

## MANAGING ACROSS LEVELS OF GOVERNMENT

## IRELAND

**1. Institutions and authority****1.1 Structures***Description of levels*

Sub-national administration in Ireland can be divided into (a) local government bodies, which approximate to the general definition of "sub-national government" and (b) other local or regionally-based bodies, usually with sector-specific executive roles. Some national institutions also have sub-national elements.

There is, strictly speaking, only one level of directly elected local government but local authorities can be categorised as City/County, made up of five county boroughs (cities) and 29 counties, and Sub-County. The term "sub-county" is, strictly speaking, a slight misnomer. These are town authorities which generally operate independently of the county council (although with more limited functions). The relationship is not hierarchical, but mainly geographic in nature. While the State is fully divided into counties, there is not a comprehensive sub-county network, town authorities being "isolated" units within counties. "Sub-county" comprises five boroughs, 49 urban districts and 26 other towns. The sub-county level was the subject of a review by a statutory Commission, published in June, 1996, which is referred to further in section 3.1. There are also regional authorities made up of groupings of counties and county boroughs, but these are not directly elected. The total area of Ireland is 70 300 square kilometres and the population in 1996 was 3 621 035.

Other local or regionally-based bodies operate separately from the local government system although, in some cases, having a degree of linkage with it (e.g. part or all of their membership appointed by the local authorities). Such bodies generally have specific executive or service functions within a particular sector. The main regional bodies, their functional areas, and populations (1996 census preliminary figures) are:

- Fisheries Boards: Seven regions with areas based on sea and river catchment areas.
- Health Boards: Eight regions with areas ranging from 464 064 hectares (Eastern) to 1 380 088 hectares (Western) and populations from 205 525 (Midland) to 1 293 964 (Eastern).
- Regional Tourism Organisations: Six regions (all regions except Mid West) with areas ranging from 92 156 (Dublin) to 1 380 088 (West) hectares and populations from 314 281 (North-West) to 1 056 666 (Dublin).

- *Udaras na Gaeltachta* (Authority for the Irish-speaking [*Gaeltacht*] area): A combination of several geographically separate districts which had a total population of approximately 83 000 in 1991.
- Western Development Partnership Board (WDPB): An area of 2 514 014 hectares comprising seven counties with a population of 655 900.

**Table 1. Area and population of local authorities (1996)** <sup>(1)</sup>

	City/County authorities		Sub-County/Town authorities	
Number	34 (5 county boroughs + 29 counties)		5 boroughs + 49 urban districts + 26 other towns	
	area (ha.)	population	area (ha.)	population
Largest	742 257 (Cork Co.)	480 996 (Dublin City)	2 443 (Dundalk UDC)	25 774 (Dundalk UDC)
Smallest	1 904 (Limerick City)	25 032 (Leitrim Co.)	24 (Ballybay TC)	474 (Ballybay TC)
Number of local authorities and population distribution				
	Population size		Number of local authorities	
	up to 10 000		68	
	10 000-20 000		9	
	20 000-50 000		7	
	50 000-100 000		15	
	100 000-500 000		15	
	over 500 000		0	
	TOTAL		114	

(1) Preliminary figures

Source: *Census of Population 1996, Preliminary Report (Central Statistics Office)*

In addition the following local bodies also exist and perform specific functions:

- Vocational Education Committees: Thirty-eight bodies based on the five city areas, twenty seven of the counties and six towns.
- Harbour Authorities: Twenty-five bodies responsible for administration of individual harbours.
- County Enterprise Boards: Thirty-five bodies based on city/county areas.
- Leader Groups: Local representative groups under the European Union Community Initiative on local development in 37 areas.
- Area Partnership Companies: Social/economic development groups in 38 disadvantaged areas.

*Central government at sub-national levels*

In addition to local authorities and other autonomous regional/local bodies, some national institutions have internal regions or divisions for organisational purposes, which, however, do not generally, have autonomous budgetary or decision-making capacity. The areas (and hence populations) involved differ in certain cases, to facilitate the organisation of particular services or other relevant factors. There are two broad categories, as follows:

*Central Government Institutions:* Certain institutions of central government have regional organisational arrangements which generally form part of a centrally led chain of command. Examples include the Department of Social Welfare, which introduced a regional management structure in 1991 to facilitate development of local services and liaison with other regional agencies; the Revenue Commissioners; the schools inspectorate of the Department of Education; the architectural, engineering and heritage functions of the Office of Public Works; the driver testing and audit services of the Department of the Environment; the Army; the Garda Síochána (police force) and the Courts; and local offices of the Department of Agriculture, Food and Forestry which monitor disease and process applications under various schemes for modernisation and development of farming enterprises. A major programme of relocation of central government offices has also been implemented in recent years.

*“Semi-State” Bodies:* Various autonomous national bodies established, by or under statute, to carry out particular functions or to provide particular services have internal regional or local structures. For example, the national bus and rail companies have regional management structures with responsibility for day to day matters in their areas but policy decisions are taken centrally. Other examples include national telecommunications and broadcasting services, the industrial development and training/employment authorities, the national electricity supply board, the health and safety authority inspectorate, the agriculture and food development authority and the national forestry board.

*Creation, elimination and restructuring*

All local and regional authorities are corporate bodies established by or under statute. They derive their powers, functions and duties from, and operate within, that statutory framework. While the statutory framework of local government was mainly defined in late 19<sup>th</sup> century legislation, aspects of the system are also a product of earlier historical evolution, and subsequent legislation has also made some modifications. City, county and urban district authorities were created directly by statute. Regional authorities were established by ministerial order under a 1991 Act. Town commissioners were established through voluntary adoption of provisions of an 1854 Act. Some urban authorities originated under British royal charters dating as far back as the 12<sup>th</sup> century but these have been superseded by statute law.

The non local government bodies are also mainly corporate bodies established by or under statute. Regional Tourism Organisations were established by the Irish Tourist Board under statutory powers. County Enterprise Boards were initially created by the government and subsequently accorded a statutory basis. The government provided the impetus for establishment of the Area Partnership Companies and the Western Development Partnership Board but they were established independently.

Restructuring in local government bodies has occurred as part of a reform programme initiated by the government in 1991 following a report by an advisory expert committee. It involved the following steps:

- Regions were formally designated and regional authorities established with effect from 1 January 1994, by order of the Minister for the Environment under statutory powers. The regional authorities have a co-ordinating role among public authorities (including local authorities). It is also government policy that other existing public agencies should, as far as possible, align their operations and areas with the statutory regions. The regional system is at a very early stage of development.
- Local government structures in the Dublin area were re-organised by statute with the establishment, on 1 January 1994, of three new county councils -- Fingal, Dun Laoghaire-Rathdown and South Dublin -- to replace the former Dublin County Council (1991 population 564 915) and Dun Laoghaire Borough Corporation. The aim is to provide more manageable, efficient and locally-focused structures for the area, which has seen rapid development and population increase in recent decades.
- The future classification and related attributes of town authorities was the subject of a recent review.

Regional Tourism Organisation boundaries were adjusted in 1989 and their internal corporate structures were revised in 1993 to improve effectiveness. County Enterprise Boards, Leader Groups, Area Partnership Companies and the Western Development Partnership Board are of relatively recent origin. Certain harbour authorities are shortly to be replaced by new semi-State companies.

#### *Overview/support bodies*

The Department of the Environment is responsible for general overview of the local government system, as are other departments in relation to sub-national bodies under their aegis. Public accountability is ensured through legal requirements of accounts, reports and audit. Local authorities and certain other local bodies are statutorily subject to financial and regularity audit by a corps of local government auditors appointed by the Minister for the Environment. They are professionally independent in the conduct of their audits and have wide ranging (including some quasi-judicial) powers. Other public bodies are subject to audit either by the Comptroller and Auditor General (a Constitutional Office of central government) or by commercial auditors, in accordance with requirements of their governing provisions. Expenditure of European Union funding is also subject to audit by the European Court of Auditors and to individual audit check in the context of the relevant Structural Funds. Many authorities have their own internal audit procedures.

The following national agencies also have overview functions:

- Environmental Protection Agency, which licenses, regulates and controls activities with significant pollution potential, has supervisory functions in relation to local authority monitoring of the environment and of the operation of local authority treatment plants. It also has default powers to take direct action and has a role in advising and assisting local authorities generally on their environment functions.

- National Roads Authority, which has overall responsibility for development of the strategic national road network (with local authorities normally acting on behalf of the authority in, for example, design and supervision of road improvements and the placing of contracts). It also has default powers vis-à-vis local road authorities and power to specify standards, issue directions and allocate funds to specific road projects.
- Local Appointments Commission, which provides recruitment selection services for local authorities, health boards and harbour authorities.
- Arts Council, which uses a network of local arts officers based in county and city councils in its role of promoting the arts.
- Various semi-State bodies which provide support services to local authorities and other sub-national bodies.

## 1.2 Powers

### *Nature of sub-national institutions*

*Local government bodies:* The legal character of the local authority comprises two separate elements which share responsibility for performing local authority functions: (i) the elected members who constitute the "council" of the authority, and (ii) a full-time salaried chief executive, the City/County Manager who is also manager for every sub-county local authority in the county.

Local authority members are elected for five-year terms under the single transferable vote system of proportional representation. All residents over 18 years are eligible to vote. The elected members exercise what are termed "reserved functions" defined by law, comprising mainly decisions on important matters of policy and finance. The Manager discharges what are termed "executive functions" - in effect the day to day running of the authority -- within the policy parameters determined by the elected council. Any function which is not a "reserved function" is automatically an executive one performable by the manager.

The Manager's power to exercise the executive functions of the local authority is derived directly from statutory provisions (rather than delegation by the council) but the elected members have various powers enabling them to oversee the activities of the Manager and to give directions in certain circumstances. In turn, the Manager has a duty to advise and assist the elected members in the exercise of their functions. A manager has the right to attend and speak at council meetings, but not to vote. While the division of functions between manager and council are clearly defined for legal purposes, in practice policy and executive decisions are not totally divorced and the manager and elected members operate together, with the latter, who act by resolutions adopted at meetings, having the pre-eminent role.

The regional authorities are statutory corporate bodies, consisting of elected members of the county and city councils in each region who are appointed by their local authorities through a procedure specified by law and are not directly elected to the regional authorities.

*Non local government bodies:* The sub-national bodies in question are generally statutory corporate bodies with legal authority vested in the board members and appropriate functions delegated to

a chief officer. Regional Tourism Organisations, County Enterprise Boards and Area Partnership Companies are autonomous companies limited by guarantee.

Membership of these bodies is determined mainly by appointment rather than direct election (*Udaras na Gaeltachta* is an exception in that some members are democratically elected by the people of the *Gaeltacht*). Membership usually consists of local authority/ministerial appointees and in some cases, nominees of State bodies in an area or other relevant interests. The more recently established local development bodies also contain representatives of the social partners, business and the local community.

#### *Type and degree of autonomy*

*Local government bodies:* The local authorities are legally autonomous in the exercise of their powers under relevant legislation. Within the general supervisory arrangements (see section 1.1), the policy parameters and administrative procedures (see section 2.1) and certain financial controls as set out in section 2.2, they are not, for the most part, subject to direction in the exercise of their functions. The powers vested in town commissioners are, however, extremely limited, most functions being exercised by the county council. The latter are also legally responsible for certain functions in the areas of the urban district councils and boroughs (e.g. national and regional roads, fire services, and certain housing functions).

Dual membership of local government and national parliament is generally permitted, and it is usual for a significant proportion of members of parliament to hold local authority membership. However, restrictions on this "dual mandate" have been introduced in recent legislation, involving the exclusion of certain public office holders, including Ministers and Ministers of State, from local authority membership. Legislation in 1994 provided for repeal of ministerial power to postpone local elections, further emphasising the autonomous status of local government.

The powers of local authorities involve a combination of regulatory, executive and representational roles. The regulatory role, involves a limited "legislative" element in terms of local authority bye-law making powers, but otherwise it consists mainly of activities such as granting of licences and permissions and various enforcement functions. Essential services (e.g. fire service), important regulatory matters (e.g. planning control) and major infrastructural functions are generally mandatory legal functions of the local authorities concerned, but with appropriate discretion and flexibility in their actual discharge. However, certain powers such as the provision of amenities and making of bye-laws are purely discretionary.

The right of local authorities to "tax" consists of the power to levy "rates" (property tax based on valuation) on commercial/industrial property and to make charges for services (commonly water and refuse collection).

A wide range of central controls on local authorities have been removed. These affect matters such as land disposals, staffing, car parks, local authority procedures, certain personnel matters, and housing construction. Recent local government legislation has also enhanced the position of the elected members within the local government system through measures such as statutory recognition of members' policy-making role, reservation of additional powers to members rather than management, new systems of annual allowances and chairpersons' allowances and various provisions to enhance the civic role and status of members. The role of elected members is to be further enhanced through, for example,

involvement in proposed Strategic Policy Committees (for the main service areas) and a Corporate Policy Group.

The removal or relaxation of various requirements for central government approval has also meant an effective redistribution of discretion in favour of local authorities. So, also has the enactment of the general competence provision allowing local authorities a discretionary power to take action in the interests of the community. Previously they were constrained by the "ultra vires" principle of law which required specific legal authority for every action. These changes have given greater emphasis to the developmental and community-related role of local authorities.

The recently-established regional authorities play a region-wide, inter-sectoral role across a wide range of public services but do not have policy implementation competence. The establishment of regional authorities has not involved any loss of power by the county or town authorities, or indeed any other statutory bodies. As in the case of local authorities, they are legally autonomous subject to statutory provisions and broad supervisory arrangements. However, both the nature of their constitution and their co-ordinating role mean that linkage with other public authorities, particularly their constituent local authorities (in the latter case for funding and membership as well as functional purposes), is an essential element of the regional authorities' operations.

*Non local government bodies:* The functions of the other sub-national bodies are largely of an executive/service nature, exercised within particular sectors with varying degrees of regulatory authority (for example, harbour authorities may make bye-laws governing pilotage while some types of bodies have no regulatory role). They are generally autonomous in the exercise of their functions subject to their governing provisions and the supervisory, policy, funding and other arrangements with the relevant central agencies.

*Regional Tourism Organisations* have a mainly promotional/support role in the tourism sector, particularly the organisation of the tourism industry at the regional level.

*County Enterprise Boards* are primarily agencies for facilitating, promoting and supporting local development and economic activity, with emphasis on a "bottom-up approach", complementing the work of other State agencies.

*Leader Groups* have the role of implementing business plans for their areas under the European Union Community Initiative on rural development. An essential feature of their operations is that decisions on programmes to be funded in the implementation of business plans are made by the groups themselves. *Area Partnership Companies* are cross-functional executive bodies with the role of formulating and implementing plans for integrated social and economic development in their areas, with emphasis on targeting socially and economically marginalised groups.

The *Western Development Partnership Board* is a non-executive body whose role is to formulate an action plan to promote and assist economic development of the western area with the objective of achieving population stability.

The main functions of the non local government bodies tend, by the nature of their specific roles, to be mandatory rather than optional, but with discretionary elements in their discharge, as in the case of local authorities. They do not have power to levy tax. However, the "bottom-up" role of many of the local development agencies is inherently more discretionary in nature.

### 1.3 Responsibilities

#### *Distribution of responsibilities*

*Local authorities:* Local authorities are multi-purpose bodies responsible for a range of functions, which in the case of county councils, county borough corporations, borough corporations and urban district councils, are classified into eight programme groups, as follows: (1) Housing and Building, (2) Road Transportation and Safety, (3) Water Supply and Sewerage, (4) Development Incentives and Controls, (5) Environmental Protection, (6) Recreation and Amenity, (7) Agriculture, Education and Welfare, (8) Miscellaneous Services.

Local authorities in Ireland are not primarily responsible for such functions as education, health, police and social welfare, which are the responsibility either of separate local or regional bodies or of central government departments, although there are linkages with the local government system in some cases (e.g. nominations and contributions to vocational education committees). On the other hand, local authorities in Ireland have responsibility for some services such as water supply, which are provided by specialist bodies in some countries.

Among the most significant recent changes in local authority powers have been the transfer of certain environmental functions to a national Environmental Protection Agency and the establishment of a National Roads Authority with a supervisory role in relation to national roads functions and special development agencies such as a new Dublin Docklands Development Authority to be established shortly. Technical and economic requirements have also led to particular local authority functions being located primarily at county level. New housing legislation in 1992 was based on the approach of aligning, as far as practicable, the range of functions of different classes of authorities with the financial, organisational and personnel resources representative of each class. Accordingly, county and city councils have the full range of housing functions, but boroughs, urban district councils and town commissioners have successively narrower ranges of functions. However, some larger town authorities have been given housing functions otherwise performable by the county councils by Ministerial order under the 1992 Act. Similarly, following rationalisation of roads functions between county and sub-county authorities in a 1993 Roads Act, some larger town authorities may exercise county council functions in relation to national and regional roads and since 1980, responsibility for fire services has rested with 35 larger (mainly county level) authorities.

Local authorities have acquired additional functions in areas such as urban renewal, housing, the environment, physical planning, road traffic, amenity provision, building control and the general development and promotion of their areas. In addition, a major aim of the local government reform programme has been to increase local authority powers, independence and discretion. Recent Roads, Road Traffic and Local Government legislation made provisions for local authorities to take action in the interests of the local community and extensive modernisation of the general code of local government law. Local authorities have also been given full responsibility for various new social housing schemes and for licensing and control of taxis.

*Regional authorities:* Within their general role of promoting co-ordination, the main functions of regional authorities include the review of the provision of public services; submission of observations, proposals, recommendations, etc., to public authorities in the region; review of development needs and local authority development plans; review and advice on the implementation of European Union

assistance programmes and publication of a five-yearly overall review of the region. There is also provision for inter-regional co-ordination and joint action between regional authorities.

*Non local government bodies:* Their main areas of responsibility are as follows:

- Health Boards: Provision of health care services, the delivery of which is organised for administrative purposes under three broad programmes: general hospital services, special hospital services (i.e. those catering for the mentally ill) and community care services.
- Fisheries Boards: Development and protection of inland fisheries and development of angling.
- Tourism Organisations: Visitor servicing, including tourist information offices, booking services and information materials; tourism product development, including development and operation of visitor attractions and administration of grant schemes and marketing.
- Vocational Education Committees: Provision of vocational and continuation education, including management of vocational schools.
- Harbour Authorities: Operation and maintenance of individual harbours and administration of pilotage. (Authorities for some commercial harbours are shortly to be replaced by new semi-State companies).
- County Enterprise Boards: Promoting employment opportunities in small business through developing county enterprise plans, local enterprise awareness/enterprise culture; providing local enterprise support services and business information, advice, counselling and mentoring.
- *Udaras na Gaeltachta*: Encouraging the preservation and extension of the use of the Irish language as the principal medium of communication in the *Gaeltacht* areas. Industries and productive schemes of employment are assisted in order to provide employment in the *Gaeltacht*.
- Area Partnership Boards: Liaison with State agencies to improve effectiveness and targeting of mainstream education, training and enterprise support programmes; funding of services not provided by mainstream bodies; community development and services to the unemployed.

#### *Mandatory, optional and shared responsibilities*

Whereas much early local government legislation was adoptive in nature (the local authority could decide whether particular provisions should apply to its functional area), the general tendency in modern legislation is for mandatory provisions, particularly in the case of major services or regulatory functions. European Union legislation has also resulted in certain mandatory requirements on local authorities, particularly in the environmental area.

Each local authority has exclusive legal responsibility within its own functional area for carrying out the functions vested in it. However, the functional jurisdictions of different classes of authorities vary for the purposes of particular functions. In particular, county councils are legally responsible for provision of certain services e.g. some roads, fire and library services, in the urban areas - referred to as

"county at large" functions. In practice, county councils also provide certain other services on behalf of urban authorities on an agency basis or assist the latter in the exercise of their statutory functions (e.g. by affording them the use of staff or other resources). These functional interactions are reflected in corresponding financial arrangements between the various authorities. There is not a significant problem of overlapping competencies.

The regional authorities provide further vehicles of co-ordination between local authorities and public authorities generally, without, however, affecting the responsibilities or competencies of the various authorities.

Considerations such as economies of scale, capacity, specialist needs and national and European Union requirements have led to some movement of functions from sub-county to county level and to a certain extent, from the local authority sector to specialist national institutions. Moreover, some area/community-based structures have, in recent years, developed outside the local authority system, particularly in the field of local development and enterprise initiatives e.g. based on integrated strategies to tackle long term unemployment and enterprise support. The approach here tends to be a multi-sectoral one to harness the capabilities of local communities and enable them to play a lead role in creating enterprise and addressing unemployment and social exclusion at local level.

## **2. Management functions**

### **2.1 Policy-making and co-ordination**

#### *Coherence, consultation and conflict resolution*

*Ad hoc* directions or guidelines are commonly issued to sub-national bodies by the relevant departments. A major instrument for influencing and directing the implementation of policy through sub-national bodies is the process of financial allocations and associated controls and conditions, both generally and through the monitoring and control of specific projects.

The relevant line departments are responsible for financial control and on-going liaison with the bodies under their aegis, and within these departments, responsibility tends to rest with the relevant functional units rather than central or co-ordinating units. This contact exists at the technical as well as the administrative level.

The "parent" government departments (e.g. the Department of the Environment in the case of local authorities, Department of Health in the case of health boards, etc.) play important roles in the provision of advice, guidance and co-ordination generally in relation to the various sub-national bodies under their aegis. There are also specialist semi-state agencies (national level) which provide services, advice and assistance to local authorities, including: National Building Agency, Housing Finance Agency, Local Government Computer Services Board, Local Government Management Services, Fire Services Council, National Safety Council, Library Council. A Central Fisheries Board is responsible for the co-ordination of the work of the seven regional fisheries boards. *Bord Fáilte* (Irish Tourist Board) supports and works in co-operation with the Regional Tourism Organisations. Area Development Management Ltd., an independent company under the aegis of the Department of the *Taoiseach* (Prime Minister) supports local area-based partnerships in integrated local economic and social development.

Other means for achieving coherence and co-ordination between central and local level include liaison between departments and representative associations of local authority members, and participation at relevant conferences, etc. Other national agencies mentioned in section 1.1 also play an important role in co-ordination of and securing adherence to national policy. Contact at political level e.g. between ministers and delegations from local authorities or their representative associations forms another important means of communication and influence. More structured approaches to co-ordination and liaison with sub-national authorities are being established in the context of a Strategic Management Initiative (see section 2.3).

The regional authorities have the role of promoting co-ordination of the provision of public services in each region, co-ordination between central government and public authorities in the regions and providing a forum for consultation and co-operation between public authorities.

Decisions by public authorities may be subject to judicial review and in certain cases there is specific provision for appeal to the courts (e.g. under planning and environmental legislation in relation to unauthorised development or pollution) or submission to the European Union Commission or petition to the European Parliament.

#### *Formal and informal mechanisms*

Sub-national authorities operate within a general framework of legislation, policy and planning developed by central government through the relevant Ministers/Departments and monitored by the relevant Departments. Consistency with national policy is secured through a variety of administrative, financial and political interactions. In recent years, national policy across the various sectors has been integrated and articulated in a series of plans/programmes, co-ordinated by the central Departments of Finance and the *Taoiseach* (Prime Minister) as follows:

- government programmes -- usually published at the start of a government's term of office setting out its main objectives and policies in key areas;
- National Agreements -- between government and the main "social partners", setting out broad parameters for social and economic policy and industrial relations on a multi-annual basis;
- a comprehensive National Development Plan -- prepared with particular reference to European Union funding programmes and containing details of policies, objectives, programmes, targets and financial implications;
- a series of Operational Programmes related to European Union assistance provide further elaboration and refinement on the National Plan in respect of particular sectors or groups of related sectors.

As well as supporting the implementation of national programmes, local authorities and other sub-national agencies also provide important input to national planning and policy formulation through identification of needs and proposing projects which are incorporated in national programmes.

Voluntary national representative associations of local authority elected members facilitate co-ordination and consultation on local government matters at the political level. The Association of Municipal Authorities of Ireland represents urban authorities. The General Council of County Councils

represents county level authorities. In addition a Local Authority Members Association represents elected members in their own right as distinct from their authorities. There are similar members' associations in the education and health sectors.

Practical co-operation and co-ordination between county level authorities is common, for example, in the case of infrastructural projects crossing local authority boundaries. There is specific statutory provision for making agency-type agreements on a formal basis, for the joint discharge of functions (e.g. roads and fire service functions) and for formal structures of co-operation between local authorities by way of joint committees (both for executive and advisory purposes). The initiative in relation to joint committees and inter-authority agreements rests primarily with the local authorities but there is provision for central direction in certain cases (e.g. agreements in connection with roads and fire service functions). The advent of the National Roads Authority has brought an added element of overall statutory co-ordination to the national road development function as has the Environmental Protection Agency. A report by a Reorganisation Commission published in June 1996 entitled *Towards Cohesive Local Government -- Town and County* recommended greater cohesiveness and co-operation between, town and county local authorities, including greater staff and organisational integration at operational level, increased linkage between town and county elected members and establishment of joint (town/county) services centres to provide more comprehensive, customer-oriented services. The "Programme for Change" states that there will be greater co-operation between county councils and town authorities with the provision of services in towns on a harmonised basis and co-ordinated plans of action for town improvements.

The role of the regional authorities is to help to promote "horizontal" co-ordination between sub-national bodies. In the local development field, County Strategy Groups on which the County Manager, Area Partnership Companies, County Enterprise Boards, Leader Groups and other relevant bodies are represented will facilitate co-operation and co-ordination. The regional authorities also have a further potentially important role in helping to ensure coherence and compatibility in the implementation of policy by virtue of their responsibility for monitoring and advising on the implementation at regional level of the various Operational Programmes under the European Union Structural and Cohesion Funds. There are also national monitoring committees for the Operational Programmes and Community Support Framework, which include representatives of departments, agencies and the European Commission.

Contact with public authorities and citizens or local groups is mainly on an informal, ad hoc basis. It is common for local authorities to have special (informal) consultative relationships with local voluntary representative groups such as community/residents associations. Meetings with delegations from such bodies commonly occur and also with groups such as chambers of commerce and other representative organisations and interest groups. Communication and consultation with the public is facilitated both formally, through various requirements for public notice of local authority proposals and decisions and informally, through extensive public reportage of local authority business in the local media. The general public are to be given express legal right to attend council meetings; and representation of local interests on the new Strategic Policy Committees of local authorities is proposed. Proposals are also to be developed for pilot "one-stop-shop" centres for a wide range of public services.

Local public representatives frequently provide an informal "mediation" role between their constituents and the authorities. The law also provides for formal public inquiries/consultation in specific areas such as compulsory land purchase, motorway proposals, and integrated environmental licensing. There is provision for arbitration in relation to compulsory purchase terms and for appeal (including by third parties) to a national planning appeals board, An Bord Pleanála, against local authority decisions on physical planning (i.e. land use/development) applications and local authority licensing of water discharges. Persons can lodge formal objections at audit on which the auditor is obliged to adjudicate and

there is provision for the public to inspect local authority accounts. There are public rights of access to certain environmental information in accordance with European Union requirements. Citizens can bring complaints to the Ombudsman against sub-national authorities. The current government programme proposes an Administrative Procedures Act, which would be administered by the Office of the Ombudsman, to provide for such matters as minimum response time to citizens' cases, guidance to the public and the form and content of decision communication (including basis of decision and citizens' rights in the matter). The government programme also proposes improved access to environmental information and the development of a customer/client approach to public services generally. It is proposed that a comprehensive list of public rights to information from local authorities will be published.

Many of the formal procedures referred to above are also relevant to relations between local authorities and other public authorities. However, any difficulties in that regard would more usually be submitted for resolution informally in the first instance between the parent national authorities of the respective bodies. Such occurrences are very infrequent.

## 2.2 *Financial management*

The information in this section reflects the system applying up to and including 1996 but a new funding system was announced in the "Programme for Change" from 1997 onwards. From then, instead of receiving revenues from charges for domestic water and sewage services and the rate support grant, local authorities will be assigned the proceeds of the motor tax. There are also provisions for discretionary local contributions towards specific development projects or programmes.

### *Sources of revenues*

*Local government bodies:* The following table indicates the main sources of local authority revenue, distinguishing between current and capital accounts, and their evolution since 1985.

**Table 2. Local authority revenue (1985, 1990, 1996)**

	1985		1990		1996	
	Ir£ m.	%	Ir£ m.	%	Ir£ m.	%
<b>Current</b>						
Government grants	736	64.5	470	43.7	531	41.2
Services	264	23.1	366	34.0	418	32.5
Commercial rates	141	12.4	239	22.3	339	26.3
<b>TOTAL</b>	<b>1 141</b>	<b>100</b>	<b>1 075</b>	<b>100</b>	<b>1 288</b>	<b>100</b>
<b>Capital</b>						
Government	477	79	297	80	612	77
Internal Capital Receipts	32	5	68	18	103	13
Borrowing	92	16	4	2	81	10
<b>TOTAL</b>	<b>601</b>	<b>100</b>	<b>369</b>	<b>100</b>	<b>796</b>	<b>100</b>

Source: Department of Finance.

Local property taxes (rates) are levied by local authorities -- other than town commissioners -- only on commercial and industrial property. There are no local property taxes on domestic dwellings. Local authority income from services, etc., derives mainly from housing loan repayments (Ir£ 106 m.); local authority housing rents and annuities (Ir£ 84 m.); and service charges in respect of domestic and commercial water supplies, refuse collection etc. (Ir£ 108 m.). Internal capital receipts arise mainly from the sale of local authority rented housing to tenants and capital repayments of local authority housing loans. In addition to a limited degree of long term borrowing, local authorities use temporary overdraft accommodation through the banking system to meet short term funding requirements pending the receipt of rates, state grants and other revenue.

Central government grants to local authorities comprise both general and specific grants. Grants for capital purposes are specific in nature and relate to particular expenditure programmes such as housing, roads, and sanitary services.

**Table 3. Government grants (current) (1996) <sup>(1)</sup>**

	Ir£ m.	%
Rate Support	193	36.3
Roads	164	30.9
Higher Education	75	14.2
Social Employment	41	7.7
Other	58	10.9
<b>TOTAL</b>	<b>531</b>	<b>100</b>

(1) Estimates

Source: Department of Finance.

The Rate Support Grant is the most significant type of general grant towards current expenditure, accounting for 36 per cent of total revenue account grants and 15 per cent of overall local authority current expenditure. Other current account grants tend to be tied to specific responsibilities or projects, but discretionary (block) grants are also provided, for example, to supplement local authorities' own expenditure on maintenance and improvement of non-national roads. In 1995, a 10-year restoration programme for regional and county roads was initiated, involving payment of grants to county councils which can be categorised as "discretionary" in that the local authorities concerned determine the roads to be improved subject to general guidelines issued by the Department of the Environment. Revenue from local sources such as commercial rates and service charges is mainly available for general use rather than specific projects.

Grants to local authorities for various capital programmes include Roads - Ir£ 316 m.; Housing Ir£ 154 m.; Water & Sanitary Services - Ir£ 122 m.; Environmental Services - Ir£ 7 m.; Fire and Emergency Services - Ir£ 4.5 m.; Miscellaneous - Ir£ 14 m. (1996 figures).

Funding for regional authorities is provided mainly by the constituent local authorities by way of general contributions to their net expenses in proportion to the populations of the constituent areas. Being non-executive bodies at a very early stage of development, the annual expenditure of regional authorities is relatively low.

*Non local government bodies:* Other non-local government bodies are funded to a significant extent by way of grants from central government. For example, Health Board funding is provided mainly

from general taxation (including an ear-marked health contribution) and is allocated to the Health Boards by the Department of Health. Additional funding is provided by hospital charges and through the National Lottery. Allocations to the Health Boards are made annually and are based broadly on demographic factors and the levels of service within each board. At the regional level each Health Board is responsible for allocating its resources to the services it provides. Regional Tourism Organisations derive their income from a variety of sources namely, Tourist Board subvention, local authority subscriptions, other membership contributions and commercial activities. Vocational Education Committees are funded mainly through State grants with some local authority contributions. Other local development/enterprise bodies referred to in this chapter are financed through a combination of European, national and private funding under European Union Operational Programmes.

#### *Expenditure responsibilities*

The breakdown and evolution of local authority expenditure in terms of broad areas of responsibility is as follows:

**Table 4. Main expenditure patterns of local authorities (1985, 1990, 1996)**

	1985		1990		1996	
	Ir£ m.	%	Ir£ m.	%	Ir£ m.	%
<b>Current</b> (per local authority estimates)						
Housing	361	31.2	226	20.9	235	18.2
Roads	313	27.0	391	36.1	358	27.8
Water services	167	14.4	112	10.4	150	11.6
Environment services	103	8.9	123	11.4	178	13.8
Recreation and amenity	64	5.6	92	8.4	141	10.9
Other	150	12.9	138	12.8	226	17.7
<b>TOTAL</b>	<b>1 158</b>	<b>100</b>	<b>1 082</b>	<b>100</b>	<b>1 288</b>	<b>100</b>
<b>Capital</b> (per public capital programme)						
Housing	361	44	84	23	320	40
Roads	128	30	192	52	316 <sup>(1)</sup>	40
Water services	98	23	73	20	122	15
Environment services	8	2	16	4	21	3
Recreation and amenity	--	--	4	1	5	1
Other	6	1	--	--	12	1
<b>TOTAL</b>	<b>601</b>	<b>100</b>	<b>369</b>	<b>100</b>	<b>796</b>	<b>100</b>

1. For accounting reasons Ir£ 97 million of this amount is included in local authority current expenditure.

Source: Department of Finance.

The areas of responsibility in which local authorities may incur expenditure are determined by law, but, as already stated, they were recently given wide authority to act in the interests of their areas. The legality of local authority expenditure is subject to adjudication at audit. The level of expenditure and its distribution are determined by the elected members in the context of the annual estimates (budget) process, having regard to relevant demands and priorities. Procedures in relation to the estimates are prescribed in law. While responsibility for the adoption of the estimates rests with the elected members of

the authority, in practice, formulation of proposals is primarily a function of management. The budgetary decisions of local authorities are significantly influenced and constrained by a number of factors, such as:

- the overall availability of funding as determined in particular by the level of State grants and the local revenue base;
- the requirements and priorities of national and European Union programmes, policies and standards; and
- the need to make adequate provision for certain essential services such as water and fire services.

As in the case of other public bodies, a substantial part of expenditure arising in any particular period is determined by past decisions. For example, in 1996 employment-related costs accounted for 45 per cent of total local authority current expenditure, while other overheads, debt service, insurance and statutory demands from other public authorities represented a further 25 per cent.

#### *Balance between discretion and control*

The main instrument for control of local authority finances at local level is the formal estimates process in which decisions are taken by the authority for each year in relation to local sources of income (principally commercial rates and service charges) and levels of expenditure under the various programmes. There are no legal limits on the revenue-raising capacity of local authorities but practical constraints result from factors such as the extent and valuation of commercial property and the number of persons liable to pay service charges. On the expenditure side, local authorities are, as already indicated, somewhat constrained by the demands of national and European Union requirements and the fact that their discretionary expenditure is, in practice, limited.

The major overall determining factor on local authority spending is the central government budgetary process, given the significance of State grants to local authority funding. However, from 1997 local authorities will have an assigned source of revenue instead of the principal general grant currently paid to them (the Rate Support Grant). The amounts available to local authorities by way of State funding are determined by government in the annual Public Service Estimates and Public Capital Programme. The distribution of funding between particular authorities is determined by way of allocations issued by individual government departments (or other relevant State agencies e.g. the National Roads Authority in relation to national roads) for different programme areas. Expenditure on particular projects is determined by their agreed budgets and scheduling, with transfer of grant funding being commensurate with satisfactory progress.

Borrowing by local authorities must be approved by the appropriate minister (normally the Minister for the Environment) in accordance with statutory provisions.

## 2.3 *Performance Management*

### *Mechanisms*

Responsibility for performance and standards of service rests primarily with local management who are accountable to the members of the relevant authority, the latter in turn being, accountable, in the case of the elected local authorities, to the electorate.

The statutory requirements relating to accounts, audit and annual reports of public authorities ensure a high degree of public accountability. For example the local government audit system (see section 1.1) involves a thorough scrutiny by qualified auditors who have wide ranging powers. County level local authorities are legally obliged to publish annual reports and a number of other authorities also do so in practice. Various controls and procedures such as internal audit, inspectorate reports, returns by sub-national bodies to parent departments and overview and monitoring by departments are relevant to performance management. Overview and monitoring apply both in relation to targets in national programmes and in terms of appraisal and control of specific projects so as to maximise effectiveness and value for money. The various national support/advisory bodies referred to in section 1.1 also play a valuable role in promoting standards in their areas, as do the relevant professional institutes/associations. It is proposed that performance standards and financial indicators will be used to measure and compare local authority activities in the delivery of key services.

### *Quality standards*

Recent developments of particular significance to the areas of performance and standards include the establishment of a Value for Money Unit within the Department of the Environment which undertakes reviews, by research and enquiry, of selected local authority operations with a view to improving the economy, efficiency and effectiveness of operations. This complements value for money initiatives by individual local authorities themselves. A major new development is also the introduction, initially at central government level, of a Strategic Management process to establish targets, performance indicators and systems for review and evaluation of progress. This process is now being extended to public bodies generally, including sub-national authorities. For example, in March, 1996 the Minister for the Environment asked county and city councils to begin their formal involvement in the Strategic Management Initiative by preparing strategy statements for their own organisations.

County Enterprise Plans formulated by each County Enterprise Board will include annual targets, quantified objectives and performance indicators and the Boards will be subject to ongoing performance assessment by the Department of Enterprise and Employment and by the European Commission. The Leader Programme will be subject to ongoing evaluation by consultants and an external evaluator will also assist in monitoring achievement of objectives by Area Partnership Boards.

## 2.4 *Human resource management*

### *Statutory distinctions*

Local authority staffing comprises administrative, clerical, professional and technical staffs (35 per cent) together with craft and general workers (65 per cent). In all there are approximately 30 000 local authority staff (including part-time and full-time workers). The administrative, clerical,

professional and technical staff are known as "officers" and a special body of law applies to them concerning the creation of offices, appointments to offices, qualifications, duties, tenure of office, abolition of offices, suspensions, removal from office, etc. All staff, administrative and technical, are subject to the county or city manager. The main administrative personnel are the assistant city/county manager (grade does not apply in all areas), county secretary and finance officer, and the town clerk in the case of the town authorities, while the chief technical official is the county engineer. A new management tier with responsibility for individual programmes and a lead role in new Strategic Policy Committees is proposed.

**Table 5. Public service and public sector employment (1985, 1990-1994)**

	(as at 1 January, full-time equivalents)					
	1985	1990	1991	1992	1993	1994 <sup>(1)</sup>
Civil service	31 564	27 845	28 379	29 097	29 715	29 844
<i>Garda Siochana</i> (National Police)	11 387	10 900	11 234	11 303	11 463	11 468
Defence forces	15 880	14 387	14 761	14 564	14 361	14 090
Education	54 100	51 306	51 666	52 910	54 466	55 821
Non-commercial State bodies	9 424	7 110	7 100	7 940	8 010	8 113
Health services	62 503	57 329	58 743	59 504	60 566	61 810
Local authorities	32 566	26 468	26 681	26 715	26 793	27 060
<i>of which:</i>						
Officers	10 082	8 759	8 939	9 098	9 217	9 553
Servants	22 484	17 709	17 742	17 617	17 576	17 507
<b>TOTAL PUBLIC SERVICE</b>	<b>217 424</b>	<b>195 345</b>	<b>198 564</b>	<b>202 033</b>	<b>205 374</b>	<b>208 209</b>
Commercial State bodies	85 711	71 932	71 875	66 655	64 628	63 422
<b>TOTAL PUBLIC SECTOR</b>	<b>303 135</b>	<b>267 277</b>	<b>270 439</b>	<b>268 688</b>	<b>270 002</b>	<b>271 631</b>

1. Estimated figures except for local authorities, which are from the Department of Finance.

Sources: *Public Management Developments: Update 1995*, OECD, 1995.

Regional authority chief officers are seconded from other public authorities. Staff of central and local government can, accordingly, compete for appointment. Other regional authority staff needs are provided mainly on an agency basis by public authorities in the region (regional authorities staff complements are very limited.)

Concerning non-local government bodies, staffing matters are largely the responsibility of the bodies themselves. Terms and conditions of employment for Health Board employees are determined by the Department of Health. Recruitment for senior and professional posts in Health Boards is carried out by the Local Appointments Commission. Other personnel are recruited directly by the boards, subject to the approval of the Department of Health, which controls the overall numbers employed in the health service. Staffing of County Enterprise Boards will be subject to the terms of their Memorandum and

Articles of Association and Operating Agreements with the Department of Enterprise & Employment and to expenditure limits approved by the Minister for Enterprise and Employment.

### *Managerial autonomy*

The individual local authority is the employer for bargaining purposes but a central (semi-State) agency, the Local Government Staff Negotiations Board (LGSNB), provided services as required for staff negotiation purposes to local authorities and Health Boards. A separate body was established to provide staff negotiation services for health agencies, including the health boards, with effect from 1 July 1996. A new Local Government Management Services Board was also established with effect from January 1997 to provide a comprehensive support system for the human resources functions of local authorities. This board took over the functions of the former LGSNB which previously had an industrial relations focus.

The staffing requirements of local authorities is a matter for individual local authority managers to determine. In the case of officer grades, the creation of offices requires the consent of the elected council (if an increase in the number of permanent offices is involved) and either the general or specific approval of the Minister for the Environment. In the context of the implementation of the Strategic Management Initiative in the local authority service, the Minister recently dispensed with controls on the creation of offices up to middle-management levels, subject to compliance with overall policies on public sector staffing numbers. Further devolution of decisions on human resources to local authorities is proposed.

Local authority salary levels are determined in accordance with overall public service pay policy and are sanctioned by the Minister for the Environment for implementation by the local authorities. Apart from specific functions related to the appointment and suspension of managers, all functions related to staffing are executive functions of the manager. The Minister for the Environment declares/approves the qualifications and particulars of office for all officer posts. Access to officer posts is open to all persons who fulfil the qualifications for the office. However, the qualifications for certain middle management administrative grades confine eligibility to certain staff of local authorities, Health Boards and Vocational Education Committees. Vacancies for senior administrative and professional posts are filled by the local authority concerned, following public advertisement and open competition, on the recommendation of a central agency, the Local Appointments Commission. Vacancies for other local authority offices are filled directly by the local authority concerned in accordance with a procedure which is laid down in statutory regulations. Selection is by competitive examination and/or interview in accordance with directions issued by the Minister from time to time.

There is to be a review of recruitment. Greater opportunities for graduate entry; a code of practice for the employment of people with disabilities; and a development programme aimed at increasing the number of women are proposed.

Recruitment of craft and general workers and their qualifications and procedures for appointment are matters for the local authority manager and their level of remuneration is sanctioned by the Minister for the Environment.

*Mobility:* There is considerable mobility between local authorities. Staff in one local authority can compete for posts in other authorities which are subject to open competition and in practice the career paths of senior personnel tend to show considerable movement between authorities. There is a limited

degree of mobility between central and local level and between local authorities and non-local government bodies. Staff at each level can compete for posts which are subject to open competition.

### **3. Trends in redistributing authority across levels of government**

#### **3.1 *Evolving tendencies***

A wide-ranging programme of local government reform has been implemented on a phased basis since 1991. Many changes have already been made to strengthen and modernise the powers of local authorities, give them greater flexibility and independence of action and ensure that local government structures are more relevant and meaningful to local communities and at the same time more effective and efficient. Future legislation affecting local authorities will continue these trends, wherever possible. The document "Better Local Government -- A Programme for Change", published in December 1996, now provides the programme for further action on local government reform.

The regional authorities, established in 1994, were the first new authorities to be created within the local government system in almost a century and recent reorganisation in Dublin involved the establishment of new county councils for the first time since the inception of the county council system in 1898.

Other evolving tendencies of significance include the acquisition of additional functions by local authorities in certain areas and movement of others to different levels or agencies, as outlined in section 1.3.

Significant changes have taken place in the system of local government financing. Prior to 1978 the local property tax base included domestic dwellings and agricultural land as well as industrial and commercial properties. Legislation enacted in 1978 abolished the property tax (rates) on domestic dwellings and replaced it by a central government grant -- the Rate Support Grant -- which, in each year between 1978 and 1982, fully recouped the loss of income to local authorities. With effect from 1983 the property tax on agricultural land was terminated as a result of a Court judgement, with the result that the levying of local property tax was confined to commercial and industrial property. Two further important changes were made by legislation to the system of local government finance at that time. First, the obligation on central government to recoup local authorities fully for the loss of property tax income from domestic dwellings and agricultural land was removed. Second, local authorities were given much greater powers to levy local charges for their services.

Prior to 1988 local authorities borrowed (mainly from State agencies) for various capital purposes such as housing, water and sewerage, libraries, fire service facilities, etc., with State subsidy to assist them in paying the resulting loan charges. In 1988 this system was replaced by direct capital grants from central government for the relevant projects. In addition, local authorities have been relieved of various "statutory demands" from other public authorities for such matters as social welfare supplementary allowances, arterial drainage, agricultural services and compensation for malicious injuries. Central government funding has also been introduced or extended in some new areas such as local roads and urban renewal works.

The foregoing developments have resulted in significant changes in the composition of local authority funding. For example, the termination of the largely circular loan charge and subsidy system for capital projects and its replacement by direct capital grants involved significant reduction in local authority current expenditure and a reduction in the proportion of local authority current expenditure met

by government grants and subsidies (e.g. from over 60 per cent in 1987 to 45 per cent in 1988) with significant increase in the capital grants element. In 1996, 41 per cent of local authority current expenditure and 77 per cent of capital expenditure were met from government grants.

### 3.2 *The current debate*

The main issues under consideration in local government have included the question of future sub-county local government, devolution of powers from central government to local authorities, local government funding and issues arising from the emergence in recent years of sub-national agencies outside the local government system, strengthening the decision-making powers of elected members, and the delivery of quality cost-effective and accessible local services.

The structures and powers of town local authorities have been the subject of debate for some years, one of the key issues being how best to achieve a modern and effective system of town government, providing a good quality of democratic representation, while at the same time securing the position of the county councils as the primary units of local government.

A report on town local government (i.e. the sub-county level) by an independent statutory Local Government Reorganisation Commission was submitted in April 1996 to the Minister for the Environment on such matters as the future classification, functions, staffing, financial and other organisational arrangements for town authorities, relationships between town and county authorities and criteria and procedures for the possible establishment of new town authorities. Among the principal recommendations in the report are, establishment of a single class of town authorities -- "Town Councils"; development of town authorities' role in new directions with emphasis on areas such as town development and social and community-related matters and representational functions; concentration of certain infrastructural and regulatory functions at county level; a more meaningful role for small town authorities; greater flexibility in local arrangements for discharge of functions; emphasis on effective and customer-oriented services (including joint services centres); more structured linkage between local authorities and local communities; updating of town boundaries, subject to improvements in the system of financial relationships between town and county authorities, and greater cohesiveness between town and county authorities. The latter includes organisational integration, linkage between elected members, structures and procedures for consultation, joint arrangements and programmes, and increased input by town authorities in various county functions.

The question of devolution has also been the subject of discussion for some time. While there has been significant enhancement of the scope, flexibility and discretion of local authorities in the exercise of powers, the possibility of additional functions being devolved from central to local level is also a matter for debate in the context of public service organisation generally.

Reform of local government finance has been a recurring theme in recent years in terms of demands for increase in the overall level of funding available to local authorities, greater local discretion in revenue raising and change in the basis of distribution of central funding. The questions of devolution and funding have tended to be viewed through a common perception, particularly on the part of local authority members, of insufficient local authority power and discretion and excessive centralisation in certain matters.

A relatively recent trend has been the emergence of agencies outside of the local government system, including new structures at local level such as the County Enterprise Boards, local groups for implementation of European Union Leader programmes, Area Partnership Companies and other area-

based local development groups, designed to respond to the complex and wide-ranging factors giving rise to social and economic exclusion, particularly in disadvantaged areas. The emergence of such local structures has given rise to some concern on the part of local authority members. There are proposals to link the systems of local government and local development more closely. In other sectors such as education, the possibility of reduction in the direct involvement/influence of local authority members has also been a subject of debate e.g. in connection with reduction in representation on certain third level institutes and proposals relating to primary and second level education involving the creation of new regional education boards and restructuring of the Vocational Education Committees. Legislation enacted in 1996 provides for reorganisation of the Harbour Authorities, also with implications for representation of elected members in this sector.

### 3.3 *Driving forces*

Government initiatives in the form of policy programmes and government-commissioned reviews, studies, etc., have been significant factors in relation to local government reform. For example, many of the reforms already referred to, such as granting of a general competence to local authorities, relaxation of various central government controls on local authorities, provisions to enhance the position of elected members, reorganisation of local government in the Dublin area and establishment of regional authorities, followed on recommendations in a 1991 report of an advisory expert committee commissioned by the government. The recommendation to establish regional authorities was influenced by a range of factors such as, the fact that various sectoral authorities are organised on a regional basis, the desirability of providing a democratic input to these and bringing them together with the local authorities, the need for a strategic regional approach across different local authorities and sectors and between central and local government, the need for a regional approach in relation to the National Development Plan and European Union assistance programmes and the desirability of promoting greater standardisation of regions for various purposes. The current government programme proposes expanding the role of regional authorities in relation to the preparation of regional strategies. It is proposed that they be assigned new responsibilities for promoting sustainable development and that the Dublin and Mid East regional authorities will draw up land use planning guidelines for the Greater Dublin area.

In addition to such initiatives, local government reform issues have been shaped by various and in some cases conflicting, factors and influences. Local authority elected members and their representative associations are among the main proponents of reform, particularly in relation to local authority powers and funding. The subject of reform has also been raised by various academic commentators both in terms of enhancement of democratic structures and claims of potential economic benefits (results of devolution in other countries often being cited). At the same time, economic factors have also exerted certain countervailing influences. For example, cost, technical complexity and requirements of specialist expertise and other resources, have produced a trend towards increased scale in the organisation of certain functions. Meanwhile, the desire for an area-based or "bottom-up" approach has influenced the development of certain new initiatives outside of the local government system. A variety of factors are also evident in local government finance issues. Moves towards a formula-based method of government grant distribution (which was the subject of a recent study) have not yielded agreement, due particularly to the possibility of some authorities being adversely affected and the apparent volatility of the proposed method.

With regard to democratic influences, local government reform has not featured as significantly as might possibly be expected in public opinion generally, although issues such as service charges and certain local authority responsibilities (e.g. local roads) are frequently the subject of debate. Nonetheless,

reform has been a relatively prominent political issue, being a recurring theme in party policy documents and government programmes. The current reform programme was initiated in 1990/1991 and has been pursued with a high degree of continuity by successive governments. Arising from the current government's programme, a Devolution Commission was established in 1995 to oversee a programme of devolution and local government renewal under the aegis of the Department of the *Taoiseach* (Prime Minister). The Commission was required to make recommendations in relation to the following:

- significant additional functions to be devolved to the local government system on the basis of a phased programme;
- local authorities to be meaningfully involved with policy and administration regarding functions which are not devolved directly to them;
- local authorities to become the focus for working through local partnerships involving local community-based groupings, voluntary bodies, the private sector, and public agencies;
- the efforts of local authorities and those of existing groups such as County Enterprise Boards, Leader groups, and Area Partnerships to be co-ordinated.

The Commission submitted an interim report to the government in August 1996. A key recommendation was that the existing local government and local development systems should be brought closer together and simplified. The Commission is to prepare a further report on powers and functions for devolution to the local level.

The government programme also provided for a professional study of the system of local government financing with a view to the publication of government proposals and to developing maximum consensus on this issue. In July 1995 consultants were commissioned to undertake this study to be carried out in two stages. The study focused on the current finances of local authorities and examined relevant issues such as the expenditure needs of local authorities, residential property tax and service charges. A report was published in June 1996 in relation to various options for in-depth examination.

In December 1996 a major programme for the renewal of local government entitled: "Better Local Government -- A Programme for Change" was launched by the Minister for the Environment. Reference to some of its specific proposals have already been made in this chapter. The main features of the Programme's proposals, the implementation of which is proceeding as a matter of priority, are:-

- a considerable strengthening of the decision-making powers of councillors within the local government system;
- widening the scope of local councils to influence the delivery of all public services provided locally, not just those delivered by local government itself;
- rationalising the existing complexities involving Area Partnerships, County Enterprise Boards, and LEADER groups; and moving the local development system closer to the local government system;
- new emphasis on developing an efficient and responsive local government system wherein services are delivered promptly, to a high standard, and cost-effectively;
- ensuring that demarcations in the delivery of services by different categories of local authorities are broken down in the interests of a comprehensive a service to local citizens;
- local services to be delivered from locations close to the customer, and "one-stop-shops" for all public services to be developed, initially on a pilot basis;

- a new funding system under which:- charges for domestic water and sewerage services will be abolished, local authorities will be assigned the full proceeds of the motor tax and will have discretion to vary rates within fixed parameters, and an equalisation fund will be established;
- further modernisation and consolidation of local government law.

In addition to the question of local government reform, proposals for change and development in the structures and functions of sub-national authorities generally are shaped by the ongoing process of policy formulation, review and discussion, which as already indicated, have a particular focus in the National Development Plan, the government programme and national agreements with the social partners.