regional Spatial and Economic Strategies, in the process of establishing an overarching spatial and economic development policy framework, will also be required to set policies and objectives specifically for the areas of the existing regional authorities (subject to some minor adjustments) acknowledging both the differences within, and the interrelationships between, for example, National Spatial Strategy Gateways and their hinterlands. Accordingly, even though there will only be 3 regional bodies from 2014 and 3 overall Strategy documents from 2016, the component territorial areas (largely equating to the areas of the current regional authorities) will continue to be important for spatial and economic planning purposes and will also continue to be relevant to certain aspects of EU funding. It is, therefore, essential that economic and other relevant statistics and data continue to be provided in respect of the areas of the current regional authorities to ensure continuity of statistical data availability and enable the development of evidence-based policy at a sufficiently granular level.

Other strategic functions

8.6.11 It is proposed that there will be an enabling provision in legislation for a general strategy formulation or oversight role for regional assemblies in relation to other strategic functions. This would build on the role that regional authorities currently play under the Planning and Development Acts and their role as decision-making authorities for the purposes of a number of EU Directives (Strategic Environmental Assessment and Habitat, for example) which must be complied with in the discharge of those planning functions. Examples of possible further areas of strategic involvement by Regional Assemblies could include -

- Waste management: the potential for regional assemblies to perform a strategic role in relation to the promotion of an environmentally sustainable approach to waste management in the region, in accordance with the regional waste management plans, will be explored;
- Formulation of other environmental or transport strategies;
- Undertaking relevant economic, spatial, infrastructural or environmental analyses at a regional or sub-regional level where requested to do so by the relevant constituent local authorities.

8.6.12 The development of Waste Management Plans will remain a function of local authorities in conjunction with the National Waste Planning Coordination Group, under a new regional waste management planning configuration decided by the local authorities (2.6.8). From the preparation of

the first round of waste management plans that covered the full geographical territory of the State, local authorities clearly recognise the desirability of rationalising the number of waste planning regions. The number of waste planning regions (currently 10) will be significantly reduced to no more than 3, taking full account of the proposed new local government regional configuration. This rationalised arrangement will -

- better reflect the size of the Irish waste market and the need to ensure that the regions are of sufficient scale (in terms of population and waste arising) to support the delivery of the appropriate waste management solutions,
- enable a better concentration and use of resources,
- continue to address geographical and other relevant differences,
- enable local authorities to redeploy resources freed up from a more efficient waste management planning regime to essential work on the implementation and enforcement of the new regional plans.

Local government oversight

8.6.13 It is proposed that regional assemblies will undertake an oversight role in relation to local government performance and best practice, both generally and in relation to the implementation of Government policy, working with and supporting the proposed National Oversight and Audit Commission for Local Government. This is intended, in particular, to ensure, with regard to local authority functions, maximum performance, standards of service, value for citizens and taxpayers, and accountability and transparency. A related purpose of the proposed oversight arrangement is the provision of a mechanism, separate from central government, to secure greater assurance in relation to the implementation of Government policy, recognising the importance of ensuring that national policy is adequately reflected and complied with at local level, and that local authority policies, programmes and operations are compatible with Government policies. In that capacity, the regional assemblies will act as a “bridge” between all relevant Government Departments and local level, with a mandate to ensure that national policy is adequately reflected in regional strategies and carried forward at local level under these. As already indicated, the oversight role will also include functions in relation to implementation of efficiency measures. It is envisaged that an appropriate structure, on the lines of a Local Government Regional Oversight Committee involving relevant external input, would be established to support the regional assemblies in this role. Further details in relation to the local government oversight arrangement are set out in Part 5 in the context of governance proposals.

8.6.14 The Tribunal of Inquiry into Certain Planning Matters and Payments (the “Mahon Tribunal”) in its report of March 2012, expressed concern that regional authorities, as emanations of the local authority system, sharing membership etc, do not have sufficient independence to oversee and co-ordinate the forward planning process at local level as they are mandated to do under planning legislation. Accordingly, it recommended that consideration should be given to providing for the direct election of the members of the regional authorities, some by the entire electorate of the relevant

region. However, for the reasons outlined under and taking account of wider efforts to progress further reforms in the planning arena addressing the Tribunal's concerns (11.7), it is not considered necessary to create directly elected regional entities at this time.

While there is, in principle, a rationale for providing a direct democratic mandate for each level of local government, the potential advantages would need to be weighed against the additional process and cost involved. There is also a disadvantage with departing from local authority nomination to regional bodies in that it would weaken the link that exists at present between the regional authorities and the local authorities. This link has the advantage of providing an effective means by which -

- local authority issues of concern are effectively raised and addressed at regional level; and
- regional planning guidelines, when adopted, will gain “ownership” and “buy-in” at local level, with elected members who are also members of the regional authority acting as advocates of the regional dimension in relation to relevant planning policies in their respective areas.

Irish Water

8.6.15 As has been outlined at 2.6, the role of regional authorities in relation to strategic planning will have an important bearing on investment planning by Irish Water. The DECLG is developing an implementation strategy that will address the key implementation issues for the management of this important reform programme. The means by which there can be regional and local democratic input in this regard will be considered. It is envisaged that the regional assemblies will provide an appropriate mechanism for consultation and engagement between Irish Water and the local government system on strategic matters.

8.7 Operational arrangements of regional assemblies

8.7.1 Responsibility for the adoption of Regional Spatial and Economic Strategies, as well as other strategic functions (and related EU requirements), and for ensuring the implementation of such strategies will rest with the elected members of the new regional assemblies. This is necessary to ensure “buy-in” to these strategies at local authority level. However, as indicated at 8.5.2, the assemblies will be supported in this work by appropriately skilled officials drawn from existing regional authority staff resources, as well as by local authority staff seconded on an “as required” basis and as agreed with local authority managers/chief executives. It is envisaged that the administrative and technical work in developing, monitoring or reviewing regional strategies will be carried out primarily through “Regional Strategy Steering Groups”, similar to those that currently operate for the purposes of the RPGs, which also operate under the National RPG Steering Group co-chaired by the Department and a representative of the regional authority directors.

8.7.2 There will be a re-definition of roles and operating arrangements in relation to the planning-related work and other similar functions of regional assemblies. An approach analogous to the allocation of executive and reserved powers at local authority level is more appropriate than current regional authority arrangements whereby authority members are required to deal with relatively routine and detailed matters³⁶. For example, it is proposed that the provision of statutory observations on development plans be designated as administrative functions not requiring decision by the members of the authority. This will concentrate the role of members on higher level policy functions and bring about greater effectiveness and efficiency in terms of a reduced need for meetings and associated costs. In light of practical experience, it is more appropriate that such executive or administrative type functions would be delegated to the Director and carried-out with the support, as appropriate, of relevant committees, comprising appropriate membership (including local authority personnel to ensure adequate linkage at executive/operational level) to be provided for under the relevant legislation. This would provide the type of administrative arrangements that the regional authority establishment orders were designed to achieve as an alternative to a reserved/executive system.

8.7.3 There will also be need for appropriate cooperation and engagement on an inter-regional basis within the State. This can be provided for through legislation (if necessary) and guidance issued by the DECLG, for example in relation to the most appropriate manner to draw up future Regional Spatial and Economic Strategies, and to address matters that transcend boundaries (e.g. important Gateway towns that might straddle boundaries or the development and progression of mutual objectives to co-ordinate development on corridors between the gateways).

8.8 Local authority role relating to regional strategies

8.8.1 Responsibility for ensuring effective follow through on the regional strategies at local level will rest primarily with the local authorities, with a particular role for the elected councils. It is envisaged that the elected members would be primarily responsible for ensuring local “buy in” to the strategies which they adopt and generally to ensure implementation in their respective areas. Moreover, provision will be considered for a specific role for each of the elected councils in ensuring accountability on the part of all agencies concerned for discharging their requirements in relation to the regional strategies. This is in line with the proposal in the Programme for Government to give local authority members the power to seek reports from, and question in public, all providers of public services in their area. The revised structures and arrangements at regional level will give local authorities a strengthened basis for guiding the proper planning and sustainable development of the city/county and in playing a prominent role in the promotion and stimulation of economic development, guided by the Regional Spatial and Economic Strategy. It is envisaged that the revised regional arrangements would take effect after the 2014 local elections. Regional Planning Guidelines are not

³⁶ Which the Operational Committees, provided for in the regional authority establishment orders, were intended to deal with.

due for review until 2015/2016 but could be reviewed earlier when the new configurations come into effect.

8.9 Further development of proposals

8.9.1 Full details in relation to the specific functions to be assigned to regional assemblies will be completed in the context of development of legislative provisions. Similarly, provision will be included in legislation to underpin the effectiveness of regional strategies and plans in terms of their implementation by local authorities or other relevant bodies and to ensure adequate consistency with national policy.



PART 4

LOCAL GOVERNMENT SOUNDLY FUNDED, WORKING BETTER, SERVING THE COMMUNITY

Chapter 9 - Operational and Organisational Efficiency and Customer Service

This Chapter outlines proposals for the implementation of a range of measures to maximise operational and organisational efficiency and performance in local government and ensure that the best possible standard of service and responsiveness is provided by local authorities to customers, citizens and taxpayers. Key developments and proposals in this context include the following:

- The first Report of the LGER Implementation Group has been published.
- The County and City Management Association identified current savings since 2008 of €830m.
- Reported savings achieved/projected from July 2010 to end 2012 are €553m.
- Efficiency savings (as distinct from savings resulting from reduced activity) amount to €195.5m in 2010-2011, more than half the total of €346m identified in the LGER Report as potential direct efficiency savings.
- Key recommendations of the Implementation Group include:
 - further efficiency opportunities in the sector to be assessed with a view to implementation,
 - proposals to be developed urgently for quality assurance of major efficiency measures,
 - a study on middle and senior grading structures across the public sector,
 - evaluation of the introduction of a graduate trainee programme in local government,
 - evaluation of services that could potentially be shared on a sector-wide or lead authority basis,
 - recommendations on the scope of an ICT Strategy,
 - a single decision mechanism to be established for the sector on management of procurement,
 - revenue collection methods, including efficiency and incentivisation, to be examined.
- A dedicated Programme Management Office to support local authorities with the development and implementation of LGER recommendations including the Shared Services

agenda has been established, with a high-level oversight board to ensure a strong focus on reform across the sector.

- A Sectoral Shared Services Plan has been prepared covering both programme items and major back office items.
- Local authorities have already implemented a considerable degree of shared services arrangements, the Non-Principal Private Residence Charge, the Household Charge, waste permitting, financial management systems, human resources and payroll systems, and procurement.
- Local government has achieved the highest proportionate staff reduction of any sector, with local authority staff numbers having reduced by 8,478 whole time equivalents or 23% from 37,243 in mid-2008 to 28,765 at March 2012, involving savings of €288m.
- There has been significant reduction in senior management grades including 23% in Directors of Service since mid-2008, with an overall reduction of 28% on target.
- A Workforce Planning process is underway to determine optimum local authority organisational and staffing requirements.
- The Government has decided that targeted voluntary redundancy schemes, as agreed under the Public Service Agreement, may be considered if other options such as redeployment have been exhausted.
- A significant process of innovation in local authority organisation and services is under way to maximise efficiency and maintain the highest possible standard of customer service and the DCLG, in partnership with local authorities and other relevant parties, will work to maximise the potential of such initiatives.
- Rationalisation of agencies in the local government sector is being rigorously pursued, involving reduction in the number of agencies from 21 to 12, payroll savings to date of €9.74m and projected staff reductions of 239 or 25%.
- Service Level Agreements (SLAs) will be developed between local government and the Departments responsible for national policy in regard to performance expectations for service delivery.
- A new more robust system of Performance Standards and Monitoring will be introduced in the local government sector with focus on key indicators and emphasis on value for money, comparative performance of local authorities and outcomes rather than outputs. This will be linked to and facilitate the SLAs.
- A Review of Service Indicators is being undertaken which is likely to result in a smaller more focused set of Indicators than the current 46 and a number of high-level Indicators of overall performance.
- Improvements are being made to the external evaluation processes, including in relation to Performance Standards and Indicators.
- Local authorities will prepare annual Service Plans and set targets to be achieved in the delivery of services against each of the Performance Standards.
- Local authority Annual Reports will include a comprehensive review of performance of the Service Plans against Performance Standards by reference to the Performance Indicators.

- Local authorities are giving priority to maintaining the highest possible standard of customer service in the context of substantial reduction in resources, including increased innovation in the delivery of services, for example through area offices and the growing use of online information and service provision and use of use of social media.
- Local authority customer charters will be reviewed where they are more than 3 years old or where significant changes have been made in service provision to ensure continuing improvement in the provision of the optimum level of service to the citizen.
- Local authorities will provide good quality information particularly in relation to local services and how resources are utilised.
- In future, each City and County Council will ensure that it has a dedicated, suitably trained, Customer Service Officer.
- The www.Fixyourstreet.ie website, enabling residents to report problems, is being rolled out on a phased basis with a target of availability nationally by end 2012.

9.1 Local Government Efficiency Implementation

9.1.1 The Local Government Efficiency Review Group carried out an independent review of efficiency options in the local government system. The Report of the Group (July 2010) made 106 recommendations and identified a range of efficiency savings and other revenue options. These involved total savings of €511m (€346m in efficiencies and €165m in improved cost recovery and revenue-raising). An independently-chaired Implementation Group to oversee implementation of the recommendations in the LGER Report was established in 2011. Significant progress has been made in implementing the recommendations in the Review Group Report, with scope to achieve further efficiency gains. Implementation is being driven by the local government sector, through the County and City Managers' Association (CCMA). The resourcing of a Project Management Office and the establishment of oversight and reporting systems to focus on assessment and delivery of measures in January 2012 by the CCMA has enabled the Implementation Group to engage intensively with the sector to assess progress.

9.1.2 The first Report of the LGER Implementation Group was made to the Minister for the Environment, Community and Local Government in March 2012 and was published in July 2012 as part of the overall Reform Programme. The Minister has asked the local government sector that implementation of the efficiency agenda be progressed with all due urgency. The CCMA, in its input to the Report of the Implementation Group, identified total current savings of €830m since 2008, the beginning of the economic crisis. In the period since the preparation of the LGER Report (2010 to end 2012), the savings achieved and projected are reported at €553m. This includes €195.5m attributed to efficiency measures (as opposed to reduction in activity) in the years 2010 and 2011, which represents achievement already of more than half the €346m identified as potential direct efficiency savings in the LGER Report.

9.1.3 The majority of the efficiency savings identified relate to staffing reductions and procurement (€98.1m and €78.8m respectively). The other savings are in the areas of consultancies and professional fees (€10.6m), consolidation of responsibility for hazardous waste controls into particular "lead" authorities (€5m) and shared HR and payroll system (€3m).

9.1.4 The key recommendations of the Implementation Group are that:

- further efficiency opportunities, particularly the identification of outstanding recommendations yet to be addressed within the control of the local government sector be assessed and an implementation programme be put in place quickly;
- proposals be developed, as a matter of urgency, for a mechanism to "quality assure" independently the assessment of the major efficiency measures;
- relevant sectoral and technical/professional experts be consulted as part of the ongoing Workforce Planning exercise in the sector (9.2.10);

- a comprehensive study be carried out, led by the Department of Public Expenditure and Reform (DPER), on grading structures for middle and senior grades across the whole public sector, with benchmarks for the most efficient span of control in these grades;
- an evaluation be carried out to ascertain whether the introduction of a cost effective graduate trainee programme could provide a future stream of talent for local authorities while giving training opportunities to new graduates;
- all services that could potentially be shared on a sector-wide or “lead authority” basis (i.e. grouping a number of local authorities’ services to be delivered by one) should be evaluated;
- the scope of an agreed ICT Strategy should include provision for assessment of whether existing and new customer services should be available via eGovernment channels; cost/benefit evaluation of sharing all infrastructure; standardisation of business applications; pooling expertise at national or lead authority level; evaluation of outsourcing, co-sourcing and open sourcing solutions;
- a single decision mechanism be established by the local authority sector to decide how specific procurement elements will be managed (nationally, locally or by a lead authority) to ensure that shared procurement should be targeted to manage at least 80% of procurement, but with sufficient safeguards to ensure SMEs have the capacity to participate;
- the current methods of revenue collection be examined, together with alternatives, to identify the most efficient methodology for revenue collection, including incentivisation of on time and online payments, and the application of interest and penalty charges in respect of late payments.

9.1.5 Continuing delivery of efficiencies

The LGER Implementation Group recognises the need for modalities to be established to ensure that efficiency gains are embedded for the future, and for these gains to become central to work practices in the sector. Implementation of the LGER is being assisted on a sector-wide basis through the establishment of a Project Management Office. There is a need also to look at how each authority reviews and improves its own efficiency, e.g. through regular business efficiency reviews, and the modalities for doing this will be agreed between the sector and the LGER Implementation Group. This process should cover all services provided by the authority, inform a value for money assessment, examine the cost and performance profile of each service delivered by the authority, measure inputs as well as outputs to help ensure efficient use of resources, and include analysis of the outcomes for the customers of the services provided. As many of the outputs and outcomes of local authority service provision are intangible, new ways of expressing these will be identified to make them more tangible - “what gets measured, gets done”. This improved measurement of efficiency performance will be informed by the Service Level Agreements as they are developed, with measurement assisted by revised Performance Indicators, and will be subject to external verification through the audit processes, benchmarking and the development of case studies of best practice.

9.1.6 Implementation of the Group’s recommendations will proceed as a priority, and further reports of the Implementation Group will assess progress on these specific recommendations and on the continuing implementation of the LGER Report.

9.1.7 Over the next 18 months the sector has been targeted with delivering a further €150m in direct efficiency savings while maintaining existing services.

9.2 Organisational efficiency in local government

Structural efficiency

9.2.1 A number of the LGER recommendations relate to organisational efficiency issues in the local government sector. Structural aspects such as the relationships between county and sub-county authorities and related responsibilities, including particular service divisions and determination of the Annual Rate on Valuation in towns, will be addressed through the measures outlined in Part 3, involving the introduction of a new system of municipal governance within counties, the unification of certain authorities and decisions in relation to LGER recommendations concerning the numbers of city/county managers and joint administrative areas.

Shared services

9.2.2 The pooling of corporate and other service functions will be delivered as part of the roll-out of a number of shared services in the local government sector. In order to maintain services with diminishing resources it is necessary that staff and management in local authorities work together to find efficiencies of operation and share service delivery, where possible. The potential for further shared services is being examined and to this end, a dedicated Programme Management Office (PMO) has been established by local authorities to support the implementation of the Local Government Efficiency Review - in particular shared services initiatives - and to co-ordinate local authorities response to wider Public Service Reform. The PMO is headed by a former county manager and is staffed from existing local authority staffing resources on a secondment basis. A high-level oversight board representative of the local government sector, the DECLG, and independent membership, has also been established to oversee and provide strategic direction to the reform agenda. These governance arrangements are to ensure a strong focus on reform across the sector. Strong programme management and governance are essential to any change programme.

9.2.3 Local authorities have already implemented a considerable degree of shared services arrangements at national, regional and local levels, including those relating to the Non-Principal Private Residence Charge, the Household Charge, waste permitting, financial management systems, human resources and payroll systems, and procurement. To do this they have used various models including: -

- The Local Government Management Agency
- The lead local authority model
- Joint procurement or commissioning of work
- Third party provision - where two or more (and sometimes all) local authorities engage a third party to provide a service on their behalf
- In-sourcing - where one authority has the skills needed by another and shares them.

9.2.4 A Sectoral Shared Services Plan has been prepared and implementation is ongoing. The plan identifies both functional programme items (e.g. public lighting, paid parking) and major back office items (payroll, HR, ICT) that will be progressed through business cases to implementation phase. In all, 30 projects have been identified for shared services or shared procurement. The business cases for these are being prepared, with a target of completion of the first of these in Q3 2012. The sector has prioritised the following projects in particular as having potential for effective savings and efficiencies.

- Shared Payroll
- Transactional HR
- Accounts Payable
- Back Office ICT
- Local Government Portal
- Treasury Management

The Croke Park Agreement, Workforce Planning and other local authority staffing matters

9.2.5 The Second Report of the Implementation Body for the “Croke Park Agreement”, dealing with the 12 month period to end March 2012, was published on 13 June, 2012. The report indicated a very significant reduction in local authority staff numbers which have contributed significantly to the overall reduction in public service numbers since 2008. Local authorities have reduced staff numbers by approximately 6,500 (18.4%) since December 2008, the highest proportionate reduction of any sector, having already reduced 2,000 staff up to December 2008, giving total staff reductions of approximately 8,478 whole time equivalents to date, from 37,243 in mid-2008 to 28,765 at March 2012, a reduction of 23% of the workforce. The end-2012 target for local authority staff reductions has already been exceeded by 1,200 whole-time-equivalents.

9.2.6 The first two reports on sectoral progress showed very significant savings of c€450m. The pay savings were achieved as part of the re-structuring and re-organisation process that has been underway in the sector since 2008 to deal with staff reductions. There were also reductions in overtime and allowances. In local authorities, allowances have been reduced from €85m in 2008 to €61m in 2011 (-30%). It is anticipated that overtime will be reduced from c€120m in 2008 to €53m by end 2012 (-55%).

9.2.7 The DECLG is working closely with local authorities to ensure that key front line posts are filled and services maintained while the overall staff footprint is reduced in line with budgetary and operational requirements. The Croke Park Implementation Body Report highlights some of the key initiatives progressed by local authorities in terms of delivering services as efficiently and effectively as possible and also identifies how local authorities are working with business locally to aid in economic recovery. The information in the main body of the report is supplemented by a detailed report containing the main achievements by each local authority. These details are also available on the websites of the Implementation Body and the DECLG.

9.2.8 There has been a significant reduction in the number Directors of Service across the sector, from 262 in mid-2008 to 203 in March 2012, a reduction of 23%, with a consequential amalgamation in the number of directorates. The Local Government Efficiency Review target is for a total of 190 Director posts and local authorities are on track to achieve this. A significantly higher percentage rate of reduction in senior management grades is envisaged in the counties where authorities are being merged including reduction in the number of city/county manager posts in the areas concerned from 6 to 3. Proportionately, managerial and outdoor staff have reduced the most based on their 2008 baseline (-20%). In real terms, outdoor staff have reduced the most accounting for 35% of the total staff reduction. However, reductions have been seen at all levels and cadres in the sector.

Payroll savings

9.2.9 To enable the sector to continue effectively to manage the combination of reduction and change, a comprehensive workforce study has been undertaken. In particular, it assesses the management requirements of local authorities bearing in mind the potential impacts of shared services and other reform initiatives. Each local authority will prepare a detailed workforce plan outlining how it will implement the report's recommendations. The potential to reach the optimum staffing structures in local authorities as outlined in the workforce plan as soon as possible through the use of appropriate voluntary exit mechanisms will be examined by DECLG in partnership with local authorities and in consultation with the Department of Public Expenditure and Reform.

9.2.10 Despite the contraction in the number of directors and directorates in local authorities, given the importance of the local authority role in economic development and enterprise it is very important that this area be managed and overseen at an appropriate level within each local authority. In this regard, all local authorities have a director with responsibility for, inter alia, enterprise/economic development. As indicated earlier it is proposed that in each local authority that is located in a NSS gateway or NSS hub there would be a dedicated director for enterprise and economic development. This arrangement may be provided by way of a shared service between local authorities in and around the local authority containing the gateway or hub.

9.2.11 The Reorganisation Implementation Groups which have drawn up implementation plans for the local authority unification process in Limerick and Tipperary have undertaken a substantial in-depth examination of organisational and staffing requirements in those areas and the information contained in their Implementation Plans should help to inform organisational planning in the wider local government system. The Department is also working with merging local authorities to identify the optimal staffing and organisational structures as part of the amalgamation process. A significant amount of staff resources is used in administering and providing services in respect of sub-county local authority structures and changes in this regard should yield further staff savings over time (Chapter 6).

9.2.12 Given Ireland's commitment under the EU-IMF programme to reducing the overall size of the public service, the Government has decided that targeted voluntary redundancy schemes, as agreed under the Public Service Agreement, may be considered when other options such as redeployment have been exhausted. In this regard, in order to reach optimum recommended staffing levels, as quickly as possible, consistently across local authorities, targeted redundancy schemes may be required. Importantly, this could also serve to support the merging local authorities, in the event of the redeployment option being exhausted, in the achievement of optimum staffing structures and numbers as part of the unification process.

Terms and conditions

9.2.13 In accordance with the Government decision in respect of Secretaries General, which also applies to city and county managers, the regulations in respect of the superannuation benefits of city and county managers have been amended. Newly appointed city and county managers/chief executives, unless they have already reached pension age, will no longer benefit from immediate payment of pension and lump sum before they reach their preserved pension age; nor will they benefit from notional added years for pension purposes. These are significant changes compared to the exit terms that applied to those previously appointed.

9.2.14 Agreement was reached between the Department of Public Expenditure and Reform and the Public Services Committee of ICTU in November 2011 on standardisation of public service annual and related leave allowances. The Agreement provided that the number of days annual leave to apply in respect of serving personnel and all sectors of the public service would range from a minimum of twenty-two to a maximum of thirty-two days. Under the agreement, serving staff, while they remain in their existing grades, retain the annual leave allowance appropriate to their grade subject to not exceeding the overall ceiling of thirty-two days. The level of annual leave across local authorities varied before the agreement. All county & city managers implemented a maximum of thirty-two days annual leave with effect from April, 2011. The revised arrangements came into effect from the leave year commencing January, 2012. The agreement also provides for the introduction of standardised leave bands for new entrants and promotees which will range from a minimum of twenty-two days to a maximum of thirty days.

9.2.15 The Local Government "Croke Park" Sectoral Plan, contains an action seeking to standardise the working week for indoor staff at 35 hours. The proposal to standardise the working week covers all clerical / administrative, engineering / technical and related grade. Approximately 7,500 (half of the 15,000 staff in this category) would be affected. The matter was referred to the Labour Court which recommended, inter alia, that any staff currently working less than 34 hours move to a 34 hour week (without any compensation) and that all new entrants work a 35 hour week. The increase in the working week will affect 11 local authorities.

9.2.16 As part of the overall public service reform programme, the Department of Public Expenditure and Reform has undertaken a review of sick leave provisions across the public service, including the

local government sector. The Labour Court has made a recommendation in this regard that is being implemented in the local government sector.

Innovation in local authority organisation and services

9.2.17 In order to continue to deliver services efficiently, the local government sector is changing its structures, the way local authorities operate, the way in which services are delivered and the way local authority staff are organised and deployed. At a broad level, this is reflected in the merger of city and county structures in Limerick, Tipperary and Waterford, in which the scope for efficiencies and savings will be maximised, along with significant restructuring at regional and sub-county level as outlined in this statement. Within city and county councils, significant reorganisation and innovation is under way in local government operations, management, staffing and service delivery. The DECLG, in partnership with local authorities and other relevant parties will work to continue the process of innovation in local authority organisation and services.

9.2.18 As already indicated, local authority senior management structures are being significantly downsized to meet the Local Government Efficiency Review target of 190 Directors. Local authorities have also rationalised their operations in terms of back office support services, customer-facing service delivery and the organisation of outdoor works in order to produce the most efficient possible delivery mechanisms. A key element in such initiatives has been flexibility on the part of local authority staff, for example, in terms of the work carried out, the location or base, working patterns and less demarcation between roles e.g. general operative outdoor staff relieving clerical staff in area offices. Examples of important organisational changes which have been implemented include:

- Cavan County Council: Re-organisation of county area structures from six to four, involving a high level of co-operation from outdoor staff with many transfers to new areas and additional travel time to work.
- Clare County Council: Reduced number of Directorates.
- Cork County Council: Change from divisional to functional approach, with resultant economies of scale achieved.
- Fingal County Council: A major realignment of the organisation from an area-based structure to Strategic, Corporate and Operations Divisions. Outdoor depots are being merged and there is a greater emphasis on front line service delivery. The reorganisation has involved nearly 500 staff moves in order to ensure a greater emphasis on front line operational services with simplified external accessibility to the staff engaged in the provision of these services.
- Laois County Council: Rationalisation of water services areas from 3 to 2 and redeployment of machinery yard staff.
- Louth County Council: Major centralisation of the three local authorities in Louth, with reconfiguration and reduction in number of directorates from 7 to 5, redeployment of staff (e.g. from planning to unfinished housing estates), merger of housing services resulting in improved tenancy services, and re-structuring of the fire services.
- Waterford County Council: Major reorganisation of outdoor services resulting in a halving of supervisory staff requirement.

9.2.19 In addition to the major shared services programme, as already outlined, a range of innovative measures are being implemented by local authorities to maximise efficiency and maintain the highest possible standard of customer service. The following are some examples:

- A national procurement shared service resource is in place. Each local authority has a dedicated procurement officer and shared procurements are being progressed on a regional and national basis. All local authorities are part of this procurement reform process and cooperation and coordination with the National Procurement Service is widespread.
- Rationalisation of motor taxation offices, for example in County Wicklow, Dublin City and Waterford County, with greater use of on-line payments.
- Most local authorities have exited the waste collection service, with significant savings, for example, an annualised saving in excess of €2 million by Kildare County Council.
- Outsourcing of various services, for example, internal audit, street cleaning and grass cutting by Louth County Council.
- Deployment of available resources towards other important local objectives, for example, the Louth local authorities have procured and designed two schools on behalf of the Department of Education and Skills, utilising existing staffing resources.
- Various initiatives to improve services within existing resources, including greater emphasis on online services and ICT solutions (including the FixYourStreet.ie. initiative); introduction of Workflow Management Systems by Waterford County Council in respect of its services; extended opening hours e.g. by Westmeath County Council, direct debit payments options introduced by Kilkenny County Council.

9.2.20 The Taoiseach's Public Service Excellence Awards, along with Chambers Ireland Excellence in Local Government Awards, provide showcases for many individual contributions by local authorities in service innovation. There is a need to ensure that local initiatives identified as best practice can be mainstreamed (where applicable) at sectoral level³⁷. In conjunction with the CCMA, the DECLG will develop the approach to innovation including consideration of the appointment of a champion at Director level in the sector to identify best practice in local initiatives and to foster, support and achieve implementation of innovative activities at the sectoral level drawing on local initiatives.

Local government agency rationalisation

9.2.21 In addition to the local authorities, a number of special purpose organisations were established over the years in the wider local government sector to provide various services to, or on behalf of, the local authorities or the DECLG. In the context of the reform and efficiency agenda in the public service generally, the potential for rationalisation and consolidation in relation to these agencies is being rigorously pursued. An agency rationalisation programme in the local government sector was initiated arising from the announcement by the Minister of Finance in Budget 2009 of an initial

³⁷ Draft Sectoral Strategy of the Local Government Sector to Promote Employment and Support Local Enterprise (developed by DECLG, Department of Jobs, Enterprise and Innovation, and the County and City Managers' Association, June 2012)

programme of rationalisation of State Agencies to achieve savings and maximise efficiencies in the State Agency sector. In October 2011, further measures in relation to the local government agency rationalisation programme were announced, by Government. State agency staff numbers are now below target for end-2012.

9.2.22 A once off windfall for the exchequer was achieved by the sale of the headquarter building of the National Building Agency for €2.84m in March 2012. Further non-pay savings have been achieved in areas such as printing and publication with moves to E-publishing, reduced and more focused advertising, better negotiated rates for stationary and supplies, better use of technology with increased use of video conferencing cutting travel costs, better management of facilities and reducing energy costs.

9.2.23 The Local Government (Miscellaneous Provisions) Act 2012, which was enacted in June 2012, will facilitate the Department's agency rationalisation programme under which 21 agencies will be reduced to 11. Key elements of the programme include the following:

- (a) The Local Government Management Services Board and the Local Government Computer Services Board have been merged, initially operationally and now on a statutory basis as the Local Government Management Agency (LGMA). The LGMA will also take on the residual functions of An Chomhairle Leabharlanna, which is being dissolved. The LGMA is financed through a levy on local authorities which reduced from €13.9m in 2008 to €11.4m in 2011 a reduction of €2.5m (18%). A new library unit in the LGMA, that will replace An Comhairle Leabharlanna, will operate with five staff while An Comhairle had a staff complement of eighteen. The dissolution of An Comhairle should result in savings in terms of annual operating costs of the order of €1m and could yield a once-off financial benefit to the Exchequer through disposal of its headquarters in Dublin's south city centre.
- (b) The Fire Services Council's term of office expired on 30 June, 2009. The work of the Council was absorbed into the National Directorate for Fire and Emergency Management within the DECLG.
- (c) The Housing and Sustainable Communities Agency has been established and is operating on an administrative basis. It rationalises the functions of the National Building Agency (NBA), the Affordable Homes Partnership (AHP) and the Centre for Housing Research (CHR). The AHP and the CHR have been closed down and the NBA ceased operating in June 2011.
- (d) The Limerick Regeneration Agencies have dissolved and their functions taken over by a new Office for Regeneration within Limerick City Council. The Regeneration Office has initially been set up with administrative support from Limerick City Council and will report directly to the dual manager/chief executive of the Limerick authorities.
- (e) Comhar (Sustainable Development Council) was discontinued at the end of 2011 and its sustainable development role has been integrated into the work of NESD.
- (f) The Dormant Accounts (Amendment) Act 2012 provides for amendment of existing dormant accounts legislation so as to dissolve the Dormant Accounts Board and transfer the statutory functions of the Board to the Minister for the Environment, Community and Local Government.

- (g) The operations of the Dublin Docklands Development Authority (DDDA) will be wound-up over the next eighteen months. The DDDA's new Board, chaired by the Dublin City Manager, will oversee this process. The transitional period will allow the Authority to progress elements of on-going work and to make the necessary preparations for the migration to new arrangements, to be decided by the Government.

9.2.24 At the end of March 2012, the total staff number employed by State agencies under the aegis of the DECLG was 783 whole time equivalents (WTE), a reduction of 168 WTE (18%) as compared to 951 at end 2008. The payroll savings associated with these staff reductions are estimated to be of the order of €9.74m. The agency rationalisation programme is projected to achieve overall staff reduction of 239, or 25%, from 951 at the end of 2008 to 712 by the end 2015, in line with the DECLG's Employment Control Framework. The agency rationalisation/efficiency agenda will be kept under review, taking the Public Service Reform Plan's recommendations into account, insofar as all agencies under the aegis of the DECLG are concerned.

9.3 Local government performance

9.3.1 Local authorities are important providers of public services in their areas and for many services, are the point of contact for local communities and citizens. It is important, therefore, to ensure that they perform their responsibilities and deliver their services as efficiently and effectively as possible and that their performance in this regard is monitored and reported on in a transparent manner. A key objective of structural, organisational and operational reforms is to enable the level of performance in the local government system to be maximised. Responsibility for achieving maximum effectiveness and efficiency in the delivery of services rests, in the first instance, with the authorities themselves. However, an effective modern system of public administration should incorporate a robust process of standards-setting and quality assurance in relation to local government performance. This involves effective arrangements for specifying expected performance standards and measuring, monitoring and review of performance with responsibilities for both the local authority executive, and for the members in their representational and policy-setting functions along with an appropriate degree of objective assessment and invigilation. In the context of the range of reforms now being implemented it is appropriate to consider the potential to enhance the system of performance setting measurement and assurance in local government.

9.3.2 Evaluation of performance of public bodies is a necessity, to ensure this is to an acceptable standard, and improving over time, and to provide reassurance to the citizen and the community which are paying for the services being provided on their behalf. Important improvements are being made to the external evaluation processes accordingly, including in relation to Performance Standards and Indicators (9.3.4-9.3.8), strengthened audit arrangements and the establishment of a National Oversight and Audit Commission for Local Government (11.4.20-11.4.29).

9.3.3 Heretofore, the delivery of local authority services to the citizen has generally been on the basis of a statement of expectations by Departments as to the role and function of local authorities,

rather than any explicit statement or agreement as to the performance level required and the resources available to the local authority directly or to be provided to it. This approach does not facilitate measurement or review of performance, and can lead to significant variability in delivery to customers of different local authorities. Accordingly, Service Level Agreements (SLAs), or negotiated agreements with a common understanding about the services to be provided, priorities, responsibilities, performance, etc., will be developed between Government Departments or, where appropriate, State agencies and local authorities. These will provide clarity of purpose, identify the levels of performance expected and resources available, along with the relevant responsibilities and expectations necessary to enable the required services. Robust SLAs will facilitate review and oversight of performance. Certain services delivered at local authority level better lend themselves to SLAs, and the roll-out of SLAs will be progressive; in time, it is expected that all appropriate services will be subject to SLAs. These will be developed with individual authorities or with the CCMA and the new Association envisaged for elected members from post-2014 (11.6.3) for the sector as a whole, as appropriate.

9.3.4 Service indicators in local authorities were introduced in 2004 to measure the performance of local authorities across a range of areas, including housing, planning, environment and recreation services. There is currently a suite of 46 agreed service indicators and within this suite of high-level indicators, a further set of sub-indicators (in excess of 190) are reported upon by local authorities and published annually by the Local Government Management Agency in their Service Indicators in Local Authorities Report. The Reports are available on www.lgma.ie.

9.3.5 As part of the Reform Programme, a set of Performance Standards against which local authorities can demonstrate their performance will be put in place, reflected in and developed from SLAs as appropriate. It is also appropriate to develop more robust systems for performance monitoring, with a stronger emphasis on outcomes for the citizen and the community, measured against these Performance Standards, where this is appropriate. Since the focus will be on the performance of the local authorities, the Service Indicators are being reclassified as Performance Indicators which, it is envisaged will represent a significant enhancement on the existing Service Indicators. The Performance Indicator will demonstrate a local authority's overall performance in delivering a particular activity or service and will facilitate evaluating its performance against the Performance Standard for that activity or service.

9.3.6 A Performance Indicator Review Group is being established to undertake a review of the current suite of indicators which is expected to result in a move to more qualitative (quality of service) indicators, aimed at ensuring that the best possible service is provided for the public. A more focused set of Indicators (less than the current 46), and a number of high-level Indicators of overall performance are expected to emerge from this review. In the context of the move to SLAs across the range of local authority services, the Review Group will have the following criteria as part of its Terms of Reference:

- (i) the performance standards are to reflect effective and efficient delivery of services and Government policy;

- (ii) the performance indicators are to be relevant and measurable, and measure the outcomes of policy intervention rather than outputs;
- (iii) the performance standards and indicators are to assist in assessing comparative performance of local authorities, and changes in performance of local authorities;
- (iv) data used must, to the extent possible, be capable of being readily captured by existing systems and maximise the use of existing sets of data being furnished to the Department and other relevant agencies, to avoid duplication and ensure consistency in reporting; and
- (v) adjustment of the list of indicators having regard to the Local Government Efficiency Review Group Report, and the need to focus on key indicators.

9.3.7 Increased emphasis will be placed on identifying customers' expectations and requirements and their experience of service delivery in their local authority. Indicators will also reflect value for money and the cost effective use of resources by local authorities. The reporting of the Performance Indicators will be structured to facilitate comparison across local authorities (clustered by type/size as appropriate), and changes in the performance of individual local authorities over time.

9.3.8 The development of SLAs and associated Performance Standards and linked Performance Indicators will be challenging. Nevertheless, it is planned to report on 2012 performance on the basis of new Performance Indicators. However, if necessary, a process for the finalisation of Performance Standards will be established, to be available in time for local authorities to report on their 2013 performance.

9.3.9 Performance Standards and Performance Indicators will -

- (a) provide local people with more information about what their local authority actually does and on how it is performing, and how this performance is changing over time;
- (b) enable the authority to monitor their progress and assist in the allocation of resources locally and assist Ministers and Departments similarly;
- (c) allow comparative analysis of performance between local authorities, and enable authorities to identify what they need to do in order to raise performance levels to match better performing authorities.

9.3.10 To optimise the benefits of Performance Standards and Performance Indicators, local authorities will prepare annual Service Plans and set targets to be achieved in the delivery of services against each of the Performance Standards. The Service Plans, which will cover each service division in each local authority and will set out the decisions taken in relation to the services and levels of standards to which they are expected to be provided, will be adopted by the elected members as a reserved function. It is intended that these Plans will be updated and approved annually in parallel with the budgetary process. The authorities' Annual Reports will include a comprehensive review of performance of the Service Plans against the Performance Standards by reference to the

Performance Indicators, and will show how -

- (a) targets set at the start of the year have been achieved against Performance Indicators;
- (b) the authority performed compared to other local authorities, especially those of comparable size, and;
- (c) each local authority is improving its level of service year-on-year.

9.3.11 Improving the levels of transparency in this manner is critically important, given the degree of responsibility being devolved to local authorities, and in the context of envisaged greater local discretion in revenue-raising for local service provision (Chapter 10). This will meet the citizen's need to know, and indeed their right to know, the impacts of the decisions local authorities make, the level of services provided, the relative performance in terms of effectiveness and efficiency in service delivery, and the costs of these services.

9.4 Customer service in local government

9.4.1 An ultimate goal of enhancing local authority performance is to ensure the best possible standards and value in customer service. Quality customer service continues to be a foundation of the service provision programme in the local government sector. Local authorities are committed to optimum delivery of their wide range of essential services to the public and to applying the highest standards in all dealings with their customers. Significant improvements in customer service have already been achieved by local authorities, with a renewed focus on putting customer service at the core of everything the sector does, together with an underlying principle of respect, accessibility and equality in the manner in which services are provided. The extent to which local authorities have maintained the standard of services in face of substantial reductions in resources since 2008 represents a significant achievement in terms of efficiency gains and is testimony to the fact that local authorities are giving priority to maintaining the highest possible standard of customer service.

9.4.2 Important customer service initiatives which have already been implemented include the following measures:

- Service Indicators, first reported on in 2004, by which local authorities report on a suite of indicators outlining their performance across a wide area of services (9.3.4).
- Guidelines drawn up by the Local Government Customer Service Group (representative of local authorities, the DECLG, the Office of Local Authority Management and the Institute of Public Administration) issued in 2005 to local authorities on Customer Consultation and the establishment of Customer Complaints procedures. Both guidelines draw on best practice in Ireland and overseas, while the Guidelines on Customer Complaints are based in part on guidance from the Office of the Ombudsman.
- All city and county councils have adopted customer complaints procedures to ensure that best practice, as set out in the Guidelines, is reflected in the complaints systems, including

requirements that matters be investigated by a senior official in the local authority, with an option of making a formal complaint to the office of the Ombudsman.

- The Customer Consultation Guidelines complement existing consultative mechanisms, such as interaction between elected members and the community, and also participation by the community in statutory consultation processes, such as the drawing up of development plans by local authorities. The guidelines deal with specific mechanisms for consulting with the public such as customer surveys, customer panels, and focus groups. They are not prescriptive, but rather illustrative of approaches that are used in local authorities in Ireland and abroad.
- Periodic guidelines published by the Department of Public Expenditure and Reform regarding the preparation of Customer Charters and Action Plans are applicable to local authorities. Key among the core quality customer service principles is a commitment by local authorities to deal with all correspondence/complaints in a timely and courteous manner, providing a substantive reply within the timeframe set out in their individual customer service action plan/customer charter. The guidelines recommend that such action plans/charters should be examined on an ongoing basis to ensure they reflect any changes in the methodology of service provision by local authorities.
- Customer/Citizen Charters are published on local authority websites. There is increasing use of social media as an efficient and accessible way of engaging with citizens, customers, visitors and business.
- Increased innovation in the delivery of services, for example through area offices and the growing use of online information and service provision (Motor Tax Online, NPPR.ie, Household Charge.ie, etc.).

9.4.3 Where local authority customer charters are more than 3 years old, and where significant changes have been made in service provision, e.g. through shared services, on-line delivery of services or by way of multi-media/social media (smartphone apps, Twitter, Facebook, Aertel, etc.), local authorities will be asked to review their Customer Charters order to ensure continuing improvement in the provision of the optimum level of service to the citizen. To assist in this, the Department of Public Expenditure and Reform Guidelines for the Preparation of Customer Charters and Customer Action Plans will be assessed as to whether they need to be adapted to the evolving circumstances of the local government system, and whether and how local authorities should consult with bodies representing consumer interests, such as the National Consumer Agency, when drawing up their revised Charters.

9.4.4 Local authorities provide the public interface between citizens and many public services, and growing customer expectations in an increasingly complex and diverse environment need to be met. To this end, customer charters provide local authorities with an important mechanism to deal with changing demands and to become more flexible and responsive to the needs of their customers. The Customer Charter will be a short, easy to read, accessible document providing a public commitment to

the customer on the level of service they can expect to receive when dealing with their local authority. It will also describe how the commitments and standards set out in the Customer Charter will be delivered and evaluated by the local authority. Developing effective Customer Charters will involve the following steps -

1. Consultation with customers/stakeholders to plan/prioritise services better to give customers what they need and make better use of resources. Consultation also ensures that customers have a voice and role in service planning and delivery and thus help local authorities build better relationships with their customers.
2. Commitment to service standards by publishing a statement that outlines the nature and quality of service which customers can expect from their local authority. These standards will be widely shared, such as with prominent display at the point of service. Good service standards are those set in consultation with customers, and that are “SMART” - Specific, Measurable, Achievable, Relevant and Timebound. An example of a SMART objective is to acknowledge receipt of all written correspondence within 3 working days of receipt and to issue a substantive response with 15 working days.
3. Effective evaluation of performance - it is essential that local authorities rigorously evaluate performance against the service standards set out in their Customer Charters to ensure accountability and facilitate continuous improvement in customer service.
4. Report results through the Annual Report as a means of ensuring accountability to the public and to demonstrate and record improvements in service levels over time. This should provide clear information on: what the service standards/performance indicators are; how performance has been measured (and the results, including details of complaints); whether those standards have been achieved, and what are the next steps in the customer service improvement process.

9.4.5 The Performance Standards and Performance Indicators (9.3 above) will inform and assist in the development of Customer Charters and in monitoring and reporting adherence to the Charters.

Public information

9.4.6 It is proposed that local authorities will provide clearer, meaningful and user friendly information locally to citizens, revenue payers and service users, particularly in relation to local customer service arrangements and how resources are utilised locally. It is envisaged that this might focus particularly on the role of members at the municipal district level (Chapter 6), since the information would be most relevant in relation to services at that level, and the municipal district members would be best positioned to engage with local communities and citizens. Further details, including the format and mode of providing such information, will be considered in the implementation of the reform programme. It is also proposed that, in future, each City and County Council will ensure that it has a dedicated, suitably trained, Customer Service Officer, to deal with complaints, issues or suggestions from users of local authority services.

FixYourStreet

9.4.7 The Programme for Government 2011 includes a commitment to establish a website to assist residents in reporting problems with street lighting, drainage, graffiti, waste collection and road and footpath maintenance in their neighbourhoods, with a guarantee that local officials will respond within two working days. South Dublin County Council developed and piloted the www.FixYourStreet.ie website in August 2011. The national rollout of the system is taking place on a phased basis with a target of end of 2012 for all local authority areas to be live on the website.

9.4.8 FixYourStreet.ie was developed using open source software platform, greatly minimising the cost of developing and hosting the website. The system incorporates interactive mapping, allowing users to locate on an on-line map the precise location of the problem being reported, and upload a photograph or video if desired. The reported issue is then “work flowed” to the relevant local authority staff member and responded to within the agreed two working days deadline. Other features of the system include the following facilities -

- upload of progress updates to inform the person who identified the problem of the target date for attending to or resolving the issue raised; not all problems can be resolved immediately, for example, some tasks such as pruning of trees are only undertaken on a seasonal basis;
- the reported issues and responses are visible to all visitors to the website, with the input from the public subject to moderation prior to publication (to filter objectionable or inappropriate content);
- availability in an Irish language version as www.deisighdoshraid.ie.

9.4.9 The City and County Managers’ Association has nominated South Dublin County Council in the role of ‘lead authority’ for FixYourStreet, which they consider to be part of an ICT Shared Services Delivery Project. South Dublin County Council has committed staffing and other resources to assist other local authorities integrate FixYourStreet.ie into their systems, and is actively engaged in upskilling them to use the project efficiently and effectively. Dublin City Council and Galway County Council went live on FixYourStreet.ie in May 2012 and Fingal County Council followed in September 2012. Local authorities will use Customer Relationship Management systems (CRM) where they currently exist or are being installed to interact with FixYourStreet.ie to keep down overall administrative costs of the project and optimise the service delivered to the public.

9.4.10 From the launch of the South Dublin County Council pilot on August 2nd 2011 to mid-September 2012, in excess of 4,100 reports were recorded and uploaded to the website. The response time to advise the person who raised the problem, and other visitors to the website, is averaging approximately 1 day, well ahead of the 2 day response time set in the Programme for Government.

9.4.11 An important benefit of the approach is the effective use of modern technologies, social networking, web-based collaboration, mobile apps and GIS in an interactive manner with the public. A

further important benefit is the possibility for business opportunities to flow from the initiative. In terms of such opportunities, in support of the open data objective of the project, a partner application programming interface³⁸ has been developed and is currently in use by one third party organisation - branded as www.fixmyarea.ie. Open data releases non personal information to be further used by third parties. Complementary smartphone apps have been developed and are available for download to the mobile phones and tablet computers of the public.

³⁸ A specification intended to be used as an interface by software components to communicate with each other.



Chapter 10 - Local Government Funding

This Chapter outlines the broad approach in relation to future funding of local government, key features of which are as follows:

- An independently chaired Inter-Departmental Expert Group on Property Tax was established to consider the design of a property tax to provide a stable and equitable funding base for the local authority sector in the medium and longer term, incorporating an appropriate element of local authority financial responsibility.
- The Expert Group has reported and the report has been considered by the Government in parallel with the local government reform programme.
- The approach to the Report will be considered by the Government in the context of overall budgetary strategy.
- Necessary detailed work will be undertaken in relation to implementation, including the completion of a database of liable properties and preparation of collection systems.
- While final details of the approach to the property tax will be dealt with in the necessary legislation to implement it, the government decided, on 24 July 2012 that the Revenue Commissioners will be responsible for collection of the tax.
- Consistent with the overall local government reform process, the Government is committed to the introduction of a local property tax (LPT) with provision for an appropriate element of local authority financial responsibility to underpin local democratic decision-making.

10.1 Local Government expenditure and existing funding sources

10.1.1 The main sources of local government funding heretofore are as follows:

- (a) The local government fund (LGF): The LGF is financed from motor tax receipts, income from the household charge and bank interest. Previously there was also an Exchequer contribution, but this was eliminated for 2012 in anticipation of revenue from the household charge, and in due course, the LPT, coming on-stream. LGF has been the mainstay of central government funding of local government. Previously, the legislation established a minimum level of Exchequer funding. This was removed two years ago. Given the demographic and other differences between local authority areas, the relative dependence on LGF grants shows broad variation, ranging between 5% and 38% of individual local authority budgets.
- (b) Motor tax: Revenue reductions resulting from the change to an emissions-based assessment with lower rate levels, along with reductions in the national fleet have reduced motor tax as a consistent funding source. The emission based system, applying both to Motor Tax and to Vehicle Registration Tax (VRT) is currently subject to review.

- (c) Exchequer: Significant reduction in the central funding of local government has been achieved in recent years (in excess of 20% over the last 3 years). Overall, in the period 2008-2012, revenue expenditure has been reduced by €736m (14%) and total staff by 8,250 (22%) across all local authorities.

10.1.2 A breakdown of the main income sources and categories of local authority expenditure based on overall budgets in 2011 is shown in Figures 1 and 2 under. Further details of these expenditure categories and details of the main income sources are set out in Appendix 11.

Figure 1
Local Authority Revenue Sources

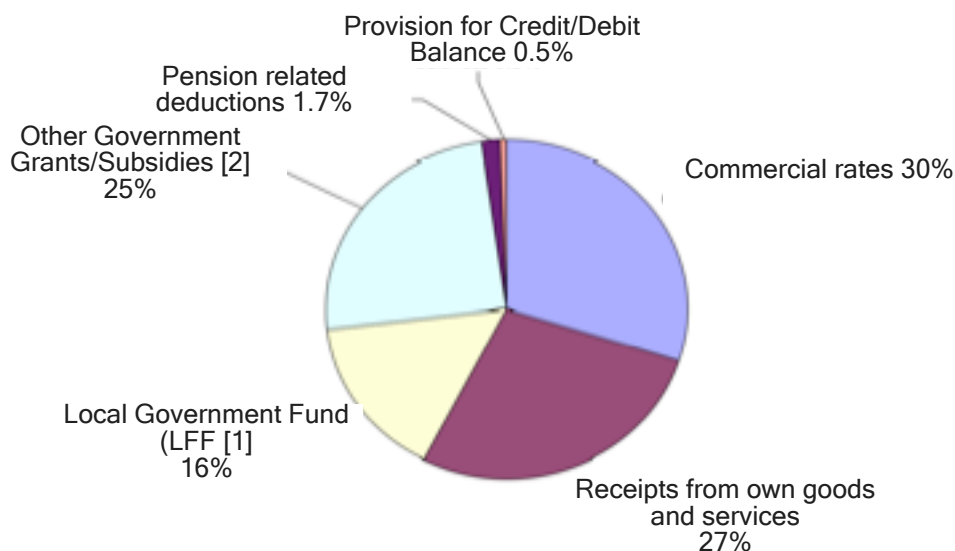
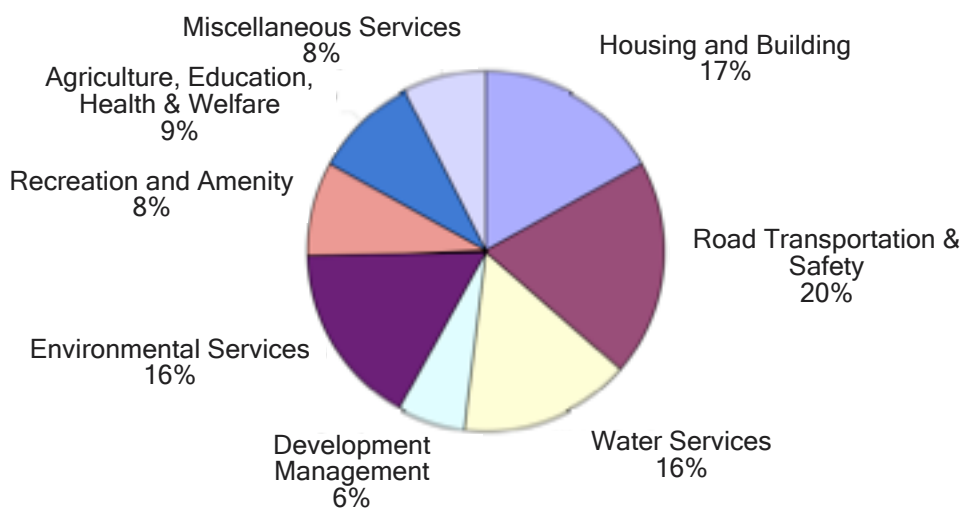


Figure 2
Local Authority Current Expenditure 2011 by Division



10.2 Interim funding arrangements

10.2.1 The EU/IMF Programme of Financial Support for Ireland commits the Government to the introduction of a property tax in 2012. The Programme reflects the need, in the context of the State's overall financial position, to put the funding of locally delivered services on a sound financial footing, improve accountability and better align the cost of providing services with the demand for such services. In light of the complex issues involved, a comprehensive property tax would take time to introduce. Accordingly, to meet the requirements in the EU/IMF Programme, the Government decided to introduce a household charge in 2012. The household charge, introduced in 2012, is an interim measure and will be replaced by an equitable valuation based property tax in due course. The Local Government (Household Charge) Act 2011 provides the legislative basis for the household charge. Under the Act, an owner of a residential property on the liability date of 1 January 2012 is liable to pay the €100 household charge, unless otherwise exempted or entitled to claim a waiver. The household charge is on a self-assessment basis and it is a matter for an owner of a residential property on the liability date to determine if he/she has a liability and, if so, to declare that liability and pay the household charge.

10.2.2 The Local Government Management Agency (LGMA) is administering the household charge system on a shared service/agency basis for all city and county councils. As of 17 August 2012, a total of 1,014,770 property declarations had been processed by the household charge bureau. This comprises 19,537 residential properties registered for a waiver from payment of the charge, with 995,233 registered for payment of the charge, representing payments of over €100.5m. An estimated 6,000 postal declarations received in the household charge bureau have yet to be processed due to outstanding queries, which would equate to a further €600,000. This brings the total number of declarations made to 1,020,770, equating to over €101m of payments.

10.3 Future local government funding arrangements

10.3.1 An independently chaired Inter-Departmental expert Group was established to consider the structures and modalities for a property tax to replace the household charge. The Group comprised representatives at senior official level from the DECLG, the Department of Finance, the Office of the Revenue Commissioners, the Department of Public Expenditure and Reform, the Department of Social Protection and the Department of Communications, Energy and Natural Resources.

10.3.2 The terms of reference of the Group were to consider the design of a property tax for approval by Government that is equitable and informed by previous work and international experience. The property tax is to:

- meet the immediate financial requirements of the EU/IMF programme;
- provide a stable funding base for the local authority sector in the medium and longer terms; incorporating an appropriate element of local authority responsibility subject to any national parameters;

- be collected centrally by the most cost efficient and effective means;
- facilitate easy and/or phased payments by households;
- be easily determined (e.g. on a self assessment basis), and having regard to the information currently available (or to be made available through registrations for the household charge) on residential property and/or house ownership details;
- ensure the maximum degree of fairness between and across both urban and rural areas.

10.3.3 The Group was also required to consider the appropriate arrangements for:

- a robust audit function; and
- strong enforcement and penalty provisions for non-compliance.

10.3.4 The Group completed its report in June and submitted its recommendations to the Minister for the Environment, Community and Local Government. The approach to the Report will be considered in due course by the Government in the context of overall budgetary strategy. Final details of the approach to the property tax will be dealt with in the necessary legislation to implement it. In the intermediate period, possible preparatory work will be considered to support future decision-making including the completion of a database of liable properties and approaches to collection systems.

10.4 Local financial responsibility

10.4.1 The terms of reference of the Property Tax Expert Group included a requirement to consider an element of local government responsibility in relation to the property tax. There is a strong rationale in relation to this requirement. While attention tends to focus primarily on issues such as the adequacy, sustainability and equity of local authority funding, the locus and balance of responsibility for local authority revenue has an important bearing on the quality of local government. In particular, there is a strong relationship between the extent of responsibility for local financing that falls on the elected members of local authorities and the effectiveness of the members' role. If local elected members have relatively little responsibility for raising revenue, their rigorousness in prioritising its allocation, overseeing its efficient use and stewardship and oversight in relation to the performance and management of local authority operations generally, is likely to be diminished.

10.4.2 A local government system lacking sufficient local financial responsibility and discretion tends to lack sufficient in-built disciplines, checks and balances that would help to maximise efficiency and the delivery of best results. This also creates reluctance to enhance the role of local government or to strengthen the powers of its elected members. The relationship between local and central government tends to be characterised by dependency and "lobbying", a situation that has, arguably, developed in Ireland since the late 1970s. The lack of a significant element of local responsibility and decision making capacity in relation to revenue-raising, and accountability to the local electorate in that regard, would seriously detract from the effectiveness of local government. This weakness would apply in the absence of adequate local responsibility even with the adequacy and stability of local government funding being secured through a centrally determined mechanism.

10.4.3 Accountability, particularly in financial terms, is a prerequisite for the exercise of powers in a properly functioning democracy. At local level, this necessitates that where local authorities make decisions in relation to services and the level at which they are provided and the resultant cost, they should also have a significant degree of responsibility and accountability for deciding how the revenue for this purpose is raised. Moreover, the incidence of cost of local services should impact appropriately on those who primarily benefit from them and who elect the councils that make decisions in relation to such services. This is an essential characteristic of effective representational democracy and deficiency in that regard has been a weakness in the Irish system of local government and a factor in the failure to optimise its potential. This weakness in the system of local government has been identified in several reports including the Indecon Report on Local Government Financing in 2005³⁹ and the LGER Report in 2010. Responses to the 2012 consultation process included the need to ensure that property tax goes fully to local authorities, proposals for retention of other revenues, such as a portion of VAT or stamp duty locally, improved revenue collection and power to cancel or reduce a Development Levy scheme to encourage development.

10.4.4 A further relevant point is the fact that the greater the degree of locally-based financial responsibility and self-reliance, the greater scope there is to divest central government of the burden of responsibility for detailed scrutiny and oversight of local authority operations, thus minimising undesirable duplication, with consequent benefits in terms of resources and greater scope for central government to concentrate on matters of national or strategic importance.

10.4.5 The importance of adequate local discretion in relation to revenue-raising is reflected in the local government arrangements of most European States and the principle is enshrined specifically in relevant provisions of the Council of Europe's European Charter of Local Self-Government, to which Ireland is a party. In particular:

"Article 9

1. Local authorities shall be entitled, within national economic policy, to adequate financial resources of their own, of which they may dispose freely within the framework of their powers.
2. Part at least of the financial resources of local authorities shall derive from local taxes and charges of which, within the limits of statute, they have the power to determine the rate."

10.4.6 The Inter-Departmental Group on Property Tax considered international experience in relation to property taxes and recognised the appropriateness of property taxes as a source of local funding. The Group noted also the advantages of property taxes in comparison to taxes on income or economic activity.

³⁹ [Indecon Review of Local Government Financing \(2005\), commissioned by the Minister for the Environment, Heritage and Local Government.](#)

10.4.7 In its recommendations, the Group placed a very strong emphasis on the contribution of a new LPT to the funding of local government. In addition, the Group's report recommended that specific provision be made for a local discretionary element (as a percentage adjustment to the rate being applied) to further underpin local democratic decision-making and resourcing. The Government is committed to the introduction of a local property tax with the foregoing elements and its final approach will reflect the importance of implementing an approach to funding congruent with the overall local government reform process. The failure to deal conclusively with these funding issues has in the past left a major deficiency in local government which will now be addressed. The precise modalities for the introduction of the new property tax will be dealt with in the forthcoming legislation. Final decisions as to the level of and liability to the property tax will have to be determined in the context of the estimated yield and having regard to the public finances and decisions on the Estimates.

10.4.8 The Report of the Commission on Taxation⁴⁰ recommended that own resource income of local authorities should increase to c86% of the total requirement. The current narrow tax base of local government revenue needs to be broadened. There also needs to be improved performance in relation to credit control and debt collection. The LGMA will look for best practice within the local government sector with a view to mainstreaming those systems used by local authorities that have the best debt collection performance. There will be increased cost recovery for services provided as recommended in the report of the Local Government Efficiency Review Group. Revenue sources for local government should be broadly based, stable and service related. Taxes and revenues are better based if they actually relate to what the local authority does.

⁴⁰ Commission on Taxation Report 2009



PART 5

GOOD GOVERNANCE, STRONG LEADERSHIP, DEMOCRATIC ACCOUNTABILITY

Chapter 11 - The Elected Council, Executive, Oversight and Community Engagement

The powers vested in local authorities should be accompanied by a high degree of accountability, effective governance, and mechanisms to ensure adequate consistency and standards of performance. Systems must provide for compliance with national policy and appropriate balance between local objectives and wider strategic/national interests and the common good, and between the policy and leadership role of the elected councils and the implementation role of the executive. This Chapter sets out the approach to strengthening these aspects of the local government system while reinforcing the role and effectiveness of the elected members of local authorities, with particular reference to aspects such as governance, oversight, accountability, policy-development, ethics and citizen/community engagement: -

- The structure, role, membership and operational mechanisms of SPCs will be reviewed and strengthened to enhance their effectiveness.
- A special forum or colloquium of the elected members of the four Dublin local authorities will be convened to consider the options for governance, including the introduction of a directly elected Mayor for a Dublin metropolitan area, which will be put for decision through a plebiscite in 2014.
- A critical review of the possible merger of the Local Government Audit Service and the Office of the Comptroller and Auditor General is being undertaken.
- A National Oversight and Audit Commission for Local Government will be established, involving external evaluation expertise, political and administrative experience, and an independent chair, to provide an independent high quality scrutiny of local government performance in fulfilling national, regional and local mandates.
- The role of the Commission will relate to scrutiny of local authority performance against relevant indicators, implementation of national policy, public service reform and local government efficiency measures, and supporting best practice in local government.
- The Commission will operate partly through Regional Oversight Committees under the aegis of the Regional Assemblies.
- The Regional Committees and the National Commission will report publically and to relevant local authorities, regional assemblies, Ministers and Oireachtas Committees.

- Regulations will be made in relation to local authority audit committees and the Committee's review of the audit report will be included in its annual report to the Council.
- The Local Government Auditor will make a presentation to a meeting of the council, and where requested, to the Corporate Policy Group (CPG), regarding the audit.
- In line with the Programme for Government, the position of local authority manager will be altered to that of Chief Executive; consideration will be given to strengthening the statutory position of the elected council in that context.
- The reserved functions of elected members are being strengthened.
- The provisions of the Local Government Act 2001 will be used to facilitate the merging of the ACCC and AMAI to create a single recognised representative organisation of local councils, which will strengthen their input to national policy.
- A review will be undertaken of training and development provision for councillors.
- Local authorities have been urged to consider meeting "in-house" a greater proportion of the training and development needs of councillors, and induction training for Councillors in 2014 will have particular regard to ethics considerations.
- Funding will be limited further in local authorities for attendance at conferences, seminars, etc, and measures introduced to ensure their relevance to Council business.
- Payments to councillors will be reviewed and reduced ahead of the 2014 elections.
- The local government ethics code will be strengthened, through incorporation into a single national legislative framework across the public sector, in light of the Final Report of the Tribunal of Enquiry into Certain Planning Matters and Payments.
- Having regard to the Tribunal report, powers of councillors under section 140 of the Local Government Act 2001 will no longer apply in respect of planning functions and consistent with this, these powers will not apply to any decision by a local authority involving financial or other benefit to an individual or a specific organisation.
- The potential for more effective mechanisms of citizen/community engagement will be explored, including possible participative democracy methods which could complement local representative democracy.

11.1 The policy development framework in local government

11.1.1 The principal role of the elected council is to determine the policy of the local authority. The statutory basis of this role is set out in section 130 of the Local Government Act 2001 which provides as follows “It is a function of the elected council of a local authority to determine by resolution the policy of the local authority subject to and in accordance with this Act and the other enactments relating to that authority.” Much of the remainder of the 2001 Act and the large body of other legislation relating to local government, is built around that provision, with the primacy of the elected members being expressed in “reserved” functions prescribed in a range of statutes. Responsibility for the execution of policy decisions and day to day administration of the council rests with the manager and staff in the form of “executive” functions, those matters that are not specified in law as reserved to the elected council.

11.1.2 It has been a paradoxical feature of local government in Ireland that elected members often appear not to appreciate and utilise fully the paramount policy-making role that the law has vested in them, tending to focus instead on detailed operational matters and individual cases that may be more appropriate to the executive. This was among the weaknesses in the local government system that the *Better Local Government* programme sought to address. An initiative taken for this purpose was the establishment in 1999 of SPCs to provide Councillors with a framework and opportunity to fulfil to a far greater extent their role as overall policy-makers, and to provide opportunities for partnership with local interests in this regard. Under the Local Government Act 2001, the role of the committees is to consider matters connected with the formulation, development, monitoring and review of policy that relates to the functions of the local authority, and to advise the authorities on these matters.

11.1.3 Membership of SPCs is representative of the elected members and local social partners; a minimum of one-third of their membership is drawn from social partners representing sectors relevant to the work of particular committees (e.g. business, trade union, agricultural, community/voluntary/ disadvantaged or environmental), while the remaining two-thirds of the membership are elected members of the council. Generally, each town local authority nominates one of its members to represent the town interest within the SPC framework. The Chair of an SPC must be a member of a local authority. On average there are between four and five SPCs in county/city councils, with some larger local authorities having a greater number. The Chairs of each SPC, as well as the Cathaoirleach of the county/city council together make up the CPG. The role of the CPG is strategic and it links and co-ordinates the work of the different SPCs. The Cathaoirleach reports to the full Council on work of the CPG, while the Chairs of each SPC report back to their Committee.

Strengthening the structure and role of CPGs and SPCs

11.1.4 Generally, the CPG and SPCs have achieved a measure of success in providing a focus for elected members to input into policy formation, but this needs to be reinforced in order that the role of the Cathaoirleach and members, as leaders of their authority and the local community, can be better delivered. Other than in matters of staffing, the elected members should have a more visible and

effective role in policy setting and in the oversight of the executive actions of the local authority. The extent of changes proposed in the Action Programme, particularly local development/local government alignment, location of the local enterprise role in local government, enhancement of the economic development role of local government, establishment of the new sub-county arrangements, and changes in configuration of senior management structures arising from the workforce planning process, all have potential implications for the system of SPCs and CPGs. Recommendations in that regard have also emerged from the rigorous examination of local authority operations carried out in the context of the current local authority merger processes. Accordingly, the structure, role and operational mechanisms of the SPC will be reviewed and strengthened appropriately in the context of implementation of the reform programme. Options to be considered for development of the SPC system will include the following -

- Reconfiguration and restructuring of the extent, composition and functional remit of SPCs. For example, as indicated in Chapter 3, a dedicated Economic Development SPC is warranted, dealing also with other matters in certain cases.
- The SPCs and the CPG will continue to operate at city and county level with municipal districts retaining the option of establishing Municipal Policy Committees, as is the case with town authorities currently, where these will bring added value. However, where municipal district membership is as low as 6, the rationale for such a committee is doubtful. In order to ensure an adequate geographical spread, representation of each of the municipal authorities within the SPC framework will be required, but depending on size of the Council and number of municipalities, this will not necessarily require each area to be represented on each SPC.
- The effectiveness of the SPC system will be enhanced. There is a need for SPCs to be proactive in setting the policy agenda for the authority, and for the Chairs to be inclusive in communicating with the members of the committee as regards decisions on policy issues by the Council. There will be a need also for efficient and transparent communication between the SPCs and CPG, and all the elected members mediated by the Chair of the CPG. In this regard, all elected members should be furnished with the agenda and papers for CPG and SPC meetings, and draft and final minutes as and when these are circulated. SPCs should also perform a monitoring/oversight role in relation to the implementation of policy with Directors of Service being accountable to the relevant SPC in respect of their programme areas.
- Chairs of SPCs and the CPG will be filled pro-rata, based on the size of the relevant groups within the Council. However, in the event that the Chairs do not discharge their duties satisfactorily⁴¹, provision will be made for the replacement of the Chair, while continuing to respect the expectation that the spread of SPC Chairs reflects the political representational spread of the full Council.
- Persons nominated to the SPCs by groups outside of the local authority need to have a thorough knowledge of the sector which they represent and they will be required to

⁴¹ For example, not keeping the council informed of discussions or agenda matters, not attending meetings, etc.

demonstrate a viable and consistent channel of communication with the groups and sectoral interests they represent.

- Extension of membership of CPGs to include leaders of party or other groupings (where there are not already members by virtue of being chairs of SPCs) to ensure that the strategic guidance of SPCs reflects the political balance of the Council.
- The role of the CPG will be extended from monitoring the work programme of the SPCs to the supervision and oversight of the satisfactory operation of each SPC.
- CPGs will have the function of reviewing the operation of the new municipal district arrangements, including interaction between district and county level, and identifying any improvements needed in arrangements.
- The specific policy responses and initiatives brought forward by SPCs will vary from Council to Council, but the underlying policy options will have a broad similarity across all Councils.
- The LGMA will be given responsibility for facilitating virtual networks of CPG and SPC Chairs across the country, to enable the operational lessons and instances of best practice in governance and in the formulation, development, monitoring and review of policy to be developed.

11.2 Leadership role of local authority chairs

11.2.1 In the interests of stronger governance and a more effective policy role for elected members, it is desirable that the local authority mayors/cathaoirleigh should perform a strong leadership role in relation to the strategic, policy formulation and representational role of the authority. This objective will be supported by proposals in the Action Programme generally and the scope for specific measures in that regard will be pursued in the detailed development and implementation of reform measures, for example in the context of elected members' powers and citizen/community engagement.

11.3 Proposals for a Directly Elected Mayor office

11.3.1 A significant governance proposal which has been raised in recent years is the concept of introducing an office of Directly Elected Mayor, particularly for Dublin. This was the subject of draft legislation which lapsed with the dissolution of the 30th Dáil in early 2011. The Government has considered the potential benefits and other issues associated with this concept and has concluded that there are, in principle, potential benefits associated with the concept. However, certain key requirements would need to be met in order for an office of Directly Elected Mayor, on a par with that which exists in London and other cities, to be established in Dublin. In the June 2012 consultation, 51% of respondents favoured an office of Directly Elected Mayor, citing benefits such as improved accountability, leadership and enhancement of the position of elected members. Of the 39% opposed, negative factors cited included cost, addition of a tier of governance and need for radical local government reform before such an office is created.

Potential benefits

11.3.2 An important potential benefit associated with the office of Directly Elected Mayor, as seen in other countries, is the standing which the officeholder can have to act as a “champion” or “ambassador” for the particular city/region. Direct election would be likely to enhance the status and democratic mandate of the mayoral office, although the value of this factor cannot be precisely quantified. Further potential benefits of a directly elected office are the capacity to exercise a strategic policy formulation role over an area and to exert strong leadership based on a direct democratic mandate. These can help to secure implementation of policies and reforms arising from the Mayor’s election manifesto and bring a more cohesive consistent approach to bear between different local authorities across a metropolitan area. Consequential effects often attributed to an office of Directly Elected Mayor, include improved accountability, greater connectivity between communities and local government and enhanced credibility for the local government system. Directly Elected Mayors have been credited with contributing to the success and prosperity of certain cities, although examples can be cited where their presence failed to prevent serious problems, such as the severe financial difficulties which affected the city of New York in the 1970s.

Requirements for the establishment of an office of Directly Elected Mayor

11.3.3 Experience with the operation of the office of Directly Elected Mayor in other countries indicates that a range of essential conditions and arrangements would be required in the event of the introduction of such an office, particularly the following:

- A Directly Elected Mayor must have substantial functions and related budgetary powers, which can only come from either central or local government. Particular issues in that regard in Ireland are that local government’s range of functions is currently relatively narrow and it has proved difficult to date to achieve a range of functions for devolution from central to local level. The London Directly Elected Mayor, for example, has a large budget and substantial powers and in areas such as police, economic development, major planning applications, transport, health, fire, and waste strategy. However, many of these functions currently lie outside, or largely outside, the local government system in Ireland.
- Related to the latter point, it is essential that the Directly Elected Mayor functions do not duplicate those of local authorities, which was, for example, considered to be a particular problem with the former Greater London Council, especially in terms of friction with the local boroughs. The narrowness of the range of local government functions also makes this condition more difficult to satisfy.
- A key rationale for an office of Directly Elected Mayor would be to exercise a strategic co-ordinating role. Accordingly, a Directly Elected Mayor must have a strategic remit across a regional or metropolitan area. There would be limited benefit in having a directly elected mayor for an individual local authority.
- Experience of Directly Elected Mayors abroad, including London, suggests that a Directly Elected Mayor should be accompanied by an elected assembly which would have a scrutiny and accountability role in relation to the policies and programme of the Mayor with a view to

ensuring adequate “checks and balances” relative to the degree of power concentrated in one individual.

- It is noteworthy that in a number of referenda held in the UK in May 2012 proposals for the introduction of an office of Directly Elected Mayor were rejected in the vast majority of cases and the voter turnout was generally very low.

Conclusions and Issues to be addressed

11.3.4 The introduction of a new office of Mayor for Dublin would be a major and important development. The foregoing considerations indicate that there would be little merit in superimposing an office of Directly Elected Mayor as a further layer of governance in either the existing local government system or indeed as part of the overall reform programme now being delivered. The local authority system would inevitably need to reduce in terms of powers, resources and membership for an office of Directly Elected Mayor to have substance. The staffing of the Office of a Directly Elected Mayor would also have implications for the staffing structures of affected local authorities, with potentially the need for an increased number of staff to support an additional layer of bureaucracy. As a very immediate objective, it is questionable if a time-consuming, resource-demanding and, in the short term, potentially disruptive restructuring process would be warranted, in current economic circumstances or if any additional public office could be justified in the context of consolidation and rationalisation of public service structures.

11.3.5 In this regard, it must be recognised that the previous Government’s proposals in that regard originated before the economic crisis. In any event it is evident that the powers associated with the previous proposal would fall short of some of the requirements set out above. Moreover, developments since that legislation lapsed have further reduced the appropriateness of the functions proposed under it. For example, the establishment of Irish Water means that a power for a Dublin Mayor to make water services strategic plans is no longer appropriate. The “Dublin region” then proposed would not be likely to provide an appropriate context for waste management planning in the future. As outlined in Chapter 8, it is now proposed that regional planning guidelines, which were among the functions envisaged for the Dublin Mayor under the lapsed legislation, will be replaced by Regional Spatial and Economic Strategies to be formulated by new Regional Assemblies in respect of a much wider area. This reflects the reality that, from a spatial and economic perspective, and in terms of other significant influences, the reach of Dublin now extends far beyond the area of the four Dublin local authorities or even the adjacent Mid-East region. In any event, the lapsed legislation would have introduced a Directly Elected Mayor as an additional element of administration without any adjustment of the existing local authority structures and functions, which is not considered sustainable.

11.3.6 Taking account of the need for the introduction of a new office to be beneficial and effective, a pathway would need to be developed to ensure that a Directly Elected Mayor would be a real addition to local governance in Dublin. The key source of strength behind a Directly Elected Mayor is also viewed, even where, as in London, for example, the office is regarded as having a broadly positive impact, as being a double edged factor in terms of exerting a somewhat “dominating” influence

relative to the rest of the country. In Ireland, where the capital accounts for a much higher proportion of the population (and a higher weighting of economic activity) this could be an even greater factor. Related partly to this, the success or otherwise of such an office is likely to depend to a significant extent on the calibre of the incumbent. There are also related questions as to the compatibility of an individual elected executive having significant powers, relative to the powers and responsibilities vested in the corporate entities of the elected local authorities. There is also a likelihood that the model of Directly Elected Mayor which tends to operate in other countries, with a cabinet type administration and personally appointed advisers would tend to diminish the role of elected members more generally.

11.3.7 While the cost of an office of Directly Elected Mayor can be offset partly by reduction in staffing and membership at local authority level, it is unlikely that an additional institutional structure can be administered without some additional net cost or at least, a reduction in the level of savings that would otherwise be achieved in the local government system, for example, through efficiency measures. In London, for example, an additional precept in the region of £300 per household is levied in respect of the Mayor's office in addition to the council tax (which typically ranges from £500 to £2,000 per annum). Any arrangement that would give rise to additional administrative cost or erosion of savings could only be contemplated in the context of improved financial circumstances.

11.3.8 Crucially, the extent of public support for the creation of such an office, particularly at this time, is a very important consideration. Having carefully weighed the potential benefits and other issues, the Government considers that the creation of an office of Directly Elected Mayor, which would achieve the desired effects outlined in preceding paragraphs, would not be feasible as an immediate objective. While there could, in principle, be benefits to be achieved from such an arrangement, the various conditions and requirements outlined above would need to be satisfied. Moreover, it would be difficult to assemble a substantial suite of powers and functions for a Directly Elected Mayor without significant devolution of additional powers to local government. Opinion abroad suggests that two key requirements (for successful devolution or decentralisation of power in the context of creating an office of Directly Elected Mayor) are to ensure that local government has adequate capacity to take on such roles and an adequate lead-in time during which power is released gradually to local level.

11.3.9 However, the Government is committed to developing an approach which provides the pathway to this very significant step in local governance. This pathway must include a number of elements. Firstly, there is a need to engage with the people of Dublin on the question of the Directly Elected Mayor. Secondly, there are timing issues associated with the immediacy of the next local elections in 2014. Thirdly, there is the general objective of enhancing the role and powers of elected members generally and enhancing leadership of councils. Fourthly, the development and design of an effective approach will take some time, taking account of the considerations outlined in relation to international experience, the current organisational arrangements and the need to avoid diversion of attention from the national local government reform process.

11.3.10 Taking account of these four considerations, the Government has decided to take the following approach to address the future of local governance in the Dublin area:

- (a) Having regard to the importance of obtaining the views of the electorate in the Dublin area on this matter, the Government proposes to hold a plebiscite on the question of whether a directly elected Mayor should be introduced.
- (b) In the interim period, work will be undertaken, involving relevant consultation on the options that will be put for decision in a plebiscite.
- (c) Consideration of relevant Mayoral options will be developed through the establishment of a colloquium of the elected representatives of the four Dublin authorities. This forum will allow shape to be put on the range of considerations relevant to developing a fully workable approach and one which is likely to gain support of the relevant electorate.
- (d) It is also envisaged that the proposed colloquium would be convened by the Lord Mayor.
- (e) Irrespective of the decision in relation to the specific issue of an office of Directly Elected Mayor, it is envisaged that proposals will be developed for appropriate metropolitan governance arrangements in Dublin, and consideration will also be given to decision-making to be exercised by the elected members below the plenary Council level, similar to decision-making that will take place at the municipal district level in other counties.

Local government accountability and oversight

11.4 Financial governance framework

11.4.1 The governance framework in relation to financial management and reporting in local authorities is contained within the Local Government Act, 2001 and the Local Government (Financial Procedures and Audit) Regulations 2002. Local authorities are subject to a number of financial reporting requirements. Some of these requirements are statutory while others form part of the DECLG's own general governance processes, the Department of Finance's and the Department of Public Expenditure and Reform's financial oversight function and also specific requirements relating to the EU/IMF support package. Quarterly accruals-based reports submitted by local authorities to the DECLG provide up to date information on capital and revenue income and expenditure, debtors, current and forecast debt repayment commitments, and the local authority contribution to the General Government Balance. The composite information provided by those quarterly reports provides comprehensive sectoral information on an "in-year" basis.

11.4.2 In 2010, in order to enhance its general oversight and governance activities, the Department the Environment, Community and Local Government introduced a process whereby it reviews in detail the financial position of individual local authorities and engages with the authorities to discuss their general financial position and any areas of concern. The annual audit reports and in-year information noted above, inform detailed and regular meetings held between the Department and the county/ city manager, the Head of Finance and other key management personnel of the local authorities.

11.4.3 In addition, Departments of State that provide funding to local authorities on a programme or project basis have their own reporting and accountability arrangements and procedures.

Budgetary process

11.4.4 Having consulted the authority's CPG in the preparation of the draft budget, the manager submits a comprehensive report with the draft annual budget to a formal meeting of the elected Council. While the budget relates to the day to day running of the council's affairs, including the collection of revenues and delivery of services, the accompanying report provides elected members with information on the main financial issues that will be faced by the council in the coming year. Both the budget and manager's report are considered at council meetings before the budget is adopted, with or without amendment. Local authorities are obliged to make their draft and adopted budget available for public inspection and managers are required to submit to the elected council a report indicating proposed capital projects for the following three years⁴². This report must be submitted before the commencement of each local financial year and should have regard to the availability of resources. The elected members at local authority budget meetings, or at another meeting as decided by resolution of the council, consider this report. This allows for a realistic assessment of the position as well as consideration of the measures proposed by the local authority to finance the various capital projects.

11.4.5 Consideration of the financial position of the authority and approval of the budget is among the most important powers of elected members. It provides the basis for resource allocation and key issues at local level such as the setting of commercial rates and other charges. The Government's approach is to seek to enhance the capacity of members to use these powers to the full.

Annual Financial Statement

11.4.6 The local authority accounting year ends on 31 December and every authority is required⁴³ to publish an Annual Financial Statement (AFS) by 1 July of the following year. Significant improvements were introduced in recent years in the way that local authorities report on their financial affairs, including the introduction of an accruals-based system of accounting and an Accounting Code of Practice incorporating a new format for the AFS.

Financial reporting to the elected council

11.4.7 In addition to the annual budget and the AFS, there is provision⁴⁴ for the submission to the elected members of statements on the financial position of a local authority containing such detail and at such intervals, as specified in a resolution of the Council or as required by the CPG. In practice, the manager, by way of regular reporting, keeps the elected members informed of the authority's activities. All local authorities have installed new financial management information systems. In addition to aiding the production of the AFS, these systems also provide the capability to produce enhanced financial management information and reports.

⁴² Sections 103 and 135, respectively, of the Local Government Act, 2001.

⁴³ Section 108 of the Local Government Act, 2001

⁴⁴ Section 105 of the Local Government Act, 2001

11.4.8 The Local Government Act 2001⁴⁵ requires that, following receipt by the local authority of the audited financial statement, auditor's report or auditor's special report, the manager for that local authority shall submit the statement for consideration at the next practicable meeting of the local authority. There is also provision⁴⁶ to allow the relevant auditor, anytime within 3 months of the submission of the audited report, to notify the authority that he/she wishes to speak to the authority about it.

Audit committee requirements

11.4.9 In order to enhance the financial management and audit control systems in local authorities, an audit committee, with both councillor and expert external membership, is now in place in each county and city council in line with the provisions of the Local Government (Business Improvement Districts) Act 2006. The functions of an audit committee are to review financial and budgetary reporting practices and procedures within a local authority, foster the development of best practice in the internal audit function, review auditors' reports and special reports, assess follow-up action by management, assess and promote efficiency and value for money, review risk management systems and make such recommendations to the authority as the committee considers appropriate in respect of such matters.

11.4.10 Audit committees operate under a clear charter. In line with best practice, the committee has majority external membership, with appropriate expertise, and an external chair. The committee is non-executive (i.e. council officials cannot be committee members) and is independent in the determination of its work programme and in formulating any recommendations, taking account of the functions referred to above. The audit committee reports to the council at least annually, and in any event within three months of the end of each calendar year, providing such advice and making such recommendations, if any, to the council as the committee considers appropriate.

11.4.11 Section 5 of the Local Government (Business Improvement Districts) Act 2006 provides for the making of regulations by the Minister for the Environment, Community and Local Government in relation to the membership of audit committees, the holding of meetings, reporting, performance of the functions of an audit committee, etc. This section has not yet been commenced, and therefore Section 122 of the Local Government Act 2001 continues to provide a legal basis for the existence of audit committees.

Local government audit

11.4.12 The Local Government Audit Service (LGAS) provides an independent scrutiny of the financial stewardship of local authorities. Its role is to:

- Carry out audits of local authorities and other bodies in accordance with its Code of Audit Practice, thereby fostering the highest standards of financial stewardship and public accountability;
- Promote the achievement of value for money in authorities by undertaking Value for Money (VFM) audits and publishing reports thereon.

⁴⁵ Section 121

⁴⁶ Section 121(2)

11.4.13 The LGAS provides the independent external audit function to a total of 182 bodies, principally the directly elected councils and associated offices that form the system of local government. Audits are carried out by Local Government Auditors (all professionally qualified accountants) who “are independent in the exercise of their professional functions”⁴⁷. The LGAS ensures a standard audit approach, achieved through audit guidelines covering all aspects of the audit function in line with professional auditing standards. Audits are carried out in accordance with a statutory Code of Audit Practice which embraces best professional practice for the LGAS and provides for:

- The responsibility of the auditor to form an independent audit opinion on the financial statements;
- The discharge of audit responsibilities with integrity, objectivity and independence;
- The exercise of due professional care and impartiality;
- The audit approach which prescribes the way in which auditors should perform their functions in the light of statutory and other responsibilities imposed on them.

11.4.14 Specific requirements to deliver openness and transparency attach to:

- the serving of notices of audit on relevant bodies,
- availability of the books and draft annual financial statements of authorities subject to audit for public inspection prior to audit,
- consideration and determination of any objections received from the public,
- the closing of audits,
- the availability to the public of copies of the audited annual financial statements and any associated audit reports.

11.4.15 At the conclusion of the audit, the auditor must enter an audit opinion on the financial statement which will be either qualified or unqualified. The audit report and opinion is sent to the local authority who must table it for discussion at the next available public meeting of the local authority.

11.4.16 The LGAS also issues an annual Activity Report which summarises the main issues arising in the audits of local authorities and allows comparison across a range of issues. This report is presented to the Oireachtas Committee on Environment, Transport, Culture and the Gaeltacht, as recommended by the LGER.

Critical review of local government audit service

11.4.17 The Public Service Reform Plan identifies the requirement to undertake a critical review of the LGAS as to whether to merge it with the Office of the Comptroller and Auditor General. On foot of this requirement, a Review Group has been established with the following terms of reference:

“To undertake a critical review of the proposal to merge the LGAS and the Office of the Comptroller

⁴⁷ Section 116(2) of the Local Government Act 2001

and Auditor General (C&AG), in accordance with the policy on rationalisation of State agencies set out in the Public Service Reform Plan. The review should have regard to the key issues arising in terms of amalgamating the LGAS and the C&AG, including the following:

- Legal issues
- Governance structures
- Staffing/IR issues
- Shared services
- Efficiencies/financial savings”

11.4.18 The Review Group is independently chaired, and the following are represented:

- DECLG;
- Department of Public Expenditure and Reform;
- Department of Finance;
- Comptroller and Auditor General;
- Local Government Audit Service;
- Local Government expertise.

Enhanced assessment of performance and local government oversight

11.4.19 The Government will introduce a new system of national, regional and local accountability. These changes will address the need for an appropriate system of external scrutiny, evaluation and audit, consistent with the nature of local government as the second tier of government in Ireland.

11.4.20 A consistent theme of the Government’s approach is to assure performance and accountability by the institutions of State and the public service. Elected members are democratically accountable for their performance. Along with local authority management, local elected members must be accountable also for the performance of local government in delivering on national policy at local and regional levels. This performance includes the effective operation of local authorities to serve the citizen and contribute to social and economic well-being.

11.4.21 The Government will establish a new National Oversight and Audit Commission for Local Government. The National Commission, which will operate in part through a regional configuration, will provide an independent high quality scrutiny of local government performance in fulfilling national, regional and local mandates. The Commission will not involve the creation of a new costly bureaucracy. It will have a limited number of members and be supported administratively by the rationalised administration and staffing from the regional authorities and assemblies and the Western Development Commission. Support in relation to its audit role will come from the reorganised local government audit service flowing from the critical review of this under the Public Service Reform plan.

11.4.22 The membership of the National Commission, which will have an independent chair, will comprise members with political as well as administrative experience, but will primarily have external financial, audit or evaluation expertise.

11.4.23 The principal roles of the Commission will be:

- (a) oversight of the translation of national policy as it implemented by local government;
- (b) monitoring and evaluation of the implementation of public service reform and the local government efficiency review;
- (c) supporting the development and enhancement of best practice in the performance of local government functions;
- (d) scrutiny of performance against relevant indicators (including those relating to customer service) and adherence to service level agreements where these apply.

11.4.24 At a practical level, many of the assessments overseen by the National Commission can be managed at the regional level through the empowerment by the Commission of Regional Oversight Committees operating under the aegis of the regional assemblies. Such Committees will consist of a mix of elected members of the regional body, outside experts/interests, and Oireachtas members from constituencies in the region. The outside experts/interests will be drawn from relevant sources such as Chambers of Commerce, accountancy bodies and State or support agencies where their attendance would not infringe on any quasi-judicial role they may have. Initial information necessary to provide a basis for the assessment by the Oversight Committee will be provided by the regional body's own staff, who would undertake relevant research, advice, etc. Reports by the LGAS would be a central element underpinning the role in the area of finance, efficiency and VFM. The assessment of the effectiveness of national policy implementation will also include input from the relevant State agencies, the revised performance indicators, and input from interested parties, with provision for written submissions and oral hearings.

11.4.25 The Regional Oversight Committees will provide reports and input to the National Commission to assist the Commission in discharge of their responsibilities in regard to overall local authority performance, and advice and recommendations for any necessary improvements.

11.4.26 Follow-up to examination by the Regional Oversight Committee will be important, and the Committee will be empowered to publish reports. The Oversight Committee will have power to require local authorities to address specified issues and report back within a specified period on action taken to address issues raised.

11.4.27 The reports of the Regional Oversight Committees and the National Commission for Local Government Oversight will be provided to the Minister for the Environment, Community and Local Government, and to other Ministers in respect of services discharged within their overall policy

responsibility, to the relevant Regional Assembly or Assemblies and the relevant local authorities. The reports will also be provided to the Oireachtas Joint Committee on the Environment, Culture and the Gaeltacht and as appropriate, to other Joint Oireachtas Committees with oversight responsibilities for the relevant policy areas.

Financial Performance

11.4.28 The role of audit has been highlighted as an important and vital element of financial performance and stewardship. Local Government audit must operate and be organised in a way which is supportive of the overall system of local government. With the system of public accountability and audit, there is a need for a local government audit pillar which is robust, effective and rigorous with a standing which is congruent with the new accountability emphasis contained in the Government's local government reform approach.

11.4.29 The establishment of the National Oversight and Audit Commission for Local Government deals conclusively with the deficit of accountability whereby significant State funds are channelled through local government without sufficient accountability at the national level. The operation of the National Commission, comprising appropriate regional configuration, will be underpinned by the operation of the local government audit pillar. This provision of high quality audits and the operation of a strong value for money capacity will be crucial to the support upon which the Commission will depend. The critical review underway will seek to ensure that the development of an operational relationship with the Office of the Comptroller and Auditor General will be pursued in a way consistent with the separation of national and local political structures and systems of accountability contained in this reform paper. This can include appropriate shared services or other joint arrangements which do not infringe on the separation of national parliamentary and local roles. The development of the National Commission, with a discrete audit pillar, will provide a very strong system of external scrutiny and evaluation fully consistent with local democratic accountability.

11.4.30 The annual audit report is an important assessment of the financial performance of the local authority, and there is potential to maximise its use in this regard. Currently, there are provisions for the auditor to notify the authority of his/her intention to speak at a meeting of the authority in regard to the audit, and for the local authority to establish an audit committee and invite the Auditor to attend to clarify issues arising. These provisions will be fully implemented and widened as follows:-

- (a) The role of the **Audit Committee** (11.4.9-11.4.11) will be fully set out in law with the making of the planned Regulations under the Act. Audit committees have been set up on a non-statutory basis to date, with an external majority with appropriate expertise and an external chair, in line with best practice. The relevant statutory provision will now be commenced and regulations in relation to this matter will be made in the light of practical experience with the operation of the audit committees, involving consultation with current audit committees. The audit committee's review of the audit report will be included in its annual report to the Council. Approaches which share best practice across committees, particularly within regions, will be encouraged and suitable training continue to be provided.

- (b) The **Local Government Auditor** will make a presentation to the members of the authority at a meeting of the council, and where requested, to the CPG, on his/ her report for the purposes of assisting the elected members in their role of holding the executive to account. He/she will previously present the report to the audit committee and will be available to answer questions on the audit and the report at the relevant meeting of the Council. Care will be taken in drafting the new provisions to ensure that the presence of the Local Government Auditor at the meeting will not be a basis for the audit report itself, or the conduct of the audit, being held to account, including in relation to any audit opinion, findings or recommendations in regard to the discharge by elected members of their responsibilities - this provision - must be used to assist the members in their governance role vis-à-vis the manager/chief executive and officials. The independence of the audit function will be maintained, as is the position under current legislation. This will be a new element to the way in which auditors engage with authorities and consideration will be given to necessary supports to provide for this.

11.4.31 The opportunity will also be taken to modernise and update other audit provisions, including repealing the provisions for the auditor to apply a surcharge (a penalty for illegal or unfounded payments) or a charge (a penalty for a deficiency or loss arising from negligence or misconduct). These are residual powers from the 1870s and early 1900s respectively, when the auditor exercised a quasi-judicial power. They have been superceded by more comprehensive and modern provision under the ethics code, financial reporting systems and in relation to the Office of the Ombudsman. Revisions to the provision for the making of an objection at audit, open to any member of the public, will enhance the accountability of local government through audit.

11.5 Executive and Council balance

11.5.1 In line with the Programme for Government the position of local authority manager will be altered to that of Chief Executive. This is more in keeping with current usage and better reflects the fact that the primary function of the manager/chief executive position is to implement policy determined by the elected council. The primacy of the elected council within the local government system will be reinforced by various measures to enhance the role of the members set out in this programme, including the proposed functions in relation to financial and performance oversight arrangements outlined at 11.4. In addition, consideration will be given, in the context of the development of reform legislation, to providing stronger and more explicit statutory expression in relation to the duty of the manager/chief executive to comply with policy as set down by the elected council and to strengthen the capacity of the elected council to oversee broadly the business of the authority as overall “directors” of its affairs. The main reason for such a change advanced in responses to the June 2012 consultation was to give members greater powers of oversight and to develop further their policy-making role. Specific suggestions were made to enhance the policy and oversight role of members, including the formulation of a “local authority programme” at the outset of each council’s term.

11.5.2 The range of powers and functions reserved to the elected council is extensive and includes the main policy making, strategic and financial decisions of local government. A list of the functions is set out in Appendix 6. It is evident that, in some instances, elected members do not utilise the powers that are available to them as fully or as effectively as possible. To the extent that this may be attributable to insufficient awareness or appreciation of the nature and extent of such powers, this deficiency will be further addressed in the context of supports for members, which is considered at 11.6. However, the scope for widening the extent of reserved functions of elected members will also be pursued fully and a number of new measures set out in this programme will add some important new functions to the range of powers of elected members, for example, the adoption of economic development plans, service plans, and local and community plans.

11.5.3 One of the fundamental aims of this local government reform programme is to bring decision-making closer to citizens and to create more meaningful and responsive local democracy. It shall be the object of this reform to assert the primacy of the elected members and to rebalance the role of the council in relation to the present position of county manager. It is recognised that in some areas of the local government system, certain administrative decisions should be taken by the executive. Accordingly, in reviewing these powers and functions, the preferred position will be to devolve power to elected members. The scope for further extension of the reserved functions of elected members of local authorities will be fully revised in the context of further development and implementation of the reform programme. In particular, the potential role of the elected council in relation to additional functions being devolved to local government will be maximised. Moreover, the manner in which those functions are stated and structured, including the default provision which grants the manager power to act unless powers are specifically assigned to members, will be addressed. This consideration will have due regard to the reserved and executive legal character of local authorities and the importance of preserving a precise division of functions and maintaining legal certainty with regard to responsibility.

11.5.4 These changes in relation to the executive and the council will be accompanied by appropriate restriction of the applicability of resolutions in relation to planning functions and decisions involving the provision of benefit to individuals or specific groups in the context of ethics as set out at 11.7. This change will further reinforce the appropriate allocation of roles between the council and the executive, the separation of powers between the leadership, oversight and policy element - the elected council - and the implementation element - the executive. It will strengthen the checks and balances within the local government system and the provisions to avoid conflict of interest in the performance of local authority functions.

11.6 Supports and resources for local authority elected members

Local authority members associations

11.6.1 The ability of local elected representatives to deal with central Government is diluted by the current arrangements whereby three separate organisations represent councillor interests. These bodies are:

- The **Association of County and City Councils (ACCC)**, founded in 1899, represents the interests of county and city councils, all of which are members and each of which appoints 3 delegates to the ACCC.
- The **Association of Municipal Authorities (AMAI)**, founded in 1912, is the equivalent association representing the town councils and city councils. Both associations nominate members to the Congress of Local and Regional Authorities of Europe.
- The **Local Authority Members' Association (LAMA)** was founded in 1980 to represent the specific interests of elected members.

11.6.2 The associations are funded by annual contributions from their constituent local authorities. They organise regular meetings, conferences and seminars for elected members on topical local government issues and participate in a training programme for councillors promoted by DECLG. The associations also provide information services to elected members and act as channels of communication and consultation on local government matters between elected members, Ministers and their Departments, but do not necessarily represent a unified view of members to central authority. The AMAI and ACCC are also nominating bodies to the administrative panel for elections to the Seanad, and have the right to nominate members of certain boards.

11.6.3 The enhanced role for councillors and other changes set out in this Action Programme will require councillors to optimise their resources and reorganise their structures so that one strong local government organisation can assist councillors in representing the interests of local government and in advising on the formulation and implementation of policy in its interactions with central government. Thus, the existing provisions of the Local Government Act 2001 (sections 225 and 226) will be used to facilitate the merging of the ACCC and the AMAI, to be fully operational after the local government elections in 2014. If necessary, provision will be made in legislation for there to be only one formally recognised representative organisation of local government councils from that time forward.

11.6.4 Councillors at local level are being given additional powers and functions, and the merger of the ACCC and AMAI into one body will assist councillors in discharging their enhanced policy formulation role and strengthen their input to policy at the national level. A single coherent perspective of policy makers at local level, in discussions with central Government and policy makers in Departments and agencies, will be facilitated by this move. In particular, creation of one body will facilitate the necessary deeper engagement with the County and City Managers' Association.

11.6.5 LAMA represents the specific interest of the elected members in a manner akin to a professional association or a trade union, and accordingly can continue to operate as a separate entity. However, the existing arrangement whereby the costs of running LAMA are partially met through contributions from local authorities (i.e. the taxpayer) will be revised so that elected members make a greater contribution to the cost of running it. The contributions from local authorities will be restricted towards partially defraying the cost of the annual meeting, and any associated conference held in parallel, and the cost of quarterly meetings of the Executive of LAMA.

Councillor training and development programme

11.6.6 Under Guidelines issued by the then Department of the Environment, Heritage and Local Government in early 2010, local authorities are now required to adopt a Training and Development Programme for Councillors. The guidance requires that, inter alia,

- each local authority must adopt an annual training and development programme;
- take into account the conferences of the three local government associations;
- assess need at the beginning of a new local government term for induction courses; and
- consider the possible inclusion of educational courses that would lead to or contribute to qualifications.

11.6.7 Local authorities have been urged to consider meeting “in-house” a greater proportion of the training and development needs of Councillors. In many cases, local authorities themselves are well-placed to meet the training needs of their councillors, given that -

- the authorities already directly provide the training and development required by staff of all levels;
- the authorities best understand the training and development needs of their councillors;
- they have real experience of the various policy-making systems, challenges and issues faced by local authorities across the range of policy areas.

Induction courses for new councillors

11.6.8 The DECLG promotes a centrally organised induction course for newly elected councillors in partnership with the local authority and elected member associations (ACCC, AMAI and LAMA) and the Institute of Public Administration (IPA). The induction course has been based on identified needs of councillors and complements courses provided by local authorities for their own newly elected members. The courses have been organised on a regional basis, and concern the role of members, their main functions, recent local government legislation, ethics and code of conduct for members.

Training for councillors who sit on SPCs

11.6.9 Training is provided to SPC members to enable them to carry out their SPC duties in an efficient, effective and professional manner. The IPA has been involved heretofore, in conjunction with the DECLG and the various stakeholder representative groups, in providing a comprehensive, phased-based training programme for all the key stakeholders of the SPC process.

Review of training

11.6.10 The need for enhanced knowledge and skills on the part of councillors, through training development and education, was the most prominent issue raised in relation to governance in the June 2012 consultation responses. Given the reforms now being implemented, the DECLG will review current training and development provision, with particular reference to facilitating the appropriate provision of induction courses for the 2014 intake of councillors to reflect the changing role of the elected members and to address the need for enhanced training in the areas of ethics and

the prevention of conflicts of interest identified in the Mahon Tribunal of Inquiry Report into Certain Planning Matters and Payments.

Conference attendance

11.6.11 The decision to authorise attendance at conferences is a reserved function of the elected members. Each authority and councillor concerned must conform with both the letter and spirit of the legislation and comprehensive rules relating to attendance at conferences. Regulations issued in 2010 limited expenditure on attendance by elected members at conferences or other events including training events (domestic/foreign), and covered conference fees, travel/subsistence and distance learning costs. Differing limits apply to different classes of authorities, and the maximum expenditure is calculated by reference to the number of councillors on that authority. It has been made clear that this maximum is in no way to be interpreted as conferring on any individual councillors an entitlement to any part of the overall budget, or that the maximum must be spent.

Further limitation on attendance at conferences

11.6.12 Conferences can be organised to generate maximum attendance by councillors and hence conference fees, rather than by reference to the quality or relevance of the conference. It is proposed that the overall maximum expenditure in respect of attendance by councillors at conferences, seminars, training or other meeting or event held outside of the auspices of their own authority will be significantly reduced. Responsibility for assessing the relevance of particular events will rest with the local authority. To help improve the relevance of such conferences, attendance will be limited to conferences organised directly by the representative body resulting from the amalgamation of the ACCC and the AMAI, by the relevant regional assembly, and conferences organised by professional bodies operating in the local government sphere (e.g. planning bodies). There will be a presumption against conferences organised by commercial interests. These new arrangements will be developed to be sufficiently flexible to accommodate necessary training requirements that may arise under the new ethics framework, induction courses following local elections, training for chairs of SPCs, etc. Consideration will be given to the use of video conferencing and also to confining the funding of educational courses to those of particular relevance/identified expertise that would contribute to the councillors' participation in the work of the local authority, SPC, etc.

Financial support framework for councillors

11.6.13 Currently, councillors are in receipt of a number of financial supports, in recognition of their commitment to service to the community and to contribute to defraying the reasonable expenses of discharging their duties. These are as follows⁴⁸:

⁴⁸ The payments at (a) and (b) are subject to reductions for attendance records below set levels.

- (a) a Representational Payment⁴⁹, linked to the basic salary of a Senator and varying depending on the type of council served on;
- (b) an Annual Expenses Allowance designed to defray, in a structured way, reasonable expenses incurred in attending meetings associated with council business, based on distance from home to the council HQ for city and county councils and a lump sum payment for town councils; an indicative range of allowances payable is shown at Appendix 12;
- (c) a Retirement Gratuity based on the amount of the Representational Payment and length of service⁵⁰;
- (d) ad-hoc expenses in respect of travel and subsistence for certain business outside the council area;
- (e) SPC Chairs' Allowance (discretionary, subject to a set maximum of €6,000);
- (f) Cathaoirleach's Allowance and Leas Chathaoirleach's Allowance, determined by the council, for the reasonable expense of the offices;
- (g) membership on other bodies as a councillor representing the nominating council can also attract payments.

11.6.14 Local authorities may also make additional payments (e.g. to defray costs arising from the participation of members at conferences, seminars, training events etc⁵¹, and up to a maximum of €600 to defray phone costs arising from performance of the duties of a councillor).

11.6.15 The structures for and levels of all payments will be reviewed, to reduce overall costs and levels of payments to individual councillors, while having regard to the reformed sub-county structure and regional governance, and the need to ensure sufficient incentive for high-quality representation of the community. A specific element of cost reduction in this context is the need to limit expenditure on attendance at conferences. In addition to the arrangements outlined at 11.6.12 for assessment of the relevance of conferences, it is proposed that each local authority will, subject to maximum thresholds set in law, determine a limit on the overall budget for conferences and that a specific proportion of this will, in turn, be ring-fenced in respect of individual councillors. The review will be completed to provide for the revised payments for councillors elected in 2014, at the latest.

⁴⁹ € 16,724 for a city/county councillor; €8,362 for borough councils, and the town councils of Athlone, Bray, Dundalk, Ennis and Tralee, €4,181 for other rating town councils together with the non-rating town councils of Balbriggan, Droichead Nua, Greystones, Leixlip, Mullingar, Portlaoise and Shannon and €2,282 for all other non-rating town councils.⁵⁰ 4/20 of Representational Payment for service post-May 2000; additional gratuity is payable to certain councillors serving before this. Minimum of €16,700 for a city/county councillor retiring/losing his or her seat after 5 years service, rising to €47,800 for 15 years and €64,300 for 40 years service. Payments to councillors in boroughs and certain large towns would be approximately half the foregoing; other rating towns approximately one third and non-rating towns approximately one sixth.

⁵¹ Local authorities may allow up to a maximum of €4,700 multiplied by the number of members in the case of county/city councils, up to a maximum of €3,000 multiplied by the number of members of borough councils, and the town councils of Athlone, Bray, Dundalk, Ennis and Tralee up to a maximum of €2,000 multiplied by the number of members of other rating town councils together with the non-rating town councils of Balbriggan, Droichead Nua, Greystones, Leixlip, Mullingar, Portlaoise and Shannon and up to a maximum of €1,000 multiplied by the number of members of all other non-rating town councils.

11.7 Ethics in local government

11.7.1 Part 15 of the Local Government Act, 2001 provides for a specific ethics framework for all those involved in the local government service. It imposes a statutory duty on all in the service, both members and employees, to maintain proper standards of integrity, conduct and concern for the public interest, with additional obligations on elected members and senior officials to demonstrate adherence to these standards. The framework, which came into operation in 2003, updated and developed the previous law and took account of the Ethics in Public Office Act 1995.

11.7.2 The purpose of the ethics framework is to support and promote the honesty, impartiality and prioritisation of the common good that must underlie the service of communities by local authorities. An effective and transparent ethics framework is necessary to ensure public confidence in the local government system in relation to the conduct of local affairs. To this end, the framework -

- (a) sets out clearly for members and employees the standards of conduct expected of them, and
- (b) enables compliance with those standards to be demonstrated through annual declarations of interest and withdrawal from proceedings/decision - making where the member or employee has an interest.

11.7.3 The requirements contained in the Act are further developed in Regulations made by the Minister for the Environment, Community and Local Government in 2004. In addition, two codes of conduct, one for members and one for staff, were issued by the Minister in 2004. These codes have been designed to promote the core values underlying the tradition of honesty, impartiality, integrity and serving the common good that is necessary for honest and impartial service to communities by local authorities, and to provide a framework so that all elected members and employees can be seen to act solely in the public interest and within the law. The codes supplement the specific requirements of the Act, forming an integral part of the ethics framework which both the Courts and the Standards in Public Office Commission may have regard to in carrying out their duties.

11.7.4 The conduct of local authority members and employees also comes under the remit of the Standards in Public Office Commission, which oversees compliance with the requirements of the Ethics Acts (i.e. the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001). Complaints may be made to the Commission in relation to a local authority member or employee by any person.

11.7.5 Questions have been raised as to the adequacy and effectiveness of the ethics framework in local government. Over the years, some cases of possible contravention of the local government ethics framework have been dealt with by local authorities and on occasion by the Courts, while others have been referred for further consideration to the Standards in Public Office Commission. There is also a lack of clarity regarding the interface between the local government ethics code and

the requirements of the Standards in Public Office Act 2001 and Ethics in Public Office Act 1995. In addition, the Standards in Public Office Commission has commented on, and made recommendations in relation to, the ethics framework, for instance in relation to the need for protection for whistleblowers reporting in good faith an offence, a breach of ethics legislation or other wrongdoing in relation to a local authority.

Options for change

11.7.6 In the light of the accumulated experience of the operation of the ethics framework, and of the findings of Tribunals of Enquiry, the Government is committed to taking the necessary steps to ensure confidence and transparency in the local government ethics system, so that the highest standards are adhered to and to provide protection to the vast majority of elected members and staff who behave with probity and integrity. It is important that this be done as part of the strengthening of the ethics framework across the public service.

11.7.7 In the assessment of measures to be taken arising from the Final Report of the Tribunal of Enquiry into Certain Planning Matters and Payments, the option of developing a single comprehensive legislative framework in relation to ethics is being pursued by the Government. The Minister for Public Expenditure and Reform has decided to examine how the existing legislative frameworks for ethics could be reformed to develop a single, comprehensive legislative framework across the public service grounded on a clear and comprehensive set of principles. It is intended that this will provide an appropriate framework to address in a coherent way many of the recommendations of the Mahon Report relating to conflicts of interest. In addition to the need to address the Mahon recommendations, the ethics framework is complex, contains many anomalies and needs to be consolidated and updated. The changes would involve rationalising and consolidating the provisions of all of the ethics legislation and all other relevant legislation that impinges on this area to ensure that the integrity framework, to be developed by the Government, will achieve “best-in-class” stature internationally.

11.7.8 The introduction of a uniform code of ethics across the public service, will be a significant improvement on the present ethics framework in local government, which is stand-alone in some respects and linked to the Standards in Public Office Commission in other respects, and will address the problems that have arisen in relation to the operation of the current framework under two separate codes. The Government is committed to ensuring the necessary changes will be brought forward. In the context of local government, this will contribute, along with the other changes in structure and functions proposed, to an enhanced capacity and standing of the local government system to deliver, and be seen to deliver, better governance locally. Suggestions in this context in responses to the June 2012 consultation included the need for better training for councillors, to reinforce standards for councillors, disclosure (e.g. of representations on planning) and public availability of relevant matters (e.g. voting records and contracts).

11.7.9 In addition to the question of a uniform code of ethics, it is proposed to address specifically the recommendation in the Report of the Mahon Tribunal that the use of the procedure set out in

section 140 of the Local Government Act 2001 should be restricted in the case of planning decisions. Following consideration by government of the recommendations of the Tribunal's Final Report, the Minister has indicated his intent to accept in full the recommendations in respect of the section 140 procedure, namely that the powers are no longer to be applicable in respect of planning functions. Furthermore, it is proposed that section 140 resolutions will not apply or extend to any other approval or decision which involves the provision, by a local authority, to an individual or a specific group or organisation, of any service, finance or other form of assistance or benefit, financial or otherwise, and to give effect to this through primary legislation at the earliest available opportunity.

11.7.10 As part of wider ethics framework, the Programme for Government contains a commitment to enact a new consolidated and reformed anti-corruption law to punish white collar crime and end the impunity from consequences for corporate behaviour that threatens the economy. In line with this commitment, the Government has approved the General Scheme of the Criminal Justice (Corruption) Bill 2012 to clarify and strengthen the law criminalising corruption, and replace seven overlapping corruption Acts. The recommendations of the Mahon Tribunal have been taken into account in provisions to be contained in the Bill. The general scheme of the Bill is being referred to the Joint Oireachtas Committee on Justice, Defence and Equality for its consideration prior to formal drafting by the Office of the Parliamentary Counsel to the Government.

11.7.11 A feature of wider engagement with the political and administrative system is that of lobbying. While lobbying in Ireland is different to many other countries, there is the need to ensure transparency in lobbying or similar activity. The Programme for Government contains a commitment to introduce a statutory register of lobbyists and rules governing the conduct of lobbying. The Public Service Reform Programme 2011 contains a further commitment to prepare legislation to meet these objectives through the publication of legislation early in 2013.

11.7.12 The reports of the Mahon and Moriarty Tribunals have highlighted, inter alia, the risk that the legitimacy of the political system might be eroded by the corrosive impact of secrecy and undue influence. The main aim of regulating lobbying activity is, therefore, to strengthen public confidence in politics and in the business of government, to increase the accountability of decision makers and to subject public policy making, and those who seek to influence it, to greater openness and transparency. Proposals in relation to regulation of lobbying are designed to avoid having any adverse impact on normal citizen engagement with the political or administrative system and the fundamental right of any individual to make representations on any issue of interest to them to their elected political representatives. The purpose of lobbying regulation is unequivocally not to restrict the flow of information, opinions, perspectives or proposals feeding into policy making or legislation but rather to bring about greater transparency so that the public at large will know who is seeking to influence whom in respect of what. It is important to note that the international experience of lobbying regulation is such that there is no reason to believe that regulation will make it more difficult to gain legitimate access to the policy-making and decision-making process. The Government has commenced a detailed and informed consultative process to lead to the finalisation of proposals in this area which will be a further reinforcement of the ethical and governance framework.

11.8 The promotion of gender equality in local government

11.8.1 Women are currently underrepresented in local government. In spite of making up half of the population of Ireland, just 19% of the 1,627 councillors elected in 2009 were women - a figure that was unchanged from the 2004 local elections. Women are active in local community organisations and are visible across the wide range of political issues that concern citizens in any given local area in Ireland. However, this participation has not translated into elected politics and is not reflected in the local authority chamber.

11.8.2 For local authorities to truly represent and serve the interests of citizens, this deficit in local democracy must be rectified. Active steps need to be taken to encourage women to stand for election and become members of local authorities. Legislation enacted in 2012 will require political parties to achieve a gender balance in candidate selection at general elections. It can be anticipated that this will lead to an increase in the number of women candidates at local elections, beginning in 2014. One of the intentions in bringing forward this legislation was to trigger a knock-on effect by providing an incentive to political parties voluntarily to apply similar arrangements when selecting local election candidates. There is now a clear responsibility on political parties to follow the lead that has been given.

11.8.3 Candidate selection is identified in international research as one of the challenges that women face in entering politics.⁵² Having selected women candidates, political parties need to build confidence and provide the resources and necessary supports to assist in their election. There are tangible and intangible barriers to women's participation that local authorities will have to address. For example, women are more likely to have responsibility for childcare and authorities will have to make appropriate arrangements to ensure that the way that they conduct their business is more family-friendly and welcoming. This will involve a change in culture. However, specific practical changes can be made, including the timing of meetings and other council business.

11.8.4 The Department of the Environment, Community and Local Government will consider, in consultation with local authorities and their representative bodies, how local authority business practices and supports for councillors could be adjusted or developed with a view to complementing steps taken by political parties and others in promoting and assisting women candidates. Implementation of measures in this regard may include the provision of guidance or other support for local authorities; and the application of new arrangements in a limited number of authorities on a trial basis initially, before applying them to all local authorities in due course.

⁵² Women's Participation in Politics, Houses of the Oireachtas Joint Committee on Justice, Equality and Defence and Women's Rights Second Report, October 2009.

11.9 Citizen engagement and participation in local government and civic/community leadership

Local government and citizen engagement

11.9.1 At the centre of democracy is the participation of citizens in public life and their right to influence the decisions that affect their lives and communities. Open and inclusive policy-making increases public participation, enhances transparency and accountability, and builds civic capacity. By facilitating a better understanding of the views and needs of citizens and society, it also improves the ability of government to deliver the desired quality of public services and policy outcomes. Inclusiveness in public participation is important in ensuring that decision-making takes account of as wide a range of views as possible. To achieve this, public authorities must take reasonable steps to secure the engagement of individuals and groups in the existing representative and consultation mechanisms and in some cases, develop new mechanisms. As part of a revitalisation of local government, the approaches used to ensure engagement by citizens in local authority policy formulation and service design may need to go beyond the range of conventional communication, public consultation and citizen participation mechanisms used in the past. This applies to local government just as it does to central government, and the public participation mechanisms used by the local government system have a vital role to play in how citizens engage in the issues that affect them and their communities. The Taskforce on Active Citizenship⁵³ report in 2007 recognised that Ireland already has quite an extensive range of local government and local and community development structures. Apart from the local electoral/representational process, the work of local authorities has involved extensive interaction with communities. This includes, (in addition to access to information under the Freedom of Information Acts and consultation by local authorities for customer service purposes), for example -

- attendance by the public and the media at local authority meetings, and the availability of minutes of those meetings;
- provision of information on local authority activities, budgets, etc;
- public consultation on a range of specific matters such as proposed bye-laws; proposed development plans and various projects;
- participation by local authorities (elected members and officials) in local development and community bodies;
- powers under the Local Government Act 2001 to enhance local authority engagement with the local community, including by -
 - consulting with local sectoral, community or other groups, or associations,
 - holding information meetings and disseminating information to the public,
 - ascertaining the views of the local community in relation to matters that affect them,
 - organising the carrying-out of research, surveys or studies in the community.

⁵³ The Taskforce on Active Citizenship was set up to consider ways in which people can be encouraged and supported to play active roles as members of their communities and society.

11.9.2 *Better Local Government* sought to strengthen the system of representative democracy at local level by increasing the involvement of local people in a way that would both provide a resource to councillors in carrying out their work and contribute to meeting community needs. Under the SPC system, not less than one-third of the members of those committees are drawn from various sectors relevant to the work of the committees. It was an extension of the partnership model that operated at national level, and facilitated participation in local policy formulation by representatives from the agricultural, business, trade union and community and voluntary sectors.

11.9.3 Community and Voluntary Fora were established in 2000 in each city and county as part of the CDB initiative. The Fora are intended to act as the representative, collective voice of community and voluntary organisations, and facilitate the involvement of community and voluntary organisations in local authority decision-making. They nominate members to various local government structures such as Joint Policing Committees and Strategic Policy Committees. The Fora are also actively involved in providing training and support for people involved in voluntary activity.

Democratic deficit

11.9.4 Notwithstanding these developments, the Taskforce on Active Citizenship found that there was a democratic deficit at local level due to a perceived absence of meaningful opportunities for civic participation in decision-making about local issues. The Taskforce referred to concerns about the ability of communities to influence effectively decisions taken by statutory bodies and the availability of suitable mechanisms to channel civic energy in tackling local needs. Civic engagement can only be sustained if people believe that they can influence decision-making and that their views are taken into account. The Taskforce recommended a major programme of reform, including significant decentralisation of decision-making power and associated reform of revenue-raising capabilities at local level. Proposals elsewhere in this Programme are consistent with this recommendation.

11.9.5 The citizen consultative arrangements and the civic participation structures that are currently in place are not, whether for reasons of lack of awareness, interest, commuting or working patterns, family commitments or otherwise, reaching all sectors within communities. On the other hand, local authorities often feel that the public does not engage to best effect with consultation on strategic policies which set the framework for decision making and only engage at a very late stage when specific decisions are seen to affect the locality.

11.9.6 It is worth noting that the difficulties identified by the Taskforce are not unique to Ireland. The Council of Europe Conference of Ministers responsible for Local and Regional Government has, for many years, recognised the challenge of addressing low levels of public participation in local and regional public life, and States have considered and adopted a range of measures to address it.

Generating increased citizen engagement

11.9.7 There is significant potential for stronger community influence and input into the decision-making processes of local government. As part of a revitalisation of local government, it is clear that the approaches used to ensure engagement by citizens in local authority policy formulation and

service design must go beyond the range of conventional communication, public consultation and citizen participation mechanisms used in the past. The potential benefits from securing greater engagement can include:

- more responsive and effective local authority services; more extensive and diverse input by citizens into decision-making process can provide better information to decision-makers, who will, as a result, be in a position to aim for better outcomes from programmes and services for citizens and society at large;
- greater local authority efficiency, e.g. if local authorities understand better customer needs and can eliminate unnecessary procedures, work practices, processes, etc, while continuing to meet important needs;
- greater public understanding of the difficult decisions facing local authorities; along with increased transparency of, and public confidence in, local authorities;
- increased sense of local identity and civic spirit.

Task Force on the Public Service

11.9.8 In the report of the Task Force on the Public Service, the OECD recognised that, in a changing, more complex, diverse, and educated society, greater focus needs to be placed by the public service on citizens and their expectations, and on formulating policy and targeting delivery of services so as to achieve broader societal goals. A deepened interaction with citizens, including on matters relating to the nature of services provided, is essential to achieving such a focus. It also stated that specific efforts are required to ensure the participation of those in society whose participation is lowest.

New forms of public engagement

11.9.9 As has been outlined in Chapter 6, the municipal districts will constitute the primary representational components of the local government system, with power to decide a range of significant matters and an emphasis on the policy formulation and decision making role of elected members at sub-county level. Representational effectiveness of local government will be enhanced with a system of community-focused, locally accountable governance, configured on the basis of present day demographic realities, with meaningful powers and functions exercised at a level close to local communities.

11.9.10 While the restructuring of local government at sub-county level will improve the proximity of citizens to local government and their ability to engage with it, in light of the OECD and Taskforce views, additional mechanisms for engagement with citizens and communities and encouraging participative democracy, such as participatory budgeting, petition-related rights, plebiscites, and regular town/area meetings, will be explored as potential ways to empower communities by facilitating direct, meaningful contact between councils and the communities they represent. These mechanisms could be deployed on a county or city-wide basis, or could be focused on municipal districts, certain areas, localities or neighbourhoods, depending on the context. Such measures would provide a

means of broadening the range of interaction between a county council or a municipal district council and their citizens.

11.9.11 The new local government structures at district level will create greater opportunities for enhanced community engagement underpinned by democratic representation. In addition, the improved alignment between local government and local development will also bring a new focus on collaborative working for the benefit of communities which, in line with approaches to community programmes, should be underpinned by strong community consultation and planning. The role of Community & Voluntary Fora throughout the country will also be important in this. The Report of the Alignment Steering Group recommends the development of Local and Community Plans for each city/county area. The Plans are to be based on meaningful community involvement, careful needs-analysis, matching resources to identified needs and delivering bespoke solutions for the communities involved. The investment on the part of county/city councils and local development companies in joint planning and consultation will result in the development and implementation of vibrant plans with strong community ownership. The establishment of Socio-Economic Committees and their development of County/City Local and Community Plans, encompassing all state-funded local and community development interventions, will bring an enhanced focus to this area and should be based on meaningful community involvement, as well as careful needs-analysis (11.8.19).

11.9.12 Such improved citizen/community engagement should build on examples of good practice already in operation throughout the country where county/city councils, local development companies and other stakeholders have worked together to plan actions. An ongoing focus on capacity building and change management will be important in order to achieve improved citizen/community engagement. Capacity building will be required across all relevant sectors and should draw on all available resources and guidance on best practice in building local capacity and effective inter-agency working. It will require 'buy-in' at political and Government Department level, as well as across local government, communities, citizens/service users, local development and other stakeholders.

Options in participative democracy

11.9.13 The potential for participative democracy methods to complement and enhance existing consultative mechanisms will be explored. Participative (or participatory) democracy relates to ways in which citizens have ways of influencing the determination of specific issues, including through referenda, discussion fora, committees, consultative procedures, opinion polls and other means of establishing the views of individuals and groups. The following are possible models, based particularly on practice in other countries which can be considered in the context of developing possible participative democracy arrangements:

(a) **Participatory Budgeting**

Participatory budgeting is a fiscal decision-making mechanism which involves citizens in the discussion of municipal budgets and/or the allocation of municipal funding. Residents may identify spending priorities, elect delegates to represent different communities on local

authority budgeting committees, and initiate local community projects. Participatory budgeting could result in a direct, stronger, participative relationship between citizens and local authorities, better public spending decisions, enhanced transparency and accountability, and a greater understanding among citizens of the financial circumstances within which local authorities must operate. States such as Belgium (Region of Brussels Capital) Denmark, Finland and the UK have adopted legislation in relation to participatory budgeting. While some such legislation requires the use of participatory mechanisms, they are not compulsory in other cases and local authorities have discretion on the use of those mechanisms.

(b) **Petition Rights**

Petition rights refer to the opportunity for members of a community to petition their government to address a particular issue. Petitions could be used as a means by which a community raises issues, by, for example, instituting an entitlement to have those issues discussed at council level. For example, a local authority could provide that all appropriate petitions which are actionable by the authority, and are initiated and signed by more than say 500 local government electors of that authority, will be considered at the relevant Strategic Policy Committee. Alternatively, local authorities could, at a point in the year which fits with the authority's budget process, invite petitions concerning proposals which would require expenditure. Those proposals could be considered for inclusion in the authority's budget.

(c) **Plebiscites**

A plebiscite is a direct vote in which an electorate is invited to accept or refuse a proposal. Legally binding plebiscites have been long been provided for in Irish local government legislation, though of limited application, e.g. plebiscites held to bring about a change of place name; and not used frequently. More recently, the Local Government (Business Improvement Districts) Act 2006 provides that a local authority may not approve a BID scheme under that Act unless, inter alia, a ratepayer plebiscite has been held in respect of the scheme and a majority of the ratepayers who vote in the plebiscite vote in favour of its implementation. For direct participation by local government electors, local authorities could use binding or non-binding plebiscites. A non-binding plebiscite could be used for consultation or advisory purposes. In order to ensure that the will of the electorate is adequately captured, a minimum electorate turn-out threshold could be set.

(d) **Town or Area Meetings**

There is a strong tradition in some states of town/area meetings to discuss and decide on certain matters, e.g. in New England, U.S.A. and Switzerland. The population of a geographic area is invited to attend a meeting to vote on a local government matter, to obtain suggestions from the community, or to seek feedback on proposals. Local elected representatives and officials often attend. Such meetings could be held at regular intervals, and could be a useful method to help build community engagement/participation and to strengthen the presence and profile of local government in those areas which have seen greatest development in recent years.

The relationship with local community groups

11.9.14 Section 128 of the Local Government Act 2001 allows for the recognition of local groups by a local authority to promote dialogue between the local authority and the group, to permit assistance to be given, and for the group to work with the council, including by performing non-reserved functions on behalf of the council. The role of organisations such as residents' associations, community councils, local development groups, Tidy Town committees, sporting clubs, parish councils and other local religious groupings, and similar community organisations have a distinct relevance for the community leadership role of local government, particularly as such groupings include many of those citizens most active and committed to their localities. The development of strengthened relationships between local community groups, local development bodies and local authorities would be mutually beneficial, and presents opportunities to utilise skills in the area of participative, community-based socio-economic planning. In many instances local elected representatives are already well connected to community groups. These connections can serve as a valuable foundation for more visible recognition of a range of active community groups and lead to stronger ties.

Challenges of greater citizen engagement

11.9.15 While the above options have undoubted merits, they raise fundamental questions in relation to the respective advantages and disadvantages of representative and participative democracy. It is envisaged that approaches to stimulate greater citizen engagement would complement rather than diminish, compete with, or substitute local representative democracy. The primary responsibility and accountability for decision-making in relation to policy matters within the local authority will remain with the elected council. The role and democratic mandate of the elected councillor would remain unchanged. However, these would be informed and strengthened by more effective community/citizen engagement on the part of local government and increased public participation in local government.

11.9.16 Participative forms of engagement should be regarded as complementary to the range of representational and consultative mechanisms already in place through which local authorities elicit the views of citizens in relation to decision-making. Such new forms of engagement could be deployed at the discretion of local authorities in circumstances that they consider appropriate. Local authority responsibility for managing interaction between councillors and communities in relation to participative measures might be best placed at the level of the relevant municipal district council.

11.9.17 While increased citizen engagement will yield a range of advantages outlined above, it can also give rise to partially offsetting challenges for local authorities, which must be factored into any new citizen engagement mechanisms employed by local authorities, including the following issues -

- the need to develop -
 - appropriate skills to give effect to new methods among officials,
 - a supportive political and administrative culture,

- appropriate, effective and economical means of engagement, including the use of the latest media and technology;
- cost, including the financial cost of providing and administering more extensive citizen engagement (including additional human resources and additional provision of information and communication), and potentially more complex and time-consuming decision-making and feedback mechanisms to those who participated as to the reasons for the final decision;
- ensuring public participation that is balanced between different groups in society; care needs to be taken that participative methods are not captured by unrepresentative, or indeed “vested” interests;
- evaluating and adjudicating on competing differences in opinion between citizens and groups in society, and citizens/groups in society and elected members;
- ensuring confidence is maintained among citizens in relation to how the information generated from the engagement exercised is used, and establishing sufficient openness, transparency and accountability in the subsequent decision-making process;
- increased incidence of “consultation fatigue”.

11.9.18 The foregoing challenges must be factored into the consideration given by a local authority in any case as to the potential contribution and use of citizen participation methods. In addition, participative democratic methods need to be structured with a view to ensuring that the community in question is appropriately supported. For example, in certain circumstances, it may not be sufficient for a local authority to decide to use a particular participative method; it may need to support the use of such method through the availability of education, training, skills development or other assistance that will develop the ability of the community to participate in such exercises and maximise their value to the local authority. The resources required for this purpose will need to be taken into account. Local community and voluntary groups can help, for example, by providing institutional supports, mobilising existing networks and assisting in developing the capacity of citizens and communities to engage in participative community methods. The support of this sector in advancing participatory democratic measures will be particularly important given the resource constraints now impacting on the public service.

Alignment with local development

11.9.19 The enhanced alignment between local development and local government will bring further opportunities for local authorities to develop citizen engagement and participative democracy approaches. Local and community development programmes utilise the ‘bottom-up’ local development approach and the involvement of local authorities, arising from a greater role in the design and oversight of such programmes via new Socio Economic Committees, will bring a new focus to collaborative working. Some local development entities have applied participative local and community development approaches, sometimes in partnership with local government, in the development of programme strategies and the identification of local needs. The development of County/City Local and Community Plans, encompassing all state-funded local and community development interventions, should be based on a detailed needs analysis, matched to available resources and consistent with other local authority plans. Such plans, to be approved by the elected

members, should draw on a new collaboration in local development programming and create opportunities for all involved to enhance engagement with communities.

Proposed approaches

11.9.20 The elected members of local authorities have a key role to play, particularly in the context of the new municipal district system outlined in Chapter 6, in advancing greater citizen engagement and better linkage with local communities. Given the challenges associated with new forms of citizen participation, it is essential that a careful and measured approach is taken in introducing relevant arrangements in local authorities. Accordingly, the DECLG will -

- prepare guidance that will assist the local authorities concerned to employ those methods;
- provide support for local authorities to apply, initially on a trial basis and in selected areas and cases, the participative methods outlined above, working particularly with the local authority members associations and also organisations such as LGMA and CCMA, in piloting, guiding and progressing arrangements.
- on the basis of such trials, the suitability of different participative methods for wider use and need to refine relevant guidance will be assessed.

Other measures to enhance participation in local government

11.9.21 Consideration will also be given to possible measures or initiatives to promote greater participation in local government by particular groups such as young people and women; to promote higher voter turnout at elections; and to increase understanding on the part of the public generally of local government, how it operates and what it does.



PART 6

TAKING MATTERS FORWARD

Chapter 12 - Implementation and Further Development of the Reform Programme

12.1 Implementation arrangements

12.1.1 Specific implementation arrangements will operate for particular elements of the reform programme, such as the alignment of local/community development with local government, shared services arrangements and implementation of the new local property tax. Implementation of the local authority mergers in Limerick and Tipperary is proceeding pursuant to the Implementation Plans produced by the Reorganisation Implementation Groups in each case. As indicated in Chapter 6, a Reorganisation Implementation Group will be established to direct the reorganisation process in Waterford. A statutory local government committee will be established to provide recommendations on the configuration of municipal districts/electoral areas. Implementation of the new sub-county governance arrangements will be a substantial task involving both national and local processes. It is envisaged that a national Implementation Steering Group will be appointed to formulate more detailed aspects of arrangements, set down overall parameters, requirements, targets and guidelines, and oversee the process generally and that local implementation groups will be established in each county concerned to adapt these to local circumstances, identify local requirements and ensure effective delivery of restructuring. Further implementation arrangements can be established where necessary for particular aspects of the programme but the creation of any structures and associated overhead, even on an ad hoc basis, will be kept to an essential minimum.

12.2 Legislation

12.2.1 One of the most substantial areas of implementation work will be the development and enactment of relevant legislation. Comprehensive, wide-ranging and detailed legislation will be required to provide for the range of measures in the reform programme. This will include provision for:

- local authority unification in Limerick, Tipperary and Waterford, which will necessitate provision for the dissolution of existing authorities, the establishment of their successors and detailed, rigorous, provision to address all the arrangements necessary to enable this and all consequential issues arising; and
- wider legislation to provide for all the other policy proposals under the reform programme.

12.3 Further Development

12.3.1 Implementation of the proposals in this Action Programme, aimed at achieving a stronger, more cohesive and efficient system, will proceed as quickly as possible. In keeping with the progressive developmental approach to the local government reform programme, certain details which remain to be definitively determined will be addressed in the detailed development and implementation of the reform programme. It is intended to have all the reform measures in place ahead of the 2014 local elections. However, it is also envisaged that these reforms will provide the platform for further development of the local government system and broadening of its role as part of the ongoing reform of the overall system of public administration in Ireland. By strengthening and updating the structure of the local government system, augmenting local authority functions as much as possible in the short and medium term and rationalising local authority operations, these measures, together the further reform proposals to be brought forward, will form an extensive programme of mutually-reinforcing reform measures which should enable local government to reach its full potential, perform at maximum effectiveness and be well positioned to take on a wider and more influential role in the longer term. All of these measures are aimed at the objective of facilitating an effective system of local government within the broader framework of political renewal and assuring local government's maximum contribution to economic recovery.

12.3.2 The Programme for Government also contains a number of proposals on issues relating to local government functions, for example, matters such as taking in charge of housing estates and carrying out flood risk reports, which fall to be addressed in relevant programme activities rather than in the context of overall reform of the local government system, which is the particular concern of this Action Programme.

Appendix 1

A - Examples of local authority direct role in promoting economic development

- liaison with business on relevant issues and developments including engagement with CEOs of key enterprises on potential to promote further economic activity;
- making available data and analysis on local economic conditions, resources, issues and trends, including provision of information of interest to potential investors;
- marketing and promoting the area as a location for investment, enterprise, economic activity and tourism;
- continued development of facilities such as business parks, incubation units, and tourism attraction projects
- organising or facilitating relevant events or structures;
- extending existing examples of innovative approaches to business support by some local authorities;
- harnessing the strengths generally of local authorities in terms of local knowledge and proximity to local communities to promote/market the area as a location for investment and enterprise;
- supporting research and innovation at a local level;
- assisting businesses in accessing relevant agencies and extension of initiatives taken by some authorities to reduce business costs, for example in relation to water and energy costs, as referenced at 3.1.1.

B - Traditional “mainstream” local government functions relevant to economic development

- providing an effective “one-stop-shop” interface for the needs of businesses and investors, whether at agency assisted (i.e. all firms supported by IDA and Enterprise Ireland, etc), indigenous or micro-enterprise levels, in respect of the full range of local authority services and functions;
- arrangements to engage effectively with local business, relevant local or national agencies and potential investors, with particular emphasis on responding effectively and promptly to major enterprise/investment proposals both in terms of regulatory requirements (for example in the areas of planning and environmental requirements) and acting to support and facilitate such proposals, as appropriate, for example in the context of infrastructure or relevant services such as water or roads;
- proactive measures to enhance the attractiveness and quality of life of cities, towns and their environs as places to live, work, visit and do business, including environmental protection and enhancement, physical improvements, streetscape and village renewal schemes, and development of recreational, cultural, tourist and heritage facilities;

- continued prioritisation of business and employment considerations in setting commercial rates and flexible payment options and arrangements; reduced rates of development contributions or waivers in certain circumstances under revised Development Contribution Guidelines;
- measures to facilitate and support local enterprise (especially SME) engagement in public sector procurement processes and planning and implementation of green public procurement;
- subject to the need to ensure that measures in the *Green Tenders - An Action Plan on Green Public Procurement*, must be no less economic than alternative traditional procurement, local authorities will assist in the implementation of green public procurement;
- providing a consultative mechanism to facilitate economic input to the drafting of the Development Plan and monitoring implementation of the economic components of the plan;
- identification of local infrastructure need (e.g. transport, water), and its planning and provision directly, or support for its provision by other responsible agencies;
- protection of landscape and environmental assets to support tourism;
- a continued commitment, where possible, to reduce or freeze commercial rates and other charges to business;
- rebalancing local development contributions in line with revised Development Contribution Guidelines;
- improving capacity for resource efficiency and waste reduction through the Local Authority Waste Prevention Network and working with business to identify and implement other behavioural changes that reduces their costs;
- improving local quality of life, through heritage protection, support and promotion of the arts, cultural activities etc, all of which are essential to the maintenance of an attractive place to live, visit and do business.

C - local authority leadership, co-ordination and mobilisation of economic development efforts

- promoting and facilitating linkage, networking, partnerships and information sharing between enterprises and sectors (e.g. through Business Users Fora) to identify issues and potential and develop synergy;
- promoting co-ordination among development agencies and with other relevant bodies such as educational institutions, and bringing a local focus to their activities so as to address deficiencies, address problems or capitalise on particular strengths and opportunities in the area;
- identifying any possible gaps in the work of the development agencies and requirements to address them;
- mobilising action to revitalise locations experiencing economic decline, including identification of potential key economic activities to generate growth (for example, through initiatives such as the formulation of an Economic Development and Spatial Implementation Plan in Limerick);
- supporting inter-agency task forces responding to significant issues (e.g. closure of major businesses or development of specific economic initiatives);
- bringing to the attention of central government any issues requiring action at that level.

Appendix 2

County and City Councils - Statistical Profile

County/City	Pop. 2011	Pop. 2006	Current Exp. 2011 (Budgeted) €	Staff ¹ end March 2012	No. Cllrs.
Carlow	54,612	50,349	49,127,325	279.22	21
Cavan	73,183	64,003	63,329,586	391.10	25
Clare	117,196	110,950	109,753,096	758.39	32
Cork	399,802	361,877	309,054,156	2,128.85	48
Donegal	161,137	147,264	153,302,386	915.76	29
Dun L. Rathn.	206,261	194,038	194,970,300	1,054.70	28
Fingal	273,991	239,992	249,026,906	1,351.20	24
Galway	175,124	159,256	144,327,473	779.74	30
Kerry	145,502	139,835	128,747,402	1,138.55	27
Kildare	210,312	186,335	128,199,605	853.90	25
Kilkenny	95,419	87,558	70,756,201	517.18	26
Laois	80,559	67,059	66,524,000	354.72	25
Leitrim	31,798	28,950	39,679,529	267.00	22
Limerick	134,703	124,265	119,656,620	624.25	28
Longford	39,000	34,391	42,268,258	292.01	21
Louth	122,897	111,267	68,207,414	633.91	26
Mayo	130,638	123,839	131,824,449	1,020.50	31
Meath	184,135	162,831	98,273,300	628.97	29
Monaghan	60,483	55,997	60,428,833	394.69	20
Nth Tipperary	70,322	66,023	66,351,761	478.42	21
Offaly	76,687	70,868	61,329,157	392.60	21
Roscommon	64,065	58,768	66,037,559	442.88	26
Sligo	65,393	60,894	56,700,740	475.07	25
South Dublin	265,205	246,935	249,016,297	1213.85	26
Sth Tipperary	88,432	83,221	75,945,620	613.57	26
Waterford	67,063	62,213	70,463,600	459.00	23
Westmeath	86,164	79,346	66,924,028	448.53	23
Wexford	145,320	131,749	107,527,003	737.36	21
Wicklow	136,640	126,194	98,708,178	723.65	24
Cork City	119,230	119,418	196,631,400	1,292.00	31
Dublin City	527,612	506,211	840,168,780	5873.45	52
Galway City	75,529	72,414	85,789,061	437.24	15
Limerick City	57,106	59,790	87,412,175	446.86	17
Waterford City	46,732	45,748	59,503,078	346.10	15
Total	4,588,252	4,239,848	4,415,965,276	28,765	883

¹ Includes town authority staff.

Appendix 3A

Town Councils (Rating) - Statistical Profile

Town council	Pop. 2011 (within boundary)	Pop. 2011 (environs)	Pop. 2011 (total incl. environs)	Current Exp. 2011 (budgeted) €	No. Cllrs.
Clonmel Borough	15,793	2,115	17,908	14,187,054	12
Drogheda Borough	30,393	8,185	38,578	25,123,350	12
Kilkenny Borough	8,711	15,712	24,423	10,480,460	12
Sligo Borough	17,568	1,884	19,452	16,047,656	12
Wexford Borough	19,913	159	20,072	8,915,035	12
Arklow	12,770	239	13,009	4,709,513	9
Athlone	15,558	4,595	20,153	10,202,743	9
Athy	9,587	339	9,926	4,137,154	9
Ballina	10,361	725	11,086	5,349,290	9
Ballinasloe	6,449	210	6,659	3,593,062	9
Birr	4,428	1,394	5,822	2,062,535	9
Bray	26,852	5,020	31,872	11,544,859	12
Buncrana	3,452	3,387	6,839	2,928,173	9
Bundoran	1,781	359	2,140	1,967,271	9
Carlow	13,698	9,332	23,030	7,897,787	9
Carrick-on-Suir	5,886	45	5,931	4,169,084	9
Carrickmacross	1,978	2,947	4,925	2,056,103	9
Cashel	2,275	1,776	4,051	2,598,774	9
Castlebar	10,826	1,492	12,318	5,861,519	9
Castleblayney	1,752	1,882	3,634	1,475,671	9
Cavan	3,649	6,556	10,205	3,323,616	9
Clonakilty	4,000	721	4,721	1,885,280	9
Clones	1,491	270	1,761	1,136,676	9
Cobh	6,500	5,847	12,347	2,266,540	9
Dundalk	31,149	6,667	37,816	26,028,634	12
Dungarvan	7,991	1,436	9,427	4,999,079	9
Ennis	20,180	5,180	25,360	9,091,197	9
Enniscorthy	2,842	7,996	10,838	4,132,357	9
Fermoy	2,223	4,266	6,489	2,411,196	9
Kells	2,208	3,680	5,888	1,968,680	9
Killarney	12,740	1,479	14,219	10,642,245	9
Kilrush	2,539	156	2,695	1,387,843	9
Kinsale	2,198	2,695	4,893	1,955,975	9

Town	Pop. 2011	Pop. 2011 (environs)	Pop. 2011 (total incl. environs)	Current Exp. 2011 (Budgeted) €	No. Cllrs.
Letterkenny	15,387	4,201	19,588	5,349,980	9
Listowel	4,205	627	4,832	2,697,715	9
Longford	8,002	1,599	9,601	5,218,986	9
Macroom	3,738	141	3,879	1,658,490	9
Mallow	8,578	3,027	11,605	3,916,016	9
Midleton	3,733	8,268	12,001	2,403,604	9
Monaghan	6,637	815	7,452	5,222,411	9
Naas	20,713	0	20,713	8,063,630	9
Navan	28,158	401	28,559	5,049,156	9
Nenagh	8,023	416	8,439	4,139,707	9
New Ross	4,533	3,618	8,151	3,452,804	9
Skibbereen	2,568	102	2,670	1,350,107	9
Templemore	1,941	130	2,071	1,319,500	9
Thurles	6,929	1,004	7,933	3,895,500	9
Tipperary	4,322	988	5,310	3,855,805	9
Tralee	20,814	2,879	23,693	15,425,788	12
Trim	1,441	6,827	8,268	1,654,187	9
Tullamore	11,346	3,015	14,361	4,623,521	9
Westport	5,543	520	6,063	4,764,789	9
Wicklow	6,761	3,595	10,356	4,207,862	9
Youghal	6,990	804	7,794	3,238,819	9
Sub-Total	500,103	151,723	651,826	308,044,788	510

Appendix 3B

Town Councils (non-rating former Town Commissioners)

Town council	Pop. 2011 (within boundary)	Pop. 2011 (environs)	Pop. 2011 (total incl. environs)	Current Exp. 2011 (Budgeted) €	No. Cllrs.
Ardee	4,544	373	4,917	152,584	9
Balbriggan	19,932	28	19,960	228,000	9
Ballybay	298	1,163	1,461	36,294	9
Ballyshannon	1,855	648	2,503	130,700	9
Bandon	1,917	4,723	6,640	43,000	9
Bantry	3,348	0	3,348	41,174	9
Belturbet	1,378	29	1,407	40,825	9
Boyle	1,459	1,129	2,588	29,477	9
Cootehill	1,592	531	2,123	68,600	9
Droichead Nua	17,127	4,434	21,561	208,780	9
Edenderry	6,490	487	6,977	65,012	9
Gorey	3,463	5,651	9,114	145,850	9
Granard	1,021	0	1,021	50,025	9
Greystones	10,173	7,295	17,468	86,842	9
Kilkee	1,037	102	1,139	79,196	9
Leixlip	15,452	0	15,452	355,725	9
Lismore	732	637	1,369	24,535	9
Loughrea	5,062	0	5,062	84,920	9
Mountmellick	2,998	1,737	4,735	57,265	9
Muinbheag	2,775	175	2,950	53,055	9
Mullingar	9,414	10,689	20,103	132,154	9
Passage West	5,122	668	5,790	54,103	9
Portlaoise	3,639	16,506	20,145	97,525	9
Shannon	9,673	0	9,673	149,500	9
Tramore	9,722	606	10,328	60,970	9
Tuam	3,348	4,894	8,242	180,280	9
Sub-Total	143,571	62,505	206,076	2,656,391	234
Town Councils Overall Total	643,674	214,228	857,902	310,701,179	744

Appendix 4

Local authority current expenditure by service division 2000-2011

€m

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Service Division 1 - Housing and Building	380.5	462.3	516.3	474.9	490.2	517.1	573.0	659.0	766.0	713.8	698.3	773.3
Service Division 2 - Road Transportation and Safety	769.5	870.5	917.3	981.7	1,003.0	1,050.1	1,200.7	1,261.1	1,122.8	907.3	924.7	878.5
Service Division 3 - Water Services	271.0	307.3	346.1	381.5	442.2	479.9	568.6	645.6	699.1	705.5	678.0	709.8
Service Division 4 - Development Management	107.6	134.0	154.7	167.8	199.5	210.1	223.5	250.5	332.6	301.9	270.0	282.9
Service Division 5 - Environmental Services	399.8	480.7	565.5	597.5	654.9	711.1	758.7	796.2	842.6	788.9	714.9	748.8
Service Division 6 - Recreation and Amenity	205.5	234.8	252.1	262.4	286.0	311.7	342.0	377.9	431.3	399.5	364.3	383.8
Service Division 7 - Agriculture, Education, Health and Welfare	135.7	149.9	172.1	194.8	244.4	262.8	285.9	313.1	340.4	404.8	438.4	426.5
Service Division 8 - Miscellaneous Services	134.7	173.7	211.6	224.0	234.2	240.8	265.5	273.0	308.5	369.1	415.5	344.3
Total	2,404.3	2,813.2	3,135.7	3,234.4	3,554.5	3,783.6	4,217.6	4,576.4	4,843.3	4,590.8	4,504.1	4,547.9

Appendix 5

Funding of Local Development Companies²

Programme	2009	2010	2011	2012 ³
Rural Development Programme LEADER (DECLG)	€20.9m	€44.3m	€47.5m	€96.8m
Local and Community Development Programme (DECLG)	€73.4m	€67.5m	€62.4m	€54.9m
Rural Recreation Schemes (DECLG)	€3.8m ⁴	€4.4m	€2.9m	€2.7m
Rural Social Scheme (Dept. of Social Protection)	€48.3m	€46m	€45.15m	€45.7m
Tús (Dept. of Social Protection)	n/a	n/a	€11.8m	€84m

² Does not include data relating to local development bodies other than the 51 Local Development Companies

³ Amount allocated in 2012 Revised Estimates Volume

⁴ Encompasses expenditure under the Local Development Social Inclusion Programme and the Community Development Programme, which were superseded by the Local and Community Development Programme in 2010

Appendix 6

Reserved Functions⁵ of Local Authority Elected Members

Financial Matters and General Corporate Affairs

Local Authority Reserved Functions	Assign to Municipal Districts ⁶
Budgeting functions (i.e. in relation to the district in accordance with local authority financial arrangements)	✓
Decisions relating to charges for certain services provided by a local authority under specific enabling powers e.g., parking control bye-laws (ticket fees; release fees; parking permits); control of skips (license fee); and casual trading bye-laws (fees).	✓
Extending the period of permitted absence for councillors (section 18 of Local Government Act 2001)	✓
Adopting a proposal to alter the number of members of certain local authorities (section 22 of Local Government Act 2001)	
Adopting or reverting to the title "Cathaoirleach" and "Leas-Chathaoirleach" or the title "Mayor" and "Deputy Mayor" (section 32 of and Schedule 8 to Local Government Act 2001)	✓
The removal of the Cathaoirleach or Leas-Chathaoirleach from office (section 34 of Local Government Act 2001)	✓
Making, amending or revoking standing orders; deciding on days and times of meetings and fixing regular schedule of meetings by resolution or by standing orders; deciding to hold a special meeting; making additional arrangements for giving public notice of meetings; making rules for ensuring the fair and equitable appointment of members to other bodies (Section 44, Part 6 and Schedule 10, Paragraphs 1, 2, 3, 8, 16 & 19 of the Local Government Act 2001)	✓
Deciding to meet "in committee" for whole or part of a meeting because of the special nature of an item of business or for other special reasons and where it is considered such action is not contrary to the overall public interest (section 45 of Local Government Act 2001)	✓
Establishing a committee, to advise the authority on matters connected with its functions; the delegation of certain functions to committees and appointment of members (councillors and non councillors) to a committee (Part 7 of Local Government Act 2001)	✓

⁵ This list includes some proposed new reserved functions. References (e.g. in the context of legislation) to "local authority" or "local authority functions" should be read as applying to municipal districts since reserved functions to be performed at that level will be dealt with on a devolved basis.

⁶ The items ticked provide an indicative list of potential functions to be considered for assignment to municipal district level.

Local Authority Reserved Functions	Assign to Municipal Districts ⁶
Establishing a Municipal Policy Committee, to advise the authority on matters connected with its functions; the delegation of certain functions to committees and appointment of members (councillors and non councillors) to a committee (section 49 of Local Government Act 2001)	✓
Establishing a committee(s) to advise the authority on matters within its remit and delegate certain functions (section 51 of the local Government Act 2001)	✓
Establishing a joint committee of 2 or more local authorities to consider and advise on specified matters; the delegation of certain functions and appointment of members (councillors and non councillors) to a joint committee (section 52 of Local Government Act 2001)	✓
Deciding to confer a civic honour on a person (section 74 of Local Government Act 2001)	✓
Deciding to enter into twinning arrangements (section 75 of Local Government Act 2001)	✓
Deciding to incur reasonable expenditure for receptions/entertainment expenses (section 76 of Local Government Act 2001)	✓
Entering into an agreement with another local or public authority for the discharge by one of the authorities concerned of the functions of the other (section 85 of Local Government Act 2001) (Limited to agreements at District level in relation to functions of members at that level)	✓
The demanding (however expressed) under any enactment of the whole or a part of the expenses of a local authority or of a joint body from any other local authority (see sections 100, 101 of and schedule 14 to Local Government Act 2001)	
Authorising the incurring of additional expenditure and adopting a scheme for that purpose (section 104 of Local Government Act 2001)	
Requiring the preparation and submission to the council of financial statements (section 105 of Local Government Act 2001)	
Borrowing money or lending of money to another local authority (section 106 of Local Government Act 2001)	
Establishing a community fund to support community initiatives (section 109 of Local Government Act 2001)	✓
Adopting a scheme for the making of an annual contribution by households towards a specified community initiative(s) (section 110 of Local Government Act 2001)	✓
Making of rules under section 127 of Local Government Act 2001 as to arrangements for the attendance and raising of issues by interested persons at meetings of the authority or of its committees	✓
Express provisions for the overall policy making role of councillors (section 130 of the Local Government Act 2001)	✓
Directing that a second legal opinion be obtained regarding the exercise and performance of a reserved function (section 132 of Local Government Act 2001)	✓

Local Authority Reserved Functions	Assign to Municipal Districts ⁶
Resolving to extend a direction by Cathaoirleach of a city/county council to a manager under section 133 of Local Government Act 2001 to refrain from doing a particular act	
Approving the corporate plan with or without amendment (section 134 of Local Government Act 2001)	
Deciding on when a report on the capital programme is to be considered, if not at the budget meeting (section 135 of Local Government Act 2001)	
Requiring a manager to submit plans, specifications and an estimate of costs of any particular works specified in a resolution (section 137 of Local Government Act 2001)	✓
Directing a manager to inform the council of the manner in which he or she proposes to perform any specified executive function (section 138 of Local Government Act 2001)	✓
Directing that works should not proceed (section 139 of Local Government Act 2001) (In respect of works within the municipal district subject to provision for the overall county council to have the ultimate decision)	✓
Requiring a manager to do or effect a particular act specifically mentioned in a resolution which the manager or local authority concerned can lawfully do or effect, etc (section 140 of Local Government Act 2001) (In respect of matters within the municipal district subject to provision for the overall county council to have the ultimate decision)	✓
Requesting a report from councillors regarding the activities of bodies to which they are appointed by the local authority (section 141 of Local Government Act 2001)	✓
Authorising representation by councillors at seminars, conferences, etc (section 142 of Local Government Act 2001)	✓
Deciding to pay and determination of amount of reasonable allowance for Cathaoirleach or Leas-Chathaoirleach (section 143 of Local Government Act 2001)	
Appointing or removal of a manager by a county council or city council (section 145 and 146 of Local Government Act 2001)	
Resolving that disposal of land held by a local authority should be carried out in accordance with terms of resolution, or that it should not be carried out (section 183 of Local Government Act 2001)	
General power to make bye-laws (section 199 of the Local Government Act 2001)	✓
Adopting the annual report (section 221 of Local Government Act 2001) (Involving approving material in respect of the district for incorporation in a consolidated report for the county and districts)	✓
Deciding to hold or to cease to hold membership of an association of local authorities (section 225 of Local Government Act 2001)	
Approving the transfer of functions of joint burial board to local authority (section 230 of Local Government Act 2001)	

Local Authority Reserved Functions	Assign to Municipal Districts ⁶
Determining procedure at any meeting of a local authority or joint body (Schedule 14 to Local Government Act 2001)	✓
Appointing, whether by way of nomination or election, of a person to be a member of a public authority (schedule 14 to Local Government Act 2001)	
Electing a Cathaoirleach or a Leas-Chathaoirleach of a local authority by that authority or of a chairperson of a joint body (Schedule 14 to Local Government Act 2001)	✓
Making, amending or revoking of a bye-law by a local authority under any enactment where the relevant provisions do not provide that it is a reserved function (Schedule 14 to Local Government Act 2001)	✓
Making or revoking of an order or the passing or rescinding of a resolution by virtue of which an enactment is brought into operation in or is made to apply to the functional area or a part of such area of a local authority, the application to be made to any Minister in respect of the making or revoking of any such order (Schedule 14 to Local Government Act 2001)	✓
Deciding to pay certain expenses to non-members of a local authority for attendance at committees or joint committees (Article 9 of Local Government (Expenses of Local Authority Members) Regulations, 1993, SI No. 391 of 1993 (in respect of committee meetings at municipal district level)	✓
Making a scheme for waiver of rates and determination of classes of relevant property for which rates may be payable by instalments (sections 2 and 4 of Local Government (Rates) Act 1970)	
Making of boundary alteration proposal, making statement of response, amending boundary proposal following statement of response, deciding to apply for boundary alteration, town requesting own county to apply for boundary alteration into another county (sections 29 and 30 of Local Government Act 1991 and SI No 37 of 1993)	
Nominating a person to be a candidate at an election for the office of President of Ireland (section 16 of Presidential Elections Act 1993)	
Adoption of economic development plan	
Adoption of annual service plan	

Housing

Local Authority Reserved Functions	Assign to Municipal Districts
Adopting a tenant purchase scheme (section 90 of the Housing Act 1966 as substituted by section 26 of the Housing (Miscellaneous Provisions) Act 1992)	
Making an agreement between authorities to enable an authority to perform its housing functions outside its functional area (section 109 of Housing Act 1966)	
Entering into agreement between a county council and certain town councils that the county council will be responsible for management of some or all of town council's houses (section 20 of Housing Act 1988)	
Determining terms and conditions under which a housing authority may provide assistance to other housing authorities and approved bodies (section 6 of Housing (Miscellaneous Provisions) Act 1992)	
Transferring, selling or assignment of mortgages, unless it is the subject of a direction by the Minister (section 14 of Housing (Miscellaneous Provisions) Act 1992)	
Adopting a traveller accommodation programme or amending or replacing such a programme and making of an appointment to a local traveller consultative committee (sections 7, 14 and 22 of Housing (Traveller Accommodation) Act 1998)	
Making and amending a scheme of allocation of priorities for affordable houses sold under Part V of Planning and Development Act 2000 (section 98 of Planning and Development Act 2000)	
Making and amending a scheme of allocation priorities for affordable houses sold under the 1999 affordable housing scheme (section 8 of Housing (Miscellaneous Provisions) Act 2002)	
Adopting a housing services plan (section 14 of the Housing (Miscellaneous Provisions) Act 2009)	✓
Adopting an anti social behaviour strategy (section 35 of the Housing (Miscellaneous Provisions) Act 2009)	✓
Adopting a Homelessness Action Plan (section 40 of the Housing (Miscellaneous Provisions) Act 2009)	✓
Adoption of a proposal to designate an apartment complex for tenant purchase (section 53 of the Housing (Miscellaneous Provisions) Act 2009)	✓
Designation of an apartment complex for tenant purchase (section 55 of the Housing (Miscellaneous Provisions) Act 2009)	✓
Decision to extend the selling period (section 56 of the Housing (Miscellaneous Provisions) Act 2009)	✓

Roads and Road Traffic

Local Authority Reserved Functions	Assign to Municipal Districts
Functions of a road authority re abandonment of railway line (section 21 of Transport Act 1950)	
Making representations to the Garda Commissioner and the Minister for Transport in relation to certain proposed bye-laws to be made by the Commissioner under the Road Traffic Acts (section 6 of Road Traffic Act 1961) ⁷	✓
Making representations to the Minister to revoke or amend an order made by the Minister closing particular roads to vehicles (section 94 of Road Traffic Act 1961)	✓
Making of arrangements in relation to school wardens (section 96 of Road Traffic Act 1961 and SI No 37 of 1993)	✓
Entering into agency agreement with another authority to carry out functions re traffic wardens (section 7 of Local Authorities (Traffic Wardens) Act 1975 and SI No 37 of 1993)	✓
Making an agreement with the Commissioners for Public Works to transfer responsibility for a canal bridge, to a road authority (section 16 of Canals Act 1986) (Insofar as local roads are concerned)	✓
Declaring a public road and consideration of objections or representations (section 11 of Roads Act 1993 as amended by section 180 of the Planning and Development Act 2000).	✓
Abandoning a public road and consideration of objections or representations etc (section 12 of Roads Act 1993).	✓
Making representations to NRA re a proposed national road alignment (section 22 of Roads Act 1993)	
Making or revoking a toll scheme in relation to a regional or local road and the making of representations to the NRA on a toll scheme relating to a national road (sections 57 and 60 of Roads Act 1993 as amended by sections 271 and 273 of Planning and Development Act 2000)	
Making of toll bye-laws in relation to a regional or local road (section 61 of Roads Act 1993 as amended by section 274 of Planning and Development Act 2000)	
Entering into an agreement for financing, maintenance, construction and operation of toll roads on a regional or local road (section 63 of Roads Act 1993 as amended by section 275 of Planning and Development Act 2000)	
Making of bye-laws to regulate and control skips on public roads and consideration of objections or representations (section 72 of Roads Act 1993)	✓
Making of an order to provide for the extinguishment of a public right of way and the consideration of objections or representations, etc (section 73 of Roads Act 1993)	✓
Making of bye-laws specifying speed limits on certain roads (sections 45 and 46 of Road Traffic Act 1961 as substituted by sections 32 and 33 of Road Traffic Act 1994) (Insofar as local roads are concerned)	✓

⁷ To be replaced by provisions in Road Traffic Act 2002; to apply on commencement.

Local Authority Reserved Functions	Assign to Municipal Districts
Specifying the places in which vehicles may be parked either indefinitely or for any period not exceeding a specified period subject to regulations to be made by Minister (section 36 of Road Traffic Act 1994)	✓
Making of bye-laws for the control and regulation of the parking of vehicles in specified places on public roads and the consideration of observations or representations and the making of a resolution to indicate the manner in which parking fees shall be disposed of (section 36 of Road Traffic Act 1994)	✓
Deciding to provide or remove prescribed traffic calming measures and the consideration of observations or representations in relation to such proposals (section 38 of Road Traffic Act 1994)	✓
Declaring or extending or altering of a taximeter area and the determination of maximum fares for hire of taxis and wheelchair accessible taxis (Road Traffic (Public Service Vehicles) (Amendment) Regulations, 1995 SI 136 of 1995 as amended by Road Traffic (Public Services Vehicles) (Amendment) (No. 3) Regulations 2000 SI 367 of 2000) ⁸	✓
Making of bye-laws in relation to stands for taxis (section 15 of the Road Traffic Act 2002)	✓
Approving an annual programme of expenditure and works in relation to local roads. (Covering expenditure/works in relation to items such as surface dressing, maintenance, road restoration/reconstruction, bridge maintenance, general maintenance, general improvement, public lighting, traffic management, traffic maintenance/improvement, remedial/engineering measures, publicity/road safety, wardens, on/off-street parking, etc.)	✓

⁸ To be replaced by provisions in Taxi Regulation Act 2003 to apply on commencement

Planning and Development

Local Authority Reserved Functions	Assign to Municipal Districts
Making of a development plan and making etc. of a variation of a plan in force (sections 9, 12 and 13 of Planning and Development Act 2000)	
Deciding to make or amend, etc. a local area plan (section 20 of Planning and Development Act 2000 as amended by section 9 of Planning and Development (Amendment) Act 2002) (Subject to requirement of consistency with county development plan and right of “call in” for full county council)	✓
Requiring the granting of permission for the development of land which would contravene materially the development plan (section 34 of Planning and Development Act 2000)	
Revoking or modifying a planning permission to develop land (section 44 of Planning and Development Act 2000)	
Making or amending etc. a development contribution scheme (section 48 of Planning and Development Act 2000)	
Amending a supplementary development contribution scheme (section 49 of Planning and Development Act 2000)	
Adding to or deleting from record of protected structures (section 54 of Planning and Development Act 2000)	✓
Approving, etc. a special planning control scheme (sections 85 and 86 of Planning and Development Act 2000)	
Making, subject to variations and modifications or deciding not to make a draft planning scheme (section 169 of Planning and Development Act 2000).	
Amending or revoking a planning scheme (section 171 of Planning and Development Act 2000).	
Deciding to vary, modify or not to proceed with proposals regarding local authority own development (section 179 of Planning and Development Act 2000)	
Making of a special amenity area order (section 202 of Planning and Development Act 2000) (Subject to right of “call in” for full county council if necessary)	✓
Making, etc of a landscape conservation area order (section 204 of Planning and Development Act 2000) (Subject to right of “call in” for full county council if necessary)	✓
Making, etc. a tree preservation order (section 205 of Planning and Development Act 2000)	✓
Making, etc., an order for the creation of a public right of way (section 207 of Planning and Development Act 2000).	✓
Varying, modifying or deciding not to proceed with a proposal for the holding of an event by a local authority (section 238 of Planning and Development Act 2000) (Subject to right of “call in” for full county council if necessary)	✓

Local Authority Reserved Functions	Assign to Municipal Districts
Making etc of an agreement between two or more planning authorities for sharing the cost of performing functions under Act (section 244 of Planning and Development Act 2000)	
Deciding the manner in which weekly list of planning applications shall be made available to councillors (article 27 of Planning and Development Regulations 2001, SI No. 600 of 2001)	
Deciding the manner in which weekly list of planning decisions shall be made available to councillors (article 32 of Planning and Development Regulations 2001, SI No. 600 of 2001)	

Environmental Services and Protection

Local Authority Reserved Functions	Assign to Municipal Districts
Formulating a proposal to take a supply of water from a source of water (section 2 of Water Supplies Act 1942)	
Examining and considering a drainage scheme sent to a county council by the Commissioners of Public Works and providing observations on the scheme to the Commissioners (section 5 of Arterial Drainage Act 1945)	
Considering reports on coast erosion, and declaring that the promotion of a coast protection scheme is expedient; considering reports of the Commissioners of Public Works on the feasibility of preparing and executing a coast protection scheme, and declaring whether or not such a scheme would be prepared and executed; making a declaration whether or not a coast protection scheme is to be proceeded with or revoking such a declaration (sections 2, 5, 8 and 10 of Coast Protection Act 1963)	
Making of an agreement by a fire authority to provide services for or avail of the services of any body or person other than a fire authority and the making of agreements between fire authorities (section 10 of Fire Services Act 1981)	
Making and revision of fire and emergency operations plans (section 26 of Fire Services Act 1981)	
Making of a financial contribution by a local authority for research, surveys, investigation or educational programmes relating to air pollution (section 18 of Air Pollution Act 1987)	
Making, etc. of a special control area order to prevent or limit air pollution (section 39 of Air Pollution Act 1987)	
Entering into an agreement with the Environmental Protection Agency to carry out a function or service on behalf of the Agency (section 45 of Environmental Protection Agency Act 1992)	
Making, etc. of an air quality management plan (section 46 of Air Pollution Act 1987 as amended by section 102 of Environmental Protection Agency Act 1992)	
Making of contribution towards person engaging in water pollution research (section 29 of Local Government (Water Pollution) Act 1977 and SI No 37 of 1993)	
Making of bye-laws re control/regulation, etc. of casual trading and extinguishment of a market right (sections 6 and 8 of Casual Trading Act 1995)	✓
Making of bye-laws in relation to the use of and safety of navigation within harbours under control and management of local authority and the imposition of charges (section 89 of Harbours Act 1996)	
Making of bye-laws declaring areas to be control areas where horses must be licensed (sections 13 and 17 of Control of Horses Act 1996)	✓
Giving of consent to certain exemptions re licensing of horses (section 19 of Control of Horses Act 1996) and entering into arrangements with another local authority in relation to the application for and the granting of horse licenses on its behalf (section 20 of Control of Horses Act 1996)	✓
Making, etc. of a litter management plan (section 13 of Litter Pollution Act 1997)	✓

Local Authority Reserved Functions	Assign to Municipal Districts
Making bye-laws for purposes of preventing the creation of and controlling litter (section 21 of Litter Pollution Act 1997 as substituted by section 57 of the Protection of the Environment Act 2003)	✓
Making of bye-laws prohibiting or regulating specified agricultural, horticultural or forestry activities responsible for water pollution (section 20 of the Local Government (Water Pollution) (Amendment) Act 1990 and SI No. 78 of 1999)	
Establishing a programme of measures in relation to a river basin district (article 12 of European Communities (Water Policy) Regulations 2003 and SI No. 722 of 2003)	
Making and updating of a river basin management plan (article 13 of European Communities (Water Policy) Regulations 2003, SI No. 722 of 2003)	
Making of bye-laws specifying the manner in which waste is presented for collection (section 35 of Waste Management Act 1996 and section 52 of Protection of Environment Act 2003)	
Making of submissions to a fire authority regarding a proposed indoor event that requires a licence (section 23 of Licensing of Indoor Events Act 2003)	✓
Approving a draft bye-law, consideration of submissions in relation to draft bye-laws and the making, amending, revoking of bye-laws under general powers contained in section 199 of Local Government Act 2001 relating to (i) use, operation, protection of land, facilities etc. under control of the local authority or (ii) to regulate, control a specified activity or nuisance ⁹	✓
Adopting a resolution for consideration by District Court regarding special late closing hours of licensed premises (section 11 of Intoxicating Liquor Act 2003)	✓

⁹ This is a general power to make bye-laws. Other Acts may confer specific bye-law making power in relation to a particular issue.

Recreation, Amenity and Community Matters

Local Authority Reserved Functions	Assign to Municipal Districts
Making of bye-laws in respect of the use of temporary dwellings (section 30 of Local Government (Sanitary Services) Act 1948)	✓
Making or revoking an order prohibiting the erection or retention of temporary dwellings (section 31 of Local Government (Sanitary Services) Act 1948 and SI No. 45 of 1948)	✓
Making of bye-laws in respect of swimming baths and swimming places etc. (sections 41 and 42 of Local Government (Sanitary Services) Act 1948)	✓
Making bye-laws in respect of national monuments owned by local authority (section 9 of National Monuments (Amendment) Act 1987)	✓
Representing the views of a local community (section 64 of Local Government Act 2001)	✓
Deciding to provide assistance in money or in kind to promote the interests of the local community (section 66 of Local Government Act 2001)	✓
Adopting a library development programme (section 78 of Local Government Act 2001)	
Declaring that a body is a recognised association for the purposes of promoting the interests of the local community (section 128 of Local Government Act 2001)	✓
Local and Community Plan (Plan to be adopted at county level with appropriate involvement of members at district level, to be determined in light of the report of the alignment steering group)	✓
Adopting a resolution for consideration by District Court regarding special late closing hours of licensed premises (section 11 of Intoxicating Liquor Act 2003)	✓

Miscellaneous

Local Authority Reserved Functions	Assign to Municipal Districts
Adopting list of qualified electors and changing name of street or locality; adopting list of qualified electors and applying to Government for an order changing name of an urban district, town, townland or non-municipal town and the giving of county council consent to the making of an application to Government. (sections 76 to 79 of Local Government Act 1946, as amended by section 53 of the Local Government Act 1955 and section 67 of the Local Government Act 1994) (Provisions to be repealed and replaced by new Part 18 of the Local Government Act 2001)	✓
Adopting or rescinding Part III of Gaming and Lotteries Act 1956 which permits the licensing for gaming of amusement halls and funfairs (section 13 of Gaming and Lotteries Act 1956)	✓
Preparing and submitting schemes to the Minister for Education and submitting amendments to such schemes (section 5 of Local Authorities (Higher Education Grants) Act 1968)	
Arranging for performance of suitable local authority functions by a health board (section 25 of Health Act 1970)	
Applying a school meals scheme to a school which lies outside the authority's functional area, providing meals other than to national schools by city councils (sections 274 and 279 of Social Welfare (Consolidation) Act 1981 and SI No. 37 of 1993)	
Making of decision to provide public abattoir (section 19 of Abattoirs Act 1988 and SI No 37 of 1993)	
Making a polling scheme (section 28 of Electoral Act 1992)	
Entering into arrangements for the execution of dog control functions including the granting of assistance (section 15 of Control of Dogs Act 1986 as amended by section 6 of Control of Dogs (Amendment) Act 1992 and SI No 37 of 1993)	✓
Making etc. of bye-laws relating to control of dogs (section 17 of Control of Dogs Act 1986 as amended by Control of Dogs (Amendment) Act 1992)	✓
Issuing of polling information cards, where regulations provide, by a local authority (section 27 of Local Government Act 2001)	

Appendix 7

Examples of existing regional structures

Sector	No of Regions	Composition	
Regional Authorities	8	Border	Donegal, Leitrim Cavan, Monaghan, Sligo, Louth
		Dublin	Dublin City, Fingal, South Dublin, Dun Laoghaire/Rathdown
		Midland	Offaly, Longford, Westmeath, Laois
		Mid-East	Kildare, Meath, Wicklow
		Mid-West	Clare, Limerick City and County, North Tipperary
		South-West	Cork City and County, Kerry
		South-East	Kilkenny, Carlow, Wexford, Waterford City/County, South Tipperary
		West	Galway City and County, Mayo, Roscommon
Regional Assemblies	2	Southern and Eastern	Dublin City, Fingal, South Dublin, Dun Laoghaire/Rathdown, Kilkenny, Carlow, Wexford, Waterford City and County, Cork City and County, Kerry, Clare, Limerick City and County, North and South Tipperary, Kildare, Meath, Wicklow
		Border, Midlands, and Western	Galway City and County, Mayo, Roscommon, Donegal, Leitrim, Cavan, Monaghan, Sligo, Louth, Offaly, Longford, Westmeath, Laois
Waste Management Planning Areas	10	Connaught; Dublin; Cork; Midlands; Mid-West; North-East; South-East; Donegal; Kildare; Wicklow	
Health Service Executive	4	West	Donegal, Sligo, Leitrim, West Cavan, Galway, Mayo, Roscommon, Mid-West (Clare, Limerick, North Tipperary)
		South	Cork, Kerry, South Tipperary, Waterford, Wexford, Carlow, Kilkenny
		Dublin Mid-Leinster	Dublin, Dublin South Central, Dublin South West, Kildare, South East Wicklow, West Wicklow, Midlands (Laois, Offaly, Longford, Westmeath)
		Dublin North East	Cavan, Monaghan, Louth, Meath, Dublin North, Dublin City North

Sector	No of Regions	Composition	
Fáilte Ireland ¹⁰	6	Dublin	
		East	Kildare, Louth, Meath, Monaghan, Wicklow
		North West	Donegal, Leitrim , Sligo,
		South East	Carlow, Kilkenny, South Tipperary, Waterford, Wexford
		South West	Cork, Kerry
		West	Galway, Limerick, Mayo, West Clare
		Lakelands	Cavan, East Clare, Laois, Longford, North Tipperary, Offaly, Roscommon, Westmeath
Garda Síochána	6	Dublin Metropolitan Region	
		Northern	Donegal, Sligo/Leitrim, Cavan/Monaghan, Louth
		Western	Clare, Galway, Mayo, Roscommon/ Longford
		Eastern	Kildare, Laois/Offaly, Meath, Westmeath, Wicklow
		Southern	Cork, Kerry, Limerick
		South Eastern	Tipperary, Waterford/Kilkenny/Carlow, Wexford
Enterprise Ireland	6	Borders	Cavan, Donegal, Leitrim, Louth, Monaghan, Sligo
		Mid East	Dublin, Kildare, Meath, Wicklow
		Midlands	Laois, Offaly, Longford, Westmeath
		Mid West	Clare, Kerry, Limerick, North Tipperary
		South	Cork, Waterford, South Tipperary, Kilkenny, Carlow, Wexford
		West	Galway, Mayo, Roscommon

¹⁰ Position at 1 September 2012 but subject to alteration.

Appendix 8

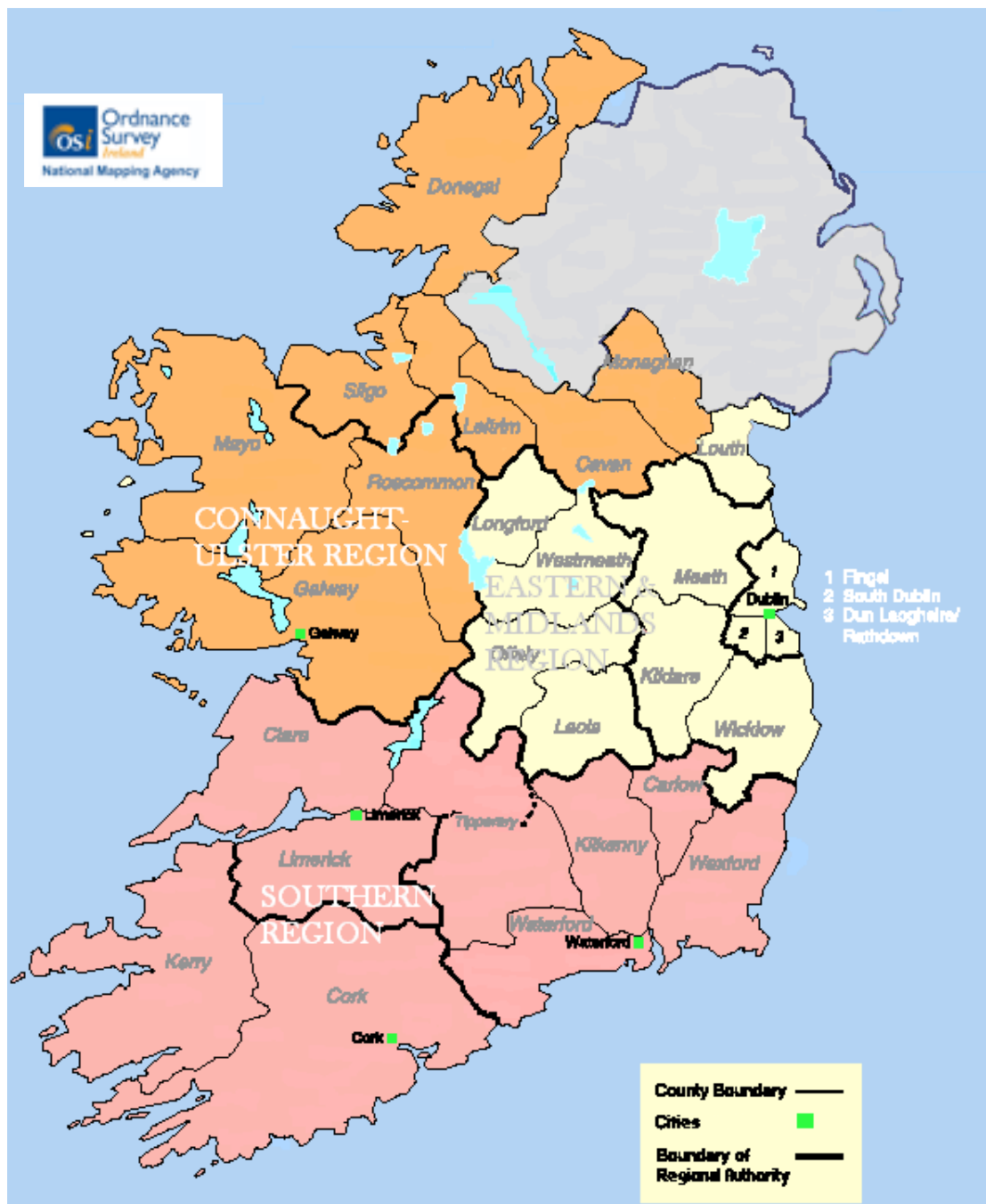
Proposed Regional Assemblies

	Assembly	Population and number of members	NSS Gateways	NSS Hubs
1	Eastern and Midlands 12 cities/counties: Dublin City, Dun Laoghaire-Rathdown, South Dublin, Fingal, Wicklow, Kildare, Laois, Offaly, Westmeath, Longford, Meath, Louth	2,209,463 (pop) 24 members	Dublin Dundalk Mullingar - Athlone - Tullamore	
2	Southern 10 cities/counties: Carlow, Kilkenny, Wexford, Waterford, Tipperary, Cork City and County, Kerry, Clare, Limerick	1,541,439 (pop) 20 members	Waterford Cork Limerick - Shannon	Kilkenny Wexford Mallow Tralee - Killarney Ennis
3	Border and Western 9 cities/counties: Donegal, Leitrim, Sligo, Cavan, Monaghan, Galway City and County, Mayo, Roscommon	837,350 (pop) 18 members	Galway Sligo Letterkenny - Derry	Tuam Ballina - Castlebar Monaghan Cavan

Note: Limerick, Tipperary and Waterford are each counted as a single local authority

Appendix 9

Map of Regions



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Appendix 10

Examples of Project Co-ordination Activities of Regional Authorities

- Working with a range of other public and private bodies (e.g., Government departments, enterprise bodies and third-level educational institutions) to promote and facilitate collaboration on initiatives relating to economic and infrastructural development, and on social and environmental matters. An example of such activities is the management of the planning, procurement and construction of Metropolitan Area Networks (MANS) - networks of ducting and fibre optic cabling that can be used for telecommunications, internet and other services - by the South East Regional Authority in partnership with local authorities and on behalf of the Department of Communications, Energy and Natural Resources. The cost of the project was €25 million over the period 2004 to 2009, with 90% of the funding provided by the Department of Communications, Energy and Natural Resources, and the remainder provided by the local authorities involved.
- Facilitating cooperation and coordination between local authorities in undertaking studies, and the development of policies. Examples of such activities include -
 - The preparation by the Mid-West Regional Authority of the Shannon Estuary Integrated Framework Plan, which will be incorporated into Development Plans for Kerry, Clare, Limerick City and County. The key objective of the Plan (due to be completed in 2012) is to research and develop an integrated approach to facilitating economic growth and promoting environmental management within and adjacent to the Shannon Estuary. The stakeholders in the project are the National Parks and Wildlife Service, Marine Institute, Shannon/Foynes Port Company, and Shannon Development. The estimated cost of the project is around €121,000, which will be met by contributions from the constituent local authorities of the Regional Authority and the other stakeholders.
 - The preparation by the Dublin Regional Authority in 2009 of an Enterprise Strategy for the Dublin City Region in association with the City & County Enterprise Boards, FAS, Enterprise Ireland and IDA. The strategy is designed to harness the relevant public and private resources to support enterprise in meeting the current challenges, while fostering a more competitive and dynamic enterprise base.
- Activities, initiatives, and studies that have EU or international dimensions, generally involving regional and local authorities in other States, including Northern Ireland and Britain, and activities entailing receipt of EU structural funding (e.g., under various INTERREG programmes). Examples of such activities include -

- The Irish Sea Region Project, which promotes marine spatial planning in the Irish Sea. The project, which is led in Ireland by Dublin Regional Authority, will facilitate integrated coastal zone management in Dublin Bay. The project makes use of EU funding and includes participants at Government level in the UK and the Isle of Man.
- The WEASTflows project, which is a 4-year project involving participating bodies in several EU States, and is managed in Ireland by the Mid-West Regional Authority. Commenced in 2011, it aims at the development of improved freight transport logistics systems and chains for North West Europe transport corridors and regional/city distribution systems, in particular by using the potential of ICT. The project examines the blockages in moving freight in and out of the region, and seeks to develop software which would track the movement of freight. The cost to Ireland will be €700,000, 50% of which will be provided by the EU, and 50% by the Irish Exporters Association and the Regional Authority (funded by contributions by the constituent local authorities).
- The South-East Regional Authority's CIME project, which assists 75 micro enterprises in becoming more creative and innovative with a view to the development of more sustainable business. The financial cost of the project is €693,000, of which 75% is funded by Irish-Wales ERDF programme.
- The South West Regional Authority's Venture Academy project, which aims to improve access to venture capital for business within the region. It is part-funded under the EU's INTERREG programme and has partners in 3 other Member States - Spain, Portugal and UK. The aim of the project is to improve Venture Capital markets in regions outside main financial centres and to influence their contribution to research and development activities. The funding for the project is €1.36m, of which the Irish portion is €199,857, and 65% of the project is EU funded. The Regional Authority's contribution will be €70,000 (funded by contributions by the constituent local authorities). The project lasts from 2009 to 2012.

Appendix 11

2011 local authority budgeted expenditure by service area

Service area	€ m	% of Total Expenditure
Environmental services (includes fire and emergency services)	748.8	16.5%
Water services	709.8	15.6%
Road Transportation and Safety	878.5	19.3%
Housing and Building	773.3	17.0%
Development Management	282.9	6.2%
Recreation and Amenity	383.8	8.4%
Agriculture, Education, Health and Welfare	426.5	9.4%
Miscellaneous Services	344.3	7.6%
Total	4,547.9	100

2011 local authority income by source

Source	€ m	% of Total Income
Commercial rates	1,367.5	30.1
Receipts from own goods and services	1,246.4	27.4
Local Government Fund (LGF) ¹¹	705.4	15.5
Other Government grants/subsidies ¹²	1,128.5	24.8
Pension related deductions	78.1	1.7
Provision for credit/debit balances	22.0	0.5
Total	4,547.9	100

¹¹ The LGF is a fund financed by the full proceeds of motor tax, income from the household charge, and bank interest

¹² Government grants and subsidies include grants for regional and local roads, housing grants, higher education grants, group water subsidies, etc.

Appendix 12

Annual Expenses Allowances

Local Authority	Band	Index (Notional Number of Meetings)	Representational Element	Typical Annual Travel Rate (Varies depending on engine size)	Typical Distance (from home to council chamber 10 miles plus return trip)	Annual Subsistence Rate (€33.61 X Index) Typical Payment	Typical Payment
Cork County Council and Dublin City Council	4	85	€2,667	€0.98	20	€33.61	€7,189
Dun Laoghaire-Rathdown, Fingal and South Dublin County Councils	3	75	€2,540	€0.98	20	€33.61	€6,530
Clare, Donegal, Galway, Kerry, Kildare, Limerick, Mayo, Meath, Wicklow & Wexford County Councils and Cork and Limerick City Councils	2	55	€2,413	€0.98	20	€33.61	€5,339
Carlow, Cavan, Kilkenny, Laois, Leitrim, Louth, Longford, Monaghan, North Tipperary, Offaly, Roscommon, Sligo, South Tipperary, Waterford & Westmeath County Councils and Galway and Waterford City Councils	1	40	€2,286	€0.98	20	€33.61	€4,414
Borough Councils and Athlone, Bray, Dundalk, Ennis and Tralee Town Councils	N/A	N/A	€3,054	N/A	N/A	N/A	€3,054
Other rating Town Councils together with the non-rating Town Councils of Balbriggan, Droichead Nua, Greystones, Leixlip, Mullingar, Portlaoise and Shannon	N/A	N/A	€2,036	N/A	N/A	N/A	€2,036
All other non-rating Town Councils.	N/A	N/A	€1,018	N/A	N/A	N/A	€1,018

Glossary

Annual Rate on Valuation (ARV)	Determined by the elected members of a local authority each year as part of the budgetary process. The annual rates bill for commercial premises is calculated by applying the ARV to the valuation of the property concerned.
Association of County and City Councils (ACCC)	A body under section 225 of the Local Government Act 2001 that represents the elected members of the 34 city and county councils.
Association of Municipal Authorities of Ireland (AMAI)	A body under section 225 of the Local Government Act 2001 that represents the councillors who form the elected members of the city, borough and town councils
C&AG	Comptroller and Auditor General
CEO	Chief Executive Officer
City and County Enterprise Board (CEB)	These were established to develop indigenous enterprise potential and to stimulate economic activity at local level and to promote micro-enterprises
Commission for Energy Regulation (CER)	The regulator for the electricity and natural gas sectors in Ireland
Community and Voluntary (C&V) Fora	Established in 2000 in each city and county/council area, they make an input into the work of the County and City Development Boards and local government generally.
Corporate Policy Group (CPG)	A statutory committee in each county and city council whose role is to link and co-ordinate the work of the SPCs and to provide a forum where policy positions affecting the whole council can be discussed and agreed for submission to the full council
Council of Europe	A pan-European international organisation which seeks to develop throughout Europe common and democratic principles based on the European Convention on Human Rights and other reference texts on the protection of individuals
County/City Development Board (CDB)	Established under the Local Government Act 2001 to plan for the economic, social and cultural development of a county or city to bring about a more coordinated approach to the delivery of public and local development services at local level
County and City Managers' Association (CCMA)	The representative body for Managers in Local Government
Croke Park Agreement	Public Service Agreement 2010-2014
Development Contributions	Contributions under planning legislation that a local authority requires to be paid in relation to a grant of planning permission towards the cost of to the authority of providing associated infrastructure
DECLG	Department of the Environment, Community and Local Government

DJEI	Department of Jobs, Enterprise and Innovation
DPER	Department of Public Expenditure and Reform
Enterprise Ireland (EI)	The body responsible for the development and growth of Irish enterprise in world markets
Environmental Protection Agency (EPA)	An independent statutory body established under the Environmental Protection Agency Act, 1992, whose mission is to protect and improve the natural environment for present and future generations
Forfás	The national policy advisory board for enterprise, trade, science, technology and innovation
Geographic Information System (GIS)	A system that integrates hardware, software, and data for capturing, managing, analysing and displaying all forms of geographically referenced information
Industrial Development Authority (IDA)	The national inward investment promotion agency responsible for the attraction and development of foreign investment in Ireland
Irish National Community and Voluntary Forum (INCVF)	The national representative body for the local Community and Voluntary Fora that acts as a voice for Fora countrywide and supports them in their duties and responsibilities
Jobbridge	A National Internship Scheme that provides work experience placements for interns for a 6 or 9 month period
Joint Policing Committees	Committees established under section 36 of the Garda Síochána Act 2005 by each local authority to serve as a forum for consultations, discussions and recommendations on matters affecting the policing of the local authority's administrative area
LEADER Companies	Companies set up to promote mainly rural development encompassing the promotion of small and medium-sized enterprises, investment in training, rural tourism and marketing and processing of local produce
LGAS	Local Government Audit Service
Local Government Efficiency Review Group - LGER	An independently chaired group established to review the cost base, expenditure, and numbers employed in local authorities; it published its report in July 2010
LGMA	Local Government Management Agency
McCarthy Report	Report of the Special Group on Public Service Numbers and Expenditure Programmes (2009)
NESC	The National Economic and Social Council, which was established in 1973 and advises the Taoiseach on strategic issues for Ireland's economic and social development
National Procurement Service (NPS)	Located in the Office of Public Works, it has been tasked with centralising public sector procurement arrangements for common goods and services
National Roads Authority (NRA)	The national body with the function to secure the provision of a safe and efficient network of national roads

National Spatial Strategy (NSS)	A 20-year coherent national planning framework for Ireland, which aims to achieve a better balance of social, economic and physical development across Ireland, supported by more effective and integrated planning
National Employment and Entitlements Service (NEES)	A body established to integrate the provision of employment services and benefit payment services within the Department of Social Protection
Non-Principal Private Residency charge (NPPR)	A charge under the Local Government (Charges) Act 2009 on non-principal private residences
Organisation for Economic Co-operation and Development (OECD)	An international organisation whose mission is to promote policies that will improve the economic and social well-being of people around the world. It currently has 34 members worldwide
Partnership companies	Companies established in urban and rural areas to accelerate local economic and social development and thereby to increase employment and tackle exclusion and marginalisation resulting from long term unemployment, poor educational attainment, poverty and demographic dependency
Regional Health Fora	Each Health Service Executive (HSE) administrative area (4) has a Regional Health Forum, which includes representatives from the city and county councils within that area. The Fora make representations to the HSE on the range and operation of health and personal social services in their area.
Regional Planning Guidelines (RPGs)	Prepared by the Regional Authorities, they put in place policies to translate the overall national approach of the National Spatial Strategy (NSS) into policies at regional and local level
Regional Tourism Forums	Partnership structures established by Fáilte Ireland (the National Tourism Development Authority) to assist it with its development efforts in key destinations by formulating and overseeing a three-year development blueprint
Redundant Apprentice Placement Scheme (RAP)	A temporary Redundant Placement Scheme for apprentices who have been made redundant due to the reduction in economic activity
SME	Small and medium enterprise
SOLAS	The further education and training authority being established under the aegis of the Department of Education and Skills to coordinate and fund the wide range of training and further education programmes around the country
Strategic Environmental Assessment (SEA)	Strategic Environmental Assessment (SEA) is the process by which environmental considerations are required to be fully integrated into the preparation of plans and programmes prior to their final adoption
Socio-Economic Committee (SEC)	To be established in each city and county for planning and oversight of local and community development programme
Strategic Policy Committee (SPC)	Established in each city and county council area to consider matters connected with the formulation, development, monitoring and review of policy which relate to the functions of the local authority and to advise the authority on those matters
Sustainable Energy Authority of Ireland (SEAI)	Ireland's national energy authority, whose mission is to play a leading role in transforming Ireland into a society based on sustainable energy structures, technologies and practices
VEC	Vocational Education Committee
VFM	Value for money