

Transformation and re-organisation – the Northern Ireland experience

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LESS
INSTITUTIONS!
MORE good
government!!

DEREK McCallan,
NILGA Chief Executive



Drawn: DAB, Belfast
Sluggie R O'Toole "pro-Elector Hayes R"

Brian J. Spencer C.E.R. com 30.4.14



So what happened last year (even before welfare reform and phantom budgets?)



£876m

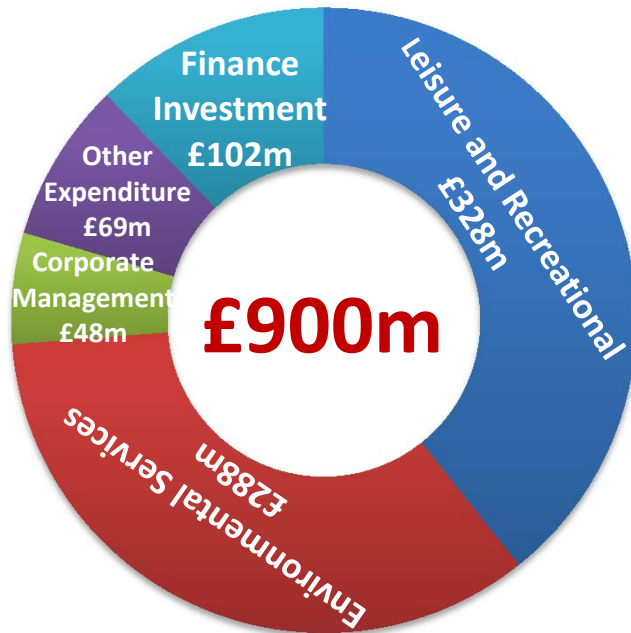
NI Budget cuts

**NORTHERN IRELAND
ASSEMBLY**
Spending above its means
**£200m overspend & £100m
loan**



Councils are prudent – Councils can enable growth

Expenditure
(by Department)



Receipts



Effective Fiscal Deficit
= £18m



NILGA

- The representative body for councils in Northern Ireland.
- Offers regional (all NI) policy advice and collective analysis on critical issues for the sector.
- Develops, improves and speaks up for local government.
- Led by, and accountable to, the 11 district councils formed in April 2015
- Builds strong local government by getting political leadership to combine across parties, in order to meet the needs of our sector & the community it serves
- **The David amongst the Goliaths of institutions**



It took longer than WWII!






- Review launched by NI Executive June 2002
- 7 Council model announced in 2005
- July 2007 – Another review begins
- March 2008 – 11 Council model announced
- Reform Structures created
- Hiatus due to funding and boundary concerns – Mid 2010
- Policy proposals consulted upon – Nov 2010
- Draft legislation published Sept 2013
- Elections held in May 2014, to 11 ‘shadow’ councils
- Went live – 1 April 2015 (yes, April Fool’s Day)



New local government districts

District Index

— 11 new local government districts

-  Antrim and Newtownabbey
-  Mid and East Antrim
-  Armagh, Banbridge and Craigavon
-  Belfast
-  Causeway Coast and Glens
-  Derry and Strabane
-  Fermanagh and Omagh
-  Mid Ulster
-  Newry, Mourne and Down
-  North Down and Ards
-  Lisburn and Castlereagh





Summary of Reform

- From 26 to 11 councils for 1.8m people
- Transfer of some central government services to local councils:
 - Planning
 - Urban Regeneration (**still not transferred – expected 2016**)
 - Enhanced Economic Development powers
 - **(Some)** Off-Street Car Parking
- **New** Functions/Duties:
 - Community Planning
 - General Power of Competence
 - Performance Improvement aligned with community planning and transferred functions
- Predicted savings and efficiencies (**MASSIVE optimism bias!**)
- Emerging **partnership** between central and local government
- STRONGER LOCAL GOVERNMENT – DOUBLE DEVOLUTION??



Current Context – Perfect Storm

- 11 councils with *slightly* enhanced powers and influence
- Reform requires new thinking & focussed resource – has highlighted different capacities between/within councils & departments
- Devolution remains precarious – exacerbated by ongoing UK government policy on welfare reform et al - *limited resources*
- Economic downturn + Assembly Elections May 2016 – *limited resources + inertia*
- Reform a target in the Programme for Government – SOLE mention of LG in the entire document. *Change required for PfG 2016*
- Changing social agenda – *e.g. welfare reform*
- Wanting more, delivering with less, ratepayer/media/government demands on the increase.
- *Ongoing* removal of resources from NI block funding, austerity budgets, hidden costs of reform and transfer of functions (£110m)



Progress or Process? - Regional

- Local Government Act finalised – May 2014
 - Most sub-ordinate legislation now completed, but still waiting on critical pieces of community planning and performance management legislation and guidance. Most government departments are **refusing** to strengthen their role as a partner for community planning.
- We are still waiting on a new strategic planning policy statement – being held up at NI Executive level.
- The 11 councils are moving ahead in spite of this impasse.



Recent Progress - Local

- Councils established with good governance and corporate plans in place.
- Community planning engagement activities underway.
- Identity – corporate and local - intact
- Regional bodies and departments unprepared for the new demands of working with 11 organisations on planning and community planning - *A million reasons why 'we can't'!*



Ongoing Structural & Staffing Issues

- Organisational design now mostly complete and 1st tier management in place
- TUPE – five + tiers of management, transform later
- Staff Transfer Schemes – Council/Council and Civil Service/Council – change still ongoing. Some disgruntled people.
 - Differing pension Arrangements
 - Variety of local terms, conditions, policies
- Regional conversation underway about future shape of industrial relations machinery
- COMMUNICATION




NILGA and the Reform Process

- Has successfully reconstituted with all 11 councils as members.
- Is continuing to develop the capacity and competencies of **elected members** in LG
- Is providing further regional political leadership on EU, UK and regional policy and legislation, performance improvement, good practice, partnership working.
- Evidence Based Lobbying: £47 million reform package (2013) £0 million (2011)
- Rewrote LG Bill, got the Code of Conduct reviewed (June 2015)
- Is working to formalise two tier government in NI as part of the PFG 2016, properly, politically and beyond structures: “whole system review” – via the new Political Partnership Panel



Key Opportunities

- Community Planning – and linking with Development Plans
- General Power of Competence 
- Local and central government promoting economic growth (e.g. £42bn National Government Infrastructure Loan Scheme, European Investment Bank)
- **A Programme for Local Government** (out for council consultation)
- Greater collaboration e.g. through a new approach to improvement - systems convergence, procurement toolkit
- Celebrating the local – consistency is not homogeneity, boxes should be ignored, not ticked



PfLG = Foundations for a Journey

- ***NILGA sees 2015 – 2019 as merely the first phase of local government’s contemporary, collective development***
- **PfLG provides the rationale for the proper planning and sustainability of our democratically mandated councils**
- **Councils must be part of a wider government partnership, formally contributing, as in all neighbouring jurisdictions, to the priorities of government and the region.**
- **The democratic, civic, economic, social, cultural, service delivery and partnership credentials of our emerging 11 councils *must put the local into government*, more so than in the past.**
- **Provided that councils gain the investment and resources to deal with increasing demands and functions, and gain the support of wider government within the NI Assembly and its Departments, they will plan, co-ordinate and do more and better things for more people, locally.**



the voice of local government



NI – Entrepreneurial and Contemporary beyond 2015?



European Entrepreneurial Region



Thank you!

