

Green Paper on Local Government

Stronger Local Democracy

Options for Change



Comhshaol, Oidhreacht agus Rialtas Áitiúil
Environment, Heritage and Local Government



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Contents

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- | | | |
|-----|-----------------------|---|
| i. | Ministerial Statement | 3 |
| ii. | Executive Summary | 5 |

Chapters:

Part I – Setting the Context

- | | | |
|----|-----------------------------------|----|
| 1. | Responding to a New Ireland | 11 |
| 2. | Irish Local Government in Context | 26 |

Part II – Leadership and Local Government

- | | | |
|----|--|----|
| 3. | A Mayor for Dublin | 39 |
| 4. | County and City Government - Directly Elected Mayors | 46 |
| 5. | Division of Responsibility between the Manager and Elected Council | 55 |

Part III – Connecting with People and Communities

- | | | |
|----|--|----|
| 6. | Town Local Government | 65 |
| 7. | Participative Democracy and Local Government | 79 |
| 8. | Serving the Citizen | 89 |

Part IV – Wider Connections

- | | | |
|-----|--|-----|
| 9. | Regional Governance | 95 |
| 10. | Local and National Government – Working Together | 100 |
| 11. | The Local Government Commission and Boundaries | 109 |

Part V – Finance and Ethics

- | | | |
|-----|-------------------------------|-----|
| 12. | Local Government Finance | 117 |
| 13. | Ethics and Expenditure limits | 130 |



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Annexes:

- I. Systems of Governance in Selected States
- II. The Mayor of London and the London Assembly
- III. Some Notes on Town Government
- IV. Tables
- V. List of Submissions Received

Minister's Foreword

Local government, as recognised in Bunreacht na hÉireann, provides for the democratic representation of local communities. This role covers a very wide range of responsibilities and services which impact on us all. Local government is a key institution in planning and shaping our environment. The decisions made by local authorities affect the nature of our urban areas and our rural landscapes. They are key to determining where infrastructure should be located, to protecting our environment, and to providing services which are crucial to our quality of life – drinking water, recreational facilities, libraries, roads and other services.

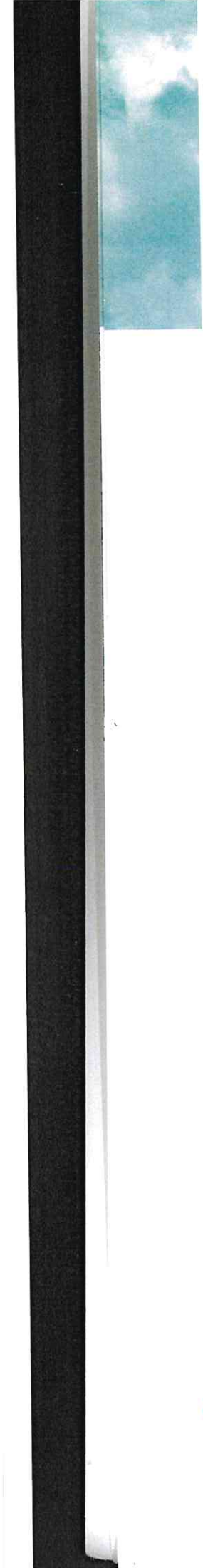
The role played by local authorities in the community has expanded in recent years. They are more pro-active in community development, social inclusion, the promotion of culture and the arts than any time in the past. Yet local government has the potential to play an even greater role in Irish life.

To reach its potential local government needs to be strengthened to meet the challenges of the 21st Century. These include:

- Continued population growth and balanced regional development;
- Tackling social exclusion and integrating new communities;
- Improved environmental management in areas such as waste, water quality, built and natural heritage protection, and the challenges of climate change; and,
- Ensuring greater connection between local government and local people.

We live in a more complex and sophisticated world than ever before. Central government is not best placed to respond to every issue faced by local communities. We therefore need to give local government greater freedom and capacity to tackle local issues locally, working on its own initiative and in partnership with other local and State agencies.

We also live in a world which is more connected than ever before. Decisions taken locally must be at one with our national and global obligations to combat climate change and to make Ireland a much more environmentally sustainable country.



Solving the dual ambition of, at once, providing greater local autonomy while ensuring consistency with national policy goes to the heart of the debate on this next phase in the evolution of local government.

The *Programme for Government* committed to make local government more transparent and more responsive to its customers. This Green Paper – *Stronger Local Democracy – Options for Change* proposes that these aims can be achieved through strengthened local democratic leadership. It sets out options that will be of interest to every local community. Many of the options will elicit a lively debate. That is how it should be. Healthy local democracy goes to the heart of the well-being of our nation.

I look forward to the debate on these options and to hearing the views of as many people as possible before bringing forward settled Government proposals for reform in a White Paper.



John Gormley T.D.,
Minister for the Environment,
Heritage and Local Government.

Executive Summary

The environment in which local government in Ireland operates has greatly altered in the past 20 years. Local government has played a key role in shaping and facilitating change over this time through the provision of infrastructure, new services and the operation of the planning system. The structural improvements to the local government administrative system under Better Local Government (1996) have strengthened the sector's capacity to represent local communities, to shape local policy and to deliver a wider range of services. However, the major changes which have occurred in Ireland in recent years have confronted local government with a new set of challenges.

The Challenge Ahead

Local government is tasked with serving a larger, more diverse, more educated and more demanding population. In addition to providing traditional 'hard' services, such as housing, roads and water etc, local authorities must now give more time to the more complex 'softer' tasks of community building. Coordinating development and providing essential services, particularly in areas of significant population growth, will remain a demanding task.

Local government also faces onerous environmental management tasks in dealing with waste, protecting water quality and addressing the challenges of climate change.

Coping with these challenges requires innovation and high performance.

Despite the Irish people's strong identity with place, including the connection to their county, the complexities and pressures of everyday life are militating against meaningful opportunities for civic participation and weakening the connection between citizens and their institutions of local democracy.

The Programme for Government includes a commitment to reform local government to make it more transparent and more responsive to its customers. This Paper represents the first response to that commitment. It presents an opportunity to reshape local government so that it is fit for purpose for the challenges ahead.

The consideration of the future of local government in Ireland has been informed by several guiding principles:

- Appreciation of the importance of local democratic institutions;
- Decision-making at the lowest appropriate level (subsidiarity);

- Democratic responsibility and accountability;
- Proper balance between the number and functions of local government structures and the requirements of coherence, value for money and efficient delivery of service; and,
- Continued focus on Quality Customer Service.

The discussion on local government is also grounded in the recognition that, if local government is to flourish and excel, central Government must demonstrate a greater appreciation of the value of local priority setting. It must also trust local authorities to deliver new services, building on local government's role in representing the democratic expression of local communities. For this to happen local government needs to be strengthened from within to give stronger expression to local political leadership and greater local democratic accountability.

The Consultation Process

Stronger Local Democracy – Options for Change is the first phase of an open and inclusive policy formulation process. The purpose of a Green Paper is not to arrive at a single solution, but to present options for further consideration and debate. In response to a public consultation period, approximately 80 submissions were received from the public, local authorities, civil society organisations etc. A Consultative Committee representing local government interests, Government Departments (Finance; Transport; Community, Rural and Gaeltacht Affairs) and other experts advised on each of the issues examined.

Copies of submissions received and details of the Committee's discussions can be found on the Department's website at www.environ.ie.

Towards Stronger Local Democracy

The key proposals are set out below. The central theme of the Paper is that local government can deliver more if equipped to do so. It suggests that the sector can be strengthened by providing a greater role for local, democratic and responsible leadership. This poses a challenge to a number of interests, including central government. It also provides an opportunity to create a more dynamic and less dependent local government system.

There is a recognition that Dublin, as a highly successful urban centre, faces a number of strategic challenges in areas including planning, transport, housing, waste, water provision and waste water disposal. It is therefore proposed that a regional mayor for Dublin with defined strategic functions should be introduced. The role of the mayor in relation to current and future institutional arrangements

needs careful consideration, particularly in regard to the 4 Dublin local authorities, the adjoining local authorities, and national offices. It is proposed, for example, that the Dublin mayor should become the Chair of the proposed Dublin Transport Authority. Detailed consideration will need to be given to the administrative and institutional supports necessary for the proper functioning of a mayoral office in Dublin.

The Paper considers that greater local leadership, accountability and connection with the citizen¹ can be achieved through the provision of directly elected mayors for all counties and cities. As a complementary measure, the chairs of each local authority's Strategic Policy Committees should be elected for the full term of the council.


The managerial system has served Irish local government well and local authorities will continue to rely on professional managers to provide impartial, professional administration and guidance. It is suggested, however, that mayors might be assigned certain key powers of initiative and that, over time, their role in overseeing the work of the local authorities, local development agencies and national agencies at local level should evolve further.

In examining town government, the Paper examines the principles of efficient service provision and the democratic legitimacy provided by town councils. The establishment of new town councils would need careful consideration having regard to the potential impact on resources and efficient service delivery. In terms of functions, measures such as the empowerment of existing town councils through devolved decision making and the negotiated transfer of functions from county to town level are proposed for examination. Measures such as participatory budgeting, binding local plebiscites and town meetings could also be developed to foster direct, meaningful contact between councils and the citizen.

The culture of continuous change is stressed, as is the need for local government flexibility and imagination in service delivery. Greater movement towards the sharing of services is advocated. Local authorities have many achievements which should be better showcased. Elected mayors will be important in raising the profile of achievement.

The establishment of a mayoral office in Dublin, with a regional remit, suggests that consideration should be given to revised structures for local governance in other key

¹ The local government electorate comprises all registered ordinary residents, regardless of nationality. In this paper the term 'citizen' should be read to include the wider community from which local government receives its mandate.



Gateways, such as Limerick, Waterford and Sligo, to overcome fragmentation of local authority responsibilities while respecting county boundaries.

A relationship of trust between central and local government is advocated, in which central government can, in time, transfer appropriate functions and responsibilities to local control. The Papers also suggests that the local government sector could work more effectively in a collective way to further the aims of strong local government. Also addressed are issues such as local authority boundaries, the Local Government Commission and the numbers of councillors.

The need for proper funding of local government is recognised. Autonomy in fund raising increases local discretion and accountability. However, there is little consensus on how best to achieve such autonomy. This is an issue which will receive in depth analysis in the context of the recently established Commission on Taxation, which is to consider the issue of local government financing.

The Paper also suggests the need for greater cohesion between local government law and general ethics legislation. A clearer oversight role for the Standards in Public Office Commission is proposed. It is recommended that local electoral expenditure limits should be introduced but that the bureaucracy involved in any new procedures should be kept to a minimum.

Structure of Paper

The issues above are addressed in detail starting with a discussion on the major challenges facing local government and the place of local government in Ireland, followed by detailed consideration of the various issues mentioned above.

Next Steps

The outcome of the debate around the options presented will inform the drafting of the White Paper. Public consultation will follow publication of Stronger Local Democracy – Options for Change with the intention of publishing a White Paper, complete with a suite of recommended policies, next autumn, to be followed by legislation. The next local elections will take place in 2009 and the White Paper will address the timing of new reforms.



PART I



Setting the Context



Chapter 1:

Responding to a New Ireland

Chapter 1 discusses the need to chart a way to strengthen local government in Ireland to equip it to meet the challenges ahead. Key challenges include:

- Continued population growth;
- Tackling social exclusion;
- Integrating new communities;
- Climate change and sustainable development; and,
- Giving local government the freedom to tackle local issues locally and responsibly.

It states that ideally local government in the future should be:

- Less dependent on the centre;
- A first port of call for local people to solve local problems; and,
- A credible system that central government can look to for delivering both new and existing public services.


The chapter gives a summary of the key proposals in the Paper which aim to meet these objectives.

Local Government and Economic Progress

No area of Irish life, including local government, has escaped the changes brought about by economic progress over the past decade and a half.

In fact, local government has played a huge role in shaping and facilitating change. It has led the way in providing new environmental and economic infrastructure. The operation of the local government planning system has facilitated the construction of one third of all Irish homes over the last 10 years to cater for a growing, more affluent and more diverse population.

Economic progress has brought its own pressures and local authorities must grapple with these. An increased population and workforce require expanded water and transport infrastructure. Increased infrastructural investment has brought environmental gains in some areas, while urban expansion and greater vehicle numbers have given rise to new or additional environmental stresses. The challenges and threats posed by global climate change will also impact increasingly on the work of local authorities over the coming years. While economic progress has brought benefits to many, areas of significant deprivation remain, particularly in certain urban locations, which face challenges of high levels of unemployment, illegal drug usage and low levels of educational attainment.



The pace of life has quickened. While community remains strong in Ireland, some ties have loosened. Long commutes and near full employment impact on volunteerism. This in turn affects local democracy, which relies on a spirit of volunteerism to encourage candidates to stand for election and, more generally, to facilitate community engagement with local authorities.

Local government itself has changed. A decade of reform followed the publication of Better Local Government in 1996. These reforms strengthened both the managerial capability within local authorities and the capacity for local public representatives to act as policy makers for the community. Local government has also been party to wider public sector reforms under successive Partnership Agreements.

Local government has led the way in customer service in many areas, such as on-line planning, on-line motortax, new customer friendly offices and more flexible opening hours. Bringing further improvement to customer service will remain a core focus of local government reform into the future.

Is there a Need for More Reform?

The Programme for Government includes a commitment to reform local government to make it “more transparent and more responsive to its customers”. Given the range of reforms already in place, the first question must be: do we need more reform? However, in a fast moving world, change is constant. Neither the public service nor the local authority system can afford not to change, to adapt, to evolve and to keep up with the needs of society. Considerations of effectiveness and efficiency also mean that further reform must be innovative, well-targeted, flexible and responsive to the citizen.

The nature of change within Ireland itself over the past decade also requires the assumptions which underpin the local government system to be scrutinised so that it can respond to the needs of today and tomorrow.

A more prosperous country faces challenges which are different to those of a decade or two ago. These challenges, which must be faced at both national and local level, include:

- A growing population expected to exceed 5 million by 2020 with the resulting requirements for housing, public infrastructure, educational facilities etc;
- A more diverse and mobile population;

- An ongoing focus on overcoming social exclusion;
- Climate change: reducing our carbon dependency and preparing for, and adapting to, the effects of climate change;
- Achieving greater regional balance in a country which depends on the free market for much of its economic success;
- Managing urban development, and ensuring regional coherence in planning strategies, within an overall national framework;
- Maintaining a vibrant and sustainable rural Ireland in a way which is protective of its landscape, its built and natural heritage and the quality of our water, all of which are under threat in some areas by inappropriate development;
- Meeting the expectations of a highly educated, more environmentally conscious and more questioning public; and,
- Ensuring flexibility in the management of scarce staffing and financial resources.

Overarching Issues


Local government, in particular, must respond to a number of key overarching issues. These include:

Efficient Service Delivery

One of the key objectives of the Programme for Government is to make local government more transparent and responsive to its customers. The local government sector has made huge progress in recent years and has led the public sector in some areas of innovative service delivery.

One of the main challenges facing local government will be to continue to improve performance and customer service within the constraint of the staffing and financial resources available to the sector. This requires policies that deliver efficiencies and flexibility, encourage the sharing of resources between authorities where appropriate and ensure the recruitment of staff to match the requirements of local government.

In January 2007, the Taoiseach announced that he had invited the Organisation for Economic Co-Operation & Development (OECD) to undertake a major review of the Irish Public Service to make recommendations as to future directions for Public



Service reform. The review will focus on the connectivity between different sectors, including between the central level and local government.

Announced in Budget 2008, an efficiency review is also underway across all spending programmes. In order to achieve and maximise efficiency gains in the sector, local authorities have been asked to identify areas of possible efficiency gains, including in relation to transaction efficiencies (e.g. for the collection of taxes and charges), the sharing of services, procurement and back office functions, and the rationalisation of organisational structures.

The outcome of these reviews will also form part of the overall reform process. In this context, it must be recognised that local authorities are more than instruments of service delivery – they are democratically elected bodies which express the priorities of local communities.

Dealing with a Growing and More Diverse Population

Local government will play a key role in responding to the growth in national population and the significant change in the make up of the population.

Census 2006 figures reveal that 8% of the population was not born in Ireland or the UK² This change is more pronounced in urban areas, where almost 12% of the population was born outside Ireland or the UK³ This has come about suddenly, especially in comparison to other European states which have only reached these levels after decades of net immigration. In 1996 in Ireland, 70,000 persons were born in jurisdictions other than Ireland or the UK 10 years later, this figure stood at 380,000.⁴

It is also notable that the changes in our communities are not simply due to immigration. The mobility of people born in Ireland has also changed substantially. Far more Irish people are now living outside the counties they were born in. In 1996 74% of persons were enumerated in the county they were born in, by 2006 this had fallen to 64%.⁵ This is most marked in the counties surrounding Dublin; less than 40% of the 2006 population was born in County Meath, in Kildare 40% were native to the county, and in Wicklow 44% of the population were born in Wicklow.⁶ Although less marked elsewhere, this trend is universal in every county. Across the country local authorities serve communities that, broadly speaking, have a less pronounced historical connection with the place they live in than in previous times.

² Census 2006, Central Statistics Office, Volume 4, Table 33, pg 130

³ Ibid.

⁴ Ibid, Table 34, pg 133.

⁵ Ibid.

⁶ Ibid.

Uniquely in Irish democracy, local government receives its mandate from all residents, regardless of nationality. Local government is therefore well placed to represent, serve and benefit from an increasingly diverse society. Clearly, there are challenges involved for local government in this change from a relatively homogenous society.

Active Citizenship

The Taoiseach established the *Taskforce on Active Citizenship* in April 2006 against a backdrop of concern about citizen participation in their community. The Taskforce was asked to lead a debate on how citizens engage in the issues which affect them and their communities. As the lowest tier of democracy, local government is central to that debate. The Taskforce identified a democratic deficit at local level and reported, as a constant theme during the Taskforce's consultations, that "the perceived distance between the citizen and local authority was too great – particularly but not exclusively in urban areas."

An apparent disconnect between local communities and local government is, in a sense, ironic given the near omnipresence in our lives of services provided seamlessly and unobtrusively by local government; water, roads, public lighting, fire services, public libraries etc. The Taskforce found that the cause of the deficit is a perceived absence of meaningful opportunities for civic participation in decision-making about local issues.


While the *Taskforce on Active Citizenship* identified weaknesses in the community's engagement with local authorities, it must be recognised that democratically elected councils have a tradition of engaging with, and legitimacy in, the community which predates the State. This is a real resource which can and should be built upon.

The last decade of change has brought significant new areas of engagement between local authorities and the community through an expanded social inclusion role, the greater use of ICT, and a step change in consultation with the community through new structures, such as County/City Development Boards (CDBs) and Community and Voluntary Fora.

Towards a More Holistic Vision of Irish Local Government

The purpose of local government is to "give expression to local identity, to identify local concerns and to set local priorities."⁷ The unique character of local government is its proximity to the community. This proximity allows local government to be

⁷ M Callanan, "The Role of Local Government", in *Local Government in Ireland*, ed. M. Callanan and J. Keogan, pg 4, Institute of Public Administration, Dublin, 2003.



accessible to the citizen and widens the opportunity for real engagement and public participation. It allows for a more effective form of government, when dealing with local services, than would be possible under a more remote tier of government. Accessibility and participation are the added value, the competitive advantage, of local government.

Recent reforms of local government have provided an enhanced role for councillors, modern administrative structures and better central financial supports. However, the place of local government within the State's political framework has not altered significantly. The key relationships at decision making level between manager and councillor remain the same, and the relationship between central and local administration is essentially the same- see Chapter 2.

Over the long run the ideal shape of local government in Ireland would include the following traits:

- A system with decreased dependency on the centre. The primary way to achieve this would be to give local authorities greater financial autonomy;
- A system where the instinctive reaction of local people is to look to their own local democratic institutions to solve local problems – not to national government;
- A system which has established its credentials at national level and where central government can look to local government with confidence when considering the most appropriate level of government to deliver both new and existing public services; and,
- A system where the efficient delivery of services continues to be of fundamental importance but recognition that local democratic choice and decision making can decide on different local priorities.

Full achievement of these aims will take time and hard work. The democratic reforms suggested in *Stronger Local Democracy – Options for Change*, whereby local government in Ireland is given greater political leadership and greater local democratic accountability, would represent major steps in the right direction. If local democratic government in Ireland can raise its profile as a legitimate level of decision making, and can demonstrate the benefits of local political leadership, then local government can evolve a level of independence and functionality which has not been available to it up to now.

Ending the dual mandate was one element in putting in place a proper division of responsibility between local and national democratic institutions. It is now time to explore what further measures need to be put in place to ensure strong local democracy which can, over time, take on more and more responsibility.

The Principles Underlying Reform

The discussion on local government reform is guided by 5 key principles:

- An appreciation of the importance of local democratic institutions in representing local communities, in delivering services, in regulating for the common good and in developing the physical, economic and social environment of the local community;
- Subsidiarity: allowing decision making to be handled at the 'lowest' appropriate level;
- Democratic responsibility and accountability: providing that local democratic leaders have appropriate responsibility for making decisions at a local level and clear accountability for those decisions;
- Ensuring the proper balance between the range and functions of local structures and need for coherence, value for money and efficient delivery of service; and
- A continued focus on Quality Customer Service.

These principles are also guided by the *European Charter of Local Self-Government*, an international treaty of the Council of Europe, which has been signed and ratified by Ireland. The Charter embodies a broad set of principles underpinning local government in Europe, and includes guarantees of the political, administrative and financial independence of local authorities.

Specific Issues in the Programme for Government

Within the overall philosophy outlined above, the Programme for Government mandates the Green Paper to consider a number of key issues. These include:

- A commitment to introduce a directly elected Mayor for Dublin by 2011;
- The possibility of providing directly elected chairs in other local authority areas;

- The appropriate powers of town councils and the possible establishment of new town councils;
- The balance of power between the elected member and the manager; and,
- The issue of quality customer service and the question of expenditure limits at local elections.

KEY PROPOSALS

Strengthening the Democratic Profile of Local Government

Developing the specific issues identified in the Programme for Government, and taking into account the questions raised by the *Taskforce on Active Citizenship*, this Paper suggests that the strengthening of the democratic role of local government will be central to future reforms.

There are significant linkages between all the different elements of the reform agenda, with decisions on one topic affecting the potential options for other areas. For example, the issue of directly elected mayors (and the powers given to such mayors) impacts significantly on the separate question of the balance of responsibility / power between manager and elected members.

Uniform solutions will not necessarily fit all circumstances. The Dublin region is unique being the only international sized city in the State. It faces particular challenges in terms of infrastructure provision. Existing forms of structure and governance may continue to suit some areas, while growing, expanding areas may need different solutions. Reforms should also support the regional development objectives of the National Spatial Strategy and a co-ordinated approach to the transformation of developing areas. Novel institutional arrangements may be necessary where existing boundaries are an impediment to proper planning and organisation of public services.

With those principles in mind, the key elements for debate are set out below. These issues are developed in the following chapters.

A Mayor for Dublin

The Programme for Government commits to the introduction of a directly elected Mayor with executive functions. There are a number of models as to how this office would operate.

Dublin faces major strategic challenges in public transport enhancement, providing housing, managing waste, and catering for long term drinking water and waste

water needs. In addition, the need to change the pattern of development in the Greater Dublin Area is a critical part of the response to meeting national climate change targets. These issues face the 4 Dublin local authorities collectively as well as individually.

This Paper suggests, therefore, that the most appropriate model for Dublin is a Regional mayor with defined strategic functions. It is proposed that a Mayor could have responsibility for decision making/ coordinating/ representing the whole of the Dublin area in relation to a limited number of key strategic issues.

This would involve areas where the 4 local authorities must continue to work together including regional planning guidelines, waste management, housing, water and waste water infrastructure.

The role of the Mayor in relation to current and future institutional arrangements needs to be carefully considered. These institutions include the existing 4 major Dublin local authorities, the proposed Dublin Transport Authority, the Dublin Regional Authority, and potentially, co-ordination with the counties surrounding Dublin.


It is suggested for example, that the Dublin Mayor should become the Chairman of the Dublin Transport Authority.

Detailed consideration would also need to be given to the administrative and institutional supports required by a Dublin Mayor. Should the Regional Authority act as a council supporting the Mayor? If so how should it be elected? The Paper also raises questions as to how a Regional Mayor would interact with the city and county mayors, or whether indeed the City and Regional Mayor should be a combined office. How is the office to be financed and what control should the office have over public funds? Should there be additional fund raising powers for a Regional Mayor?

The Introduction of Directly Elected Mayors

The Green Paper proposes in principle that a system providing for directly elected mayors be introduced in each city and county council area. This will be a cornerstone of increasing the democratic legitimacy of local government in Ireland. Different options for the introduction of mayors are discussed.

A directly elected mayor would significantly enhance the visibility of the office of mayor by (a) the enduring nature of the position – at least 5 years in place of the current annual change, (b) the greater capacity for continuity and delivery over a 5



year term, and (c) the attention and focus that the local community and media would place on one individual in that position.

The provision of directly elected mayors has spread through Europe as a way of strengthening the political leadership of local government. By raising the profile of the key locally elected representative, the office of mayor offers a point of focus which can increase accountability and help address the disconnect between citizen and local authority.

Under *Better Local Government*, the system of Strategic Policy Committees and Corporate Policy Groups was introduced to enhance the Councillors' policy formulation role. It was envisaged that these structures would deliver a cabinet type leadership system in local authorities. They have worked well in some areas, less well in others. As a complementary measure to the directly elected chair, it is proposed that chairs of SPCs should be elected for the term of the council. This change would strengthen the continuity of office at SPC level.⁸

SPC chairs are generally appointed in accordance with the party/grouping strengths on the council and it would be expected that this position would continue.

Irish local government will still rely on professional chief executives, the county and city managers, to provide impartial professional administration. The proposals for mayor will not affect that principle. However, consideration could be given to providing elected mayors with specific additional functions.

The provision of a directly elected mayor will be seen to be a key response to improving local government leadership, legitimacy, accountability and civic engagement. It should be seen as a significant part of the response to other issues including the councillor/manager balance, better customer service and ethics in local government.

Division of Responsibility between Manager and Council

The division of responsibility between the manager and the elected representatives has been a recurring theme in local government reform over the years. The view has been taken that the managerial system provides a solid base to local authority governance in Ireland. Reform has focused on how the councillor's role can be enhanced within the managerial system.

⁸ While the Local Government Act currently provides that Chairpersons should be elected for 3 years, not all councils abide by this. Nor does the 3 year period sit easily with 5 year electoral periods.

Regardless of what reforms are introduced there will always be a need for a full time chief executive officer, and modern management structures, to deliver quality local government services. The question for this local government reform process is to identify the optimum relationship between manager and elected representatives, so that the democratic mandate and the impartial and effective delivery of services are both enhanced.

This Paper suggests that the further democratic enhancement of local government in Ireland will primarily come through the elected mayor, whose office will have the potential to attract expanded powers over time.

Town Government


The issue of the most appropriate form of town, or sub-county, government has proven to be the most difficult issue to resolve in decades of local government reform.

The distribution of town council authorities has changed little since the 19th century and the assignment of local government functions to towns does not reflect current circumstances. Some towns with a population under 2,000 have councils with a significant range of powers (to raise rates, make planning decisions etc), some towns (former Town Commissioners) with populations up to 15,000 have councils with very little power, and a number of towns with populations greater than 10,000 have no town councils.

While various options for reforming town government have been put forward over the years, the one consistent drift has been the centralising of functions at county level. This has been progressed for reasons of efficiency and the difficulty for small urban authorities of employing the specialist expertise which local government now requires across a wide range of areas, from sophisticated environmental management to resource intensive social inclusion and community building initiatives.

Two logical responses to sub-county local government would be (a) to abolish all sub-county authorities and put in place more formalised area structures as part of the county council model or (b) to put in place a universal tier of district councils centred on major towns.

These solutions have been put forward before without success due to (a) the reluctance to abolish institutions which have a local democratic legitimacy and (b) a reluctance to establish new councils in a manner which might run counter to



efficient and cost effective local service delivery.

The *Taskforce on Active Citizenship* called for debate on sub-county democratic institutions while being mindful of the risk of potential fragmentation.

In the absence of any consensus on fundamental reform of sub-county structures, this Paper suggests that there may be alternative ways of empowering town councils. These include:

- Increased local decision making, within defined limits, to be delegated to town elected members for services delivered by the county council. For example, town councils could draw up a programme of works (e.g. road repairs, local water services, parks, community facilities) and submit the programme to the county council as a basis for negotiation between the town and county tier;
- To encourage local settlement on a case by case basis for the determination of specific functions of a town council, whether former UDC or Town Commissioner. A larger town council, which is a former Town Commission, could, subject to local willingness and service level guarantees, receive devolved statutory functions from county councils. For example, a former Town Commissioner town could become a joint authority for the adoption of development plans affecting the town and the county council; and,
- That the county council, as primary authority, would still provide the staffing and administrative support services so as not to negate the efficiencies of scale which have been achieved in recent decades.

While such inter-authority negotiation would bring added complexity, the trade-off for the public in devolving powers to town councils should be better and more accountable service provision. Overall strategic decisions can and should be taken at county level while still leaving substantial discretion for local decision making at town level.

The establishment of new town councils would need careful consideration having regard to the potential impact on resources and efficient service delivery. Any decisions to proceed with such proposals should only be taken where there is full integration of administrative support with the county council so as to eliminate any significant cost implications.



Participative Democracy and Local Government

The Paper notes that traditional structures of engagement with local government do not necessarily work for busy people with long commutes and demanding family lives. Local government may need creatively and proactively to seek new avenues of direct participation and suggestions which could be piloted include plebiscites, town hall meetings, formal petitions and participatory budgeting.

Serving the Citizen

The provision of quality customer service to the public is a key objective of Government right across the public service.

Notwithstanding the range of initiatives that have improved service delivery in the last decade, local government must demonstrate flexibility and imagination to continue to deliver essential services in a changing Ireland.

Improved service delivery will be assisted through the culture of continuous change which has been agreed in *Towards 2016*. There is also potential for greater cooperation and assistance across boundaries and for the delivery of shared services.

One of the themes that came up was the disconnect between local authorities (as the lead local institution) and local development agencies.

Local authorities, from both the public representative and official side, consider that in many cases, local and State agencies do not work sufficiently closely with local authorities. On the other hand, local authorities have been criticised by the local development sector for not being engaged or pro-active enough in relation to areas of activity promoted by those organisations.

The Government is committed to enhancing the role of the County and City Development Boards as lead local agency and notes the potential that a full term mayor would have in strengthening the democratic oversight role at local level.

There is greater potential for the best performing local authorities to share experience and for good performance to be better communicated to the public. Better showcasing through awards can also highlight best performance. A directly elected mayor can assist in developing local profile in these areas.

The environment in which local authorities now operate is increasingly challenging and complex. Therefore, it is essential that the sector should be in a position to attract and retain high calibre candidates with a range of experience and skill sets. This means putting in place more flexible recruitment policies to meet organisational



needs. At present, all higher-level posts are filled by open competition and *Towards 2016* provides for more open recruitment at middle management level and a scheme of graduate recruitment targeted at the particular needs of local authorities. Decentralisation of public service offices also offers an opportunity for greater public sector mobility across tiers of government at local level. This could bring greater exchange of skills and experience to the wider public service in Ireland.

Regional Governance

The Paper raises the question of how best regional governance can support the emergence of strong and coherent city regions based on the Gateways set out in the National Spatial Strategy.

There are areas, for example, the Limerick/Shannon area, where issues of county loyalty may be impeding the growth of strong regional centres. This Paper asks if a city region mayor could bring tangible benefits to that area while respecting existing county boundaries. If so, could such solutions apply elsewhere? Alternatively it asks if in key Gateway areas such as Limerick, Waterford and Sligo whether a unitary authority, or common mayor, should have jurisdiction over both county and city?

Local and National Government – Working Together

For local government to prosper it is essential that there is a spirit of trust and partnership between local and central government. Local government has the potential to free up central government to perform tasks of strategic and national importance if it could trust local government to take on more responsibility. Better connectivity may help to build this trust provided that local government can demonstrate that it can responsibly deliver new services.

One of the dilemmas facing central and local government in Ireland is how to ensure that national and EU obligations are met, while still respecting local democratic decision making. Government in the past has dealt with this in some areas by removing powers from councillors and granting them to the Manager in order to ensure compliance with national obligations.

This Paper suggests that these policy making powers could be returned to the political system (council or mayor) coupled with a new defined role for local authority law agents/legal advisers, who would have an obligation to provide advice directly to the decision maker (mayor, council, manager), depending on the class of decision involved. The decision maker in turn would be obliged to act within the limits of such advice. So that councils know what their obligations are, Government needs to be clear on the implications and costs involved (including statutory targets) when it assigns functions to local authorities.

These measures could protect local democratic decision making in a framework which recognises that national and E.U. law must be implemented.

Local Government Commission

The Local Government Act 2001 provided for the setting up of a Local Government Commission to advise the Minister for the Environment, Heritage and Local Government on issues such as the establishment of new town councils, boundary changes, and numbers of councillors per local authority.

The Commission has not been established and the Paper discusses options regarding the Commission and whether alternative mechanisms should be pursued to deal with the issues mentioned above.

Local Government Finance

The Paper recognises the need for proper funding of local government. Autonomy in fund raising increases local discretion and accountability. However, there is little consensus on how best to achieve such autonomy. This is an issue which will receive in depth analysis in the context of the recently established Commission on Taxation, which is to consider the issue of local government financing.

Ethics

In relation to the ethics regime, this paper suggests that there is a need for greater cohesion between local government law and general ethics legislation. Local authorities should still take charge of ensuring compliance with all ethical requirements but with a greater oversight role for the Standards in Public Office Commission.

It is also recommended that local electoral expenditure limits should be introduced but that the bureaucracy involved in any new procedures should be kept to a minimum.

Conclusion

Local government in Ireland has the vitality to embrace change. Changes of the kind suggested here can build on what has been achieved over recent years and assist local government in reaching its full potential.

Chapter 2:

Irish Local Government in Context

Chapter 2 provides an overview of local government as it is currently constituted in Ireland. It sets out the historical evolution of local government and provides a critique of local government's place in Ireland's political and governmental system.

The Chapter notes that Irish local government is weaker than in many countries and discusses how the electoral system, traditional centralising forces, and weak local political structures have all played a part in shaping local government.

This chapter also discusses the more integrated and complex world in which we live. Local government cannot be considered in isolation from the national, European and global context (such as climate change) in which it exists. The question of how we can deliver greater and meaningful local political decision making while ensuring that national, EU and international commitments are met is posed.

Chapter 2 also makes the point that greater complexity in governance requires greater co-ordination from all public agencies at national and local level. It states that there is an opportunity for national government to divest itself of functions which can be delivered at local level - freeing up Government to concentrate on issues of national and strategic importance. However, local government needs to be strengthened if it is to take on greater responsibility.

Introduction

In considering new directions in Irish local government it is important to appreciate the evolution of the current structures and the place which local government has within the national system of governance.

The Current Organisation of Local Government in Ireland

The 29 county councils and 5 city councils are the primary units of local government. The full range of local authority functions rests with the county and city councils. Within the counties there are 80 town councils, which are responsible for a varied number of functions. 8 regional authorities promote the coordination of public services at regional level and 2 regional assemblies primarily manage programmes under the National Development Plan.

Local elections take place every 5 years. Every resident over 18 years of age is entitled to be registered as a local government elector. Citizenship is not a requirement for voting at a local election.

Councillors, i.e. the elected members, form the elected tier of a local authority. They are elected under a system of proportional representation. The council is the policy

making forum of the local authority; the day-to-day management is carried out by the executive, i.e. the cadre of full-time officials led by the county or city manager. The number of councillors elected to each local authority ranges from 9 to 52.

Elected councils exercise reserved functions defined by law. They include decisions on policy and financial matters. The elected members also have an oversight role and responsibility for the general direction of the affairs of the local authority. The executive advises and assists the councillors, and discharges the day-to-day business of the local authority within the policy parameters defined by the elected council. While the division of roles between councillors and the executive is clearly defined in statute, in practice the policy and executive roles overlap.

Local authorities are multi-functional organisations. In addition to representing their communities, and regulating for the common good, local authorities deliver a range of services across the following areas:


- Housing and building;
- Roads and transportation;
- Water and sewerage;
- Planning and development;
- Environmental protection;
- Recreation and amenity; and,
- Miscellaneous services.

Local authorities are funded by a number of revenue streams, from the Local Government Fund (which is comprised of an Exchequer contribution and the proceeds of motor tax), by specific State grants (such as grants for housing, roads etc), by charges for goods and services, and from the levying of commercial rates on relevant properties – see Chapter 12 for more detail.

The Evolution of Local Government in Ireland

In seeking to address some of the key challenges now facing local government in Ireland, the Green Paper poses questions about local governance, democratic accountability and connection with the citizen.

The structure of local government in Ireland outlined above still resembles that introduced by the Local Government (Ireland) Act 1898. County and city councils are the primary units of local government, operating the full range of local government functions, with town councils (former UDCs and town commissioners) as secondary units within counties. The main reforms to this structure since the



beginning of the 20th century were the abolition of Rural District Councils in 1926 and the reorganisation of county Dublin into 3 separate county councils in 1994.

In terms of governance, the distinct feature of the Irish local government system is the operation of the managerial system, which was introduced between 1929 and 1941. This form of local administration was inspired at the time by experience in the United States. The system gives significant executive powers to the manager with policy functions being reserved to the elected council.

Recent reforms of local government, over the past 20 years or so, have focused on strengthening the administrative abilities of local authorities, streamlining service delivery, and efforts to give greater meaning to the policy formulation powers of councillors within the framework of the managerial system. (See Annex III for a short note on the local government reform proposals of the early 1990s).

Over that period, some specialist or national strategic functions have been taken from local authorities. The Environmental Protection Agency and the National Roads Authority were set up in the 1990s to bring a strategic focus and consistent national approach to major environmental functions and national roads developments. However, the growing body of environmental law and the additional resources which have been assigned to non-national roads means that local authorities are doing more in these key areas today than they were 15 years ago – not less.

Local development agencies – Area Partnerships, Leader, County/City Enterprise Boards etc – have grown alongside local authorities. Part of the rationale for the County/City Development Boards is to more closely align these local development bodies with local government. The recent initiative to bring Area Partnerships and Leader Groups together has seen some rationalisation within a unified county based structure. The interaction and synergy between local government and these agencies continues to generate debate.

The Local Government Acts, 1991 and 1994, set the tone for a more enlightened approach to local government, removed statutory controls and relaxed the ultra vires doctrine to allow local authorities much greater freedom to respond to local needs.

However, Irish local government still has a much narrower range of statutory functions than local government in most other European States, which often plays a role in the provision of policing, health and education. These services are generally

provided by units of sub-national government which are much greater in scale than most Irish county or city councils. Other European States have, in many cases, been more willing to restructure and realign local authority boundaries to suit more effective service delivery. In Ireland the concentration has been on improving policy cooperation and coordination between local government and other agencies/services, particularly through county and city development boards and joint policing committees.

Better Local Government and the Reforms since 1996

Better Local Government in 1996 focused on strengthening the policy making function of councils with the establishment of new structures such as the Corporate Policy Group and the Strategic Policy Committees. It also set the agenda for a modern management system within local authorities. The express intention of these reforms was to enhance councillor policy input. Councillors' sphere of influence in public service delivery at local level was also recognised through their leadership of County and City Development Boards.

Other significant developments since the publication of *Better Local Government* include:

- The establishment of the Local Government Fund (with a mix of Exchequer funding and motor-tax receipts) which helped to improve the financial position of all local authorities. Local authorities have also benefited from the increase in construction activity which, together with legislative reforms, has seen significant increases in capital receipts for the provision of new infrastructure.
- Local government has put in place modern, financial management, accounting and audit systems, service indicators and corporate plans, a series of one-stop-shops, shared services locations and modern ICT systems. In many of these areas local government has led the way in the Irish public service.
- A greater emphasis has also been placed on sharing services, staff and structures between town councils and county councils.
- Constitutional recognition was given to local government in Ireland for the first time following the acceptance of the 20th amendment to the Constitution in 1999, which also provided for guaranteed elections every 5 years.

- The ending of the dual mandate facilitated a dedicated corps of councillors free to focus on local authority business, without the constraints of parliamentary schedules.
- Victorian era local government law was repealed and replaced with an updated consolidated code in the Local Government Act, 2001.
- Strategic Policy Committees were put in place to allow elected members to develop a central role in policy development in partnership with relevant sectoral interests and with proper support.
- County and City Development Boards were established to bring together, under the local government umbrella, the wide range of State agencies operating locally, with the social partners and local development bodies. CDBs provide an opportunity to maximise the combined impact of State agencies at local level. They were designed to concentrate the collective energies of all local partners on devising strategies for economic, social and cultural development tailored to the needs of the county or city concerned. The aim was to integrate public services in the interests of the common good and, crucially, under the democratic leadership of local government.
- In addition to policy making reforms, the 2001 Act also gave legal recognition to important 'softer' roles of the elected representative, for example, the recognition of civic leadership, the representational role of councillors and the role of local government in community development.
- New representation payments, allowances, gratuities and training were provided for councillors in recognition of the significant public service provided by local representatives and to support them in their work.

The Political Context of Irish Local Government

Every system of local government is rooted in the history, traditions, culture and evolution of its own country. Ireland is no exception.

Our two tier local government structure is based on a 19th century model which was swept away in Britain and Northern Ireland in the 1970s with the abolition of historic counties and less historic UDCs and other forms of local government. The county basis of local government in Ireland remains sacrosanct (there is still 'creative ambiguity' around the use and concept of County Dublin many years after the abolition of its county council), while Ireland turned to an American inspired managerial system which took much of the executive power from local councillors.

Our national democratic system has also played a strong role in shaping local democracy. Ireland is a small state with a higher ratio of national parliamentarians per head of population than most other European countries. This, combined with a strong executive system of Government and an election system based on multi-seat constituencies, has always meant that national politicians take great interest in local as well as national issues.

This political environment has not been conducive to giving local government full scope to shape local destinies. As the State has developed its services it has tended to create them as central services. Of course, it is fair to argue that, as a very small State, it was sensible that certain services such as education and policing should be delivered in this way, though this is not a universal approach among small States.

The abolition of the dual mandate in recent years has sought to focus the work of national politicians on national and international issues and to allow local politicians to concentrate on local issues. This move has not been without its own problems. The Irish public (or at least a significant part of it) still expects the local TD to respond to local issues. TDs can feel frustrated that their access to local government is more restricted, notwithstanding information sharing systems which were introduced at the time of the abolition. The local government system may itself feel that political leadership has weakened in some authorities due to the loss of the political skills and experience of full time national politicians.

The local government management system has provided impartial and professional management of local administration. Arguably, however, the management system as operated in Ireland has contributed to a weaker local political system. Managers do not have a political mandate to represent the local community while local politicians do not have the responsibilities or structures to optimise a strong local leadership role. This local democratic weakness in turn reinforces the tendency for local communities and politicians alike to turn to central government to deal with issues which should be dealt with locally. An examination of issues raised on adjournment in the Dáil having significant "national" importance show a very heavy bias towards matters of primarily local significance.

Finally, it must be said that debate around the structures of Irish local government does not rate high in the public consciousness - perhaps because of its very status in the political hierarchy. The public does, however, live with the consequences of local authority decision making, especially in relation to the planning system. This factor alone requires us to consider the effectiveness of our local government system.

Local Government - the View from the Centre

The weak nature of local political democracy and poor articulation of the values of localism means that there can be a lack of understanding at central government level of differences in service delivery or prioritisation at local level. This view applies at both political and administrative levels of central government.

This view from the centre has also affected belief in the ability of local authorities to deliver new services. It has encouraged Government to by-pass local authorities in favour of separate local development bodies and it does not encourage decentralisation of power. This approach has arguably served to keep the local government sector much weaker than it should be.

There is a gap between the objective of the Minister for the Environment, Heritage and Local Government to "support strong, democratic and responsive local government"⁹ and the reality of local dependency on the centre. While local government law provides that local government is "independent in the performance of its functions"¹⁰, there are of course many constraints on the operation of this independence. Local government must abide by national and EU legislation. The sector also depends on significant, specific grant-aided programmes which are centrally determined (although the €1billion Local Government Fund does provide significant discretionary funding).

One of the key roles of the Minister for the Environment, Heritage and Local Government is to set down national policy for the local government sector, and to provide the necessary legislative and regulatory framework within which the sector operates. Local government legislation also provides a set of rules governing the relationship between the Minister and local authorities in relation to a whole range of functions. These range from total prohibition on local involvement (planning permissions), optional involvement (issuing directions on development plans, holding public inquiries etc), required involvement (determining local electoral boundaries, the ultimate decision on removing a manager from office etc) to statutory consultation across a wide range of areas.

Informal (structured and non-structured) co-operation between local government and Government Departments is also part of the day to day interaction. Local authorities interact with wider range of Government Departments than heretofore as Departments have been reorganised and as local authorities have become involved in a wider range of activities in areas such as sports, arts and culture and community development.

⁹ A key high level objective in the Department's Strategy Statement.

¹⁰ Local Government Act 2001, Section 63(3).

This complex relationship can cause confusion in the public and political mind as to lines of responsibility and accountability. Ministers and national politicians are often called to intervene in matters which are proper to the local authority decision making processes, while in other cases it is necessary and correct that a higher national authority should have the ability to intervene.

Getting the balance right will always be a challenge.

The Ability of Local Government to Deliver

There is a danger, by focusing on the negative, that the successes in local government delivery get overlooked. Many of the core services which local government provides can seem mundane, yet require high levels of expertise and technical ability, such as the construction of roads, housing development or the operation of water services. A media environment, in which problems and failures are more newsworthy than solutions and successes, may also be a factor.¹¹


Local authorities are multi-functional organisations, delivering diverse and challenging services every day. These services are critical to the wellbeing of society and range from accommodating the homeless, to promoting local tourism, from urban and community development, to providing sports and recreational facilities.

Local authorities deliver important public safety services, directly through the fire service, and in partnership with Irish Water Safety and the Civil Defence. They have been to the forefront in providing key cultural resources nationwide through a much improved library service and Arts Officer network. Their role in protecting our built and natural heritage has expanded significantly in recent decades.

Local authorities are also charged with delivering on historically high levels of investment in our water and wastewater infrastructure to overcome the deficits which remain in the system. They have a key role to play in reducing Ireland's reliance on landfill and radically improving municipal waste recycling rates through the provision of recycling centres, bring banks and segregated household waste collection.

Local government is entrusted with the investment of in excess of 5% of the country's GDP and in so doing they are crucial to society's prosperity, not least by

¹¹ "While the media does play some role in debating and discussing public policy choices as well as prompting analysis and highlighting problem areas, much media reporting is devoted to incidents of policy failure and ultimately finding people to throw stones at. Most achievements or successes go unnoticed." Mark Callanan 2007, *Ireland 2022, Towards One Hundred Years of Self-Government*, Dublin IPA page 27.



delivering on infrastructural improvements. To help measure performance the sector has produced a set of service indicators, measuring performance across a range of areas, including housing, planning and the environment. It is the first sector in the public service to do so.

Local government is a vital, diverse, enabler of Ireland's success. Its roles are complex, challenging and fundamental to our society's desire to become a truly sustainable society. The complexity of its operations, and the wide range of skills available to it, gives the local government sector particular flexibility to respond to new challenges, given the chance and the provision of adequate resources.

Local Decision Making in a Globalised Era

While the focus of this Paper is on local government, no discussion on local decision making can ignore the wider context within which local government is situated. This includes national, EU and international levels of governance.

Ireland has one of the most globalised economies in the world. This has been part of our economic success. It means, for example, that decisions taken at WTO on international trade policy impact at the most local of levels. Opportunities are created for new industries and services, while pressure is put on traditional agricultural and industrial sectors. While there are many factors behind the transformation of the Irish economy, there is no doubt that our successful globalised economy exerts a real physical impact on the ground and local government must be part of the response to this. Local government must deal with the pressures of population and urban expansion while at the same time overcoming community and physical decline. Decisions taken on climate change by national governments, the EU collectively, and ultimately at UN level by the world community, are all interlinked and impact down the line on local government decision making; for example, in relation to sustainable planning and transport policies.

Ireland's membership of the EU has been hugely significant right across the spectrum of local government activity. Local authorities are, in many instances, the primary statutory agents charged with both implementing, and complying with, the comprehensive code of environmental law adopted by the EU Member States. They have also delivered on a wide range of EU co-financed infrastructural investment.

And of course, national government remains paramount in setting national policies across the full social, economic, environmental and cultural agenda which impact on the business of local government. Key policies in this area include the National Spatial Strategy, the Climate Change Strategy, the National Development Plans, and so on.

All these forces, influences, policies and laws affect and constrain autonomous local decision making. Yet local government is essential to the well-being of the State. The essence of local government is that it is local. Developed and competitive countries continue to sustain a large number of small elected local authorities because active citizenship and social capital are important values in today's complex world. Local authorities help to support these values.

The challenge is to ensure vibrant local expression and optimal local democratic decision making within the framework laid down by those higher tiers of decision making. Indeed, it is important to realise that sustainable national policies should, in turn, make for sustainable decision making at local level to the long term benefit of all.

Ireland is not unique in facing this challenge. The role of central government has become much more significant in many countries over recent decades in spite of greater devolution of powers. However, the issues may be pronounced here due to the financial dependency on central government and the political traits of the Irish political system outlined above. The relationship between central government and local government is discussed further in Chapter 10.

Complexity in Governance and the Need for Coordinated Development

Another factor driving change in local government is the changing nature of government. Government at all levels has become more complex. There is a greater public expectation of quality service, greater scrutiny of service delivery, greater diversity in service provision, greater need for policy and service integration, and greater need for connections across local government, Government Departments and other local and national agencies. This complexity calls into question the traditional structures which we use to deliver public services. In the area of health, for example, the Government decided that one central executive was required to provide a consistent, coherent and efficient level of service across the State.

In local government this greater complexity changes the nature and range of skills, capabilities and resources necessary to deliver local services successfully. For example, the housing function was traditionally a fairly straightforward service of building houses. Nowadays, a much more complex response is required in building new communities, and in regenerating areas which have suffered from past failures: the regeneration of Ballymun and the new initiatives in Limerick are examples of the multi-task and multi-agency response which can be required.

The creation of sustainable communities, requiring the integrated provision of physical and social infrastructure (housing, schools, transport and amenities) has

been a challenge for local authorities. Some authorities, through the use of local plans and Strategic Development Zones etc, have been successful in developing new communities in a sustainable manner, with schools, community facilities and public transport all being brought together. In other areas, while there has been rapid housing development, such development has often been poorly located and poorly integrated with the provision of essential community and recreational services leading to adverse impacts on the quality of peoples lives, the cost of providing services and environmental quality.

New thinking is required to ensure that local and central government work more effectively together and with the private sector and communities in ensuring the integrated provision of key infrastructure and services. To these ends the Government has recently broadened the role of the Minister of State for Housing and Urban Renewal to include a new brief for Developing Areas. Arrangements have been put in place to examine areas identified for strategic growth under the National Spatial Strategy, targeting those areas where a more co-ordinated approach is required.

The increased complexity in governance comes at a time when the State and the public service needs to show increased agility. There is in this environment an opportunity for local government to prove that it can increase its role and function in delivering for the local community, thereby allowing central government to concentrate on strategic national issues. Given the freedom to act, local government has the proximity and multi-functional flexibility to respond to local needs in a way that central government cannot.

The reforms suggested by this paper should assist local government to position itself for this challenge.



PART II



Leadership and Local Government



Chapter 3:

A Mayor for Dublin

The Programme for Government commits to the provision of a directly elected Mayor for Dublin by 2011. Chapter 3 sets out the options: should this be a Mayor for Dublin City or for the Dublin Region? How should such a region be defined?

The Chapter suggests that the needs of Dublin would best be met with a directly elected Mayor covering the 4 Dublin authority areas. Such a mayor would be given a strategic role in areas such as regional planning, water, waste water, waste management, housing etc. It is also suggested that the Mayor would become chair of the Dublin Transport Authority.

The Chapter acknowledges the many issues that have to be resolved to bring such an office into being. For example, how would a Regional Mayor interact with the 4 local authorities – and their respective Mayors? This is all the more important in the context of a much stronger role for mayors generally – see Chapter 4. Could the role of Lord Mayor of the City and Regional Mayor be combined in one office? What relationship would such an office have with central government? What role should be given to the Dublin Regional Authority? These questions will be central to the debate.

Introduction

The Programme for Government contains a commitment to introduce a directly elected Mayor for Dublin with executive functions by 2011.

A Dublin City Mayor or a City Region Mayor?

There are 2 main options for a Dublin Mayor, i.e. (i) a mayor for the area governed by Dublin City Council or (ii) a mayor for the wider Dublin Region – which in itself could be defined in a number of ways. These are two very different mayoral models.

As Chapter 4 indicates, various models of mayor are used across the world e.g. directly elected without executive powers (as proposed under the Local Government Act 2001); a mayor with full executive powers, or an executive mayor and manager model with a defined set of powers distributed between mayor and manager.

The model developed in London provides the mayor with a limited set of strategic functions across the region. The London Mayor sets out plans and policies covering transport, planning and development, economic development and regeneration, culture, and a range of environmental issues including biodiversity, ambient noise, waste disposal and air quality. The 33 London Boroughs continue to carry out their normal functions within this regional policy framework. The Mayor's office is linked to a directly elected Assembly which scrutinises the office of the Mayor but has limited powers. See Annex II for a description of the London Mayor and Assembly.

While the London Mayor offers one model, it must be realised that there are fundamental differences between London and Dublin in terms of scale. The relationship between a Regional Mayor and 33 local authorities in London compared to a Regional Mayor and 4 local authorities in Dublin would also be quite different.

Institutional Linkages

The relationship between a directly elected Mayor (in whatever form that office may take) and other key institutional arrangements for Dublin will need to be clearly established. If the Mayor is representative of the City Council area only, he or she can only speak for one of the 4 Dublin authorities. If on the other hand the Mayor is elected across the 4 authorities (or broader), the office of Mayor might be expected to become a key focal point for many regional strategic issues.

Key institutional linkages include linkages with the proposed Dublin Transport Authority, the Dublin Regional Authority (and in particular its functions in preparing Regional Planning Guidelines) and the arrangements established for the Dublin Waste Management Region.

Other key linkages are with central government and, in the case of a Regional Mayor, with the 4 existing authorities and the mayors/cathaoirleigh of those authorities.

Submissions from the Public and Consideration by the Consultative Committee

There was a significant divergence of opinion on the merits of introducing a directly elected mayor for Dublin. Many individual submissions were opposed to the idea of a directly elected Mayor, either because the present system was viewed as sufficient or because of mistrust of a new political office. Most institutions and authorities supported a directly elected Mayor with a regional and strategic remit in their comments.

The consideration of this question by the Consultative Committee tended to agree that, in principle, a directly elected Mayor for Dublin would be a positive development. It was also generally felt that the Regional Mayor (most likely with a remit within the boundaries of the existing 4 Dublin authorities) was the most appropriate approach. However, it was also pointed out that a directly elected Mayor of the city would be easier to put in place in terms of fitting in with existing institutional arrangements.

Issues raised included the accountability of a Regional Mayor, the relationship with central government, the institutional arrangements needed to support a Regional

Mayor and cost of those arrangements, the issues of spending and taxation for such an office, the role of the Regional Authority, the relation with the proposed Dublin Transport Authority and so on.

Options for a Dublin Mayor

Having regard to these issues the various options which could be followed for establishing a directly elected Mayor for Dublin are set out below.

A Mayor for Dublin City

A directly elected Mayor for Dublin City Council (as provided for, but not implemented under the Local Government Act 2001) would have a high profile both locally and nationally. Such a figure would raise the profile of Dublin, bring a greater democratic connection to city residents and create clearer accountability for City Council service delivery. This accountability would be further enhanced if the Mayor was responsible for a suite of functions along the lines suggested in Chapter 4.

A directly elected Mayor for the City Council area could be introduced without disrupting the existing general administrative and structural arrangements for the Greater Dublin Area.

A Regional Mayor for Dublin

If the purpose of a directly elected Mayor is to provide local leadership on major strategic issues facing the Dublin regional area, a different model of mayor may be required. Dublin faces major strategic challenges in public transport enhancement and delivery, regional planning and the sustainable housing provision, management of waste, and the long term provision of drinking water and waste water disposal. In addition, the need to change the pattern of development in the Greater Dublin Area is a critical part of the response to meeting national climate change targets. These are all issues which face the 4 Dublin local authorities collectively as well as individually. The exact role of the mayor in relation to these issues would also need careful consideration – see below. Measures in the current Programme for Government for a Dublin Transportation Authority have the potential to provide new co-ordination functions that will need to be carefully integrated with the functions of regional and local authorities and with any proposals which arise out of this reform process.

The 4 local authorities co-operate well on these issues through a number of mechanisms. For example, regional planning guidelines are adopted by the Dublin Regional Authority, waste management is co-ordinated under the Dublin Waste

Region, the Dublin Transport Office co-ordinates transport planning, the Affordable Housing Partnership was established with a Dublin focus, and there are a number of other more informal arrangements in place. Co-operation between the Dublin local authorities in the "metropolitan interest" is a statutory requirement under the Local Government (Dublin) Act 1993.

However, the requirement to co-operate usually requires much behind the scenes negotiation before proposals are considered by the elected members. Unless handled properly such a process can be perceived as presenting elected representatives with a pre-determined outcome. A Mayor with a regional remit would bring an accountable political mandate to deal with the regional co-operation and strategic decision making required in these areas.

The Geographical Remit of a Dublin Mayor

If a Mayor is to be introduced for the Dublin Region the question that then follows is how is that region to be defined? Options include:

- The traditional County, encompassing the City Council and 3 County Council areas of Fingal, South Dublin and Dún Laoghaire Rathdown. This area also coincides with the current area of the Dublin Regional Authority. This configuration would have the greatest legitimacy in terms of traditional allegiance. Census 2006 gives this area a population of 1.187million.
- The Greater Dublin area (as defined in Census 2006). This would exclude the rural area of County Dublin but include all the built up areas contiguous to the city not extending into surrounding counties. This area has a population of 1.045 million.
- The Dublin Metropolitan area. This would include the built up area of Dublin extending into surrounding counties of Meath, Kildare and Wicklow, but possibly omitting rural areas of Fingal. There is a certain logic to extending the remit of the office of Mayor to include the contiguous built up area of the city. However, this area is more difficult to define and it raises questions of allegiance. Would there, for example, be reservations about a Mayor for Dublin making strategic decisions in relation to parts of Kildare, Meath and Wicklow?
- The Greater Dublin Region. Again this is a region which could be variously defined up to and including the full counties of Kildare, Wicklow and Meath. (The existing combined regions of Dublin and the Mid-East). This full region

would have a combined population of 1.662 million. The argument for this area is that it includes the region of the State which is under direct influence of Dublin. However, the extent of this area raises questions of manageability and possible loss of focus. While there is no doubt that many commute to the city from within this whole area, it includes large areas of north Meath, south Kildare and west and south Wicklow which are quite remote from Dublin city. Commuting patterns are only one criteria for establishing a region and, in the case of Dublin, some areas beyond the Mid-East Region (south Louth, Carlow) may have a stronger commuting link with the city, due to the provision of strong public transport and road networks, than other areas within the Mid-East which are not so well served.

Deciding on the most appropriate structure for a Dublin Regional Mayor will also have to take into account the Government's objectives for achieving balanced regional development, as set out in the National Spatial Strategy and the Agreed Programme for Government – see also discussion in Chapter 9.

Powers of a Dublin Mayor

If a Mayor was to be introduced for the city area only, the proposed powers given to the office could be along the lines set out in Chapter 4 in relation to mayors generally.

In the case of a Regional Mayor, it is suggested that such a mayor should be given specific powers in relation to those areas which require, and are subject to, cross-boundary co-operation. These include powers in relation to strategic land-use planning, waste management, water services and housing as mentioned above. These are areas which have been subject to ongoing debate and occasional controversy. It is suggested that a Mayor with a democratic mandate to make decisions for the region could overcome the issues of legitimacy and bring more transparency by centring decision making in the Mayor's office.

Transport is one of the key challenges facing the Dublin Region. The Government is progressing legislation to establish a Dublin Transport Authority. It is suggested that a democratically elected Mayor for the Dublin Region should have a key role in the provision of a sustainable transport system in Dublin. Any such role would continue to be in the context that, in the foreseeable future, central government will continue to bear most of the capital cost for enhanced transportation within the region, even with the contribution of private sector funding through PPPs. It is suggested that the most appropriate role for Dublin Mayor in this case would be as Chair of the Dublin Transport Authority.

It is not proposed to establish new operational institutions to execute decisions of a strategic nature referred to above. Implementation should generally rely on existing institutional arrangements.

Any powers given to such a Mayor's office at regional level would, however, need to respect national and EU obligations. This issue is discussed further in Chapter 10.

A Role for the Dublin Regional Authority?

Mayors are typically part of an institutional architecture which includes a council with varying degrees of power. The London Assembly, referred to above, is a directly elected assembly which oversees the office of London Mayor. By design the London Assembly has limited powers. It is not an executive or legislative authority. It was designed to provide oversight while giving the Mayor greater freedom to act. The weak nature of the Assembly has been subject to some criticism.

Depending on the geographical remit of a Regional Mayor, the Dublin Regional Authority could play a role in relation to the Mayor's Office in Dublin. Consideration would need to be given to the exact powers of the Authority in the new arrangements, and to whether election to the Authority should be direct as opposed to indirect as at present.

A Regional Mayor and a City Mayor and the Question of the First Citizen

Much of the debate around the Dublin Mayor has revolved around the question of whether the directly elected Mayor should be for the City Council area only or for the wider Dublin Region. The debate suggests that it is the wider region (however defined) which requires strategic political leadership. However, Chapter 4 proposes that all city and county councils should have directly elected mayors. This then leaves the possibility of having a directly elected Mayor for the city, the 3 Dublin county councils and the Region. In particular, both a City Mayor and a Regional Mayor would have a particular status and importance which could potentially lead to conflict notwithstanding the different remits which would attach to those offices – not least in terms of ceremonial importance.

This is not without precedent. The Lord Mayor of London and the London Mayor co-exist, though in terms of scale the remit of the Lord Mayor in London only extends to a very small part of the overall metropolitan area.¹² In some areas of the United States, a mayor may be elected to govern a county which itself can contain a

¹² The population of the City of London is less than 8,000 out of a total London metropolitan population of 7.5 million. The population of Dublin City is 505,739 out of a total regional population of 1,186,159

number of cities – see again Annex I in relation to Miami where Miami City is a unit within Miami-Dade County.

This question could complicate future governance of the city. In this regard there are a number of options:

- Provide for a directly elected Mayor for the region but not for each of the 4 authorities;
- Allow, or require, the post of City Mayor and Regional Mayor to be filled by the same person; or
- Give the Mayors of the 4 authorities recognition within the overall governance of the region working alongside the Regional Mayor.

In terms of providing strong leadership for the City, the possibility of the City and Regional Mayor being incorporated in the same person would have some clear advantages. However, there would be issues of electoral legitimacy to be considered. Do the voters of the wider Dublin Region elect a Lord Mayor for the City, or vice versa?

A Dublin Mayor and Central Government

Given Dublin's importance as Capital City and as an economic driver for the rest of the Irish economy, decisions and policies of central government will continue to play a very important part in the city's future. One of the key relationships for an elected Dublin Mayor will be with central government - especially in relation to centrally delivered services such as education, health and policing. Local authorities already work with Government Departments and other service delivery agencies on a number of levels, on an ad hoc basis for example in relation to the provision of new schools, and on a more formal level as partners on the county and city development boards and through joint policing committees. The recently established Developing Areas Initiative is an important mechanism to incentivise local authorities and key stakeholders to co-ordinate their activities and consider the strategic implications of policies and investments into the future.

New roles for an elected Dublin Mayor may evolve in these areas also. As demonstrated in London, it will also be possible to add to a Dublin Mayor's powers overtime if the office is seen to be a success.

Chapter 4: County and City Government - Directly Elected Mayors

Chapter 4 discusses the pros and cons of introducing directly elected mayors in our towns and cities. It notes the trend in democratic states to strengthen local democracy by strengthening local political leadership, primarily through the office of mayor. The Paper discusses the various international models which exist for local government political leadership.

The Paper comes down in favour of directly elected mayors in cities and counties. It also suggests that the democratic policy making function of local government would be strengthened by giving important powers of initiation – budgets, development plans etc, to the mayor. It further suggests that the cabinet nature of political leadership be strengthened by requiring the Chairs of Strategic Policy Committees to remain in place for the full terms of Councils.

The Chapter suggests that default decision-making powers should be taken from managers and given to mayors. However, this would need to be balanced with new provisions regarding compliance with national and EU law – discussed further in Chapter 10.

The Paper concludes that the provision of directly elected mayors would be the major initiative to strengthen local democratic leadership in Irish local government. In this regard it notes the challenges that such a development would pose to existing councillors, national politicians and central government institutions.

Introduction

This Chapter sets out a number of options which could be pursued to revise the arrangements for local authority mayors/cathaoirligh.

Background - Proposals under the Local Government Act 2001

The Local Government Act 2001 provided that the mayor of a city or county council would be directly elected by the city or county electorate. This was to replace the system of annual election of mayor/chair from among councillors. However, this provision was repealed, before it could take effect (in the Local Government Act 2003) at the same time that the dual mandate was abolished.

The intention behind the provisions in the 2001 Act was that a directly elected mayor, provided with a powerful democratic mandate, would become the public face of local government. The office would, over time, rebalance the relationship between the elected and executive components of local government by virtue of the democratic mandate and tenure of office rather than through the granting of additional executive powers. The first direct elections for mayor were due to be held in 2004 with subsequent elections every 5 years.

The provisions attracted criticism from two opposing view points: firstly, that they were minimalist in terms of powers, and secondly, concerns were expressed that single issue or celebrity candidates with no experience of local government could be elected to office to the detriment of local government.

On the other hand there was some positive reaction to the proposals on the basis that electing a non-executive mayor would be a first step which could ultimately pave the way for an executive mayor.


The reason given for the repeal of the provision was that the new local government regime introduced by the 2001 Act needed space to settle following the abolition of the dual mandate. There was, in addition, significant political opposition to the concept of directly elected mayors, including from many councillors who may have seen their own position diminished as against that of a high profile mayor. It was promised, however, to keep the issue under review.

Current Considerations on Mayors

The issues which arose in relation to the 2001 provisions still exist i.e. encouraging the election of single issue or celebrity candidates; the relationship between a directly elected mayor and council; and a fear that councillors, and indeed other public representatives, may see their status diminished against that of a high profile mayor.

A review of local government systems in other democracies shows that there is no one model which can be directly transplanted to an Irish situation. There are a myriad of forms of local government, varying in function, method of election, forms and powers of chairmanship, differentiation of function between council, chair and executive and so on. Each system is rooted in its own history, traditions and culture and is the product of different evolutionary influences. Changes to the Irish local government system must also take cognisance of those same factors, as well as of the possible contribution that changes can bring to enhance the role of local government in Ireland.

Any proposal to reintroduce the concept of a directly elected mayor, either generally or in particular circumstances, must be justified in terms of the benefits such an office could bring. In this regard, one of the primary considerations will be cost, not just in terms of payment to the office holder, but also in terms of any additional supports which the office would require. Cost, in turn, would be influenced by whether or not the position is to be full time. Again, it is possible that different approaches could be followed in different areas.



One of the arguments made during the Oireachtas debate in 2001 in support of directly elected mayors was that the reforms of *Better Local Government* had strengthened the management level of local authorities without any rebalancing of the democratic controls/oversight of council affairs. The view was put that this had further imbalanced the democratic accountability and control functions from an already weak base, at least in comparison with other democracies. The contrary view is that the Corporate Policy Group and Strategic Policy Committee system was put in place to enhance councillors' policy formation role.

It has further been suggested that the ending of the dual mandate further impacted on the elected side by removing a cohort of full time, experienced politicians. However, in this regard it is fair to say that a period of re-adjustment, following the end of the dual mandate, was to be expected. This adjustment is still working through the system.

The issues around a directly elected mayor are also linked to the discussion about the correct balance in the relationship between the elected council and the manager.

Rationale for an Elected Mayor

One rationale for a directly elected mayor is that such an office would be able to use democratic legitimacy to "speak and negotiate on behalf of the whole community with influence well beyond any formal powers"¹³, regardless of the powers given to the office of mayor.

A directly elected mayor would significantly enhance the visibility of the mayor's office by (a) the enduring nature of the position – at least 5 years in place of the current annual change, (b) the greater capacity for continuity and delivery over a 5 year term, and (c) the attention that the local community and media would focus on one individual in that position.

These aspects might be seen in time as being beneficial to local government in raising its profile across its broad environmental, social and economic agenda. In addition, the associated higher profile and engagement of the public through a mayoral election might be seen as enhancing democratic participation and active citizenship.

The current method of electing council chairpersons in Ireland on an annual basis from among council members means that the mayor or cathaoirleach does not build the sustained presence to be seen as the voice of the local government.

¹³ Quote from Minister for the Environment and Local Government, Noel Dempsey, when speaking on the 2nd Stage of the Local Government Bill 2000.

On the other hand, one of the criticisms in 2001 was the fear that mayors could be elected with public support but with no political support from within the council chamber. It was argued that this could prove very disruptive of council business where the personal relationships between chair, councillor and manager all contribute to ensuring the effective operation of local government.

International Experience

Experience abroad shows a variety of governance arrangements including strong executive mayors, executive councils, managerial systems similar to Ireland, and arrangements involving cabinet type systems where executive power is held by a subset of a greater council.

There is no universal model which applies, or indeed no model which can definitely be said to be superior. It would be wrong to think that the importation of any one particular system would be right for Irish local government. Each system has its own traditions and cultural roots which will have affected the evolution of local government in each country much the same way that the dynamics of the early State have left a lasting impression on local government in Ireland.

That said, directly elected mayors have become much more common in European States over the past 20 years or so in countries such as Germany and Italy, as well as Slovakia, Bulgaria, Romania, Hungary and Slovenia. English local government reform took some tentative (but not very successful) steps in that direction in 2000 and the UK Government is now bringing forward further reforms in that direction.¹⁴


Annex I to this paper gives a synopsis of international experience of various mayoral and managerial systems.

Submissions from the Public and Consideration by the Consultative Committee

The submissions arising from public consultation were generally favourable towards the provision of directly elected mayors. There was a wide range of views regarding the functions such mayors should have and as to whether directly elected mayors should be introduced for just the major cities or for all local authorities.

The views expressed at the Consultative Committee ranged from strongly supportive of the concept, to scepticism as to whether such a development in Irish local government would actually bring any tangible benefits.

¹⁴ See note in Annex I in relation to local government in England and Wales.



There were suggestions that directly elected mayors should be extended to cities and counties, but only after a period of experience of a directly elected Mayor for Dublin (see previous Chapter). Other views considered that all local authorities, including towns, should have directly elected mayors, but only after sufficient powers had been devolved to all councils.

Other issues raised included the need to consider carefully the respective roles of mayor, councillor and manager in any new proposals. It was noted that there were a wide variety of models of mayor, and opinions varied as to whether mayors should be given explicit executive powers or not.

It was also suggested that the decision to adopt a directly elected mayor could be left up to individual local authorities, or that full term mayors could be selected from within the elected members of the council.

Previous arguments about celebrity candidates were raised. These were countered by the view that democracy should not place artificial barriers to participation.

While there was general consensus that a mayoral term should be longer than the current year term, views varied as to whether a term should be for 5 years or a lesser period e.g. 2.5 years.

Options in Relation to Local Authority Mayors

As set out in Chapter 2 it is suggested that directly elected mayors would be beneficial to Irish local government. Such an office has the potential to provide better leadership, legitimacy, accountability and civic engagement.

It may be that more than one option could be applied in different circumstances, or that certain options should be tested on a pilot basis. The various options which could be adopted in introducing a stronger mayoral system in Ireland are set out below.

Direct or Indirect Election of Mayors

While this Paper is tasked with considering the possibility of directly elected mayors it is legitimate to consider if an alternative approach of allowing a full 5 year term mayor to be elected from the body of the elected members of the council. This approach is used in a number of countries, for example in France, where the mayor of the commune is elected in this way.

The more common form of mayoral selection is for the mayor to be elected by popular vote of the electorate for the term of the council. This was the form legislated for in 2001.

An argument put forward against direct election in the Irish system is that mayors elected in this way, and without express executive power, would find it difficult to operate as chair of a council in the absence of wider support around the council chamber.

However, direct election brings added legitimacy and it would be expected that councillors, managers and mayors would develop operational modes to work together to progress local authority business. Experience in New Zealand, with directly elected non-executive mayors, suggests that such an approach can work.

The suggested option at this stage is for direct, rather than indirect, elections.


Selective or Universal Application of Directly Elected Mayors

The 2001 Act legislated for directly elected mayors in all counties and cities but not for town councils. This is still the most straightforward approach in terms of traditional local government policy, national administration and legislation. General application avoids making difficult distinctions between areas, and avoids trying to justify why one area should have a directly elected mayor and another not. However, this approach fails to recognise the scale of differences between local authorities in terms of size, function and capacity.

Suggestions for introducing a mayoral system include starting in Dublin and considering further application some time in the future, starting with the 5 cities, or having universal application to all local authority areas.

There are arguments for local discretion (i.e. with the agreement of the council itself or subject to local plebiscite). In the United States, State legislation often provides a menu of 5 or 6 models of local democratic government (ranging from a strong mayor to a powerful manager model) which local communities can choose to adopt.

Experience in Britain, following reforms in 2000, demonstrated that there is often resistance to change from within existing institutions. The October 2006 English Local Government White Paper – *Strong and Prosperous Communities*, stated that local authorities in England and Wales had adopted “a cautious approach to change”, and it went on to criticise the fact that most council leaders (i.e. chairs) face election every year: “This can make it hard to take and see through essential but difficult



decisions that may in the short term be unpopular. It also brings uncertainty for senior management teams in pursuing and implementing longer term strategies.”

The UK Government has decided therefore, notwithstanding the local reluctance to change, to legislate for 3 models of executive arrangement:

- A directly elected mayor with a 4 year term; or,
- A directly elected executive with a 4 year term; or,
- An indirectly elected leader with a 4 year term.

The experience in England and Wales suggests that leaving absolute discretion for local authorities to adopt a full term or directly elected mayor is likely to meet resistance, and therefore delay the move towards stronger local democratic leadership.

Having regard to the above arguments, it is suggested that, in line with the principle of having directly elected mayors, the approach provided for in the 2001 Act should be the starting point i.e. mayors in all counties and cities. Consideration will need to be given to the potential costs of such a system before definitive conclusions are reached in the White Paper.

In this regard there is a case for making the position of mayor a full time salaried position, at least in larger authorities, if the mayor is to fulfil the potential of the office in providing local democratic leadership, particularly in the expanded roles which council chairs now have.

Powers and Functions of a Mayor

Although the 2001 Act did not provide for executive powers to be given to mayors, it did give explicit recognition to a number of key roles which the mayor is asked to perform, for example, chairing the Corporate Policy Group and County / City Development Boards, a role in relation to ethics etc.

Internationally there are many models of mayor with varying degrees of power (Annex I provides more detail on a selection of these models):

- New Zealand has operated a system with a directly elected mayor, as chair of the council with no executive power. A chief executive officer is also employed with responsibility for implementing the local authority's policy agenda. The New Zealand model is considered to fit into the general category of a managerial system.


- A common model in many democracies is to have an executive mayor with significant powers, but subject to the checks and balances of an elected council.
- Many cities in the United States operate within a city manager system (similar to Ireland) with set roles for council, mayor and manager as set out in the city/county charter. These roles, and therefore the balance of power/responsibility, vary significantly from city to city.

The options for reform set out in this Paper propose to build on the existing system – not dispense with it. Therefore the major options in this regard are:

- To follow the non-executive model as provided for in the 2001 Act. In New Zealand the experience of such a mayoral system is seen to have delivered benefits notwithstanding the lack of executive power. Mayors are seen to have delivered by “sheer force of personality and astute coalition building”.¹⁵ The overriding democratic mandate which flows to the mayor seems to overcome the potential strain of a mayor not being appointed from within the council.
- Complementing the managerial function within local authorities, there are specific functions which could be granted to a directly elected mayor which may help with local democratic legitimacy. For example, the mayor could be given the power to propose the authority’s budget. This would still require the full back up of the manager and his team but it would change the dynamic in terms of the political ownership of this most important annual “policy”. (See example in Annex I contrasting the legal situation in 2 US cities which operate a managerial system, one where the manager proposes the budget and one where the mayor proposes the budget).

Another area might be in relation to development plans. Currently these plans are seen as creatures of “officials”, which are subject to amendment by “councillors”. It is difficult for the public to assign responsibility to particular figures in this regard. A mayor who proposes a development plan would be seen to have a particular ownership over it. Such a mayor, given his or her city/county wide remit, may also take a more strategic and sustainable view of the plan. While the mayor could not dictate final adoption, the political ownership of draft plans would alter the dynamic of development plan adoption.

¹⁵ *Local government reform in the worlds NPM laboratory*. Paper presented to Political Studies Association Conference, University of Bath, 11 – 13 April 2007 by Dr. Andy Asquith, Massey University – Albany, Auckland, New Zealand.



There may also be other policy making areas where a mayor could be given a stronger role, which could evolve over time.

A Stronger Cabinet

- The cabinet type governance of local authorities, envisaged under *Better Local Government*, has not developed to its potential. Part of the reason for this may be the annual turnover in chair of the council. In relation to the chairing of Strategic Policy Committees, the intention in law is that the position be filled for at least 3 years. However, not all councils operate this system (and it is not of course possible to have 2 terms within the 5 year life of councils). It is suggested therefore that, to strengthen cabinet governance and balance the position of a directly elected mayor, SPC chairs should also be appointed for the term of the council. This should mean that the natural/political leaders of the various groupings in the council will take on and retain key leadership roles. It is envisaged that the present system of distribution of chairs should continue, with positions being allocated in accordance with councillor groupings, though an argument could be made for appointments to be made as part of the normal political negotiation process between parties.

Conclusion

The suggested option in relation to mayors is as follows:

- a system of directly elected full term mayors to be introduced in each county and city;
- certain powers of initiative (budget, development plan, etc) to be granted to the mayor; and,
- full term SPC chairs to be elected from the council members to complement and balance the position of mayor.

Chapter 5:

Division of Responsibility between the Manager and Elected Council

Chapter 5 discusses the origins and evolution of the managerial system of Irish local government. It notes that the challenge posed in the Programme for Government is not to do away with professional managerial leadership within local government, but to ensure that local government delivers on its democratic mandate while also ensuring impartial and effective service delivery.


Issues such as greater councillor discretionary funding, the appointment of managers and changes in legislation setting out a manager's powers are discussed. However, the Chapter concludes that the proposals for directly elected mayors, with certain powers of policy initiative, coupled with the strengthening of Strategic Policy Committees, are the most appropriate way of ensuring balance between political policy making and executive management.

Background to the Managerial System in Ireland

The introduction of the local government managerial system in Ireland "arose partly from a pressing need to re-establish order after the civil war, and partly from a set of general assumptions about how to provide for the efficient, economical and honest organisation of public business.... The reforms also owed a lot to the actual operation of the 1898 Local Government Act [which] partly democratised local government in Ireland, without, however, cleaning it up."¹⁶ First applied to Cork City in 1929, it was inspired by the managerial system which was then becoming popular in the United States. The system was applied to all city and county councils by 1941. Prior to the introduction of the managerial system, executive power rested with the elected members.

In essence, power under the Irish local government model is divided in two. The elected council is the policy-making arm of the local authority, who act by exercising "reserved functions." Reserved functions are defined by law. They are specified across a whole range of enactments and include important matters of policy and finance (e.g. the adoption of the annual budget, development plans, bye laws). The day-to-day management of the local authority, including staffing matters, is vested in the manager. The manager discharges "executive functions" within the framework laid down by those policies. The elected members are also empowered to direct the manager, subject to certain limitations, as to the manner in which an executive function is to be exercised in any particular case.

¹⁶ *City and County Management 1929 – 1990 A Retrospective*, Eunan O'Halpin, Institute of Public Administration 1991, pg 2



The balance of power between the manager and the elected representatives has been a recurring theme in local government reform over the years. For example, the reports *Local Government Reorganisation and Reform* (Barrington Report) 1991 and *Better Local Government*, 1996 both looked at this issue and made recommendations on how the councillor's role could be enhanced within the system.

There is no suggestion in the Government Programme that the managerial system should be abolished. Regardless of what reforms are introduced there will always be a need for a full time chief executive officer, and modern management structures, to deliver quality local government services. The question for this local government reform process is to identify the optimum relationship between manager and elected representatives so that local authorities meet their democratic mandate while ensuring impartial and effective service delivery.

Evolution of the Managerial System

The list of "reserved powers" granted to elected members has increased over the years in line with the growth of local government functions and new local government legislation. The booklet *Local Government and the Elected Member* lists 142 separate powers reserved to councillors. However, the powers of councillors have also been curtailed in some of the more important areas of decision-making (e.g. in relation to waste management). A key feature of the system is the default provision which grants the manager power to act unless powers are specifically assigned to elected members.

This division of responsibilities is viewed by some as a significant success in delivering impartial and professional local government, and by others as a negation of democracy.

In reality, the division of power is not as black and white as the legal distinction suggests: councillors and managers work in co-operation with each other in a way which transcends the legal distinctions in order to achieve mutual goals. Such informal working is a natural feature of any democratic system.

Local Government Reorganisation and Reform (Barrington Report) 1991

The 1991 Barrington Report looked at the question of the manager/councillors balance. It reported that "we are of the view that this framework is essentially correct but that certain modifications in the actual operation of the system are needed."

The "modifications in actual operation" which the Barrington Report recommended included involving councillors more in assessing policy options and annual estimates, relaxing the ultra vires rule (which was a significant constraint on local government initiative), greater discretion in decision-making and more devolution of powers from central level, as reserved functions, to local authorities.

The report also suggested more consultation by managers on the exercise of executive functions and better channels of communication.

Many of the Barrington Report recommendations were provided for in the Local Government Acts of 1991 and 1994.

Better Local Government 1996


Better Local Government in 1996 noted that the general allocation of roles in the reserved/executive framework was considered to be "essentially correct" and set out instead to improve the policy-making role for councillors within the framework of the reserved/executive divide. It focused on strengthening the policy making function of councils with the establishment of the new structures of Corporate Policy Groups and Strategic Policy Committees. The express intention of these reforms was to enhance councillor policy input. Councillors' sphere of influence in public service delivery at local level was also to be recognised through their leadership of County and City Development Boards.

In addition to those policy making functions, the local government reform legislation of the 1990s, culminating in the 2001 Act, also gave legal recognition to important 'softer' roles of the elected representative, for example, the recognition of civic leadership, the representational role of councillors and the role of local government in community development.

A further significant initiative was the end of the dual mandate under the Local Government Act 2003 as an effort to ensure a clear division in role between national parliament and local government.

Power and Accountability

Irish local government is open to criticism for a real and/or perceived lack of clear lines of accountability, both between the electorate and elected members, and the elected members and the executive. As such it is often difficult for the public to recognise whether a councillor has performed well or not. Arguably, this is exacerbated by the managerial system in which executive authority rests with the manager. The annual rotation of chairs may also contribute to a lack of clear



accountability and may impede elected representatives in their individual and collective efforts to hold the executive to account.

Uncertainty regarding accountability may also be a factor in the disconnect between local government and the citizen, identified by the *Taskforce on Active Citizenship*.

Political Leadership through the Mayor

As discussed in Chapter 4, the proposal to introduce a directly elected mayor offers the potential to change the local government dynamic in a whole range of areas. The introduction of a full term directly elected mayor would be the most significant institutional reform to affect the councillor/manager balance. Regardless of any specific powers which may be granted to a mayor, that figure would become the visible leader of the council, and the person through whom accountability to the public would flow.

Support for Public Representatives

The ending of the dual mandate has had an impact on the role of councillors. Some councillors consider that they are under more pressure to provide services to their constituents on local authority issues which in the past would have been provided by a full time dual member TD. At the same time the operation of local governance is taking up more and more time (SPCs, area committees, CDBs etc). Many people find it difficult to take time off work to perform the functions required of them as councillors. This restricts the field of candidates available for local election.

In an effort to support councillors in their work, a range of financial supports have been provided for councillors in recent years. These include annual expenses allowances, a representational payment (€16,756 for city and county councillors), retirement gratuity, allowances for chairs of SPCs etc. Many of these supports were significantly improved in 2007 following a review and a new annual mobile phone allowance was introduced. Where new council offices have been constructed in recent years the office accommodation for councillors has also improved significantly.

Many councillors have said, however, that greater supports need to be provided to attract a new and more diverse councillor base and there have been some calls for making councillors full time. However, justifying a move to a full time councillor system (which is not commonplace in other jurisdictions) might require a severe reduction in overall councillor numbers.

Participation in events and conferences which serve to promote good governance, and which promote awareness of issues of interest to local government, are legitimate and add value to local deliberation. Concerns remain, however, regarding the number, relevance and genuine participation in conferences which are organised for councillors and the value for public money which is obtained.

Submissions from the Public and Consideration by the Consultative Committee

The submissions received from the public were broadly supportive of a rebalancing of power towards the elected members. It should be noted, however, that many of the comments on this issue came from elected representatives. Some comments suggested that while policy making is within the remit of the elected council, the control of information by the manager/officials makes it difficult for elected members fully to take control of issues. That said, there were also submissions which supported the current arrangements, citing the impartiality of the managerial system, and suggesting that the reform agenda should concentrate on service delivery rather than the balance of power within councils.

These viewpoints were mirrored in the discussion at the Consultative Committee. On the one hand it was noted that in most council areas the councillors and manager worked well together and that it was natural for tensions to arise from time to time as with any board of management. It was also pointed out that councillors retain extensive directive powers which are the real determinant of the balance of power.

The other viewpoint was that the councillors' position was quite weak in some councils. It was stated that part time councillors do not have the time, resources or legal access to avoid strong reliance on the executive. The control of information was therefore a significantly determining factor in council decision making. The Consultative Committee noted a sense in *some* councils of a "them and us" attitude between councillors and officials. A contributing factor was the perception that officials controlled the flow of information in order to limit the manoeuvrability of councillors. Such an approach was not conducive to shared and positive decision making.

The debate over the balance of power also touched on the issue of decision making on locally divisive issues (Traveller accommodation, waste management etc), and the pattern in the past of providing for default decision making by the manager where councillors fail to exercise powers. This important issue is discussed separately in Chapter 10.



Options for Change

Continued Training

As noted above, councillors do have significant powers of direction and policy making. To ensure that councillors are fully aware of their functions and powers, regular courses are organised to assist them. These types of courses should be maintained, particularly as new councillors come into the system after local elections.

Training courses and conferences need to be relevant to the work of councillors. The system of financial support for conference attendance may need to be revised to encourage more in-house training, reduce incentives in the system which encourage undue travel, and ensure fuller participation in those conferences which are organised.

New Powers for Councillors?

While certain powers have been taken from local authorities over the years to be centralised in national specialist agencies (NRA, EPA, taxi regulator etc), the reality is that the business of local government has become much more complex over recent years. Many new powers and functions have been devolved to both the elected members and the executive in areas such as community development and social inclusion with new consultative systems established with other local and national agencies through the County and City Development Boards and Joint Policing Committees etc.

However, this Green Paper recognises that the key to a more accountable and democratic local government system may be the provision of directly elected mayors with enhanced powers to initiate policy. Major policy areas such as the annual budget, development plan etc may gain additional political legitimacy, and be subject to greater scrutiny and accountability, if they are more clearly seen to be the proposals of local political leaders.

Discretionary Decisions on Funding

Consideration could be given to providing further discretion to councillors on day-to-day matters – for example, allowing discretion for expenditure on minor environmental works etc without undermining the impartial function of the manager. Any such discretionary decision making must still comply with the requirements of the Freedom of Information Act for public bodies to give reasons for decisions, and for decisions to be taken in a fair manner.

Formulation of Manager/Executive Framework

The basic formulation in local government legislation, stating that 'unless a function is explicitly reserved to the members it is a matter for the manager', has remained largely unchanged since 1929.¹⁷ However, the Local Government Act 2001 also states explicitly that policy of the local authority is a matter for the elected council and that it is a matter for the manager to exercise the executive powers of the council.

There is an argument that this default formulation is no longer needed – that the formulation works on a psychological level to suggest that the balance of power is skewed more towards the executive than is actually the case; a question of perception more than reality perhaps?

The main draw-back of dropping the formulation is that it would create uncertainty where certainty exists today. If the formulation was to be dropped the question arises as to the necessity or otherwise of delimiting the use of directive powers under section 140 of the 2001 Act, e.g. in relation to individual planning applications or other areas of executive decision making?

Further Reform of Strategic Policy Committees and Corporate Policy Groups

The Strategic Policy Committees and the Corporate Policy Groups were envisaged by *Better Local Government* as a means of enhancing local authority member policy input. Where the SPC/CPG system is working well the system enhances councillor policy input.

The operation of these arrangements was reviewed by the IPA in 2004 and recommendations made to improve the operation of the system.

As mentioned in Chapter 4 it is suggested that the chairs of SPCs be elected for the full term of the council's duration to create continuity and prestige in those positions and in the Corporate Policy Group - effectively creating a 5 year cabinet.

¹⁷ Section 149(4) Local Government Act 2001.





PART III



Connection with People and Communities



Chapter 6:

Town Local Government

Chapter 6 discusses the evolution of town local government in Ireland since the 19th Century and notes the inconsistency of its structure and application throughout the State. However, there has been no consensus over the years as to how a more rational tier of sub-county local government could be introduced.

Town local government has benefits insofar as it is closer to the local citizen and can play a key role in overcoming disconnection, and in integrating new communities. However, town councils are not generally of a scale to enable them to perform all of the complex social, environmental and infrastructural functions required of modern local government. Towns must therefore rely on county councils for much of their services.

There may be other ways of empowering town councils through devolved decision making from county to town level. In this way it may be possible for those towns with very limited powers at present to become empowered in a range of new areas. Better integration between towns and county council area committees and new forms of community engagement are also discussed.

The Chapter notes the demand for new town councils in a number of areas. It suggests that the establishment of town councils should only be considered where there is clear democratic added value and where significant additional costs do not arise.


Introduction

The Programme for Government commits to the examination in the Green Paper of "the establishment of town councils in those towns that have shown significant population growth in recent years (including the upgrading of the former Town Commission towns, where appropriate, to full town councils)."

Background to Town Government in Ireland

The relationship between towns, town councils and county councils has been visited and revisited in some depth in numerous official reports over past decades. The core of the debate is focused around the value of local democratic structures which are close to the citizen, versus the need for economies of scale and strength of capacity in carrying out functions in a more complex world. There is no real consensus as to the best structure for sub-county local government in Ireland.

Town government is firmly rooted in its mid 19th Century origins. This consisted of a primary layer of local government - county councils and county borough corporations (now city councils) – and a lower tier within counties of borough councils, urban district councils, town commissioners and rural district councils. The



first half of the 20th Century saw some upheaval of the sub-county structures. Rural district councils were abolished by the Local Government Act 1925 and a number of Urban District Councils (UDCs) and town commissioners were dissolved for various reasons at different times, with others being incorporated into city or borough authorities. Since independence 4 new town councils have been established.¹⁸

The 2001 Local Government Act changed the title of all urban district councils (UDCs) and town commissioners to town councils but without affecting the core differences in function. There are currently 80 town councils in the State (5 titled as boroughs, 49 former UDCs and 29 former town commissioners).

Town government continues to attract comment and criticism, for disparate reasons, including that:

- The town government tier of local government is inconsistent. Some very small towns have councils with rating and planning functions etc, while other towns with significant populations have no town council. This means that some communities enjoy a level of democratic representation which is not available to others;
- Town local government is insufficiently empowered to meet modern challenges; and
- Town local government is unnecessary and inefficient and therefore all town councils should be dissolved and the resources released should be allocated to the county tier.

For reasons of local and political resistance, there has been little appetite to dissolve the smaller councils. At the same time, for reasons of efficient local service delivery and possible cost implications, there has been reluctance in Government to establish new town councils.

Previous Town Governance Reviews

Previous reviews have grappled with the challenge of securing efficient and economic service delivery while ensuring a meaningful role for the sub-county tier of government.

¹⁸ See additional note on town government in Annex III.

The *Local Government Reorganisation and Reform Report* (Barrington Report) considered this issue in 1991. Rather than suggesting incremental changes to the sub-county tier, the Barrington report put forward 2 possible models for wholesale reform of town government. One suggested model was the establishment of a new universal district tier of local government for all localities, sitting under the county and city tier. The other involved the wholesale abandonment of the sub-county tier, and the redeployment of resources from town councils to county councils with town interests being incorporated into relevant area committees.

These approaches were not acceptable to Government and the *Report of the Reorganisation Commission* (the Lacey Report) of April 1996, took an approach based on bringing more coherence to the place of town government within the existing institutional framework. This Report considered the system to be unduly fragmented and recommended closer cooperation and more integrated customer service between town and county.

Summaries of two these reports are set out in Annex III.

The OECD, in its April 2001 report *Regulatory Reform in Ireland*, stated that “the sheer number of local governments has created fragmented industries incapable of reaping scale economies, for instance, in the maintenance of social housing, road repair, engineering and architectural design, or disposal and water supply.”

While the models suggested in the Barrington Report could be re-visited, such an approach would likely falter for a number of reasons, not least on the basis of political or popular acceptability. The wholesale reform approach would also involve significant additional costs or a significant reduction in democratic representation. As such, they are not likely to be realistic or deliverable.

The Approach under Better Local Government

Better Local Government 1996, took up the approach in the Lacey Report. It stated that it was proposed to support the development of town authorities and to enhance their capacity to play the fullest role possible in local government affairs. A new structured system of town/county meetings and a move towards the shared/harmonised delivery of service at local level was envisaged. *Better Local Government* promised legislation to:

- Apply the term “town council” to all sub-county tiers of local government;
- Provide improved roles for councils which were town commissioners;
- Establish an office of mayor in all towns;

- Set out criteria and procedures for the establishment of new town councils; and,
- Allow for flexibility in service delivery at local level.

The Local Government Act 2001

Following *Better Local Government* the Local Government Act 2001 contained a number of important new elements in relation to town government:

- The democratic and representational roles of all local authorities were recognised in the Act.
- The Act reclassified all borough corporations, urban district councils and town commissioners as town councils, save that the 5 boroughs (Clonmel, Kilkenny, Drogheda, Sligo and Wexford) continued to be titled as boroughs. There are now 80 town councils, although these vary widely in terms of their responsibilities, with former town commissioner towns having little operational responsibility.
- County and town councils were required to promote the objective of a unified service to the public. The linkages between town and county authorities were further recognised by providing that the mayor of a town council is an ex officio member of the county council area committee which encompasses the town. (The recognition of town councillors was further strengthened following the publication of the *Review of the Operation of SPCs* in 2004 which provided for one town council representative on each county SPC.)
- Municipal Policy Committees (mirroring the role of the SPCs) are being progressively extended to the larger town councils.
- The Act also contained a number of provisions to facilitate cooperation between local authorities (see below).
- Part 11 of the Act also provided for a Local Government Commission which could, inter alia, make recommendations on the establishment of new town councils or to alter the boundaries of existing councils. However, this Part of the Act has not so far been commenced. (See further discussion on the Commission in Chapter 11.)

The Powers of Existing Town Councils

Local government law differentiates between 2 types of town councils, those which were Urban District Councils (UDCs) and those which were town commissioners. The perception is that former UDC town councils, as rating authorities, are conferred with real powers while former town commissioner towns have a predominantly representational or ceremonial role. (There are 8 former town commissioner towns which have a population in excess of 7,500.¹⁹)

However, the reality is that rating authority town councils vary hugely in function, operational capability and effectiveness. Larger towns such as Dundalk, Ennis and Tralee have a significant range of operational functions, while smaller rating authorities in practice exercise far fewer. In many cases county councils provide services on an agency basis for these town councils.

All town councils have had functions centralised at county level in recent decades, water services being the most recent area affected. This has been progressed for very laudable reasons of efficiency and in recognition of the difficulty for small urban authorities in employing the specialist expertise across a wide range of areas which local government now requires – from sophisticated environmental management and control to resource intensive social inclusion and community building initiatives.


This centralisation has been bemoaned by some at town council level. However, the much wider range of local government activity since the ending of the ultra vires rule, greater economic wealth, and new policy directions under Better Local Government, has allowed local authorities, of all status, to expand into new areas. The larger town councils especially have been able to develop new roles in community building, social inclusion, economic development, sport and recreation, arts and tourism etc.

Local Government Disconnect

While the issue of town versus county functions does not generally excite public debate (as opposed to debate within local government circles), the findings of the *Taskforce on Active Citizenship* are instructive. As mentioned in Chapter 1, the Taskforce reported that “the perceived distance between the citizen and local authority was too great – particularly but not exclusively in urban areas.”

The Taskforce referred to discussion around a new tier of sub-county democratic institutions and further decentralisation of decision-making power. It suggested that

¹⁹ By comparison, Clones Town Council, Co Monaghan, which is a former Urban District Council, has a population of 1,517, having fallen from 1,721 in 2002.



there was a need for public debate on the merits of a reform programme. The Taskforce did state that considerations of enhanced or additional democratic structures would need to be mindful of the risk of potential fragmentation.

Given the Taskforce's conclusions in relation to the local disconnect, it is of note that the smaller local authorities, particularly in predominantly rural areas, whether county or town, had greater rates of electoral participation during the last local elections, regardless of the responsibilities of the local authority in question.²⁰

Demographic Changes, New Communities and the Role of the Town

The recent demographic changes in Irish society have been touched on in Chapter 1. The CSO Regional Population Projections 2006-2021 projects a population for the State in 2021 of 5.07m. The Department of the Environment, Heritage and Local Government's more recent projection, from February 2007, states that the most likely scenario is a population of 5.33 million in 2021.

If the experience of the last 10 years is indicative, town populations will account for much of the expected population growth with immigration contributing substantially.

A notable aspect of recent population growth has been the impact on the demographic make up of towns. The distribution of the 380,000 non-Irish or UK born residents identified in Census 2006 is not even. 3% of persons resident in rural areas were not born in Ireland or the UK, as compared to 12% in the aggregate urban area.²¹ The smaller towns, those with populations from 3,000 to 4,999, collectively have populations of 11% that are non-Irish or UK born. Towns with populations of 1,500 to 2,999 are similar, with a 10% proportion. Within these categories of towns there are some striking statistics, for example, 36% of Gort's population was not born in the EU. From town to town, the state of origin of the immigrant population varies. In general, in the smaller towns, the majority of immigrants are from the new EU States of Poland, Lithuania, Slovakia etc. However, in other towns, such as Athenry or Lusk, the majority of the immigrant population is from non-EU countries.

Town government, therefore, plays a key role in meeting the needs of a much more heterogeneous society. The local franchise which is available to all residents, regardless of nationality, is an important instrument in creating a collective sense of

²⁰ For example, the turnout in Leitrim was 73%, the average being 57%. In Clones the turnout was 69.6%. In Belturbet, a former Town Commission with a population of 1,411, the turnout was also 69.6%.

²¹ Census 2006, Central Statistics Office, Volume 4, Table 33, pg 133.

community. A major question for this Paper is to consider if town government can be enhanced to deliver on its potential to integrate immigrant populations with the local community.

County and City Area Committees

Irish local government is unusual, but not unique, in that a relevantly small proportion of the electorate, around 14%, is represented and serviced by two tiers of local authority - town and county council - while the majority of the population is serviced by one authority only, either a city or county council.²² County councillors representing those towns carry the interests of the town electorate in so far as county council functions are concerned.

County and city council area committees have grown in importance in recent years as a method of localised decision making while leaving more important policy issues to the full council. Area committees can often cover a more coherent geographical functional area – a town and its environs – rather than just the area within the legal town boundary which may have less relevance to the real town.²³ Area committees are regarded by many as a substitute for town councils where such councils do not exist. Area Committees also provide an opportunity for local authorities to address the distinct needs of rural districts.

As noted above, area committees covering towns now include town mayors as an ex-officio member of the committee.


Submissions from the Public and Consideration by the Consultative Committee

A number of common themes emerged from public consultation. Some submissions called for new town councils in all towns over certain population thresholds, for example, populations over 7,500, or for all “satellite villages.” Individual groups called for the establishment of new town councils in particular towns, including Ashbourne, Maynooth, Newbridge and Carrigaline. Several submissions also stated that the mechanism for the establishment of new town councils should be simplified.

A number of submissions took the opposing view, pointing out the risk of costly duplication of administrative structures. The abolition of almost all town councils was also mooted, on grounds of the primary loyalty of citizens to county and city

²² A more typical continental model would have universal coverage by a number of tiers i.e. commune/municipal at the lowest level, county/province above that, and then perhaps a regional authority.

²³ For example, the population of Trim in 2006 was 6,870, of which only 1,375 live within the town council area.



structures, economic efficiency, and the capacity of county council area committees to perform the role of town councils.

Several submissions raised the possibility of the establishment of unified local government structures to represent clusters of towns, e.g. Leixlip, Celbridge and Maynooth, or Laytown, Bettystown and Mornington. The proportion of elected representatives to population was also raised with suggestions of a more uniform ratio than exists at present; 1 councillor per 1,500 population was suggested.

Several submissions favoured enhanced powers for existing town councils, particularly the upgrading of the weaker town councils, such as Droichead Nua, Mullingar, Portlaoise, Shannon and Tramore to include full rating powers. Enhanced powers for all town councils in areas such as transport, housing, community development and public order were also called for. This view was not unanimous with some submissions calling for planning functions to be retained only at county and city level i.e. transferred from those towns which have planning functions.

There were divergent opinions at the Consultative Committee as to the proper role of town councils. The "county" view was that county councils have the resources and strengths in service delivery and are best equipped to provide an efficient local service. Local service provision could be delivered through area offices and local democratic connection with the citizen maintained through local councillors and area committees of the council.

The contrasting view considered that town government was much closer to the citizen and was best placed to bridge the citizen disconnect. Where towns have real functions experience shows that they can make a real difference to the community.

Arguments in favour of new town councils included the need for the local government system to be responsive to changing circumstances. Town councils should be established where there is a demand and where the circumstances warrant. The point was made strongly that efficiency should not be the only criterion considered in a democracy, and further, that town government is inherently efficient, in that it is closer to the citizen and therefore better capable of identifying and meeting public needs.

Arguments against new councils included cost, economies of scale in service delivery, and a question mark over whether new councils would actually make a difference on the ground. The question was raised as to the real demand from the public for new layers of bureaucracy.

Principles in relation to Town Reform

The principles guiding local government reform in this Green Paper are:

- The importance of local democratic institutions;
- Subsidiarity;
- Democratic responsibility and accountability;
- Ensuring the proper balance between the number and functions of local structures and the need for coherence, value for money and efficient delivery of service; and,
- A continued focus on Quality Customer Service.

Accordingly, options for change should be measured against these principles. In considering the options it is important to note that town councils are not islands. Just as the county and city tier of local government exists in a national and regional context, town councils exist and operate in a county, and often cross-county, framework.

I. Town Powers and the Appropriate Relationship between Town and County

Much work has been done in aligning town and county structures and service delivery. The challenge now is to ensure that those councillors which town residents elect to represent them have a meaningful role in their community, while not adding to the cost burden or introducing inefficiencies in local authority service delivery.

Traditionally, local government law has provided rigid definitions of local authority powers, i.e. a town council can be a planning authority with full legal independence from the county, while a county council may be a roads authority for national roads within a town with no legal obligation to consult with the town council. In practice, under common managers there is a more fluid relationship between towns and counties than the law suggests. This should be built on. It is possible for many strategic policies to be laid down at overall county level, while leaving detailed implementation to be decided at town level.

This is the philosophy which is being pursued in relation to the housing function of local authorities. The 2007 *Housing Policy Statement – Delivering Homes, Sustainable Communities* sets out a number of key principles:

- There is a critical local dimension to the delivery of housing services, particularly those which interface with the public;

- Functions requiring a broader strategic perspective are best undertaken at county/city level;
- Shared services between authorities (in relation to procurement and management for example) can bring value for money efficiencies; and,
- Creating sustainable communities requires intensive co-operation between various local and national service providers.

It is suggested that this philosophy is the most appropriate way ahead for local government in Ireland and sets out the optimal relationship between town and county government – subject as necessary to local circumstances.

Local Government Act 2001

The Local Government Act 2001 already contains a number of provisions that can be used to support inter-authority cooperation:

- Section 52 provides for the establishment of joint committees of local authorities to perform functions those authorities delegate to it. This allows county councils and town councils to form joint committees covering an area coterminous with the town in order to exercise particular functions. However, experience to date has shown that county councils are reluctant to share power in this manner.
- Section 86 provides for the making of practical, operational arrangements by local authorities with other local authorities or bodies for the joint discharge of functions and provision of services. This power is used regularly.
- Section 109 allows for the establishment of a Community Fund by one or more local authorities to benefit the community. To date no such funds have been established.

Options for Reform

Having regard to the need to balance strategic decision making at county level and the benefits that proximity brings to town government decision making it is suggested that reform for town government decision making could be based on the following options.

Non-statutory Initiatives for Extending Power to Town Councils

The footpath grants initiative for former town commissioners, introduced in recent years, has established a model in which decision making, within defined limits, is

delegated to town elected members for delivery by the county council. This was done on a non-statutory basis by the Minister for the Environment, Heritage and Local Government in 2006. If this model was to be extended, town councils could draw up a programme of works (e.g. road repairs, local water services, parks, community facilities) and submit the programme to the county council as a basis for negotiation between the town and county tier.

A More Flexible Approach to Local Functional Arrangements

An alternative approach would be to make the functions of a town council, whether former UDC or town commissioner, an issue for local settlement on a case by case basis, rather than one which is centrally determined (largely by legislation). A larger town council, including non-rating towns, could, subject to local willingness and service level guarantees, receive devolved statutory decision making powers from county councils. For example, having been elected as public representatives, should councillors in non-rating towns not have a say over the development plan for their town, without necessarily becoming a full-scale planning authority?

It may be considered that this type of approach could bring about a cultural change in the local government system, in which the 'lower' tiers of authority individually negotiate with 'higher' tiers for powers, argue for local ownership, make commitments in relation to delivery and are then held to account by both the citizenry and higher tiers. Such negotiations could encompass a range of services and topics and be subject to periodic review. It would be envisaged in such a scenario that the county council, as primary authority, would still provide the staffing and administrative support services so as not to negate the efficiencies of scale which have been achieved in recent decades.

Consideration would need to be given to how to encourage such flexibility in decision making where county councils were reluctant to transfer functions.

Introducing inter-authority negotiation would bring added, and perhaps unwelcome, complexity to the local government system in Ireland. The trade-off for the public in devolving powers to town councils should be better and, more importantly, more accountable service provision. This would help to address some of the disconnect identified by the *Taskforce on Active Citizenship*. The issue of comparing the added democratic benefits versus the potential loss of efficiency needs careful consideration.



Area Committees and Town Councils – Better Integration

Many towns could benefit from better integration of their town councils with the relevant county council area committees. Regular contact, joint meetings and cooperation should be a priority for both town and county councillors to ensure that policies and activities are coherent and mutually supportive.

Central Determination of the Powers of Town Councils

Another approach would be to determine at central government level the powers available to each town council based on a scheme of criteria, such as population or the territory controlled by each town council. For example, could all 25 town councils with a population of less than 5,000 have the most limited powers, while the 17 town councils with a population of 15,000 be granted the full suite of town council functions?

New Forms of Engagement with the Community

Chapter 7 discusses the possible use of new forms of engagement with the community, i.e. the use of plebiscites, participatory budgeting, the use of petitions etc. These forms could be used by all local authorities and may be particularly useful in urban areas as a means of engaging communities which may otherwise feel disconnected.

Conclusion

Having regard to the benefits of empowering decision makers at the lowest tiers of local government, this Paper suggests that increased local decision making, within defined limits, should be delegated to town elected members for implementation by the county council. This should be done on the basis of local settlement.

The county council, as primary authority, would still provide the staffing and administrative support services. While such inter-authority negotiation would bring added complexity, the trade-off for the public in devolving powers to town councils should be better and more accountable democratic decision making.

II. The Establishment of New Town Councils

From the perspective of the inhabitants of an individual town, it may be difficult to justify the discrepancy between those towns that enjoy their own dedicated tier of local democracy, and those not so represented. However, the cohesion of the local government system must also be taken into account as referred to above in relation to the Lacey Report and the 2001 OECD Report.

There is no consensus within local government regarding the introduction of new town councils, or indeed the expansion of the powers of towns. Recent Governments have exercised caution in relation to the establishment of new town councils, mindful of the primacy of county authorities, the issue of costs and efficiencies and the possibilities that new structures may be ill-equipped to meet heightened expectations.

There are a number of non-municipal towns (i.e. towns which do not have a town council) and which have a population in excess of 7,500. There have been persistent calls for the establishment of new town councils in many of these towns, including, Celbridge, Carrigaline, Maynooth, Laytown-Bettystown-Mornington, Ashbourne, Rush and Kildare. A population of 7,500 is significant in that Part 17 of the Local Government Act 2001, which has not been commenced, sets out a legal process by which a non-municipal town with a population above that level may establish a town council. Such a town council would, under the 2001 Act, have a limited range of functions, i.e. it would correspond to that of a former town commissioners.

It is notable that there has been very little demand for town councils in the Dublin 'census' towns such as Swords, Malahide, Skerries and Portmarnock. At the Consultative Committee there was recognition that Dublin was different and required a separate set of structures to deal with its challenges – see Chapter 3 on the Dublin Mayor. In addition, the 3 existing county councils in Dublin are relatively new and geographically compact. It is not proposed that additional town councils should be created in Dublin.

Options for New Town Councils

One option is to press ahead with the intention under the 2001 Act to allow the Local Government Commission to consider the case for new towns with populations above 7,500 (subject to final Ministerial approval). This approach would also require local initiation of the process and support from the relevant county council etc.

Alternatively, varied or additional criteria could be introduced. For example, with town populations rising is the 7,500 threshold still valid? Should there be a differentiation between what is a town and what is a suburb of a large conurbation?

Should a decision be taken not to establish new town councils? The establishment of new local authorities is at odds with international trends, which are to reduce the number of local authorities.²⁴

²⁴ For example, in 1989 New Zealand reduced the number of city and district councils from 200 to 74, and the number of regional councils from 22 to 13. During the 1990s Wales reduced its local governments to 22 counties, which replaced 8 counties and 37 districts. Denmark replaced 13 counties and 270 municipalities with 5 regions and 98 municipalities in 2001.



Conclusion

There are strong arguments for and against the establishment of new town councils. In view of the competing perspectives, the establishment of new town councils would need careful consideration having regard to the potential impact on resources and efficient service delivery. The minimum population threshold of 7,500 may need to be revisited given the general growth in town populations since the enactment of the 2001 Act, as identified in Census 2006. Any decisions to proceed with such proposals should only be based on clear demonstration of the added value, and where there is full integration of administrative support with the county council so as to eliminate any significant cost implications.

III. Mayors and Towns

Given the significant structural reform involved in introducing mayors at a county level, this Paper does not propose the widespread introduction of directly elected town mayors at this stage. This position can be reviewed in the light of experience in operating the city / county mayoral system. Consideration could, perhaps, be given to piloting full term mayors in selected towns, either directly or indirectly elected. (See also Chapter 9 on mayors and regional governance.)

Chapter 7:

Participative Democracy and Local Government

Chapter 7 discusses some of the issues around civic participation in local government decision-making. The report of the Taskforce on Active Citizenship, which was published last year, raised concerns about the disconnect which was perceived between citizens and local government. This Chapter asks whether more novel forms of engagement should be tried in Ireland. These include:

- Petition rights – enabling local communities to formally raise issues;
- Participatory budgeting – enabling local communities to prioritise funding;
- Town meetings – regular open meetings to discuss local government matters; and,
- Plebiscites – formal local votes on specific proposals.

The Chapter suggests that the opportunity should be taken to pilot or experiment with these kinds of initiative. It also suggests that local government could better benefit from the opportunities presented by philanthropy.


Introduction

Stronger Local Democracy – Options for Change proposes that local democratic leadership and accountability of Irish local government should be strengthened. The directly elected mayor proposal is seen as the catalyst to achieve this. However, the reform process provides an opportunity to consider other means of improving the connection between the citizen and local government, particularly whether there is greater scope for the direct participation of communities to complement representative local democracy.

New Forms of Engagement with the Community

Notwithstanding the *Taskforce on Active Citizenship's* conclusions concerning the existence of a gap between the citizen and institutions of local government, our democratically elected councils have a long tradition of representing and engaging with the community which offers a platform for new and innovative ways of engagement.

The modernisation programme has brought progress, including a step change in dialogue with the community through new structures, such as County/City Developments Boards (CDBs) and Community and Voluntary Fora. Further embedding, strengthening and developing CDBs and Community and Voluntary Fora will naturally reap benefits. However, such structures do not necessarily have a universal reach. For busy people with long commutes and/or demanding family lives, there may not be the time or inclination to involve themselves with



community organisations. To engage such people, it may be necessary for local government to creatively and proactively seek new avenues of direct participation.

The Taskforce of Active Citizenship referred to a perceived absence of meaningful opportunities for civic participation in decision-making about local issues. Although public consultation is a routine aspect of local government activity, the perception exists that consultation is often an empty exercise rather than a meaningful opportunity for the citizen, or NGOs, to input. Local authorities often comment that the public does not engage with consultation on strategic policies which set the framework for decision making and only engage very late when specific decisions are seen to affect the locality.

There is significant potential for stronger community influence and input into the decision-making processes of local government. New avenues of participation and communication between local authorities and the communities they represent could allow citizens to exercise a greater degree of control over local services and facilities, could help mobilise public engagement and civic spirit, and could increase the transparency of local authority business. These new forms of participation may be particularly useful in areas of social exclusion.

Measures such as participatory budgeting, petition-related rights, binding plebiscites, regular town/area meetings etc could be used to empower communities by fostering direct, meaningful contact between councils and the communities they represent. Such measures would also be in keeping with the guiding principles of this Paper, particularly those of local democracy and subsidiarity.

Participative forms of engagement with the community could be deployed on a county or city-wide basis, or could be restricted to certain areas, localities or neighbourhoods, depending on the issue. Such measures could be of particular use in those towns which do not have a town council, by providing a means to broaden the county council's range of interaction with the town's population.

Forms of Participative Democracy

Participatory Budgeting

Participatory budgeting is a fiscal decision-making mechanism which devolves power to ordinary residents, who decide how to allocate an element or proportion of a local authority's budget. 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.

Petition Rights

Petition rights refer to the freedom of members of a community to petition their government to address a particular issue. Of course, petitions are not unusual in a local government context. However, petitions, provided that they meet certain criteria, could be reinforced 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 institute a policy that all appropriate petitions which are actionable by the authority, and are initiated and signed by more than 500 local government electors of that authority, will be discussed 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.

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, e.g. plebiscites held to bring about a change of place name; however they have not been used frequently. In terms of national decision making, positive direct approval by citizens in respect of constitutional amendments is a requirement. 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 turn-out of the electorate threshold in order for the plebiscite result to be validated could be set.

Town or Area Meetings

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



The Relationship with Local Community Groups

The role of residents' associations, community councils, 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 and local authorities would be mutually beneficial. 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 greater and stronger ties.

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.

Participative and Representative Democracy

Each of these measures must be judged on its own merits; however they do raise certain fundamentals, such as the respective advantages and disadvantages of representative and participative democracy, and a vision of citizenship as active engagement, rather than as a passive set of legal rights. It would be envisaged, however, that these modes would complement, rather than replace representative local democracy and that they would in no way diminish the role or mandate of the elected councillor.

Such measures could be regarded as reaffirming the role and primacy of the elected member, and the council as a whole, as the centre of community decision making by strengthening the connection with the community. Nor would such methods bypass the important role of the community and voluntary sector, as they could provide a means to focus community attention on particular issues.


Such modes may result in increased pressure on resources, e.g. for the regular holding of local plebiscites, or introduce new demands on council time; however, it is considered that the potential benefits could significantly outweigh the potential costs. Given the novelty of some of these suggestions in the Irish local government context, it may be advisable to promote some pilots before adopting widespread use. It would be extremely important to ensure that participative modes are designed so as to be representative of the community as a whole. However, there is no doubt that non-structural measures have the potential to meet some of the concerns about

the local democratic disconnect. Employment of such measures could also help communicate to the public the everyday policy dilemmas which elected members seek to manage, including in relation to the allocation of scarce resources.

Philanthropy

The Government established the Forum on Philanthropy in 2006 to take advantage of opportunities presented by Ireland's recent economic success. Philanthropy is considerably less developed in Ireland than abroad and there are opportunities to increase its role. This objective was endorsed by the *Taskforce on Active Citizenship*.

There is a question of the capability of the public service to respond to philanthropic opportunities and the Forum has recently set out to develop models of good practice. This is an area with potential for significant local authority engagement. Local authorities have enjoyed some direct benefits from donations in the past. The development of major national parks in Donegal and Kerry, on the foundations of philanthropic donations to the State, have brought employment and economic gains to areas which are otherwise peripheral.



Chapter 8: Serving the Citizen

Chapter 8 recognises that, for the most part, people want to see their local authority deliver an efficient service. It discusses the challenge of improving service delivery, with limited resources, to a population which is more educated and aware than ever before.

The Chapter acknowledges that local authorities are much more than service delivery agencies – they are also the local forum which most legitimately represents the democratic wishes of local communities. Priorities will vary from place to place.

The Chapter outlines some of the major initiatives on improving service delivery over the past 10 years and suggests how these may be built on. Some of the key initiatives in this regard will include:

- A more visible mayor who will be seen to be both champion of the local citizen and champion of the local authority;
- Greater acknowledgement of local authorities as the lead institution which brings all local development agencies, and local branches of central agencies, together in a coherent manner;
- Better use of ICT;
- Making greater efforts to spread and showcase best practice;
- The use of local customer charters;
- Sharing services between local authorities for improved efficiency while freeing up resources;
- Ensuring that local government recruits the staff that it needs to carry out the more sophisticated roles now being undertaken; and,
- Ensuring that the out-sourcing of functions is balanced by the need to employ sufficient in-house expertise.

Introduction

The Programme for Government commits to the examination in the Green Paper of “The provision of quality customer service to the public.” Indeed, the stated objective of the reform process is to make local government more transparent and responsive to its customers.

The Challenge of Good Customer Service

Meeting quality customer service is both the fundamental rationale and the key challenge for the public service everywhere – and Irish local government is no exception.

The macro-economic policies of Government require that public services should be efficient, that public servants should be flexible and that overall staffing numbers

should be contained in an economy which must remain competitive in an increasingly global environment.

Our changing society has also had an impact: Irish citizens are better off than ever before and expect to obtain high standards from public and private service providers. We also have a more highly educated population which is prepared to question authority. The public is entitled to have fairness in decision making, courtesy in the delivery of services, and accountability for both officials and public representatives.


That mix of a more demanding public, and a tight rein on local authority staffing and finance, provides a particularly challenging environment for Irish local government.

Local Democratic Government or Local Service Delivery

In a local government system consisting of 34 major local authorities and 80 smaller authorities, all with their own unique characteristics, it is inevitable that there will be differences in service provision from authority to authority. There are vast differences in size and population base between local authorities. Some authorities have strong commercial rate bases and others do not. Some authorities struggle with major urban expansion while others must face urban regeneration, or remain substantially rural.

If local authorities in Ireland were to be considered merely as service delivery agents of central government, then uniformity in service delivery would be the ultimate aim. Local government is much more than this however, although the ability of local authorities to deliver quality service to the customer is the most visible way that the public and central government measure local government performance. Poor performance in any one area can reflect badly on the local government sector as a whole. This in turn affects the perception of the ability of local government to deliver new services – see the discussion in Chapter 2.

A more holistic viewpoint would be to see local authorities in Ireland representing the democratically expressed priorities of local communities. This view allows for different priorities to be set at local level. This is not to excuse poor performance but a recognition that there should be some tolerance of difference between local authorities. (Such freedom to set priorities at local level must, of course, be subject to compliance with higher level national policies as discussed in Chapter 10).



Nor is performance uniform within authorities. Some local authorities will lead in some areas and fall behind in others. The reasons for these differences are many and include availability of resources, environmental reasons (differences between urban and rural authorities etc), local priority setting and the particular skills and enthusiasms brought by individuals working in the authorities.

Having recognised the need for local difference and local priority setting, it is then appropriate to ensure that the services delivered in accordance with those priorities are effective and meet the highest levels possible of service delivery. There are best practice models of service delivery, and customer service, in local government which can be applied right across the sector. Ultimately, the delivery of quality service will continue to be the primary measure by which both individual local authorities and the whole sector will be judged.

Recent Initiatives on Local Authority Service Delivery

Better Local Government (BLG), published in 1996, set out an improved, modern approach to the delivery of existing local authority services together with a strong focus on overall customer service ethos. A range of customer services initiatives were pursued as part of the implementation of the BLG programme and subsequent national social partnership agreements. As a consequence, local authorities have implemented many initiatives aimed at improving service delivery in recent years. These include the decentralisation of services and the use of one-stop shops, a greater focus on the use of ICT to deliver services, the putting in place of customer complaint and consultation procedures, and the introduction of local government wide service indicators.

The Department of the Environment, Heritage and Local Government chairs the Local Government Customer Service Group, made up of representatives of various local government interests. (In turn this Group inputs to the Taskforce on Customer Service chaired by the Department of the Taoiseach). Among the initiatives this group has overseen are the Local Authorities Service Indicators, now in their fourth year. These allow local authorities to assess their performance levels in relation to 42 different indicators across a broad range of functions. The indicators are common to each local authority and the data produced are independently monitored and verified. An annual report is published outlining performance. Local government is leading the public sector with this type of reporting on service delivery.

The Local Government Customer Service Group also produced guidelines for local authorities on customer consultation and customer complaints. All county and city councils have produced Customer Action Plans setting out the standards of service

that customers can expect together with strategies for improvement. There are exemplars within local government of best practice in customer service and many authorities have won awards for customer service initiatives.

Notwithstanding the range of initiatives that have improved service delivery in the last decade, local government must continue to demonstrate flexibility and imagination to deliver quality services in a changing Ireland.

Submissions from the Public and Consideration by the Consultative Committee


The submissions received from the public contained no shortage of ideas on how to improve customer service. These included longer opening hours for local authority offices, more open provision of information, use of web cams to broadcast council meetings etc. There were also calls for greater community participation in decision making and more resources for local authorities, to allow them to fulfil all their functions, or for more efficient use of resources.

The Consultative Committee noted the complex role which local authorities play as part regulator, part service provider and part democratic forum. It is an ongoing challenge to balance these sometimes conflicting roles.

In terms of service, the Committee considered that it was a person's status as citizen rather than consumer which underpins the relationship between the individual and local government. This is what should motivate local government service delivery. It was suggested that the view of local government as a service provider to isolated consumers overlooks the role of citizens as participants in a local democratic process. For example, local government is in prime position to reach out to new communities and to tackle social exclusion – in a role which goes much further than just providing services.

The Committee considered that many local authorities have led the way in providing top-class service delivery. However, this was not always recognised. Not all local authorities can be leaders in every field – and the media tends to focus on failure rather than success. It was also recognised that local authorities are not always the best at communicating success.

As noted above, there are examples of best practice in customer service and customer complaints systems, which need to be rolled out. There was also a suggestion that a stronger democratic mandate could help improve accountability in local government.



The need for quality service indicators and costing systems in local government was recognised. However, these needed to be appropriate, understandable and provide added value – not measurement for the sake of measurement. Flexibility in work practices, sharing of services and innovation in approach should all be pursued to improve service delivery.

The point was made at the Committee that while local authorities should not be afraid of comparison with the market place, it should be recognised that apparent efficiencies brought by private sector, single focus, service delivery operators do not always stand up when a multifunctional and flexible response is called for. Local authorities can deliver this flexibility in response but they also carry greater costs in carrying essential services, the democratic overhead and even promotional campaigns (e.g. in environmental areas), which private operators can avoid.

It was noted that, historically, local authorities focussed on providing ‘hard’ services such as water provision, road maintenance, housing and so on. The transition to a ‘softer’ role in terms of social inclusion, community development, crèches, providers or facilitators of sports facilities etc is ongoing.

There was also general agreement on the need for better engagement between local authorities and other local agencies and central government Departments. The democratic nature of local authorities gives them a mandate which Government should use when considering the provision of new services instead of establishing agencies or structures.

Options for Customer Service Improvement

As noted above there are quite a range of initiatives already underway which are aimed at improving customer service and service delivery at local level. These will continue to be pursued. The options below suggest some additional or enhanced measures which can be taken to improve local authority performance.

The Mayor – Champion of the Citizen, Champion of the Council

As set out in Chapter 4 a key theme running through this paper is the role that a directly elected mayor can play to address the challenges facing Irish local government. One of these key areas is customer service and service delivery. As the recognisable and elected head of the city or county council, local people will look to the mayor to address problem areas. The mayor will have to work with the manager and elected council, and within available resources, but he or she will have a strong mandate in doing so.

Likewise, where local authorities are performing well, and where they have a good story to tell, an elected mayor will have the standing and profile to communicate that good performance in a way which a manager or a transient mayor cannot do at present.


Local Authorities – Leaders in the Local Community

Innovative responses to emerging challenges can often best flow from those public bodies that enjoy democratic authority and legitimacy. Unlike single focus agencies, local government has the flexibility to be more creative about new services it can provide. Local authorities are now entering into new non-traditional services, which fit with the authority's community development role, such as the provision of crèche facilities, playgrounds, installation of wi-fi, employment of sports officers and so on. They have a much more proactive role than ever before in promoting arts, culture and awareness of the built and natural environment. Local authorities are also key in providing for the needs of minority groups such as Travellers, meeting the challenges of integrating the new immigrant population and providing the access and facilities for the disabled as mandated under the Disability Act. Local authorities have great potential to build on this strong multi-disciplinary resource base.

Local authorities are recognised as local leaders through the County and City Development Boards which are intended to bring all State and local agencies together to coordinate their work. While County and City Development Boards may not have the power to direct the member agencies (although such agencies are required by law to have regard to the work of the board), they do have an important role in fostering greater understanding among all public bodies in the locality and in creating connections which did not exist in the past.

Towards 2016 and the National Development Plan identified County and City Development Boards as the most appropriate vehicle for drawing local and national agencies closer together in order to provide an integrated approach to local development and service delivery. Separate proposals have recently been approved by Government to strengthen and develop CDBs so that they meet these requirements.

At present CDBs are chaired by a member of the Corporate Policy Group of the city or county council. Again this is another area where effectiveness could be significantly improved by the presence in the chair of a full time mayor with a direct mandate from the people to lead the local community. This innovation could bring a new dynamic into the work of the City and County Development Boards and



perhaps allow for an evolutionary process which would see greater connection generally between local democratic leadership and the activities of local public bodies.

Better Use of ICT

Local authorities can take pride in being leaders in the field in many areas. By use of ICT local authorities (with the assistance of the Local Government Computer Services Board) have developed sophisticated new systems to assist in their business activities and in their interface with the public. For example, eplanning systems have brought new levels of transparency and efficiency into the planning system. Libraries are providing more and more innovative services for children and adults. On-line electoral registers and on-line motortax services have been very popular. The use of innovative ICT will continue to be a major force in driving improved services, and maximising existing resource use, over the coming years.

Sharing Best Practice and Better Showcasing

Notwithstanding the significant dialogue and linkages at all levels between local authorities and between the sector and central government, it can still be difficult to take best practice from one local authority and introduce it across all authorities. For example, some local authorities have a very efficient planning application validation system while others do not. Continued effort will have to be made by the Department of the Environment, Heritage and Local Government, the LGMSB and CCMA etc to encourage the spread of best practice. For example, the Department's Development Management Guidelines, published in June 2007, set out best practice in managing the planning system. These guidelines provide practical examples of how best practice can deliver better customer service, cost savings and greater staff productivity combined.

Where local authorities have led the way in customer management, such as in South County Dublin, it should be possible to roll out similar systems in other local authorities, tailored to local circumstances.

In pursuing best practice, better showcasing through awards is also very useful in highlighting and awarding best performance.

Customer Charters

The Government is committed to developing a Local Authority Customer Service Charter. This Charter will be informed by the recent evaluation of Customer Service Charters within the Civil Service, outcomes from the Department of the Taoiseach's Taskforce on Customer Service, the local government reform process as addressed in

this Paper and any recommendations from the OECD review of the Irish Public Service which is nearing completion.

Sharing Services

Towards 2016 commits the local authority sector to seek efficiencies in sharing services. Not all local authorities need to retain expertise in areas such as payroll and HR systems, procurement etc. There is potential to organise many of these backroom services on a multi-authority or regional basis.

There is also greater scope for more cooperation across boundaries in certain operational areas where optimal economies of scale can be achieved. Local authorities have worked closely with the National Roads Authority in operating regional design offices for the development of the national road network. There is similar scope for pooling strategic resources in other areas such as the water services programme.


Another recent example is the designation of Dublin City Council as the single national authority for issuing Transfrontier Shipment certificates for the export of waste. This is an example of the expertise of the local government sector being used to offer a national service, thereby removing the need to establish a new central body.

Modern Recruitment and Staffing Policies

There is no doubt that increasing service delivery performance while keeping appropriate control of public service numbers will continue to be a challenge. Part of the response will be to embrace the culture of continuous change as set out in *Towards 2016*.

While maintaining overall staffing numbers there is an opportunity to look at staff recruitment within the local authority sector. Local authorities can offer a very exciting and diverse career, from the more traditional services of housing and roads to newer areas of social inclusion and community building, economic development, arts and cultural development, the built and natural heritage and so on. Changes in technology have, and can, free up front line clerical duties and this allows for more resources to be applied in those areas mentioned above.

However, the greater complexity of local authority business means putting in place more flexible recruitment policies to meet organisational needs. Already, all higher-level posts are filled by open competition. It is also important that local authorities promote themselves as employers of choice for graduates. This can only be achieved by offering positions at an appropriate level within the local authority system.



Towards 2016 provides for more open recruitment at middle management level and a scheme of graduate recruitment targeted at the particular needs of local authorities.²⁵ With close to 60% of our young people now attending third level colleges it is important that local authorities avail of this important human resource.

Decentralisation of public service offices also offers an opportunity for greater public sector mobility across tiers of government at local level. This could bring greater exchange of skills and experience to the wider public service in Ireland.

Maintaining Balance between Outsourcing and In-house Capacity

Towards 2016 also seeks local government flexibility in the outsourcing of services. This will be important in allowing local authorities to respond quickly to new needs. There is a balance to be struck by local authorities between maintaining in-house service delivery functions and capacity and outsourcing for services. In some EU States, where a wide range of services have been outsourced, local authorities have found themselves short of essential skills to supervise outsourced work. Single focus outside contracts may undercut local authority delivery on price but may not provide the multi-disciplinary response which local authorities must bring to their operations. However, if local authorities are to maintain in-house operations, there must be flexibility in staffing response in a way which can compete with the private sector.

²⁵ A recommendation for graduate entry was made as far back as 1971 in *Strengthening the Local Government Service, A Report Prepared for the Minister for Local Government*, McKinsey & Company, 1971. It was also promised by Better Local Government in 1996.



PART IV

Wider Connections





Chapter 9:

Regional Governance

Chapter 9 notes the limited role of regional governance in Ireland – a product of the small size of the state, the affinity to the county, as well as the factors (discussed in Chapter 2), which have shaped the roles of local and central government in Ireland.

The need for greater regional balance, as set out in the National Spatial Strategy, raises the question as to whether new structures are needed in key locations to drive regional development.

The affinity to county boundaries can hamper coherent efforts to develop our regional cities. This Chapter asks if there are new models, such as mayors with cross boundary powers, which can overcome the problems of boundaries while keeping traditional counties. Should authorities in some Gateways be merged or come under common leadership? It suggests that different approaches could be designed for the needs of individual Gateway towns and cities.


Introduction

The issue of regional governance arises in this Paper as a logical consequence of discussion on a Dublin Mayor and the need for coherent governance across the wider Dublin area – see Chapter 3. It was also raised as a significant issue in a number of the submissions received.

The Nature of Regional Governance in Ireland

Local authorities discharge the vast majority of governance functions outside those of central government and its various agencies. The small size of Ireland, its centralised administration (as discussed in Chapter 2) and the affinity people have for counties and cities over regions have tended collectively to diminish any arguments for strong regional governance structures. That said, the need for arrangements to draw down EU structural funds led to the creation of the current regional structures including two Regional Assemblies and eight Regional Authorities.

The re-emergence of the regional dimension to Government policies, notably in the National Development Plans and in the National Spatial Strategy, has led to an evolution in the powers and functions of regional authorities. Significantly, Regional Authorities were given the power, under the Planning and Development Act 2000, to draw up Regional Planning Guidelines (RPG's) as an overall co-ordinating framework for all the development plans at city and county council level in each regional authority area. These RPG's were prepared and adopted by 2004 as a further articulation of the National Spatial Strategy at regional level. Local



authorities must have regard to RPG's in making statutory development plans as distinct from complying with them.

Supporting Dynamic Regions

The issue of regional development should not be seen in terms of Dublin versus the rest of the country, but in terms of the necessity for the country as a whole to have successful dynamic regions – including Dublin. As reported by the NESC, a burgeoning literature on the role of urban regions in knowledge-intensive, services-oriented national economies suggests “that, whatever the contribution national economic policy made to growth in Ireland's regions in the past, what happens—or fails to happen—at the level of the regions in the coming years will increasingly *account for* the success of the national economy in the first place.”²⁶

The NESC Report also quotes OECD analysis which stated that the goal of the “new political economy for territories” is not to shift jobs from one region to another but “to lift overall output by developing the assets of all regions”, with many of the key issues revolving around ‘intangible assets’ such as “linkages between universities, research communities and the private sector, clustering, stocks of social capital, and natural features often associated with water or other environmental assets.”

Regional development also requires support for economic growth in rural areas, in addition to the Gateways and Hub towns, in accordance with the White Paper on rural Development and the National Development Plan.

To spread national growth in a sustainable way, better arrangements for regional co-ordination are essential, particularly at a time of rapid population growth. Part of the challenge is to ensure that local government is capable of rising to the challenge of developing, and facilitating the development, of the Gateway and Hub cities and towns as envisaged by the National Spatial Strategy. This is a particular challenge where local authorities both co-operate and compete across local authority boundaries.

Present arrangements for regional co-ordination involve the regional authorities and various, generally non-statutory, committees without an overall or agreed political figurehead. Good progress is being achieved in some areas. However, without operational responsibilities, a direct electoral mandate or strong statute backed powers, regional authorities face enduring challenges in establishing a strong co-ordinating regional voice. They do, however, perform a valuable function by creating a forum for dialogue on regional issues but one that is ultimately dependent on the buy-in of constituent local authorities in terms of delivery.

²⁶ Draft NESC Economic Report (Chapter 5 – Regional Dynamism).

A mayor with executive authority on a number of key strategic issues, working across local authority boundaries, as discussed in Chapter 3 in relation to Dublin, may provide a suitable model to aid the emergence of strong and coherent city region perspectives in strategic areas elsewhere in the State and to support the achievement of national policy objectives. Specifically:


- There may be opportunities to develop, where appropriate, additional new functions building on the existing institutional architecture and particularly oriented towards both sectoral policy areas and geographic locations where better co-ordination is required; and,
- The broader opportunities for strengthening regional perspectives in tandem with strengthened local authorities may require improvements in legislative frameworks to parallel the provisions in the planning acts regarding regional authorities' planning guidelines in framing their constituent local authorities' development plans.

The larger Gateway cities such as Limerick, Cork, Galway and Waterford, which are central to the Government's regional development objectives, typically straddle two or more local authority areas. Debates about adjusting city / county boundaries inevitably revolve around local loyalty and identity rather than focusing on the best option for good governance. Measures now in place to incentivise collective action, such as the Gateway Innovation Fund (GIF) under the NDP, require further consolidation.

North/South Cooperation

There is also clear value in strengthening North/South cooperation between local authorities. This is happening at national level with cross-border dialogue on the National Spatial Strategy and Regional Development Strategy for Northern Ireland, and the development of a framework of collaboration which takes a shared high-level view of co-ordinating spatial planning and development on the island of Ireland. This aims to facilitate better integration between the considerable capital investment expenditure anticipated over the coming years and strategic planning. It will also be based for the first time on all-island data sets which will greatly enhance evidence-based policy and strategic decision-making on an all-island basis.

Local strategies are also being developed at sub-regional level for the linked gateways of Letterkenny and Derry and for the Dundalk-Newry twin-city region, where cross-border cooperation at both central and local government is being realised and implemented. There are many other instances of practical co-operation such as the North-West Economic Development Initiative, joint tourism initiatives



(e.g. the Oriel 2012 Tourism Initiative), and co-operation on issues as diverse as the arts and farmers' markets.

The reforms of local government in Northern Ireland under the new devolved administration, offer the possibility of developing further co-operation between local authorities North and South of the Border.

Possible Options for New Approaches in Selected Gateway Cities

The NESC reports that "the development of the required governance frameworks that will allow key actors in the Gateways to take co-ordinated and effective action together is, probably, the greatest and most urgent challenge facing the implementation of the NSS."²⁷ The NESC also recognises that local authorities must take the lead role in meeting the specific challenges and opportunities of 'their' Gateway's development.

The question arises whether there may be alternative ways to provide local government and local political leadership to deliver the required coherent and focused approach to developing key Gateways. If new approaches are adopted, consideration in turn may have to be given to the role and geographical remit of the existing regional structures. Some possibilities are set out below.

Cross Boundary Executive/Political Offices

Should consideration be given to providing for a metropolitan mayor's office (supported by a small executive) in specific strategic city regions? This office could cross city/county boundaries and could be created to discharge a number of discrete and strategic functions. Such an office would work hand in hand with the existing administrative structures, such as local and regional authorities, but deliver a better city region focus.

The functions of such an office could include strategic oversight in relation to strategic land-use planning at city region level, to progress in the delivery of key regional infrastructure (roads, public transport, water and waste infrastructure for example), including proposing a city region agenda in the making of regional planning guidelines and subsequently shaping those guidelines from a city region perspective.

Such an office could deliver the co-ordination and strong political leadership required in, for example, the Limerick/Shannon area, building on other initiatives and on a trial basis without disrupting existing county boundaries. Learning from a pilot introduction phase, the metropolitan mayor office concept could be considered

²⁷ Ibid.

for roll-out in other areas requiring metropolitan co-ordination, e.g. the larger NSS Gateways.

Putting forward another or parallel “regional” layer could be seen to add unnecessary complexity. There is a danger in this. However, there is also a potential to bring strategic and political leadership to some key growth centres to support the National Spatial Strategy in counter-balancing the development pull of the Dublin region.

Consolidation or Joint Leadership of Key Authorities

An alternative to new regional structures around Gateways may be to look at the existing structures within county boundaries. The Gateway cities of Limerick and Waterford exist in parallel with relatively small county councils.²⁸ Would unitary authorities for city and county be a more appropriate response to coherent development of those Gateways? Such structures would bring greater strength and depth to local government in those key Gateways without breaching the emotional allegiance to county.

Another approach could be for joint election of one mayor to chair and represent both authorities.

Similarly, could a small county like Sligo with just 2 overlapping authorities be usefully served by one mayor in a manner which would support the development of Sligo as a Gateway under the National Spatial Strategy?

Application of such an approach in Cork and Galway may be more open to question given the geographical size and population of those counties.

Conclusion

The options outlined above are likely to give rise to substantial debate. It is necessary to consider if novel institutional arrangements can enhance the potential of the Gateway cities and towns to offer a real counter balancing weight to the growth of the Dublin region. New institutional arrangements need not be considered for all areas, and different solutions could apply in different areas. However, we should take the opportunity to consider how to provide strong strategic local leadership as a driver of balanced regional development.

²⁸ The population of Waterford City and County is 107,961 with 45,748 living in the city and 62,213 living in the county – a further 3,465 live in the environs of the city in County Kilkenny. The population of Limerick City and County is 184,055 of which 52,529 live in the city and 131,516 live in the county. However, if the environs of the city (within County Limerick) are included in the city population the balance would change to 86,733 in the city area and 97,322 in the remainder of the county. A further 4,021 live in the city environs in County Clare.

Chapter 10:

Local and National Government – Working Together

Chapter 10 reviews the complex sets of relationships which exist between central and local government, and other agencies, and asks if there are better ways to work together.

The Chapter suggests that there needs to be greater trust in local government to make local decisions and deliver local services. At the same time it discusses the reality that certain national and EU laws and policies must be complied with.

The Chapter discusses the development of more collaborative ways of working which have developed between the Department of the Environment, Heritage and Local Government and local government through the County and City Managers Association and suggests that this approach may also be worth expanding across central government.

It also refers to the opportunities for the local government sector itself to work more effectively as a collective whole through its national offices.

The Chapter also suggests that central government needs to be clearer on the cost and other implications of new requirements which it gives local government, and to set fixed targets which make clear what must be complied with.

In the context of giving powers back to councillors and mayors it suggests a new role for the legal agent in advising directly the mayor, councillors or the manager, depending on the class of decision involved, and for an obligation to make decisions within the scope of any such advice.

Introduction

Chapter 2 discusses the place of local government within the Irish political and administrative system and refers to features such as:

- The connection that national politicians have with local issues;
- The impact of national politics on political leadership at local government level;
- The dependency of local government on central government for resources; and,
- Perspectives at national level regarding the ability of local authorities to deliver new services.

These factors have influenced the direction of local government reform over the years. Building strong local democracy requires those factors to be recognised while seeing the potential benefits that greater trust between central and local government can bring to Ireland.

It has been said that a feature of Scandinavian local government is the mutual trust between central and local government, and that this is a factor which has promoted the devolution of functions from the centre to local government in that part of Europe. It is also said that this trust has grown from the long tradition of consensual politics in the Scandinavian countries. While Irish economic success is built on a 20 year old model of partnership, the fundamental relationship between central and local government in Ireland has not changed dramatically. It has been pointed out that local government itself is not directly represented at the national partnership level – this may be significant.

The ending of the dual mandate was designed to provide clear definition to the roles of national and local politicians. This has happened, but it has not been accompanied by significant devolution from the centre to local government. Lack of greater devolution should be considered as an opportunity cost suffered by central government which should be freer to concentrate on issues that are of national and international importance.


Even where there is strong mutual trust between central and local government it is natural that tensions will arise from time to time due to different national and local perspectives. Resolving these differences is an ongoing part of the political work of government (local and national). On occasion there are national and EU legal obligations which need to be complied with. Ensuring local compliance, while at the same time seeking to strengthen local democratic decision-making, can be a conundrum and is a key challenge.

These issues and relationships are central to the debate in this Paper.

The Nature of the Relationship between Central and Local Government

The relationship between local government and central government in Ireland operates on a number of distinct levels.

Government Departments use a mixture of traditional command and control instruments (legislation, regulation, directives etc), influencing instruments (control of finance) and co-operative instruments (consultation and joint working etc) in their relationship with local authorities. National government and local government work



closely day-to-day to achieve mutual goals and, for the most part, the working relationship between senior officials on both sides is very positive. In recognition of the need to ensure close co-operation, more formal structured relationships have also been established between the County and City Managers' Association and the management team of the Department of the Environment, Heritage and Local Government.

Above that again, there are the many formal and informal connections at political level which work through Ministers, the Houses of the Oireachtas and individual Oireachtas members, which all have a bearing on the relationship between national and local government.

There are also a number of collective arrangements for local authorities themselves to share services, advice and research. The Local Government Management Services Board provides support to the local authority sector in the areas of human resource management, industrial relations and management services. The management services remit is carried out by the Office for Local Authority Management through the provision of a range of executive, research, secretarial, and other support services to the County and City Managers' Association. The Local Government Computer Services Board provides strategic support for local authorities in the area of information technology development. It assists local authorities to develop IT strategies to underpin their business needs and to implement appropriate solutions. Both bodies were established under the Local Government Services (Corporate Bodies) Act 1971.

The Minister and Department also maintain a close relationship with the 3 local government associations which represent councillor interests.

Forging a New Relationship between Local and Central

One of the fundamental objectives of the current process is to build on past reforms by strengthening the democratic aspect of local authority governance. The directly elected mayor of cities and counties is proposed as the primary vehicle to achieve this. A regional mayor with strategic powers in Dublin will also become a significant national figure. These potential changes pose a challenge to a number of interests:

- Central Government Departments and Ministers, including the Department of the Environment, Heritage and Local Government, as a more vocal local government sector could challenge more policies or spending decisions. This is at a time when both central and local government face a more critical media;

- National politicians, who will be wary of powerful local figures being elected in their backyard;
- Local councillors, who will see their place diminished in relative terms to that of a directly elected mayor – even though greater powers may be devolved to the local political system overall; and,
- County and city managers, who would have to adjust to new working arrangements alongside a more powerful political head of the local authority.

In more specific terms, Government Departments would have to consider new ways of working with local authorities.

It is not difficult to envisage that directly elected mayors will also form a significant collective local government interest in the future. Such a development is likely to alter the current relationships.


It will be important to ensure that the various collective arrangements referred to above are fit for purpose for the challenges ahead. It is too early to be definitive about the impact of the initiatives set out in this Paper. As with all significant change, it involves moving away from established comfort zones. New relationships will not settle immediately but will evolve over time. The reforms suggested by this Paper are likely to pose a challenge for politicians and administrators over a lengthy period.

The Common Good and the Implementation of National and EU Law

This Paper suggests that greater powers and responsibility should be granted to councillors and directly elected mayors. However, where additional powers are given to elected representatives, mechanisms need to be found to ensure that local councils meet their legal obligations in the exercise of those powers.

One of the criticisms of central government in recent years is that functions have been removed from councillors where difficult issues have arisen. However, this approach allows local councillors to shirk responsibilities and reinforces the idea that Irish local government is weak and incapable of responsible decision making. This negative feed-back loop needs to be reversed.

The removal of powers has not happened without reason: the State (at both central and local government) is subject to many obligations laid down by national legislation, EU law and decisions of the superior courts.



All EU Member States share the dilemma that, as contracting parties to the EU treaties, it is the Member State that is liable for any failure to fully implement EU laws. At the same time internal legal/constitutional arrangements grant autonomy in many areas to lower tiers of government.

Some Member States, even those with the greatest devolved power structures – such as the Scandinavian countries mentioned above – appoint prefects at a regional level to ensure that local authorities comply with national obligations.

Ireland has dealt with a number of problem areas by removing powers from councillors and granting them to the manager to ensure compliance with national obligations.

In a number of cases the manager is given power to act where councillors fail to adopt measures as required under legislation (e.g. Traveller accommodation,²⁹ and development plan adoption within time limits).³⁰ In the case of waste management, reserved powers to adopt waste management plans were totally removed from councillors and granted to the manager.³¹

In most cases, local authorities and central government work together to implement new obligations. Where problems arise, it is not solely the fault of local authorities. Local authorities often complain that central government does not provide sufficient resources (in finance and staffing) to meet the demands at local level which arise from EU Directives or other national initiatives. There is also an argument to be made that individual local authorities are not given sufficiently clear, or binding, targets to inform them of the contribution they must make to ensure that Ireland's overall national obligations are met. Absence of clarity can allow individual local authorities to shirk responsibilities.

The zoning of land and compliance with National Spatial Strategy objectives and Regional Planning Guidelines are further areas where tensions arise. Until recently Ministers were reluctant to intervene in decisions made at local level to zone land. This has changed recently with the use of directive powers by the Minister, under the Planning and Development Act 2001, to require a small number of local authorities to come into line with national and regional policy.

²⁹ Housing (Traveller Accommodation) Act 1998.

³⁰ Planning and Development Act 2000.

³¹ Waste Management (Amendment) Act 2001.

Options for Change

A number of options below are suggested as a way of improving the relationship between central and local government and yet at the same time ensuring that local authorities operate within the constraints of higher level legal and policy obligations.

Working Collectively with the Department of the Environment, Heritage and Local Government

There has been a move in recent years away from the traditional command and control approach by the Department of the Environment, Heritage and Local Government. The linkages between the CCMA and the Department allow many initiatives to be progressed as part of a process of engagement and in line with the spirit and requirements of Regulatory Impact Assessment. (That is not to say that more directive approaches cannot be used where appropriate).

This process of engagement requires constant effort to ensure that real results come about from this engagement, so that good initiatives or ideas are followed up and implemented. The Department of the Environment, Heritage and Local Government will continue to work with the CCMA to ensure that these structures deliver to their potential.

Working Collectively with All Relevant Government Departments

The Department of the Environment, Heritage and Local Government, as the 'parent' Department for local government has a particular relationship with the sector. However, with the reorganisation and expansion in function of Government Departments over the years, local authorities now deal directly with a significant number of other Departments including Transport; Community, Rural and Gaeltacht Affairs; Justice, Equality and Law Reform; Arts, Sport and Tourism; Enterprise, Trade and Employment; Education and Science; Social and Family Affairs, as well as with some key offices such as the Office for Children. It would be useful for all relevant Departments and Offices and the local government sector to engage collectively at a high level, in a structured way, to consider issues of common concern.

Such an engagement would help to bring a consistent approach to common issues such as funding rules, procurement etc. It would also assist Government collectively to appreciate the challenges facing local authorities, and it could address areas of overlap and duplication. In turn it could assist local authority long and medium term planning by providing for a greater exchange of information on Departmental funding and policy proposals. It may also assist in pursuing the objectives of



integrated public services on the ground.

An initial forum between the CCMA and relevant Departments might scope out the form of any more structured ongoing arrangements.

The Implications of New Initiatives

Where initiatives are being introduced by central government which impose new obligations on local authorities the implications of those obligations should be clearly set out. This is in line, in any case, with the principles of Better Regulation and the requirements to carry out Regulatory Impact Assessment.

In particular, any additional costs for local authorities should be set out. This does not necessarily mean that such costs must be provided for directly by central government, but it should help clarify how the obligations are to be met and how resources are to be prioritised. In many cases, new obligations can be integrated into existing operations without creating significant additional burdens. Efficiencies in procedure and use of ICT can often minimise costs.

Assigning Clear Targets to Local Authorities

Where it is appropriate, it should be possible to assign particular targets to individual local authorities when new initiatives are being introduced. For example, Ireland has very onerous national waste management landfill diversion targets. These are translated at local and regional level through Regional Waste Management Plans. If decision making powers are to be given back to councillors in relation to waste management planning, it would be important that councillors are aware of the individual targets that each council is legally obliged to meet.

Where regional targets need to be agreed by several councils, consideration would need to be given to ensuring that refusal by one council does not undermine adoption of a regional plan. Perhaps, in line with the concept of shared services, it would be possible to have joint meetings of all participant councils (or alternatively the Corporate Policy Groups of those councils) where policy decisions are binding on all participant councils. In any case, it would be expected that directly elected mayors would give leadership to such major decision making in the future.

Other areas where Ireland must ensure compliance with EU and national targets include water services, habitat protection and ground water protection. There is a need for clear national prioritisation to meet the targets involved and for an alignment of local government priorities with national priorities. In this regard, it is important to build up a common understanding of the issues, the reasons for pursuing certain priorities, and the targeting of resources at those priorities. There

should be room for negotiation between central and local government in allocating national targets on a regional or local basis, building on the structures of co-operation which already exist between the Department and the CCMA. Mechanisms to ensure that priorities are actively pursued – after being agreed – would also need to be considered.

Helping Local Government to Help Itself


One reason, perhaps, that Government has bypassed local government when considering the delivery of new services is that inevitably smaller authorities do not have the resources to carry out every task to the standards required. One way of overcoming this is to pool resources, to work across boundaries, and where appropriate, to work on a regional level.

Institutional resistance to pooling resources is understandable, but will have to be overcome to allow local government to perform more functions and at a higher level. There are good examples already in place, such as the National Roads Authority regional design offices. These offices combine the resources of individual local authorities coupled with the strategic direction from a centralised core of expertise and have been very successful in delivering the roads programme. Such models can also be applied for other programmes, such as the water services programme, and could be seen as a driver towards implementation of important national priorities, as set out above.

It is also in the interests of local government to act collectively at national level, to share experience and to articulate the corporate local government perspective in a collective manner. At present these objectives are achieved through the offices of the CCMA, LGCSB, LGMSB and OLAM, as outlined above. It is opportune that the operation of these structures is being reviewed so that local government collectively obtains the optimum benefit from the resources which are available to it.

The Role of Legal Adviser and Council Compliance

There is a perception by some councillors that the role of the local authority's law agent is to back the recommendations of officials rather than guiding the actions of members. Law agents are, or should be, impartial advisers to the institution of the local authority, not to either side of the managerial/public representative divide. However, the perception mentioned above is reinforced by the provision in the local government code (section 132 of the Local Government Act 2001) which allows councillors to seek their own second opinion in relation to the exercise of reserved functions. The position of law agent within local authorities is also unclear. Some local authorities employ full time law agents while others rely on outside solicitors.



It is suggested that in future each county and city council should appoint a chief legal adviser, possibly for a set term of office. This office could be recognised in law. The chief legal adviser would have an obligation to provide legal advice directly to the relevant decision maker, i.e. to the manager in the case of a managerial decision, to the mayor in the case of a mayoral decision and to the elected council, through the mayor as chair, in the case of a reserved decision.

It would be the role of the legal adviser to advise on the compliance of all relevant decisions with the law. There would be an obligation on all decision makers, in turn, to act within the terms of the advice given. This role would be analogous to the role played by the Attorney General at Government level.

Such a mechanism would facilitate the removal of managerial default decision making powers in the case of policy decisions and returning them to the political system. If default decision making powers are still required (in areas such as planning, Traveller accommodation and waste management) decisions should rest with the mayor and not the manager as at present.

Redefining the role of legal adviser and new reporting structures would obviate the need for a separate right to seek outside legal opinion.

Detailed consideration would need to be given to this proposal, having regard to the different arrangements which apply in different local authority areas, the need to avoid creating an overly expensive or bureaucratic legal architecture, and to the fact that most local authority legal work is routine executive work.

Chapter 11:

The Local Government Commission and Boundaries

The Local Government Act 2001 provided for an independent Local Government Commission which would advise the Minister for the Environment, Heritage and Local Government on a number of practical, yet contentious, local government issues such as boundary changes, electoral areas, number of councillors per council etc. This Commission has not been established.

Chapter 11 discusses the role of the proposed Commission, the reasons for its non-establishment to date, and options in regard to it.

The Chapter also discusses the problems associated with changing local authority boundaries (in the absence or otherwise of the Commission) and notes the particular emotional affinity to county boundaries. It suggests that there may be more scope to bring greater coherence to town boundaries and that the discussions in Chapter 9 may be an alternative way to deal with the issue of county boundaries.

Finally, the Chapter discusses the imbalance in councillor numbers per head of population from authority to authority - from 1 councillor per 44 population to 1 per 10,000. It notes that there is no one formula which could decide on the optimum number of councillors in any given area having regard to the need for coherent governance.

Given that there are already over 1,500 councillors in the State it is suggested that minor adjustments should be considered rather than wholesale review.


Introduction

The issues of appropriate local government boundaries, the appropriate number of local authorities, and the related issue of the appropriate number of elected members which should serve on those authorities, is a recurring theme in local government debate in all countries.

Debate on these issues in Ireland often generates more heat than light. In an effort to remove some of the politics around these issues the Local Government Act 2001 provided for the establishment of an independent Local Government Commission to advise the Minister. However, the very fact that such politically sensitive issues were to be considered by an independent body (if not finally decided by that body) has been a factor in the reluctance to establish the Commission under the 2001 Act.

I. The Local Government Commission

The Local Government Act 2001 provides that a Local Government Commission is to report to the Minister in relation to:

- 
- An application for a local authority administrative boundary alteration;
 - An application for an alteration to the number of members of a local authority;
 - An application for the establishment or dissolution of a town council;
 - A request from the Minister to report on the alteration of local electoral areas in some or all local authorities, and the number of members assigned to each area; and,
 - A request from the Minister to report on any aspect of local government specified by the Minister, or the boundary of any public administrative district connected with local government.

The Act would require the Minister to seek a report from the Commission concerning an application to alter the number of members of a local authority, or prior to altering a local electoral area. Applications for new town councils or administrative boundary alterations would be made directly to the Commission, which would then submit a report on the matter to the Minister. The Minister would be required to have regard to the Commission's reports and, in certain cases, to give reasons if the Minister decided to depart from the Commission's recommendations. In the case of new town councils, the Minister could only make an establishment order in cases where the Commission has recommended that a town council be established.

With the non-commencement of the relevant provisions under the 2001 Act, use continues to be made of earlier legislation to deal with some of the issues referred to above, for example, to alter local authority administrative boundaries or local electoral boundaries. It should be noted, however, that there are no current powers available to establish new town councils in the absence of the Local Government Commission.

Options

The reform process provides an opportunity to consider whether the Commission is the best vehicle for addressing the matters of new town councils, changes to local electoral areas, councillor numbers etc.

Establish the Commission

This could include commencing the relevant provisions of the 2001 Act and establishing the Commission as intended originally. It could, alternatively, be

decided to make legislative amendments to the provisions of the 2001 Act in the light of reforms which emerge in the White Paper. This may include a reappraisal of the functions of the Commission or an adjustment of some of the parameters by which it would work. For example, as discussed in Chapter 6, it could be decided to raise the population threshold for considering whether or not to establish town councils. This is set at 7,500 at present.

Repeal the Provisions which Relate to the Commission

If the conclusion is that the Commission adds little additional value to the local government system, or unnecessarily fetters the authority of Ministers, the provisions which provide for the Commission could be repealed and, if necessary, new statutory processes put in place.

II. Local Government Administrative Boundaries


The success of the county as an expression of Irish local identity has resulted in proposals to alter county administrative boundaries being politically divisive, highly emotive, and difficult to resolve. Notwithstanding the often emotive nature of boundary debates, county alterations have happened. In 1976 County Louth's boundary was extended to include land which had previously formed part of County Meath (though on a smaller scale than originally proposed).

Proposed alterations to town boundaries can also be problematic although usually for reasons of finance i.e. the impact of the transferred rates base from the county council to the town council. A related issue is the extension of several town boundaries, for electoral purposes only, in 1994. It was intended to bring these boundaries into line with the administrative boundaries but this has not occurred in all cases, leaving a number of anomalies around the country.

Since 2000, there have been several alterations to town council boundaries; in all cases town boundary alterations have progressed on the basis of local agreement.

The following 3 factors need to be considered in relation to dealing with boundary changes:

- Issues that arise regarding town boundary extensions tend to relate to technical, legal and financial matters - which are resolvable - rather than emotional or historical factors;
- Changing county boundaries on the other hand leads to significant public resistance based on those emotional and historical factors; and,

- 
- Can key criteria be established which can guide the setting of local government town and county boundaries?

Submissions from the Public and Consideration by Consultative Committee

The local government reform consultation process indicated a general view that town boundaries should be revisited, on grounds that the pace of urbanisation in recent years has resulted in large numbers of people being disenfranchised. A minority opinion considered that the boundary debate is misplaced as people live in a fluid, diverse world and boundary changes are not the solution. The view was also expressed that the financial consequences of boundary alterations needed to be carefully addressed in all cases.

Options Regarding Boundaries

There is logic in seeking to align town boundaries with the developed areas of a town. However, successful local government is not dependent on there being perfectly 'clean' lines. The influence of towns spreads well beyond their legal boundaries, however defined, and, as discussed elsewhere in this Paper, strategic policies set at county level should be relevant to areas on both sides of the town boundary. Chapter 9 discusses if alternative mechanisms should be put forward to address strategic cross-boundary issues in key areas where there is resistance to changing county boundaries.

Options for consideration in relation to boundaries include:

Retain the Existing Statutory Mechanisms

In the absence of the Local Government Commission, recent boundary alterations have used the provisions of the Local Government Act 1991, which allows for the establishment of Boundary Committees in individual cases. The processes under both Acts are broadly similar. Ultimately, these processes require a final political decision to be made. In the case of county boundaries this system is likely to favour the status quo. Retention of the current system would emphasise the need for authorities to work in tandem to progress boundary alterations, and, in the absence of consensus, to focus on increased co-operation and collaboration across existing boundaries.

An Automatic Mechanism

An alternative approach would be to devise a mechanism which would involve the automatic incorporation of built-up areas and/or development land within urban authorities. This could be based, for example, on revising town areas based on the definition of town census boundaries which are updated every 5 years. However,

such a system would remove the process from democratic oversight. An automatic mechanism would not be an acceptable way of dealing with county boundaries. If such a system were to be deployed, the financial impact on certain county councils could be severe unless agreed mechanisms were put in place to deal with financial issues.

Town Boundaries and Electoral Areas

Those towns which had their boundaries extended, for electoral purposes only, in 1994, represent an anomaly, as residents of the environs of a town may help elect the town council but do not fall within the functional area of the council. A number of these towns' boundaries have been altered since 1994, however in the majority of cases the anomaly continues to exist. The correction of this anomaly would appear to be in order.

III. Councillor Numbers

The number of councillors per local authority is set out in the Local Government Act 2001. County councils have a membership varying between 21 and 32 members – the exception being Cork which, because of its size, has 48 members. The 3 smaller city councils have between 15 and 17 members each with 31 members on Cork City Council and 52 members on Dublin City Council. Town councils have 9 members with the exception of the 8 largest councils which have 12 members.

Unlike Dáil elections, there is no constitutional or other legal requirement for equality in councillor representation per head of population at local level. The local electoral areas within council areas are revised from time to time. The Minister for the Environment, Heritage and Local Government has recently announced the establishment of 2 Boundary Committees under the 1994 Local Government Act to review local electoral areas in advance of the next local government elections in 2009. In this case the Boundary Committees have been asked to endeavour, as far as practicable, to achieve variance from individual average local authority representation within the range of + or – 10%.

At present county/city councillor representation ranges from 1 councillor per 1,318 people in Leitrim, to 1 councillor per 10,000 people in Fingal, and 1 councillor per 9,735 people in Dublin City.

Town councillor representation ranges from 1 councillor per 44 persons living within the legal boundary of Ballybay town council to 1 per 2,440 in Dundalk.



There is no simple formula which can be adopted for deciding on the optimum number of councillors on a particular council. Insofar as any principles do apply, they include having sufficient councillors to give reasonable representation to the local community, but not so many as to make organisation and decision making unwieldy (for example, it was considered that the size of the old Dublin County Council did not make for effective and accountable local government). An added consideration in the Irish context is the role that city and county councillors have in electing Seanad Éireann, with rural local authorities having a greater proportionate influence in the election than overall population levels would otherwise suggest.

In total there are over 1,500 local councillors in the State. There seems to be no great need or call for this number to be increased significantly. A move to reduce councillor numbers in councils with a small population, to compensate for increases elsewhere, would give rise to significant opposition. There may be arguments for some minor adjustments – for example, to reflect population changes within the Dublin local authorities – but not for any large-scale increase in numbers. How any changes in numbers should be made will depend on decisions to be taken in relation to the Local Government Commission, as discussed above.



PART V



Finance and Ethics



Chapter 12:

Local Government Finance

Chapter 12 discusses the challenges of ensuring that local government is sufficiently resourced to carry out its functions over the coming years. It discusses the present structures for the funding of local government in Ireland and summarises the conclusions of some of the more recent studies on local government finance.

The Chapter notes the public and political resistance to providing for new local revenue raising mechanisms, and refers to the need for strong central support for local government in the absence of such mechanisms.

The recent establishment of the Commission on Taxation is referred to. The Commission is tasked with considering "options for the future financing of local government". In that regard, the Chapter touches on the various funding mechanisms which are often applied at local level in other jurisdictions. These mechanisms, and others, should be debated in the context of the Commission's work.

The Chapter also suggests that bringing greater clarity to the presentation of local government finances could help develop a more informed debate.

The Challenge of Resourcing Local Government

As already discussed, local government has expanded its remit into new and expanded areas of activity in recent years. The aim is to strengthen the sector further to tackle the challenges ahead. However, local government cannot deliver to its potential unless it has the financial means to do so.

As with all parts of the Irish economy, local government has seen significant growth in terms of resources and expenditure. We have moved a long way from the debt-ridden and contracting local government service of the 1980s. Local government expenditure has grown from €3 billion per annum to €10 billion per annum over the past 10 years alone. While this is impressive there are significant financial challenges facing the sector in the coming years, which threaten the ability of local government to deliver a service to the level that is required. These challenges include:

- Providing services to a growing population, which is more diverse and mobile than ever before;
- Implementation of the National Development Plan up to 2013;

- Improved environmental performance (in areas such as waste management, ground water protection and habitat maintenance);
- The significant additional costs of operating new water and waste water treatment plants, as well as the cost of greater environmental compliance costs for all existing plants; and,
- Compliance with other codes and policies, including health and safety, equality and disability requirements, employment protection and entitlement rights, as well as many important “process” requirements in areas such as financial accountability, procurement, official languages etc.

Traditionally, local authority management has had to balance and prioritise available resources, developmental objectives and environmental objectives. However, the need to ensure a more sustainable approach to all local authority activities, coupled with stricter legal obligations, means that environmental compliance is now a *sine qua non* rather than just another factor in the deliberative equation. This imposes an unavoidable financial cost which must be met.

Local authority financial planning is not assisted by the present arrangements for Government support for current expenditure. While there is a legal minimum threshold that the Exchequer contribution to the Local Government Fund must meet (see below), the actual contribution, and the allocations to individual local authorities, are only made known towards the end of each financial year – at the same time that councils are finalising their budgets. Changes to the motortax system, introduced in Budget 2008 to encourage more environmentally friendly vehicle choice, also bring added uncertainty to the motortax contribution to the local government fund for future years.

Local authorities have benefited from the certainties brought about through the multi-annual capital programmes, as well as the national pay agreements. Greater certainty on central current funding would also be beneficial.

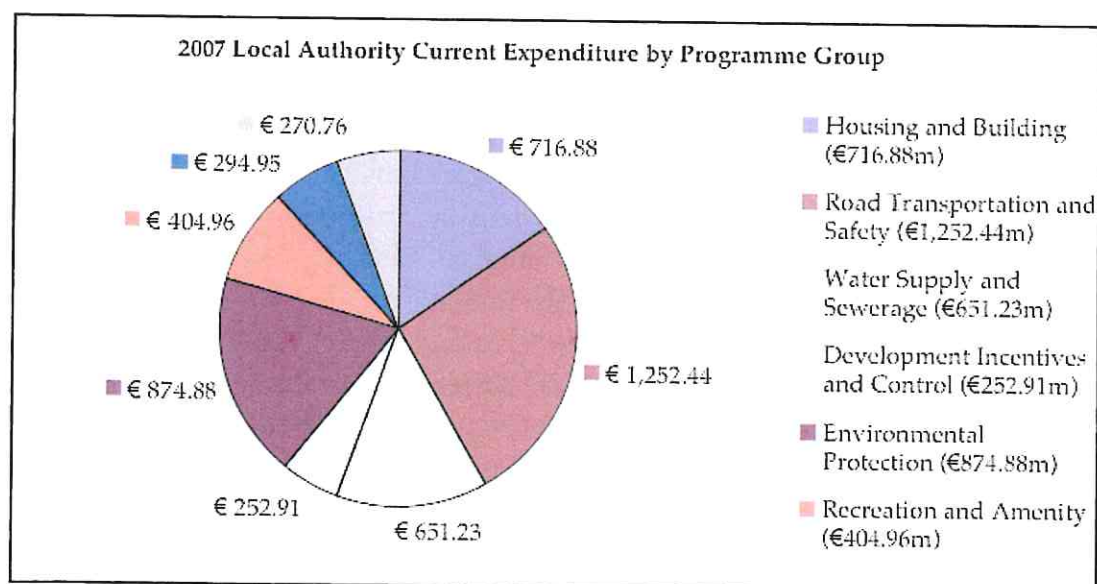
In addition to financial constraints, local government faces a challenge in delivering required service enhancements due to constraints on staffing numbers which are subject to Government policy on public sector employment levels. The overall limitation on core staffing in the local government sector is 33,350 (whole time equivalent). The overall number has remained at this level for a number of years, despite increased demands for services due to economic and demographic developments, as well as the demands in environmental services mentioned above.

Part of the response to the future challenges lies undoubtedly in efficiency gains. The more than trebling in local authority expenditure over 10 years with only a small rise in staffing numbers shows what can be achieved. *Towards 2016* seeks to develop staffing capacity and organisational flexibility. New ways of working, the ending of outdated practices, flexible attendance, shared services, public private partnerships, and performance management and recruitment policies which match the needs of local authorities must all be pursued to ensure efficiency gains.

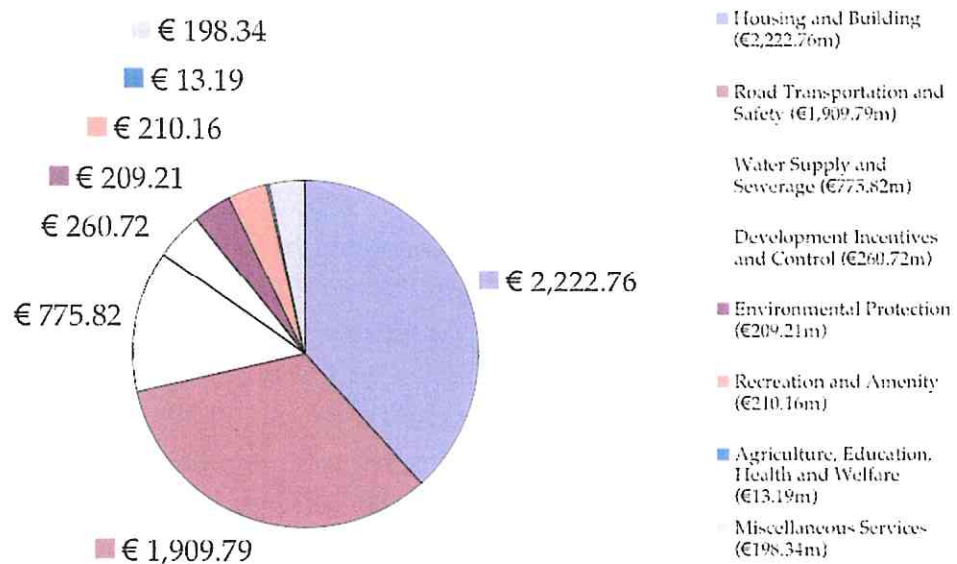
However, efficiencies alone will not meet all of the challenges. This chapter discusses the issues around Irish local government finance, the systems of local taxation used elsewhere and the options for further consideration, particularly in the context of the newly established Commission on Taxation.

Local Government Sources of Income

Local government spent around €10.5 billion in 2007, approximately half of which is current spending and half capital. Current expenditure is recurring spending, e.g. environmental protection, operation of water services, salaries. Capital expenditure includes expenditure on assets such as libraries, road projects, new water treatment plants etc. See tables below:



2007 Local Authority Capital Expenditure By Programme Group (€5.8bn)



Local authorities generate about 58% of their current revenues from rates on businesses and from goods and services. The remaining 42% of income comes from central government, which is divided almost evenly between general-purpose grants from the Local Government Fund and specific grants and subsidies.

The majority of local authority capital expenditure is sourced from a range of Government Departments. However, local authorities have generated significant capital income in recent years from the growth in construction and the reform of the development contribution system. The Planning and Development Act 2000 allows local authorities to require developers to part fund the provision of infrastructure. The development contribution mechanisms have come to constitute a significant income stream with €2.1 billion having been collected under the last National Development Plan (2000 - 2006) and a further €2.1 billion projected to be collected during the lifetime of the current NDP (2007-2013). This revenue is being used to fund a range of key public infrastructure such as roads, water and sewerage infrastructure, which are necessary for all housing and commercial development to proceed, and for the purposes of specific community gain such as playgrounds, recreational areas, parks etc.

Funding is also being made available for specific rail projects under the Transport 21 investment programme. Thirteen specific contribution schemes have either been adopted or are under negotiation. It is estimated that the revenue to be collected over the lifetime of these schemes, typically 20 to 30 years, will be in excess of €2 billion.

The Local Government Fund, the most important element of central government support for local authority current expenditure, is funded from the proceeds of motortax (projected at some €1,080m for 2008), supplemented by an Exchequer contribution (€545m for 2008). In total, the Fund rose from €797m in 1999 to €1.6 billion in 2008. With the significant increases in funding to local authorities through the Fund in recent years, local authorities have been encouraged to keep rate increases as low as possible. In 2007, the average Annual Rate on Valuation increase over 2006 was 3.6%, down from an average of 4.4% in 2006 and less than the 2007 prevailing inflation rate of 5%. Notably, Limerick City Council reduced its rates by a further 0.2% in 2008 (having reduced them by 1% in 2007 and 0.5% in 2006). Economic growth has contributed to greater buoyancy in the yield from commercial rates. This has also assisted councils seeking to contain rate increases and has enhanced local authorities' overall financial position.


However, local authorities are under considerable strain in dealing with the increasing costs of environmental protection in areas such as waste management, drinking water and waste water treatment, upgrading and maintaining physical infrastructure (such as local roads which are carrying more and heavier traffic) and servicing the needs of a growing population - running at 2% growth per annum - for example, in providing and staffing new libraries etc.

Reviews of Local Government Funding

The funding of local government has been subject to periodic review. In recent decades these have included:

- *The Financing of Local Authorities*, prepared by the National Economic and Social Council (NESC) in 1985. It concluded that a local property tax (supported by a system of grants from central government) would improve local accountability, would be administratively feasible and would widen the national tax base.
- In the same year the Commission on Taxation argued the importance of classifying the services provided by local authorities as either local or national, with local services financed from local taxation.³² Central government support should be provided to account for local differences in either needs or resources. It also recommended a local property tax.

³² "Taxation" in Ireland is considered to be the prerogative of national government, while local authority revenue raising is usually referred to in terms of charges, or rates etc. In this paper the term "local taxation" is used in the general sense of any power which a local authority may have to impose charges or other forms of revenue raising.

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- *Financing of Local Government in Ireland*, a report prepared by KPMG Management Consulting for Government in 1996. It noted that Ireland had a “highly centralised system of financing of local government” and concluded that:
 - Property tax was the most feasible option for raising additional funding;
 - There was scope to raise additional revenues from local authority charges; and,
 - The commercial rates base should be extended to include all bed and breakfast accommodations and non-residential agricultural buildings.

While the major conclusions of these reports have not been adopted, local government funding has been affected by a number of significant Government decisions over the past twenty years or so, including the introduction of service charges in the early eighties, the abolition of water charges for domestic users in 1997, the establishment of the Local Government Fund in 1999 and the revamp of the development contribution system under the Planning and Development Act 2000.

The Indecon Report

The most recent review of local government finance was carried out by Indecon Consultants – the *Indecon Review of Local Government Financing* of March 2006.

Indecon reported that local government in Ireland is characterised by a disconnect between money spent locally and money raised locally, with a high degree of centralisation in funding provision which results in a relatively low level of local fiscal autonomy, as compared to other international models.

The report noted that total current expenditure increased by 114.6% over the period 1996-2004 across all key programmes, reflecting the demands of a fast growing economy, a rising population and the implications of supporting a large scale national development infrastructure investment plan. The review predicted significant increases in nominal expenditure requirements in the period to 2010 and recommended that the funding gap would need to be addressed by a combination of efficiencies; increases in charges, commercial rates, or motor taxation; new sources of local revenues or increases in exchequer funds; or a reduction in services.

The main recommendations in the Indecon review included:


- More local sources of funding;
- Economic charging for local authority services generally;
- A contribution from commercial properties not currently covered by commercial rates;
- That local authorities should pursue alternative mechanisms for the cost effective delivery of services e.g. contracting-out and shared services provision;
- The development of a costing system, the enhancement of audit committees, the expansion of financial reporting; and,
- The extension of water charges and the introduction of a new tax on non-principal private residences.

Indecon also made recommendations for expenditure rationalisation and efficiencies in local authorities, and proposed incentives to drive further efficiencies.

In response to the report the Government committed to the pursuit of further efficiencies in local government. Government did not support the recommendations to introduce domestic water charges or a new tax on non-principal private residences.

In this context it was noted that there has been a considerable degree of natural buoyancy in the current revenue sources of local authorities, e.g. the valuation base of local authorities has been growing continually as a result of national economic growth, and revenue from motor taxation increased considerably ahead of increases in the rates of this taxation due to the growth of the national vehicle fleet.

Arising from the Indecon Report, the Department of the Environment, Heritage and Local Government undertook to examine the scope for greater sharing of services between authorities and for contracting-out of services by local authorities. It undertook to build on the new financial management systems and service indicators in local authorities by developing a standard costing system for the sector. The Department also committed to updating and improving the financial oversight of local authorities and to introduce reforms to the valuation and motortax systems to improve revenue-raising performance.



As a result:

- New audit committees with enhanced remit and majority external membership were established in all major local authorities from October 2007;
- A new costing system, allowing for greater benchmarking of local authority performance, is being rolled out by all local authorities over the next 2 years;
- The issue of increasing shared services is being pursued in co-operation with local authorities; and,
- The Service Indicators, now in their 4th year, are being updated.

Submissions from the Public and Consideration by the Consultative Committee

While not specifically referred to in the Programme for Government, local government reform cannot be considered without at least discussing the issue of finance.

Many of the submissions from the public raised the issue. Many submissions called for greater local authority freedom to raise their own funding. There also were calls for a national debate or all-party agreement on the issue. A number of specific proposals were also put forward, including extending rates to all government buildings, a tax on hotel bedrooms etc. Many of these ideas have been put forward in the past. Others made calls for greater central government support for local authorities.

The Consultative Committee discussions on local government finance mirrored that of many previous considerations of the issue. It is recognised that strong local government ideally requires autonomy in raising local finance and there was consensus on the need to ensure that local government was adequately resourced. Yet it was also recognised that introducing new taxes or charges at local level creates huge resistance.

As noted earlier in this Paper, there is also a conflict between the theory of local decision-making and priority setting and the expectation from the public that local charges and local service delivery should be consistent or uniform throughout the State.

It was noted that, even if national taxes could be reduced to compensate for substitute local taxes/charges, such changes cannot be completely neutral. The focus

would obviously be on the potential individual losers rather than on any benefits for the greater - anonymous - community.

Suggestions that did arise included new charges, or assigned national taxes, full implementation of the Indecon report, greater, or lesser, equalisation between local authorities and adequate provision from Government for services demanded of local authorities etc.

While all those issues are extremely challenging, there was a recognition that positive gains could be obtained from better use of technology, the shared services agenda and transparency in costing (now being rolled out).

It was also noted that there were immediate pressures coming on local government finances, including compliance costs with EU environmental legislation, health and safety compliance, operating costs of new water services infrastructure, public lighting and costs where local authorities cannot recoup the costs of service delivery e.g. the planning service. The need for a transparent equalisation process for local government financing was also mentioned.

A suggestion was put forward for a specific national forum on local government finance, which could input into the forthcoming Commission on Taxation.

Options for Change and The Commission on Taxation

In accordance with the Programme for Government, the Tánaiste and Minister for Finance announced the establishment of a new Commission on Taxation on 14 February, 2008. One of its tasks will be to consider and make recommendations on options for the future financing of local government. The Commission will inevitably involve a lengthy process of analysis and consideration and local government finance is but one element of this. The consideration of the issues in this Paper will provide an opportunity to open a debate on local government funding which should inform the work of the Commission.

Some of the major issues which should be considered in the debate on local government funding include the following:

The Principles of Local Government Taxation

- Advocates of local government see merit in a local taxation system; it gives local government greater freedom to act and local representatives a greater sense of responsibility. Yet there is no sense that the general public would wish to see greater local taxation.

- Any proposals on local government taxation must overcome a variety of concerns, for example many people will pay large once-off transaction taxes on property (through stamp duty), with reluctance perhaps, but would strongly oppose an annual property tax – with payments spread over many years - which raised similar levels of revenue.

Local Government Property Taxation

- The most common form of local government taxation in other jurisdictions in Europe and North America is some form of local property tax (and occasionally sales tax). The rates charged by local authorities in Ireland on commercial properties is a form of property tax. Domestic rates were abolished in 1977 in Ireland. While this might now be viewed to have been a very retrograde step for local authorities, it should be recalled that the system which was in operation up to 1977 was widely discredited as the basis for calculating rates had not been updated for many years and did not reflect then current valuations. The Supreme Court subsequently found that the system of agricultural rates could not be stood over for similar reasons. There has been little appetite to re-introduce domestic rates and there was significant resistance to centrally imposed property taxes introduced in the 1980s, although these had very limited impact.
- Efforts to radically change the rates based local tax to a Poll Tax in the UK during the 1980s, as an alternative form of local taxation, caused huge civil unrest. That experience has also coloured perceptions in Ireland.

Betterment

- There are already a range of mechanisms in place under the Planning and Development Act 2000 to secure a planning gain for local authorities and communities from decisions taken by planning authorities, including development levy contributions and the provision of land, sites, houses (or payment in lieu) at below market value for social and affordable housing. The Strategic Infrastructure Act 2006 also provides that conditions regarding community facilities can be attached to consent for strategic infrastructure granted under the Act.
- In the context of the future funding of local government, consideration could be given to extending these betterment concepts. For example, other OECD countries, Denmark being a notable example, levy a “betterment” tax on agricultural lands that are zoned for development purposes – such a tax is additional to Capital Gains Tax and development levies.

Local Taxation v National Equity

- There is tension between greater local taxation, giving individual local authorities more flexibility to raise resources, and national objectives of equity and balanced regional development. If national taxes are (partially) displaced by local taxes it is likely that the richer areas of the State will benefit more. Ireland, in common with most European States, already uses a system of equalisation to direct an additional proportion of national resources to areas in most need. This is part of the allocation process under the Local Government Fund. However, if equalisation were to fully compensate authorities for weaker local income (either due to lower local taxes or a weaker tax base), then the question would arise as to the efficacy of introducing additional local taxation systems in the first place.

Collection Efficiency

- The Revenue Commissioners have been applauded for both customer service and for their increased collection efficiency in recent years. Any form of local taxation has to have regard to efficiency in collection, ease of payment, and adjustments for the less well off etc. These mechanisms are difficult to re-create effectively at local level.

Payment for Services and the Sustainable Use of Resources

- There is a conflict between the notions that the taxation system should pay for certain essential public services delivered by local authorities in Ireland and the principle of the polluter pays. The polluter pays principle recognises that much human activity has an environmental cost – which if paid for in a visible way encourages corrective behaviour.
- The pay-by-use waste system encourages the recycling of waste and the reduction of waste being sent to landfill. Waste charges were, however, a bone of contention in some areas when first introduced with opponents arguing that waste collection should have been a “free” service paid for through general taxation.
- Government policy to date has been to prohibit the charging for water to domestic homes on the basis that this is a core public service. However, this policy does not give the price signal to homeowners that water is a resource which is costly to treat for drinking and even more costly to treat as waste water before it can be released back into the environment. This has become much more costly in recent years as Ireland puts in place the expensive infrastructure required to meet the discharge quality standards which are



now required. Ireland is unusual in Europe for not charging the domestic user for these costs. The absence of a “conservation” mindset in relation to water actually costs the taxpayer significantly more, as additional capacity has to be built, maintained and operated, to provide the additional drinking water and waste water treatment.

- It should be noted that the Independent Water Review Panel in Northern Ireland came out against the introduction of a domestic metering system, primarily due to the extra cost involved in installation and monitoring (report issued October, 2007). However, the panel also supported full cost recovery for water services and recommended that the domestic charge should be applied in a transparent manner through the existing domestic rates system.³³
- There are other aspects of the local authority system, such as the planning service, which have potential to recover more of their costs. This particular issue is currently being considered by the Department. There is a general need for maximum clarity on the discretion of local authorities to be able to raise appropriate charges to cover costs of service provision and compliance with environmental and other regulations.

Central Funding for Local Authorities

Regardless of any changes to local funding mechanisms, there will always be a need for an element of financial support for local authorities from central government, in particular to assist those areas which have a weaker economic base. In the absence of greater powers to raise revenue locally, it is all the more important that the structures are in place to ensure that sufficient resources are provided to local authorities.

The possibility of introducing a multi-annual funding mechanism for current funding could be considered. Multi-annual capital funding has assisted public authorities in recent years to plan ahead. Such an approach could also bring benefits in relation to local authority financial planning on current expenditure.

Greater clarity to local government could also be developed in the context of the Estimates process. A factual tabular statement, bringing together all sources of local

³³ In Northern Ireland average domestic rates amount to between Stg£563 and £900 (€750 - €1,200) depending on the council area involved.

government funding provided by Government Departments, would be useful to get an overview of central funding sources for local government activity

The outputs from the financial costing system now being rolled out will help deliver better information in relation to local authority needs, as well as pointing to areas where efficiencies can be achieved. This system will also assist in supporting a better informed debate on the level of central government support needed for local government. The question of how motortax collection and direct Exchequer support is best applied to fund local government may also need to be considered.

In the immediate term, there are also issues around the current needs and resources model of funding which helps inform the allocations under the Local Government Fund. It is nearly a decade since the model was developed and financial systems and patterns of expenditure have changed considerably since then. There is a need to update the model and to introduce greater transparency regarding how it works.

The Commission on Taxation

As noted above, the Commission on Taxation which the Government has established will “consider options for the future financing of local government.” The main principles of local government funding are discussed above, while the Indecon Report has provided an up to date analysis of the current funding. This analysis should be part of the debate over the next few years.

However, the establishment of the Commission should not mean that there are no further developments in policy and/or legislative terms in relation to local government in advance of the Commission finalising its work, to build on the initiatives mentioned above.

Chapter 13:

Ethics and Expenditure limits

Chapter 13 notes that the ethics framework for local government has been strengthened over recent years.

This local government framework is in addition to the obligations under the Standards in Public Office Act and Ethics in Public Office Act. It is suggested that there needs to be greater clarity regarding the interface between the local government ethics framework and these Acts. The chapter also proposes that the Standards in Public Office Commission should have a role in supervising local compliance with ethics requirements.

The Programme for Government commits to the introduction of expenditure limits on electoral spending for local elections, analogous to that which applies for Dáil elections. Two forms of limit – either a fixed sum or a proportion of Dáil expenditure – have been put forward for consideration. It is suggested that any rules introduced should not be overly bureaucratic. Cross-party engagement on this issue may be useful.

Current Ethical Requirements Affecting Local Government

The Local Government Act 2001 provided for a comprehensive ethics framework for those involved in local government. This framework was a further development of earlier ethics requirements. The Act requires an annual declaration of interests by councillors and staff; disclosure of a pecuniary or beneficial interest where a matter arises at a meeting or in the course of an employee's work; and a public register of interests. Accompanying Codes of Conduct are designed to assist with compliance with ethical requirements by setting out standards and principles of conduct and integrity for councillors and staff. They offer a guide against which standards and behaviour can be judged.

The Code of Conduct for Local Authority Employees has been amended recently to provide that a Director of Service, or a higher grade, should not, within twelve months of resignation or retirement, accept an offer of employment or consultancy engagement where the nature and terms are such that the question of a conflict of interest could arise, without obtaining the approval of the Outside Appointments Board for the Local Government Sector. This Board will be established shortly.

Questions have been raised as to the level of compliance with some of these requirements in some local authorities. There is also a lack of clarity regarding the interface of the local government ethics code and the requirements of the Standards in Public Office Act 2001 and Ethics in Public Office Act 1995 which also apply to local government.

Local authority members must comply with a comprehensive regulatory regime in relation to disclosure of political donations, in accordance with the Local Elections (Disclosure of Donations and Expenditure) Act 1999, as amended. The Act provides for offences and penalties where a member fails to meet the statutory requirements.

Election expenditure limits apply in relation to elections to the Dáil; the exact limit varies depending on the size of the constituency. Expenditure limits do not, however, apply for local elections. The Programme for Government provided that this Paper should examine the specific issue of expenditure limits for local elections.

The Government Programme separately commits to establish an Electoral Commission, which would be responsible for the oversight and administration of elections, including electoral expenditure functions and the role of examining the issue of the financing of the political system. The exact remit of such a Commission has yet to be established. However, given some of the concerns referred to above, the opportunity should be taken, as part of the local government reform process, to consider if there are any measures which should be taken in advance of the establishment of any new Electoral Commission to address any shortcomings.

Submissions from the Public and Consideration by the Consultative Committee

The submissions received in relation to expenditure controls on local electoral expenditure were generally supportive of introducing some kind of limit. Suggestions varied from a pro-rata link to Dáil electoral limits depending on the type of local authority to simpler monetary limits, e.g. €5,000 per candidate.

The Standards in Public Office Commission in particular noted that expenditure limits reduced corruption and provided an even playing field for candidates. The Commission made a number of other recommendations in relation to disclosure, investigation of complaints, accountable periods and treatment of national expenditure etc.

The Consultative Committee considered the matter and there was a general acceptance that local election expenditure limits would be desirable (either by way of a fixed sum or as a proportion of Dáil electoral limits). However, fears were expressed that control systems can be both overly complex and capable of being bypassed. The danger is in introducing a layer of bureaucracy without significant net benefit.



Options for Change

Expenditure Limits

The two main options for expenditure limits are to introduce a fixed expenditure ceiling or to link limits to a proportion of Dáil expenditure. The mechanisms of how such limits are to be introduced will be considered further in advance of the White Paper. Given the need to attract new talent into local government it will be necessary to ensure that any new rules are not overly bureaucratic. As this is a matter of concern to all political parties it may be useful to engage on a cross-Party basis on this issue.

Broader Ethical Matters

It will also be necessary to consider if further changes are required to the legal regime regarding the broader issues of local government ethics which were noted above. Some suggestions for reform include:

- Clearer oversight by the Standards in Public Office Commission. It is considered that local authorities should still take the lead role in ensuring compliance with ethics obligations. However, the Standards in Public Office Commission could be given a specific role to check on local compliance. For example, in relation to disclosures of donations or of election expenditure, allegations of non-compliance by candidates could be investigated by SIPO. SIPO could also be given the authority to investigate on its own initiative.
- More ready access to declarations of interest could also be provided (for example, publication on-line, but perhaps with protection for the family home).
- At present the chair and manager of a local authority have a role in investigating complaints against members. This can put the chair, in particular, in a difficult position. An alternative mechanism may be required to deal with complaints, where these are considered to be of serious nature, perhaps by way of a referral to the Standards in Public Office Commission. It would be important to design a mechanism that does not result in the Commission becoming swamped in complaints which are of a trivial nature, or of dubious motivation. Greater guidance could also be provided to local authorities as to how complaints regarding ethical breaches should be processed together with suggested remedies/sanctions where breaches are found.

- The introduction of a directly elected mayor may also be of benefit. Such an office holder, directly elected by the people, should be conscious of upholding high standards in the council over which he or she presides. Such an office holder would also be conscious that criticism of unethical behaviour at council level is likely to be channelled through the office of mayor.

These issues will be discussed further with the Standards in Public Office Commission.

Whistleblower Protection

The Department is also committed to introduce legislation at the earliest possible opportunity to provide protection for persons who complain about inappropriate behaviour in local government matters. Statutory protection for “whistleblowers” has been included in a range of legislation across government in recent years, and its application to local authorities would provide a further strengthening of the local government ethical framework.



Annex I:

Systems of Governance in Selected States and Administrations

The Managerial System

The managerial system, which was invented in the US, has also been adopted (with local modifications) in countries such as Australia, the Netherlands, New Zealand, Honduras, Chile, and Brazil. A short description of its application in the US is set out below.

The US

As noted above, the Irish managerial system was initially inspired by the managerial system then being introduced in a number of US cities. This “council-manager” system as it is known has gained in popularity and is now used in the majority of cities with populations over 12,000. Other US cities have retained councils/mayors with executive authority (to differing degrees), while the town meeting system is still used in some smaller towns in New England.

While the operation of the council-manager system will vary from city to city (each city will have its own charter, perhaps based on a menu of options laid down by state law – see an example from Massachusetts below) the system basically provides that the elected council is responsible for making policy, passing ordinances, voting appropriations, and having overall supervisory authority for city government. The city manager has executive responsibility for the implementation of policy and for the hiring and management of staff.

Commonwealth of Massachusetts

General Laws – City Charters

- “Plan A”, a city government and legislative body composed of the mayor and a city council, the councillors being elected at large.
- “Plan B”, a city government and legislative body composed of a mayor and city council, the councillors being elected partly at large and partly from districts or wards of the city.
- “Plan C”, a city government and legislative body composed of a mayor and commissioners as specified.
- “Plan D”, a city government and legislative body, to be known as the city council, composed of seven or nine members, one of whom shall be mayor

and shall be the official head of the city, and an administrative officer, called the city manager.

- “Plan E”, a city government and legislative body, to be known as the city council, composed of seven or nine members, one of whom shall be elected as mayor by and from such members and shall be the official head of the city, and an administrative officer, called the city manager; the members of the city council and the elective members of the school committee to be elected at large by proportional representation.
- “Plan F”, a city government and legislative body composed of a mayor and a city council, the councillors being elected partly at large and partly from wards of the city, with the mayor and city councillors to be nominated in party primaries.

Two Examples of the Manager/Mayor/Council Division of Powers in the US

- The charter of the City of Miami, Florida gives the directly elected Mayor the power to appoint the City Manager, appoint committees and to present a budget and state of the city address (but only after consultation with the manager) and to veto some major decisions of the Commission (Council), although the veto can be overturned. The Manager is in charge of all administrative and staffing functions. Miami-City is a city within Miami-Dade County, a higher level tier of local government which in turn also has its elected Mayor and County Manager.
- The small city of Cerritos, Los Angeles, population 51,000, (praised in the Economist magazine for its effective governance) operates a strong managerial system. In this case the Mayor is appointed by the other councillors, and has no defined executive powers. Unlike Miami above, it is the Manager who prepares and proposes the Budget for example. The Manager is likewise in charge of all staffing and administrative affairs and in fact there is a prohibition on councillors communicating with officials (save for making enquiries) except through the Manager.

Councils with a Directly Elected Non-Executive Mayor

New Zealand

Alongside the election of the council, each local council area directly elects a mayor who is chair of the council. The mayor is not given any particular executive



functions but has a moral authority by virtue of popular election. Each local authority is obliged to employ a Chief Executive Officer with responsibility for implementing the local authority's policy agenda. Councils are elected every 3 years. New Zealand law specifies that there should be a clear split between policy aspects of local government and the operationalisation of such policies. Within this set up the CEO reports to the council while all other staff report to the CEO. The council is described as acting as a Board of Directors acting on behalf of the community.

It should be noted that the lower tier local authorities in New Zealand have a similar range of functions as Irish local authorities, although it is also noteworthy that around 90% of New Zealand's local authority expenditure is raised locally.

Indirect Election of Executive Mayor

Local authorities in Spain and France are governed by councils who in turn elect executive mayors for the lifetime of the council.

Spain

Spanish legislation provides for an executive mayor to be elected from among the elected councillors of the local authority. In turn, the mayor can, if he or she wishes, create governing teams, cabinet-type bodies that assist the mayor in executive and organisational functions.

In turn, Spanish law allows councils to grant professional city managers the functions of organising and managing their administrative services, who operate in a similar manner to a CEO in an English local authority. The actual powers given to a manager can vary depending on the size of the local authority area, with the manager's role increasing in complexity with the size of the city.

France

French mayors often have a very high profile and this can sometimes give the erroneous impression that they are directly elected while in reality they are appointed by the elected council. In France, there are three main tiers of local administration: the commune, département and region.

80 per cent of communes have fewer than 1,000 residents. Each commune has a deliberative or decision-making body (the municipal council) and an executive (the mayor). The number of municipal councillors is proportional to the population. Municipal councillors lay down guidelines for municipal policy, adopt the budget, manage municipal assets, notably primary school buildings and equipment, and decide how the municipal administration is to operate.

The mayor is both the commune's elected authority and the state's representative in it. Mayoral acts are unilateral administrative acts, generally orders, whose legality is subject to control by the courts when they are issued by the mayor as the commune's chief executive, and to the approval of the Departmental Prefect to whom the mayor is subordinate when acting in the capacity as the state's representative.

Direct Election of Executive Mayors

Italy

In Italy, the mayor, who has executive functions, is directly elected by the people living within the commune, as is a council of between 15- 80 members. The term of office for a mayor is five years, and they cannot normally serve for more than two consecutive terms.

Larger towns (with populations over 10,000) employ Segretari Generali with professional administrative functions. Laws enacted in 1990 introduced the concept of managerial responsibility. These laws established a series of managerial functions that had to be performed by the SGs as long as the laws or municipal statutes of each town hall had not reserved these functions for the councils themselves. These tasks include managing services, supervising the work of department heads, coordinating their activities in accordance with the mayor's directives, and implementing the decisions taken by the political bodies.

Germany

Germany is a federal parliamentary democracy, made up of 16 states or Länder. There are around 14,000 municipalities in the 16 Länder. Following reforms in the 1990s all Länder have enacted legislation which provides for the direct election of executive mayors. In the middle-sized and larger cities these are full-time, salaried positions while in small municipalities they operate on a part-time, non-salaried formula.

The direct election of the mayor was meant to further extend the rights of citizens in local decision-making. It also aimed at strengthening the political and administrative leadership in local policy making and administration as, particularly in the case of the "strong" mayor, he/she is not only chairperson of the elected council, but also holds the chief executive function in directing local administration.

Above the local tier and beneath the Länder, a tier of 300 units of local administration known as Kreise (districts) also exists. A district council oversees these with a mandate varying between one and four years.



Cabinet or Collective Government

Some countries operate collective, or cabinet-like local governance, with executive power invested in a small executive elected from among the local council.

The Netherlands

In the Netherlands, the mayor (burgemeester) is de facto appointed by the national cabinet, de jure by the monarch. She/he is the leader of the municipal executive, which in turn is selected from the municipal council. The municipal council is directly elected. In effect, executive power is exercised by the executive rather than the mayor, who is its formal head.

The municipal council supervises the executive. In keeping with the way he or she is elected, the mayor mainly exercises a supervisory role over the proper preparation, adoption and implementation of city policies. For example, he or she must publish an annual report on the quality of services, which is then passed to the city council and made public.

The city manager's main job is to assist the executive committee, the mayor, and the committees created by both. The executive committee specifies the functions that the manager must perform. The importance of this figure varies according to municipality. In the majority of cases, the position is quite strong; he or she heads the entire administrative organisation and takes decisions on his or her own initiative. In other cases, however, the manager merely provides technical assistance.

Sweden

In Sweden, the mayor is directly appointed by the central government. A legislative municipal council of between 31 and 101 members is elected from a party list system of proportional representation at municipal elections. The council in turn appoints a municipal executive board from its members. The executive board is headed by its chairperson.

This executive board holds executive power, performing the functions of strategic management and coordination. The president of the executive board is the political leader of the local council in Sweden, and often leads the largest political party on the council. In addition to the executive the council may also create permanent committees with executive competence over operational matters.

Legally, in Sweden the CEO is not a powerful figure. The position is optional and, if it is created, local politicians define the role which the CEO is to perform. Despite this, CEOs tend to have important responsibilities and take on administrative

coordination. The 1992 reform of local government specified that the CEO may only perform administrative functions and must execute political decisions without questioning them.

Finland

In Finland there are no mayors as such. The form of local government is similar to that in Sweden with an elected council and an executive committee.

The highest executive official (manager) is appointed to public office by the city council. The manager is given the responsibility of executing the decisions of the council. All functions are performed under the direction, supervision and monitoring of the executive committee, that is, the city board of directors. The city board of directors are responsible for the administrative and financial management of local governments, for preparing the matters that must be dealt with in the council, and for implementing the council's decisions.


The city manager supervises the administrative and financial management of the local governments and is only subordinate to the board of directors.

England and Wales

Prior to the reforms under the Local Government Act 2000, executive and policy making responsibility in English local authorities rested with the elected council. Much of the executive decision making was undertaken by committees of the council. In turn, decisions were implemented by council officials working under a chief executive. While a chief executive did not have the powers of a county manager in Ireland, it was, and is, still the case that councillors and committees depended on the chief executive for advice and guidance. In practice therefore, the chief executive had to establish a close working relationship with the council leader/mayor and committee chairpersons. The mayor/leader in the English local government model was elected annually, and similar to Ireland, the lack of continuity in office was seen to give rise to a lack of public recognition.

Local Government Act 2000

In an effort to bolster local democratic leadership and the visibility of local leaders, the UK Government reformed the system of English and Welsh local authority governance to provide for a political executive which was to be separate from the majority of council members. The Local Government Act 2000 provided for 3 possible models of executive:

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- (1) A mayor and cabinet executive, consisting of a directly elected mayor and 2 or more councillors appointed by the mayor; or,
 - (2) A leader and cabinet executive, consisting of a leader elected by the council and 2 or more councillors appointed by the leader or council itself; or,
 - (3) A mayor and council manager executive, consisting of a directly elected mayor together with an official appointed as manager.

Of the 3 models proposed, most of England's 400+ councils adopted the second option – that of a leader and cabinet executive. 12 councils opted for a directly elected mayor, while only one council opted for the mayor and manager option. In total, referendums to seek the provision of a directly elected mayor were held in approximately 35 local authorities. Local populations have therefore voted 2 to 1 against elected mayors.

The effect of the changes in most councils, therefore, was to place power in a cabinet type structure. The upside was that it delivered key leaders, but it has been criticised as marginalising the powers of "backbench" councillors.

The October 2006 Local Government White Paper, entitled *Strong and Prosperous Communities*, reviewed this issue again. It stated that local authorities in England and Wales adopted "a cautious approach to change", and it went on to criticise the fact that most leaders face election every year: "This can make it hard to take and see through essential but difficult decisions that may in the short term be unpopular. It also brings uncertainty for senior management teams in pursuing and implementing longer term strategies. The Government believes that it is important that councils move towards having more stable and more visible political leadership."

Therefore, the UK Government has now decided to legislate for 3 models of executive arrangement as follows:

- A directly elected mayor with a 4 year term;
- A directly elected executive with a 4 year term; and,
- An indirectly elected leader with a 4 year term.

All executive power is to be vested in the mayor/leader but power may be delegated to members of the local authority cabinet. These changes are now being legislated for.

Local Government Reform in Northern Ireland

Currently in Northern Ireland the 26 district councils have a very limited range of services (these include waste management, building control, recreation services etc). Power rests with the elected members and councils are administered by Chief Executive Officers. Under Direct Rule, the Review of Public Administration Report *Better Government for Northern Ireland* (March 2006) contained decisions for reforming the administrative structures in Northern Ireland, including reducing the numbers of councils from 26 to 7 while giving those councils additional powers in areas such as planning, roads, urban renewal etc.

The decisions of the 2006 report were reviewed by the new devolved administration. On 13 March 2008 the key decisions on the future shape of local government were announced. The 26 local government districts are to be rationalised to create 11 districts, and a range of functions will be transferred to the new councils, including aspects of planning, rural development, certain roads functions etc.



Annex II:

The Mayor of London and the London Assembly

Greater London Authority

Established in 2000, the elected Mayor, with the separately elected London Assembly, together make up the Greater London Authority. The GLA administers the 1579 km² of Greater London, covering the 32 London boroughs and the City of London. Around 600 staff assist the Mayor and the 25-member Assembly in their duties.

Functions of the London Mayor

The Mayor is seen as London's spokesman. He sets budgets for the Greater London Assembly (GLA), Transport for London, the London Development Agency, the Metropolitan Police and London's fire services. As Mayor, he chairs Transport for London. The responsibilities of the GLA are transport, police, fire, economic development, planning, culture, environment and health.

Term of Office

London voters elect both the Mayor and the London Assembly every four years. The electoral system used is designed to produce a distribution of seats that will always be proportional to the total votes cast across London. Assembly Members elect a Chair and Deputy Chair in May each year.

Powers and Functions of the Greater London Authority

The GLA does not directly provide any services itself. Instead, its work is carried out by four functional bodies, which come under the GLA umbrella, and work under the policy direction of the Mayor and Assembly. These functional bodies are:

- **Transport for London**
Responsible for managing most aspects of London's transport system, including public transport, main roads, and traffic management, and administering the London congestion charge.
- **The Metropolitan Police Authority**
Responsible for overseeing the Metropolitan Police Service, which provides policing throughout Greater London.
- **The London Fire and Emergency Planning Authority**
Administers the London Fire Brigade and co-ordinates emergency planning.
- **London Development Agency**
Promotes development across London.

Planning

The GLA is responsible for coordinating land use planning in Greater London. The mayor produces a strategic plan, the "London Plan". The individual London borough councils are legally bound to comply with the plan. The mayor has the power to over-ride planning decisions made by the London boroughs if they are believed to be against the interests of London as a whole.

London Assembly


The London Assembly comprises 25 members. There are 14 constituencies, each electing one member, with a further 11 members elected from a party list to make the total members from each party proportional to the votes cast for that party across the whole of London.

The Mayor of London is accountable to the Assembly. He must;

- Consult the Assembly when preparing his strategies, providing reasoned justifications when he is not acting on its advice;
- Ensure the Assembly is kept informed of all major decisions and the reasons for them;
- Submit the GLA budget to the Assembly for approval or amendment. The Assembly has the power, with a two-thirds majority, to amend the Mayor's annual budget; and,
- Attend a minimum of ten question time sessions each year at which the Mayor (and members of the administration) can be questioned by the Assembly.

The Assembly also:

- Investigates other issues of importance to Londoners, publishes its findings and recommendations, and makes proposals to the Mayor;
- Appoints key officers of the Greater London Authority in addition to the 12 appointed by the Mayor;
- Provides some of its members to serve on the Metropolitan Police Authority, the London Fire & Emergency Planning Authority and the London Development Agency;

- 
- Sets its own budget and publishes an annual report setting out its work and achievements over the previous twelve months; and,
 - Holds confirmation hearings for key appointments the Mayor proposes to make.

The powers devolved to the London Mayor's office by central government have grown over time, e.g. in areas such as planning. The Mayor has also recently inaugurated a London Skills and Employment Board, which he chairs. The new body will see government, business and the unions sit around the same table to determine London's strategy to tackle unemployment and skills shortages.

Budget

The cost of the GLA was about Stg£49.9m (€75m) in 2002-3 and it had a total budget of Stg£4.7 billion (€7.2billion). Most of this is met by central government grant, with a small amount coming from the council tax (local taxation).

Annex III:

Some Notes on Town Government

A. A Brief Note on the Creation of the Town Authorities

The statutory origins of town local government lie in Acts of Parliament enacted from 1840 to 1898, although some towns have their origins in medieval Royal Charters. As such, the current structures of town local governance were largely born as 19th century solutions to 19th century problems. The Acts provided for the creation of a number of different types of local government structures, with varying functions. The primary layers of local government were the county councils and county borough corporations (now city councils) with a lower tier within counties of borough councils, Urban District Councils, town commissioners and rural district councils. Rural district councils were abolished by the Local Government Act 1925.³⁴

There was substantial incremental change to the town structures during the 20th century. The last promotion of a town commissioners to Urban District Council status was that of Howth, in 1918. Howth UDC was subsequently abolished in 1942 and was incorporated into Dublin County Borough and later Fingal County Council. Under s.74 of the Local Government Act 1925 a number of UDCs were 'de-urbanised', i.e. reclassified as town commissioners.³⁵ Many of these reclassified town commissioners were subsequently dissolved.³⁶ In Dublin a number of UDCs were abolished under the Local Government (Dublin) Act 1930 and subsumed into the city, county or Dun Laoghaire Borough.³⁷

Since independence, 4 new town councils have been established; Tramore in 1948, Shannon in 1982, Greystones in 1984 and Leixlip in 1988. All 4 were established as town commissioners.

B. Recent Reviews of Town Government Reform

Local Government Reorganisation and Reform Report 1991


The 1991 *Local Government Reorganisation and Reform* (Barrington) Report stated that

³⁴ Ireland is unusual but not unique in having a democratic tier specific to only certain areas. County and district councils do exist in some areas in England but there has been a gradual and continuing move towards unitary councils over recent decades. In the United States some counties include "incorporated" and 'unincorporated' areas within their boundary – see for example Miami-Dade County which has 35 incorporated cities including Miami City as well as a large unincorporated area. About half of Miami-Dade's population lives in unincorporated areas.

³⁵ Rathkeale 1926, Roscommon 1927, Fethard 1936, Callan 1940, Passage West 1942, Granard 1944, Belturbet 1950, Cootehill 1950.

³⁶ The towns dissolved under s.62 of the 1994 Local Government Act were Callan, Fethard, Newcastle West, Rathkeale, Roscommon and Tullow. However, the Commissions of these towns had been wound up much earlier between 1913 and 1941.

³⁷ Pembroke, Rathmines and Rathgar, Blackrock, Dalkey, Dun Laoghaire, Killiney and Ballybrack.



town authorities were generally very small, that they had “limited capabilities in staffing and resources” and that such towns were “responsible for infrastructural functions which they could not discharge efficiently.”

The Barrington Report therefore supported the continued consolidation of functions at county level but put forward two suggested models of sub-county government, i.e. (a) district councils, centred on towns but giving full coverage across the county, or (b) district committees of county and city councils, again ensuring full county/city wide coverage but replacing existing town councils. The Barrington Report considered that a meaningful set of local authority functions could be devolved to such districts, together with a role of co-ordinating other local services.

In making these recommendations, the Committee which compiled the report stated that, while sub-county arrangements were in need of a fundamental overhaul, they “were unable to reach agreement on the new sub-county arrangements which should apply.”

Report of the Reorganisation Commission – *Towards Cohesive Local Government – Town and County* April 1996

In the absence of consensus on the way forward in relation to town government, the Government decided that further consideration should be given to the most appropriate type of local government structures at sub-county level. To this effect the Local Government Act 1994 established an independent statutory commission to carry out a review of sub-county local government. In setting up the Commission the Government made clear that it was not intended to abolish existing urban authorities or to establish a new tier of district councils.

The task of this Reorganisation Commission was to prepare and submit a reorganisation report containing proposals for town local government, including such matters as the number of classes of local authority; the role and functions appropriate to each class; financial, staffing and organisational matters in relation to each class and the implications for county councils, criteria and procedures for the creation of local authorities for non-municipal towns etc.

The Report of the Reorganisation Commission – *Towards Cohesive Local Government – Town and County*, was published in April 1996. The recommendations of this report focused on how the role of town councils could be improved within a context of county councils as the primary units of local government while ensuring overall effectiveness, efficiency and economy.

The key recommendations of the report included:

- A more integrated approach between town and county, including joint staffing and organisational structures;
- Joint service centres where both town and county business could be transacted;
- All sub-county authorities to be classified “town councils” but allowing for diversity in function between towns depending on local circumstances;
- Towns over 7,500 population to be eligible for local authority status subject to rigorous assessment, and non local authority towns to have improved linkages with local authorities (through recognition of development associations etc); and,
- New roles for town councils in terms of their representational role, town development and community leadership.

Annex IV:

Table 1: Number of Members of Local Authorities

Local Authority	Number of Members
Cork City Council	31
Dublin City Council	52
Galway City Council	15
Limerick City Council	17
Waterford City Council	15
Carlow County Council	21
Cavan County Council	25
Clare County Council	32
Cork County Council	48
Donegal County Council	29
Dun Laoghaire-Rathdown County Council	28
Fingal County Council	24
Galway County Council	30
Kerry County Council	27
Kildare County Council	25
Kilkenny County Council	26
Laois County Council	25
Leitrim County Council	22
Limerick County Council	28
Longford County Council	21
Louth County Council	26
Mayo County Council	31
Meath County Council	29
Monaghan County Council	20
North Tipperary County Council	21
Offaly County Council	21
Roscommon County Council	26
Sligo County Council	25
South Dublin County Council	26
South Tipperary County Council	26
Waterford County Council	23
Westmeath County Council	23
Wexford County Council	21
Wicklow County Council	24

All town councils have 9 elected members, save for Bray, Clonmel, Drogheda, Dundalk, Kilkenny, Sligo, Tralee and Wexford, which have 12 elected members.

Table 2: Local Government Towns

Boroughs	
Clonmel Drogheda Kilkenny	Sligo Wexford
Former Urban Districts	
Arklow Athlone Athy Ballina Ballinasloe Birr Bray Buncrana Bundoran Carlow Carrickmacross Carrick-on-Suir Cashel Castlebar Castleblayney Cavan Clonakilty Clones Cobh Dundalk Dungarvan Ennis Enniscorthy Fermoy Kells Killarney	Kilrush Kinsale Letterkenny Listowel Longford Macroom Mallow Midleton Monaghan Naas Navan Nenagh New Ross Skibbereen Templemore Thurles Tipperary Tralee Trim Tullamore Westport Wicklow Youghal
Former Town Commissioners	
Ardee Balbriggan Ballybay Ballyshannon Bandon Bantry Belturbet Boyle Cootehill Droichead Nua Edenderry Gorey Granard Greystones	Kilkee Leixlip Lismore Loughrea Mountmellick Muinebheag Mullingar Passage West Portlaoise Shannon Tramore Tuam

Table 3: Urban Areas with Populations of 5,000+

Local Authority	City Council	Town Council		Non Town Council	Total Population as per Census 2006	Population within Legal Boundary	Census Environs
		Former UDC/Br ³⁸	Former TC ³⁹				
Dublin	•				506,211	N/A	N/A
Cork	•				119,418	N/A	N/A
Galway	•				72,414	N/A	N/A
Limerick	•				52,539	N/A	N/A
Waterford	•				45,748	N/A	N/A
Drogheda		•			35,090	28,973	6,117
Dundalk		•			35,085	29,037	6,048
Swords				•	33,998		
Bray		•			31,901	27,041	4,860
Navan		•			24,851	3,710	21,141
Ennis		•			24,253	20,142	4,111
Tralee		•			22,744	20,288	2,456
Kilkenny		•			22,179	8,661	13,518
Carlow		•			20,724	13,623	7,101
Naas		•			20,044	20,044	
Sligo		•			19,402	17,892	1,510
Droichead Nua			•		18,520	17,042	1,478
Mullingar			•		18,416	8,940	9,476
Wexford		•			18,163	8,854	9,309
Letterkenny		•			17,586	15,062	2,524
Athlone		•			17,544	14,347	3,197
Celbridge				•	17,262		
Clonmel		•			17,008	15,482	1,526
Balbriggan			•		15,559	6,731	8,828
Malahide				•	14,937		
Leixlip			•		14,676	14,676	
Portlaoighise			•		14,613	3,281	11,332
Killarney		•			14,603	13,497	1,106
Greystones			•		14,569	10,112	4,457
Tullamore		•			12,927	10,900	2,027
Carrigaline				•	12,835		
Castlebar		•			11,891	10,655	1,236
Arklow		•			11,759	11,712	47
Cobh		•			11,303	6,541	4,762
Maynooth				•	10,715		
Ballina		•			10,409	10,056	353

³⁸ Borough council or Former Urban District Council.

³⁹ Former town commissioners.

Local Authority	City Council	Town Council		Non Town Council	Total Population as per Census 2006	Population within Legal Boundary	Census Environs
		Former UDC/Br ³⁸	Former TC ³⁹				
Mallow		•			10,241	7,864	2,377
Wicklow		•			10,070	6,930	3,140
Midleton		•			10,048	3,934	6,114
Tramore			•		9,634	9,192	442
Enniscorthy		•			9,538	3,241	6,297
Skerries				•	9,535		
Shannon			•		9,222	8,481	741
Portmarnock				•	8,979		
Laytown/ Bettystown/ Mornington				•	8,978		
Longford		•			8,836	7,622	1,214
Ashbourne				•	8,528		
Dungarvan		•			8,362	7,813	549
Rush				•	8,286		
Athy		•			8,218	7,943	275
Cavan		•			7,883	3,934	3,949
Nenagh		•			7,751	7,415	336
New Ross		•			7,709	4,677	3,032
Thurles		•			7,682	6,831	851
Kildare				•	7,538		
Gorey			•		7,193	3,479	3,714
Tuam			•		6,885	2,997	3,888
Trim		•			6,870	1,375	5,495
Youghal		•			6,785	6,393	392
Monaghan		•			6,710	6,221	489
Ballinasloe		•			6,303	6,049	254
Buncrana		•			5,911	3,411	2,500
Carrick-on-Suir		•			5,906	5,856	50
Edenderry			•		5,888	5,617	271
Fermoy		•			5,873	2,275	3,598
Bandon			•		5,822	1,721	4,101
Westport		•			5,475	5,163	312
Kells		•			5,248	2,257	2,991
Passage West			•		5,203	4,818	385
Birr		•			5,081	4,091	990
Tipperary		•			5,065	4,415	650

Annex V:

List of Submissions Received – Individuals

Mr Derek Behan	Cllr John Hannon
Cllr Gerry Breen	Cllr Monica Harford
Mr Kevin Burns	Cllr Cáit Keane
Dr Elaine Byrne	Ms Lorna Kelly
Ms Joan Campbell	Cllr Dermot Lacey
Mrs Catherine Cavendish	Mr Michael Lynch
Cllr Joe Conway	Ms Joan MacArthur
Ms Deirdre Cullen	Cllr Keith Martin
Senator Mark Daly	Mr Shane McEntee T.D.
Mr Robert Daly	Mr John McNerney
Dr Ger Doherty	Cllr John McGinley
Cllr Suzanne Doyle	Mr Kevin Mooney
Mr Peter Fegan	Mr Joseph O'Broin
Mr Maurice Fitzgerald	Mr Damien Peat
Mr Brian Flanagan	Dr Aodh Quinlivan
Cllr Johnny Flynn	Mr Michael Ruane
Mr Martin Ford	Mr John Sewell
Cllr Mary Freehill	Mr Emmet Stagg T.D.
Senator Dominic Hannigan	Mr Aidan Thomas

List of Submissions Received	Organisations
Association of County and City Councils	Irish Rural Link
Association of Municipal Authorities of Ireland	Labour Group - Dublin City Council
Association of Town Clerks of Ireland	Leixlip Town Council
Balbriggan Town Council	Local Authority Environmental Staff Vocational Group of IMPACT
Bandon Town Council	Maynooth Community Council
Carrigaline Town Council Formation Committee	Mid East Regional Authority
Chambers Ireland	Midlands Regional Authority
Clare Comhairle na nÓg	National Association of Labour Councillors
Clare County Development Board	National Disability Authority
Clonmel Borough Council	National Youth Council of Ireland
Combat Poverty Agency	Newbridge Chamber
Comhairle Gaeilge an Rialtais Áitiúil	Newbridge Community Development
Community Workers' Co-operative	North Circular Road and Area Residents Group
Cúram	Office of the Ombudsman
Disability Federation of Ireland	Shannon Town Council
Dublin Chamber of Commerce	Sinn Féin
Dublin Regional Authority	Sinn Féin Group – Dublin City Council
Ennis Town Council	South Dublin Chamber
FADA	South East Regional Authority
Fairshare	Southern and Eastern Regional Assembly
Feasta: Foundation for the Economics Sustainability	Standards in Public Office of Commission
Fianna Fáil Group - Dublin City Council	Tallaght Partnership
Galway City Community Forum	Tallaght Residents and Community Umbrella
Green Party - Dublin Central	Tasc
Green Party - Dun Laoghaire	Tramore Town Council
Irish Home Builders Association	Urban Forum



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