

**Local Government and  
Local Economic Development -  
Perceptions and Experiences of the  
Local Government (Reform) Act 2014**

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Salus populi suprema est lex

-Cicero: De Legibus III, iii, 8

*(The Welfare of the people is the supreme law)*

When I have fears that I may cease to be  
Before my pen has glean'd my teeming brain,  
    Before high-piled books, in charact'ry,  
Hold like rich garners the full-ripen'd grain;

John Keats

## **Abstract**

Local government is an important service provider to the people of Ireland. It is also a key component in the democratic structures of the State. However in comparison with other countries, Ireland is seen as highly centralised and, consequently, Irish local authorities have a very limited range of functions. Numerous government reports advocating for increased decentralisation have not been implemented. As a result, many important public services continue to be provided and managed by central government or its agencies, with limited local accountability. The 2014 Local Government Reform Act sought to redress this situation by empowering local authorities to lead local economic development. Having identified key themes and concepts arising from a review of literature on decentralisation and sub-national governance, this thesis elicits experiences and perceptions of the 2014 legislation. Data were gathered through a series of semi-structured interviews. The research participants hold senior positions in the public service and were closely involved in framing or delivering the new role conferred on local authorities. The data from the research provide insights that add value to what the literature suggests, but also question some of the perceived wisdoms about sub-national governance in Ireland. Notwithstanding their limited functions, local authorities enjoy considerable autonomy and have used this to drive economic development. In essence, local authorities demonstrate an ability to exert soft power in their interfacing with others. Chief Executives emerge as key and powerful figures in this scenario. The research points to the need for further operationalisation of key performance indicators in respect of local economic development.

**Author's Declaration**

I hereby declare that this thesis represents my own work and has not been submitted, in whole or part, by me or any other person, for the purpose of obtaining any other qualification.

Signed: 

Date: 10<sup>th</sup> July 2018

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**Kieran Lehane, 2018.**

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### *Glossary of Terms*

CCMA	City and County Managers' Association
CDB	City and County Development Board
ETBs	Education and Training Boards
EU	European Union
FDI	Foreign Direct Investment
FET	Further Education and Training
GAA	Gaelic Athletic Association
GDP	Gross Domestic Product
HSE	Health Service Executive
IDA	Industrial Development Authority
IMF	International Monetary Fund
KPIs	Key Performance Indicators
LA	Local Authority
LCDC	Local Community Development Committee
LEED	Local Economic and Employment Development
LEO	Local Enterprise Office
LG	Local Government
LPT	Local Property Tax
MASP	Metropolitan Area Strategic Plan
MOU	Memorandum of Understanding
NESC	National Economic and Social Council
NOAC	National Oversight & Audit Commission
NPF	National Planning Framework
NSS	National Spatial Strategy
NUTS	Nomenclature of Territorial Units for Statistics
OECD	Organisation for Economic Co-operation and Development
SPC	Strategic Policy Committee
SCGs	Sub-Central Governments
SUSI	Student Universal Support Ireland
VECs	Vocational Educational Committees

## Chapter 1 - Introduction

### 1.1 Context of Research Topic

One of the striking features of Irish local authorities is the relatively limited range of functions devolved to them. Ireland is also regarded as being comparatively highly centralised using a range of indicators. From this starting point, it would appear that there is considerable scope to increase the role of local authorities in the delivery of public services. The case for this must be based primarily on the better effectiveness and efficiency that can be delivered by the local level compared to current arrangements. Many reports written over the years, which are cited in the thesis, have made the case for greater devolution of functions and decentralisation of power to the local level.

Devolution is taken to mean the transfer or delegation of power or a function to a lower level from central government. Decentralisation has a wider meaning and is taken as the process by which devolution occurs. The Organisation for Economic Co-operation and Development (OECD, 2005) broadly defines decentralisation as comprising a transfer of public functions from higher tiers to lower tiers of governance. The concept of decentralisation is often perceived in hierarchical terms, involving the top-down/vertical movement of administrative, fiscal and/or political/decision-making functions. For the purpose of this thesis, the author will rely on the term decentralisation to explore the conditions necessary to promote greater devolution. At the outset, it is important to distinguish between the so-called decentralisation programme that was introduced by the Irish Government as part of the 2004 budget. This was a proposed geographical distribution/decentralisation programme of civil servants and government departments to a number of locations across the country, and was not implemented.

In recent years, Irish local authorities have experienced considerable changes in the range of services that they provide, their operating milieu, how they are funded and structured and in their governance arrangements. Arguably, they have undergone more change than most public service organisations but these changes have not been subject to much recent research. Due to their localness and political governance arrangements they are more accessible and accountable on a frequent basis to the citizens they serve through the elected members, to a greater extent than most other public service entities. Every year, local councils produce a range of service indicators that measure their performance. Notwithstanding the importance of services they provide, local councils were required to implement severe reductions in staff and budgets following the 2008 financial crisis and yet make every effort to protect services. The impacts of the financial and staffing reductions were felt far more acutely in local authorities, compared for example to the civil service as the data presented in the thesis demonstrate.

Government policy towards local government as expressed in *Putting People First, An Action Programme for Effective local Government*, states that;

‘Local authorities...must have substantial functions and responsibilities...elective local government should have a reasonable degree of devolved decision making capacity over a wide range of relevant public affairs and services’ (p.2).



This statement is elaborated on in terms of the government's vision for local government in that local government should become the main vehicle for the provision of public services at local level. As a first step in this initiative, local authorities were assigned greater responsibilities for economic development and community development as part of the Local Government Reform Act, 2014. Conversely, responsibility for water services and higher education grants were transferred to national bodies around the same time.

Many of the studies produced by the State advocate for more devolution but there is a divergence between the rhetoric of these reports and the implementation of same. Most of these reports support the principle of devolution and this accords with international trends towards greater decentralisation in public services. From a wider perspective there have been continuing attempts of modernisation in the Irish public services since 1994 commencing with the Strategic Management Initiative.

## **1.2 Motivation for Thesis**

The concept for this thesis arose from the author's work in the regeneration of social housing estates in Limerick during the period 2007-2012. The conditions that the communities living in these estates experienced over a number of years resulted in a report being prepared for the cabinet by John Fitzgerald, the retired Dublin City Manager in 2007. So great were the difficulties (described as shocking) that he observed, that two regeneration agencies were to be established to resolve a range of interrelated matters.

In general, these matters related to the physical conditions of four named estates. More importantly the report dealt with poor educational outcomes (lack of remedial support and psychological services), serious criminality and inadequate police levels that warranted; '*intensive policing arrangements*' (at p.8). In addition, a separate earlier report on St. Mary's Park had noted the very high levels of unemployment prevalent in these areas. In summary, these communities experienced serious disadvantage in terms of the physical, social and economic circumstances in which they found themselves and many of which were outside their control. Social disorder was a central issue in these communities. The characteristics identified in the *Fitzgerald Report* had echoes of a notable study carried out forty years before by the eminent Rev. Liam Ryan on nearby estates and called 'Social Dynamite'. The *Ryan Study* focussed on the apocryphal estate '*Parkland*' and its social problems based around; '*a general lack of a sense of dignity, of responsibility, of education, especially an education towards life*' (p.13). This report was written long before drugs became a problem.

It is important to note that prior to the *Fitzgerald Report*, Limerick City Council had established a City Development Board, in common with all other local authorities, whose function it was to prepare strategies and plans in relation to the physical, social and economic development of Limerick. These strategies had salient differences from previous initiatives as they were to be inter-agency and driven by a; '*bottom up approach, i.e. responses were to be tailored to the communities*' particular needs. The boards' memberships were drawn from a range of different public sector agencies and local development partners. In Limerick the board's special focus was to deal with disadvantages experienced by marginalised communities, about which

Fitzgerald was to write a few years later. The Development Board's plan for Limerick had been in place since 2001 and had not been effective enough as, under the legislative provisions, it was based on partnership and constructive cooperation between members. Other public agencies on the boards were simply required to co-operate with the Board in its work and endeavour to comply with its requests. While the new inter-agency provisions were well intended and novel, the law requiring accountability to the lead agency (i.e. the local authority) simply did not go far enough. As a result, the local authorities had no authority of mandamus (i.e. hard power) over its partner agencies and thus had to rely on its soft powers of collaboration and persuasion. As it transpired, the legal provisions on which the hopes and ambitions of the strategies were constructed proved to be so ineffective as to be fatal for the communities they purported to serve. In this way, the limits of the soft power approach were exposed. The next attempt to address these limitations or constraints at the local level was the intervention by government at the highest level, i.e. the Cabinet and the report prepared by Fitzgerald.

The *Fitzgerald Report* led to the creation of two regeneration agencies that came with the full support of government but their duties and functions had no backing statutory powers and so their roles were limited to coordination and monitoring of the interventions needed (echoes of the Development Boards). Considerable financial resources were applied and one hundred additional Gardaí were assigned to Limerick. Committees were appointed in each estate made up of residents and voluntary organisations. The residents enthusiastically supported the initiative, identified and articulated their needs and sought remedies. Through the author's involvement in these committees, agencies and the regeneration process, the limitations to the soft power 'enablement' and process became apparent. Sustained endeavours were made by the agencies to lever improvements for these communities.

At local level, it involved the local authority and the local office or agencies of central government. At national level, it involved participation by government departments. It became apparent that the governance arrangements of these organisations upon which these communities depended, were upward accountability to the centre. The local authority and the regeneration agencies could only cajole or coax and thus depended on soft power. Where responses or resources were lacking by central agencies, the local level lacked hard power and if collaboration failed, was rendered effectively powerless. This quickly became apparent as many of the issues needed a central government response and included policing, education, unemployment and training, health, social welfare and so on. A further limitation to local governance quickly became apparent as there were numerous existing community interventions and programmes mostly funded and led by the centre but which were not coordinated or prioritised locally, whose outcomes were not measured and it was uncertain what needs were being met. These programmes were well intended but were nationally uniform and generally were not tailored to meet local needs. While the regeneration agencies did bring considerable resources to bear and were supported at the highest political level by the Cabinet, the limits to their autonomy meant that they were circumscribed from the outset.

The regeneration agencies (in effect an autonomous local body within the local government level) were tasked with leading change. While they were afforded considerable budgets and

autonomy, their shortcomings limited their effectiveness principally to physical regeneration and this became apparent to residents and led to frustration. The interventions needed in the estates required a whole of government response which was the spirit behind regeneration. The intervention by the highest political level at cabinet was frustrated by the centralised structures of the state.

These first hand experiences of witnessing the shortcomings in the delivery of improvements and change to those who need it most led the author to consider whether a more decentralised approach would yield better outcomes. Reliance on soft power alone has its limitations and critically depends on who is exercising it and their relationship and standing. Soft power requires status as it does not have its own legs to go. Soft power, even with the backing of the resources of the Cabinet, shows that it is not identical with those ‘hard’ resources and may not be sufficient for the task in hand.

### **1.3 Aim and Objectives**

The overriding aim of this thesis is to examine experiences and perspectives of the Local Government (Reform) Act, 2014 with specific reference to the economic development responsibilities it confers on local government. The associated objectives are:

- To consider the extent to which the 2014 legislation gives effect to decentralisation or functional devolution;
- To review the role of local authorities and other stakeholders in formulating the legislation;
- To examine the interfaces and relationships between governance tiers in giving effect to the 2014 legislation;
- To assess the implications of the wider political and economic milieu on approaches to the Act at national, regional and local level;
- To document and reflect on local authorities’ responsiveness and performance since the enactment of the legislation; and
- To proffer ways in which local economic development may be enhanced.

Having regard to the background and motivation for the thesis, the author sought to examine the literature on decentralisation. One notable feature is that while there have been some but not a lot of academic contributions to the issue of decentralisation in Ireland, very little has been written by the practitioners. Certainly, there have been numerous reports prepared by the centre on local government reform but these would appear to be at the behest of the Minister of the day, and over the years, there has been almost no concrete or concerted attempt at decentralisation implementation, until 2014. In the literature review, the author sought to explore the international experiences and theories on decentralisation with the objective of assessing their validity in the subsequent applied research in Ireland.

Decentralisation is a very wide study area and it was the author’s objective to identify and discuss a number of common themes in the literature review, and that these would inform the applied research undertaken subsequently. Governance is a key topic incorporating as it does an implied diffusion of power so that citizens can be facilitated to have a greater say in their

civic affairs. The literature reveals that there has been a general international trend towards greater decentralisation in recent decades, with a shared objective of improving governance and enhancing citizen participation. As local authorities are nearest the citizen among the tiers of government, it is they, the literature asserts, are best placed to deliver on improved governance and respond to different needs thus delivering the ‘Government of difference’.

A second key theme is accountability. At national level, the relevant Minister is accountable to the Dáil or national parliament and this stems from the Westminster system where the minister bears the ultimate responsibility for their department. The operation of parliament is seen as remoter from citizens’ day-to-day lives in comparison with local government, which is more accessible, and by extension, more accountable. It is implied, in the literature that more accountability will lead to better outcomes and more responsiveness in services. Conversely, more centralisation has adverse consequences for indicators such as governance, accountability, flexibility and responsiveness and examples to support this experience have been included in the thesis. The applied research sought to inform these different indicators based on the experience of implementing the 2014 Local Government Reform Act.

Another key indicator is efficiency on the basis that decentralisation optimises the supply of services locally in comparison with central provision where the one size fits all approaches tend to dominate. This is based on the functionality of the service. In the course of the applied research, it became apparent that it was difficult to measure performance, the effectiveness of the reforms and the responses by local authorities, due to the absence of data and Key Performance Indicators (KPIs). This acts as an inhibitor in the debate on decentralisation. Decentralisation, or indeed any reform or change, can only be justified where it is better than what went before and therefore it needs to be assessed across a range of indicators. A key recommendation from the thesis is developing, agreeing and implementing these indicators across all levels of government.

The general view of Ireland is that it is highly centralised, and the author sought to examine data in the literature review to assess this perspective. The author wished to study this topic more deeply through the applied research and on doing so, a more nuanced picture emerges. Ireland is highly centralised but the view locally is contra-indicated in that there is considerable power and autonomy vested in local government. This was reinforced by the 2014 Act when new functions for economic and community development were added. Apart from the statutory or ‘hard’ powers, it became apparent that executives at a local level also enjoy and apply a range of ‘soft’ powers and these are vital in delivering on the new, wider remit of local government post 2014. It also means that local government enjoys a level of influence across the levels of government that belies the generally accepted assessment from the literature. However, the research also confirmed the pre-eminent role of the Minister of the day in initiating and implementing change.

The 2012 policy paper *Putting People First – Action Programme for Effective Local Government* and the 2014 Local Government (Reform) Act provide both the focus of this study and the indicators on which the methodological framework was elaborated. Specifically, the legislation (Paragraph 128(B) of the 2014 Act) provides for the formation of a Local

Community Development Committee (LCDC) under the aegis of each local authority, which is charged with responsibility for preparing and adopting a;

‘6-year local economic and community plan... [and] to consider and adopt a statement in respect of the economic elements of a draft of the plan prepared by the local authority’ (2014, pp.53-54).

The establishment of the LCDCs brings local authorities into increased interfacing with civil society bodies and enterprise development agencies. The 2014 legislation also provides for greater engagement with higher tiers of government, including regional assemblies, as stated in Section 41, Paragraph 3(B) (page 66); ‘*The local authority shall have regard to the regional spatial and economic strategy of the appropriate regional assembly.*’ Thus, in examining the legislation, it is necessary to consider the anticipated outputs and impacts of local authorities (as listed in Section 44, Paragraph 66(B) of the legislation) as well as the sets of relationships and interfaces between the tiers of government, and to garner data on stakeholder experiences and perceptions at all three tiers.

#### **1.4 The strategic context of Local Government Reform – State Policy**

The failure of public administration and political and governmental oversight that contributed to the economic collapse in Ireland in 2008 provoked an acknowledgement of the need for change in the institutions of the state. A post-Fordist crisis was experienced and an inherent weakness of excessive centralisation was exposed. At central level, the Department of Finance was sub-divided to create a separate Department of Public Expenditure and Reform. This was an example of the institutional state restructuring to ensure more effective governance, accountability and oversight. The evidence from the collapse and the numerous reports, enquiries and tribunals since then indicate that traditional state institutions, public management and oversight arrangements failed. The Nyberg report clearly identified the strategic ‘group think’ shortcomings in the Central Bank, Financial Regulator and Department of Finance in the years preceding the collapse. The overriding characteristic was one of failure of governance and parliamentary scrutiny in vital institutions of the state. The programme of reform for the local government sector was cast in this milieu. It sought to reverse the trend of centralisation and strengthen local governance.

The enactment of the 2014 legislation was claimed by Minister Phil Hogan T.D. as the most radical reform of the local government system since the original structures were put in place in 1898. The author’s research reveals the influencing hand played by the Minister in envisioning and implementing the reforms. To address the widely held view that Irish local authorities were systemically weak, the 2014 Act contained the following significant elements of change:-

- Rationalising of the territorial structures (abolition of town councils, merger of Limerick, Tipperary and Waterford)
- Specific additional powers in relation to economic and community development
- Strengthened governance by elected members of the Chief Executive
- Steps towards greater local financing (LPT) and beginning to move from local administration to local government

Local authorities received constitutional recognition only in 1999 under Article 28A of Bunreacht na hÉireann which defined local government's role of 'democratic representation...and performing local level powers and functions conferred by law'. This means that local authorities are creatures of statute but the rule of *ultra vires* was relaxed when powers of general competence were introduced in the 1991 Local Government Act. These powers were re-stated in the 2001 Local Government Act and included a broad statement under S.65(1) to the effect that;

'a local authority may do anything ancillary, supplementary or incidental to or consequential on or necessary to give full effect to...a function conferred on it by this or any other enactment'

S(66) of the same Act specifies a wide range of activities/services permitted to local councils to further the interests of local communities including the provision of buildings, utilities, activities, services or any activity likely to benefit the community. While this was an enabling piece of legislation, no new concomitant functions were devolved to the councils and this was a constraint.

Another important component of the reform was the Finance (Local Property Tax) Act, 2012 which introduced domestic property tax liability for almost all homeowners. This extra tax was another facet of the post-Fordism crisis and an instrument that has succeeded very well with high compliance rates (unlike domestic water charges). The new source of income (generating c.€500m per annum) is remitted to local authorities for discretionary spending thus easing local financial dependence on the centre. Elected members have been vested with the reserved power to vary the local level of LPT +/- 15% per annum. In this way members can raise additional taxes to improve services in their areas or not. Any extra income raised is fully retained by the local council and is not affected by the re-distributional 80/20 rule that applies to the main tax. The introduction of the tax gives elected members a key fiscal role in regulating local expenditure and taxation.

The 2012 Action Programme contained a fundamental yardstick to measure progress of the present and future reforms by stating that '*local government will be the main vehicle of governance and public service at local level*'. This vision remains a challenge to the three levels (national, regional and local) of government. A number of provisions were included in the Local Government Reform Act, 2014 as a first step in legislating for the vision. The new Local Economic and Community Development Plan and its structures were radical and intended to drive meaningful citizen engagement. In creating and adopting the plan, very wide powers were afforded to councils in relation to economic development under S(66)(B)(2) of the Act expanding the previous sections of the Act referred to above. The legislators have permitted local councils almost unlimited discretion, in this the final component in the package of reforms.

## 1.5 Methodology and Applied Research

The methodological framework (Chapter 3) provides an overview of the tasks undertaken by the researcher to address the research questions. Having reviewed the various themes from the literature and from this developed a range of questions, the author conducted applied research with ten respondents across the three levels of government, the central, regional and local. The focus of the research were the changes that were introduced in the 2014 Local Government Reform Act, particularly in relation to the elaborated and stronger role given to local councils in relation to economic development. In summary, this entailed structuring questions from the themes identified in the literature and selecting respondents whose replies and insights would bring new perspectives to these subject areas. Broadly, this involved:

- ascertaining the extent of the roles and inputs of the respondents in the reform process;
- assessing how well local authorities had responded to the reforms;
- evincing the respondents' experiences with the new structures and whether these had improved governance;
- evaluating how effective the reforms had been, especially in relation to economic development and job creation and identifying impediments to same;
- enquiring whether the reforms had strengthened the powers, leadership role and autonomy of local authorities;
- determining if the reforms had increased collaboration between local authorities themselves and job creation/economic development agencies;
- inviting suggestions on future reforms based on the experiences and outcomes to date;

In all, there was just over eleven hours of recordings that dealt broadly with the topics of effectiveness, leadership, governance, autonomy and power as set out above. The respondents who contributed were at senior levels in the public services and would have been closely involved in implementing the Local Government Reform Act of 2014. A number of key issues emerged from the research.

There was a general acknowledgement that local councils had responded well to their increased roles notwithstanding lack of resources following reductions due to austerity. Lack of KPI's was inhibiting measurement and review and the need for stronger vertical relationships was identified. The varied size of local councils suggested the need for inter-authority operational arrangements for certain strategic functions, perhaps on a regional level. A more formal reporting relationship by the job creation agencies at the local level was deemed necessary to strengthen local ownership and autonomy. In the absence of 'hard' legislative powers the new roles meant council executives needed to exercise more soft power skills to encourage collaboration and building partnerships to fully realise the potential of the decentralisation reform. Local authority chief executives did not see themselves as lacking autonomy and the 2014 reforms did not impact in this respect. The 2014 Act enabled enhanced ambition and allowed a wider economic role to be realised at local level. The success of this depended critically on the chief executive's interpretation of the role, their determination, motivation, enterprise and openness to risk, including the risk of failure. Most important of all, the chief

executives had to formulate and agree a shared vision for their area and, by demonstrating leadership, secure tangible and measurable support for implementing their proposals.

While elected members supported the plans, the applied research elicited that they had not fully embraced or realised the stronger role given to them in the 2014 reforms around stronger governance. This is a pivotal component in realising increased decentralisation and if not addressed, will lead to greater imbalance in power relationships at the local level, diminish accountability and act as a disincentive to further reforms.

## **1.6 Thesis Outline**

Chapter 2 contains a review of the international literature on decentralisation. It also provides comparative data that measure the extent of centralisation in Ireland and contrasts Irish local government with a small number of European Union (EU) countries. It also furnishes data on the trends of economic development by region in recent years and a brief summary of the reports on local government reform. The author has explained Chapter 3 above. Chapter 4 presents the data gathered through the applied research and is presented in the sequence of the questions asked of the respondents. Chapter 5 analyses the results of the applied research in the context of the literature review. Chapter 6 contains the conclusions. Soft power is presented in the literature in the context of international relations and geopolitics. Yet, the concept is arguably applicable to better understanding and describing the position of, and power exercised by, Irish local authorities following the 2014 Act that are concepts traditionally associated with devolution or decentralisation. The research undertaken for this thesis uncovers and introduces the use of soft power at sub-national level and the autonomy it affords to local councils, and the imperative of deploying these soft skills to secure further progress and development including decentralisation.



## Chapter 2 - Literature Review

### Introduction

This Chapter presents an overview of the literature on the role of local government in economic development. It begins by looking at the governance context within which local government systems generally operate. This leads to an examination of how levels of centralisation and decentralisation can have an impact on the scope and depth of the powers exercised by local authorities. The chapter treats of the notion of decentralisation, and considers its merits from a local government perspective. There is a vast array of literature on the issue of decentralisation, and a number of themes emerge including accountability, responsiveness, efficiency, power and politics. These themes can be used as filters to assess the true extent of decentralisation in Ireland and as benchmarks to assess the role and perspectives of local government actors with respect to economic development.

### 2.1 Government and Governance

The debate on governance includes a wider participatory role for citizens than that provided solely by constitutional or traditional democratic means. New processes parallel the pillars of representative democracy to build greater citizen involvement. Therein lies a challenge for the key central and local political decision makers in balancing the active participation of non-political actors while also setting the boundaries for devolved input and powers for those actors. This delicate mechanism involves defining the parameters of same while respecting and preserving the primacy of elected democracy. Political culture has an important bearing on governance so there is no universal model. In this context, the literature suggests that as local government is closest to its citizens/communities, it is inherently as well placed for improved governance as it can be; *'The government of difference, both responding to and creating differences between areas'* (Jones and Stewart, 2012, p. 346). A key function of the governance model is to arrive at a process that encourages diverse responses to particular local needs (essential to keep participants involved), but the outcomes of which still accord with centrally or locally set policy objectives. In this way; *'Governance...can be defined... as a government's ability to make and enforce rules, and to deliver services'* (Fukuyama, 2013, p.6). Traditionally delivery of services was carried out within the domain of public administration but this monopoly has ceased in most countries. The result is that governance is an evolving; *'new set of institutional arrangements.... and practices which challenge the traditional understandings of government and public management'* (Miller et al. 2000, p.18).

#### 2.1.1 Governance and the Citizen

Representative democracy is enshrined in the constitution and the laws of the land. Paralleling this in more recent years is participatory democracy and civil society, which was first proposed by Aristotle. Until now participatory democracy in Ireland has been almost exclusively operated within the local government framework but the establishment of the Citizens' Assembly in 2016, and subsequent extensive media coverage, has given a national profile to this initiative. Both forms of democracy operate side-by-side and are intertwined in Irish local authorities through committee systems, whereas the Citizens' Assembly is stand-alone.

However, there are times when certain groups may see participatory democracy as an alternative to the original. For instance, Strategic Policy Committees (SPCs) were established in local authorities as part of *Better Local Government* (1996) as a new way of working, especially around policy formation and were seen as a partnership approach to a new and more inclusive mode of governance. However, in a review of their operation it was noted that;

‘In particular, the extent of the real engagement of SPCs with local strategic policy issues varies across local authorities, between SPCs, and among the different groupings represented on SPCs. Several respondents interviewed warned of the danger of SPCs evolving into ‘talking shops’ with limited relevance to the actual work of local authorities’ (Boyle *et al.*, 2003, p.43).

In England (where local government has a nominally wider range of powers than Ireland), there is great concern at apparent increasing centralisation;

‘Central government is accused of stripping local government of its powers and responsibilities, constraining its finances and controlling the delivery of policy through an elaborate system of targets and inspection’ (Enticott and Entwistle, 2007, p.1000).

It is a natural outcome that if resources are provided by the centre, then under law, the centre is accountable. If these resources are spent by bodies below the centre, then it follows that there must be accountability. It becomes apparent that the greater the share of resources that are provided by the centre than by local funding, the potential imbalance in reporting and accounting will remain., i.e. the balance of reporting and accountability will be skewed upwards.

### **2.1.2 National Politics and Sub-National Governance**

The politics, or in this case political governance, of a country has an important role to play in the issue of decentralisation and when, if ever, it will be adopted. To understand this, it is necessary to deconstruct decentralisation into three components: the functional, the fiscal and the political. Latin and South American countries that are transitioning to democracy are reforming through decentralisation, driven it would seem by political considerations.

‘Decentralising power requires a calculation of tradeoffs. Essentially, the party in power weighs giving up some of the power it holds in the present-decentralisation is costly-for the opportunity of competing for decentralised power in the future’ (O’Neill, 2003, p.1074).

In Ireland, as in most countries, there is a well-worn path of political progression. Political activists largely join parties from where they may be selected to run for the local council, be elected and serve an apprenticeship there. The next onward step is national office either as a T.D. or Senator and the ultimate prize of Minister or Minister of State. Further to this point is that candidates for the Presidency are invariably (though not exclusively) drawn from political representatives. The point is that many Senators and T.D.s were previously members of local authorities, are aware of their functional limitations, yet do not campaign for decentralisation.

This may be simply due to way political system, or political governance, in most countries operates.

Of particular significance, in the Irish context, here may be the removal of the dual mandate whereby TDs or Senators are required to immediately resign their council seats upon election to the Oireachtas (Upper and Lower Houses of Parliament). This removal was enacted in 2003, and led to a significant loss of leadership in local council chambers but more importantly severed a direct and significant political link between the Dáil (Lower House of Parliament) and local government chambers. When it was first mooted in 2001, 113 deputies out of 166 total Dáil membership were also members of local authorities. It was noted earlier about the extent of political change and governmental change that is now being experienced in Ireland. For many years, there was one party government, which ceased in the elections subsequent to 1977. Since 1981, all governments have been coalitions, and electoral outcomes at a national level are becoming more uncertain. This would suggest that there may be greater appetite for decentralisation at the centre than heretofore. This issue is further explored in the primary data collection (see Chapter 4).

In an attempt to overcome the absolutism of power either resting either centrally or locally, there may be a third way, that of the concept of codetermination or a variation of same. The role of codetermination (especially in German manufacturing) is the resolution of conflict through dialogue rather than by force (e.g. trades union withdrawal of labour). It is based on the idea of equality in capital and labour (in this case perhaps centre and local), industrial democracy and the need for long-term stability through social development. *‘Codetermination....has its emphasis on collective, long-run success’* (Addison, 2009, p.2).

On the basis of strengthening governance and involving the citizen, it means that if citizens are to become more involved (beyond the basic electoral role) they must have the capacity and competence to do so. The framework for making public policy decisions requires that it must at least satisfy the test of being in the ‘public good’. Policy decision making is inherently complex and all those involved in the process (elected, non-elected and officials) must possess the data and knowledge to arrive at the right decision. Bad policy invariably leads to bad outcomes. It also raises questions on the boundaries of investing powers in citizens to make difficult decisions. For example, most citizens want to pay less tax even though there may be a clear need to increase taxes for a worthwhile public good.

A solution to remedy this quandary is to see, as a first principle, that the increased involvement of citizens (and local authority members) is through the ability to hold to account officials responsible for the management of locally delivered services. In Ireland many locally delivered services of importance to citizens are implemented through local offices of national agencies that have no local accountability at all and where local input is negligible, e.g. education, social protection, health and policing. Faguet argues that we need;

‘To change our conception of decentralisation from a discrete policy event to a continuous process, in which effects are not mechanically homogenous within policy domains but are in fact contingent on structural and institutional characteristics of local governments’ (Faguet, 2012, p.999).

## 2.2 Governance and Decentralisation

There is a recurring theme in the literature on decentralisation that it can assist in involving the citizen more in civic life and the political process and that arguably this is a good thing in terms of enhancing the policy-making process. It follows that the policies made in this way reflect more accurately local needs and wants due to the increased local inputs.

‘These ubiquitous claims are, however, empirical questions that have proven difficult to test. Widespread decentralisation during the last three decades has been accompanied by empirical work that is as extensive as inconclusive’ (op. cit., p.998).

There is an important point here on the debate on governance following on from the theoretical work. Decentralisation should only be considered if it is better than the current arrangements and this can be assessed on a number of yardsticks, which the author will expand on later.

### 2.2.1 Defining Decentralisation

‘Decentralisation attempts to achieve one of the central aspirations of just political governance-democratisation, or the desire that humans should have a say in their own affairs’ (Ribot *et al.*, 2006, p.1866).

This of course is a two way process. In as much as decentralisation has the potential to strengthen democratic mechanisms by allowing local authorities discern how best local requirements can be met and funded, there is a corresponding obverse requirement that elected members are held accountable for their governmental performance. The application of decentralisation and the issue of public accountability have been written about for a number of centuries. In Montesquieu’s *Spirit of the Laws* in 1748, he was impressed by the highly autonomous self-governing cities and communities that were so successful at that time in the Netherlands, Germany and Switzerland. He argued that modern republicanism incorporates the rule of law and decentralisation of power, which was necessary for accountability to the people. Similarly, de Tocqueville writing in *Democracy in America* in 1835 also favoured decentralisation as it had contributed to making America very successful. He argued that administrative decentralisation fosters the participation of citizens in real political life. Although these writings are now nearly 200 years old, the United States has continued to thrive, and in part, it may be due to the strong attachment of US citizens to their rights of involvement and participation.

Moving to the twentieth century, Wallis and Oates (1988) argue that;

‘Decentralisation can make government more responsive to local needs by tailoring levels of consumption to the preferences of smaller, more homogenous groups’ (p.5).

If power, functions and authority are devolved from the centre to regional or local level, the argument is that the behaviour of those to whom the power is devolved is fundamentally altered. By centralising power, local authorities’;

‘Immediate accountability for their performance is thus upward to the centre, which has power over their careers, salaries, and broader professional prospects’ (Faguet, 2014, p.5).

This observation may account in part for the relative silence from local government in Ireland on the study of and need for greater decentralisation, as noted previously. The theoretical argument is that greater decentralisation may alter the attitudes and incentives of local/regional officials.

*‘Decentralisation has three main components: the functional, the fiscal and the political’* (Mardones, 2007, p.335). Functional decentralisation occurs when the centre; *‘transfers the management of public agencies, projects or entire policy areas to sub-national governments’* (*op. cit.* p. 336). He argues that political decentralisation occurs where central government cedes the power to appoint sub-national executives and/or legislators through direct popular elections. Looking at the United States by way of example, County Boards of Education are appointed through popular elections and govern the delivery and management of public primary and high schools in the county units of administration, including teaching programmes, staffing and capital investment programmes. In Ireland, which is more centralised jurisdiction, most of this power rests centrally with the Department of Education and Skills.

### **2.2.2 The Decentralisation Trajectory**

Greater European integration is associated with a trajectory to greater decentralisation. Europeanisation is a term; *‘used to describe and explain the extent of change in national politics’* (Rees, Quinn, Connaughton, 2009, p.2) that has come about due to the implementation of EU policies and modes of decision-making. Specifically;

‘the impact of the various EU financed initiatives directly targeting local communities has allowed new actors to enter the policy networks, which have traditionally been centralist and hierarchical’ (Payne and Stafford, 2004, p.17).

These include LEADER and Area Partnership Companies (Marshall, 2007). Ireland’s approach to governance has been evolutionary and ad-hoc. This has led to uncertainty about the distinction between participative and representative democracy and the boundaries between same. This can result in the pursuit of partnership led governance for its own sake or as an EU requirement, with little formal clarification as to who is representing whom, the basis for same and without defining the capacity requirements for doing so (similarly there is no capacity requirement to seek election). The same can be said about the governance at regional level, which will be expanded on by the author later in this work.

*‘European integration also leads to an increase in economic viability of regions that subsequently results in sub-national mobilisation’* (Schakel, 2010, p.335). Across Europe there is evidence of this occurring, such as Scotland in the UK, Catalonia in Spain. This was predicted by Liesbet Hooghe writing in 1995;

‘Sub-national mobilisation has grown considerably, as clear hierarchical lines of authority have eroded. It is spread unequally across the European territory and comes

in many guises.... the multi-level governance model predicts that this multi-faceted picture is likely to be permanent' (Hooghe, 1995, p.5-6).

This path may be caused by the EU itself, which encourages regions to apply for money directly to it.

### **2.2.3 Decentralisation and the Role of Local Government**

Various authors (Faguet, 2004, Jones and Stewart, 2012, and Beland & Lecours 2005) advocate that decentralisation increases the responsiveness of public services and investment to local needs. The general argument is that services become more responsive to local needs by being closer to their users and consumers. Some authors argue that;

'Local government's lack of human, financial and technical resources will prevent it from providing appropriate services under decentralisation and thus power should remain in the hands of central governments that are relatively resource rich' (Faguet, 2004, p.868).

Jones and Stewart (2012, p.346) refine this view point suggesting that; '*local government is the government of communities. Local government is presented as the government of difference*'. They see this difference in the learning capacity of local government and this capacity develops community leadership in the system of community governance. This is an important point from a community perspective as it suggests that, if local government is willing to accept this challenge, then it can foster new leaders from its programmes, policies and inter actions with the people it serves. Interestingly the very first strategy set out in the Limerick City and County Council Corporate Plan for the period 2015 -19 is; '*to empower the people of Limerick to participate in the development of their community*' (p.5).

'The incorporation of social policy into identity may also have a 'bottom-up' dynamic because social policy represents a tangible manifestation of the existence of political community. After all, health care coverage, social services, and income-support programmes are, as much as culture, present in the everyday life of individuals and constitute a source of social cohesion' (Beland and Lecours, 2005, p. 679).

The authors suggest that the expansion of the welfare state after the war has concentrated power in the central state. This development legitimised the concentration of political power in the centre, to the cost of regional and local structures. Thus as resources of the state became more concentrated in and disbursed by the centre, this legitimised the centralisation thesis.

Somewhat unfortunately, the converse is also true. Since the shift during the 1980s from welfare-state expansion to the

'politics of retrenchment, nationalist movements and their leaders have mobilized to fight perceived fiscal inequities and to expand territorial autonomy in the allocation of welfare', (Beland and Lecours, 2005, p. 681).

This concept of the welfare state is not limited just to welfare programmes. Welfare interventions are not confined to income supports but affect every part of the community.

Specifically, in Ireland's case, economic modernisation in the 1960s and 1970s led to very substantial job losses in traditional industries. The agencies responsible for assisting neighbourhoods to overcome the difficulties associated with the loss of these jobs had no local accountability to communities at that time and still do not, save through political channels and this can be a very poor and unmeasured linkage. In many instances, local authorities were left to do the best they could and had a greater level of accountability, very often without the resources or influence to help recovery. The concentration of political responsibility and resources in the centre for job creation creates almost absolute dependence on the centre and the representational vagaries of same. In other words, having a committed local Minister at the cabinet table is not a disadvantage and may be of influence for a local area notwithstanding its needs or otherwise. This point was specifically referred to by respondents in the applied research.

#### **2.2.4 The Merits and Challenges of Decentralisation**

One of the most basic arguments on decentralisation has been initiated by Oates (1972).

‘His decentralisation theorem postulates that a decentralised provision of resources is generally more efficient than a centralised supply-subject to specific conditions such as scale effects’ cited in (Biela, Hennl and Kaiser, 2012).

The essential point is that differences in economic preferences occur in the provision of public goods where local government can best respond by adjusting or tailoring responses to local needs, whereas central government, of necessity, produces a common policy or set of initiatives for all localities. This is an important theory that argues in favour of decentralisation and tests the limits of a ‘one size fits all’ approach. In the formation of policy at central level, various inputs are considered and research undertaken. Not unusually, there will be working groups that consider submissions from stakeholders in various categories, which could be citizens’ groups, lobby groups and political representations. The almost inevitable outcome of policy formation at the centre is a single national approach, whether same is implemented by a national or sub-national body. Where there is no requirement for local preferences to be accommodated, Oates’ view is that; ‘*centralisation is superior on efficiency grounds...on his assumption of uniform central provision of public goods*’ (Faguet, 2004. p.873)-an example of this is the construction of motorways by Transport Infrastructure Ireland where national planning and uniformity of design is essential.

The issue of uniformity is a key point and the assumption underlining this is uniformity of outcomes and resource allocations. In other words, citizens can expect equality of treatment. This sense of fairness is essential to the legitimacy of government and the governed and can be framed by geography (equal treatment by region/location), by status (marriage), educational opportunities and so on. It is also an important point to bear in mind that in the event of services being devolved there is a need to ensure that there is consistency in the delivery of those policies. Thus, there can be a tension between the need for localness and flexibility, but also the need to deliver consistency in the delivery of services. It follows therefore that the more varied a policy response is to be (i.e. more tailored to the needs of the citizen), then it can be more efficiently delivered at sub-national level. From a political perspective and, as citizens in

different locations require different and varied responses to broadly similar issues, this affects; *'the selection and behaviour of (elected) representatives leading to degraded legislative performance in choosing public policies'* (Faguet, 2004. p.874).

The economic or efficiency argument, originally expressed by Oates in 1972, is now more important than ever. It was first developed at a time of less uncertainty and before the easy movement of capital. It is perhaps especially significant for Ireland, which is one of the most open economies in the world and thus more vulnerable to externalities. This makes the task of Government that bit more difficult here as external factors (outside of the Government's control) impacts negatively (or positively) on public finances and ultimately on public services. In response to this fluctuation, new service delivery models have been attempted, and in the neo-liberal approach, these have been in the main through the creation of new agencies (e.g. Irish Water) that remain essentially off-shoots of the centre rather than meaningful decentralisation.

Returning to the theorem it is important to note that; *'optimality in the perspective of the decentralisation theorem concerns the trade-off between functionality and heterogeneous preferences'* (Schakel, 2010, p.333). The question is which is the more efficient, viz: central or local and the trade-offs between both systems. Functionality (i.e. what is the most functionally efficient level at which policies should be developed and implemented, national, regional or local) is an important factor and;

'political elites are guided by functional considerations when they are asked which policies should be regulated at the supranational and which at the national level'  
(Studingier and Bauer, 2012, p.5).

The same argument applies at individual country level. There is a danger here of course in this theoretical framework which political considerations will need to re-balance and that is the socio-economic conditions of regions. For example, by following the economic reasoning it is likely that strong regions would aspire to greater control over their government and management. This can be seen in particular in London where there is perceived to be a strong Mayor (though this has not extended to many other large British cities). The same could apply in the Dublin Region in Ireland. Over the years a directly elected Mayor for Dublin has been mooted but not yet delivered (the proposal required all 4 existing Dublin authorities to support the plebiscite but Fingal County Council rejected this in late 2016 and the proposal fell but it is now being re-activated in the current Programme for Partnership Government).

However, it is essential that decentralisation does not lead to undue fragmentation (local authorities too small to deliver) with inefficiencies, inconsistencies and increased inequalities. Following the recession in Ireland post 2008 and subsequent recovery, it became apparent, in the discourse during the 2016 general election, that the economic recovery across the State was not uniform and the political parties from the previous government suffered seat losses on that basis. This outcome suggests that political reform will be a prerequisite for decentralisation and that the performance of a region (on a range of indicators) will have primarily a regional accountability instead of a national one.



‘At the micro (i.e. sub-national) level, we thus expect decentralised systems to induce sub-national actors to gather detailed knowledge of resource needs, political preferences, and the local costs of providing public services to adapt their provision of public goods’ (Biela, Hennl and Kaiser, 2012, p.449).

This point on data and KPI’s emerges strongly in the applied research. It follows that if there is decentralisation of services and functions that there has to be a degree of political accountability accompanying this change. In this framework there would be potential for the Houses of the Oireachtas and Government to be freed from day to day operations to focus on those functional areas for which they were established.

There is no doubt that there are risks and costs associated with decentralisation. There are risks for those who cede power and those who receive new autonomy. Politics is about the art of risk taking and also mitigating those risks to avoid public opprobrium and electoral loss. Decentralisation is most often initiated by central governments (largely as power tends to be concentrated there) whose functions, powers and discretion are reduced by the process. This runs counter to one of the key assumptions in political science, i.e. that the driving force for most politicians is to attempt to maintain or indeed increase the power of their political office, influence and their budgets. To compound this political theory, William Niskanen (1968) suggests that rational bureaucrats will always and everywhere seek to increase their budgets in order to increase their own power, thereby contributing to state growth and potentially reducing social efficiency. It is said that Niskanen’s work was strongly influenced by *Parkinson’s Law* (a study of the British Colonial Office whose staff continued to expand apace as the British Empire contracted). The combination of political and bureaucratic powers at the centre, which focus on maximising influence, illustrates the very real opposition forces to decentralisation. Confirmation of such opposition is presented in the applied research.

### **2.2.5 Decentralisation and Power**

‘Decentralisation can be defined as a political act in which central government formally cedes powers to actors and institutions at lower levels in a political-administrative and territorial hierarchy’ (Ribot *et al.*, 2006, p.1865).

This should be distinguished from de-concentration where central powers/functions are given to local offices but who remain accountable to the centre. The responsiveness and flexibility of local government requires discretionary powers, which of course, will be subject to adherence of locally-adopted policies.

The case for local government has been set out by Jones and Stewart as follows;

‘Diffusion of power in a society that cannot afford concentrating power in one central location and diversity of response that cannot afford the centralist risk of single solutions which may go wrong’(2012, p.348).

As economic, environmental, food and agriculture, foreign, monetary and other policies are increasingly dominated by the EU and power in relation to these matters moves away from

Dublin, Jones and Stewart suggest that there will be a disinclination to cede powers downwards from the centre in Ireland.

‘The case for local government is best made by a local authority that builds initiatives and innovates through close contact and interactions with its citizens and communities in ways that are impossible for central government’ (op cit., p.366).

To echo Nyberg (2011) with reference to the recent banking crisis, a more inclusive approach to policy making involving more active and meaningful inclusion from a local level suggests that more innovative public policy solutions may be possible and, if found, could perhaps begin to smooth the boom and bust cycle to which our small open economy is vulnerable. Finally, fiscal decentralisation means that central government must surrender two things;

‘some degree of authority for autonomous financial decision making and the financial resources to cover the day-to-day operation of the sub-national government’ (Mardones, 2007, p.336).

He also suggests that there could be; ‘*co-participation in taxes or other contributions*’ which is the financial version of Addison’s *co-determination*’ (see above).

‘The variation in the timing of decentralisation across countries suggests that this international consensus has had its greatest influence when it coincides with the electoral incentives of policy makers’ (O’Neill, 2003, p. 1071).

O’Neill’s view is that there must be a political gain for decision makers to support (or indeed initiate) a decentralisation process. While it is not quite a zero sum game, the parties in power must weigh up the concession of some of the powers that they hold in the present (the risks or costs), against the potential of competing for and winning the decentralised powers at some future date. This is particularly important when seen against the dynamic of the political processes. A further risk is one of timing as;

‘the benefits of decentralisation accrue in the future (a period about which parties can predict little) whereas the costs—a loss of power in the present period—are immediate’ (O’Neill op. cit., p. 1075).

A further dilemma presents that once the process commences, it can be very difficult to stop or reverse as it such may be portrayed by proponents as undemocratic. Any ‘*recently gained institutional autonomy may radically increase the agenda-setting potential*’ (Beland and Lecours, 2005, p.692) of those to whom the power is devolved. Indeed this is one of the greatest potentials of the process and increases the dialectic and source of policy innovation. In the political process irrational and irresponsible policy positions can be taken by parties or individuals who do not hold power.

On the basis of political power;

‘the hypothesis is that, ceteribus paribus, the greater the legislative bargaining power of parties with decentralisation demands, the more likely decentralisation reforms are to occur’ (Amat and Falco-Gimeno, 2014, p. 820).

Following this line of reasoning, there has to be a specific party political preference (of a party in government) and legislative bargaining power if decentralisation is to occur. This is also confirmed in the applied research. This would suggest that the principal arena for change is parliament, or more particularly the relevant Minister, and the dynamic of legislative politics (that is not to say that the process may be initiated at a lower level).

### 2.3 Comparative Local Government

*‘The current fondness for decentralisation began during the 1980s’* (Schneider, 2003, p.33.). At that time, the world was in recession caused by the second oil crisis. Economies were stagnant and consequently demands on the states’ resources through social support programmes increased. Most of these programmes were managed by the central state, the bureaucracy of which was regarded as inefficient, monolithic and inflexible. This led researchers (Oates, 1972) to postulate decentralisation as a partial solution to these problems. In addition, the perceived weakness of the over-centralised model allowed sub-national politicians and civil society interests campaign for access to resources and power at the centre in the interests of strengthening democracy, particularly in emerging democratic states.

There are numerous studies (Ó Broin and Waters, 2012; Hendriks, Lindstrom and Loughlin, 2010; Callanan, 2011; Moreno, 2012) that examine the evolution of local government structures, functions and powers. Hendriks *et al.* (2010) argue that;

‘From 1945 to 1975, the ‘nationalization’ of governance gathered a pace through the centralization and bureaucratization of public policy programmes which left the national and regional authorities as primarily agents with the function of delivering welfare services on behalf of the central governments’.

New forms of democracy (e.g. participative) emerged during the 1960s. These new forms coupled with the economic crises of the 1970s and 1980s led to changes in how democracy has operated, shifting to decentralised governance. Hendriks *et al.* conclude that state traditions determine the conditions within which democracy, at both national and subnational levels, is understood and practiced in each nation. While accepting Wollman’s observation (2008) that, in the absence of a common framework and classifications, it can be quite difficult to aggregate findings and make generalisations about degrees of decentralisation in local government systems. *‘The only (impossible) solution is for a single study to address all of the interesting questions within the common framework’* (2008, p.101).

Having regard to the geographical location of Ireland, its history and traditions, its evolution since independence from Britain and more recent membership of the EU, this thesis will draw on comparisons with similar countries that have advanced economies and democracies. The reason for this restricted European typology is in acknowledgement of the issues raised by Wollman (2008) above.

Table 2.1 provides a typology of systems of sub-national governance arrangements.

**Table 2.1: Typology of European Local Government Systems<sup>1</sup>**

	<b>Anglo Saxon &amp; former Communist</b>	<b>Franco-Napoleonic</b>	<b>Germanic-Rhinelandic</b>	<b>Nordic-Scandinavian</b>
<b>Historical Context</b>	Westminster Model	Interventionist State	Integration Consensus	Integration Consensus
<b>Territorial System</b>	Unitary State Centralised	Unitary State Decentralised	Federal State Decentralised	Unitary State Decentralised
<b>LG Status</b>	Mix of strong and weak	Strong	Strong	Very Strong
<b>Size of Local Government Units</b>	Large-Very large	Small	Medium-Large	Large
<b>Extent of Central Control</b>	High	Low	Low – Medium	Low
<b>Influence of Local Political</b>	Low	High	High	High
<b>New Public management Reforms (neo-liberalism)</b>	High	Low	Low	Medium
<b>Community Participative Reforms</b>	Medium Low	Low	High	Medium
<b>Powers at Regional Level</b>	Weak	Weak	Strong	Weak
<b>Countries</b>	UK, Ireland, Baltic States, Greece	France	Germany Austria	Denmark Sweden, Norway

Source: Developed based on various sources, such as Loughlin *et al.*, 2011; Hendriks, *et al.*, 2011; Kuhlmann and Wollmann, 2014; Painter and Peters, 2010; Heinelt and Hlepas, 2006; John, 2001; Hesse and Sharpe, 1991 and Callanan, M. (2017) and Pawel Swianiewicz An Empirical Typology of Local Government Systems in Eastern Europe, <http://dx.doi.org/10.1080/03003930.2013.807807>

In creating Table 2.1 there is a risk of over-simplification and a degree of generalisation. A range of factors contribute to the evolutionary path of politics in a country and thus to the political and public service systems and structures that develop. Thus each country has its own complexities to deal with (in Ireland's case the highly competitive multi-seat constituency seat system) and these bear heavily on the political elites who have to initiate change.

Both Ireland and Britain are placed in the Anglo Saxon model due to certain distinctions in both countries. Both are highly centralised with Ireland in some respects being even more so than Britain. In both countries, there is a degree of representative insulation in the local government system that limits meaningful community and public participation, for example, certain powers can only be given effect only by elected representatives. This is further exacerbated in Ireland by the relatively small range of functions in which local government is involved. Without either the power or the means to become involved, community participation

<sup>1</sup>The author has undertaken a four-country study of comparative local government across Britain/England, France, Germany and Sweden. This study which supports the table has been lodged with the author's supervisor.

is restricted in comparison with the other systems in the typology. The outcome in both countries is that political and governmental power is concentrated in national governments. In Ireland, however there has been a desire to seek greater community involvement in local government (O’Keeffe, 2009; Quinn, 2009).

Table 2.2 shows, Ireland and the UK are also notable outliers in respect of scale, and specifically demographic coverage. The data presented here relate to the lower tier of government, which in most countries is the municipality or commune, but in Ireland’s case is the City or County Council. Although they are not stand-alone authorities, the Municipal Districts that were formed following the passing of the 2014 Local Government (Reform) Act (discussed later) bring Ireland somewhat closer to European norms in respect of the geography of local government.

**Table 2.2: Average Population Size of Local Authorities 2010-2011**

	<b>Number of Local Authorities</b>	<b>Average Population of Local Authorities<sup>2</sup></b>
France	36,783	1,500
Slovakia	2,875	2,000
Switzerland	2,758	3,000
Austria	2,357	3,500
Germany	12,340	6,500
Ireland (pre-2014 town councils)	80	8,000
Belgium	589	18,500
Sweden	290	32,500
Portugal	308	34,500
Netherlands	441	37,500
Denmark	98	56,500
Northern Ireland (pre-2015 councils)	26	69,500
Ireland (pre-2014 city / county councils)	34	134,500
England and Wales	383	146,500
<b>Ireland (post-2014 councils)</b>	<b>31</b>	<b>148,000</b>
Scotland	32	164,000
Northern Ireland (post-2015 councils)	11	164,500
<b>Ireland Municipal Districts</b>	<b>95</b>	<b>48,295</b>
<b>Ireland M. Districts and Councils</b>	<b>126</b>	<b>36,413</b>

Source: Callanan, M. (2017) Comparing Irish Local Government, Chapter 13. Unpublished manuscript.<sup>2</sup>

Comparative analysis (Council of Europe, 2013; OECD, 2014) also reveals that Irish local authorities have a relatively narrow range of functions. As this chapter will later outline, the

<sup>2</sup>Note that figures are rounded to the nearest 500. For the purposes of calculating these figures, local authorities have generally been taken to refer to those sub-national tiers generally considered part of the local government sector in the country in question. For example, in the British case, it includes county councils, district councils, unitary authorities and boroughs that are considered part of the local government sector. In the Irish case, separate averages are included for the pre-2014 structures (including town councils) and the reforms local government structures after 2014. Similarly, Northern Ireland restructured its local government system in 2015, and separate averages are included for the Pre- and post-2015 periods.

2014 legislation confers city and county councils with new responsibilities, including leadership in economic development.

## **2.4 The Dynamics of Decentralisation**

At the outset, this thesis referred to the increasing amount of work being done by local authorities as states decentralise. There is considerable diversity in the functions, form and funding of local authorities across the world all the more so for emerging democratic states. From research carried out by the author, it is quite challenging to discuss general developments even in countries as different as European countries. In this regard the focus of this study will be on certain countries within the EU that share certain commonalities, viz;

‘every part of their territories is administered by a municipal or local government and all these states recognise a set of fundamental principles on which local democracy is based’ (Decentralisation and local democracy in the world, 2008, p.131).

### **2.4.1 Local Government Functions**

In terms of the evolution and trends in decentralisation over the last thirty to forty years, two broad trends can be seen. Local government can be viewed as a public service provider (Britain and Ireland) or a local authority as a representative of the local community (France and Sweden among others). In the former trend, more and more services are devolved to local government with the concomitant capacity, competencies and resources to deliver on same. While this has not happened in Ireland’s case, the commitment in *Putting People First* and the associated 2014 legislation may begin to address this. This issue is explored more fully later in this thesis.

In the second trend, local government is seen as locally owned with a strong sense and fulfilment of the role of community leadership, (i.e. community governance (Schaap *et al.*, 2009). This approach continues to apply while remaining subject to national supervision. At a minimum, this requires the council to involve its communities to comment on the council’s operations, policies and programmes as they are developed. Increasingly what people now seek is the right to take part much earlier in these processes, helping determine their own future and quality of life. On any matter that is likely to be at all controversial, this approach can be very divisive for communities.

As the *World Bank Report* notes;

‘it is paradoxical that apathy towards local institutions, as reflected in the increasingly low voter participation in local elections, is manifesting itself at a time when the powers, and independent decision making of local authorities have markedly increased in most countries’ (2001, p.161).

The conclusions that may be drawn from these studies is that governing today is much more complex than in the past and involves networking with citizens at different levels such as community groups, action groups, political groups and so on many of whom have different agendas. This involves key networking competencies and the ability to reconcile community, local, national and even international organisations that form civil society against uncertain

contexts. These challenges must be taken into account in developing proposals for decentralisation, and they are directly relevant to analysis of the role of local authorities in leading economic development.

#### **2.4.2 The Financial Autonomy of Local Government**

*‘The decentralisation trend of the last twenty years has made sub-central governments more powerful and more likely to affect the course of a country’* (OECD, 2014, p.7). This conclusion by the OECD was arrived at following the compilation of the most salient policy issues in fiscal federalism. Interestingly as countries pursue economic growth after the recession, the study highlights that; *‘decentralisation is positively associated with GDP per capita levels (although the effect is fairly small) ...and decentralised countries are usually richer’* (*op cit.*, p.64). The report goes on to state that highly centralised states could gain considerably more in terms of GDP increase from decentralisation. Interestingly Ireland is ranked second only to Slovakia in OECD countries in terms of potential GDP increase that could arise from increased decentralisation (*op cit.*, p.66).

Fiscal federalism examines which functions and taxing powers are best at the centre of government and those which are more effective if they are decentralised. An important part of this topic is the system of grant funding or transfer payments through which central government shares taxation revenues with sub-central government. In considering this topic of the fiscal relations among the different levels of government and whether they are meaningfully decentralised, the outcome must meet a normative test.

‘Are residents of local governments of the same tier treated equally, particularly in terms of public services that are deemed of fundamental importance for the society, for example, health, education, police protection?’ (Wollman, 2008, p.98).

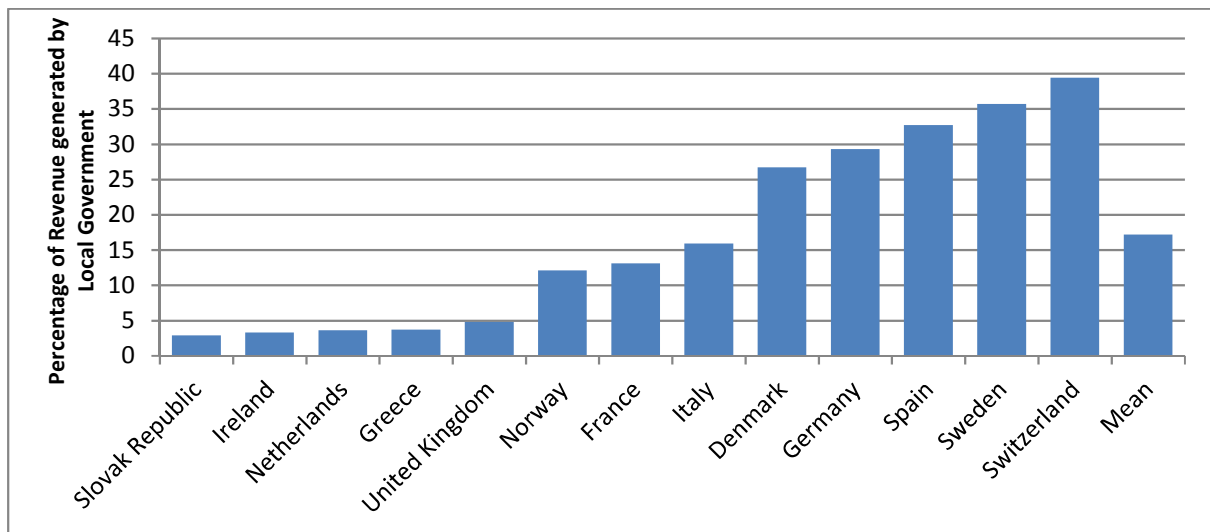
This is a very fundamental issue at the heart of government and not just local government. The author would go further arguing that the measure of equal treatment is measured by outcomes.

Local autonomy is the extent of discretion that a sub-national government possesses without restraint from other government sources, in particular higher government;

‘The term tax autonomy (or taxing power) captures the extent of freedom Sub-Central Governments (SCGs) exert over tax policy. It encompasses features such as SCGs right to introduce or abolish a tax, to set tax rates, to define the tax base, or to grant tax allowances or reliefs to individuals and firms’ (OECD, 2015, p.3).

The following graph shows the taxing powers of SCGs in a number of relevant countries as the author set out above, i.e. the ability of sub-central government to raise revenue. It is important to note that the data relates to 2011 and since then Ireland has implemented the LPT, which would have a bearing that has not yet been captured. Even so, it does set the context of the extent of tax autonomy that countries not dissimilar to Ireland enjoy at sub-national level, albeit some at the regional level. Data on the Slovak Republic have been included only for reference following its inclusion on the issue of potential GDP growth.

**Figure 2.1: Taxing Power of Sub-Central Governments, 2011**



Extracted from OECD, Working Papers on Fiscal Federalism No. 20. Blochliger, H and Nettley, M. (2015). Sub-central Tax Autonomy: 2011 Update. Note: Sub-central government can comprise both regional and local governments and this affects the data for Germany, Italy, Spain and Switzerland in Figure 2.1.

In a further commentary on this area the OECD notes that;

‘over the period 1995 to 2011, the share of taxes allocated to the sub-central level increased from around 13.5 to 15.5 percent. Within this share, the ratio of tax revenues over which SCGs have both tax base- and tax-rate-setting power increased’ (OECD, 2015, p.6).

This supports the view that the trend in countries is towards greater decentralisation via tax autonomy, even at a time of general fiscal consolidation.

Examining the data for Ireland in Figure 2.1, the country is close to the United Kingdom (4.8%) and this suggests the possible continuing influence on Irish policy from that source. France is at 13%, Germany is 29% and Sweden is at 35%. Moreover, there is a clear gulf between Ireland and the average (18%) of countries who are our neighbours and with whom we share much democratic history. All are European, though not all are members of the EU. The data affirms the relative impoverished status of regional and local government in Ireland as regards tax autonomy. There is a further measure that demonstrates the trend of fiscal decentralisation.



**Table 2.3: Consolidated Government Expenditure\* as percentage of GDP  
Trends 1995-2014**

		<b>1995</b>	<b>2004</b>	<b>2014</b>
<b>France</b>	<i>Central</i>	44.86	42.32	45.96
	<i>Local</i>	9.34	10.21	11.58
	<b>Total</b>	<b>54.2</b>	<b>52.53</b>	<b>57.54</b>
<b>Germany</b>	<i>Central</i>	36.69	28.85	26.76
	<i>State</i>	10.32	10.59	9.94
	<i>Local</i>	7.68	6.88	7.57
	<b>Total</b>	<b>54.69</b>	<b>46.32</b>	<b>44.27</b>
<b>Ireland</b>	<i>Central</i>	28.23	19.51	34.70
	<i>Local</i>	12.73	13.69	3.60
	<b>Total</b>	<b>40.96</b>	<b>33.20</b>	<b>38.3</b>
<b>Sweden</b>	<i>Central</i>	40.92	29.70	26.64
	<i>Local</i>	23.72	23.17	25.18
	<b>Total</b>	<b>64.64</b>	<b>52.87</b>	<b>51.82</b>
<b>United Kingdom</b>	<i>Central</i>	31.13	30.49	33.03
	<i>Local</i>	11.13	12.06	11.06
	<b>Total</b>	<b>42.26</b>	<b>42.55</b>	<b>44.09</b>
<b>Average</b>		<b>51.35</b>	<b>45.49</b>	<b>47.20</b>

Source: OECD Fiscal Decentralisation Database, accessed on line at:

<http://www.oecd.org/ctp/federalism/oecd/fiscaldecentralisationdatabase.htm>

Section C (3) of Report: Revenue and Spending Shares of State and Local Government (Table 4 :1970-2014)

\*The consolidated expenditure of each level of government is defined as total spending minus the inter-governmental transfer spending of that government level.

The data in Table 2.3 were extracted from the OECD database and provide comparative information analysed by the level of government sector. By including the data ten years apart, the trend in spending by the different levels of government may be discerned. A number of key points are apparent:-

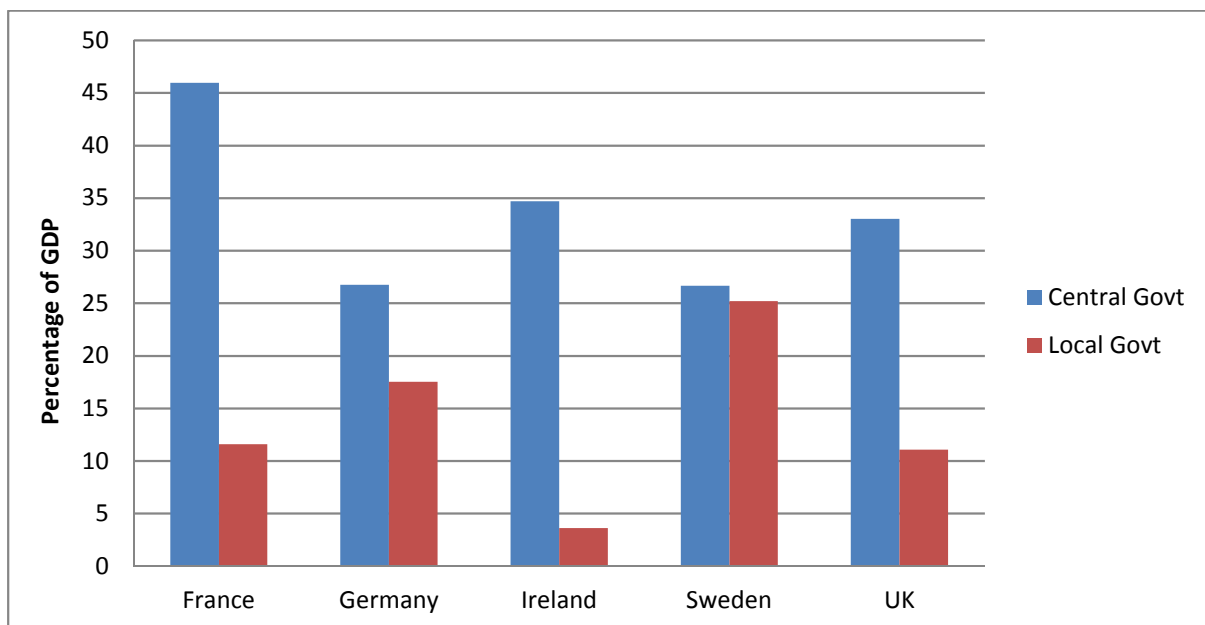
- Ireland's Government spending as measured by proportion of Gross Domestic Product (GDP) is low. While not axiomatic, it can be argued that low levels of taxation and low spending results in lower public services. This presents significant challenges for Irish public sector employees and managers in the delivery of services. Even compared with the United Kingdom, Ireland's public expenditure is consistently lower and is significantly lower than the other countries included and about ten percentage points lower than the average of same every year. The reduction in Ireland's case to 3.6% in 2014 was due to the creation of the Health Services Executive in 2005. Prior to that expenditure was routed through 8 Regional Health Boards and was thus classed as local expenditure. As the HSE is a single national body, health expenditure is now classed as central.
- France is vesting more public expenditure at sub-national level as is Sweden, Germany is approximately steady state as is the United Kingdom. On this data the proportion of

Ireland’s public expenditure routed through local government has quite sharply reduced, indeed it has drastically fallen. This is in stark contrast with the earlier observed trend of increasing decentralisation across OECD countries. It suggests systemic failure on the part of the whole of government in Ireland. It confirms that Ireland is highly centralised and that in the period covered, this trend has increased.

- Figure 2.1 also suggests a high degree of vertical imbalance in the funding of Irish local government with a disproportion of funding coming from the centre. While economic theory provides a good basis regarding which functions are best performed by government and others are better left to the market, it does not go so far as to specify the level of government which should exercise same;

‘One approach is to assign revenue generation powers to local government commensurate with expenditure responsibilities. This is called the principle of fiscal equivalence’ (Indecon, 2005, p.i).

**Figure 2.2: Consolidated Government Expenditure\* as percentage of GDP 2014**



Source: OECD Fiscal Decentralisation Database, accessed on line at

<http://www.oecd.org/ctp/federalism/oecd/fiscaldecentralisationdatabase.htm>

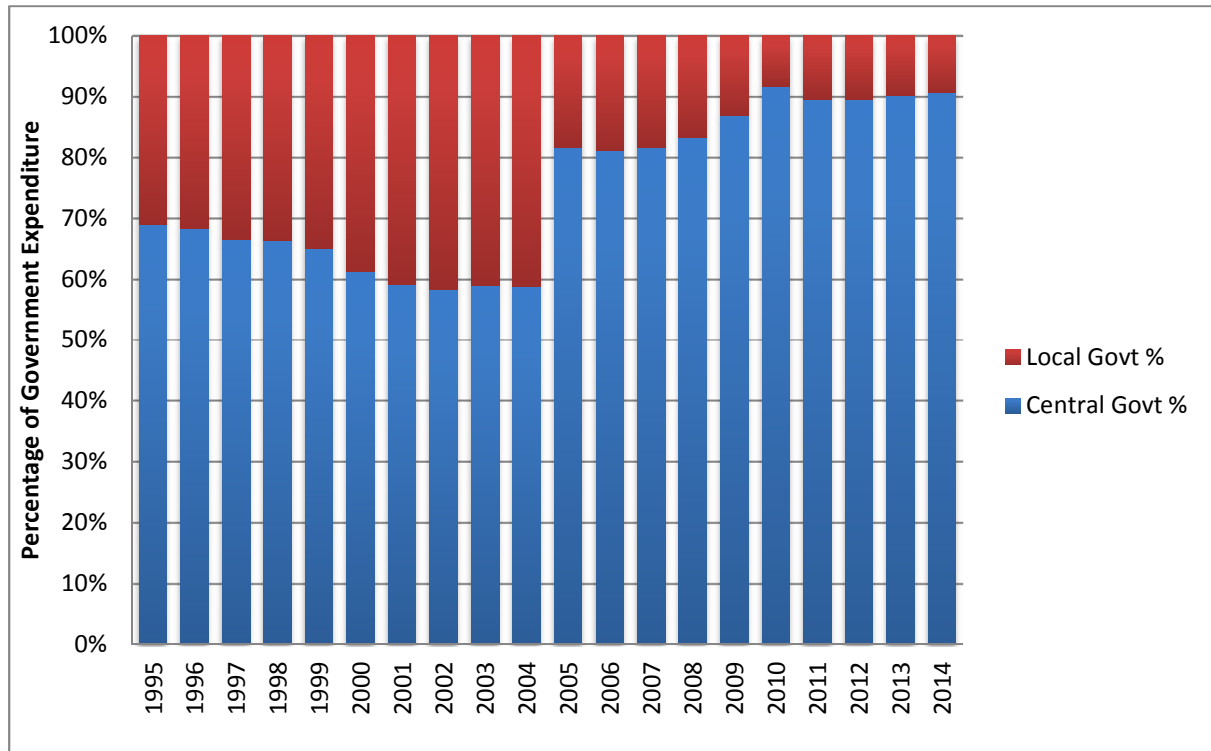
Section C (3) of Report: Revenue and Spending Shares of State and Local Government (Table 4 :1970-2014)

\*The consolidated expenditure of each level of government is defined as total spending minus the inter-governmental transfer spending of that government level.

Figure 2.3 sets out the percentage expenditure by the central and local levels in Ireland. In the twenty years of data shown in the figure, the trend has been towards greater spending by the centre and a corresponding reduction in local spending. A significant change in the ratios occurred in 2005. This was due to the establishment of the Health Service Executive (HSE). Previously health expenditure had been routed through the eight regional health boards and this

was accounted for as local expenditure. The creation of the HSE, which is a national entity, meant that health spending was classified as national government expenditure.

**Figure 2.3: Consolidated Government Expenditure\* as percentage of total Government Expenditure-Ireland**



Source: OECD Fiscal Decentralisation Database, accessed on line at:

<http://www.oecd.org/ctp/federalism/oecd/fiscaldecentralisationdatabase.htm>

Section C (3) of Report: Revenue and Spending Shares of State and Local Government (Table 5:1970-2014)

\*The consolidated expenditure of each level of government is defined as total spending minus the inter-governmental transfer spending of that government level.

In summary, ‘*measuring fiscal flows to, from and among different levels of government can be used to assess some aspects of fiscal decentralisation*’ (World Bank, 2001, p.1). It is apparent from the preceding data that Ireland is a very centralised state and is out of keeping in absolute fiscal terms compared with countries with whom we share much in common. Of greater concern is that there is a trend worldwide for greater decentralisation whereas the trend in Ireland is the opposite way. This is matched by limited fiscal autonomy for the Irish local government sector. The trend in Figure 2.3 suggests that the opportunities for economic and social development promised by decentralisation, not to mind increases in governance and strengthening of democracy, are not being meaningfully advocated or promoted by those who can influence change.

Ireland introduced property taxes to fund local government in July 2013 (following the introduction of the €100 lump sum charge in 2012). The Programme of Financial Support for Ireland agreed with the EU and the International Monetary Fund (IMF) contained a commitment to introduce a property tax. The tax is assessed on residential properties with the

revenue raised used to fund local services. The tax is based on self valuations of properties by their owners and the tax due is calculated by reference to a system of market bands (as in the United Kingdom). The rate of tax (0.18% of the property value per annum) is set centrally by government. Local authorities have discretion to vary the rate of their local property tax (LPT) plus or minus 15% every year from the nationally set central rate.

The introduction of the Local Property Tax (LPT) restored a degree of fiscal autonomy to elected members for the first time since 1985. Interestingly at that time Ireland was also in the grip of recession and the then coalition government found it difficult to maintain funding for local government (following the abolition of domestic rates in 1978). The solution was the introduction of the domestic service levy or water charges for domestic households by any other name. Local authorities who failed to implement the levies (it was a reserved function of the elected members to adopt a scheme) had their level of grants from central government reduced thus impoverishing them. There was considerable opposition to the introduction of these charges especially in the larger urban centres. Dublin City Council had sufficient income from rates on commercial property at the time and did not introduce the levies and this is a comment on the wealth disparities between local authorities that still holds true. Most areas outside Dublin were compelled to introduce the levies so that two local tax systems prevailed which was inequitable. In 1996, the then coalition government abolished the domestic water charges completely (commercial water charges remained). This inevitably had a negative bearing on water services investment and ultimately paved the way for the establishment of Irish Water, whose principal focus is capital investment on water and waste water infrastructure.

The above short history shows the vulnerability of local governments (in Ireland at least) with over-dependence on central funding.

‘Sub-national governments are affected by the yoyo game, from recovery policies based on huge public spending, to fiscal consolidation programmes, which drastically restrict them’ (Charbit, 2011, p.5).

The above clearly illustrates that if local authorities are to fulfil their strategic and long term planning and development goals, there must be a smoother system of funding to permit forward planning.

Property taxes raised by local authorities promote local autonomy as they begin to link the level of taxation with the level of services provided locally. *‘Property taxes also encourage greater accountability on the part of government, particularly where they are used to finance local government’* (OECD, 2014, p.21). Despite the economic arguments, voters object to these taxes although their implementation in Ireland has gone smoothly with a collection rate of 95% in June, 2016 for the year 2016 (Revenue Commissioners, 2016).

A related commitment by government said;

‘we will build on the base-broadening measures outlined above and establish a sound basis for sub-national finances through a new residential-property based site value tax’ (Ireland: Letter of Intent, 2010 p.8).

This was the basis for the subsequent implementation of the LPT, which has been implemented successfully without governance issues. While LPT funds local services there are aspects of the tax which renders it not truly local. Central government has played a significant role in the design and operation of LPT. In its design, values are self assessed by owners, without reference to local authorities who would have very good local knowledge of property values in their area and may be able to correct under or over valuation. This is particularly important given the fluctuation in properties occurring with economic recovery. The valuations were to remain valid until the end of 2016 but this period was extended to October 2019 in the budget of 2015.

Central government has set the basic tax rate although authorities may vary same as outlined previously. A positive feature of LPT is the equalisation measure where 20% of proceeds are redistributed to less well-off areas of the country.

‘The LPT is producing a stable revenue yield for local authorities – although both yields (and tax rates) are modest internationally. The charging structure for LPT is progressive’ (Thornhill, 2015, p.6)

Some of the recommendations in relation to LPT by Thornhill include its re-naming as a local council tax (as it funds local services), that the power to reduce LPT be removed from elected members (largely as Dublin City Council was reducing its LPT by 15% every year) and that the Revenue Commissioners would ‘require’ local authorities to raise sufficient income in their areas accordingly. As an incentive local authorities would retain 100% of the LPT raised (thus ending the current equalisation arrangements) and weaker local authorities would be subvented by the exchequer.

From a strategic perspective both the water charges and the LPT represented a widening of the tax base for the country and would have begun to bring Ireland into line with many other European and OECD countries. The amount of money involved to the exchequer from the water charges was small but removing the funding of water from the government’s balance sheet was important in terms of government borrowing and EU budgetary compliance. Without charging for domestic water usage, the tax base narrows and investment in water and waste water services (critical for development) depends on the exchequer. Similarly, the LPT valuations are now fixed until the end of 2019 (under the duration of valuation period-Finance (Local Property Tax) (Amendment) Act 2015) despite the significant increase in property values in the past number of years. Under the law it is a matter for the Minister for Finance to allow the up to date valuations be applied. Furthermore, the granting of exemptions from the tax to first time buyers does not make sense as the taxes go to fund local services which the public consume whether they are first time buyers or not. Not applying the correct valuations and granting of exemptions curtail the income stream to local government and reduce the income necessary to fund local services. These issues emerge as integral to assessing the dynamics of the role played by local authorities in promoting economic development over recent years.

In summary, international and national-level analysis shows that the trend across the world is towards increasing decentralisation. Ireland falls into the Anglo Saxon model of local

government under the typology. Even so Ireland is a little way behind Britain in terms of sub-central taxing powers and very much behind for the percentage of GDP local government spends and this is declining with time. There appears to be little administrative sense to the organisation of local government by population size and the number of local authorities in Ireland is below most European countries. Even though there is the promise of change through *Putting People First* it is apparent that Irish local government is coming from a weak position in a comparative sense and is certainly not able to fulfil its potential that could occur through greater decentralisation.

## **2.5 Irish Local Government**

In the first two sections of this literature review, the author first examined the international literature on decentralisation and then considered some basic characteristics of Irish local government in the context of a limited number of similar European countries. In this next section, the literature on Ireland will be considered against the backdrop of the preceding sections and an assessment made of the current standing of Irish local and sub-national government. The evidence presented thus far shows Ireland to be among the most centralised states in the OECD and that the amount of State spending routed through the local government system here is quite low by international standards, and is declining - suggesting a weak and weakening role for the sector. The chronological trend from the tables disposes a gradual reduction in the functions, funding and influence of the sector. Nonetheless, the changes introduced by virtue of the Local Government Reform Act, 2014 (viz:-an increased role in economic development, new tier at municipal districts, the discretion over local property taxes, LCDC) afford possibilities in the opposite direction. Exploring the extent of this question is central to this thesis. The Act, which came into force in 2014 gives effect to the provisions in the 2012 policy position paper *Putting People First – Action Programme for Effective Local Government*, which the government had published in 2012.

The 2014 Act had a number of policy objectives, one of which was the abolition of existing sub-county structures. From a historical perspective, this was an interesting throwback to the policies pursued in the early part of the 20<sup>th</sup> century by the new state when urban government was curtailed. Under the Act, the existing Town Councils were replaced by new Municipal Districts. In all there are now ninety-five Municipal Districts. While the loss of the Town Councils was viewed by some as a retrograde step, the creation of the new units could equally be viewed as having the potential for intra-decentralisation within the county units. The framing of the legislation has given potential for intra-decentralisation. In the schedules attached to the Act, certain functions of the elected members can be carried out at Municipal District (MD) level (45 no.), certain others can be effected at both plenary and MD level (24 no.) and 113 functions can only be carried out at plenary Council level.

As noted earlier, the populations being served by the primary units of local government in Ireland at 148,000 is very high by international standards. Such large scale units run the risk of remoteness and this could be counter-intuitive with the statement in *Putting People First*

‘Local Government will be the main vehicle of governance and public service at local level – leading economic, social and community development, delivering efficient and good value services and representing citizens and local communities effectively and accountably’ (ibid, p.iii).

There is some suggestion that the changes introduced by the 2014 Act and the creation of fewer larger local authorities under the Programme for Government 2011-2016, may have been driven in the interests of efficiency and economies of scale born out of the recession at that time, and understandably so. There is also the view that the 2014 changes were with the prime purpose of strengthening local government and giving it new strategic roles in economic development and job creation and securing a long-term future. The geography of Irish local government raises a further consideration of trying to reconcile what is the optimal scale of local government units which can be vested with decentralised powers but also delivering access and new modes of governance.

‘As a longer term venture, public services could be redistributed at sub-county, county, regional and national levels in line with optimal scales which are likely to vary according to service’ (Callanan *et al.*, 2014, p.396).

**Table 2.4: Population of Each Local Authority Area, 2016**

Local Authority	Population	Local Authority	Population
Dublin City	553,165	Cork City	125,622
Cork County	416,574	Clare	118,627
Fingal	296,214	Waterford	116,401
South Dublin	278,749	Kilkenny	99,118
Kildare	222,130	Westmeath	88,396
Dún Laoghaire-Rathdown	217,274	Laois	84,732
Limerick	195,175	Galway City	79,504
Meath	194,942	Offaly	78,003
Galway County	179,048	Cavan	76,092
Tipperary	160,441	Sligo	65,357
Donegal	158,755	Roscommon	64,436
Wexford	149,605	Monaghan	61,273
Kerry	147,554	Carlow	56,875
Wicklow	142,332	Longford	40,810
Mayo	130,425	Leitrim	31,972
Louth	128,375		

Source. Central Statistics Office.

<http://www.cso.ie/en/releasesandpublications/ep/ppr/censusofpoulation2016-preliminaryresults/geochan/>

The mean population per local authority is 153,483. Table 2.4 shows the very diverse population sizes of Irish local authorities from the largest in Dublin City with in excess of half of a million people, to County Leitrim with just over thirty thousand. Such large differences illustrate the real difficulties in terms of the organising of this key level of local government if the main unit continues to be organised along county lines. This is not in any way to detract from the value local people may place in having convenient government close to them or the sense of identity placed on this arrangement. In the light of the increasing complexity of local

administration (e.g. environmental and planning law, a greater role on economic development) coupled with increasing reliance on locally raised income to fund services, it is likely to become more difficult for the smaller units to have the resources or competences available to them to discharge the potential role that a modern local government system can deliver via increased decentralisation. These data raise questions as to the organisation of local government in Ireland and the possible need to develop a new model, including the issue of population of scale which would respect traditional boundaries but which could facilitate decentralisation. Local authorities below a certain size would be very challenged to have the necessary resources for strategic services. There is a recognition of this in the emerging proposals from the Department of Housing, Planning and Local Government in relation to the National Planning Framework (NPF).

The reforms of local government associated with *Putting People First* and the 2014 legislation parallel other restructuring of sub-national government over recent years. The current landscape reflects the rationalisation associated with austerity policies, as well as the genuine drive to promote greater efficiencies in the public service. At present, there are 16 Education and Training Boards (ETBs) which replaced the 33 City and County Vocational Education Committees (VECs) in 2013. These bodies took on the responsibilities of the VECs and the training functions of FÁS. The new boards became statutorily responsible for the provision of state-funded Further Education and Training (FET) in Ireland. In addition to FET provision, ETBs deliver a wide range of services across many educational levels throughout Ireland. They have 21 members on each board of whom twelve are drawn from local authority members. Given the increased role afforded to local government for economic development via the 2014 Local Government Reform Act, and the link between education and economic development, the inclusion of the ETBs into the local government system at that time (somewhat like the LCDCs) would have strengthened local government even more and perhaps assisted the furtherance of economic development. This could have occurred through a shared vision and plan by all interested bodies such as state agencies, educational sectors and the private sector in furthering economic development including the necessary educational and labour supply needs of same.

Any assessment of *Putting People First* and the 2014 Act needs to consider the wider relationships between local and central government. The approaches taken at both tiers in respect of the aforementioned LPT are perhaps indicative of the wider dynamics. In its initial form, the LPT proposal allowed that it could be varied upwards or downwards by up to 15%. In its original proposal for a LPT, the inter-departmental group recommended under the local government responsibility that; *'The charging structure can be developed by adding an increment referred to as a local decision factor of between 5% and 15% to the local charge'* (Thornhill, 2015, p.56). The final legislation provided for variation plus or minus and this decision can be attributed to the political consideration and operation of the then coalition government. The basic intention of the introduction of the LPT was to raise funds for local services (and recognised that there was a shortfall of funding in the system) and not as a populist ploy. Thus a fundamental principle of the reform (i.e. increasing the income raising capacity of local authorities) has become undone.



In his review of the tax in 2015, Thornhill recommended that;

‘A minimum yield which must be raised by each local authority would be set centrally by Government as part of the process for setting the national budget. The Department of Finance and Revenue, using the LPT tax base data and other relevant information, would estimate the property tax rates to be applied in each local authority area in order to raise this minimum yield. Local authorities on receipt of this information could adjust this rate upwards by a factor of up to 15 percent’. (2015, p.9).

The reduction in LPT by elected members is often made against the advice of local officials and ultimately bears adversely on services. It could also be argued such reductions run counter to a core principle of the tax, which was to provide a stable source of funding to local authorities.

While perhaps not as prevalent in Ireland as in the UK, the creation and operation of ‘*quangos*’ gave rise to issues and new forms of governance for the democratic system, nationally and sub-nationally. It also may have impacted on the perception of the quality of local government in Ireland which remained in the traditional management mode and was perhaps not as speedy in adapting to new modes. Some of the new bodies created in Ireland were Regional Drugs Task Forces, Sports Partnership, the HSE, Tusla – the Child and Family Support Agency.

‘In addition a wide range of services delivered at local level are managed and planned by national organisations with little or no local or regional autonomy’ (O’Broin and Waters, p.48-49, 2007).

The diverse range of government service providers at local level can make it difficult for citizens to understand who does what and in terms of governance who is responsible for performance and accountability.

New public management with a focus on targets and on performance; ‘*are vital for results oriented Government*’ (Enticott and Entwistle, 2007, p.1000). Of course, governance cannot be reduced to simple mathematical or statistical measurement. While quantitative assessment can be achieved and easily understood, it can also be oversimplified. Qualitative measurement is more difficult, such as the health of democracy. There is also a risk of reducing the issue of governance to a simple measure of resources controlled by local government. While there is an undoubted correlation between financial resources and autonomy, it must not be overlooked that central government depends on local government’s expertise and competence for the delivery of many services, some of which give rise to local conflict, are quite complex and not easily implemented. This alone puts a different perspective on the many and subtle power relationships that exist between the centre and local governments. Equally, local government relies on the competence of civil servants on whose programmes they depend for resources, to secure same in the bargaining of inter-departmental competition. Michel Foucault, the French philosopher, described the formation of a whole series of particular government bureaucracies with complex power patterns to deliver specific outcomes for citizens as ‘*governmentality*’.

## **Sub-National Economic Development**

A comparatively weak sub-national sector (i.e. regional and local government) may well have implications for the delivery of wider Government objectives in relation to balanced regional development, a heretofore successful policy instrument of economic development with the geographic dispersal of foreign direct investment (FDI). Ireland has for many years, had a government policy of balanced regional development. Historically a number of stages may be distinguished in the development of regional policy in Ireland.

The first stage was marked by the introduction of a regional industrial grants policy for the undeveloped areas in 1952. (The Undeveloped Areas Act, 1952, provided for the allocation of grants to aid the establishment of industry in the formerly congested districts of the west. The '*congested areas*' are the counties of Donegal, Leitrim, Sligo, Roscommon, Mayo, Galway and Kerry, with west Cork and much of Clare. In 1961 the Undeveloped Areas were extended to include Counties Monaghan, Cavan and Longford. Other later additions were the towns of Ennis, Dromcolliher, Millstreet and Kinsale.). The second phase was initiated under the Local Government (Planning and Development) Act, 1963, which required all counties, county boroughs, municipal boroughs and urban districts to draw up development plans. In addition, separate development plans were required for Scheduled Towns. This was the first time local government became involved in economic development but the '*development corporation role*' envisaged under the 1963 Act for local authorities was never fully realised. Later the country was divided into nine planning regions and teams of consultants were engaged to prepare development plans for the Dublin and Limerick regions. The third stage was the integration of regional plans within the constraints of national aims. This was largely achieved by the *Buchanan Report* (1968);

'In Ireland, the lack of a regional framework with specific quantitative targets has been a severe hindrance to rational physical and economic planning. The local planning authorities have had to make their own assumptions concerning future demographic and economic trends in their areas and draw up detailed physical plans in relation to these assumptions' (O'Farrell, 1970, p.73).

This policy of dispersed regional development received explicit government approval through the National Spatial Strategy in 2002. In addition, a weak sub-national tier may result in a very uneven playing field in terms of public administration and governance. This over-dependence on the centre for generating taxes, the managing and direction of 90% of public expenditure and the undue concentration of political power over public finances at the centre became apparent in 2008 when Ireland entered recession.

## **2.6 Local and Regional Development**

### **2.6.1 Sub-National Government and the Regional Development Agenda in Ireland**

Governance in its narrowest sense is concerned with having the correct structures and processes for directing and managing an organisation. Democratic governance, in particular, focuses on strengthening accountability for performance in relation to protecting and improving people's lives. At a minimum, effective governance builds greater trust and confidence in public institutions. The weakness of the national policy in terms of job creation (e.g. focusing on

manufacturing), meant those locations where manufacturing was concentrated, were vulnerable as soon as the competitive advantage underpinning manufacturing was lost. As previously referenced, there was an undue concentration of this type of manufacturing in Limerick and there were very serious results for Limerick when these traditional industries closed.

The National Spatial Strategy (NSS) was launched by the Government of Ireland in 2002 with the particular aim;

‘To counteract the continued concentration of employment and population in the Greater Dublin Area through the selective development of a set of regional centres termed gateways’ (cited in van Egeraat, Breathnach and Curran, 2013, p.92).

The objective was not all that unique and reflected experience from abroad where regions were attempting to drive growth through specialisation. It also was an expression of the European Spatial Development Perspective for pursuing more balanced spatial development already being followed by a number of other EU states;

‘International experience suggests that strategic spatial planning has the potential to underpin the delivery of effective public services and enhance the capacity for economic growth at national, regional and sub-regional level’ (Meredith and van Egeraat, 2013, p3).

Not only were the gateways to develop as a counter-pole to Dublin but the intention also was to concentrate settlement patterns and minimise the diffusion of development that had become pervasive. The implication of the NSS was a commitment on behalf of the whole of Government to a national development process within a spatial strategy. Rather unfortunately the NSS was undermined with the Government’s own so-called ‘*decentralisation*’ programme of 10,000 civil servants, as announced by the then Minister for Finance, Charlie McCreevy, in his budget speech in December 2003. As it transpired neither programmes were delivered.

Given the characteristic of high centralisation in Ireland, it is true to aver that ‘*national policies are largely determined by national government and ministerial bureaucracies*’ (Biela, Hennl and Kaiser, 2012, p.453). With weak or minor input from a sub-national level, whose focus is on local issues primarily, the NSS, in attempting enhanced regional development, lacked meaningful governance and thus was fatally impaired from the start. It was clear from the inception of the NSS policy that the decision-making competency on regional development was exercised by central government solely and confined to the national political decision making arena. Without input from outside this narrow range of interests, the Government had ‘*considerable leeway for designing policies according to their preferences*’ (*op. cit.*, p. 454). Even though the model suggested that reform, qua meaningful decentralisation, was necessary to fully exploit opportunities of the new policy, this was not supported by government departments. This confirms the domination of central government and departments in almost all policy areas and this power can be used to frustrate government intention as well as implement same.

**Table 2.5: Typology of Regional Government in Ireland**

Variable	Features
Number of Regional Authorities	3 (Southern, Northern & Western, Eastern & Midland)
<i>Southern Regional Authority</i>	28 members/10 local authorities/population 1,585,992
<i>Northern &amp; Western Regional Authority</i>	25 members/9 local authorities/population 846,862
<i>Eastern &amp; Midland Regional Authority</i>	36 members/12 local authorities/population 2,325,119
Membership	No direct elections. Members nominated by constituent local authorities as set out above.
Average population served by member	53,460
Functions	Very limited. The aim of regional assemblies is to coordinate, promote and support strategic planning and sustainable development. RA can assist local authorities in securing European Funding for projects.
Finance	Funded by contributions from Local authorities
Staff	Very small number of staff. 37 in 2012 (Source: Putting People First , p.92)
Tax Autonomy	Nil
Expenditure	€5.16m in 2010 out of total government expenditure of €50bn (Source: Putting People First, p.91)
Influence on Local Government and Central Government	Very limited. RAs have a function in economic development through the adoption of Regional Spatial and Economic Strategies. Government Agencies and Departments are required to participate in formulating the strategies.
Policy Approach	National Spatial Strategy actioned through the Core Strategies of local authorities.
Policy Influence	Very limited at either local or national levels of government.
Implementation powers	Very limited.
Accessibility for the public	Nil
Accessibility for local government members	Limited consultation

Sources: CSO 2016 of Population, websites of the Regional Assemblies for details of membership and Government Estimates, 2010.

The three new Regional Assemblies were established on 1<sup>st</sup> January, 2015 following the dissolution of the eight former regional authorities and the two regional assemblies. This was to give effect to the Government’s regional reform process under wider local government reform. It also signalled quite severe rationalisation and agglomeration at this level diminishing the regional level considerably.

In examining the Table 2.5, it is apparent that the current regional government arrangements in Ireland are a far remove from what obtains in certain European countries and certainly from the principle of subsidiarity. The principle of subsidiarity states that a central authority should have a subsidiary function, performing only those tasks, which cannot be performed at a more local level. Subsidiarity is best known as a general principle of EU law. According to this principle, the EU may only act (i.e. make laws) where action of individual countries is insufficient. The principle was established in the 1992 Treaty of Maastricht. However, at the local level it was already a key element of the European Charter of Local Self-Government, an instrument of the Council of Europe promulgated in 1985 (see Article 4, Paragraph 3 of the Charter) which states that the exercise of public responsibilities should be decentralised.

The Regional Assemblies have small memberships, tiny budgets, very small staffs, very limited influence and have little or no connection directly with the public. It is fair to conjecture that most people do not know that they even exist much less quite what they do. However, they do give a form for a regional construct or level in the context of decentralisation. It is quite clear that the reforms of 2014 were an opportunity missed to construct a relevant regional tier where perhaps powers could have been both subsumed and devolved.

The configuration of sub-national governance also raises questions (to be set against the theoretical background) on the performance of resource allocation according to regional needs, on the development of regional specialisations to support national economic development and on the capability of national government (where most of the powers are vested) to deliver equitable outcomes for regions, their businesses and citizens. *‘In sum, the prerequisites for efficient resource allocation are not present in Ireland’* (Biela, Henzl and Kaiser, 2012, p.457). It is apparent that central government has little belief and places little value in devising a coherent or meaningful regional tier of governance. This may represent a lost opportunity as many trends affecting Ireland such as urbanisation and globalisation are resulting in very changed political and operating environments for policy makers. It is likely that citizens’ expectations and demands will change with increased requirements for community involvement and meaningful participation at an earlier stage. Centralised structures will not be able to manage this kind of evolving change.

**Table 2.6: Population by Region**

Region	No. of Local Authorities	No. of Members	Population 2016	Population per councillor
Southern	10	28	1,585,992	56,643
Northern & Western	9	25	846,865	33,874
Eastern & Midland	12	36	2,325,119	64,586
Total	31	89	4,757,976	53,460

Sources: CSO 2016 for population, websites of the Regional Assemblies for details of membership

In examining Table 2.6, the author would now like to consider the issue of spatial inequalities starting with reference to the issue of population, which was previously raised. In terms of local government, the Local Electoral Area Boundary Committee, established in 2012, had as a term of reference that there should one elected member for every 4,830 population in each council area and not less than 6 members in any electoral area. Once again when set against the populations in Table 2.8, it is apparent that the task of representing is very diluted for members of regional authorities. The main functions of the new regional assemblies, in accordance with Statutory Instrument 573 of 2015 (Regional Assemblies Establishment Order), are as follows:-

- To co-ordinate, promote or support strategic planning and sustainable development of the regions;
- To promote effectiveness in local government and public services in the region, in conjunction with the National Oversight & Audit Commission (NOAC);

- To manage Regional Operational Programmes under the Partnership Agreement as well as monitoring and making proposals in relation to the general impact in their regions of all EU programmes of assistance from the EU;
- To prepare and oversee the implementation of the Regional Planning Guidelines, to be replaced by new Regional Spatial and Economic Strategies, and providing statutory observations on local authority development plans and variations.

Set against these requirements at regional and local government level, it is difficult to follow the rationale underpinning the arrangement of the regions and their populations/representation. It would appear that there is a real difficulty here and this is alluded to in *Putting People First*;

‘There are practical reasons why regional standardisation has not emerged, primarily the fact that the territorial configuration which is appropriate, tends to vary between different sectors and organisations. It can be concluded that there is no single ideal regional configuration suited to all sectors in terms of organisational efficiency’ (2012, p.93).

## 2.6.2 Regional Performance

Thus far this thesis has referred to the structures of regional government in Ireland against various international trends and theories that advocate strong regional governance. It is obvious that Ireland really has very limited regional governance. As previously noted, FDI has been a central instrument of economic policy since the 1950s. Its operation has been reviewed over time principally to embed non-national investment into local economies. Successive Irish governments have repeatedly defended Ireland’s 12.5% Corporation Tax rate despite pressure from the EU. Somewhat less attention has been paid in the discourse to the internal distributive effects of FDI within the country. The following tables disaggregate the role of the State in employment creation.

**Table 2.7: Employment Levels in State-assisted Firms, 2006-2015**

	2006	2010	2015	% Change 2006-10	% Change 2010-15	% Change 2006-15
All Employment	357,658	316,954	387,443	-11.4	22.2	8.3
Irish Employment	180,891	159,191	190,590	-12.0	19.7	5.4
Foreign Employment	176,767	157,763	196,853	-10.7	24.8	11.4
Foreign (%)	50.6	50.2	49.2			

Source: Department of Jobs, Enterprise and Innovation, Annual Employment Survey 2015.

The data in Table 2.7 refer to assisted companies (i.e. those that received state aid from Industrial Development Authority (IDA) Ireland, Enterprise Ireland or Údarás na Gaeltachta). These are jobs created through state assistance and represent one measure of the State’s role in employment creation. What is notable is the decline in 2010 from 2006 but the strong recovery by 2015. Also across the years, the employment split between foreign (FDI) and Irish companies remains reasonably constant. Table 2.7 also demonstrates the important role that the State plays in employment with 70,489 jobs created with government aid from 2010 to 2015. While this is a very creditable achievement on the part of the State, the question to be

asked from a regional development perspective is where the new jobs were located. Table 2.8 disaggregates Irish-owned companies from foreign-owned companies.

**Table 2.8: All Employment-Irish Owned Companies by Region**

Region	2006	2010	2015	% change 2006-2010	% change 2010-2015
Midlands	9,650	8,392	10,712	-13.0	27.6
Border	23,923	19,366	21,947	-19.0	13.3
West	17,333	14,399	16,067	-16.9	10.4
Dublin	55,821	53,100	63,452	-4.9	19.5
Mid East	15,889	13,853	18,249	-12.8	31.7
Mid West	13,128	10,932	11,954	-16.7	9.34
South East	20,225	17,760	19,397	-12.2	9.2
South West	24,922	21,389	28,812	-14.2	34.7
State	180,891	159,191	190,590	-12.0	19.7

Source: Department of Jobs, Enterprise and Innovation, Annual Employment Survey 2015, Table B4.

Table 2.8 shows the trend in job creation by Irish companies by region. While all regions lost employment between 2006 and 2010, the losses were not evenly distributed. The border region suffered the greatest loss followed by the West and Mid-West. Rather significantly, Dublin and the Mid-East have enjoyed considerable employment gains in the period 2010-2015, whereas other regions fared less well. In terms of changes in the period 2006-2010, Dublin and the Mid-East's share went from 39.6% nationally to 42.9%. This shows the skewing towards the Dublin and Mid East region (Counties Wicklow, Kildare, Meath) and runs contrary to the NSS. In all Irish companies created 31,399 new jobs in the five years to 2015, a very creditable achievement. 10,352 were in Dublin, 4,396 were in the Mid-East and these two areas accounted for 47% of all new jobs created.

The current and previous Government correctly accorded employment creation the highest priority but perhaps this could have been refined to provide greater regional balance in accordance with the then NSS. The new Enterprise 2025 Strategy Policy promises a greater impetus to regional development.

‘There is a strong interdependence between place-making (the planning, development and creation of an attractive environment) and enterprise development. We will take the policy actions necessary to realise the potential of the regions throughout Ireland to contribute to, and benefit from, sustainable employment and growth over the next decade. We will ensure that our national policies can be translated effectively into regional action, informed by our understanding of regional strengths and potential’ (Enterprise 2025, p.25).

It is clear that the intention is to create distinctiveness for each region through effective information sharing with various state agencies. The regional authorities have to prepare regional spatial and economic strategies to create ‘*new places*’ that stimulate investment. Beyond that the continuing importance of Dublin remains as a crucial attractor of FDI.

The rebalancing of power and the greater access to it at a local level and increased accountability stemming from this has the potential to be a strong force in dealing with the

sense of alienation and injustice now prevalent in a number of communities and neighbourhoods after a number of years of austerity economics.

‘The social implications of all of this (austerity) continue to reverberate. In the Republic, 22% of all households are jobless, in 38% of households expenditure exceeds income, 24% of the population are termed deprived’ (Kearns *et al.*, 2014. p.1).

The issue for consideration is whether increased decentralisation could help better manage the loss to these areas which have a higher dependency on state intervention than others and that through some process of codetermination under decentralisation and by trying to involve citizens in solving problems, there will be a greater sense of ownership by the people. By way of a more direct and real example of these difficulties;

‘capital funding for social housing has been reduced by 80% (since 2008) with a 90% decrease in housing output from local authorities between 2007 and 2011..and regeneration plans have been completely abandoned for some estates’ (op. cit., p.72).

Figure 2.4 shows the trends in job losses between 2006 and 2010 but once again there was a considerable increase since then to 2015. However, the data clearly show that these gains were not distributed in any way evenly across the state by region. As a case in point the Mid-West lost the greatest % of jobs showing a reduction in absolute terms of 5,332 jobs in the period 2006-2010. It must be acknowledged that the closure of the Dell manufacturing plant lost *circa*. 2,000 jobs in 2009 (and there were further losses in indirect employment associated with this). However, the Mid-West substantially underperformed since then in comparison with the West, Dublin and the South West.

**Figure 2.4: Employment-FDI Companies by Region**

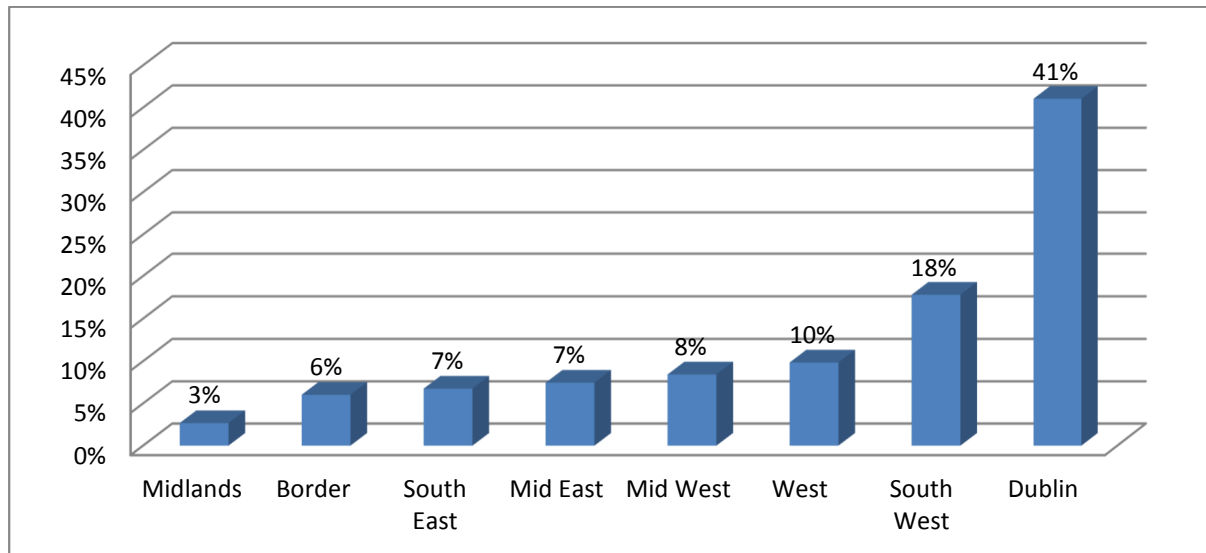


Source: Department of Jobs, Enterprise and Innovation, Annual Employment Survey 2015, Table B7. The graph highlights that the Dublin region has significantly benefited from employment by FDI companies.



Figure 2.5 provides further confirmation of the spatial concentration of economic activity in Ireland, and illustrate the scale of the challenges faced by local and regional authorities.

**Figure 2.5: Employment by FDI by Region, 2015**



Source: Department of Jobs, Enterprise and Innovation, Annual Employment Survey 2015, Table B7. The graph highlights that the Dublin region has significantly benefited from employment by FDI companies.

The data show the distribution of FDI employment by region with the Midlands performing very poorly whereas the West, South West and Dublin perform very well.

The capacity of FDI to generate economic activity is quite substantial. These are usually large employers with significant outreach to their communities, which generate additional indirect employment (e.g. maintenance, logistics). In addition, they are large rate payers to local authorities which allows for further redistributive investment into local areas. It should also be noted that quite the majority of new jobs in FDI are created by existing companies *in situ*. So the location where new entrants FDI choose is especially important as companies grow over time. Examples of this are Apple in Cork and Intel in Maynooth, Co. Kildare. Overall there was an increase in employment numbers of 39,090 from 2010 to 2015 of which 22,175 went to Dublin, 8,183 went to the South West (i.e. Cork) and 4,569 went to West (i.e. Galway). These three locations account for 89% of the new FDI jobs created over the 5 year period.

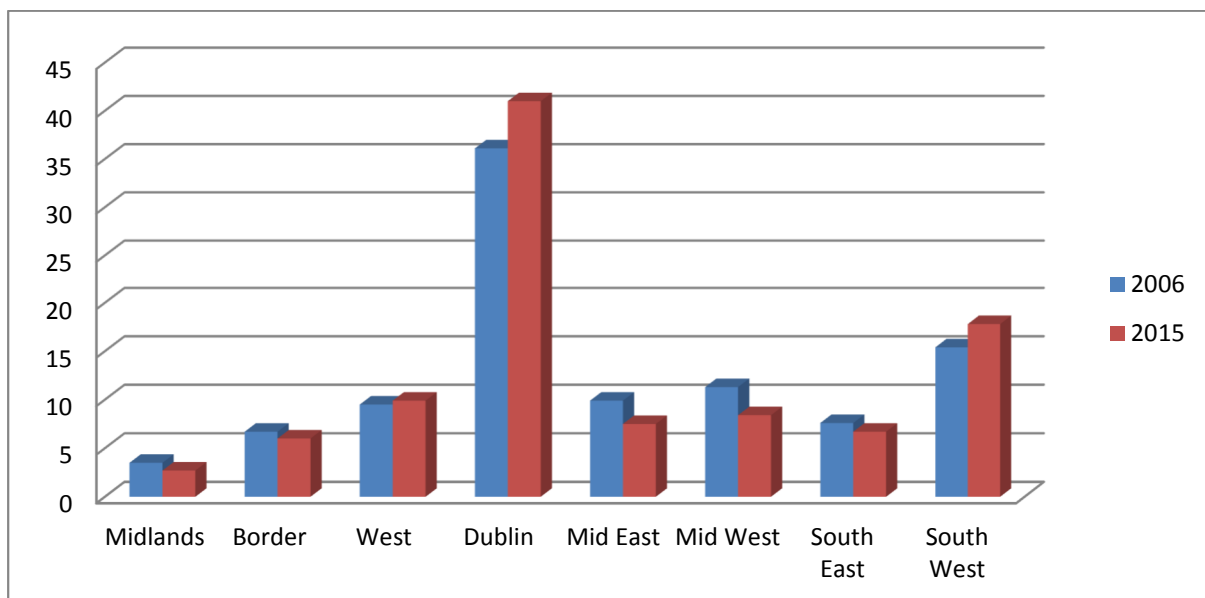
This is a poor reflection of regional development. It may also be indicative of low levels of governance in terms of accountability for regional performance by the relevant economic development and employment creation agencies. It demonstrates the weakness in delivery of the NSS. The employment creation data illustrate the new employment bias from which the capital benefitted (and from which most of the rest of the country did not) and which shows the very real difficulties in distributing FDI in support of more balanced regional development.

**Table 2.9: Trend in % Distribution of FDI employment by Region 2006-2015**

Region	2006	2015	Change
Midlands	3.5	2.7	-0.8
Border	6.7	6.0	-0.7
West	9.5	9.9	+0.2
Dublin	36.1	41.0	+4.9
Mid East	9.9	7.5	-2.4
Mid West	11.3	8.4	-2.9
South East	7.6	6.7	-0.9
South West	15.4	17.8	+2.4

Source: Department of Jobs, Enterprise and Innovation, Annual Employment Survey 2015, Table B7 and extracted from Table 11.

**Figure 2.6: Trend in % Distribution of FDI employment by Region 2006-2015**



Source: Department of Jobs, Enterprise and Innovation, Annual Employment Survey 2015, Table B7. The graph highlights that the Dublin region has significantly benefited from employment by FDI companies.

Figure 2.6 shows the changes in fortune of the eight regions over a period of ten years. It is quite clear that Dublin is increasing its share of FDI employment, that the South West (Cork mainly) is also doing well and that the West (Galway principally) is holding its own. Looked at from one perspective there is some distribution of FDI employment across the country but the trend suggests increasing inequity with more losers (5) than winners (3). The Mid West has lost out quite considerably in the ten years measured. On examining Table A8 (at p.41) of the Annual Employment Survey, most of the new jobs have been created in services such as computer programming (+48%), financial services (+48%), information technology and computer services (+255%) during the above period. These are office based positions that really can be located in any reasonably sized centre across the country where there is sufficient broadband capacity. This suggests an enabling role for the local level.

The employment performance of the regions has been highly variable in the ten years measured in the preceding tables. While Dublin, the West and South West have performed well, sharp differences have emerged for the other regions. *‘There is no evidence here of systematic, planned selective development of the gateways and hubs, as envisaged by the NSS’* (van Egeraat, Breathnach & Curran, 2013, p.103). This begs the question as to which central Government Department accepts responsibility for this failure and to whom is it accountable. Given the FDI growth in services employment, the failure of Limerick to significantly increase its service base employment in the period under review and in response to the loss of the 1,900 manufacturing in Dell, has consequences for its development.

A further factor in this is that Shannon Development had responsibility for industrial development in the Mid West until its abolition on 1<sup>st</sup> January, 2014, whereas the rest of the country was progressed by the IDA and Enterprise Ireland.

It is the view of Denis Brosnan (the former head of the Mid-West Jobs Task Force) that;

‘These agencies by-passed Limerick due to the presence of Shannon Development. There was an abundance of state agencies. All I could see was the state agencies going to one another’s meetings, doing nothing to create jobs. In all, we had 17 job creation agencies in the region. I was mind boggled as to what they were doing: no jobs were created even in the good times’ (Source: Limerick Leader 19<sup>th</sup> October, 2013).

‘In 2001 Limerick-Shannon had a greater share of foreign firm employment than either Cork or Galway: over the following years its ability to attract foreign investment in new firms fell well behind the latter two cities’ (van Egeraat *et al.*, 2013, p.107).

Aligning this comment, with that of Brosnan, confirms the very confusing array of responsibilities and agencies in the Mid West (a reasonably discrete geographic area) for job creation. That there were so many different actors on such a small stage all trying to do one task and that there was no meaningful local accountability points to shortcomings in clarity of roles, management and governance. These weaknesses led to Limerick and Mid West underperforming in employment creation at a critical period when so many existing jobs were lost in the region and suffering a double blow when losing out to other locations for new FDI.

It is also fair to consider whether long-run international influences and economic trends are working against the principle of regional development within countries. The new Irish Government in 2011 made job creation its principal objective and it would appear that the growth of Dublin and the East is the price that must be paid in the quest for economic and employment growth. Attempts to re-balance such market forces requires strong government policy into which greater governance at regional and local levels could actively support. From the preceding material the Mid West Region appears to have suffered from a lack of governance (too many agencies with very limited local accountability) and the apparent inability of these local agencies to have shared objectives supported by bottom-up initiatives. This limitation to local governance, coupled with other shortcomings, may have contributed to the relative under-performance of the region.

It is apparent from the preceding text that the Dublin Region is benefitting quite well from state- assisted employment creation. This is not to be construed that it is also benefitting from good governance. In terms of local government structures there are four councils managing Dublin, Dublin City Council, Fingal, South Dublin and Dun Laoghaire-Rathdown County Councils.

‘It is evident that there have been significant governance failures, particularly with regard to the management of urban growth and the strategic coordination of transport investment, social infrastructure provision and land-use planning in the Dublin city-region’ (Walsh and Williams, 2013, p. 140).

From a study carried out by the Dublin Regional Authority in 1995, it was noted that there was a lack of standardisation or consistency of regions and boundaries by various public service organisations;

‘The report highlighted the fact that agencies like the health boards, the fisheries boards, the regional tourism organisations, FAS, Telecom Éireann and the ESB operate on a regional basis with little consistency in their regional boundaries. This was a barrier to the regional authority undertaking one of its key functions, the coordination of public services within a region’ (Dublin Regional Authority, 1995).

The report recognised that different state agencies were competing for funding from central government sources and were reluctant to cooperate, being more focussed on their own corporate plans. Even for individual local authorities there would be competition for physical development as it produces buoyancy in the commercial rates stream, which is a particular problem for individual local authorities. Public representatives from the different local authorities would tend towards a clientelist or local approach, being more territorially loyal than regionally mindful.

## **2.7 Reforms of Irish Local Government – A Brief Overview**

Starting with *Better Local Government* in 1996, the committees of local authorities are required to have one third external representation to give legal effect and structures for participative democracy. The Local Government Reform Act of 2014 further required each local authority to establish a statutory committee made up of a majority of external membership and which is independent of the Council in its operations. It is called the Local Community Development Committee (LCDC).

Regard must also be had to other influences on the Irish system;

‘The Napoleonic tradition of administration, emphasising a functional as opposed to a territorial approach to service provision has also arguably exerted a strong influence on administrative culture in Ireland’ (Callanan, 2011, p.7).

Ireland’s public administration has been entrepreneurial creating a range of national specialist agencies and single-purpose bodies to provide services rather than utilising existing multi-functional territorial structures (i.e., local authorities).

‘As at the end of 2015 there were 257 national non-commercial agencies shared across the 16 government departments and the Office of the Attorney General’ and somewhat sadly ‘only 10 agencies ceased to exist altogether’ (Boyle, 2016, p.6)

It should be borne in mind that this performance of rationalisation should be set against a stated Government objective to reduce the number of bodies as part of the Programme for Government agreed to help economic recovery. Of course, it should also be borne in mind that 143 of these agencies have boards appointed by the relevant Ministers and this may have had an important bearing on the rationalisation.

The Irish local government system has been subjected to change but not to reform (until the 2014 Local Government Reform Act) over the past four decades. But as Edmund Burke stated; ‘*Change does not equal reform. For change to be regarded as reform, it must result in something better than before: it must result in improvement*’ (Keogan, 2003, p.95). Of all the public bodies in the state, local government is the one that probably has had more reports written about it starting in the 1970s. A brief summary of key documents and proposals follows:-

- **1969** *The Devlin Report* or more correctly *The Report of Public Services Organisation Review Group*. The broad aim, which was not achieved, was to keep to central government only those major functions that could not be decentralised but to decentralise to the local decision-making bodies nearly all the detailed functions.
- **1971** *White Paper on Local Government Reorganisation*. It advocated no real change in the services delivered by local authorities. It advocated structural changes with the abolition of town commissioners, many urban districts with area committees of local authorities taking over their functions. The county would remain as the basic unit of local government.
- **1971** *McKinsey Report* on staffing and management. Aimed to strengthen the management of local government by appointing more senior officers.
- **1972** *White Paper on Local Finance/Taxation* was a series of reports from an interdepartmental committee, stemming in part from the inability of households to pay rates. It led eventually to the publication of the *Copeland and Walsh Report* in 1975 titled ‘*Economic Aspects of Local Authority Expenditure and Finance*’ by the Economic and Social Research Institute. It contained positive recommendations on rates and suggested revenue sharing by the state to fund local services. The report was overtaken by the government decision to abolish domestic rates in 1977.
- **1973** *Local Government Re-Organisation - discussion document*.

There were no attempts at reform or reports in Ireland the period between 1973 and 1985 (2 world oil crises absorbed government attention) but in this time, responsibility for both domestic and agricultural rates transferred to the exchequer (rates were not abolished as is often stated) and this had a material and long lasting effect on the funding, standing and operation of the local government system but it must be said without any real public outcry

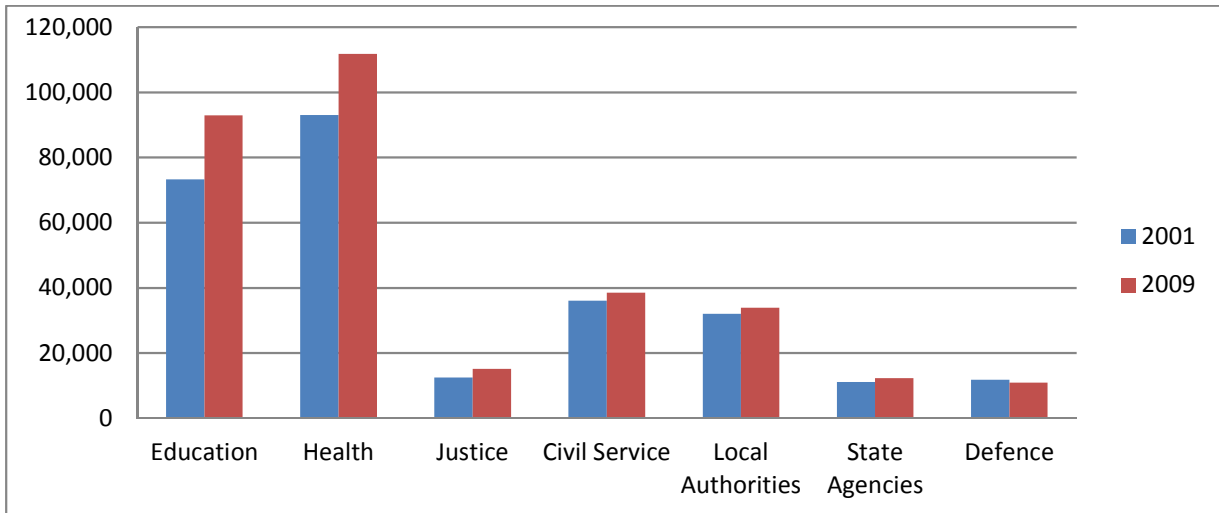
at the time (naturally voters were pleased to be relieved of the burden of domestic rates). Furthermore this loss of fiscal autonomy happened without ideological opposition from any political party. This lacuna, of financial change occurring without an overall vision or policy perspective, is now viewed as a retrograde action, driven by short term political expediency at national level.

- **1985 *Reform of Local Government-A Policy Statement***. This report advocated major devolution of functions, towns with populations greater than 2,000 be given town councils. The report led to Galway becoming a city in its own right (in legal terms) rather than a borough council.
- **1985 *Commission on Taxation***. The Commission of Taxation reviewed the financing of local government in 1985 commenting on the need for independent sources of income to be generated locally. It also commented on the need to distinguish between the services provided by local authorities as either local or national and concluded that national services should be financed from central taxation through government grants.
- **1991 *Barrington Report***. This noted the absence of reform of the system, lack of integration of services at local level, limited range of services for local authorities and no local taxation system. It recommended devolution of central government functions to the local level in education, transport, policing and community care among others. It also advocated the need for local taxation with accountability and limiting the post of manager to 10 years. This was a more visionary approach to local government reform than previous reviews and influenced *Better Local Government* that followed in 1996 and the 1991 and 1994 Local Government Acts.
- **1995 National Economic and Social Council**. A report entitled '*The Financing of Local Authorities*' published by the National Economic and Social Council (NESCC) in 1985 was highly critical of the central nature of the funding system in place for local authorities stating that the financial arrangements for local authorities owed much to past expediency but little to reason.
- **1996 *Towards Cohesive Local Government*** - the reorganisation of local government. This group was limited in its terms of reference but recommended that sub county units all be called town councils (all abolished in 2014 in any event), full responsibility for water services be given to county councils (now transferred to Irish Water since 2013), greater linkages at local level between town and county councils. Some of these recommendations were incorporated in *Better Local Government* in 1996 and the Local Government Act, 2001.
- **1996 *KPMG Report on Local Government Finance***. The KPMG report found that the system of financing local government was '*highly centralised*' especially in the aftermath of the transfer of domestic rate payments in 1978. It noted that the financing of local government was confined to very narrow bases of property taxes, central grants and charges for services. It suggested a needs and resources model to equalise central grants and this was implemented but only on a very limited scale. Despite the report

recommending that charges for services be linked to consumption (e.g. water services), the government abolished domestic water and sewerage charges in 1997.

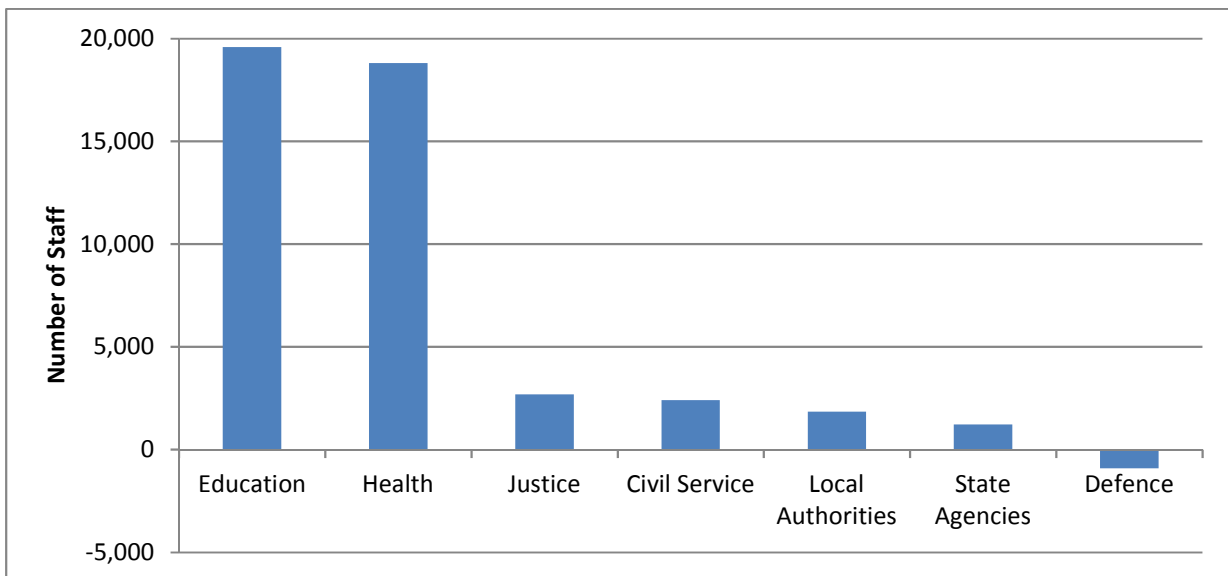
- **1996 & 1997 Devolution Commission Reports.** These reports recommended the integration of the local government and local development systems (finally delivered by 2014 Local Government Reform Act), the devolution of social, economic, environmental, transport and infrastructural services. Very little of the Commission's recommendations were implemented despite the report having been commissioned by the Department of the Taoiseach.
- **1996 Better Local Government** was initiated mainly through the Strategic Management Initiative (aimed at improving management in the wider public service) under the aegis of the Department of the Taoiseach and had four principles underpinning it. It was a codifying report borrowing many of its recommendations from previous documents, such as Barrington. It recommended increased roles for local government in education, health and economic matters, that there be a better balance of power between the Manager and elected members. It sought to enhance governance and strengthen the governance role of the councillors through new SPC's. It recognised that new sources of funding were required but overall the burden of tax should not increase. The proposals were enacted through the Local Government Act of 2001.
- **2006 Indecon Report - Review of Local Government Financing.** It recommended more locally based sources of funding. Although commenting on the merits of the report by Indecon Economic Consultants, the then Minister noted that some of the revenue generating options identified were counter to the then Government policy, including the introduction of domestic water charges or new tax on non-principal private residences. Both of which were subsequently implemented and with domestic water charges now likely to be paid by the state (like domestic and agriculture rates before).
- **2008** The Report of the Task Force on Public Service: *Transforming Public Services*. This was the state's response (under the aegis of the Department of the Taoiseach) to the OECD's report on the Irish Public Service also in 2008. The report advocated greater integration for increased effectiveness as well as '*putting the citizen first*' (see *Putting People First* below).
- **2009** The Report of the Special Group on Public Service Numbers and Expenditure Programmes (*the McCarthy Report or An Bord Snip Nua*). While local government was not within its terms of reference, it did comment that there was a need to '*rationalise the number of local authority structures*' (at p.100, Volume 2) by creating a single tier of local government and that the number of authorities be reduced from 34 to 22 in that single tier. The group identified that public service numbers could be reduced by 17,300 to generate savings of €5.3 billion (at p.4 Volume 1). This was set against the background of the increases in public sector employment and numbers as set out below (extracted from the report at p.12).

**Figure 2.7: Public Service Numbers 2001 & 2009**



Source: Report of the Special Group on Public Service Numbers and Expenditure Programmes - McCarthy Report - Volume I, Page 12

**Figure 2.8: Comparative Sectoral Increases in Public Service Numbers 2001-2009**



Source: Department of Public Expenditure and Reform – databank, Accessed at [www.gov.ie](http://www.gov.ie) > Online Services

In the first few years of the new millennium Ireland had enjoyed unrivalled economic prosperity with little appetite for public sector reform, as public services expanded to cope with higher demands arising from increased investment in building, infrastructure and development and leading to the rise in employment as set out in the figures above. The data clearly indicate the governmental /political axis of decision making around public services. The large growth areas in employment were in health, education and justice all of which are associated with public and electoral sensitivity (health workers, teachers and gardaí). Apart from the decline in



army numbers (-8%), local authorities showed the lowest increase (at + 6%) of all the sectors but were to suffer the greatest reduction in the cuts that followed the report.

**Table 2.10: Public Sector Employee Numbers 2008-2015**

Sector	2008	2009	2010	2011	2012	2013	2014	2015
<b>Civil Service</b>	39,313.09	37,356.17	36,439.10	36,613.56	36,329.79	36,117.79	36,171.93	36,338.60
<b>Defence Sector</b>	11,265.00	10,736.30	10,312.60	10,130.90	9,979.40	9,796.60	9,784.90	9,653.90
<b>Education Sector</b>	95,024.34	93,365.79	93,826.73	90,946.07	90,702.20	91,589.84	94,045.10	96,432.93
<b>Health Sector</b>	111,025.30	109,752.90	107,972.24	104,392.39	101,505.75	99,958.80	97,791.25	103,884.34
<b>Justice Sector</b>	15,691.50	15,117.10	14,721.98	14,237.75	13,352.00	13,020.50	12,787.00	13,033.50
<b>Local Authorities</b>	35,007.53	32,043.54	30,703.04	29,506.32	28,306.24	27,543.51	26,786.36	26,630.36
<b>NCSA</b>	13,060.39	12,375.34	11,991.57	11,500.25	10,686.38	10,189.95	12,276.33	12,224.98
<b>Total</b>	320,387.15	310,747.14	305,967.26	297,327.24	290,861.87	288,216.99	289,642.87	298,198.61

Source: Department of Public Expenditure and Reform – databank, Accessed at [www.gov.ie](http://www.gov.ie) > Online Services

The recession from 2008 onwards led to state retraction in spending and employment as proposed by the *McCarthy Report*. The *McCarthy Report's* terms of reference was limited to making recommendations on reducing the numbers employed and costs in each area of the Public Service, achieving of greater efficiency and economy and rationalising and streamlining delivery of public services in the interest of consumers. It did not provide for the re-structuring of public services per se although it did recommend that the Department of Community, Rural and the Gaeltacht Affairs be closed down (at p.14 of Volume 1-this did not happen) and its functions dispersed.

The Local Government Efficiency Review Implementation Group reported in 2010 and identified a range of efficiency savings valued at over €500m from the local government system in the context of the state's poor finances at that time. The main focus was on reducing staff numbers, 20 counties were to become ten joint administrative areas each with a single manager. There was to be a move to shared services at regional level (not too dis-similar to approaches in Britain) and national procurement of services and goods. It also recommended that local government should get the lead role in local development and this was followed through in the 2014 Local Government Reform Act. The main focus of this report could not really be considered as reform but rather a reaction to the adverse economic circumstances in the country at the time. Public sector numbers peaked in 2008 at 320,387 and reduced to 288,217 by 2013, or a drop of 32,170 staff or 10% at their lowest level. By 2015 local authorities had suffered a reduction of 8,377 or 24%, the defence sector dropped by 14%, civil service by 7.5%, justice by 17%.

What is apparent from the preceding précis is that the centre likes examining and reviewing local government and, in its defence, this is a key function of government. The government of the day must govern and be seen to do so. The government must respond to the challenges that the state faces and it has a key leadership role on many fronts. This is articulated in the various

programmes for government. In the current *Programme for Partnership Government* (published in May 2016) the new Government made housing its top priority (creating new jobs was no longer the top priority). The Programme also commits that;

‘As part of the next wave of local government reform the relevant Minister, having consulted widely with all relevant stakeholders, will prepare a report for Government, and for the Oireachtas, by mid-2017 on potential measures to boost local government leadership and accountability’ (at p.154).

It is encouraging that local government reform has been included and will involve the possibility of directly elected mayors, devolving new powers, reducing the size of electoral areas and the issue of re-establishing the town councils.

From the brief overview of the process of examining local government given above, it is remarkably one sided where reports are written without obtaining meaningful and genuine local input. This is not intended to ascribe fault at the centre but clearly central government takes a view (as it must) on the future role of local government and proceeds to enact same, perhaps without the local authorities participating in the discussions on changes and then not fully understanding the milieu of change or what is expected of them. It can also be laid at the door of local authorities that they leave the lead role to central government reinforcing the one sided approach. What appears to be missing is a shared view based on research that provides a better partnership approach for the sector and that perhaps too much responsibility is placed at the central government door.

For example, much of the *McCarthy Report* aimed to reduce civil servant numbers but the data shows the outcome was that local authorities really lost out. After many years of reports, some meaningful change was finally implemented through the 2014 Local Government Reform Act.

## **2.8 The Local Government Reform Act, 2014**

In October 2012, the Minister for the Environment published *Putting People First: Action Programme for Effective Local Government* and its proposals were to lead to the most fundamental changes in the structures of local government since the 1898 Local Government (Ireland) Act. It is worthwhile to consider briefly some of the principles underpinning the then Minister for the Environment’s (Minister Phil Hogan) political thinking on reform (taken from the Seanad debates of June and July 2012) as follows:-

- *It is necessary to replace an outdated, dysfunctional system with what we need now for the 21<sup>st</sup> century;*
- *The Minister did not agree with the abolitionist stance of McCarthy (An Bord Snip Nua);*
- *Public services should be delivered by locally based bodies;*
- *Local government will lead economic, social and community development;*
- *Previous devolution programmes were unrealistically ambitious;*
- *The funding base had been undermined since the late 1970s and thus could not promote mature, self-reliant local government;*

- *A rebalancing of power towards members away from management;*
- *It cannot be sensible to continue under-utilising local government's potential;*
- *He saw a far reaching extension of local government's role to include transport, education and police but as a longer term project.*

From the above it is quite clear that Minister Hogan had a strong belief in and vision for a strengthened local government. In addition, he had the political commitment and government support to see his vision realised in the Action Programme. The Programme was given effect through the Local Government Reform Act in 2014.

The main structural changes implemented were as follows:-

- The number of local authorities (i.e. county and city councils and town councils) was reduced from 114 to 31. 80 town councils were dissolved and six local authorities were merged to form unitary authorities. As regards the sub-county units the report noted '*since the abolition of a tier of rural district councils in the 1920s, most of the territory of the state has lacked a sub-county local government structure*' (*Putting People First*, 2012, p.45). See Municipal Districts which follow below.
- The elected membership of local authorities was to be reduced from 1,627 to 949. This was achieved by removing the dual mandate that had applied previously where members could hold seats on both town and county councils and electors in those towns had 2 votes (see immediately below). The actual reduction in the number of local elected representatives was in fact less, as it is estimated that c.200 councillors held dual mandates, i.e. were members of town and county councils (Source-Department of the Environment) and a further 200 were town commissioners with virtually no functions at all. It should also be noted that the membership of the primary units of local government, i.e. the county councils increased from 883 to 949 members under the reform.
- To replace the dissolved town councils, a new unit of Municipal District was created. The intention was to centre each new municipal district round a town in as far as was possible to do so and most of which previously had town councils. By applying this new structure uniformly around the state (excluding the four Dublin authorities, Cork and Galway City Councils-the latter two now pending reviews of arrangements), there is now an equality of structure and treatment that previously had not applied (e.g. the County Limerick towns did not have any town councils yet towns with smaller populations in other counties did).
- At a regional level the 8 regional authorities and 2 regional assemblies were replaced by 3 regional assemblies and the membership was reduced from 290 to 83.

From the preceding summary of reports on reform since the 1970s (and there was very little written about reform, much less implemented before that), the then Minister introducing the

Act claimed that it was radical reform. The word radical comes from the Latin radix meaning really material change from the root, i.e. a root and branch reform. Certainly the preceding text herein on Government's implementation of reform suggests that the word radical could only be applied in the context of the inaction that went before. Commenting on the Action Programme, the Council of Europe noted '*the change.... of structures... is primordial*' (Council of Europe, 2013, p.7). The Council report also notes that reform of local government has been on the political agenda for the last 40 years and Ministers have promised reform with little result (p.7).

This is a valid comment and points to a weakness at the heart of policy making at the centre of government. From the preceding précis it is clear that there are a number of common themes central to local government reform. These are easily measurable and good research data is the basis of sound policy making. However, it is also apparent that there are inconsistencies between reports and their implementation. Local government for all its shortcomings deserves a more consistent approach to its reform, which if managed correctly, can contribute to the continued evolution and growth of the state. It is the author's view that there is a deficiency in research capacity and resources at national level that is impeding informed debate on the future direction of public services generally and the role that local government can play in any proposed changes. This deficiency is understandable given the very real crises that Ireland has experienced in the past decade when the country's sovereignty was compromised. It remains the author's view that some space needs to be created and a forum available to research the future delivery of public services in more effective ways.

It is obvious that Irish local government is institutionally weak by reference to other international models and that the 2014 reform has to be assessed in terms of redressing these shortcomings. It is fair to say that the 2014 reforms were radical in how the structures were altered and the strengthening of governance accountability to the members. In the dissolution of town councils, the county councils became the main units of local government, i.e. the county, city and city & county councils. This approach runs contrary to the principle of subsidiarity as elaborated previously. The powers of the previous Town Councils had gradually been eroded over the years in any event and had moved to the county councils. However the new Municipal Districts had 45 specific functions assigned to them by the Act (p. 217-224 of the Act) but these are quite modest in reach so in one sense there was upward movement to the county level.

By their nature, the Municipal Districts will focus on local/operational matters and that allows them to become quite responsive and accountable to local needs and to implement works at a local level or initiate planning for major schemes. However, budgets are decided at county level and these bear quite significantly on the resources made available to Municipal Districts. Nonetheless the Act also permits the Municipal District model to be strengthened by allowing the main council devolve a further 24 functions to the district level (at p.224-227). This is a matter that can be decided at an individual county council level. Over one hundred (113) of the major reserved functions remain exclusively to the main Council (making the annual budget, deciding to borrow money, requiring an act to be done and so on). This schedule of reserved functions at Council level reinforces the main body as the primary unit. It is

unfortunate that more appropriate powers had not been devolved to those units closer to communities, i.e. the Municipal Districts.

Such an approach does raise the question of why the county has remained as the fundamental unit of local government, given the clear divergence in sizes, populations and resources as highlighted previously. The 2012 *Action Programme* noted these divergences (at p. 45) but did not elaborate further on the limitations caused by same. The territorial reconfiguration was restricted within county boundaries. This approach may have been informed by the desire (especially of the then Minister) to avoid the vexed issue of jurisdictional boundaries, in this case the extension of Waterford's north city suburbs into south County Kilkenny (the Minister's own constituency) which was under consideration. Such an extension makes rational sense and, on the face of it, perhaps more so than the merger of Waterford City and County Councils (also implemented by the 2014 Act). The residents of Waterford city are likely to have much more in common with the residents of their northern suburbs than they are with the population of Dungarvan (the county capital). It would appear that the influence cast by GAA boundaries (each organised along county lines) has a lot of bearing on how Irish local government units and boundaries remain determined, though this consideration has not limited local government re-organisation in the North of Ireland. This respect for county lines cannot be sustained on a number of grounds, if the vision for local government espoused in the *Action Programme* is to be achieved. For a start it does not make sense that modern local public services should be aligned with boundaries mostly laid down centuries ago for the administration of the king's justice. The injustice of it is ironical.

The misalignment of county boundaries with the spatial necessities caused urban growth and the apparent inability of the state, or the political process, to resolve this dilemma, will undoubtedly continue to generate tensions and inefficiencies in the future. Yet, Dáil constituency boundaries flex and move at almost every election without any public furore. An example of the misalignment is apparent in Limerick. Certain suburbs of the city located north of the river Shannon are in county Clare. While the merger of Limerick City and County could be effected, a very limited local government boundary change to incorporate those northern suburbs into Limerick could not. It is a strange irony that residents of this part of county Clare elect parliamentary representatives for the Dáil Constituency of Limerick City without any difficulty but apparently balk at the prospect of electing members to the Limerick local authority.

This apparent inflexibility presents a seemingly intractable problem politically and suggests that, if county boundaries cannot be changed, then perhaps it is best to leave them alone and begin to think of organising local government at supra county level, i.e. regional level. This approach would accord with the first principle enunciated for local government in the *Action Programme*, that;

'It will be the main vehicle of governance and public service at local level-leading economic, social and community development delivering efficient and good value services, and representing citizens and local communities effectively and accountably' (at p.iii).

To deliver on the aspirant vision there is a need for local authorities to be of a certain scale and have the human and financial resources to effect the change. This vision sets a particular challenge to the local government system (as well as the wider public services) as a target towards which it should be driving.

## **2.9 Dealing with the Democratic Deficiency**

Many studies have noted the powerful position of the Chief Executive in the Irish local government system, indeed some authors have characterised the post as the most powerful of public servants. Functions are divided into those that are carried out by elected members (reserved) and all others default to the chief executive (executive functions). The former are generally confined to the policy making areas (ironically where there are almost no votes to be won) and the latter to implementation (which often has a direct bearing on constituents). Indeed, it is fair to say that the policy burden role imposed on local councillors far outweighs that expected of national parliamentarians. This paradox has been considered at national level where it was found that national parliamentary representatives; *'On average, spent 53% of their working week on constituency-based work and 38% on parliament-based duties'* (Localism in Irish Politics and local government reform, 2013, p.2).

Council members are part time and not expert in the nuances of the laws and regulations (which are vast and complex) governing the processes vested in them by law and thus depend on the executive for advice and guidance, which they are not bound to follow. This became especially pertinent in the boom years in the planning process, where subsequently, the Mahon Tribunal<sup>3</sup> was very critical of certain instances where elected members had used their legal powers to overrule the executive's advice. This led to over development and bad planning which rebounded significantly on individual developers and ultimately the state and tax payers generally.

Part of the difficulty here is that for all its localness, the local government system operates mostly at a remove from local populations who have no idea, for example, that a development plan exists, what it contains and its relevance or importance to them. The 2014 Act has tried to remedy this by empowering the members vis-a-vis the executive, in the hope that the public, who engage extensively with local representatives, would do so at a greater level than occurred previously. The legal expression of this change was through more reserved functions for members than heretofore (e.g. in relation to the appointment of Chief Executives, Section 145 of the Act). Additionally the Chief Executive is required to formally account for performance to members in a way that did not previously exist, thus vesting a performance supervisory role to members. This ties the members more closely to the performance of the organization,

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<sup>3</sup> The Tribunal of Inquiry into Certain Planning Matters and Payments was established in 1997 to investigate allegations of corrupt payments to politicians regarding political decisions. It mainly investigated planning permissions and land rezoning issues in the Dublin area. The tribunal ran for five years and was the longest running and most expensive public inquiry held in Ireland. It was commonly known as the Mahon Tribunal after the name of its last Chairman, Judge Alan Mahon. Findings of corruption were made against eleven councillors.

requiring them to assume greater governance and stewardship of resources, including varying the level of local property taxes and rates.

In furtherance of increased governance for members, the Chief Executive can be required to report to the Council on the implementation of any policy. If the report or conduct of the executive is regarded as unsatisfactory by the members, they can adopt a statement setting out their objections. This power can also be seen against another new function given to members to adopt a service delivery plan, setting goals (aligned to the Council's Corporate Plan) and the level and standard of services expected. Thus viewed generally, the 2014 Act moved to strengthen the role of the elected Council, linked to greater local responsibility for raising income and thus seeking to secure higher levels of public participation and accountability in the locality. It can be inferred that an explicit objective of the Reform Act was to increase the powers of the elected members and it is important that members seek to exercise these. In furtherance perhaps of requiring the members to function more as a collective unit of government and begin to move away from the characteristic clientelist role, the right that members previously enjoyed to pass a Section 140 resolution, directing the Chief Executive to carry out a particular function, was removed in relation to planning matters or any matter involving financial benefit to an individual or organization.

## **2.10 Reform and new funding arrangements**

In Ireland there are two bodies with legal powers to tax, central and local government. The amount of tax raised locally (local property taxes and rates) while large in absolute terms is small in relative terms to other streams of government income thus affirming the degree of centralisation in this critical power. The outcomes of elections determine who has the reins of power and consequently who wields legislative and financial power in the country. As part of this process the parties of government also attempt to create new avenues to power. The growth of special agencies (or quangos) at national level in Ireland over many years, where nominees are appointed by the relevant Minister, is a manifestation of new avenues to power and influence. An egregious example of this was the Dublin Docklands Development Authority (dissolved in 2015), which was wound up following widespread concerns over a number of decisions, in particular in relation to its handling of the Irish Glass Bottle site and the subsequent costs to taxpayers.

Chapter 10 of *Putting People First* (p. 127) considered the issue of funding referring to the significant reduction in central funding to local authorities and the staff reduction of 8,250 somewhat as though this was the indicator of good health. It states that;

‘A system lacking sufficient local financial responsibility and discretion tends to lack sufficient in-built disciplines, checks and balances that would help maximize efficiency and the delivery of best results’ (at p.129).

This is asserted without any supporting evidence or facts by a central government department that itself became embroiled in scandal in relation to the Dublin Docklands Development Authority (see above), the Irish Water debacle (see above) and signally failed to modernize the voting process owing to concerns regarding basic failures of data protection. The much vaunted

e-voting machines cost the state €54m in 2002 and were scrapped in 2012 for virtually nothing but more importantly set back the modernization process of elections very significantly. These failures confirm the need for more robust policy making, based on good quality research particularly at national level, to reduce risk and avoid the waste of public monies.

As previously noted above, Ireland introduced a property tax to fund local services in 2012. The introduction of this, separately to the Reform Act of 2014, has led to a re-balancing in the revenue funding of local authorities. In 2011, 28% of local authority revenue income came from rates, with 14% from the local government fund and 26% from grants and subsidies with the remainder of income largely being raised by charges for goods and services (source publicpolicy.ie). The significant shift in income sources that has occurred in a relatively short period of time is detailed in Table 2.11.

**Table 2.11: Local Authority Sources of Income 2016**

<b>Income Source</b>	<b>€1,000m</b>	<b>Percentage</b>
Commercial Rates	1,471	35.5
Local Property Tax	310	7.5
Goods & Services	1,281	31.0
Grants and Subsidies	978	23.6
Other	95	2.4
<b>Total</b>	<b>4,135</b>	<b>100</b>

Source: publicpolicy.ie. Accessed on line at [www.publicpolicy.ie/local-authority-budgets-2016/](http://www.publicpolicy.ie/local-authority-budgets-2016/)

By 2016, Commercial Rates had reached 35%, LPT at 7.5% and charges for goods and services at 31%. This means that local sources of income are now providing 74% of local authorities revenue expenditure needs (in 2011 this was at 60%). This measures the degree of shifting by local authorities away from dependence on central government in quite a short period. When coupled with the strengthening of the elected members' powers, there should be now a greater accountability for expenditure and programmes and how they are funded at local level. As tax payers are now paying more directly at a local level for local services, it is likely that there will be increased scrutiny of local spending (and rightly so) and demands for access to details and information on spending. Similarly the mechanism by which grants are distributed through the Local Government Fund at national level should be made clearer by Government and avoid the controversy surrounding the equalisation process. This change is required in the interests of transparency and simplification.

### **Reform and increased Community Participation in Local Government**

A key element of the 2014 Act was the creation of the Local Community Development Committee (LCDC), a statutory committee of the local authority but independent of it in its operation. It has mixed membership of statutory bodies and elected members but these are in a minority to community representatives. These committees replaced the former development boards and integrate local development and local government in an attempt to drive meaningful citizen and community engagement and change. To strengthen community input, the committees have not only to prepare a plan independently of the Council, they also have to



oversee its implementation and have the power to allocate funding to local development companies and to project promoters.

Various local government reforms were introduced during the mid-1990s as part of this move to increase participatory democracy and promised a stronger co-ordinating role for democratically elected local government in Ireland. They included City and County Development Boards (CDBs) and Strategic Policy Committees (SPCs). Paralleling the intra-local government changes was the emergence of extra-local development companies at a local level and the creation of numerous quangos at national level. The local government reforms were an attempt to incorporate into the model of local government the widespread demand and popularity of participatory form of local governance, which were emanating from Europe (Marshall, 2007). By themselves, these reforms were quite limited and did not adequately facilitate city and county councils to engage constructively with local partners and establish a clear advisory role or voice for the local community and social partners in local government policy. The 2014 Local Government Reform Act has attempted to strengthen the community and partners' role through the LCDC and the effectiveness of the reform in terms of economic development will be assessed later in this thesis.

While the 2014 Act is designed to strengthen the formalised approach to partnership at the local level and within local government, the really difficult and thorny issues of widening the functional and policy remit of local government and increasing the financial autonomy to fund same under the wider governance of and democratically elected local government in Ireland remains essentially untouched.

‘In the absence of real progress on this front, Ireland’s favourite response, innovative but ad-hoc, effective but of dubious democratic credentials, the ubiquitous quango seems likely to remain the only game in town’ (Payne and Stafford, 2004, p.18)

## **2.11 The Contribution of this thesis**

The author has examined a number of different themes from the literature thus far in relation to decentralisation. Much of this material is drawn from international sources, most particularly the United Kingdom where considerable change has occurred in the delivery of state services since the 1970s in the post-Fordist era. These changes have intuitively facilitated a flourishing of academic examination and review in Britain. There has been less local government change (and no decentralisation) in Ireland over the corresponding period save in relation to financing (but many specific agencies have been created by government with little or no accountability). Consequently there have been fewer contributions to the literature from Irish sources. Separately there have been almost no contributions from the service practitioners in terms of academic or public debate. This thesis represents an attempt to increase the academic discourse on decentralisation by examining the changes that have been implemented in Ireland under the 2014 reforms. In addition, the thesis attempts to assess the applicability of the literature to the Irish model of change and if the changes in local services in Ireland provide fresh insights and contribute to the literature. The purpose of this thesis is to develop a framework within which can be assessed the transformation in Ireland from a traditional local government model towards one of greater local governance.

A key objective of the 2014 reforms was the stronger role of local authorities in driving entrepreneurialism and economic growth. This policy approach accords with the international experience where *'the relatively stable regulation of economic activity provided by Fordism was premised on the possibility of national modes of growth'* (Goodwin and Painter, 1996, p.645). The authors further note that national coherence under the Fordist approach was dependent on a commitment to achieving regional balance. The data presented in Tables 2.7 and 2.8 attest to the growing regional imbalance in Ireland thus confirming a key post-Fordist characteristic of the country. One of the policy responses in Ireland to increased globalisation has been to seek greater local input for economic and community development. This places greater responsibility locally for driving economic development and the applied research in the thesis seeks to assess the quality of local responses to the policy initiative and the key contributors therein. The thesis also attempts to assess whether the components (political, managerial and resources) are in place in local government to enable the councils deliver the transformational change that are key to moving from 'government to governance' (Goodwin et al, op cit, p.635). The loci of local respondents for the applied research was intended to measure the geographic impact of the response to the transformation initiative and gain some insight into the evenness of the impacts of the reforms.

An important intent of this thesis was to gain a valuable insight into the process of policy transformation from the applied research and in the context of the literature review. It was the author's objective to explore the different roles played by the actors at the three levels of government in Ireland. This is generally not very well elaborated in the literature but is especially important in an Irish context owing to the smaller scale of the country and the greater impact that key individuals may have. This is significant as 'power and responsibility are being shifted from the national to lower tiers of government and governance' (Jones and Jessop, 2010, p.1141). The success of the transformation/reform is closely tied to having the competence and resources locally or sub-nationally of a scale for it to be effective. The author noted the very disparate sizes of the principal units of local government (see Tables 2.2 and 2.4) and through the applied research sought to ascertain whether a move to a regional approach would be more effective for Ireland. The partial de-nationalisation of crucial economic policies requires practitioners and the author to consider whether they can be more effective at regional than local level. The germane question (for Ireland and perhaps beyond) is whether there is a minimum scale of population and resources required at sub-national level to *'de-territorialise and re-territorialise'* the state (Jones et al, op cit, p.1137) and this is considered in the applied research. A key task of the reforms, while contributing to change, is the need to maintain the stability of the state given the more dynamic forces of globalisation the state now faces (especially post the 2008 recession driven largely by foreign banking interests). In moving from government to governance, local councils will be required to help maintain the stability of society in their territorial area *'by managing economic and social contradictions'* (Jones et al, p.1123). As a result the importance of networks and networking and scale for these tasks is explored by the author in the applied research. This is the move from government to meta-governance. Implied in this strategic trajectory is the move from a Keynesian-welfare mode of state integration to a more entrepreneurial approach and the important task local councils have in fostering this locally while maintaining social unity.

The 2014 Reform Act is the first step in possible major changes underway at the local level and is a reversal of the centralisation trend that has dominated local government in Ireland since the 1920s. The reinvention movement of the 1990s in the United States owes much to the work of Osborne and Gaebler. David Osborne, a journalist and consultant to local authorities and Ted Gaebler, a former City Manager turned consultant, encouraged local officials to adopt a transforming entrepreneurial spirit towards public services including the application of private sector modes of operation and partnership. The applied research in the thesis sought to clarify whether the local level had responded positively '*in the shift from structured government to fluid governance*' (Jones, p.960) as part of this reinvention and attempts to place the changing Irish system of local government in an international context. The applied research endeavours to document the change underway to the structures of local government and to document the development of a system of Irish local governance. This thesis is intended to contribute to the debate on political geography as it is the author's view that greater analysis and research is needed to assess the role of governance by both academics and participants in the process. '*The post-Fordist local state is held to require new forms of political representation*' (Jones, op cit p. 971) and this is the case with the introduction of the Local Community Development Committee and the Public Participation Network and their operation must be subject to assessment and review.

The applied research confirms the theory that '*policy making is driven by the primacy of politics (in this case the personal commitment of the then Minister Phil Hogan) and relates to models of economic growth*' (Jones, op cit, p. 981). The reform was a response and was driven by a state sovereignty crisis and became a political/institutional project intended to remedy (in part at least) the adverse effects of the economic downturn Ireland experienced post 2008.

Considerable research has already been undertaken by various authors in attempt to disentangle and understand the different approaches to localism or governance. The work of Evans et al (2013) posits three typologies of localism, the managerial, the representative and the community. The Irish reform most closely emulates the first type in that '*policy is decided at the centre but policy settings and delivery functions are devolved to the locality, under a strict regulatory framework*' (Evans et al. p.402). In contrast the reform of 2014 did not impose strict regulation on Irish local authorities and afforded very wide freedom of interpretation and action for their added functions with little conditionality. Thus the political intention of the Minister had a very significant bearing on the liberty given to local councils and suggests that the Evans' typology has to be modified to accommodate the Irish variation.

In furtherance of the applicability of the typology, Evans et al postulate that '*localism is a key policy instrument for achieving soft power*' (Evans et al, op cit p.404). This is confirmed by the research findings in this thesis and suggests that the power to persuade is critical to achieve common purpose and deal effectively with the 'wicked issues'. The characteristic of soft power emerges as an essential component for local actors, viz. Chief Executives and their senior staffs, to fully realise the potential transformative effect of the 2014 reforms.

## 2.12 Summary of Key Insights from Literature

This chapter has provided an overview of the wide ranging literature on decentralisation and from it, a number of key themes emerged. In summary, these included:

- the improvements in governance and accountability that increased decentralisation can bring
- the diffusion of governmental power and how increased autonomy can lead to better stakeholder and community participation at the local level
- the potential efficiency and responsiveness gains from aligning services more closely to citizens' needs and the increase in the effectiveness of services as a result
- the political processes necessary in the systems of government to give impetus to any decentralisation programme
- how the above combine to enable local government build a potent leadership role, create a stronger local sense of identity and become the government of difference
- the general international trends towards greater decentralisation to deliver the above gains.

The author then considered the status of the Irish local government system using a number of key indicators and international comparison. On this basis, the data support the assertion that Ireland is highly centralised and the trend has been towards greater centralisation in recent years. Following this, the author then briefly examined the numerous reports issued by government on local government reform, which affirms that, heretofore, the rhetoric of the reports has not translated into action and Irish local government remains quite residualised. The trend of centralisation and standing of councils may have changed with the *Action Programme* of 2012. It implemented structural (form), functional and financial changes which are the key components (from the literature) against which decentralisation can be assessed, even though the regional level regressed under the programme.

The 2014 Reform Act gave local authorities an enlarged role in relation to economic development. Using the above themes for decentralisation the author then framed the research questions against these themes.

The first question in the applied research sought to elicit the extent to which local authorities were involved in the reform process itself. This would identify whether the reform was based on a collaborative approach between central and local levels. The second question asks whether the role given to local government in economic development is enhanced and clearer than before, as was suggested in the Action Programme. The third question enquires about the new structures that were put in place to deliver the new role and how effective governance has been in relation to same. Following from that, the fourth question asks how effective the new Local Economic and Community Development Plans have been. The fifth question enquires, in particular, about the job creation outcomes, i.e. have the plans led to increased employment and whether the reforms have been effective. The sixth question asks whether local government has been empowered by these new functions and given greater autonomy or if job creation powers reside elsewhere, with other agencies. The seventh questions relates to whether local

authorities now have greater autonomy now and the resources necessary to exercise same. The eighth question enquires whether the new powers have resulted in greater collaboration between local authorities. The ninth asks respondents to assess the impact of the reforms and the tenth and final question asks respondents to suggest any further changes that could be made to improve on the current role of local authorities in relation to economic development.

## Chapter 3 - Methodology

### 3.1 Introduction

The 2014 Local Government Reform Act gave local authorities new and wider powers in relation to the economic development. Specifically each council was to make a '*Local Economic and Community Plan*' under section 66(B) of the Act and the plan was to be for '*the promotion of the economic development of the area*' as well as the promotion of the local and community development. This vision presented an ambitious outlook for local government at a time of general government fiscal retrenchment, in the years of austerity following the recession that started in 2008.

In summary, the policy intent of *Putting People First* had a number of key inter-linked themes:-

- To devolve certain powers from central government to local government (devolution) and increase functional and fiscal autonomy locally;
- To enable local government to contribute more to economic recovery and enterprise;
- To re-balance power within local government in favour of elected representatives (increased governance);
- To re-structure local government, create efficiencies and to save costs;
- To enhance ways for citizens to participate (devolution and governance).

These themes broadly coincided with those from the literature review and were incorporated into the questions asked of respondents in the applied research.

This developmental approach by Government to the role of local authorities may have been influenced by the work done by the authorities under the Local Government Efficiency Group, which was established in 2009. This group had identified a range of efficiency savings on staffing and procurement amounting to over €500m. Separately research by the CCMA identified over 2,000 projects and activities undertaken by local authorities to contribute to local development, enterprise support and economic growth<sup>4</sup>.

Accordingly, the role of local government was to be strengthened and refocused particularly towards economic, social and community development and in particular it would be given; '*an enhanced and clearer role in economic development and enterprise support*' (p.iv).

The literature review has enabled the formulation of research questions.

The first question in the applied research sought to elicit the extent to which local authorities were involved in the reform process itself, stemming from the suggested sequence outlined briefly above. This would identify whether the reform was based on a collaborative approach between central and local levels. The second question asks whether the role given to local government is enhanced and clearer than before, as was suggested in the Action Programme. The third question enquires about the new structures that were put in place to deliver the new

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<sup>4</sup> City and County Managers Association (CCMA) Report (2013) Supporting Enterprise, Local Development and Economic Growth: Analysis of Local Authority Activity for 2012  
[http://www.lgma.ie/sites/default/files/newsfiles/supporting\\_enterprise\\_local\\_development\\_and\\_economic\\_growth\\_2012.pdf](http://www.lgma.ie/sites/default/files/newsfiles/supporting_enterprise_local_development_and_economic_growth_2012.pdf)

role and how effective governance has been in relation to same. Following from that, the fourth question asks how effective the new Local Economic and Community Development Plans have been. The fifth question enquires, in particular, about the job creation outcomes, i.e. have the plans led to increased employment and whether the reforms have been effective. The sixth question asks whether local government has been empowered by these new functions and given greater autonomy or if job creation powers reside elsewhere, with other agencies. The seventh questions relates to whether local authorities now have greater autonomy now and the resources necessary to exercise same. The eighth question enquires whether the new powers have resulted in greater collaboration between local authorities. The ninth asks respondents to assess the impact of the reforms and the tenth and final question asks respondents to suggest any further changes that could be made to improve on the current role of local authorities in relation to economic development. The interview questions are detailed in Appendix 1.

### **3.2 Data Sources- Reliability and Validity**

The restructuring of local government since the 2014 Reform Act has been a transformative process. There is now a uniform two-tier system in place in almost all counties, with a plenary council and municipal districts below that. The Waterford, Tipperary and Limerick councils have merged. New economic powers were vested in the councils (not the municipal districts) and a new Economic Strategic Policy Committee (SPC) was established with specific responsibility to draft the economic section of the Local Economic and Community Development Plan. The plan was to include provisions for creating and sustaining jobs, promoting enterprise and economic development including FDI and indigenous industry, tourism, micro-enterprises among others. This was a very wide role for the plan and hence for the local authorities, depending on the interpretation given and the role adopted by the relevant staff. (The making of the plan is a reserved function of the elected members.)

For this reason, the author selected respondents drawn from the executives of local authorities, regional authorities, job creation agencies and central government. It has to be acknowledged that the legislation is only three years old but local authorities have always had some involvement in relation to economic development stemming from the Planning and Development Acts as far back as the first act in 1963 when local authorities were described as '*development corporations*'. Thus, there has always been an awareness of this role and most local authorities have had some initiatives in this regard. It is the explicit expanded role, which the thesis wishes to assess in terms of outcomes and the lessons that can be drawn from the experiences of the interviewees.

### **3.3 Semi-structured interviews**

The main source of data used in this research, comes from in-depth, individual, qualitative interviews using the same interview schedule for all respondents. In view of their seniority and experience, it was expected that the interviews would yield new insights and understanding of this policy area and its implementation. These expectations were constrained by a lack of comparable, in-depth qualitative research undertaken in this area before. The research was

intended to be exploratory as the reforms are still relatively new and was informed by the themes emerging from the literature.

The interviews were semi-structured as this allowed the respondents to articulate their personal views, intentions, observations and experiences. This approach allowed an exchange of information with some predetermined order but permitted flexibility. Based on responses to the questions, the author delved deeper for greater clarity and understanding.

While ten specific questions were to be asked, a degree of latitude was permitted in responses. The method of collection was by recorded interview with an average duration in excess of one hour. Each interview was transcribed to allow for analysis by theme.

### **3.4 The choice of research participants – representativeness, sample size and triangulation**

The sampling approach was based on the researcher's judgement of appropriateness from the data needed to address the aims of the research. The sample chosen enables understanding and provides discernment. With new insights, the research will develop greater understanding on the theoretical generalisations in the literature. The respondents were chosen to provide a representative profile and the number involved is a statistically good sample size from the overall cohort available.

There are three levels of government from which respondents could be drawn, central, regional and local. Within those three levels, respondents could either be staff members (executive) or elected members (representative). Having regard to the questions posed, and to maximise results, the author focused on the executive side for almost all respondents. This is based on the premise that the initiative in relation to economic development would principally be led by the executive side but not exclusively so, especially at national level.

The maximum number of respondents was confined to ten so it was necessary to ensure that there was a balance between the three levels outlined above, in the interests of triangulation. Allowing for 31 local authorities in Ireland with 31 Chief Executives, a total of 4 persons were interviewed from this cohort. At a regional level, 3 respondents were interviewed some of whom were from employment creation agencies based regionally, and some from regional assemblies. At a central or national level, the pool of respondents was more restricted but three persons were included. At the national level this included both civil servants and a politician.

All the research was carried out on a face to face basis mostly in locations selected by the respondents and all were on a one to one basis.

### **3.5 Analysis of the Findings**

The analysis of findings is presented in Chapter 5. This chapter combines results presented in Chapter 4 (Presentation of Results) with findings from the literature review in Chapter 2. It revisits the original research aims and objectives of the thesis and seeks to elaborate on the findings of the applied research and the literature review. The purpose of the applied research was to examine whether greater devolution to local government in Ireland can lead to improved



outcomes in services, as the literature on international experience would suggest. The special focus of the applied research was on an examination and evaluation of the strengthened role given to local government in relation to economic development and job creation as part of the Local Government Reform Act, 2014.

### **Thematic Analysis**

Thematic analysis is considered the most appropriate approach for a study that seeks to discover findings based on interpreting material provided by respondents. There are many different ways to approach thematic analysis (e.g. Alhojailan, 2012; Boyatzis, 1998; Javadi & Zarea, 2016). Unlike many qualitative methodologies, thematic analysis is not tied to a particular epistemological or theoretical perspective. This makes it a very flexible method in application. The author relied on thematic analysis to provide a systematic approach to analyse the considerable volumes of data that emerged from the research. The thematic analysis methodology allowed the author the opportunity to link the various starting positions and different opinions from the interviewees over the course of the research and connect this to the theoretical work elaborated in Chapter 2. As the interviews progressed, the author was able to incorporate the data that had been gathered previously into subsequent interviews to seek greater elucidation and clarification to enrich the research. This facilitated more nuanced insights emerge and allowed the author assess the applicability of the theoretical work to the data on Ireland.

### **Approach and Steps**

The author followed the most widely used framework for conducting thematic analysis from the article by Braun and Clarke (2006). This approach provides a six-step process for identifying, analysing and reporting qualitative data using thematic analysis. Ten basic questions were set by the author, each of which had a number of sub-questions. The first step was familiarisation with the data by transcribing, reading, re-reading and highlighting the interviews and interactions by respondents. This step provided the foundation for subsequent analysis.

As each transcript was read by the author, the second step in the framework was applied. From the initial transcripts certain key short phrases (or codes) were extracted that offered a summary statement of what was interesting and meaningful from the interviewees. In some cases, given the position of the respondent, some unique insights were obtained. All of the short statements were put onto clean pages to help analysis. An important aspect of this work was triangulation where the views/comments from the different levels could be compared and where differences or thematic similarities could be noted. The author also wished to achieve a geographic as well as a horizontal separation (stemming from the academic theory) and the interviewees were selected from across the country to achieve this. This was especially important to mitigate in some way the potential risk of bias. By carrying out this analysis immediately after the interviews were transcribed, this facilitated refinement of questions by the author for application with subsequent respondents.

Once the second step had been concluded, the author progressed to the third step to identify key themes and sub-themes from the remaining shortened elements. The identification of these themes was important as it enabled key quotations/observations be incorporated into the thesis (note-a summary of the key themes has been included in tabular form at the end of Chapter 4). Certain over-lapping or similar comments/categories emerged which were further refined (in the fourth step) by the author and reduced by grouping them together for the purpose of discussion and contrast in the thesis. An important component of the work was an attempt to align the replies from respondents with the themes/issues from the theoretical work to synthesise the theories with the experiences of practitioners. The fifth step involved defining and naming of the themes (e.g. soft power). The sixth and final step was the presentation of data in Chapter 5.

### **3.6 Research Ethics**

An application was made to the Mary Immaculate College Research Ethics Committee in July 2017 and approval was granted to the carrying out of the applied research. The application confirmed that all respondents would be adults participating by way of interviews that would be recorded.

Each respondent was provided with a letter of invitation to participate in the research which furnished details of the project. It also advised that interviews would be recorded and subsequently transcribed to facilitate detailed analysis. Respondents were informed that all recordings and transcriptions would be treated in confidence. Prior to commencing the interviews each interviewee signed the necessary consent form. It was important that the respondents felt comfortable and fully informed prior to participating in the interview.

The following steps were taken to minimise risk. All interviewees were coded to protect their anonymity and the codes are being stored separately from the names and other identifiers of the interviewees. The transcripts do not contain any identifiers. To protect the research further only the researcher and respondents were present while the interviews were being undertaken. The transcripts included in the thesis have been redacted to protect the anonymity of the respondents.

The audio tapes and accompanying information have been retained by the researcher in his office. They are kept in a locked cabinet and nobody has access to this except the researcher. The transcripts have been made available to the student's supervisor. The information will be held on a password protected and encrypted computer.

The material will be retained for the duration of the project and for not more than 3 years after that.

Table 3.1 provides details of the interviews conducted as part of this thesis.

The transcripts of the interviews are detailed in Appendix 2.

**Table 3.1: Details of the Interviews**

<b>Interviewee</b>	<b>Date of Interview</b>	<b>Duration of Interview</b>
National Level, N1	18 <sup>th</sup> July, 2017	65 minutes
National Level ,N2	23 <sup>rd</sup> September, 2017	65 minutes
National Level ,N3	28 <sup>th</sup> August, 2017	58 minutes
Regional Level R1	9 <sup>th</sup> August, 2017	70 minutes
Regional Level, R2	4 <sup>th</sup> August, 2017	66 minutes
Regional Level, R3	28 <sup>th</sup> July, 2017	62 minutes
Local Level, L1	25 <sup>th</sup> July, 2017	69 minutes
Local Level, L2	25 <sup>th</sup> July, 2017	58 minutes
Local Level, L3	22 <sup>nd</sup> August, 2017	92 minutes
Local Level, L4	3 <sup>rd</sup> October, 2017	66 minutes
Total of 10 interviewees		671 minutes

## Chapter 4 - Presentation of Results

### Introduction

This chapter presents data gathered from a series of key informants at the national, regional and local tiers of government. It deals sequentially with the research questions and themes presented in the methodology chapter. This chapter seeks to present the experiences and perceptions of the informants. The focus of the applied research was an examination and evaluation of the strengthened role given to Irish local authorities in relation to economic development and job creation as part of the renewal of local government under *Putting People First*.

### 4.1 Participation/Involvement in the Reform Process

The first question put respondents was intended to elicit the nature and extent of the role played in national policy formation by respondents according to the level of government. The research question was designed to explore the perception that government power in Ireland is highly centralised. Thus it could be expected that the centre would initiate and almost exclusively control this process and input to same. The contributions from respondents was intended to assess the veracity of this commonly held view.

#### 4.1.1 The National Level Perspective – More collaborative approach and devolution

The interviews revealed that stakeholders at national level were deeply and actively involved in the reform process. They described their involvement in terms of seeing to; *'Create a more facilitative environment than would have been there previously in terms of reform'* (N2).

National level stakeholders, both elected and non-elected noted that they needed an approach that differed from previous attempts at reform. They acknowledged that they had learned from the past and that they viewed the more recent (2012-2014) process as being more empowering of local authorities. There was also an understanding of the need for; *'Moving people out of their silos at the centre of government'* (N2) as part of the process of bringing about closer integration of economic and community development.

This respondent went on to comment that the silo approach was still prevalent at the centre and has been; *'The major challenge for us, over the last four or five years'* (N2).

One of the changes that national level stakeholders identified was that of greater oversight. As one informant noted; *'One of the biggest reasons for the failure of the City and County Development Board reform process was the lack of that national oversight and this is often cited'* (N2).

Along with referring to the perceived need for greater oversight than was the case with the CDBs, national level stakeholders noted the need for greater awareness at the centre of government for what is happening locally. As one stated;

‘We are operating within a national policy framework. And we’re also significantly removed from what’s happening at a local level so we’re not necessarily aware of what a particular agency is trying to achieve and, getting that agreed approach from central down to local, even within our own structure, has proven challenging and continues to do so’ (N2).

There is a perception at national level of a need for greater oversight and information about the local. There is also a recognition that local authorities ought to have greater autonomy, and that there should be more devolution of functions to them, as; *‘There were too many functions being deployed by central government across various departments, which needed to be changed in the direction of local decision making’* (N3).

This view implies changes at the national and local tiers, which would involve a streamlining of; *‘The delivery of services across government departments, so that they could be better delivered in a more effective and efficient way with local administration’* (N3).

Coupled with this was a desire;

‘To make local government more enterprise driven where local enterprise could be harnessed and developed with the enactment of policies and the delivery of programmes more at local level, to create jobs and to give more financial decision making to local councillors in the delivery of services, through the introduction of the local property tax’ (N3).

This comment supports the observations from the literature review of the trend in centralisation that has obtained in Ireland in recent decades but importantly suggests that this was a cost to local government in terms of functions and sovereignty.

#### **4.1.2 The Regional Level Perspective – The weakest of the three levels?**

Stakeholders at the regional tier reported that they had their own set of priorities, particularly that of gaining greater autonomy. They noted, for example, the desire of having financial independence from the local government system and more transparency in funding.

The interviews at the regional tier also revealed a sense that local authorities are already quite powerful, and as one informant asserted in respect of the reform process, that the Department of Local Government was taking its lead from local government. He also asserted, in this context, that there was little appetite, at either local or national level, for giving the regions any additional powers.

One regional tier informant drew parallels between the system of government and the operations of state agencies. This informant suggested that most of those state and semi-state agencies are being ruled from mother ship (i.e. Head Office) and the real power exists in headquarters. Consequently, from his perspective, the level of regional assertion depended, to a large extent, on the staff in the regional offices.

The regional tier informants stated that they were consulted in relation to the geographical reconfiguration of regions. They noted that this geographical change was, in part at least, driven by a; *‘Concern, in that Ireland still has two NUTS regions from European structural funds purposes but we have three assemblies supposed to manage those structural funds’ (R2).*

There was also a reference at the regional tier to; *‘A lot of in-coherences in the system of the approach to regional government’ (R2).* Informants suggested that central government officials did not consult extensively about these aspects of the reforms and that this led to instances of misunderstanding.

The significance of geography emerged in several interviews, with respondents noting the need for; ‘coherent territories’ in economic planning and development, rather than those geographies associated with administrative efficiency. According to informants, particularly those at the regional tier, this issue assumes greater importance for the delivery of the forthcoming NPF with the Regional Assemblies having a very important implementation role for the delivery of the Regional Spatial and Economic Strategies. The capacity of the local government system to prepare the local economic and community plans was questioned by one respondent; *‘But I have to say the economic plans that we saw were primarily very, very poor’ (R2).*

There was also a perception at the regional tier that engagement with the reform process was affected by the personalities and capabilities of individuals at the local level. One interviewee suggested that the legislation was; *‘Enabling and the role of local government is as an enabler. The enabler (i.e. local councils) provide the platform, the companies will come if the platform is created’ (R3).*

#### **4.1.3 The Local Level Perspective – Strong Input to Process and better role clarity required**

The interviews revealed varying experiences from the local level, with respect to the formulation of the legislation, with one local authority official stating that they had no personal input into the reform. This person questioned if the CCMA had had a role, and was not certain if any paper had been submitted to government.

In contrast, another senior official in a different local authority, reported;

‘We were feeding into the group, the reform group that existed. We had two representatives from the CCMA sitting on that at the time and we discussed it obviously at CCMA level. Would I have had a strong view? I certainly would, in the context of where local government should and should not be going’ (L1).

The discussions with the local authority stakeholders about their experience of the reform process to date revealed a wider set of frustrations, with the relationship between the centre and the local, as the following official stated;

‘The problem is to me is that central government has no great capacity to stick to the road. It tends to veer off when the pressure comes on. I think if local authorities start stepping in willy-nilly (into economic development), it means the pressure comes of solving the problem at national level’ (L3).

The interviews also revealed an acknowledgement at local level that the legislation was enabling, but the associated process brought challenges, as one official noted;

‘This legislation which was very enabling, you know when it went through the Dáil, I suppose maybe looking back on it, we all struggled with it for some time as chief executives and I think as councillors, and we had to find our way through what the opportunities were’ (L4).

This comment provides insight into understanding and managing the relationship of reform at a local level. There is also evidence that the local councils would like to have experienced greater levels of engagement (by the centre) and a higher level of understanding as to how this reform was to manifest itself once the legislation was adopted. There was reference, at the local level, to the relationships between local government and the Department of Enterprise and the Department of Tourism and the other various stakeholders and agencies operating under these Departments and there was a questioning of what types of operational and strategic frameworks would apply.

This comment also illustrates the need for greater clarity of roles and functions from the outset as an important, indeed if not essential, element of the reform process. Perceived shortcomings in the process are borne out by the following observation;

‘But one of the things that has never been teased out, in terms of the real piece of meat inside in the 2014 Reform Act, is the economic piece and, in particular, what’s the relationship between ourselves and the IDA, because we’re continuously pushing that boundary’ (L4).

The consequences of this approach, and specifically that of bringing about flexibility and variety in respect of the responses promoted by local authorities is evidenced by the following statement from one senior local authority official;

‘The first decision was to appoint local government’s first director of economic development. That was a very clear signal to the system that we were going to put ourselves at the heart of developing the economic side from the ground up. And in doing so would have positioned ourselves with IDA, with Enterprise Ireland, not as a threat, but as, if you like, their feelers on the ground’ (L1).

This comment gives an insight to the potential limits of the ambition for reform.

It was suggested that, to assist in clarifying terms of involvement in the reform process, a more formal approach was required and that local councils needed to consider a Memorandum of Understanding (MOU) between the local authorities and the various government departments and their agencies. This would be designed to clarify; *'On some aspects of what is central government's business and what is local level business and none of that had been ever fleshed out before the legislation was enacted' (L4).*

In the absence of local involvement defining precise roles and responsibilities at the outset of the legislative trajectory, it was observed that this, in effect, allowed individual local councils greater flexibility to define same at the implementation stage;

'During the implementation phase of the reform we (the Council) stretched the boundaries with the IDA and ourselves and it's fantastic. There's no reason why the IDA staff or Enterprise Ireland staff can't see us as being part of their tool kit' (L4).

From some of the respondents at local level it was clear that there was ambition for the structural reform to be wider than was actually implemented with mergers of more local authorities being suggested;

'I would have thought that the Laois-Offaly and Westmeath-Longford mergers would have been successful. The suggestion of merging Mayo-Sligo or Roscommon introduced a lack of credibility to the other mergers. The idea was right but unfortunately they went too far and the process lost ground' (L1).

It is clear from the respondents' replies that while the initiative for change starts with the centre, the local authorities have the structures (CCMA), capacity and willingness to make material contributions to the process. Furthermore the findings are that there is an openness and desire at the centre (Department of Local Government) to secure this active involvement as it is important to implementation. It also confirms that the development of institutional strategies is a complex process (Goodwin and Painter, 1996, p.637) and that this process, as led by central government, employed the principles of 'fluid governance' through a shared approach.

#### **4.2 Assessment of responses by the different groups to the devolved functions**

This question was intended to ascertain the experiences of the different government levels to the reforms and examine the evenness of responses from them. The move to give greater functions to the local level, albeit in a limited sphere, is a move away from the Fordist model of centralised and hierarchical management. The devolved functions under the reforms (post-Fordist) are intended to be performance driven and entrepreneurial by the local authorities (as per Schumpeter) and secure more active citizenry. It is also intended to drive competition between regions by local councils and begin to move away from the centrally managed, dispersed regional development model which has been the unilateral policy approach to date.



The author wished to examine the evenness of responses as a measure of the developing local governance.

#### **4.2.1 The National Level Perspective – A good first step**

From a national perspective, the view of respondents was that local councils responded very positively to the additional functions and that; *'most of them have prioritised it'* (N1).

However it was recognised that central government could have clarified the roles of all those involved in the process at an early stage in order to assist in more effective implementation of the reforms. One respondent suggested that better coordination at central government level between the different government departments involved would have improved the delivery process. As one respondent, at national level acknowledged;

‘The Department of Local Government was responsible for the policy and the legislation, but the practical functions rested with the Department of Jobs, Enterprise and Innovation and from an implementation point of view, I think that there’s probably scope for clarification of role’ (N1).

Another respondent at the national level noted that;

‘The Department of Local Government has never fully embraced a proactive role in terms of implementing reform having once brought forward the policy proposals and the legislation, as the Department doesn’t have much knowledge on these matters’ (N1).

Even with such shortcomings the national view remained that; *'Local authorities grasped the opportunity with two hands and put a lot of resources and a lot of time and a lot of effort into implementing the reforms'* (N2).

This respondent also emphasised that, based on the experience derived from participation in the process, that there was a need for review and learning from the reform undertaken both at central and local levels. This was particularly important having regard to the fact that; *'Ireland has had a system whereby central government by-passed local government for thirty years, forty years'* (N2).

One result from this bypassing is that the local authority system; *'Hasn't quite grasped the power that it has from the new functions and the capacity that it has to deliver real change at a local level'* (N2). The respondent suggested however that there is a responsibility at central government level to help build that capacity and understanding and to work with local councils in this regard.

The shortcomings in the resource capacities of local authorities are limiting the full potential of the reform. A number of interviewees noted this shortcoming. Particular reference was made to the aspects of local development and community development that speak to the community development ethos. This approach is about building the capacity of communities to engage effectively with local government on multiple fronts and issues. Communities need to build their skill sets (via the local council) so that they can learn to help themselves as much as local

authorities can help them; *'So that's one important example of where the Department of Local Government has to help local authorities to fully develop their new roles and functions'* (N2).

There was a concern that while the legislation had assigned clear functions, that implementation was not optimised at local level due to resistance on the part of central government to cede responsibilities to local authorities or to allocate functions to them that are currently undertaken by statutory bodies. Interviewees believe that it was important that the relevant state agencies reporting to the Department of Enterprise and Innovation and the Department of Local Government be; *'Engaged further to allow for Local Enterprise Offices and economic planning and development of local government to be more centrally involved in the delivery of this particular model'* (N3).

Respondents noted that despite the intention of policy, sometimes turf wars develop in terms of implementation. As a result the; *'Local enterprise dimension was diluted at the point of delivery to the detriment of the local government system'* (N3). In essence, a key intention in the reform was that local communities would be energised to begin participating more in the economic and, thus community, development of their area. This was an explicit recognition (as advanced in the literature), that local communities are (within certain limits) able to determine choices about their futures. Local authorities were charged to initiate this collaborative approach and unleash this positive entrepreneurialism through the local economic and community development plans. This new bottom up approach would challenge the hegemony of the central government departments and its agencies and open their performance to local accountability. The concern was that, by restricting it and thus maintaining the status quo, the potential of the reform would be at best, diminished and at worst, not realised at all.

The difference of views at departmental level compromised the intended strong Local Enterprise Office (LEO) which was to be situated in local government; *'And the compromises that were reached has led to a situation where the Local Enterprise Office is not as strong as it should be in terms of creating more service implementation'* (N3).

One contributor noted that there were differing views at the centre of government, where the Department of Enterprise had sought 'joined up' thinking in relation to enterprise policy at local, regional and national level in the form of a unitary and centrally led approach. The Action Plan on Jobs was to be the policy instrument but the Department's view was that its agency, Enterprise Ireland, should have exclusive implementation powers. This was perceived by Phil Hogan, T.D. Minister for Local Government to be the wrong approach to devolution and would lead to restricted decision making. Ultimately, it was suggested that; *'Enterprise Ireland and the Department of Enterprise could continue to have a policy role but that the implementation, in a devolved way, should be a matter for local authorities'* (N3).

This perspective stemmed from the view that;

'You cannot leave everything to central government in a country of twenty-six counties, in a republic where not one size fits all. If you want to give local discretion

for local conditions and local priorities in line with the local economic plan, that is part of the legislation for councillors to adopt and implement. You have to have more flexibility' (N3).

As the process evolved it was apparent;

'That local government members are now starting to grasp that they have a lot more power than perhaps they realised and local councillors must embrace the powers that they have been given and, unfortunately, this is not always the case' (N3).

However, in using the powers that local councils now enjoyed, there was also a concern that these powers could to be used in a negative and populist way by certain local authorities, especially in relation to reducing the LPT. The concern was, that in adopting this approach; *'That local authorities don't reduce completely the financial autonomy that was given to local government in 2014 and make such a good source of fundraising for local government redundant'* (N3).

#### **4.2.2 The Regional Level Perspective – The challenges of implementation**

One of the potential benefits of the reforms was greater involvement of businesses and entrepreneurs at local level working in greater collaboration with local authorities. This, it was perceived, would combine business acumen with the local authority resources and knowledge to create stronger and more focused economic activity that was targeted to more effectively meet particular local needs. As one representative at the regional tier noted;

'But more importantly there's a clear realisation that with the support of national government, local authorities can do stuff to encourage, attract and enhance economic development within their jurisdictions' (R1).

He went onto state that this new approach, and indeed new culture, on the part of local authorities required a greater ambition than heretofore as *'risk taking at local government level has never been to the fore'* (R1).

In this regard, one respondent suggested that there may be a divergence in roles between urban and rural local authorities noting that there would be a greater requirement on urban authorities to assume a leadership role; *'To be actively involved in pulling stakeholders together, pulling finance together and getting development in the local area moving'* (R1). There was a risk that failure to do this could mean that the particular county or city would not be prioritised by national agencies.

The experience of the implementation to date suggested that it had created strong interdependence between the national and local levels and the need for a close alignment between the strategies of both, especially for the larger urban authorities. The attendant risks of not pursuing this approach are; *'If the local authority isn't taking on this leadership role,*

*then the national agencies will just walk away and unless the Chief Executive of that local authority is motivated, well then there will be adverse implications' (R1).*

The need for strong leadership at local level was emphasised to achieve a good balance in the central-local relationship as;

‘Where you have local leaders, decision makers and risk takers, you have proactive governance and you’ll find that business thrives in those areas’ (R1). In the absence of a strong bottom-up leadership ‘the national agencies come from the top down with the solution in their bag and the solution mightn’t always fit local requirements’ (R1).

There was a concern from the regional level that there was an uneven implementation of the economic development elements by local authorities, that was not in keeping with the intention of the reforms and that; *‘The Local Economic and Community Development Plans were not results oriented, none of them’ (R2).*

Another matter that was raised was that there was not sufficient inter-authority co-operation in the preparation of economic development plans and; *‘That the process would have benefitted from clearer guidance from the Department of Local Government’ (R2).* Part of the difficulty was that in trying to implement the new powers conferred on local authorities, that the Department of Local Government itself did not have the personnel experienced in economic development to guide local authorities.

The result was that local authorities were; *‘Entering into a whole new process but that necessary support to deliver on this task wasn’t there from central government’ (R2).*

The view of one of the regional respondents was;

‘That the local economic and community plans I reviewed lacked ambition and they certainly lacked strategic thinking. It’s not just about the existing planning function that local authorities enjoyed, it’s about economic geography, which is a similar but a different discipline’ (R2).

On the other hand it could have been the case that; *‘If local authorities had ambition, they certainly weren’t going to put it out there. Maybe the ambition was there, but there was a great reluctance to include targets’ (R2).*

The outcome was that; *‘The economic analysis of the local economic and community development plans was very, very weak and that it was the usual story where the local authorities are given a role but not resourced in the broader sense to deliver on that role’ (R2).*

Another regional level interviewee stated that; *‘Local authorities have taken a very, very mixed interpretation of their new role and, as a result, there have been mixed success’ (R3).*

In terms of interpreting their new roles and given the limited instruments at their disposal, it was observed that some local councils have taken a negative approach towards other economic development agencies; *'With a view to beating people with a stick, who are not performing for them, in relation to state agencies, be that Enterprise Ireland or IDA' (R3).*

Respondents suggested that certain councils may have taken a somewhat conventional and narrow interpretation of their new powers and thus may not have realised the full potential of their new role. As another regional tier representative noted; *'Some counties are effectively tourist counties. They have an existing great platform and well developed heritage of tourism, but because they have the words economic development now within the legislation, straight away they think that our go-to place is FDI' (R3).*

In support of the previous assertion, respondents submitted that certain local authorities had spent significant amounts of money in promoting their counties for Foreign Direct Investment (FDI), without consultation with the relevant agencies. These local authorities will realise that this duplication of effort doesn't work and; *'Will probably revert to type, ignore the legislation and just go back to what their comfort zone is, which is effectively administration of the county, rather than actually pursue economic development strategies which will work for their county' (R3).*

#### **4.2.3 The Local Level Perspective – The need for clarity, space, scale and time**

The participants unanimously agreed that there had to be absolute clarity of roles between all the different agencies involved in economic development, simply to be clear as to who does what and at which level of government;

*'But there still is that little bit between where does the IDA start and finish, where does EI start and finish and it's not just with them. You'd see the same with Fáilte Ireland. My view is all of these agencies are nearly trying to get out of the local bit. They see themselves as being very regional and they don't want to get down and dirty at the local level' (L3).*

As local authorities explored their new powers and functions there was some discussion on the issues of governance and performance and quite what the role of councils should be; *'As local authorities, we are individually accountable to our own councils' (L3).* The same local authority official remarked that; *'My own view is we're very weak at regional stuff, very weak. I suppose the old regional authorities were done away with, for a good reason. Because they were incapable of making a decision' (L3).*

One local respondent suggested that local economic development and ambition could be influenced by national politicians; *'It's no surprise I suppose that depending on who the Minister for Finance is, that that county will get far more share of itineraries in relation to FDI. So that's the political world we operate in' (L3).* This respondent also proposed that to

assist in economic development generally it is essential to inform and include local citizens and generate debate on these issues and that data on job creation, visits by foreign investors, the level of investment by national agencies and so on be published and made more widely available to encourage public discourse.

Based on previous experience at the local level there was a concern that the new structures would not be given sufficient time to deliver as;

‘We dismantled the city and county development boards without giving them a chance to actually work. We set up Local Community Development Committees and wrote a huge amount of legislation around them making the new processes under the 2014 Reform Act far too complicated’ (L3).

Almost all respondents agreed that the devolved functions have enhanced the role of local councils and allowed them move into a new policy and delivery area not previously enjoyed; *‘There’s no doubt about that the role of local government is enlarged and I think we know we have a significantly enhanced space that we’re operating in. But the role is unclear’ (L4).*

While welcoming the new operating and policy space, it was generally acknowledged that there would have to be an up-skilling of authorities to effectively deliver on their role and not duplicate the activities of existing agencies;

‘Any county trying to attract companies that the IDA are charged with attracting is a waste of time. Local authorities don’t have the skill set to understand international businesses and emerging opportunities from these sectors’ (L4).

A number of those who were interviewed suggested that a way forward for the local authorities was in shared inter-authority arrangements so that; *‘From a regional perspective number of counties could group together and pool our resources and have a better opportunity of attracting investment’ (L4).*

This is borne out of the recognition that because of the complexity of delivering plans and services in the economic development area and the challenges that these present, and the leadership role now required by local authorities; *‘That there are certain local authorities that are just simply too small to take on that and they’re just not going to have the resources to give the reform effect’ (L4).*

The concern expressed by some of the participants is that smaller authorities will not be able to rise to the challenge of more complex functions. Lack of staff numbers and the necessary skill sets would also be a hindrance. It was suggested that to be really effective and to allow local government deal with more complex functions such as economic development (and future potential devolved functions) that; *‘Ireland has to move to a regionalisation model and to begin to move away from this county unit’ (L4).*

In terms of the performance of the local councils to date, since the legislation was enacted, the general view expressed by contributors is that local government has taken the initiative and demonstrated leadership to contribute to economic recovery; *'Both politically and executively and brought the business sector and the community with it which has strengthened the recovery in the country'* (L1).

However a number of respondents indicated that this performance has not been uniform across the sector and this has been disappointing and that a great opportunity to better local government and local governance is not being availed of; *'Many local authorities have stayed on a traditional path. Politically it's quite secure. Nobody gets upset. But you lose the opportunity, that jolt that allows you get that edge'* (L1).

Albeit relatively early in the reform process, the dynamic of the changes thus far had allowed local authorities to begin to realise the more overt influence and power they now enjoyed. There was certainly the view (across all levels of respondents) that the centre could no longer be relied upon as exclusively as it was in the past, for solutions. The emerging NPF would place even greater reliance for solutions and results on the sub-national level, not just for the delivery of projects but for form, structures and governance. This topical subject was referred to in a number of interviews, with one local Chief Executive noting; *'The regional level is important because the regions, as they currently are structured, are not effective, whereas the local government system can demonstrate more effective regional responses'* (L1).

The findings of this research show that the evenness of implementation was hampered from the start by lack of clarity at the centre but this allowed considerable discretion to local councils and the opportunity to evolve a degree of 'localness'. The new dynamic had altered the pre-existing equilibrium but without a national method of coordination or measurement of performance. Without clarity of roles and a defined pattern or understanding of organisational inter-dependence, there was an absence of a clear, holistic vision on implementation. The result was local interpretation, or misinterpretation, and a degree of incoherence in application. While this afforded local discretion, it also resulted in dissipation of resources and ambition. This confirms Jones' view that *'geographical complexities (uneven development) occurs as national state projects are societalised in different local contexts'* (Jones, 1998, p.982).

### **4.3 An appraisal of the impacts from delivery of the reforms**

The third question set out to obtain the experiences of the respondents in progressing the reforms and what impediments had been encountered in implementation. The economic crisis post 2008 had galvanised government and through the 2014 reforms, local government became bound up with the crisis of Fordism and more importantly with the post Fordist solutions. This was the Irish state trying to grapple with the most serious challenge of sovereignty it had faced since its establishment and it had entrusted local government with key tasks. The author sought to understand the impact of the change on the new structures proffered by the state and the experiences of the councils in trying to operationalise these. The shift to local governance was substantive in as much as it ran counter to the centralisation trend. The formal structures

(LCDC) for elected and non-elected ‘government’ created a more diffuse ‘local governance’ that was intended to redress the apparent weaknesses of the preceding Development Boards.

#### **4.3.1 The National Level Perspective – This was to be a long term, structural change**

All respondents agreed that the local authorities had implemented reform responsibilities but that there had been inconsistencies across the country. Some of the possible reasons for these inconsistencies may have been caused by a more general resource deficit in the local sector prompting one Chief Executive to deplore that; *‘The big constraints probably were the lack availability of financial and human resources in local authorities and perhaps just not having a pool of expertise on economic development matters’ (N1).*

In response to these shortcomings, which were also experienced at the centre; *‘The Department of Local Government could have done a bit more as well and it could take a more proactive role in that functional area and resourced itself for a start with a bit of economic expertise’ (N1).*

Clearly, there was a challenge for local authorities and it was up to chief executives and senior staff at a local level to grasp the wider economic development role. It was agreed that a good start would be to clarify the demarcation of roles with the other economic development agencies as; *‘There would be no welcome for and no great case for local authorities to start encroaching into the territory of the IDA because that would be really a recipe for disaster’ (N1).*

Another view that has begun to emerge at a national level, based on the experiences to date of implementing the new functions; *‘is the extent to which economic development can realistically be pursued within the context of a county is very limited, that you really need to look more at regional level’ (N1).*

In a further refinement of the above point it was noted that; *‘An exception to that possibly is the city areas, which you could regard in a sense as being focal points of a region’ (N1).*

Based on the experience to date with the reform and having regard to developments in other countries; *‘The future metropolitan authorities (under the new National Planning Framework) is where the economic development action is going to be, in the form of a new structure within the local government system or as the lead authorities in cities’ (N1).* This clearly has implications for the majority of county councils outside of these areas.

It was accepted, not just at national level, that central government had a continuing and important role in initiating, supporting and driving change as a key requirement to success;

‘If you don’t have the central government policy areas driving these structures, and ensuring consistency of approach and supporting local authorities to manage these, you’re going to end up with different implementation arrangements and that will result in a range of problems and challenges’ (N2).



While undoubtedly there had been success in implementing the reform there was criticism that; *'The process had been tortuously slow'* (N3).

Part of the challenge for local government was to bring the all community interests on board in a very proactive way and in a spirit of good will to make sure that the reform works and; *'To remove some of the baggage that has been there over the years where there was slight resentment between local government and community organisations'* (N3).

#### **4.3.2 The Regional Level Perspective – Creating and delivering leadership**

In their account of the new structures and arrangements and the pace of implementation one respondent suggested that; *'It will take this round of reform of local government at least five years to bed in'* (R1).

In order to put the increased economic role at the heart of the local authority business, it was suggested that there may need to be a change of operating culture for the authorities;

*'Local authorities see themselves as regulators and in the machinery of governance, sometimes the culture of pro-business isn't natural to us. So we must bring in that advice and cultural change through greater links with the private sector'* (R1).

In order to succeed in bringing about that change of culture one interviewee mentioned that;

*'It's a case of bringing that expertise from those different business sectors into local government, advising the governing structures that we have here, and our elected members on how we could be doing business'* (R1).

Among the regional tier stakeholders there were some negative comments in relation to the quality of the local economic and community plans. It was implied that some of them were weak, not ambitious enough and strategically poor. It was put forward that these shortcomings may have been caused by the traditional approach taken by central government to the local level through;

*'Guidance by way of circulars which was not particularly effective and there was no external strategic professional advice given to the local councils. There should have been more guidance and more strategic support from the centre'* (R2).

#### **4.3.3 The Local Level Perspective – Defining a new model of Governance**

A number of respondents referred to the structures set in place to deliver the reform suggesting that it was unnecessarily complicated, cumbersome and that there were too many rules in the guidance provided by the Department of Local Government. In addition the consultative processes resulted in; *'Meeting after meeting after meeting trying to capture what's going on*

*so as to fit it all into the process of reform and preparing the local economic and community plan' (L4).*

All respondents agreed that while the idea of the reform was very good, the bigger issue of the lack of accountability at local level was a potential hindrance. One weakness that has been apparent from the previous CDB's is governance and, in particular, the fact state agencies do not have local accountability. As one senior official noted;

'I'm responsible for monitoring and delivering the Local Economic and Community Plan but members of the Local Community Development Committee have no accountability to the local council' (L4).

A possible solution offered in respect of this issue of overcoming weak local governance and attempting to enhance agency performance is by; *'Tying the elected local government unit into having a real oversight role of those other institutions' (L4).*

This lack of local accountability by Enterprise Ireland, the IDA and voluntary agencies at local level is seen as an impediment to augmenting good governance at local level. As state agencies report upwards to their parent organisations it means that; *'There isn't the same level of public accountability locally in important services such as health, education and policing services as exists in local government' (L4).*

Whilst the reform has its implementation shortcomings, one interviewee noted that for the first time it gave a committee of council (the LCDC) actual decision making powers, as they are a delegated committee with the authority to make decisions independently and with the authority to sign contracts; *'That's a very new departure in local government and I think that can become a strength' (L1).*

Based on the local level experience of the successful manner in which the new structures were operating, one respondent suggested that the existing committees of the local government system;

'Should be removed completely and that the LCDC's role be strengthened in the context of its bringing together the various communities, almost as an advisory group to the council in terms of policy development' (L1).

There was also the view at the local authority level that the new structures had facilitated stronger participative democracy and had allowed local people and stakeholders involved in the new structures the

'Power to making serious choices, serious recommendations and serious decisions. The Public Participation Network presents that opportunity. The Strategic Policy Committees do not' (L1).

On foot of the reforms delivered through the 2014 Act, it was the case that local authorities are now reporting into and developing relationships with many central government departments and agencies and in the words of one senior official;

‘This was a recognition that through the 2014 Reform Act, we are becoming a real local government because we operate, not just with our parent department as it was, but through many different departments and therefore that gives more credibility to our role’ (L1).

The interviewees at local authority level noted that building on this evolving increased role and through listening to communities and carrying out new areas and types of research (most of which is not habitual in local government system) enables local councils to refocus resources and demonstrate to the respective Government departments how services can be improved;

‘So influencing on the basis of hard facts, realities and where change has been effective and therefore building on that change, local authorities have to demonstrate change and can influence public policy formation accordingly’ (L1).

The aim of this question was to seek the experiences of the different level participants to the reform initiative. The research confirms the uncertainty or dynamic that institutional restructuring introduces. The various actors were trying to grapple with the ‘*de- and re-territorialisation of the state*’ (Jones and Jessop, 2010, p.1137) as important powers were now vested at the local level. At a practical level, this meant increasing emphasis and reliance on networked power which fell to the local councils to drive. This new operating space would be contested for power by central agencies and local interests at a minimum and it proved difficult to achieve coherence in terms of ambition by the local level. The release of these dynamic forces tested the leadership qualities of the council executives to deliver meta-governance.

#### **4.4 The learning experience from the new role given to local authorities.**

The fourth question was designed to elicit progress on the practical implementation of the reforms especially on the wider governance role and how well local councils had succeeded in creating new networks. A new synthesis was clearly required to the state’s capacity for economic development that ‘*not only moves beyond present blockages within national territorial and economic space but also addresses the problems emerging from the wider reorganisation of the inter-state system*’ (Jones and Jessop, 2010, p.1143). This was to be the new localism as one instrument of the state’s response to the crisis of capitalism. All three levels of government had to struggle with this new paradigm (for Ireland) or mode of governance in the transition from Fordism.

##### **4.4.1 The National Level Perspective – the need to shift thinking and a new modality**

It was accepted at all levels that local authorities had embraced their new roles enthusiastically, if unevenly. It was also felt that in a number of case the councils were perhaps too modest and too conventional in their approaches and that fresh thinking was

required in the preparation of the local economic and community development plans to reflect the enhanced powers available to the councils;

‘The plans probably in many cases not ambitious enough and they are a little bit wedded in the traditional things like spatial development and public realm, all very desirable things in their own right but not enough ambition there about what the local authority can do to go after more big ticket economic development. Because certain local authorities haven’t thought outside their traditional box’ (N1).

On the basis of what plans had been developed by the councils one interviewee argued that further structural change was warranted in that;

‘The current arrangements for local government in terms of that future envisioning quality of life material that the current arrangements and structures are no longer fit for purpose. How could such diverse units of government in terms of their scale and resources be equally effective or efficient?’ (N1).

It was also suggested that there was an explicit risk to the government’s balanced regional objective and in particular, the need for the regions outside of the east to grow, unless there is some attempt at structural change at sub-national level;

‘But the one thing that would leave rural Ireland behind is if the main centres outside of Dublin are not catching up and prospering. That is what is really killing rural Ireland more than anything else. It’s absolutely unbalanced’ (N1).

Most of the interviewees at the national and local tiers felt that the plans prepared were good with the particular exception in terms of measuring performance and monitoring of delivery. Further it was generally held that there had been;

‘Good engagement with communities by and large even though local authorities would not have a strong skill set in this area, not because of lack of competence or capacity. It’s just because they haven’t been in that space for so many years’ (N2).

Respondents at all levels commented that there was a need for local authorities not only to be more ambitious but also to be prepared to take greater risks in fulfilling their new role, expressing the view that councils were conservative and risk averse. It was argued that there is a new culture in public policy in that;

‘Councils traditionally don’t take risk. The system doesn’t reward risk. So the main message is, failure is an option and failure is the only option. That unless you try and fail, you’re not going to succeed’ (N2).

In almost all case there was a recognition that the experience of change was going to take time as local councils assimilated their new powers;

'The reform is going to take some time but it is moving in the right direction and I think that the agencies have to let go a little bit at central level as well and we need to give more autonomy at local level' (N3).

#### **4.4.2 The Local Level Perspective – Time, commitment and space for change**

While the interviewees, on the whole, felt that the experience had been positive, one respondent argued that it was essential to allow sufficient time for the process to become more advanced;

'The one thing I'd hate to see happening here is that someone in five or six years time will say this experiment isn't working, we're going to get rid of it, instead of actually doing a proper review and seeing what can be done' (L3).

One of the interviewees at local level felt that while the local authorities were leading the process of identifying the economic needs of the county;

'It was certainly perceived that business owners and the private sector are standing back a little as they're submerged in their own business and don't have a lot of time to devote to it' (L2).

In a very similar vein another respondent cited evidence, from their experience, that other state agencies were not engaging at local level in the spirit of the reform and that it was being left exclusively to the local authorities;

'It's the local authority people that keep the noise level up at these meetings, and that's the truth about it now. Only for local authority contributions at these economic development meetings it would be a very silent affair. The state agencies are not participating' (L2).

When asked further on this point, the respondent elaborated that;

'The State Agencies are very much driven by what is in their own plans, and they don't want to operate outside that even with the Local Economic and Community Plan being adopted. They're looking very much at their own area and their own plans even though they are part of the bigger process' (L2).

It was felt that a possible solution to this perceived lack of participation by other leading stage agencies in the process could be resolved by using the mechanism of the LCDC;

'The LCDC has a very strong role in my view as it is accountable under the LECP. Because of this the other state agencies involved have to perform equally with the local authorities' (L1).

All the respondents at local level and some at the regional level suggested that a key government plan, the Action Plan for Jobs, based regionally, also bolstered the new role of local government in terms of economic development by positioning the local authority at the

heart of private sector businesses by supporting them. As a result of the synergy between both sets of plans and the direct supports being provided by the councils;

‘They’re seeing a different role for the local authority of what we can do in terms of working with the larger business sector. They’re working directly with us and we’re learning from them and that will add to our leadership role in economic development’ (L1).

The findings of this research confirm that there was a struggle at the different levels associated with the reorganisation of roles and power. Understandably various local areas were trying to deal with different problems which entailed building different networks, or ‘meta-governance’, with state and local players. While there were commonalities, there were also different priorities for partners which tested the conjunction of policy and its implementation. The practical result was a ‘*sorting mechanism in favour of those groups...needed to legitimise policy implementation*’ (Jones, 1998, p.981) but where local councils led the initiative. The success of the new networked local governance was dependent on the willingness of those groups (especially the strategically significant ones) to participate and thus legitimise the implementation of the new ‘governance’ paradigm. The challenge of overcoming lethargy or outright opposition required the local councils to use their best persuasive powers to achieve common purpose. It also raised questions about whether there was a unified ‘whole of government’ approach at central level and whether the ‘top-down’ approach to localism is the most effective.

#### **4.5 The results and impacts of the reforms to date**

The fifth question was designed to assess the method of measuring the success of implementation and to disaggregate causality, i.e. whether the new initiative had really delivered results or would they have happened anyway. The reform attempted to introduce a particular form of localism (see typology by Evans et al, 2013, p.402). The devolution of functions was not accompanied by any regulatory requirements on targets, performance and evidence. This approach does raise questions regarding accountability either upwards or downwards. Concern was expressed in connection with the resources and competences available at the local level after years of cutbacks (see Figure 2.8 and Table 2.10) and whether this undermined delivery capability.

##### **4.5.1 The National Level Perspective – An issue of analysis**

A number of different perspectives emerged on this aspect of the applied research. From a national outlook, it was considered to be too early in the process and; ‘*No analysis of what has happened at a local level has been carried out and the absence of key performance indicators in plans inhibits the measurement of same*’ (N2).

Given that the councils own activities coincided with the Action Plan for Jobs, it was considered that it would be quite difficult to disaggregate the effects of both but the general

view that emerged was; *'That the local government reform has helped local and national recovery'* (N3).

Among the national level stakeholders, the dominant view is that the process of preparing the local plans and consulting with the communities was progressive in identifying;

'If there was specialisation opportunities in certain economic development areas, that the plans could focus on, and where local people could point to, such as the indigenous tourism, in order to take full advantage of the potential of the job creation in rural areas' (N3).

#### **4.5.2 The Regional Level Perspective – Lack of understanding and mixed results**

Another respondent suggested that on its own, the reform of the local government system has not turned things around. But; *'It was timely and it allowed local government the freedom to engage in areas that heretofore it had been restricted from engaging in'* (R1).

In support of the preceding comment, another interviewee affirmed; *'I'd say that the reform process has had very mixed results. I think it has been effective in pockets'* (R3).

This view was echoed in the following further comment on progress to date, when the respondent added;

'I don't believe that leadership exists within the IDA to say that the roles and performances by local authorities across the country vary quite a bit. The IDA are not willing to rock the boat with another Government department and say that' (R3).

These observations, which are corroborated among local authority representatives, suggest that there is a reticence in public discourse, and among the agencies that should lead it, where the local plans or results are not being delivered, to comment on same. This comes back to the topic of governance and where it is not working;

'The IDA is effectively happy to sit on their hands and let it be unsuccessful. But I would argue that there's a lack of leadership in relation to that from IDA. In as much as perhaps IDA have a responsibility, I suspect that the greater onus rests with local government' (R3).

Commenting on the progress to date, one respondent suggested that the reform had allowed local councils greater direct access into the process of economic development but the lack of clarity of roles;

'Also allowed councils to cherry pick their role and approach, depending on what their local agenda might be, stemming from their local interpretation of the Reform Act and this had impeded potential progress' (R3).

This variable interpretation may have stemmed from a lack of understanding on what the enablers are, such as, for FDI. In addition there would have;

‘Been peer pressure from elected representatives in relation to what neighbouring counties are doing and their successes, and economic development progress or lack thereof becomes a political hot potato, as opposed to anything else’ (R3).

#### **4.5.3 The Local Level Perspective – Changing the thinking, building relationships and the scale effect**

One participant offered a different view of the reform and the effectiveness of the implementation plans, suggesting that it was simply a case of local councils showing effective leadership in any event, and that the Act and enabling legislation were not really necessary as; *‘Good local authorities would do what they’re doing now anyway regardless of the 2014 Local Government Reform Act’ (L3).*

As was noted previously by other respondents;

‘The new Reform Act hasn’t solved where the IDA and EI are in terms of local development. So it gave us the leadership and responsibility for making the plans, which we have done, but it didn’t tell them what their role and accountability is with local government is’ (L3).

When asked about measuring a particular aspect of the performance of their local authority, a senior local official opined;

‘We’re not good at assessing in a quantitative way what the impact might be of our own local authority’s inputs to economic development, arising from the new reforms. It’s very difficult to do so’ (L4).

Notwithstanding this difficulty almost all participants were agreed that one key success from the reform was that there are now better relationships at local level between the various state agencies and there’s a stronger commitment and recognition from the national economic development and job creation organisations that local government has a role and; *‘Certainly that there is a recognition that there’s a value to what the local councils are doing as well’ (L4).*

In furtherance of the new role being embraced, local authorities were viewing the new functions and activities as a fresh opportunity for organisational learning. The potential internal impact was noted with more than one local interviewee stating that it was up to local councils to drive the process and improve its own performance and demonstrate to the regional and national level just how effective the local level could be.



This was especially so in relation to;

‘Sharing a lot more information in relation to economic data for the locality. I think the IDA and Enterprise Ireland would have a lot more information about what we’re doing than we have on what they’re doing. But the local partners haven’t developed to the stage where we’re structured enough to manage the information flows in relation to economic development and job creation’ (L4).

In support of promoting this outcome, the interviewee noted the importance of the leadership role that the council had assumed;

‘There is no doubt in my mind that the job creation success would not have happened if we, the local authority, had not been given the opportunity to lead and if we didn’t have the appropriate plans, including the local economic and community development plan in place’ (L1).

In furtherance of the successful impact of the reform, a number of respondents alluded to the evolving approach being taken by the Department of Local Government to the NPF around the metropolitan areas and city areas. Building on the impact of learning from the reform process, it was suggested that;

‘City regions can cooperate but individual cities can’t. If we can convince ourselves and the system to think on a regional basis, within what I would regard as geographical areas of cities, what could result is very strong cooperation, centralised and driving on the larger infrastructure, economic, future planning aspects of local governance’ (L1).

Building on the learning at a local level this respondent also suggested that;

‘The initiative on this reform is up to local government. That’s the real opportunity that must be grasped from this reform process. And it won’t be grasped by all. That’s part of the problem, but I do believe that there’s enough strength coming back into the local government system to drive more profound reform’. (L1).

In concert with other local and regional tier stakeholders, this interviewee argued that critical to the success of driving change at local level and supporting further reform from the centre, was building the political will from the local level upwards.

The results of the replies from the respondents confirm the inherent complexity of implementing change and the transformation from local government to local governance. The key to analysing the impact of the reforms requires a range of nationally common and shared key performance indicators. The absence of these has made the task more complex not least because of the range of individual and institutional actors that are involved and their understanding of their roles in the new governance arrangements. The outcomes were somewhat mixed with evident strong enthusiasm at the local level. This was driven in part from

a recognition that '*places are now expected to compete for scarce central resources*' (Goodwin and Painter, 1995, p.646). The outcome almost invariably will be regional divergence and this will challenge the extant Fordist consensus of convergence and the nationally prevalent clientelist political culture at the centre of government. The leadership role of local government as an enabler for driving this process of change also prompted recognition of the need to move to a regional level ultimately, for greater strategic effectiveness.

#### **4.6 Assessment of whether there has been any improvement in autonomy and power for local authorities for economic development**

The sixth question was intended to obtain the respondents thoughts on whether the new laws had conferred additional powers on the local councils and whether there had been a re-balancing of powers between the centre and local levels. The answers to these questions would provide some indication of '*institutional restructuring and strategic reorientation*' (Jones and Jessop, 2010, p. 1138) which would suggest a more profound move to reform of the state's apparatus. More significantly if the councils realised and animated this shift, they could become crucial instruments of state power to '*shape the spaces of governance, economy and culture*' (Jones et al, op cit, p. 1141) and potentially lead to a renewed regionalism. This renewal would enable the shift of greater power and responsibility from the centre to lower levels.

##### **4.6.1 The National Level Perspective – The opportunity and potential are there**

Participants generally agreed that local authorities now had increased autonomy to influence their local areas, since the implementation of the Local Government Reform Act in 2014. In fact, it was suggested that each local authority has the discretion to add on fifteen per cent to its local level of tax income every year, via the LPT and use that increased income to promote economic development itself for its local area.

It was also accepted by all participants that the additional provisions that have come on stream since the 2014 Act gave a more expressed and more clarified mandate on economic development powers to local authorities but that undoubtedly;

'There's a gap there at the moment and it's probably more at central government level, as to what the role of the different government departments is in engaging with local government' (N1).

On the strength of the perceived progress to date one participant indicated that;

'It's definitely the Department of Local Government's objective to empower local authorities to be that influencer, to facilitate economic change and to be the lead at a local level. On the basis of what has been already delivered, the next wave of local government reform is looking to extend the devolution of responsibility to local authorities and give them more power' (N2).

However, this would depend on the local authorities acting on their existing devolved powers and fully understanding the authority conferred on them by the reforms to date. This would

suggest that, based on successful outcomes, there may be a devolution shift across the entire public service and also signifies the wider importance of the 2014 Act. This repositioning would involve;

‘Moving from centrally controlled policy areas to devolution of those policies to local authorities and empowering the councils to deliver on those policies over the long term’ (N2).

This view was conditional on authorities moving into the strategic policy space that had been created by the reform process and delivering on their new mandate.

Reflecting on this another respondent expressed the hope that that there would be more goodwill to local government demonstrated by central government in the future. On this basis that future devolution would not be just those functions;

‘That are a pebble in the shoe for ministers at national level, and that central government departments would be more generously spirited in some essential functions that could be devolved’ (N3).

#### **4.6.2 The Regional Level Perspective – Certain councils are responding well**

From the regional level perspective, one interviewee noted that there was a greater emphasis on partnership;

‘Since the Reform Act of 2014, so now when you get foreign direct investors in, the IDA are very clearly interested now to have local government by their side in terms of these visits’ (R1).

Given that the increased role is still relatively new, this interviewee expressed the hope that;

‘As the years go on, local government will become much more comfortable in this economic development role but it will not ever be travelling abroad to attract foreign direct investment and I don’t believe it should’ (R1).

This respondent also cautioned that local authorities have to recognise the boundaries of their new functions, in collaboration with other agencies and not over extend themselves into new areas. It is important that local authorities remain focussed on their own tasks;

‘In relation to service provision, in relation to quality of life, in relation to retaining expertise and skills in our own regions rather than chasing the pot of gold of economic development at the end of the rainbow’ (R1).

When asked about this issue of the greater empowerment of local government, all respondents were agreed that the most important outcome to date from the process has been the added value that local authorities are now bringing to the national effort and agencies. But local authorities

needed to remain prudent in terms of they now proceed and to remain realistic in terms of their economic development objectives. In this regard;

'If business sees that local government is open and that councils are pro- business and that they're ready to be flexible in terms of attracting business and that the quality of life in those areas is good, that's the approach for the future' (R1).

However, it was also recognised that local government, in its wider role, is also an influencer of the market. Proper governance in Ireland is seen as absolutely essential in order to attract either FDI or indeed have indigenous investment grow because companies require certainty and good governance contributes to greater certainty;

'Companies and investors require services. They require quality of life in urban and rural areas and they also require fairness. And local government is about wealth distribution as much as it is about service provision' (R1).

On this front the respondent suggested that as time passes and the role of local government increases that it would be progressive; *'For councils become more active on a client to client basis with foreign direct investors'* (R3).

#### **4.6.3 The Local Level Perspective – An increased realisation of the Schumpeterian philosophy underpinning the post-Fordist reforms. Conflict with the councils social role?**

The participants at local level were agreed that local authorities did have greater influence and autonomy as a result of the 2014 legislation. There was a cautionary note though with one respondent noting that;

'It is true to say that we have more autonomy. But on the other side, one of things which these reforms did was that it took away our role in relation to water services and we've lost that element of autonomy which is, in a sense, essential support for business' (L2).

The same respondent also noted a concern that local authorities in competing for investment could end up;

'Stealing each other's breakfasts, and we're always trying to compete with other places. You could become a capitalist local authority, rather than a socialist local authority' (L2).

One interviewee noted that it may take some time for local authorities to fully realise their potential under the reforms as *'we are not forceful enough as a sector in terms of what we can do. We're shy about the leadership role that we can provide'* (L1).

This respondent also noted that;

'What's really our strength is our capacity to respond and to react. We are extremely well placed to bring the political power to the table, we can phone a minister, it doesn't happen very often, but the office we hold carries that respect, that you can actually get through to the top people in respective departments and that is the nature of local government' (L1).

One respondent at the local level was acutely aware and sensitive to local councils moving from a strongly social and welfare role (housing, community development, etc.) to what they perceived under the new powers to be a capitalist role and the impossibility (Jones and Jessop, 2010) between the two. In addition all respondents had a sense that there could be local winners and losers under the new reforms. This awareness was particularly acute at the local level. This led to a view that a response to this potential widening of the gap would necessitate greater local inter-council collaboration initially having due regard to political sensitivity. In time there would be the likely emergence of regional arrangements/structures to facilitate more inter-regional competition, initially at executive level but conscious also of the need for political participation for legitimacy. With fewer but larger sub-national units of scale, this would lead to renewed regionalism. This awareness and foresight positions the local councils to influence and shape future strategies and institutional change and restructuring.

#### **4.7 Evaluation of how effectively local authorities have used their additional powers conferred under the 2014 Local Government Reform Act.**

The key requirement in the effectiveness of institutional change is that it produces better results by being '*more responsive, more efficient and more honest*' (Miller et al, 2000, p.85). This can be measured by 'hard' data, as in the present case say by higher levels of job creation and so on. The research has noted the absence of KPIs to inform this aspect of the reform. Another indicator is the success of the institutional change and certain 'soft' characteristics, e.g. localism delivering improved community activation, better services and engagement. The key actor among all of these possible indicators is the response by the local level to the reforms. This thesis introduces the emerging local governance research agenda in Ireland of which there has been limited study to date. Whilst there is considerable material written on this topic, especially in Britain, there are limited indicators to measure the health or success of improved governance in part because of its very wide definition (Stoker, *Governance as Theory: five propositions*, 2010). In Ireland councils produce local government service indicators but not local governance service indicators. The introduction of governance indicators should help raise awareness of change and foster a culture of evidence-based reform and implementation. Indicators can help identify specific areas that need improvement and reform.

#### 4.7.1 The National Level Perspective – Resources must follow the Reform

The participants were unanimous in their view that the feedback from and experience of the reforms generally has been positive and this includes anecdotal comments from both national and local politicians. The introduction of the LCDC means that this body is now the approving entity at local level for funding programmes by local development companies. Heretofore these approvals would have happened at central level and, in effect, it means a transfer of autonomy to the local level;

'The feedback from the local authority executives and members has been very positive, universally positive and very good. The one shortcoming is that many of the local economic and community plans don't contain very big ticket items really and that probably feeds back to the lack of ambition in the economic plans' (N1).

One informant added that the lack of ambition in the plans could be attributed to the fact that; *'The county as a jurisdictional area or a territorial area for an economic plan may in many cases be a bit too small'* (N1).

In developing this line of thinking another respondent offered that the evidence suggests that local government will develop greater autonomy over time. The interviewee added the following insight;

'Greater autonomy and greater capacity are two different sides of the same coin again because if you don't have the capacity it doesn't matter what autonomy you have to deliver it, you're just not going to deliver it' (N2).

This theme of the lack of resources as a capacity constraint, and identified in the literature review, was raised by a number of the respondents all the more so as; *'There had been significant shedding of resources by local authorities over the last decade'* (N2).

It can be very challenging for local authorities trying to manage their new functions where the resources are inadequate to deal with existing responsibilities, but it is not impossible. One indicative solution to this dilemma is through;

'Building external relationships at a local level by local authorities. It is hugely important on two fronts, in terms of developing partnerships that will deliver long term and getting the right people involved, that are critical to local development' (N2).

One obvious way to deliver this is by increasing links between adjacent councils and this principle has already been established through shared services between authorities over the past decade. When asked this question, one respondent replied;

'The extent to which local authorities are cooperating across their county boundaries on economic development is probably patchy at best. They're definitely seeing the need to engage on a regional basis' (N2).

So the inter-authority relationship building is happening, but the respondents suggest that it is not happening in the fundamental and reformative way in which it was expected to occur in terms of economic development and developing economic regions;

'I think it needs people to step outside the silo and say that development of the regional approach, is as much a driver of local development as anything else' (N2).

This following contribution illustrates the very real challenge in moving to a more joined-up regional approach;

'I suspect it's difficult for a chief executive to be able to justify a regional approach and putting resources into a regional approach, that may not ultimately deliver for their specific area' (N2).

With the implementation of the NPF onwards to 2040, central government intends to commit to a more regional parity approach to population growth economic development in a shift away from projected trends, with a promise that the public capital investment programme will match the regional objectives in the plan. This will be a real challenge for local councils in the use of their new powers to;

'Show that economic development is just not happening in an ad hoc way. It is the case that there are local authorities, because of the natural regional set up that there is, are taking that regional approach, but it's not happening as a matter of course' (N2).

One senior respondent at national level paid great tribute to the local authorities saying that;

'It was amazing the type of changes that were made in local government in recent years, the new responsibilities, the new powers, the new service delivery that was expected and at the same time the sector had twenty-five per cent less staff. It's taken as read, notwithstanding the fact that there was some pain to the local government system, it was seen that local government were more responsible than any other state agency or central government department in actually meeting the challenge of restoring Ireland's sovereignty' (N3).

In summary the perspective from the national level is that;

'Local authorities have responded well to the reorganisation of local government and to the public service reform agenda better than any other state agency or better than any other government department' (N3).

#### 4.7.2 The Regional Level Perspective – Need to build competencies locally to optimise the reform

A regional level respondent offered the following comment in regard to the new functions and local authorities changing their operating and political culture;

'There has to be more emphasis on training people in terms of what exactly it is local government is expected to do in terms of its role in economic development, because, in the past, local government has been too risk adverse and too compliant, local areas have lost out as a result. So I think that we have to be more ambitious' (R1).

However the same interviewee cautioned that;

'Local authorities have been pilloried so many times and through no fault of our own in the majority of cases. When development plans were prepared, councils thought they were doing the right thing and took the best information that was available at the time. Now it is the case that market driven economies are moving fast, much faster than the six year county and city development plan period, which makes writing those plans very difficult' (R1).

With reference to local authorities seeking greater independence and self-determination, another respondent commented that the main issue facing sub-national government is;

'The question of strategic autonomy and it is one of the things that bedevils all of this. At a regional and a local level Ireland is still very highly- centrally planned and controlled' (R2).

This respondent's unfavourable view was that the Department of Finance and the Department of Public Expenditure and Reform control all major public investment decisions and, as a result, strategic autonomy is still very centralised. His view was that the local authorities' various plans have to facilitate economic development; *'They are only players but not controllers'* (R2). So the interviewee would aver local authorities are policy takers when it comes to a lot of the key decisions and do not have strategic autonomy.

The same respondent offered a possible answer to the over-centralisation of decision-making;

'The solution is co-production and it requires is two things. It requires a national policy that's open to that, because it's a different way of doing things. It's not the way the Department of Finance have been doing things. And secondly co-production is a change in that mind-set in central government. But what's needed at the local and regional level then is a far greater capacity for strategic planning and competence. And identifying and justifying the projects and initiatives and the new ways of doing things' (R2).



### **4.7.3 The Local Level Perspective – Autonomy in itself is not the answer, greater inter-authority collaboration required to achieve outcomes**

When asked about local government having increased autonomy, one senior local government official stated that;

'It depends on the style of chief executive. Some people might like the piece of paper that says this is what you have to do. I don't, I prefer no piece of paper and I would say that the majority of chief executives are like minded. They take calculated risks. They're risk takers' (L3).

It was accepted by all respondents that local authorities have a degree of flexibility to take economic development decisions and to resource them accordingly. Chief Executives have been making decisions under the auspices of the 2014 Act to add new staff in tourism and/or in economic development or other projects that are going to be beneficial to the economy;

'Oh without doubt, yes the local authorities have greater autonomy. We might be able to do more, strive towards greater ambition, if we had more staff in particular, more competent staff in that particular area. We need to get the message across that we're helping economic development across the whole spectrum' (L2).

The context at a local level in which resource allocation decisions have to be made was explained by another senior local government interviewee;

'So I make a decision to promote economic development and risk the council's finances by taking a loan for tourism promotion. Can I do this in the face of a housing crisis? Put that in front of the elected members and you know which way they're going to go. We need more competency and more cleverness in the way we do things' (L2).

In a variation to the question of where the balance of autonomy resides, another senior local government official declared;

'I don't believe we have the autonomy. Nor do I believe that autonomy is absolutely necessary because I think you don't have to own something to influence it. I think we have a huge capacity and this goes back to the potential leadership of local government itself, we have a privilege, which exists based on the longevity and the importance of what it is that local government does, to be able to influence those that are around us, either local agents, or indeed national agencies or indeed directly to departments. So autonomy is not in itself the answer' (L1).

Reflecting on this topic further, a recurrent theme that emerged in the interviews was a sense amongst the interviewees that an unstated aspect of the reform was that the future role of local government is more about building partnerships and, that creating relationships is critically important. This is necessary to get mutual commitment to the various local plans and building

the understanding of the different roles that exist within those plans and the commitment to deliver on those roles;

'That's more important than actual autonomy itself. Because we all have autonomy in our own right, but unless we come together we do not get the outcome that is necessary' (L1).

And finally in relation to this issue;

'I have never felt that there is nothing that we cannot do. It's a question of having the determination to deliver on the outcome. You have to have the capacity to convince others that it's necessary to be done. So it's more important about the understanding of what you can achieve, under the auspices of local government than what you're supposed to do' (L1).

This question goes to the heart of the function of local governance for which there can be '*different aims and objectives that range all the way from developing the personality of the individual.. through to the cheap or efficient provision of services*' (Miller et al, 2000, p.71). The responses suggest that local councils reacted positively to the new, somewhat narrow range of functions given to them (which was an enhancement of previous attempts at local governance). The latitude permitted was wide but resource and competence deficits hindered and delayed programmes in certain cases. While diverse initiatives could only be expected by reference to geographical and local issues, there was widespread recognition of the importance of KPIs to achieve greater consistency and to measure progress. It is clear that an agreed number and range of KPIs need to be developed, for both hard and soft indicators, for citizens and the community as well as policy makers and implementing bodies.

#### **4.8 Examines the extent to which the reform has encouraged and facilitated collaboration between local authorities and its impact on regional governance**

This question was prompted from the literature having regard to the scale of the undertakings needed for effective implementation as well as the complexity of the tasks involved. A key aspect of decentralisation and new governance model are new process (Stoker, 1998, p.17) and institutional arrangements. The focus of the question was whether the new paradigm would change the horizontal relationships between, largely geographically adjacent, sovereign local councils and create a distinct 'meta-governance' in a 'bottom up' initiative. Moving from the theoretical work, the author sought to ascertain the practitioners early experiences and insights of the reforms and whether increased inter-authority collaboration and inter-dependence was an ineluctable outcome. As Rhodes (1996, p.657) notes '*central government is no longer supreme*'. It may also be the case that certain units of local government are no longer 'supreme' but, at a minimum, greater collaboration is warranted if local government and local governance is to progress.

#### **4.8.1 The National Level Perspective – Local level must begin to think and act more regionally**

One national level interviewee argued that it is an urgent political priority for the country that there is better balanced regional development and that the NPF is essential to this work;

'But, of course, for this to be fulfilled, local authorities have to think more regionally instead of parochially and this has been their problem for many, many years' (N3).

The same respondent argued there is a balance to be struck between responsibilities and devolved functions to local government at a county level and the need to distinguish certain large scale projects of a regional nature that will help to drive all counties in a region and on which all the affected local authorities must agree and support. As a case in point, some suggest that there is a need for a university for the southeast of Ireland. This goal is example of a shared regional approach for a single big public service objective, which if delivered, would help people to be educated in that region and possibly be retained in employment there. The interviewee opined that;

'In every region there are one or two key objectives that need to be looked at on a regional perspective, in terms of infrastructural provision that's needed to drive the economic, social, educational and cultural aspects of the region and local authorities must come together and lead such regional development' (N3).

In a similar vein, the same interviewee argued that the 2014 Act is a test for the local government system both at administrative and political level. The intention of the Act is that the vast majority of public services should be delivered through local government. However, the challenge in delivering larger scale, regional projects requires greater collaboration by local authorities in their areas, especially in assisting overcoming objections and obstacles. In relation to the case in point of a university for the southeast, he commented;

'Well the evidence is that it's not stopped by local authorities in the Southeast. It's stopped at national level, particularly by the other universities. Even the Higher Education Authority came to the conclusion that this is an essential piece of a key infrastructure in the Southeast' (N3).

#### **4.8.2 The Regional Perspective – New Governance- new political culture**

Inter-authority collaboration and cooperation is seen as essential to have some hope of regional uniformity and equality, as some local authorities; *'Won't have the capacity or the skill sets to promote economic development like the larger authorities and this creates a very uneven pitch at local level'* (R1).

A common theme that emerged among a number of contributors was identifying the boundaries for the local authorities' involvement in the role, based on their limited resources and capacity;

'Because economic development is difficult to define in terms of exactly what a local authority can and should and can't do. We have to be careful that we don't over extend ourselves. We need to share our learning amongst ourselves and we'll have to be very much guided by the likes of the national agencies in that regard' (R1).

When asked about the need for greater cooperation, the participants were unanimous that councils would have to work more closely together as would have occurred on many fronts in the past. It was suggested that this could be both at an informal and more formal and legally binding level. Indeed one respondent indicated the scale and thinking required to deal with the challenges involved in greater regional cooperation. This is particularly pertinent in the strategic national context. He observed that;

'The idea that you would think that you would create enough of critical mass or attractiveness by having five hundred or six hundred thousand people in Cork is ridiculous. But I think if you have a million people through the addition of Limerick and Galway in that corridor, then you're talking about a real magnet and a real counter pole to Dublin and the east' (R1).

The objective of greater inter-authority cooperation to drive regional (and national) objectives did raise the issue of the demarcation between the local and regional levels, with potentially conflicting views emerging. Some argued that local government is fit for purpose for the legal and financial and other mandates that it has at the moment and that the challenge of progressing larger economic corridors and projects should be handled by the Regional Assemblies in the interests of regional governance; *'But for that to happen you need to have the powers and our regional assemblies don't have the powers to do that'* (R1).

Due to the lack of power at the regional level, this respondent then noted that delivering at the regional level will fall to the individual local authorities, hence the need for greater cooperation between them. However the interviewee cautioned that placing reliance on this level meant; *'That in reality the local county and city development plans will take ten years to reflect national and regional objectives and put them into action'* and that this process would be far too slow which implied that; *'Nothing was going to happen in Ireland any time soon'* (R1).

This shortcoming was due to the fact that; *'Ireland doesn't have a culture of regional governance and any effort that we have had at it in the past, has been a half effort'* (R1).

Part of the difficulty in trying to vest greater power and autonomy at the regional level (whether the transfer of power comes downwards from the centre or upwards from the local) is that the board members of the regional assemblies are elected members from the local government system; *'And the power of local government won't allow that greater autonomy at regional level to happen'* (R1).

It was further suggested that central government would be influenced by local government in any further change in this policy area and that local authorities were;

'Fairly non-committal on the reform of regional governance in the 2014 reforms and it's accepted that local government carries all of the weight that regional assemblies don't. The reality is that city and county development plans are and will remain more powerful than regional level plans' (R1).

In support of the view of the asserted precedence of the local government system, especially from a political perspective of influencing change, another respondent added that;

'A critique of the Irish governmental system is that our political system is too localised and our administrative system is too centralised. We'd be a far better country if our politicians thought regionally and nationally and not locally. And if our central administrators were far more tuned to regional and local considerations and not just be centralists' (R2).

A common theme that emerged from the interviewees is that wherever decision making is going to be made on economic development priorities, that sector or level of government will be judged on its ability to make the difficult choices. One respondent put forward that;

'The centre isn't going to make the hard investment choices at local level, so I think the local and the regional levels have to do it. We have to say this is what we want and we think this will work and this is the investment. Unfortunately we don't have strategic autonomy on most critical investment at the moment' (R2).

In this context the respondent offered a particular analogy that;

'When you see a town like Castlerea, Co. Roscommon viciously vying to get a prison, you just see how bad things are. That's just the way it is. But where local government in particular needs to take a lead is being the organisations that come up with the ambitious but viable, coherent plans that say this will make a difference, this is where we want to go' (R2).

What becomes apparent as local councils enter the field of economic development, whether jointly or regionally, is that;

'If the National Planning Framework doesn't envisage population growth in certain areas, well then what is the plan for those areas and what role can local authorities play in such areas?' (R2).

The particular challenge for such locations and communities, whether managed separately or severally by local authorities is that;

'It's the nature of economics that some areas grow and some don't but we've always been planning for growth. We're really bad at planning for retrenchment, and that it

may well be that the population of Roscommon and Leitrim is not going to grow much more' (R2).

In summary, all commentators agreed that the challenge for local authorities is to define the future and to set out a vision that is realistic and deliverable;

'I think they need to set out a reasonable and achievable vision and take leadership on that. And I think that's local government fulfilling its role. They can't magic, they're not magicians' (R2).

#### **4.8.3 The Local Level Perspective – New institutional arrangements needed**

One interviewee argued in favour of a bottom up approach and because of this;

'Local government needs more coordination at regional and national level because it's the local authorities who need to come up with the solutions as opposed to the Department telling us what the solutions are' (L3).

Based on the experience of implementation to date, another senior local government official stated that the reforms and the focus on economic development had, in certain locations, led to a greater collaboration and the emergence of a greater single vision for a regional approach.

Another informant argued that local authorities are capable of managing the political differences between them. However, he argued that the executive differences are sometimes a greater impediment, owing to the way authorities are structured. Local authorities operate in a very competitive environment from an economic point of view and this competition for investment sacrifices greater collaboration. The interviewee noted that;

'Every chief executive wants to achieve something themselves for their organisation and sometimes while we might have collaboration, it does create competitive tensions as to who becomes and be seen as the leaders' (L4).

By way of illustrating this issue of competition between local authorities, that limits the initiative or capacity for collaboration, this senior official noted that;

'Our Council failed to get our counterparts in an adjacent county to engage on tourism promotion, because I believe that the right way to drive tourism is by region. This did not come about as our neighbouring local authority don't (sic) want to share the strength of their asset and that was an executive decision made within the other Council' (L4).

Based on the experience of not achieving bilateral arrangements for developing better tourism this official stated that;

'There has to be a move in the longer term towards actions in the local government system to a more strategic approach to services. There's no reason why that can't evolve into regionalisation' (L4).

This led to an observation that the current arrangements at;

'This new regional structure (the regional assemblies) is a joke. Having twelve local authorities in a single assembly (the Southern Assembly) is far too big geographically to operate effectively. As a result we're grappling with it to be honest with you' (L4).

Another respondent noted the loss of opportunity for more extensive reform at the regional level as part of the 2014 Reform Act and stated that;

'If there was a serious attempt to have reform at regional level, the 2014 reform period would have been the time to do it. A lot was achieved at that time including the abolition of town councils. A step further would have been to look at improved regional governance' (L2).

The same interviewee noted that whilst;

'There's a lot of collaboration between local authorities, when you get back to your own nest, you do your own thing, you know. You just keep an eye out over the long grass to see what's happening' (L2).

The lack of a statutory obligation for local authorities to collaborate on economic development issues means that;

'It is essential to ensure that the executive who have the responsibility to deliver, actually should work together but you are totally dependent on relationships there' (L1).

Based on the experience to date of voluntary collaboration between senior executives of local authorities and the limitation to same, one senior official suggested that the solution may be that;

'A regional authority emerge, which is made up of an appropriate geographical region, not a merging of counties, as has been the tradition. And this brings us into the concept of city regions' (L1).

The same official put forward for consideration that;

'The remit for such a regional authority be very tight in terms of policy of strategic development, not operational by any stretch, and not to influence operations, because then that brings it back down to the local authority, whose responsibility it is to deliver' (L1).

The respondent continued that political decisions around local taxation are a critical part of the rationale for having local government but said this should not form part of any future regional level. But there are executive planning decisions that operate at a higher level and that new regional functions should require strategic thinking; *'And perhaps that this regional approach has to have the approval of the Oireachtas'* (L1).

All informants mentioned that there is a need for consistency of approach towards reform and that there should be an agreed and shared support for same especially in how economic growth is to be managed and fairly distributed across the country. In considering strengthening governance at a possible new regional level, one interviewee suggested that;

'In terms of the political representation of that new regional level that is determining development, the elected representatives could be at TD level. Could we give a new role for our Senators and our TDs on a regional basis and really make them work in a different way?' (L1).

The responses admit to the need for new inter-local authority institutional arrangements. This is the prediction of Jones and Jessop (2010, p.1138) and suggests an evolutionary process needs to commence at the local level in both executive and political spheres. Heretofore change has been led nationally. The significant challenge emerging from this research and prompted by 2014 Reform Act, is not just greater collaboration with local stakeholders as the model supposes, but that local council executives shift the equilibrium to drive real change conjointly between their institutions. This requires a vision or 'super-vision' for future governance arrangements that can, and arguably should be led by the local level. Such an approach could possibly also assist uneven geographic and development impacts referenced by Goodwin and Painter (op cit).

#### **4.9 An assessment of the reforms and experiences to date**

Having regard to the pivotal role given by the state to the local councils, it was significant for this thesis to ascertain respondents early thoughts and experiences on the changes. It is important to capture the results of the systemic changes in the analysis of local level state transformation. The views of the practitioners with primary responsibility were material in terms of capacity to act. With responsibility must come the required resources as without these *'the question of governance is moot'* (Wilson, 2000, p.57). Implementation is a test of the effectiveness of the local level in the state's apparatus and asks whether a new political culture needs to be created for governance to become meaningful.



All respondents agreed that the reforms have been positive and that local authorities have embraced their new responsibilities, tried to operate them effectively and implement them. The participants overall felt that the councils have established strong operating frameworks around which future success will hinge. One respondent noted;

'That the supports from central government were at a crossroads and the development and understanding of that role by the centre is still in a critical phase. The local authorities have put in a huge effort and you can't fault them on that. So hugely positive' (N2).

It is necessary to make a distinction in the implementation of the reforms between the executive and elected roles as certain functions are legally reserved to the members. While much of the focus has been on the executive role it was noted by one interviewee that;

'Local councillors experience some frustrations about the implementation of the reforms and the context of decision making but that's principally their own fault, that they're not exploiting the potential of the legislation and the autonomy that councillors have in the new Local Government Act of 2014, to the extent that they could' (N3).

The interviewee raises an important point in terms of the duality of the reform that must be developed by both streams on the local side to be fully exploited;

'Not every councillor gives it the attention they should in terms of the potential of the economic development policy or structural opportunities that are there for them in terms of service delivery for their constituents. They need to wake up to the potential that they have in the powers that they have in the legislation, in order to give them that necessary opportunity to deliver' (N3).

In a further commentary on this point the interviewee noted that there's a bit more work to be done in terms of the implementation at local level and building the principles around councillors getting more power to deliver for the people;

'The elected members need to have the strength of political will to be able to take on management and take on vested interests in order to ensure they get the right results for the local community, that's the essence of power in local government, which is there at the moment but which they don't perhaps realise fully and the members need to utilise their powers more' (N3).

In this context the contributor added that;

'We have developed a municipal structure (at sub-county level) that can be improved upon for the future by reducing the size of the electoral areas so that councillors are able to deal with their constituents in a much smaller geographical district' (N3).

Looking at the reform from a wider perspective and the replies from interviewees, a number of linked objectives emerge. Local government is to drive economic development locally and is to be the vehicle for enterprise delivery at local level for small businesses and, councils should have the financial resources available at local level to achieve that. There is now discretion on local property taxes to fund better services, paid for locally. Through increased economic activity and growth, councils should be able to attract new sources of rates income to improve those services even further. In other words, a virtuous cycle is possible.

However, the majority of contributors noted that the reform is in a trial phase and that based on successful implementation;

'The devolution of responsibility from central government to local government needs to continue to be looked at and that the first port of call for any new initiative at central government level should be to see can it be implemented at local government level. That's in the 2014 legislation' (N3).

On this basis;

'Every government department should be charged with responsibility by the Department of the Environment to look at what can be devolved to local government level and let resources follow that initially, but ultimately over time that those resources would be generated and spent by local councillors at local level' (N3).

It was also noted that; *'The elected members are consistently buying into the broader role and are very supportive of the role that the Council is playing in economic development' (L4).*

All contributors agreed that the reforms had raised the profile of local authorities at both local and national levels. Respondents remarked that the challenge of the new roles had been constructive for the councils in testing the elective and representative sides.

It had required organisational learning and relationship building that; *'Enabled staff to stretch themselves in a lot of different ways as well and the profile of the councils had certainly increased significantly' (L4).*

There were also changes in the approaches and attitudes in local authorities where the reforms had been embraced; *'In that we're now bolder, much bolder about us leading certain economic development initiatives' (L4).*

The enrichment of roles and the new organisational focus that stemmed from the added functions was also alluded to because; *'We're not just building roads and giving planning permissions now but everything we do now is driven by economic development' (L4).*

However, the new roles were not without their challenges and as one senior local official observed;

'I don't see a huge amount of change, particularly amongst the elected members. They prefer the comfort of their own electoral areas, municipal districts, talking about local things' (L2).

Continuing in the same manner, the interviewee noted that; *'While elected members want more powers, they don't always want to use them, you know, because it's not an easy thing to do'* (L2).

There was a contrast from the executive part of the local authorities in that;

'We've taken economic role and we've embraced it and it's a very good part of the reform. We like it and the staff like it. The staff that have been assigned to the economic role like it and the whole buzz around it. They like the different feel of doing something which they wouldn't have done in the past' (L2).

In conclusion of this aspect of the applied research, all respondents were agreed that the reform; *'Is proving to be effective in so far as we are creating change and hopefully from a positive perspective, that change is happening'* (L1).

The responses confirm the openness to change at all level levels and that results had been positive, stemming in particular from increased networking or *'the third governing structure'* (Rhodes op cit, p.665). Building from this was need to maintain the impetus for further change post the initial trial period. There was also a sense of change of mission emerging from the responses and that the local level could now assume a more holistic approach to local development through new wider networks and influence. On this basis the councils could begin to create locally identifiable change and renewal led by the Chief Executives with the senior leadership team. The necessity of involving the elected members to help shape their new roles and foster a new political culture was identified and seen as a particular challenge.

#### **4.10 Consideration and observations of possible future reforms based on the experiences to date**

This question was designed to elicit the momentum of the reform and whether the impetus for change would be sustained. Increased moves from government to governance across the developed world has largely been precipitated by the crises of the state (Goodwin and Painter, op cit). It was certainly the case that Ireland was in economic crisis at the time that this change was mooted and that certain post-Fordist characteristics were manifest. The data in the literature review shows the relative decline in the power of elected local government in Ireland over the decades which were dominated by centrist thinking and solutions. The willingness and capacity to innovate at the local level was evidenced, thus supporting the theoretical observations showing that a substantive shift in thinking is possible. The reforms make for a

*'more complex architecture to systems of government'* (Stoker,1998, op cit. p.19) but the evidence suggests that local government can cope with this complexity, particularly through networking and soft power. The respondents noted the weakness at political level but offered suggestions to remedy this. The concern would be that without continued political championing at national level and the easing of the crisis, whether the environmental conditions of disequilibrium necessary to require change would lead to stasis. In essence the question was intended to evince whether the evidence of the success of change to date has built sufficient thrust and momentum to reverse the centralist tide that has run for many decades.

In taking account of the reforms that have been implemented to date, and learning from the achievements and constraints to further progress, many of the contributors observed that in the future, further adjustments may be needed to the new structures that were introduced, certainly within counties;

'Of course there is a case in principle for major restructuring of the counties. But that is probably some distance away because of the sort of outcry that tends to arise if any attempt is made, or perceived attempt to interfere with the counties' (N1).

It was suggested that;

'There could be sort of collaboration, or coming together at an administrative and executive level while retaining the individual sets of local authorities but even that's probably a little bit into the future' (N1).

A particular area of focus guiding further structural and functional reform may be;

'The concept of metropolitan governance. That could be the big change in the future as it's happening throughout Europe and France is a particularly good example where this is rapidly developing' (N1).

As the implementation of the NPF commences, it was suggested that;

'The core function of the new metropolitan authorities, if they come into being, would have to be the adoption of regional spatial and economic strategies, which currently reside with the regional assemblies' (N1).

Based on this suggestion it would seem to be the case that if new metropolitan bodies are created and are to have any worthwhile role, it would have to have to be the responsibility for economic strategies; *'And they would take it from the regional assemblies. So presumably that idea could re-open the question of what is then the appropriate regional type structures'* (N1).

Taking account of the success of the limited reform to date and the potential for further devolution and reform;

'One of the reasons why there isn't more devolution to local government is that the state agency model is very strong in Ireland, stronger than in any other country, where we have state agencies developed here for specialised public functions' (N1).

The Action Programme says that local government will be the primary vehicle for public service at local level in as far as is possible. It does elaborate on this objective in a later chapter of the programme. It talks about certain functions being of their nature appropriate for local level and others not. But;

'The reform agenda is up against the issue that if something is working reasonably well, like national transport is considered to be working pretty well, so there's no prospect of that being taken away' (N1).

A common theme that emerged from the various contributors is the need for greater engagement between central government and local government. This suggests that the reform process would benefit from a more formal arrangement between central government and local government to facilitate a more structured engagement;

'It is only by central government letting go of a large amount of what it does and letting local authorities deliver services with a local policy perspective, that real change will come' (N2).

As part of this dialogue, it was broadly agreed that it is now necessary and indeed beneficial to facilitate greater local input and flexibility as;

'If we continue to hold onto power at central level, and dictate how programs should be delivered at a local level by local authorities we're not going to allow flexibility for innovation and initiative. If we don't have that flexibility well then we're not going to have any real integration and proper targeting of resources because it'll all be pre-determined at a national level and not where it's needed most at the local level' (N2).

One national respondent noted the vulnerability of the impetus for reform where there is undue dependence and influence by the centre. It is the case that we have;

'The same government but a different focus on the issue of reform and it is being a little bit more parochial. The focus is on where the funding is going rather than on the structural change that's needed to target that funding in a better way. There is a bypassing of the structures at a political level. It seems to be politically led' (N2).

It led this interviewee to intimate that; *'The partial reversal of reforms stems from a lack of trust in local authorities and a lack of faith in delivery by them'* (N2).

This affirms the contributions by many respondents of the need to re-build the capacity and resources of local authorities in the longer term;

'There are officials within the Department of Local Government who are constantly bemoaning the lack of capacity and lack of competence of local authorities, but it's not a lack of competence. It's a lack of being in the space for a long, long time. You

can't just expect them to have the capacity to deliver what you want them to deliver. They just don't have it' (N2).

It was agreed by respondents that it is necessary;

'For central government to continue the devolution role of policy from central to local government and to continue on the path of giving more financial autonomy to local councillors and local authorities to implement services as close as is possible to the citizens' (N3).

One of the tests of the reform process is that resource allocations must be made at a local level in accordance with the priorities agreed in the various strategic plans; *'If the priorities aren't followed by supporting budgets and expenditure approved by the elected representatives, well then it's all for nothing'* (R1).

In terms of the future sub-national structures for economic development, one contributor stated that;

'We should have a minimum of four to five regional assemblies, reconfigured to align themselves with economic corridors which are mutually and geographically compatible, so that chief executives of the local authorities have something in common to talk about and where national agencies have clear agreed policies' (R1).

In all cases, the informants reported the one thing that has been missing in the dialogue of reform has been an explicit central government policy to support re-balanced regional development in the country and help drive the reform agenda locally. Such a policy statement would formally recognise; *'The need for a counter pole to Dublin and the East and drive support for greater investment in infrastructure in the regions'* (R3).

In a similar vein, a senior local official argued that;

'I'd prefer to have a situation for strategic planning in the regions where the state agencies and the local authorities combine and agree what needs to be done and what resources need to be allocated so that all decision making by the state agencies supports this group' (L4).

It was noted that;

'A big problem with the reform programme and strategic planning is that local councils' executives have been excluded very astutely from the current regional assemblies. That's a fact and it impairs the capability of local authorities' (L4).

In the context of further reforms in the future one official noted that; *'Policy will always be the remit of central government but it's our capacity to feed into that policy that's lacking from a local government perspective at present'* (L1).

The same official reflecting on this apparent political weakness at the local level observed that;

'The local councillors are never asked about, are never brought into the conversations on the issue of reform of the system and the discussions that are necessary in terms of changes on the ground' (L1).

This senior local official did offer a possible solution to this issue in the form of a directly elected mayor because;

'Such a mayor will be listened to at a political level, can take a policy platform because they have the electoral mandate and can easily articulate local people's strengths, hopes and ambitions. Now that's moving to the next scale and that is where local government should go in the future' (L1).

#### **4.11 Summary and Key Points from the Applied Research**

The ten questions and numerous sub-questions that were asked of respondents in the applied research were intended to test the theories of decentralisation that were set out in Chapter 2, in the context of the limited local government reforms implemented in Ireland from 2012. The literature on decentralisation and governance is very extensive. Of itself it implies dynamic and inherently complex change involving institutions (state and otherwise), redistribution of power as well as changing political culture. The author, through the applied research, has attempted to assess those elements of the governance matrix present in the local level reforms in Ireland through the perceptions of practitioners. This chapter attempts to synthesise the experiences of practitioners of the changes in Ireland in the international context of the theoretical writings. The data from the replies suggests that the reforms have gone well (even without KPIs) and, further, that the conditions are present for greater reforms. It is apparent that there is capacity and willingness across the range of participants to lead and enable change.

The conditions for reform was well established due to the crisis that threatened national economic sovereignty (Goodwin and Painter, 1995 op cit). The seemingly irreversible trend in centralisation had led to undue dependence on the centre, arguably at a cost to local initiative and entrepreneurship. The risks attendant on governance (inadequate resources, unevenness of development (Jones op cit) and so on) were all identified and articulated by respondents. The increased economic and entrepreneurial roles and projects were expanded on in the replies. These were key elements of the changes and confirm that 'new forms of political/institutional projects' (Jones, op cit p.982) via the LCDC were sought to ameliorate the crisis. Above all the responses show that there is a political and executive willingness to experiment with new forms and structures of government in a country where political conservatism has been a dominant characteristic. Recent referendum decisions on equal marriage rights and abortion confirm a more liberal political agenda.

The applied research demonstrates that there is more emphasis on a partnership approach between the central and local levels than would be expected. The conventional perception from

the literature is constructed from the 'hard' data of resources and the perception of power. The research evinced a picture built on partnerships and soft power factors such as influence, enabling, consultation and collaboration, which disputes the oft held perception as the centre being the more powerful. There is a clear interdependence and respect between both levels.

The local level showed flexibility in their positive responses, notwithstanding having reduced resources, and a clear willingness to change and adapt to new roles and this affirms and strengthens their standing. Stemming from this there is a growing awareness of the need for a strategic response to further strengthen sub-national structures to facilitate future reforms. The first steps initiated locally to promote greater inter council collaboration is evidence of this. This again is a soft power response to initiate and drive change and is quite dependent on the attitude of the Chief Executives and the flexibility granted in the legislation. Building on this, respondents suggested that Chief Executives would have to be more open to risk taking and more akin to the private sector than has traditionally been the case. In fact, following this progression, the local level could champion wider public sector reform through better organisational learning and flexibility of approach, due to their openness to change.

Unsurprisingly the research confirmed greater obstacles to change at the centre, compared to the local, which had impaired the effectiveness of the reform. To help improve this, respondents argued that it is essential that shared data and KPI's are developed to inform the debate around future decentralisation proposals and strengthen vertical and horizontal relationships. One suggestion was that the autonomy given to the LCDC could become a template for further governance improvements at the local level.

To enhance local governance further, respondents argued that agencies of central government should be required to report locally. The correct conditions must be created for this to happen including the elected members fully realising their stronger role under the reforms and moving away from the 'talking shop' mode. This finding reinforces the vertical interdependence between the centre and local (i.e. both must progress in tandem). As a result, there is a need for the plenary council to function at the level intended in the legislation and using SPC's to better effect to achieve this. To drive mutual progress, there is a clear desire for stronger vertical relationships and structures. Through the reforms, local councils had already started to build better horizontal linkages and leadership through soft power engagement and this was evidenced in positive results and bringing added value to the national effort.

In summary, a major conclusion to draw from the respondents at all levels is that there is a pragmatic and progressive approach to improving public services. There is a willingness to change and try new approaches, including decentralisation, with the underpinning ethos that it will yield better outcomes. The local level agrees that there is stronger autonomy from the 2014 reforms but stronger autonomy is not a prerequisite for change. Reform is not just about a mathematical calculation of power or autonomy based on the concepts of traditional hard measures. The new approach to public management finds its expression better articulated and defined in the concepts of soft power. The indications from the interviews are that local



authorities are embracing new approaches without the need for legislative empowerment and, de facto, are becoming the government of difference.

Summary Tables illustrating the key points from the interview questions are set out in the following pages.

	<b>Question 1</b>	<b>Question 2</b>	<b>Question 3</b>
	<b>Participation/Involvement in the Reform Process</b>	<b>Assessment of responses by the different groups to the devolved functions</b>	<b>An appraisal of the impacts from delivery of the reforms</b>
<b>National</b>	<ul style="list-style-type: none"> <li>-2014 reform needed a different approach to get people out of their silos at central and local levels</li> <li>-Dept. of LG to balance need for oversight by centre with greater autonomy at local level</li> <li>-<b>Reform needed LAs to be more enterprise driven+ ambitious</b></li> </ul>	<ul style="list-style-type: none"> <li>-Felt that local level had prioritised economic development but didn't fully realise the powers devolved</li> <li>-National level needed better coordination + clarification of roles</li> <li>-Dept. LG needed to be more active in implementation of reforms</li> <li>-<b>Lack of resources at local level was an impediment</b></li> <li>-<b>Certain central level interests had impeded devolving of power to LG and political intent was diluted</b></li> </ul>	<ul style="list-style-type: none"> <li>-LAs had inconsistent implementation</li> <li>-<b>Questioned if economic development can be pursued at county level</b></li> <li>-An exception to this is cities</li> <li>-Central govt. policy must get consistency of support for LAs</li> <li>-Temporal horizon of 5 years for bedding down</li> </ul>
<b>Regional</b>	<ul style="list-style-type: none"> <li>-Regional level was looking for greater autonomy in the reform</li> <li>-<b>Dept. took its lead from local authorities, so regional level lost out</b></li> <li>-<b>Lack of coherent regions impedes progress at this level</b></li> <li>-<b>Quality of plans produced by LAs was very poor</b></li> <li>-Saw legislation as enabling LAs</li> </ul>	<ul style="list-style-type: none"> <li>-<b>LAs needed to lead on collaboration, horizontal governance</b></li> <li>-<b>LAs needed to become more risk takers + drive local solutions to counter centrally led approach</b></li> <li>-<b>Need for more inter-authority collaboration</b></li> <li>-Local economic plans needed to be stronger and set targets</li> <li>-LAs had mixed views of their roles</li> </ul>	<ul style="list-style-type: none"> <li>-<b>LAs needed new operating culture of being pro-business</b></li> <li>-DLG should have given more guidance and support</li> </ul>
<b>Local</b>	<ul style="list-style-type: none"> <li>-LAs fed into process via CCMA</li> <li>-<b>LAs struggled with reforms</b></li> <li>-<b>Struggle attributed to lack of clear roles and overlapping</b></li> <li>-More formal approach needed to clarify roles, MoUs between LAs and Government Depts. + Agencies</li> </ul>	<ul style="list-style-type: none"> <li>-Job agencies not engaging at local level</li> <li>-<b>LAs needed a more regional approach + grouping</b></li> <li>-<b>Essential that more data on economic development by county be publicly available</b></li> <li>-<b>Acknowledgement that certain councils won't have skills for tasks, so need for inter auth. collaboration</b></li> <li>-<b>Need for regionalisation</b></li> </ul>	<ul style="list-style-type: none"> <li>-Reform process had been cumbersome</li> <li>-<b>LG needed stronger governance , so make agencies report to LG</b></li> <li>-<b>Need more accountability into LG</b></li> <li>-Use LCDC model of governance to plan for future</li> <li>-LAs now linked to many govt. depts. and helping to develop stronger LG</li> </ul>

	Question 4	Question 5	Question 6
	<b>The learning experience from the new role given to local authorities</b>	<b>The results and impacts of the reforms to date</b>	<b>Has there has been any improvement in autonomy and power for LAs for economic development</b>
<b>National</b>	<ul style="list-style-type: none"> <li>-LAs had been too conventional in implementing the reforms</li> <li><b>-LAs were not ambitious enough</b></li> <li><b>-LAs not thinking outside the box</b></li> <li><b>-Evidence was that current local structures no longer fit for purpose</b></li> <li>-Good engagement with communities</li> <li>-LAs must be prepared to fail</li> <li>-Reform will take time</li> <li>-Central agencies need to let go</li> </ul>	<ul style="list-style-type: none"> <li><b>-Key performance indicators were needed to measure this</b></li> <li>-LAs and Action Plan for Jobs had helped economic recovery</li> <li>-Local plans had helped indigenous local efforts, focusing on local strengths</li> </ul>	<ul style="list-style-type: none"> <li><b>-Power to vary LPT up by 15% gives local autonomy</b></li> <li>-LAs now had better economic mandate than before</li> <li><b>-Perceived strong progress to date by LAs &amp; this may lead to more devolution</b></li> <li>-Central level needs to begin to devolve essential functions</li> </ul>
<b>Regional</b>	<ul style="list-style-type: none"> <li>-Plans have become more business focused</li> <li><b>-Benefits if LAs and local agencies work more closely together</b></li> <li><b>-Local stakeholder engagement became much stronger</b></li> </ul>	<ul style="list-style-type: none"> <li><b>-Reform on its own had not turned things around but gave freedom to LAs</b></li> <li>-Reforms had mixed results, effective in pockets</li> <li>-IDA knew this but would not adversely comment</li> <li><b>-Lack of clarity of roles had not helped progress</b></li> </ul>	<ul style="list-style-type: none"> <li>-IDA keen to see LAs present when FDI investors present locally</li> <li>-LAs need to focus on their tasks and strengths</li> <li><b>-LAs had brought added value to economic development function through quality of life factors</b></li> <li><b>-Good governance seen as key to investors and role of LA critical to this</b></li> </ul>
<b>Local</b>	<ul style="list-style-type: none"> <li>-Afraid reform would not be given adequate time</li> <li>-LA were leading at local level</li> <li><b>-Central agencies not participating locally but adhered to their own plans-issue of local governance</b></li> <li><b>-LCDC offered new approach to local governance</b></li> <li>-LAs had shown lead and were gaining traction with business sector</li> </ul>	<ul style="list-style-type: none"> <li>-Good LAs Chief Executives didn't need 2014 Act to take initiative</li> <li><b>-Need to clarify local roles for IDA and EI</b></li> <li><b>-Need for quantitative indicators to measure progress</b></li> <li>-Leadership taken by LAs key to progress</li> <li><b>-Better relationships at local level with agencies</b></li> <li><b>-Need to think on a regional basis</b></li> </ul>	<ul style="list-style-type: none"> <li>-LAs have more autonomy but water services removed</li> <li><b>-LAs beginning to recover capabilities and strengths due to reform</b></li> </ul>

	Question 7	Question 8	Question 9
	<b>Evaluation of how effectively LAs have used their additional powers conferred under the 2014 Local Government Reform Act.</b>	<b>Examines the extent to which the reform has encouraged and facilitated collaboration between local authorities and its impact on regional governance</b>	<b>An assessment of the reforms and experiences to date</b>
<b>National</b>	<ul style="list-style-type: none"> <li>-Local plans did not contain big ticket items thus showing lack of ambition</li> <li>-County as area for economic plan may be too small</li> <li>-Evidence is that LAs will gain more autonomy over time but need capacity to deliver on this</li> <li>-LAs need to build external relationships + collaboration to deliver local development</li> <li>-This includes links with each other which is happening but not in a fundamental way</li> </ul>	<ul style="list-style-type: none"> <li>-Objective of centre is better regional balance &amp; development</li> <li>-New roles of LAs key to this</li> <li>-LAs need to collaborate on regional objectives with key partners and community leaders</li> </ul>	<ul style="list-style-type: none"> <li>-Reforms have been positive</li> <li>-Elected members had not adopted to their roles of increased governance</li> <li>-Elected members need to use their powers more and improve governance</li> <li>-Any new initiative at central level must first consider using local level to drive continued reform</li> </ul>
<b>Regional</b>	<ul style="list-style-type: none"> <li>-More training needed on the role of LAs in economic development</li> <li>-Ireland still remains very centrally controlled so LAs are only players and not controllers</li> <li>-Co-production (I.e. horizontal governance) is a possible solution to over-centralisation</li> <li>-Autonomy depends on the style of the CE</li> </ul>	<ul style="list-style-type: none"> <li>-Collaboration between LAs is essential to even the playing pitch for more balanced regional development.</li> <li>-Collaboration will facilitate shared learning between partners</li> <li>-Need to define regions in context of national challenges</li> <li>-Need to assign defined roles to regional level but power of LG may stop that</li> </ul>	<ul style="list-style-type: none"> <li>- Financial resources need to follow reforms with to copper fasten them</li> <li>-Need 4/5 regional level authorities at maximum</li> <li>-Distinctive industrial sectors or competencies needed by region to give regional identity</li> </ul>
<b>Local</b>	<ul style="list-style-type: none"> <li>-LAs now had increased flexibility and autonomy</li> <li>-More competency needed on economic development</li> <li>-More autonomy not needed as LAs have strong influence centrally</li> <li>-Future is more about building partnerships-Soft Power</li> </ul>	<ul style="list-style-type: none"> <li>-New role will allow LAs set vision and solutions at local level rather than top down approach</li> <li>-Executive, rather than political, differences at local level can impede collaboration</li> <li>-Poor view of regional authorities</li> <li>-Re-structuring of regions needed based on correct geography, not merging of counties.</li> </ul>	<ul style="list-style-type: none"> <li>-Elected members beginning to buy into broader economic role</li> <li>-LA staff starting to build capacity on economic development</li> <li>-LAs becoming bolder about leading</li> <li>-Reform is proving to be effective</li> </ul>

	<b>Question 10</b>	<b>Summary of Key Issues</b>
	<b>Consideration and observations of possible future reforms based on the experiences to date</b>	
<b>National</b>	<ul style="list-style-type: none"> <li>-Further reform will require major restructuring of counties</li> <li>-county as unit will have to be preserved</li> <li>-<b>Strong state agency model is inhibiting further devolution to LAs</b></li> <li>-Further devolution will have to show that it is the best option</li> <li>-<b>There is need for greater engagement between national and local levels on future reform</b></li> <li>-<b>Not devolving will forfeit innovation and flexibility gain from local level</b></li> <li>-<b>Need to build capacity in LG</b></li> </ul>	<ul style="list-style-type: none"> <li>-Reform needed LG to be more ambitious</li> <li>-Lack of clarity of roles was an issue, led to inconsistency</li> <li>-Lack of resources/capacity at local level</li> <li>-Evidence that current LG structures not fit for purpose</li> <li>-LG must be prepared to fail</li> <li>-Central agencies must let go. Good progress to date, will help more devolution</li> <li>-LG needs to build collaboration, horizontal governance</li> <li>-Local elected members need to use powers and drive better governance</li> <li>-Strong state agency model inhibiting more devolution</li> <li>-Need better national-local level engagement on further reform</li> </ul>
<b>Regional</b>	<ul style="list-style-type: none"> <li>-<b>LAs must show greater appetite for governance and allocate resources to support plans</b></li> <li>-There must be explicit central policy to support rebalanced regional development</li> </ul>	<ul style="list-style-type: none"> <li>-Dept took its lead from LAs</li> <li>-Lack of coherent regions impeding progress, need to define these</li> <li>-Quality of plans from LAs very poor</li> <li>-LA need to lead on collaboration for overcoming small scale</li> <li>-Need for inter-authority collaboration, set regions (4/5) + allocate roles</li> <li>-Process had led to stronger stakeholder engagement</li> <li>-LAs brought added value through their impact on quality of life</li> <li>-Good governance a key issue for investors</li> <li>-Autonomy depends on style of Chief Executive</li> </ul>
<b>Local</b>	<ul style="list-style-type: none"> <li>-State agencies must align decision making to support local plans</li> <li>-Concern that LA Chief Execs have no role in regional level plans</li> <li>-<b>Lack of capacity of LAs to feed into central government plans constrains the sector</b></li> <li>-<b>Local elected members not brought into discussion on topic of reform</b></li> </ul>	<ul style="list-style-type: none"> <li>-LAs struggled with reforms due to lack of clear roles</li> <li>-More formal structures of engagement needed, national to local</li> <li>-LAs need to start grouping, regionalise</li> <li>-Essential that data on economic development be made more public</li> <li>-Strengthen governance locally by making job agencies report to LG, agencies must align with LAs</li> <li>-LAs now have greater autonomy and flexibility</li> <li>-Future is more about building partnerships, soft power</li> <li>-LAs becoming bolder about leading</li> <li>-Lack of capacity at local level to feed into central level</li> <li>-LA members not engaged on reform</li> </ul>

## Chapter 5 - Analysis of Results

### Introduction

This chapter revisits the original research aim and objectives of the thesis and seeks to elaborate on the findings of the applied research and the literature review. The purpose was to examine local authorities' experiences and perceptions thereof in respect of economic development following the 2014 enactment of the Local Government (Reform) Act.

### 5.1 Overview on the Origins of and Political Impetus for the Reform Programme

As noted earlier, the government elected in 2012 was led by Fine Gael and had a comfortable majority in both houses of parliament. This would be of importance in securing the delivery of the government's legislative programme as subsequent memorable civic events unfolded. At page 26 of the *Programme for Government*, it was stated that;

‘We are committed to a fundamental reorganisation of local governance structures to allow for devolution of much greater decision-making to local people. We will give local communities more control over transport and traffic, **economic development**, educational infrastructure, and local responses to crime and local healthcare needs’.

Thus, explicit devolution and greater local autonomy was promised.

The origins of this reform programme and the essential elements contained in it were first advanced in Fine Gael's Local Election Manifesto 2009 called '*Local Strength, National Recovery*' in which the party committed to:-

- Fixing the democratic deficit at local level by removing the centralised top-down approach to delivery and responsibility of local services;
- Using the strengths of local authorities to create employment;
- Making local government more relevant to the everyday lives of our citizens.

This was a significant political commitment to change and a recognition of the weak position of local councils in public service delivery. Indeed the system had been described as local administration rather than local government (Lee, 1989; Roche, 1982). The manifesto also noted a strong disconnect between local authorities, councillors and their respective communities. It contended that local authorities were constantly side-lined when it came to providing new services on a local level with central government either providing services directly or devolving powers to an agency (usually a semi-state e.g. Bord Iascaigh Mhara, Údarás na Gaeltachta) or '*quango*' (e.g. HSE, SUSI, Housing Agency). Weaknesses in the local government system had also resulted in civil society organisations having to assume responsibilities for service provision and local development to a much greater extent than is the case elsewhere in Europe (Decoster *et al*, 2006; Walsh and Meldon, 2004).

This assessment of the local government system by the major government party, supported by much academic and independent research identified that material reform was needed. *The Action Programme for Effective Local Government* that emerged showed the very explicit

commitment of the then Minister, Phil Hogan, T.D. to the reform process. The 2014 Act, with its envisioning of an expanded role for local authorities, was enacted at a time of very real challenge for local authorities, coming as it did after a period of significant retrenchment in budgets and staff numbers<sup>5</sup> and as the interview findings presented in the previous chapter show, this milieu has influenced and shaped the Act's implementation. It should also be noted that in parallel with the 2014 Act, the government established a new national agency, Irish Water. The effect of this was to remove control of water and waste water services, which are key infrastructural components for economic development, from local councils. This example illustrates the contradictory flux by central government towards the local level.

## **5.2 Analysis of Results**

The author conducted 10 interviews with key informants who had direct experience in either formulating and / or implementing the 2014 legislation. The author then proceeded to code the responses and commentaries provided by the respondents. Each question was then grouped into a single document for analysis in order to discern emerging themes under this coding methodology and how these linked back to the literature review, as was explained in Chapter 3.

## **5.3 Participation/Involvement in the Reform Process**

The literature review would suggest that Ireland has a highly centralised system of administration. Secondary sources also indicate that there has been a trend towards increased centralisation in Ireland in recent years (See Figure 2.3). This runs contrary to what has been happening in many other countries, including some newly democratised states. Indeed, Ireland appears to be much more centralised across a range of indicators when compared to other EU member countries.

The implication is that local government in Ireland is comparatively quite residualised with a limited range of functions and tightly-bounded autonomy. This view would also indicate that

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<sup>5</sup> It should also be noted that the previous Government had published a Green Paper on Local Government Reform in 2008, under the then Minister John Gormley. It was entitled 'Stronger Local Democracy: Options for Change'. In Ireland a Green Paper is a preliminary report of government proposals that are published to stimulate discussion. A Green Paper sets out details of specific issues and suggests possible courses of action in terms of policy and legislation. It reflects thinking of a government department where new legislation may be required or where short-comings in existing legislation need to be addressed. A Green Paper does not amount to a commitment to action but is intended to stimulate debate and has traditionally been the first step to delivering new legislation. After its publication the initiating department consults and engages with relevant stakeholders in a debate prior to issuing a White Paper which is a statement of policy and will contain legislative proposals. The Green Paper on Reform contained a number of significant proposals, with a focus on strengthening the democratic process including re-balancing the distribution of powers between management and elected members. It favoured directly elected mayors and greater devolution of decision-making to the sub-county level. A White Paper was prepared in 2010 but never published, perhaps due to the overwhelming decline in the economy.

In the present case, Putting People First was published in October, 2012 and was described as an Action Programme rather than a white paper. Putting People First included major changes to the structures of local government, the first in over a century. The 2014 Act gave legislative effect to the Action Programme and while it generally did not devolve any existing legal functions to local authorities, it did give authorities a more obvious and overt role in economic development. There was also a contradiction in that as local government was being accorded a new developmental function, it lost control over water and waste water services, a key component in infrastructural and economic development.

Irish local government is a weak participant (Table 2.1; Callanan, 2017) in influencing any changes that affects it, such as reform or new legislation. It implies that local government is a follower rather than a leader and that central government is the dominant actor. This characterisation from the literature suggests that Irish local councils are an under-utilised resource of government with too few locally-decided and provided services, are overly dependent on the centre for funding and thus do not adequately reflect the needs and aspirations of local populations. As a result, local responsive governance is impaired (Wallis and Oates, 1988) as liberty and freedom of choice is limited by the concentration of power in the centre at the cost of local discretion, ambition and innovation. The international literature also suggests that promoting greater local choice and decision making is more efficient and that resources can be better targeted to meet local needs much more effectively than a centralised model can deliver (Oates, 1972, Biela, Hennl and Kaiser, 2012).

The respondents' replies indicate that the while some of the above is correct, a much more nuanced picture emerges. In the first instance, it is apparent that the primary driver of change is at the national political level, i.e. the commitment of the government of the day to a reform/qua/decentralisation process. This needs to be followed through, formally by means of the Programme for Government, and politically by the relevant Minister, as was the case in the 2014 Reform Act. This reflects the observations of Schakel (2010) on role of political leaders in decentralisation and Amat and Falco-Gimeno (2014) on composition of the legislative arena. It is quite clear from some of the comments from the national respondents that there was a very strong personal commitment by the then Minister, Phil Hogan, T.D. to the reform project. Minister Hogan had a very clear vision, on his part, for the future of local authorities in terms of their financing, form (including political structures) and funding (Mardones, 2007) and how these three themes were to be implemented. This reflects the observations of Amat and Falco-Gimeno (2014) in respect of the significance of legislative bargaining power. Indeed, it is also apparent that not all actors at central level agreed with the Minister's advocacy of a stronger local system, preferring instead the traditional, centrally controlled system via local agencies or offices of central government. What also emerges from the interviews is that the reform is processual and that, to a certain extent, local councils are on trial in this first phase, the success of which will influence future changes. This reflects assertion in much of the international literature that decentralisation should be a continuous process rather than a discrete one-off event (Faguet, 2012).

While the initiation of change may be the prerogative of the centre as the primary legislators, the data garnered from the interviews indicate that local authority senior executives have considerable influence over proceedings, even though the local level respondents had varied views on this. The centre is thus dependent on the local councils to (enthusiastically) adapt to the changes and implement them. In the present case of the economic development role, it becomes apparent that the attitude and ambition of the senior local officials, and more particularly the Chief Executive, is crucial and cannot be legislated for. Indeed, relationships between the two tiers of government and the scale of resources available to local authorities emerge as determinants of the extent to which the legislation is given effect. Thus, in governance terms, the bidirectional nature of power flows and relationships and indeed the



understandings of key individuals, at both tiers, emerge as factors that have shaped experiences of the 2014 legislation.

This interdependence suggests a more balanced power relationship than the literature implies, where the local can influence the centre's proposals and outcomes. In support of this one of the local respondents confirmed that;

‘Through the executive and in terms of preparation for the reforms we would have had two representatives from the CCMA sitting on the (departmental) reform group at the time and we would have discussed it obviously at CCMA level’ (N1).

The implied relationship is one more of horizontal than vertical governance. The research also shows that local input came, in respect of the 2014 reforms, from the executive side through the CCMA, rather than through elected representatives, even though each local council has SPC's. This finding underscores the distinctiveness of the Irish system, and is indicative of the experiential basis that spurred the Minister towards championing the reforms.

Interviewees at all tiers also noted that there was an apparent weakness in the legislation in that detailed distinct and separate roles in economic development for the various organisations were not made clear, thus permitting and bringing about a degree of latitude in interpretation and implementation. This would seem to corroborate the view there was not sufficient in-depth consideration by the centre of this crucial aspect of the reform and may point to a shortcoming at the centre, ergo reinforcing the idea of a more balanced central-local power distribution model. Indeed one regional level respondent clearly had the view that the Department of Local Government was taking its lead from senior council executives in drafting reforms.

The political leadership role at the centre also gives rise to vulnerability. If there is a change of Minister or government, then commitment to a reform process of decentralisation may wane. This confirms the complexity of change in the way that government works, as is suggested by the literature (Amat and Falco-Gimeno, 2014; Beland and Lecours, 2005). The interaction between the different levels of government, as elaborated by the respondents, shows that in Ireland there is a strong sense of connectivity and considerable interfacing between the centre and the local tiers and a more balanced distribution of power and influence than predominant literature on local government would suggest. That said, there is an acknowledgment in some literature of the influence of the local on the operation of national politics in Ireland (Weeks, 2009) although this feature of Irish democracy is frequently associated with clientelism (Coakley, 2013). As the interviewees acknowledged, local authorities have their strengths and experiences, particularly in terms of actively implementing government policy and the centre is dependent on this. Indeed the variation in responses by the councils to the 2014 reforms suggests that there is quite a degree of flexibility at the local level in contrast with what the much of the literature indicates. Somewhat paradoxically, this also corroborates another aspect of the literature of the differences that perforce must exist at local level to reflect varying needs and priorities, *‘the government of difference’* so to speak (Jones and Stewart, 2012).

#### **5.4 Assessment of the responses by the different groups to the devolved functions.**

The 2014 Local Government Reform Act provided for increased local authority involvement in the promotion of economic and community development. The literature review shows that Irish local authorities vary in population and geographical size quite considerably (Table 2.4), and this, according to comments by a number of the respondents, can pose quite a challenge in terms of the capacity of the smaller councils to respond. Additionally, in comparison with international sub-central governments, the amount available to Irish local councils from overall state tax revenues is quite modest (Figure 2.1), even though they now raise quite a high proportion of their revenues locally. To compound these difficulties the data also illustrate how Irish local authorities have suffered disproportionate reductions in staff numbers as part of the austerity years (Table 2.10), in comparison with other divisions of the Irish public service.

The picture that emerges from the data is of a local government sector that is inadequately resourced in terms of funding and staffing needed to carry out its existing statutory functions, whilst even more tasks, albeit welcome in terms of increasing their competencies, were being added via the reform process. The context, as presented in the literature would suggest that the local councils depend on the centre for capability and resources to deliver high quality and well thought out initiatives/policies. Perhaps most importantly of all, the literature suggests there should be at least agreement at the centre for clearly defined roles for all stakeholders in any change and the necessary allocation of resources that flow from this, to deliver government policy in an effective manner. The OECD noted in terms of Irish Local Government that; *'functional and fiscal powers need to be clearly articulated and increasing the long term functional and fiscal capacities of local government is vital'* (OECD, 2013). More particularly the OECD noted that reforms should explicitly ensure meaningful devolution of functions to local councils *'that are important to local economic development'* (ibid.) and that capacity to take up these functions should be measured objectively and gaps reduced before devolution takes place. This re-affirms a constant issue arising from the applied research, i.e. the need for evidence. It is clear that evidence and measurement are critical components for change. In order for evidence to influence, it must be robust and measure agreed indicators. It must meet these standards if it is to be useful by those at whatever level that are best able to exert influence on policy.

Indeed, over the years Irish local authorities have demonstrated flexibility by coping with loss of staff and budgets (as set out in the literature in Chapter 2) to a remarkable extent. At the same time new functions were added (community, environment and new housing services) and some removed (water services, waste services) but the sector has gotten on with the job. This finding runs counter to the thesis advanced by Faguet (2004) that power should remain centralised in circumstances of a lack of local level resources. Following the multiplicity of reports, there have been adjustments implemented, really without public critical comment and evaluation from the local level, whatever about private views (Faguet, 2014).

The implementation by local authorities, of the Reform Act, has demonstrated flexibility and capacity even with restricted resources, indicating a better degree of flexible fit to modern needs than was the case in response to previous legislative changes. On reflection, the creation

of specialised agencies by government departments over the years in response to new service demands (Payne and Stafford, 2004) may have 'externalised' change management at the central level, thus forfeiting the opportunity for real change and at a cost to those departments' own modernisation needs.

The literature, as well as the primary data also indicate that there is co-dependency between stakeholders and the need for all to be effective, most especially in relation to the issue of leadership (see Addison, 2009 on co-determination). The key stakeholders in this process were the Department of Local Government and local authorities. The transcripts from the applied research reveal the following. The national level respondents agreed that local councils had prioritised the economic and community development functions, which reflects well on the councils. This had helped with implementation of the legislation. It became apparent however that there were shortcomings at central level and that there was certainly a gap between the drafting and formulation of the legislation by the department and its subsequent implementation. It was suggested that this may have occurred because over the years, local authorities have not had that much new vested in them and were simply being by-passed. Thus, the applied research suggests, there is a deficiency at central level in carrying proposals fully through the implementation phase. This shortcoming in implementation also resulted in an unevenness of delivery at the local level where councils had not grasped the powers they had from the new functions. This has limited the potential impact of the reforms.

To compound these deficiencies in the process, the applied research, unsurprisingly, elicited that there was resistance at the centre, both politically and at executive level, to the new role for local government and this diluted the delivery of what was intended in the Programme for Government. This commentary clarifies the clash of governance and perhaps power, when change is mooted, between those that have (the centre) and those that seek (the local, or in the present case it was in fact centrally led by the Minister). The O'Neill study (2003) elaborates on this calculation of trade-offs from a political perspective but a further factor is the loss or compromise of power that affects the executive side and this has an important bearing (see Niskanen, 1968 on budget maximising bureaucrats).

Underpinning the desire for change is the simple fact that even in a country with a relatively small population like Ireland, with disparate sized local councils who have limited powers, there is recognition of the need to identify and progress particular local priorities and that no one size fits all, which is the weakness of the centrally driven model. Diversity of response can be impossible for the centre (Jones and Stewart, 2012). There is a corresponding duty that those with power and autonomy locally would be able to respond, reinforcing local governance. One of the assumptions in this approach to better governance is that it is better, and some of the respondents alluded to the populist approach taken by some local councillors to some of the reforms. This may stem from the case that having had so few powers over the years, the local body politic has become unaccustomed to making difficult decisions, which are an essential part of governing and genuine leadership.

On the other hand, initiatives taken by the local councils demonstrated an openness to embrace ambition and exposure to risk that had not been traditional in the system. The provenance of

such risk-taking was on the executive side of the organisation. The research also confirmed that councils were prepared to accept the leadership role specified in the legislation, even if implementation was patchy and roles were not exactly defined. This supports the finding in the literature of the greater capacity at local level for stakeholder engagement, as part of leadership formation. This is due to the wider sphere of operations of local authorities and greater proximity and accountability to elected officials and the public. Accessibility, accountability and local identity imbue local councils with comparative advantages of soft power to influence process and outcomes. Many local authorities, to fulfil their new roles, sought participation of state agencies and business/community interests at local level to drive economic and community development (see Metagovernance, Cheshire, Everingham and Lawrence, 2014 and Biela, Hennl and Kaiser, 2012).

One issue that emerged from the research was the dearth of economic development skills, principally at local level but, on elucidation, was also perceived at central level. This may account for the apparent lack of follow through on implementation by the Department of Local Government, as it did not appear to possess the requisite skills to assist local councils with their new tasks. In the absence of specific guidance, some councils took an unanticipated and very wide interpretation of economic development seeking to engage directly in attracting FDI. This was driven by the perceived failure of IDA by certain councils to generate FDI (as informed by regional respondents) and this replication of functions meant a dissipation of effort and resources. This would corroborate the Minister's objective in the reform of the need to strengthen local governance of the executive by elected members and also confirms the poor understanding of roles and functions locally in certain instances.

In delivering public services a key component and value is fairness of treatment, irrespective of geography. The LPT embodies this principle by redistributing 20% of the total tax take to less well-resourced councils. Good governance is an often unstated but key component in influencing investment, as emerged in the responses in the applied research. A theme that emerged from the non-urban local respondents was the need for a shared regional response and that certain local councils would need to collaborate to effectively deliver on their new mandate (Cheshire et al, 2014 Metagovernance). This is a further example of local leadership which can grow from decentralisation reforms as is postulated in the literature.

### **5.5 An appraisal of the impacts from the delivery of the reforms**

There is considerable literature on the potential of increased responsiveness of public services when decentralisation occurs (Wallis and Oates, 1988). This stems from Oates' thesis that the closer services are being decided by the users of same and consumers, they become more attuned to local needs and are thus a better fit to meet particular local requirements. The literature also states that an overly centralised model depends on retaining the resources at the centre, as it must be resource rich to perform (Faguet, 2004). In support of this view, the evidence from the literature demonstrates that, at least in human resource terms, the centre suffered far fewer reductions than the local level (Table 2.10), and in this way, reaffirms the highly centralised assessment of Ireland. Using this measure, the data demonstrate that during period of austerity, the imbalance in the extent of centralisation in Ireland worsened. The data

show that the central level retained its staffing complement much more than the operational level of local authorities. As the local councils deliver the services to the public and they experienced unplanned uniform reductions, local services were curtailed uniformly and bluntly across the state without regard to disparate needs. Reference was made to the severe flooding along the river Shannon in 2015/16, where preventative works that should have been progressed by local councils to mitigate the effects of the flooding over the years, were not. This example confirms Schakel's view that a centrally appointed executive (in this case the Office of Public Works) that is responsible to national government only, can relatively easily neglect local pressures (Schakel, 2010). Another example was the loss of *circa*. 2,000 direct manufacturing jobs in Limerick (and as many indirect jobs) when Dell Computers ceased manufacturing in 2009. This was a huge blow to Limerick but the local council had no function in responding to the loss of jobs and Limerick was thus completely dependent on the central government's response. The crisis was so great that the EU reacted and allocated funding from the European Globalisation Fund to former Dell workers, the first time that such funding was made available in Ireland.

Following on from this last point is the issue of local accountability and governance. This is especially so as the public service model in Ireland has relied heavily on creating specific agencies mostly by the centre which, in large measure, by-pass the local level (Payne and Stafford, 2004). The literature states that this approach limits local input and deprives services of local leadership and solutions (Miller, Dickson and Stoker, 2000). Thus, local horizontal governance is impaired and participative democracy diminished. The risk attendant on this model of governance is, perforce, a rigidly uniform top down methodology and the wealth of community (and voluntary) led and inspired solutions, is greatly lessened and untapped. This agency absolutism was most manifest in the expensive and, arguably, wasteful creation of Irish Water which led to many difficulties for government and governance at a time when the country could ill-afford it. It also removed a vital leadership role/instrument in infrastructure provision by local councils just as they tried to invigorate economic development, as in many instances the latter is impossible without the former. This reveals a paradox, if not a contradiction, at the heart of government vision and policy for the sub-national level.

The applied research confirmed many of the issues raised in the literature. From the national respondents perspective, the local councils had reciprocated positively to the newly devolved functions for economic and community development. It was apparent to the centre that there were inconsistencies in implementation though, due to constraints caused by the lack of financial and human resources at local level. Put simply, local authorities did not have the capacity or the specialist capability to undertake the task even though they were willing to do so, as suggested by the OECD report (op. cit.). This led to the emerging view at the centre (and tacitly acknowledged at the local level) that the restrictions faced by certain local councils would constrain their ability and effectiveness to respond and that, in certain locations, a shared inter-authority solution is evolving. This shared service approach is not new but will permit key specialist competencies emerge at sub-national level, which may well not exist at the centre.

This is a significant progression and is likely to impact future decentralisation intentions. It suggests that the current diverse scale of structures at local level, while having the strength of localness, do not always have the economies of scale/capacity/competencies needed for effectiveness individually, but shared solutions can solve this. This frankness at local level is commendable. Many authors posit that central government should be naturally superior to local government in terms of productive efficiency (Faguet, 2004; Oates, 1972) based on uniform supply of public services. The applied research reveals that an additional factor to consider is the competencies of the actors at different levels of government. These can include highly specialised skills (such as economics) which can help mediate in the political process of reconciling supply and demand for public services. As local councils recruit and develop such specialists, the case for devolution is likely to be strengthened.

The slow speed of implementation was an issue, which confirms the obstacles to change that the literature suggests (Ribot and Agrawal, 2006, p.1865 re. strong resistance to decentralisation by different level actors), not just at national level as previously noted but also at local level. The author has previously instanced impediments at national level to change. By way of a further reference new governance arrangements were introduced for the funding of projects by local development companies (which gave greater public accountability through the LCDC). These new arrangements were resisted in certain local areas and this also impeded progress. Noting these obstacles one national level respondent suggested that it would take this quite limited reform five years to settle. This gives an insight into possible timescales for major decentralisation and the long term nature of change. It also confirms how difficult it is to reverse the tide of centralisation that has been occurring since the 1970s and that the Action Programme and any future decentralisation programme really must incorporate agreed timelines or milestones as another progress indicator. On this point, it becomes apparent that there are no set or agreed indicators to measure how effective the change has been which makes argument on either side very difficult indeed. This confirms Schakel's view of the difficulty of making unequivocal statements concerning which government tier should deliver services (Schakel, 2010, p.332) notwithstanding the literature on this topic.

A number of the respondents observed that implementing the reform on economic development required a cultural change in the local authorities that would move councils from being traditional managers/administrators of services more to risk takers, if the real value of the increased functions and autonomy was to be realised. This is one of the reasons underpinning the change of title from City/County Manager to Chief Executive. The literature implies that as functions, power and autonomy are devolved, so is responsibility and decision making for the elected, participative and executive levels locally. In practice, this means increased accountability for performance (Enticott and Entwistle, 2007). This indicates the fundamental operational changes that would be needed at local level if further major decision making powers and autonomy (such as increased local taxation, setting service levels, determining eligibility criteria) are devolved.

A method of implementing this change of operating culture (which is a complex task), is through greater involvement and participation from the community but with a very different understanding of community involvement than was the case heretofore. In terms of economic

development, it is a case also of bringing in highly specialised expertise from different business sectors (Cheshire *et al.*, 2014). By accessing varied input locally, this will strengthen local governance and hopefully lead to robust plans and outcomes. The evidence from the applied research was that many local councils did not achieve this. The outcome was that the plans lacked ambition and that the cultural shift and improved governance was not delivered. It follows that the operating environment for local authorities will become more complex moving towards a multi-modal or horizontal governance model, i.e. where political, state, community and business interests merge and conflict. The literature suggests that if this is managed well, this new competitive dynamic can strengthen governance through better balance. By being closest to the communities they serve, Cheshire *et al.* (2014) argue that local councils are key opinion shapers that can determine whether key projects proceed or policies are implemented. The author suggests that the failure in implementing domestic water charges, just as the local level lost governance in this sphere, validates this view.

As capacity increases at local level, the participants will only remain active if there is a value to them for doing so and that their own ambitions are realised. This means a more balanced governance process and agreed shared outcomes at local level must be achieved. This is a challenge to distribute power and a sense of autonomy locally. This of course is what true local government is about and is the promise of the *Action Programme*, and it confirms the assessment of Thaler and Levin-Keitel (2015) regarding the need for stakeholder development. The current limited local government model is perforce weak on wider governance with very bounded input from community interests and is the poorer for that. A first step for national government in remedying this shortcoming is by requiring the agencies of state operating locally to have greater formal accountability locally, as was suggested by the Chief Executive of one local authority in the applied research. Another Chief Executive noted that the new Local Community Development Committee (established under the 2014 Act) had led to improved governance locally through its wider membership and autonomous decision making (it operates independently of the Council even though it is a statutory committee of the Council) and was a better model than the existing committee structures in councils.

## **5.6 The learning experience and effectiveness of the new role given to local authorities**

It is apparent from the literature that even limited decentralisation, as initiated under the 2014 Act, represents a very material change in the way government has traditionally operated in Ireland and seeks to reverse the centralisation trend that has been shown through the data over many years. The literature further states that decentralisation is a better way to deliver public services due to the characteristics of better local autonomy, increased local involvement, improved efficiency and so on. In progressing from the literature to the applied research, it is quite important that these arguments be assessed to judge the effectiveness of the reforms.

There are a number of indicators that can be used to make such an evaluation. These include whether the plans made by councils have been effective in bringing the local authorities more into taking actions on economic and community development. As previously noted, the reforms brought a realisation to certain local councils of the need to work together and cooperate across local boundaries on certain matters and develop more expertise. More particularly the reforms

required the local councils to engage better with external agencies such as the IDA, private enterprise, local development companies and Enterprise Ireland that have a critical bearing on economic development. The reform also incorporated community and economic development into a single plan thus recognising the mutual interdependence of both elements. The applied research sought to explore these issues with the respondents.

The reform, while relatively minor in scale from a national perspective, was ambitious for the local level. It was enterprising and progressive and warranted a zealous and purposeful response by local councils and would be judged objectively, according to these standards, by observers and stakeholders participating in the process and was noted by various respondents across the three levels. The quality of response and speed of actioning plans is a key determinant of success. From the applied research, a senior civil servant at national level noted that, in general, the plans made by the councils were not ambitious enough, adhered to the traditional role (and not the expanded purpose) and showed the limited thinking and initiative at local level. This observation was ominous indeed but could be explained by the diversity of local council sizes (noted by some respondents), the sector's reduced resources or the interpretation taken by the executives at local level, militated against effectiveness in implementation capacity.

The wider ambition at national level, according to a senior civil servant, is to achieve more balanced regional growth through increased collaboration rather than competition. The traditional economic development model in Ireland was driven, in part, by competition between the regions and councils and the outcome, as a result, is unbalanced. There is a deep rooted tradition of inter-county rivalry, rather than cooperation in Ireland stemming, in part, from the competition for inward investment (and rates income) which, in turn, is the local manifestation of a national economic and industrial development policy since the 1960s. This inter-authority competition finds expression at regional level also. The lack of effective regional governance (as noted by Breathnach (2013), Walsh and Williams (2013) and O'Broin, (2012)) also inhibited more balanced regional development.

A more managed and plan driven undertaking, based on collaboration between all local stakeholders (including inter-authority) and also between central and local government was among the intentions of the reform. Once again, this reveals a shared and more horizontal governance philosophy underpinning reform across the different levels of government and across boundaries involving public, private and voluntary sectors. The 2014 Act enabled this local leadership approach and it has been implemented through the application of soft power (through the LCDC). The origins of this soft power approach can be traced to Ireland's membership of the EU where states or communities share challenges, choices and decisions about their futures. The creation of new multi-governance arrangements at local level has the potential to become a defining dimension of the 2014 Reform Act through the incorporation of EU practices into Irish public and civic life using the new local government structures. (This accords with the views of Thaler and Levin-Keitel, 2015, on stakeholder engagement and Rees, Quinn and Connaughton, 2009 on Europeanisation in Ireland, Hooghe, 1995 hierarchical lines being eroded due to sub-national mobilisation). If successful, this is institutional change that could endure.



The traditional model of public governance gravitates towards the inter-linked roles of administrative and political structures/powers and how these interact and distribute influence. Where there is devolved governance and more distributed power, for instance in the case of Local Actions Groups as advocated by the EU, participation and influence can be measured by local contribution and knowledge, entrepreneurship and skills, resources and networking. Greater devolved governance requires guidance, coordination and collaboration across a range of disparate and divergent interests and groups. The guiding policy document for the Reform Act was *Putting People First* and it articulates a fundamental change in the model of local governance. It defines the future in terms of halting the current model of separated local delivery of national services and its replacement with the progressive evolution of local democratic self-government. Thus, local governance becomes more interactive and the agencies of state must re-calibrate their approach and engagement away from relying on the legal authority of their office/agency and the traditional model of accountability and more towards facilitation and collaboration at local level. This requires the application of soft power by the local level to re-orient the disposition of government departments and their agencies towards local government.

Temporal consideration was a key component of the reform as noted by a former senior politician and also by a serving Chief Executive who urged that there would be a proper review after 5/6 years to assess the effectiveness of the changes. Once again, another Chief Executive noted the difficulty of coordination in local plans given that the relevant state agencies were driven by their own nationally led and set objectives (Schakel, 2010). Another respondent suggested that a solution to this was by utilising the LCDC, which would require the state agencies to perform as partners with local councils.

The topic of the developing relationship between the job creation state agencies and local government is very material to the process. Local authorities provide a diverse range local services within their geographic entities. In contrast, the employment creation agencies have a narrower functional but wider geographical remit. The applied research attempted to evince how these two contrasting arrangements could be reconciled, as both have their benefits and disadvantages. The answer lies in the political philosophy of how best to govern and the extent to which Ireland will adopt the European approach. *The Action Programme for Effective Local Government* was the political impetus at the centre and highest level of government and provided the legislative impetus and bargaining power that initiated the political change (O'Neill, 2003; Amat and Falco-Gimeno, 2014). The reform confirms that there was an electoral incentive to empower locally, as the aphorism goes '*all politics is local*', and the improvement wrought by the changes could allow local political interests claim credit. On this note, from the applied research, one Council Chief Executive noted that a synergy was created at local level between all local stakeholders and the job creation agencies, which would strengthen local leadership.

## **5.7 The results and impacts of the reforms to date**

One of the key themes underpinning decentralisation is that it is more efficient and effective. The literature argues that this is so because greater local involvement and decision making

facilitates more accurate tailoring of interventions in the community. In this way, scarce resources can be better used to meet diverse and different needs (Ribot *et al.*, 2006). It is certainly the case that certain functions (such as Social Welfare, Motorways, Agriculture, Defence, Prisons, Foreign Affairs,) are the prerogative of centrally led delivery and management. It is less certain that other (currently fully centralised) services are optimised, e.g. Health, Gardaí, Primary and Secondary Education (excluding the ETBs element). Therefore, the experimental opportunity that was presented by devolving some role in Business, Enterprise and Innovation to the local level was signally important. The literature suggests that, of itself, greater local decision making must perforce mean variability of ambition and outcomes. Equally governance as an expression of community is a valid decentralisation theorem (Schakel, 2010).

The key questions posed from the literature are whether the implementation of the reforms and the way that they have been implemented by the local councils has had an impact on the economic development of the areas. The question asked in the course of the applied research was whether the reforms have brought greater success (albeit early in the process) particularly with key sectors such as FDI or new and expanded local enterprises. The author also attempted to ascertain whether improvements would have happened anyway, irrespective of the impact of the reforms.

A number of different perspectives emerged on this but one common theme was the lack of structured data both in terms of collecting same and in interpreting it. From the applied research it became apparent that no performance indicators had been set nationally to measure the impact of the reform for local councils or the outputs of same. The initiation of this is principally the task of central government and its agencies and confirms the point made earlier in this chapter re the shortcomings at national level. This lack of process for measuring progress does raise a concern about the level of central commitment to decentralisation. (Biela, Hennl and Kaiser, 2012), argue that decentralised systems require detailed knowledge of resource needs and costs at sub-national level to adapt the provision of public services. This is necessary to measure increased efficiency, a key component in the hypothesis that decentralisation is a better mode of governance.

However, the process of preparing local plans did identify specialisation opportunities in particular communities. The key requirement was to follow through with investment at local level to take full advantage of this and the willingness of the Council, as leader, to become exposed to the risk. As local councils commenced their new roles, the applied research showed (as one senior official with a job creation agency observed) that the response by councils varied quite a bit which confirms the literature view (Jones and Stewart, 2012, government of difference). However, a key partner in the economic development process, the IDA, was not prepared to point this out, which the respondent identified as a lack of leadership in that organisation.

The lack of clarity and separation of roles for the different organisations was mentioned again as impeding measurement and also allowed certain councils cherry pick areas of involvement. This can be seen as a criticism of those councils in that they took a narrower interpretation than

what the spirit of the reform had intended. It is necessary on this point, from the learning of the applied research, to distinguish between the local interpretation of roles by councils as opposed to the local identification of needs and responses to the latter, which was the real intention of the reform. It is understandably tempting when given a new role and where a degree of latitude is permitted, that the potentially most lucrative area of job creation is pursued, i.e. FDI, where the possible rewards are greatest. This was never the intention of the reform and was clearly stated by a senior civil servant respondent and former national politician. Those councils who pursued this approach dissipated efforts and limited resources at their disposal. This is not the government of difference as mooted by Jones and Stewart (2012) which is responding to and creating diversity of response between areas. It suggests that there may have been an incomplete understanding on the part of those local authorities or wilful and untoward licence.

One Council Chief Executive, who had given leadership and resourced economic development by allocating significant human and financial resources, and had also built good horizontal and vertical collaborations or governance (replacing hierarchical relationships with full endorsement by the elected members), admitted that the Council could not make a quantitative assessment of the results of the council's efforts. Despite the absence of quantitative measurement, it was agreed by all respondents that the authorities' involvement had brought added value to the process. This increased value had another facet as it internalised organisational learning as councils expanded their capacities and built competencies, which augurs well for the future. This, as one chief executive noted, is critical to councils building their knowledge and managing information flows (this confirms the Biela, Hennl and Kaiser, 2012, point regarding resource needs for information). This indicates a more strategic response to the reform which would bode well in terms of future impacts. However, without hard data to support the effectiveness of the reforms, the functionality test advocated by Studinger and Bauer (2012) cannot be complied with which will undermine the case for further decentralisation.

A final point in relation to results was mentioned by another Council Chief Executive who was in no doubt that the job creation success in that area would not have occurred without the leadership shown by the Council. In reviewing this theme of effectiveness, the applied research develops and enhances the points raised in the literature.

All respondents were agreed that the decentralisation had brought positive results. While the number of additional jobs created by the councils' new role could not be disaggregated, the leadership taken locally was favourable to the effort. Not only did councils bend human and financial resources to the effort, their staff and members acquired knowledge and competence in this area. In support of this point, one chief executive concluded very positively that councils had to seize this opportunity to rebuild local government and that the success of this phase would drive further reforms in the future.

## **5.8 Whether there is an improvement in autonomy and power at local level**

The literature and data contends that Irish local and regional authorities have much more limited autonomy and power than other similar countries. The literature makes a strong case

for a more balanced, dispersed power model which limits the risks of major consequences where excess authority is vested in a single governmental level, such as the centre (as espoused by Faguet, 2014 where transparency is high and accountability to the governed acts as a binding constraint on public servants behaviour). The evidence of excess concentration in Ireland's case was confirmed when those national institutions responsible for the stewardship and control of public finances failed in their obligations and compromised the country's economic sovereignty, or as Faguet characterises it as an '*abuse of power*'.

In support of this view, it is notable that structures at the centre of government have been modified in consequence of these failures as Ireland now has two separate central finance departments, viz: the Department of Finance and a separate Department of Public Expenditure and Reform (established in 2011). The new department took over the functions of public expenditure from the Department of Finance and is also responsible for public service reform. The reallocation of responsibilities that occurred was one of the most remarkable in the history of public service in Ireland showing that power can be redistributed where there is political momentum driving it (confirming Schakel, 2010 in terms of political leaders' commitment to change, also the *Nyberg Report* (2011) pp.86-87 re failure of groupthink and conformist style of policy-making, i.e. weak governance). Considerable authority was transferred from the Department of Finance to the new department.

From the literature it can be reasoned that improving governance is a constant and key role for all public services, as it reduces wasteful fragmentation and creates stronger incentives to collaborate. This was evidenced from the comments in applied research in the preceding section. Decentralisation has benefits for the centre as it liberates the centre to focus more on modernising public services, improving management and permits greater strategic leadership where it is needed most. This is the true test of modern governance and modern public service. More dispersed authority and autonomy also affords better risk management which, in order to be mitigated, compels increased collaboration, joined up government and learning. The '*wicked issues*' facing modern society (drug abuse, social exclusion, obesity, terrorism, Rittel and Webber, 1973) involve across a range of government departments and institutions. A prime example of this at local level is the regeneration of particular estates combining physical, social and economic strands in a '*whole of government*' approach.

There was a general acceptance amongst respondents that the Reform Act of 2014 had conferred more autonomy on local councils. Once senior civil servant indicated that it was the Government's objective to empower the local level and that it should be an enabler and influencer by having greater powers (Thaler and Levin-Keitel, 2015). However the programme of further decentralisation was, not unsurprisingly, dependent on the performance in the current phase. This confirms O'Neill's (2003) perspective on the critical aspect of the timing of decentralisation and that benefits accrue in the future whereas the loss of power is immediate. It is essential that the local level moves quickly to produce data that supports the respondents' views that the reform has been successful. It is not sufficient to claim it as it must be proven. A former senior politician commented that the ambition for further decentralised functions should be approached in a spirit of generosity by the centre and that essential functions could be devolved in the future, rather than minor roles. This ambition will only be realised if the

local level can establish what the literature advises, i.e. that it is functionally more efficient and effective if these services are routed through local councils. This warrants a sector wide response for which the sector does not appear to have prepared.

A regional correspondent noted that the increased local autonomy had created a greater partnership between the councils and job creation agencies. It was the case, especially in relation to FDI, that the IDA was keen to have local government by its side as a one stop shop in terms of meeting the requirements of investors. This meant that the various organisations had to begin to separate and distinguish their respective roles and that each had a bounded autonomy. On the basis of closer working relationships, the councils had brought their own contributions to bear and support economic development as a result of which the local offering and support was stronger.

The stronger role of the councils was characterised by a regional respondent as an ‘enabler’. This enabling role was critical in communicating that the area was not only open for business but was keen to support it. Some of the local and regional level respondents noted that the increased presence of the Council at potential investor meetings emphasised that there was strong local governance, a key factor in influencing investment especially from abroad. Good governance carries with it the authority of fairness, social inclusiveness, due process and equity and the promotion of a better quality of life. These constituent elements are among the key determinants for the highly educated workforce upon which most new investors depend.

Through their programmes, decisions and actions it is the local authorities who are in the best position locally to influence and progress these key characteristics. So, as a result of the reform and greater influence of local councils, the IDA and Enterprise Ireland now recognise the value of a committed local council to deliver these key higher level strategic aims. One chief executive commented that local councils must begin themselves to adjust their priorities to reflect these changes in society and become leaders of change through their increased autonomy and powers. To fully realise their enhanced potential, the councils would have to become more forceful at local, regional and national levels. More importantly the improved autonomy would enable local and regional differentiation to develop that capitalises on local strengths and innovation, based on wider participation. This supports Schakel (2010) in terms of the effect of regional identity and its impact on decentralisation. He argues that socio-cultural policies and distinctions are more likely to be provided by the local and regional levels of government. If regional identity becomes politicised (as in the case of Northern Ireland and Catalonia in Spain), there is a greater chance that identity becomes more relevant over functional pressures for decentralisation, for political interests. This will add to pressures at national level to decentralise to the sub-national level.

## **5.9 How responsive have the local authorities been to their added powers?**

The literature review shows how difficult it is to effect decentralisation. There are a range of interests and obstacles, which militate against a reordering of power, functions and autonomy. This is all the more relevant in Ireland’s case as the remit of the EU gradually becomes more extensive over time and there is an inexorable ceding of national sovereignty to supra national

institutions. The issues associated with Brexit illustrate how profoundly the EU is enmeshed in many operational and governmental aspects of member states. The Irish electoral system leads to intense local competition and the natural instinct of Ministers is to be re-elected and to use their powers to assist this. So, with the enlarging role of the EU and an envisaged strengthening of sub-national government, there is a potential two way diminution of central power, with little political gain or credit, especially at the ballot box for those who initiate change. O'Neill (2003) argues that the most formidable obstacle to recentralisation is from the newly enfranchised, i.e. that decentralisation builds a constituency for itself making reversal difficult but not impossible. This points to the imperative task for the local level of building wider public and political support and involvement for the process of reform.

In such an environment, the added powers given to local authorities were hard won as the literature indicated and this was corroborated in the contributions of the respondents. The question in the applied research sought to ascertain how well the councils had responded to the challenges, given that observers and stakeholders would be assessing the effectiveness of the changes. Particular issues raised in the applied research included the availability of and access to resources by councils needed for the new tasks and to what extent was the sense of greater autonomy matched by decision making on resource availability. It was important to explore with respondents the extent to which the councils themselves adapted their decision making procedures to facilitate improved governance and wider local participation. How did the councils drive or enable their increased autonomy and whether there were barriers to this.

A key structural component of the reform was the establishment of the Local Community and Development Committee, which was vested with grant funding powers to assist local development committees. The majority membership of the LCDC is external to the Council and this strengthens participative democracy and reinforces autonomy and its statutory independence from the Council. Various respondents acknowledged that local authorities were constrained by the limited resources at their disposal. More importantly, the limitation to ambition imposed by the small territorial areas of many local authorities meant that the economic and community plans produced did not (and probably could not) contain sufficient projects of scale. This was compounded in a number of councils where the function of preparing the new plans was assigned to planners who did not have the specialised skills needed for the task. A Chief Executive confirmed, in the applied research, that it became apparent that their Council was not of a scale and did not have the resources on their own to devote to their statutory obligations under the reform. Adjacent Chief Executives had similarly recognised these shortcomings and this had led to informal arrangements between the councils. This strategic change is very significant for the sector and has implications for the future of sub-national government. It has to be understood that there is a degree of risk for senior local officials to move towards greater inter-authority cooperation, given that they report back to their own Council. One Chief Executive noted that the commitment of already limited and stretched resources to a regional approach was fraught with risk as it may not deliver for the home county.

One national interviewee argued that local authorities had contributed more to national economic recovery than any other public sector group but may not be getting the recognition

for this. A regional respondent noted that even with the increased local autonomy, Ireland still remained very centrally planned and controlled and that the degree of discretion afforded locally was very limited thus constraining local councils. In a refinement of this perspective, one senior local official noted that the use of the increased powers depended on the operating style of the Chief Executive, as some are more minded to take risks than others. This raises a dilemma for the local level and this issue must be expanded and debated more. Due to the very powerful position of the Chief Executive of the Council (either singly or a lobby group under the CCMA) and the requirement to move away from the traditional and well understood role into the modern risk taking model, there is a dependency on that individual's interpretation and ambition for their local area. It is necessary, as emerged clearly from the applied research, that it is the Chief Executive who leads and they must bring not only the elected members with them, but also the widest community interests including educational and business leaders, government agencies and so on. There is a critical reliance on this post holder to understand, lead, shape and spearhead better local governance. This is the actualising of the literature and theirs is the authoritative and pre-eminent role. This requires Chief Executives to tread a delicate balance between being seen traditionally as the department of local government's representative on the ground versus a more independently minded role.

This new approach is in fact very difficult to quantify and assess but will be visible and measurable in outcomes, if not in their own organisations' functions, then certainly in the wider community. One chief executive summarised this leadership mantle as building partnerships and creating relationships as an essential aspect of increased autonomy. The next section considers this role of increased collaboration.

The above points also raise another important and obvious issue for consideration, i.e. whether the reforms actually increased local autonomy or simply added new functions. It is certainly the case that all respondents were agreed that the reforms were a spur for the re-invigoration of the local level. This issue must be framed in the context of the Action Programme which contained a far reaching range of reforms across the three crucial components of decentralisation, form (political), function and finance (see Mardones, 2007). Crucially local authorities were empowered to vary local property taxes to fund new services, such as enhancing economic development, as was mentioned by one senior civil servant in their contribution to the research. Having regard to all these changes, the suite of changes delivered in the Action Programme must be viewed as enhancing local autonomy, certainly from the local level perspective, and this has mainly been effected by Chief Executives.

#### **5.10 The extent of collaboration between local authorities and the impact on regional governance.**

For their communities to thrive, the literature states that the regions, cities and counties of Ireland need good governance and leadership. When elected members and senior management collaborate, lead and govern effectively, local authorities can optimise their services to their communities. Each level of government is confronted with an array of challenges, varying circumstances and limited resources. Creating and maintaining effective working relationships is critical to success, especially between senior officials and elected representatives. It is also

essential to foster bonds across different organisations and communities. The literature shows that this leadership (or succinctly summarised as community leadership) is complex, involving as it does public, private, voluntary sectors with citizens and communities. In this way the 2014 Reform Act crystallised Ireland's tentative first formal steps towards '*emerging networks of local governance*' (Miller, Dickson and Stoker, 2000). This is a recognition of the creative and developmental potential of local government imbuing it with a mission to build collaborations vertically (central-regional-local-community), horizontally (local-local) and diagonally (organisations outside the preceding, e.g. agencies). Local councils' success will be judged on collaborative outcomes driven by their networking capability. This new entrepreneurial approach to local government has two primary objectives, economic and community development.

In Ireland's case there will be an added challenge for newly merged authorities balancing urban and rural differences. The literature review considered regional governance and concluded that the current Regional Assemblies have small memberships, tiny budgets, very small staffs and have limited financial autonomy with no fund raising powers. Part of the difficulty in Ireland is that there are very poorly defined natural regions by culture, geography or political history. The result is regions created for operational or administrative convenience and there are a lot of inconsistencies and overlapping in structures as a result. This militates against coherent regional identities, cultures, areas and formations. This also prevents a regional political identity emerging, which weakens potential forces for decentralisation and means that it falls to local councils to sustain pressure. This affirms Schakel's proposition on post-functionalism and decentralised structures (2010).

The NPF is nationally led and will attempt to structure population growth by geography and deliver that through better-targeted public investment. The five main cities are key components of this strategy and their governance and success depends on greater inter-authority, and perhaps also inter-regional, collaboration. The experience of such partnerships around city areas shows disagreement over boundary changes, most recently in relation to Cork, driven by the fear and consequences of loss of populations, status and revenue income. The same criteria have delayed a decision on the future arrangements for Galway and a less than satisfactory arrangement in Waterford. Smaller towns such as Athlone are equally compromised as was detailed in the literature. Thus, there is a need for local councils to lead on this issue and to elevate the debate beyond operational considerations. This matter was raised consistently in the course of the interviews.

A clear example of this that was presented in the research is the need for a university in the south east. During the nineteen sixties Limerick had to campaign vigorously over a long number of years to procure a university, largely obstructed by other regional third level colleges who leveraged at national level to prevent this. One senior national respondent made the same comment in relation to this vital piece of infrastructure for Waterford, which is being impeded at national level, by other third level institutions, to protect the status quo. This is a pertinent example where a stronger, city based/focused regional government should have this objective as its top priority. Strong regional governance where all stakeholders are involved can create a momentum to secure key outcomes, overcome self-interests and help regions fulfil their



potential. Inter-authority collaboration is an essential building block from which to start better horizontal and regional governance. Very few councils have the required resources on their own to deliver major projects and the respondents showed concern that some local authorities would over extend themselves. One senior local government official, who has extensive regional experience, expressed disquiet that unless the local councils begin to adopt and implement strategic regional objectives, that the ambition of the NPF would not be realised. This view places a great responsibility for change on the Chief Executives at local level. It also reinforces the power that Chief Executives have to shape national policy towards the regions.

Such a development would begin to vest substantial autonomy at sub-national level. In order to protect political governance one respondent suggested that it may be possible or even desirable to redefine Ireland's political structures and to have nationally elected politicians involved in some capacity at a strengthened regional level. One Chief Executive suggested that local authorities would be freed to focus more on operational issues and this approach would enable the regional level to set vision, strategy and deliver major projects. Each region would be freer to capitalise on its territorial distinctiveness and develop its own competitive advantage and identity. Another senior local government official acknowledged that this process had already started to emerge, following on the greater autonomy that Chief Executives now enjoyed. However, this experience was not uniform as competition between local authorities continues. By way of example one Chief Executive had attempted greater cooperation with an adjacent authority to adopt a more regional approach to tourism, which is a distinct advantage in the territories of both. However, this was rebuffed at executive level out of fear of having to make concessions and losing a distinct and critical advantage the latter county enjoys and has built up over many years. This example shows the bartering and negotiating skills, or networking capability, needed to build effective alliances at regional level. In affirmation of this, another senior official commented that it was necessary to protect the local interests even where there were strong reasons for regional collaboration. Until there are more formal alliances in place, the commentators were agreed that it is up to respective Chief Executives to build personal relationships and from there, lead their senior staffs towards regional level goals.

It becomes apparent that the reform has led to ad-hoc understandings and agreements between local authorities and also with other agencies, stemming in part from ill-defined legislative roles. The literature references this type of approach as nascent horizontal governance and will test the soft power skills of local government executives to lead this change. Indeed given the small scale of Ireland, many senior public officials are known to one another and this would facilitate this '*soft*' approach.

One commentator from the regional level queried whether the central government was really committed to identifying and developing worthwhile regional structures. As this had not realistically been determined in the 2014 Reform Act, adjudged to be a half effort and considered to be a joke by one Chief Executive, it now falls back to local councils to show leadership, and not being able to rely on nationally led solutions. Indeed one Chief Executive opined that this approach could allow city region structures emerge that were not tied to existing geographical county boundaries and in this way possibly solve the apparently intractable local government boundary issues. The draft NPF touches on this point. It states

that in order to ensure the strategic planning of the five Irish cities and their catchment areas, each city shall have a Metropolitan Area Strategic Plan (MASP) to act as a twelve year strategic planning and investment framework for the metropolitan area. It doesn't specify the means or structures by which the MASP will be delivered and this is an opportunity for the local level to influence outcomes.

### **5.11 Assessment of the reforms to date**

From the literature, it is apparent that Ireland lags behind international progress on decentralisation. There have been numerous reports prepared for central government over the years on local government reforms, which demonstrates keen interest in this topic (the author was unable to find any reports initiated and prepared by the local government sector on itself, which points to a lacuna). Despite the multitude of the reports, the ratio of successful implementation is very poor. This confirms the literature and research findings that ministerial leadership and government support are critical components for change (O'Neill, 2003). The electorate tends to be focused on immediate and short term issues and these drive the national political agenda. Decentralisation will not be included in political party manifestos unless there is support at senior party level. Such was the case with the 2014 Reform Act as evidenced from the research. It is essential that for further reform qua decentralisation to occur, local authorities must be able to demonstrate quantifiable results from the first phase and build its political value and credibility. The literature offers a range of themes under which this can be shown such as efficiency, better governance (local property tax) and so on but, from a political perspective, the imperative is that it will lead to political improvements. For change to be regarded as reform, it must result in something better than before: it must result in improvement.

The literature on Ireland demonstrates that there is a need for real change especially in relation to the governance of urban centres. The 2017 decision of the Minister for Local Government to extend the boundary of Cork city into Cork county and absorb 100,000 residents into the former, reaffirms the need for centrally led policy change, as both local authorities were unable to agree locally. The mergers of Limerick and Waterford councils a few years ago and the indecision on Galway as yet, shows the need for a more consistent and strategic approach at national level. At a regional level, the variability in performance of job creation and employment, as shown in the various tables in the literature review, belies a fair, accountable and systematic approach to development, which until now was effectively controlled by the centre.

There was uniform agreement from the respondents that the local authorities' impact on economic development had been positive as a result of the changes. This assessment is vital as one national respondent stated that the future of local government is at a critical phase and a positive outcome in this round of reform will influence prospective changes. The applied research also disclosed that it was the executive that was providing the leadership at a local level and that elected members had not fully realised the potential of their new legal powers. This points to a weakness in implementation and having regard to the need for some political dividend (as detailed in the literature) may bear on future reforms. Many local authorities members appear slow to increase the LPT to fund improvements to services perhaps because

they have not had to do so before. Demonstrable local political leadership is essential for further change according to a national respondent. This would also help improve the apparent imbalance between the executive and representative domains at local level.

However while there are obvious tests to be passed locally there is a continuing onus on the centre to examine what can be transferred with the commensurate resources for enactment. An example of this new approach is the Housing Assistance Payment Shared Services Centre, which instead of being run centrally was awarded to Limerick City and County Council after a successful bid. In the past, the probability is that this would have been run by a centrally created agency. The enhanced reputation of local councils resulted in the centre coming to Limerick with some seventy jobs created and the new service being vested in the local authority system. This is a very positive milestone showing that local councils have the ability and competence if given the chance.

The risk associated with the Shared Services Centre was quite low but the example does demonstrate the growing confidence of central government in local government and of local authorities in themselves. By way of contrast, the Student Universal Support Ireland (SUSI) was created in autumn 2011 to replace 66 different, mainly local authority based, higher education grant awarding bodies. A central aim, according to the Department of Education, was to save money by using fewer staff and more efficient administration. Some of the SUSI services were outsourced. This example shows that in the few years since 2011 there is renewed trust in local councils by government and the positive response to the new functions in the 2014 Act repay that trust.

### **5.12 Possibility of future reforms based on experiences to date**

Decentralisation and reform are dynamic processes. The literature review has shown the importance that central government places in local government through the multitude of reports that have been written on the topic. Much less has been written or commented on at the regional level. The Action Programme in 2012 showed the faith that the centre has in local government. It was materially different than previous reports because of the breadth of changes it brought and the vision and ambition it set out for local authorities.

It altered the form of local government by the removal of town councils and introduction of municipal districts. It changed the functions by allocating strategically important roles in relation to economic and community development. It improved funding arrangements by empowering local councils to fund raise themselves through the LPT. In support of this, the 2014 Reform Act set out the legal basis for the improvement of governance in giving elected members a stronger role vis-a-vis the Chief Executive. The creation of the public participation network was intended to bring decision making closer to the people. The vision for the future was that local government will be the main vehicle of governance and public service at local level, leading economic, social and community development. The challenge for the local councils was to successfully implement the first phase of the reforms and the applied research is positive on this from all levels of respondents.

The author wished to ascertain the views of the respondents in relation to possible further reforms to assess whether the vision set out in the Action Programme could be realised. One topic that was raised consistently in the interviews at all three levels is whether the dominant structure of the councils, centred on the county, is fit for purpose for modern public services. One senior civil servant noted that there is a case for major restructuring but that the risk of an outcry would be a deterrent. Part of the difficulty is the strength of county identity as espoused through GAA support. It was suggested that one way to resolve this dilemma was through increased locally led inter-authority collaboration at executive level and the applied research confirmed that the reform has prompted this already.

The leadership role of government will be tested in the implementation of the NPF and at sub-national level in relation to the governance of metropolitan areas, which typically can straddle county boundaries. From the data presented in the literature review and having regard to the resources and autonomy available to local councils, it would seem that the initiative to resolve these matters is best placed at this level. Any further increased autonomy at sub-national level will most likely be vested at the local level and as one interviewee noted, this raises the topic of what then is the most appropriate regional type structure, i.e. retain the large geographic areas of the current assemblies or return to the smaller geographic areas of the previous authorities or some kind of hybrid area. A regional respondent suggested that 4-5 regional structures were needed at a maximum, that would be geographically compatible and where the Chief Executives of local authorities would have shared interests and where national agencies would have agreed policies (for that region). There is clearly emerging from the applied research across all levels that the prevailing formation of public service structures is not compatible for the responsibilities and enterprise of new public management.

A common theme that emerged is the need for a more structured and formal dialogue between the central and local level, to debate these issues and this would suggest a stronger national reference point perhaps for the local government sector. The flexibility and dynamism shown by the local level in response to the reform programme was seen as a key strength by a senior central level respondent. The reform had shown local authorities to be the real leaders of public sector change and this warranted more programmes and responsibilities to be devolved to the local level. One central respondent noted the need to maintain the momentum of decentralisation into the future to avoid possible retrenchment when a new political administration/government takes office. The view was that by maintaining the momentum, this supported the need for re-building greater capacity and resources at local level to position councils to be prepared for further tasks.

It was agreed that policy on these matters fell as a first instance to central government but that local government needed to input early on in this process and that there was a deficiency in this area at the moment.

### 5.13 Summary Remarks

As noted in Chapter 2, Irish local authorities had acquired competencies with respect to economic development through the 1963 Planning and Development Act, in which they were to become ‘*development corporations*’ with wide and flexible powers to engage in economic actions to secure the development of their areas. The full potential of the 1963 Act was never realised as local authorities mainly focused on development control and land use planning, rather than integrated, multi-sectoral planning and they remained dependent on the centre for capital funding for large scale infrastructure, the key element of the then nascent economic development.

The data presented in Chapter 4 have shown that the 2014 legislation has, despite not having clear targets for local authorities with respect to delivering economic development and having been enacted and rolled-out in a milieu of severe resource limitations, conferred on local government an increased standing in the governance landscape. This manifests itself in the form of increased interfacing with statutory bodies, notably Enterprise Ireland, IDA, Fáilte Ireland and other state agencies charged with an economic development role, as well as third level institutions and other public bodies. This increased governance remit also extends to involve collaborations with local community and business interests. The interviews record clear evidence of local authorities engaging with, and influencing issues that go beyond their traditional roles and functions. The absence of ascribed functions and targets in the legislation presents challenges with respect to measuring or quantifying the extent to which local authorities are engaging in and / or shaping new spaces. They are however, clearly engaging in increased multilateral partnerships and interfaces.

While the Act carries the word ‘*reform*’ in its title, it would be inaccurate to describe it as promoting devolution or decentralisation, in that it does not bring about any material, substantial or systemic transfer of powers from higher to lower tiers of government. Indeed, its provisions included the rationalisation of institutions at sub-national level. Thus, unlike other legislation in this area, most notably the aforementioned 1963 Act, the 2014 legislation is not characterised by any conferring of hard power – as associated with additional resources, tangible competencies or defined powers.

Thus, in seeking to understand the transformation that is taking place within local government in the context of the 2014 legislation, this thesis proffers that what local authorities have acquired can best be described as ‘*soft power*’ rather than hard power.

The concept of soft power is generally associated with international relations and geopolitics. It was first defined by Nye (1990) as; ‘*Collective action and international cooperation*’. Nye argued that the ability of great powers with impressive traditional power resources to control their environments is diminished due to the changing nature of issues in world politics. The solutions to many issues of transnational interdependence require collective action and international cooperation. In effect, the traditional understanding of the means and uses of power at national level are being changed by technological progress, the increasing influence of the global economy, the rise of huge corporations whose power and wealth dwarfs many

countries and so on. In addition, the problems facing numerous countries such as globalisation and the accretion of data/power by technology companies, global warming, health epidemics, illegal drugs and terrorism can only be addressed through greater collaboration and cooperation between countries.

The characteristics of soft power are the ability to attract and co-opt, rather than by coercion (hard power), which is using force or giving money as a means of persuasion. Soft power is the ability to shape the preferences of other stakeholders through the appeal of a shared vision and attraction to same. Thus, governance is achieved by sharing information and seeking collaboration through new networks. The defining aspect of soft power is that it doesn't coerce; the currency of soft power is culture, shared political values and policies.

There are a number of references to soft power when describing or analysing interfaces or relations between agents or power actors within the State. The state's structure is hierarchical as it has evolved this way and relies on laws, regulations, political power and control of budgets. The structures of soft power are networks that embody cooperative arrangements where power is not equated with power resources. This is a very challenging concept to those who rely on traditional methods.

There is a growing body of literature on partnership governance, mainly since the 1980s (e.g. Bennett and Krebs (1994), Miller *et al.* (2000), Stoker (2003)). Community or partnership governance is about meeting diverse community needs against a backdrop of complex problems which institutions find difficult to solve on their own, e.g. criminality and drugs. It springs from the ideology of localism, i.e. that local government is tasked with meeting the needs of local populations rather than the narrower construct of simply delivering services. The latter lends itself more easily to hard measurement (expenditure, efficiency and so on) whereas the former relies on assessment through value, outcomes, building and sustaining relationships. Community governance augments the traditional local government/democracy model but does not replace it. However, the pre-eminence of the traditional model as being suitable to deal with complex challenges (such as economic development, entrepreneurship and job creation) may no longer be appropriate for all functions and circumstances.

Local economic development is a cross cutting and highly integrated activity. It links physical infrastructure to wider public services and the drivers of change such as capital investment, enterprise, innovation, quality of life, employment, educational opportunities and outcomes. Critically it is about building a distinct place and thus relies on local collective input in shaping and fostering the ambition to shape that place. The leadership of this integrated ambition/vision is broadly understood to be a key role of local government. Thus, the new role explicitly afforded to local authorities in the 2014 Act is as vision setting, coalition building and convenors of local community interests. If this model is fully realised, the Council can thus become the primary interface for communities with national government and its agencies. Stronger integration and enhanced coordination at sub-national level promotes efficiency. On this front it is helpful if the leading organisation (the local authority) also has wider responsibilities for key public services and is able to shape development actively. This new role requires local councils to deploy soft skills and the literature identifies features of

partnership and of collaborative governance that resonate with those of soft power, as defined and elaborated by Nye, among others.

## **Chapter 6 - Conclusion and Recommendations**

### **6.1 Introduction**

This thesis has examined the topic of decentralisation and transfer of functions to local government. It included an examination of whether or not, and the extent to which, the implementation of a key aspect of the Local Government Reform Act, 2014, i.e. the stronger role for local councils in economic development, affirms or counters the various hypotheses set out in the literature. From the details gathered in the applied research, undertaken at local, regional and national tiers of governance, a more varied and nuanced picture emerges than that suggested by a simple reading of the legislation. The research provided an insight into the operations and thinking of central government in terms of its approach and policy towards the local level. The central level has a key role to play in initiating change and giving effect to the vision and commitment of the political leader, i.e. the Minister, and political leadership is paramount although it is not the only important consideration. The regional level emerges as the weakest of the three levels as a very unequal participant in the processes of government, including the promotion of economic development. This sets Ireland apart from most other similar-sized states, and arguably, was not adequately addressed in the 2014 legislation.

The particulars from the local level refute the dominant impression in the literature that it lacks autonomy and is quite residualised. On the contrary, it affirms a very vibrant sector, ready to respond to new challenges given to it by government. This is most evident among local government executives. Indeed, the responsiveness of local government is acknowledged by actors at other tiers, particularly those in central government. The key point that emerges strongly from the research is the extent to which the literature relies on the conventional methodology to measure and portray the extent of decentralisation in Ireland. There is universal agreement that Ireland is highly centralised and various authors rely on indicators, among others, such as the small share of public expenditure, limited range of functions, lack of relevant regional institutions and very limited reforms at the sub-national level over many years. The applied research undertaken for this thesis reveals a different picture. The economic development initiatives undertaken by local authorities in the context of the 2014 Reform Act reveal considerable autonomy and initiative. While these strategies and projects have been promoted by Chief Executives, they have been affirmed in their approaches with the support and endorsement of elected members. More importantly, the applied research outlines the reach of local government to influence other agencies in bringing projects and plans to fruition. Arguably, for the first time this thesis introduces and explores the concept and application of soft power by the sub-national level. This potentially rebalances the variables used to measure the extent of centralisation that seem to characterise Ireland and a different model of power emerges that raises questions about the conventional indicators used heretofore.

### **6.2 The Initiation of Change**

The primary data presented in the thesis (Chapter 4) verify that the progenitor role for devolution rests with the Minister for Local Government. The interviews confirmed the personal commitment and belief of the then Minister Phil Hogan T.D. and his leadership from



the outset. The explicit proposals in relation to local government, more particularly those in the 2009 Fine Gael local election manifesto, progressed into government policy and legislation. According to media reports at the time, the Minister's commitment was tested at central level as officials in the Department of Jobs, Enterprise and Innovation tried to preserve the status quo. They indicated a degree of reluctance or antipathy to decentralisation or indeed any transfer of responsibilities from national and semi-state agencies such as Enterprise Ireland and IDA Ireland to local authorities. It is unlikely that without the drive of the Minister, the *Action Programme* would have contained the stronger leadership role in economic development and many of the initiatives now underway at local level may not have occurred.

This antipathy, notably from particular statutory bodies, also confirms a possible more widespread view at the centre that local councils have been excluded from many public service functions for so long, that the momentum is against further decentralisation. In support of this, the disposition at the centre is over reliance on agencies, the boards of which are, of course, appointed by the relevant Minister, thus affording ministerial/ political support for continuing this practice. Somewhat surprisingly (and despite austerity) at the end of 2015 there were still 257 agencies shared across 16 government departments (Boyle, 2016, p.11). While it may be unconnected, the Department of Justice and Equality had the most with 46 agencies, yet there are clear governance and management issues within that Department and it is apparent that it needs reform. It also suggests that by outsourcing to agencies, there is a risk to the capacity of central government departments to change themselves from within, to modernise their management practices and strengthen governance. In addition, the review (op. cit., p.22) further confirms that politicians do interfere with the agencies' routine operations and that Ministers also have the exclusive right to appoint board members. Guidelines on appointments to state boards were first issued only in 2011 and revised in 2014 to make appointments more '*open, accessible, rigorous and transparent*'.

The intuitive response from the centre, particularly up to the enactment of the 2014 legislation, is to create another quango rather than to decentralise power to local government. This can explain why the rationalisation of the local ETB's (former VEC's) in 2013 was a missed opportunity for incorporation into local councils and strengthening the local level. The effectiveness of the 2012 *Action Programme* should increase central level confidence in local authority capacity and competence and assuage reluctance to further phases of devolution. However, it is up to local authorities to prove this effectiveness and efficiency.

### **6.3 The Response to Change**

The data in the applied research showed that local authorities had experienced severe retrenchment in staff numbers and budgets starting from 2008 and at the nadir were asked by government to give of their reduced resources to help rebuild the economy. While the quality of the responses varied and depended almost totally on the local interpretation and drive by the Chief Executive, in the first instance, it was clear from all respondents that local councils reacted positively. This suggests that there was a potent '*ownership*' of the new stronger functions by the councils. It also justified the faith that Minister Hogan placed in the councils, and raises the question as to why there is not more widespread confidence by the centre in the

local level. The most effective reply to this is that councils collectively publish information on their performance under the reform, but this has not been forthcoming to date. Thus, this thesis has identified a real need to operationalise indicators to enable monitoring of the roll-out of the 2104 legislation, and specifically, outputs and impacts in respect of economic development as set out in Section 66(B) of the Act (Part 9, Chapter 1). Councils were afforded considerable discretion to advance initiatives across a wide range of functions such as enterprise and economic development, FDI, indigenous industry, micro-enterprises, tourism, agriculture and forestry, the marine and natural resources. In effect, the councils were enabled, through this legislation, to lead ambition across all aspects of economic development for their area. More importantly, the legislation, by being so broad in its terms, permitted unlimited applicability to local circumstances. In effect, there was little to limit reasonable ambition at the local level.

A number of *obiter dicta* by respondents in relation to the reforms indicate that the elected members have not fully realised or embraced their enhanced governance powers. These comments indicate that a more complete study of the functioning of the representative pillar of local government is warranted, in particular, given the important reserved powers assigned to elected members. The long emasculation of local political decision-making started with the removal of domestic rates in the 1970s and means that many councillors serving today have not had the experience of governing, in a strategic sense, for a long period. They are not accustomed to making difficult strategic decisions (such as increasing the LPT), having long been able to lay culpability on central government or on executives for local shortcomings, the solutions for which may well rest within their powers. In addition, many ‘*unpopular*’ functions (e.g. making of waste plans, water quality plans under the water framework directive, traveller accommodation plans) have been vested in the executive side locally, further sparing political decision making. While no doubt, this may be more efficient in the short term, it diminishes local governance, especially accountability, in the longer run.

With the perceived loss of local political power and standing, it has become less attractive to become an elected member. The membership is the poorer for that, and the apparent political decline becomes self-reinforcing. In the past, many business owners became members of councils and brought a business ‘*nous*’ to reserved decision making. Fewer ratepayers are members now, and consultations with the councillors’ representative body suggest it is almost certain that none of the very large ratepayers from, for example, the FDI sector and large retailers would countenance running for local office. Given the large proportion of local income that comes from commercial rates, this loss of input from ratepayers becomes apparent. In addition, there is much more informal interaction between elected members and the executive than formal, suggesting a more widespread use of soft power in the operation of the local system. Thus, the potential loss from not having more business members, and community leaders, as members in the Council implies a considerable ‘*soft power*’ deficit, which the structure of the LCDC has begun to address. Indeed, one Council Chief Executive stated that business people who generously wished to give freely of their time to support the Council’s endeavours on the economic development front would do so, only if no elected members were on the working group, as it would simply become a talking shop. This reflective comment by the local level may mirror the perception of local government by the centre, i.e. an incapacity

by the elected body to make difficult decisions even with the power to do so, thus residualizing relevance of meetings to a talking shop in large measure. In the drive for more effective decision making at local level over the years, an unforeseen consequence has been a diminution of the standing of the elected body. This is corrosive of democracy, weakens governance and diminishes the standing of the local level representatives to mere ciphers dealing with minor clientelist issues in the main. Addressing the imbalance of authority and governance at local level was a key objective of the *Action Programme*. It is essential that KPI's are used to measure progress in this area.

The above indicates that further strengthening of the political and governance process and structures at the local level is essential if there is to be greater decentralisation. One Chief Executive noted that the new Local Community Development Committee (LCDC) was operating much more effectively than the SPC's due to its better governance structures. While the Reform Act endowed the LCDC with specific, albeit limited '*hard*' powers (Overseeing Local and Community Development Programmes (e.g. LEADER) and formulating and implementing Local Economic and Community Development Plans). It is the associated powers of persuasion and collaboration (soft powers), that brings local authorities into a space that is characterised by increased engagement with economic development stakeholders. The LCDC has a very sensitive task to work constructively with local development companies and local communities, who have enjoyed considerable autonomy over a long period and, in their operation, were independent of local authorities. The Local Development Companies (LDC) and social partners bring increased knowledge capital to local government and provide access to civil society and business networks. The majority of the LCDC members are external, i.e. non-elected, with the elected representatives in a small minority. This suggests that the favourable perceptions of LCDCs in delivering better governance may render it as a framework that merits application to the SPC's, and ultimately the Council itself.

The legislation and its political champions envisaged that elected councillors would assume a more proactive and leadership role in directing policy and in promoting economic development. However, as the evidence garnered in the course of the applied research (presented in Chapter 4) shows, it is the executives, rather than the councillors who have been more responsive and promotive in respect of giving effect to the objectives set out in the legislation. Thus, the experience of stakeholders suggests a need for some recalibration within councils, so that the elected members assume greater responsibilities. One approach to that end could be that the majority of members elected would remain as full members of the Council but would function as community councillors, i.e. operating at a local level mainly, dealing with operational matters, attending local area meetings only, thus strengthening the local representative level but with more devolved decision making powers to improve operational effectiveness. A smaller number of councillors could be deemed to be elected to the Plenary Council and deal with major reserved functions, e.g. policy issues such as making the development plan, annual budget, economic development and so on. A number of plenary councillors, including the Mayor, could be allocated portfolios in the same way as ministers are at national level and they would become accountable to the Council for their performance. The intention with this proposal is to strengthen the cabinet style and membership engagement

and improve governance, which was a key objective in the *Action Programme*. This issue, among others, is being explored by the Association of Irish Local Government.

By way of example, the Chair of the Housing SPC would be legally required to report to the Council on progress in housing construction, maintenance, waiting lists, progress on homelessness and on the Council's policy objectives. Other chairs of SPCs would include planning, transportation, arts and culture, environment and other services. Using this approach it would be these chairpersons who form the local cabinet, and have responsibility, with the Mayor, for ensuring that the Council meet its statutory obligations, as well as its policy objectives under its Corporate Plan. This would include performance reporting, in the public interest. This means that chairs of committees would be required to assume a leadership role and create a constructive working relationship with the executive, set performance standards for the Council, provide the necessary resources to deliver same, and remain in post for the term of the Council. These new arrangements would be supported by the executive of the Council. It may be necessary to review the list of reserved powers for the effective operation of these objectives and the Minister for Local Government is empowered to implement this by order.

Plenary councillors would form a cabinet helping to lead and shape major policies of the Council including providing funding and income to deliver same. This approach would help build greater political accountability. If members wished to prioritise economic development for example, they could increase the LPT to fund a business incentive scheme and so on. The annual budget is the major annual policy decision of the local councils but the author is not aware if any local authority has a finance/budget SPC to oversee the budgetary process indicating lack of governance, as referred to previously.

It is also important to bear in mind that, at present, most councillors operate on a part time basis but they are asked to deal with increasingly complex policy documents and issues and attend large numbers of meetings. This places a very high onus and perhaps unfair level of expectation on a disparate body politic. The role of local councillors (part time) is also much more prescribed in law than that of TDs (full time). The time commitment also restricts the pool of potential members. The author advocates that in proposing the majority of councillors as community based, membership could involve less time but could animate greater community participation and ultimately be more representative. The basis of this proposal derives from the new municipal districts introduced in the 2014 Act which gave functional roles below the Plenary Council level but which are not yet fully optimised.

Separately the current Programme for Partnership Government (2016) contains a commitment to examine the issue of directly elected mayors (p.154) as well as the devolution of new powers to local authorities and re-establishing town and borough councils subject to a local plebiscite. This reflects Article V of the European Charter on Local Self-Government. While undoubtedly worthy, these proposals will be slow to be delivered, and as regards Mayors, will only apply to Cork and Dublin. The author's proposals can be applied quickly and universally.

## 6.4 Autonomy, Soft Power and Horizontal Governance

A key aspect of the thesis was an exploration of the anticipated increased degree of autonomy at local level, with a focus on the increased role of economic development. The literature suggested a quite emasculated local level. Champions of the reform promised greater local decision-making. It is certainly the case that the power to decide, even within a limited range, to vary the LPT constitutes greater autonomy. It was agreed, by national level respondents, that the 2014 reforms conferred greater autonomy and/or responsibility on councils. The view from the local level was that autonomy was not perceived to be a major issue, as Chief Executives did not see themselves unduly bounded. If something needed to be done by the local authority, it would be. For instance, a number of local authorities had built small enterprise centres over the years around the country to support entrepreneurs. This genre of autonomy relates in the main to small-scale operational matters but it is also the case that the reforms of 2014 generated a universal and unifying response at the local level and thus had a wider autonomy and galvanising impact for the sector. The establishment and composition of LCDCs, and more specifically the establishment of the Local Economic Offices (LEOs) under the direct aegis of local authorities (replacing the more autonomous City and County Enterprise Boards) also conferred a more direct relationship between the councils and job creation agencies. Progressively, the latter are coming to value the importance of the councils' legally-stated and extensive direct responsibilities in assisting economic development as well as their wider role as enablers influencing quality of life and directing infrastructure and investment. The interviews (Chapter Four) suggest that the potential of the reform may not be fully realised where those agencies have not involved themselves with local structures. Thus, an uneven pattern of progress emerges from the applied research, once again pointing to the need for some methodology of measurement or indicators in order to assess the effectiveness of the reforms.

The interviews conveyed a more nuanced power relationship than the literature suggested or indeed that envisaged by those who formulated the legislation. It is apparent that local councils have a sphere of influence that goes well beyond that defined in law. It is manifest that Chief Executives hold very powerful positions in public life across the three horizontal levels of government and with a range of other public institutions. This is best exemplified by their access to Ministers when needed, who understand the central level's dependency on local level's competency and implementation to deliver government policy. The conventional metric of government power is through spending, taxation, legislation, regulation and so on, i.e. a generally hard power construct. While Chief Executives also have hard instruments of power available to them through licensing, regulation and charging (rents, rates), it is also apparent from the applied research that they exercise soft power at the centre and this is an area that has not been adequately studied or measured to date.

The 2014 Act conferred explicit and increased powers in relation to economic development (under Section 66) but their implementation also requires a '*soft skill set*' and this became apparent from the respondents. In furtherance of this view, the Act did not contain any legally binding provision for performance management against defined indicators (although there is a general provision for performance review), i.e. '*hard*' measurement through KPI's. Given the performance culture now permeating public life, particularly other aspects of public sector

reform, this was arguably a surprising omission. There is a need for the formulation of specific indicators to measure the effectiveness of the application of soft skills, such as persuasion, co-ordination, collaboration that involves a plurality of organisations and actors involved in economic development. These exist in geopolitics and in other aspects of political science, but there is little evidence of their application in appraising the effectiveness or otherwise of sub-national governance arrangements or mechanisms. It is clear that the new economic development function is highly interactive (horizontally, vertically and diagonally) and from the research, it can be deduced that legislative power (hard) and institutions/agencies (hard) are, to date at least, less significant in the transformative governance process than the application of soft skills.

The new economic development approach which local government has led locally, required building collaborative relationships based on shared objectives and agreed goals, not all of which are the sole preserve of the Council and may need compromise by the Council, in terms of its own ambitions. Ultimately, this new local leadership role forged by councils may lead to the emergence of a new model of public service delivery that will ultimately lead to change and influence at national level. For example, new local governance arrangements in Dublin and other cities (to enable them deliver under the NPF and under further local government reforms such as directly elected Mayors) will undoubtedly test the hegemony at central level, without threatening it, through the application of soft power. A new narrative can be created in Irish local government. The common background to the change, as associated with the 2014 legislation is one of greater alignment between community and economic development. This requires enhanced partnership, leadership and collaboration by councils. The reforms must mean something to local citizens to set the area apart, deliver local priorities, help forge a local identity and specific political culture. Progress on these hard and soft issues can put certain areas a long way ahead of other parts of the country. All of these KPI's can and must be measured.

### **6.5 Autonomy Expressed, Variability and Localness**

The degree of autonomy was examined by the author in the course of the applied research, to test and explore the literature written on this topic. Autonomy can be assessed in terms of devolved legal powers as well as attributes such as persuasion and collaboration, all of which when combined describe leadership. The 2014 Act required local councils, in particular, to assume a greater local leadership role in relation to economic development. The new role certainly augmented existing legal powers (e.g. power to supply infrastructure though tempered with the loss of control over water services) and placed the interpretation of the wider role of economic development firmly in the hands of the chief executives. While some respondents criticised the different interpretations of the Council's roles, their views accorded with the features in the literature in respect of local variability and divergence. The freedom afforded in economic development conferred greater autonomy so that the economic plans prepared reflected local identity, strengths, needs and ambitions. The variable outputs in terms of the quality of the plans, which were criticised on one hand for lack of ambition and being too traditional in their response, incorporated shared local hopes, enterprise and aspirations and will be the stronger for incorporating measurable outcomes and KPI's.

The interviews with chief executives showed different ambitions for their areas, some focusing on large scale urban projects, others on traditional sectors such as tourism growth, another on rural entrepreneurship and others realising that greater inter-authority collaboration is needed - a theme considered below. All were working to build closer relationships with the economic development agencies, albeit with varying degrees of success. This discloses the inherent tension between the potential of greater local autonomy and the centralist objective of bringing about uniformity in the application of national policy. The delivery of the economic plans clearly needs the collaboration of a range of actors and organisations where hard power really is of little value. If the '*soft power*' approach fails to deliver and is observed through performance indicators, then a '*hard power*' alternative will be required. The respondents were in no doubt of the need for job creation agencies to be required to share data and become accountable at sub-national level if the *Action Programme* is to be effective. Local authorities should undertake the role of disseminating timely and relevant data in relation to economic development as set out in the sub-sections of the 2014 Reform Act. This could cover indicators (among others) such as the:

- Number and nature of jobs actually created (not just announced) by the IDA and Enterprise Ireland;
- numbers of jobs lost;
- cost of jobs created and average income for same;
- number of local graduates retained in the area (effectiveness of third level courses);
- structure of employment in the area and its change over time;
- clustering or agglomeration effect of key industries or sectors (e.g. biopharma, software development, financial services) and emergence of regional specialisations;
- specific programmes targeted at local unemployment black spots and their effectiveness over time;
- criteria to measure enterprise and innovation (investment levels in these areas);
- strategies and plans to deal with the above, with locally agreed and set targets;
- annual comparative performance at local and regional levels.

The coming into force of the EU INSPIRE Directive (2007/2/EC) has seen state agencies such as IDA Ireland and Enterprise Ireland publish data on the grants they disburse. Tracking and monitoring such investments will enable local authorities to derive performance data on the effectiveness of the agencies' approaches and will equip local government with a more evidence-based approach to identifying areas in need of strategic investment. Thus, research and evaluation are emerging as constructive and enabling roles within local authorities, and the pointers emerging from Chapter Four point up some of the potential benefits that may arise from collaborative research involving two or more local authorities.

## **6.6 Accountability, Performance and Decentralisation**

The literature asserts that decentralisation can increase accountability. Executives at local level have a proximal relationship with elected members, and are increasingly interfacing with business and citizens. These nested relationships promote accountability. Agencies and departments of State have a distal relationship; so accountability is comparatively diminished.

A number of regional and local respondents argued that it is essential to share data, to measure progress and enhance accountability, and that this was not always forthcoming from agencies or easy to obtain. In part, this is understandable, as agencies report to their central headquarters and have pointed to '*commercial sensitivity*' on this aspect and also on what the data reveal once disaggregated. Accountability is a strength of the local level and the Reform Act, Section 136(2) reinforced that principle and initiated monthly written and published reporting by the executive to elected members on the performance of the Council.

It is critical to the success of decentralisation and the *Action Programme* that local councils be able to demonstrate to the various stakeholders, and especially funders and citizens, that the plans yielded better outputs and outcomes. KPI's on hard data such as deadlines being met, number of jobs created, company start-ups, entrepreneurship, investment and scale of infrastructure as set out above are the fuel of progress and are critical to mutually motivating local partners. Local government is, from the interviewees' perspective, '*on trial*' in this first phase and will be measured, in determining future change. The applied research points to a deficiency of systemic data generally and this must be remedied, so that all agencies publish their data at relevant geographic levels. It should also be remembered that data can be used to support the application of soft power.

## **6.7 Initiating, Driving and Supporting the Case for Change**

The local government sector is a large resource of the State. Its scale and significance can be quantified using data on expenditure, services, number of employees (27,000 at 2017) and other financial and project-related indicators. It is also a democratic resource and supports the representative and parliamentary structures of the State. This thesis has elucidated and examined a third measure, which impacts on the two preceding topics and is a key means to success in modern public management - that of soft power and influence. One clear conclusion derived from the research is that the local authorities brought added value to government through their actions since the coming into force of the Reform Act. It is also apparent that there is currently a dearth of data, research and material to fully analyse this assertion. The traditional services of local government lend themselves to measurement; service indicators (across 31 councils) are produced every year and collated by the LGMA. They are mechanical, routine and, while not unimportant, their publication really does not result in much local public debate around their significance. It is very difficult to measure progress with respect to governance or citizen engagement where the vast majority of local services are routinised and operational.

The new structures and new mechanisms for engagement under the 2014 Act are different from existing services as they have the potential to transform local areas in fulfilling ambitions, hope, expectations and aspirations. As evidenced by the data presented in Chapter Four, their coming into effect has revealed a need to build new capacity and skills at a local level. There is a need for highly skilled personnel in areas such as research, spatial analysis, economics, industry engagement and support, developing and influencing sectoral support to grow regional clusters and enterprise, policy enablers and analytics that focus on those local levers that enable and drive employment and economic growth. The author's point is not to replicate those functions



already carried out by existing agencies but more to enable the councils lead reform and progress, and specifically to monitor local level performance and needs in the promotion of summative growth. There is also a need for greater financial resources to deliver on these ambitions. In certain instances, the councils have committed to large capital expenditure to deliver on these plans. The evidence from the literature also shows that it may be necessary for each region to forge a more distinct identity and competitive advantage and to set out a vision for this.

The need for greater sharing of information, data and analysis, not just at local level but across all public services including the centre, was suggested by a number of respondents. Good data are a basic construct for more effective public policy making. New public management models, approaches and thinking continue to evolve and a number of interviewees referred to the need for more structured engagement between the centre and local to progress innovation in services (e.g. HAP shared service centre). The absence of a formal institutional research capacity and vertical linkages between the local and central levels is a notable lacuna. It is filled in part by the LGMA which acts mainly as a support to the CCMA, the Institute of Public Administration and the work of individuals.

There is merit in having a dedicated and structured shared research resource for wider local government. This could be in the form of a national centre for Local and Regional Government Research to conduct rigorous, policy relevant research on the governance and management of local public services, supported across government departments and agencies through the supply of data. The main focus would be on assessing the strategic direction on the provision of services and measuring public service improvement. Its remit could incorporate some of the changes this thesis has examined. These include how well local partnership is working (horizontal), central-local relations (vertical) and the success of citizen engagement (public participation networks), in addition to undertaking spatial analyses. Most importantly, it could build a model for the better regulation and accountability of public services at a local or regional level. Local government continues to evolve and change and there is a clear need to measure the effectiveness and strategic direction of this change. Investment in an enhanced research capacity could, for example, assist in evaluating whether the proposals for directly elected Mayors is a worthwhile reform. A stronger research capability at local level could consider what are the most effective functions and tasks to be assigned to such a post and whether the influence, profile and mandate vested in one individual could overshadow the collective council and the risks attendant on such change and how best to mitigate them. The research presented in this thesis evinces that other local government reforms could be implemented that would be far more beneficial for public services and democracy. The intention is to build capacity at local level not only to drive local services but also to influence in a collaborative way proposals for change at national level.

## **6.8 Future Structures and Strategy**

It is apparent from the research that a well-functioning local government sector has a lot more to offer than simply being a provider of local services, a role into which it had become residualised over many years. The undue centralisation of government in Ireland has been well

documented since the *Devlin Report* in 1969, which recognised not only the adverse consequences and limitations of such for the local but also the central level. Over the intervening years, the tide of reform has ebbed (mainly) and flowed and a good many reports have been written on this topic, all centrally driven. The *Action Programme* of 2012 was just that, an action programme and combined a political (or Ministerial) belief in the local system with the zeitgeist of the need for change in the face economic peril. Those local authorities who participated in the research revealed diverse responses to local needs and potential using their new-found latitude and confidence. One national-level respondent noted that in fact, the local councils, as a collective, responded better to the public service reform agenda than any other state agency or government department. The perception is that local councils have shown leadership in reform despite much reduced resources, and they supported and drove local economic recovery. Local councils need to be more assertive about the contribution they are making, and can do this with data proving the performance of the sector.

The research also noted that the diversity of scale in current local councils may be an impediment, as smaller councils simply do not have the resources to deliver functions, as anticipated in the legislation (this is a case in point regarding the need for national research on the strategic direction on local government). This, coupled with the impending implementation of the NPF, suggests that there is an imperative to strengthen the regional level, principally to build critical mass. Responsibility for larger scale infrastructural and economic development projects could be vested at this level as a start. One respondent suggested perhaps 4/5 regions (similar to Denmark, population of 5.7m.) be configured and aligned along economic corridors or cities, i.e. there needs to be an underpinning rationale, possibly geographic economy. This should allow the local authorities share common objectives. However, any such reconfiguration would require undoing key provisions of the 2014 Act, which had rationalised the regional tier.

The author would suggest that the new regional level, complimenting and not displacing the local tier, would have small staffs drawn from existing organisations to minimise costs. They should be led politically (e.g. a political board directly elected every five years, or made up of national politicians, one or two representatives drawn from each constituency). In this way, they could input to national government policy but support the local level. Such regional bodies would then collaborate with state agencies to drive economic development and growth. They would need to inform and become aligned with the many nationally led public services that are delivered along regional lines. Major strategic projects that cut across a number of counties and, which support the NPF, would be managed regionally. A regional growth forum (membership similar to the LCDC) could assist here. Regions, could in time, begin to focus on specialist growth areas such as tourism, ICT, offshore energy, bio-pharma and foods. Local authorities would continue to manage the vast majority of operational services on county lines, but with increased operational devolution down to local communities at municipal district level.

There are a number of specific public services that could be devolved or vested in the future to a strengthened regional/local level, such as:

- local policing
- primary and post-primary education
- public transport
- health services such as GP and primary health care
- waste planning and enforcement,
- homeless (prevention and accommodation provision)
- regional drug task forces
- ports and harbours
- national parks and wildlife services
- management of state property
- climate change
- tourism promotion

This is the norm across most OECD countries, as noted in Chapter Two. A further point should be that any new service should first be considered for sub-national implementation.

Regional government would have clear vertical governance linkages with central government. Central government oversight should only be concerned whether or not legislation or principles of public law have been affected. Day-to-day administration should be funded locally (possibly a small percentage of LPT), newly devolved functions should retain their funding streams and capital would be from the exchequer or borrowings. The new authorities could also access EU Structural Funds and would have to be benchmarked for performance across the regions against targets.

## **6.9 Reflection**

It is clear that devolution can bring a range of potential benefits. The progenitor role rests primarily with central government. However, local government can initiate and lead change and a starting point would be a position paper on more devolution following the success of the action programme especially on economic development. The 2014 Act enabled stronger roles for councils and strengthened their responsibilities – indirectly, more than directly. Local councils acquired a new or renewed profile and visibility as an economic development leader. This brings them into increased contact and interface with statutory agencies, which when coupled with their roles in infrastructural development and local service provision, has given local government increased powers of persuasion. The overarching vision for local government in the *Action Programme* was that it would become the main vehicle of governance and public service at local level. The government, under the Programme for Partnership Government, is now considering the next wave of local government reform. Given the positive response and assessment of the first phase by all levels, the time is opportune to consider the next steps and to further decentralisation and regionalisation.

Indeed the research undertaken for this thesis confirms that local councils have responded well to their increased functions and roles. However, lack of measurement and the absence of KPI's inhibits assessing the effectiveness of the reforms and stifles debate on further decentralisation. Further study is also needed to evaluate the use soft power at sub-national level, as the evidence suggests that this is a potent, if hidden, resource of local government. Any evaluation of the balance of power and autonomy without this factor being considered will be incomplete.

To support the progression of the vision as set out in the *Action Programme*, the author suggests a series of progressive legislation, which would permit the government or relevant Minister to transfer additional statutory functions to local government or a strengthened regional level. Any devolved powers must be accompanied by existing funding streams for the services. The strategy would include a timescale or programme for devolution incorporating a well-planned, measured approach that sets out KPI's for all participants and stakeholders. Legislation could set out measures needed to facilitate devolution such as stronger governance arrangements and a legal requirement for local authorities to collaborate. Devolution could also provide the logic for rationalising agencies, simplifying tiers of service delivery and improving efficiency and effectiveness. Such was the case underpinning the amalgamation of three pairs of local authorities in the first phase of reform. Finally, increased devolution will help copper-fasten the role, identity and status of cities, counties and regions and make decision making more participative and closer to local communities and citizens.

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## **Appendix 1 - Interview Schedule**

**Thesis Title: Local Government and Local Economic Development - Perceptions and Experiences of the Local Government (Reform) Act 2014.**

### **Preamble/Introduction**

This applied research is being undertaken as part of an MA for Mary Immaculate College, Limerick under the supervision of Dr. Brendan O’Keefe, Department of Geography.

The purpose of the research is to examine whether greater devolution to local government can lead to improved outcomes in services, as the literature on international experience would suggest.

The special focus of the applied research is an evaluation of the strengthened role given to local government in relation to economic development and job creation as part of the Local Government Reform Act, 2014. This was first set out in ‘Putting People First-An Action Programme for Effective Local Government’ in 2012.

The questions, in particular, seek to elicit how local authorities have responded to the increased role given to them, the effectiveness of the local responses and suggestions for possible future reforms.

Respondents will be drawn mainly from the local government sector at executive and possibly representative level. Respondents will also be drawn from central government as well as its relevant agencies.

### **Interview Questions**

1. Have you or your organisation had any involvement in the reform process in local government?  
Probe: If yes, did you make any contribution to the process leading to the 2014 legislation?
2. The 2014 Act provides for increased local authority involvement in relation to the following:-
  - (a) The promotion of economic development in its functional area, and

(b) The promotion of local and community development in its functional area

Do these new provisions tally with the experience of your local authority (or the local authority with which you interface)?

How do you think your local authority/organisation has responded to the new functions in economic development?

Probe: Tell me more about what the LA/organisation has done / or gone about this? Give me an example or examples of same?

3. Can you tell me about your experiences with the new structures and arrangements put in place with the reforms? What have they brought in furthering local economic development led by the LA in your area? Probes - For example:

- The setting up and operation of the Local Community Development Committee– how is that going?
- How does the LCDC compare with the previous Development Board
- LCDC/Strategic Policy Committee joint working?
- The role of the PPN?
- Bringing the Local Enterprise Office within the LA?

Prompts

What difference, if any, has the legislation made?

What is better than the previous arrangements?

What is more challenging than under the previous arrangements?

What lessons or recommendations do you observe in respect of governance and structure?

4. What about the Local Economic and Community Plan and other new Plans like the Regional Action Plan for Jobs – what is your experience in respect of the role, if any, of local government? Probes:

- Have either Plans been effective in bringing the local authority into taking actions on economic development?
- In coordinating economic development actions in, or across LA areas?
- In engaging better with external agencies such as Enterprise Ireland, IDA and the Local Development Companies?
- In supporting communities in taking local economic development initiatives?  
Probe-can you give examples of initiatives undertaken in partnership with communities?

5. Would you say the reforms and the way you have implemented them in the LA have had an impact on economic development in the LA area? Would you say it has brought

successes – in creating jobs, FDI, new or expanded local enterprises? Do you think these impacts might have happened anyway – without the reforms?

6. Do you think the reforms have given LA's greater powers to act to promote economic development? Or are powers mainly elsewhere – with central government departments? With specific agencies like the IDA, Enterprise Ireland? What's different compared with the situation pre-reform? Is there a need for a clearer mandate/function/role for LG in this area? If yes, what additional functions should be given?

Additional probes (if necessary)

- What is working well in respect of local authorities' abilities to promote economic development?
  - What are the factors that enable success?
  - What is not working as well as it might in respect of local authorities promoting economic development?
  - What are the specific barriers?
  - How can these barriers be lifted?
7. In practice, does the local authority now have greater autonomy and the capacity to take decisions on economic development? What about resources? What has changed in terms of the availability of, access to and decision-making on resources? Are there challenges here? – e.g., capacity of LG systems, procedures in decision-making in local government? staff resources and competencies?

If yes (to each), what is driving or enabling this increased autonomy?

If no (or unsure), what are the barriers to increased autonomy? Where are the blockages?

8. What about working in collaboration with other LA's – neighbouring LA's or in other parts of the state. Have the reforms encouraged this? Are there greater opportunities to do this now? Are there challenges here – (increased competition? Local political factors?)
9. Reflecting, in a general sense, on the reforms and your experience to date, what is your assessment of the impact of the LG reforms on local economic development? Positives? Negatives? Can you explain?
10. What about the future? What do you suggest could be done to improve on the current situation? To build on achievements? To address weaknesses? To advocate further reform?

Is there anything else you would like to add? Do you have any other comments or observations?

What about the role of local government in the National Planning Framework?



## Appendix 2 – Interview Transcripts

Date: 25.07.2017

Researcher (R): Kieran Lehane

Interviewee (I): Chief Executive L1

R: **So the first question**, to be asked is, did [REDACTED] Council have any involvement in the reform process in local government? Just a general opening question.

I: I suppose my answer to that is we have been a critical part of Putting People First in terms of the decision to merge three of the authorities in the country: Waterford, Tipperary and Limerick itself. So from a very specific perspective we were given the opportunity to implement reform and in implementing reform would have looked at what Putting People First was giving to us, such as the lead authority in social, economic and community development. And we have taken in particular the role of economic development as a lead in the organisation.

R: Would you care to elaborate a little bit on the lead part? What do you mean by that?

I: Okay, the first decision we made [REDACTED] [REDACTED] was to appoint local government's first director of economic development. Okay, so that was a very clear signal to the system that we were going to put ourselves at the heart of developing the economic side of [REDACTED], from the ground up. And in doing so would have positioned ourselves with IDA, with Enterprise Ireland, not as a threat, but as, if you like, their feelers on the ground. The next step of that was to look at the whole area of innovation and marketing as part of how does one develop, promote, drive forward a local area. So two other decisions were made, to create Innovate [REDACTED] and this was coming about because we were [REDACTED] [REDACTED] enterprise boards, if people recall that part of the process, which freed up, if you like, an opportunity, or gave an opportunity, looking at the staff resources, by the creation of that merger alone. And we looked at how could you create what we were describing as second stage innovation, or incubation, sorry, second stage incubation, that would facilitate people who were sitting in [REDACTED] who have got themselves to the first level and need to move on to the next level but were finding themselves having to leave [REDACTED] in order to do that. So the thinking was that we could create a next step. So that we had to bring [REDACTED] in other words the third levels, with the industries that were saying, how can we create that space? So [REDACTED] was born. That's the best way I would describe it. [REDACTED]

So the second part of that was creating the marketing side. And I had this idea in my head that we could create a marketing fund, create a marketing company that was made up of experts in the private sector that could enable us to promote [REDACTED]. That side of it failed. The marketing company did not work. It was a mixture of, perhaps, the wrong people in the leadership role, but more importantly the lack of commitment, or indeed vision, coming from the private sector. So that was a disappointment. So we had to resurrect that one and we pulled it back into the organisation and we dissolved the marketing company. And putting our own marketing people in play has actually worked out far better in the end of the day. And what we have created then is what they call the team of teams. So that the marketing person from [REDACTED] are one team, the marketing people from the pharmaceuticals, for the want of a better word, the [REDACTED] the other group, they're also another group. So we're learning from those groupings feeding into our promotions for either FDI or indeed tourism or indeed...so we create a team of teams, outside what was the structure. And I believed that that hands off structure would work. We have one example where it has worked. I've one clear example where it hasn't. Innovate worked. Marketing didn't. [REDACTED] was the next venture and [REDACTED] came as a necessity to drive on on the delivery aspect of what we were trying to achieve. And that was born out of the economic forum, which I put together with [REDACTED] and chose a team of people who had an expertise, who were from outside [REDACTED] but were connected to [REDACTED] but were in influential positions, such as [REDACTED]. There's a range of people there Kieran and the pick up under this. But each one of them had a particular skill that we required in order to deliver on the programme itself. And from that discussion we looked...took advice more so than anything else, around what would be the strategic sites that were identified in [REDACTED], from a commercial perspective, whether they were of value in pursuing and having listened to that advice we then acquired the strategic sites. And the next phase of that was, well how do we move the strategic sites onto the next phase. And I suggested we created a company. We looked at [REDACTED] as an existing model, that perhaps would enable us to move across, because they would have had the capacity to do off-balance sheet borrowing. And they would have had the assets in order to do that. But we found a reluctance among the existing directorate there to actually move in the direction that we wanted to go, so we decided to create our own company and that became the [REDACTED]. So that so, if you like, there's the steps that were involved in demonstrating a lead role on economic development.

R: Okay. At any stage, just to go back to the first question, in terms of the contribution to the process leading to the 2014 legislation, which was giving this increased role of economic development, which clearly has been embraced in Limerick, was there any input from the local government side, through that process?

I: Through the CCMA.

R: Through the CCMA? Okay.

I: Through the executive that I would have sat on at the time in terms of preparation. We would have been feeding into the group, the reform group that existed. We would have had two representatives from CCMA sitting on that at the time, and we would have discussed it obviously at CCMA level. Would I have had a strong view? I certainly would, in the context of where local government should and should not be going. Including, I would have recommended a few more mergers than what actually did happen at the time. And we ended up with three. If that were to be moved forwards, I would have thought that we should have considered the Laois-Offaly in one, certainly I would have thought that the Westmeath-Longford one would have been successful. I didn't agree with the Mayo-Sligo or Roscommon one, that kind of made a fool of the process, and therefore brought a sense of credibility, or lack of credibility to the other mergers. So lets say the idea was right but unfortunately they went too far in terms of the proposals and we lost ground.

R: Could you elaborate on your...the rationale for the ambition for further mergers? What was your thinking?

I: Purely scale, in my view, in terms of the capacity to deliver services more efficiently. Looking at a wider area from a geographic perspective, in terms of how services could be actually be operated on the ground with a better centralised co-ordinating system. Understanding that the services being provided by the respective authorities are similar. But yet being delivered in completely different ways. So how do you take that back, centralise it, understand what the service is and then redistribute that. A little bit of what we did here in terms of understanding the service catalogue. There are six hundred services being provided. Those six hundred services have a process and can be mapped. If you can do it in one area, then you can do it in as many areas as you require.

R: We might return to discussing that at the end in terms of the future. Because of further reform. **Just going on to question two**, which deals with the theme of effectiveness. The 2014 act provides for increased local authority involvement in economic development, so the focus of this interview is particularly on that side, which was novel. So do you think that the new provisions tally with the experience of the council. From what you've already answered, I think [REDACTED] has taken up the new role.

I: Yes, probably the greatest...I suppose the most important thing was actually two things. One was the [REDACTED], which became the blueprint, and the commitment of all the different sectors to it was critically important. [REDACTED] at this point in time, had no short of willingness to do the right thing, but hadn't got a common vision in order to do that. So the emergence of the [REDACTED] gave a shared vision. It gave people the opportunity to actually do something and move forward in a positive way.

R: Can I ask you now...that's fine. The vision is fine, but then the leadership within the plan in terms of delivery, who is leading...or how do you see...is local government the leader or?

I: Oh yeah. I think there's no doubt that local government first of all had not taken the initiative. Had not provided the leadership that's necessary. Both politically and executively. Had not brought with it the business sector, the third level and the community. We wouldn't have had the strength of return that we've had to date. And we would not have been able to convince the IDAs and Enterprise Ireland that we are a real part or critical piece of the jigsaw in actually delivering on the ground from a FDI perspective.

R: Could I ask you this question – Do you think that that leadership role has been assumed by local authorities across the country, particularly in relation to the economic development?

I: No, I would be equally strong in my view that it's disappointing that the sector has not picked up on what I believe to be an enormous opportunity for local government and local governance. We have, as a sector, seen the introduction of the LEOs, the Local Enterprise Offices, as a response to economic development and it's not. The LEOs are a part of the overall approach that's necessary. They deal with micro, but our capacity to influence the delivery of larger scale infrastructure, as well as the environment and I don't mean just the physical environment, I'm talking about the cost environment. Those are areas that we can actually deal with if we have the right direction to go in. LEOs simply administer grants, and I'm not being...not wanting to be disrespectful to their role. They have a role, but they are not an economic development role. They are, as they were described, enterprise and supporting enterprise, which is important. But it's not the role that was envisaged in my view, in Putting People First.

R: And that's a very interesting perspective. Why would you think that hasn't been applied uniformly across...seeing that it was a great opportunity?

I: Yeah, I think because of [REDACTED] we were already in a position to radicalise the approach. Without that jolt, without that shift, we wouldn't have been able to, in my view, create the culture of change. You'd simply have to move to the systems that were there. So how do you shift the thinking. And as well as that, not everybody was at the lowest ebb. Dublin, for example, never in my view, experienced the recession in the way that the rest of the county did. Cork even sustained itself in a better way through that recession. [REDACTED] never got the boom. So the need, the want, the demand was greater, I think, for that type of change in [REDACTED] more so outside the local government sector than within it. So it meant that local government had to step up. There was nobody leading. Local government has provided that leadership, very clearly, and the opportunity for leadership was there. And we took it, in my view. That's where I would be coming from, Kieran, in that regard. And leadership is often about seeing where the opportunity is.

R: But take your point now, the jolt, [REDACTED] created the dynamic, but then if you take say, other parts of the country, like you've mentioned, referred there, say, to local authorities [REDACTED]. And the [REDACTED] dynamic could give the jolt to maybe kick start local authorities going into areas where there are opportunities, where maybe at present they're reticent to do so.

I: Yeah, again it depends on the view that's taken. And the opportunity that's there to be done. You can still go along the traditional path. And many of our colleagues have done that, and there's nothing wrong with that either. Politically it's quite secure. Nobody gets upset. But you lose the opportunity, to go back to that, you lose that opportunity from the jolt that allows you get that edge.

R: But given that the sector, the local government sector, is on trial through the action programme for effective local government, and the potential, the strap headline that's in it, the whole sector will be judged on how we all perform.

I: Yeah, but I think there are other parts of it then Kieran, that the sector has actually stood up. I mean I take the Westmeath part of the country where they provided the leadership around the action plan for jobs, from a regional perspective. And our colleague Pat Gallagher, would have taken the responsibility there of bringing the region together. And would have chaired the action plan for jobs, if you know what I mean. So, from a different perspective that leadership was shown without the actual jolt that's there. But it did show the leadership and it took up that economic role in a different way. Okay and I think that's important. So the action plan for jobs is very much...has been seated around the country on that regional level and that regional level is important because the regions, as they currently are structured, are not effective, whereas the system can demonstrate more effective regional responses.

R: When you say regions, you're talking about the NUTS 3s?

I: I'm talking about the southern assembly...

R: Oh the assemblies.

I: ...I'm talking about the assemblies, which are our only actual statutory regional government. The others have actually been disbanded.

R: Yeah, I think we come to the regional level in a while. Moving on to **question three**, which is governance, which you've already alluded to, right. So we're looking about the experiences that you have with the structures and the arrangements put in place. So, would you offer any comment, say, on how well in a governance aspect the LCDC has gone.

I: Okay, if I can put it just in the context of the new council first and foremost in terms of its governance structure, and the introduction of municipal districts, it has been very challenging in terms of the nature of that change, not just for the executive but for the political entities, who were given a role that was not fully understood in terms of how a municipal district is to operate. Because we all had that vision of what a town council is. We grew up with that, so we knew what that meant. A municipal district or a metropolitan district was, as I'd have described it, committees of the council, and very hard to get that message across to the elected people, where there was little or no autonomy invested in these particular districts, so let's say the governance process has been challenging, but we have learned, I suppose through the painstaking approach of working with them, that the structure is now becoming effective. And it's only becoming effective at this juncture. The LCDC was a very important change insofar as it brought the development companies under the umbrella of the local authority structure. They fought very hard against it. But as an example, the monies have been cut very significantly on LEADER. Our authority provided an additional [REDACTED]. That would not have been available to the LEADER companies if they had remained on their own. They now have the support of the network of the local government system in terms of delivering. And it's been acknowledged both by [REDACTED] now that they can operate more effectively because of the link that they now do have under the LCDC.

We've also experienced for the first time giving a committee of council actual decision making powers. They are a delegated committee with the authority to make decisions. With the authority to sign contracts. That's a very new departure in local government and I think that can become a strength. And if we can see that moving forward, you have to ask yourself are there other committees of council that could actually be made work in a very different way? The working [REDACTED]. We've made a decision at the council to shift that across to an SPC. What was wrong with a working group? What was wrong with a committee of councillors, again as traditions used to have, as a working committee of council? But we've moved into a more formal structure, which is policy based, and not operational based. And I just wonder in the future whether we should be considering operational committees of council in terms of getting done. As you experience in terms [REDACTED].

R: Pulling back from the formal SPC structure and making it work more informally.

I: Yeah. I'd actually get rid of the SPC structure completely. I'd actually strengthen the role of an LCDC in the context of its bringing together the various communities, almost as an advisory group to the council in terms of policy development.

R: So, but in doing that say, just following the through, that if you took the SPCs out and the one third to two third ratio you'd be prepared to forfeit that community governance arrangement coming in.

I: Well what we have is a PPN. We have a new whole system. That actually equates and is structured along the lines of the municipal and metropolitan districts. So we actually have now linkage groups which need to be given far greater meaning in terms of their role. And if their role is simply to nominate people onto the SPCs well then we have lost an enormous opportunity of engaging directly with the community. Participative democracy starts on the basis of giving people the option of making serious choices, serious recommendations and serious decisions. PPN presents that opportunity. The SPCs do not and we have to come to the point where SPCs...

R: And the LCDC, the non-statutory side is more. There's more on the LCDC, isn't there?

I: Correct.

R: So you would see...is that mathematics, is that important? Having, you know, a greater outside influence on the system.

I: Well you see, I'd be one of those who do not and would not undermine the democratic role, in terms of decision making, because I believe that has to become more real and more accountable in terms of its decisions. And by moving towards an SPC we have diluted the responsibility on all sides in making decisions, whereas when LCDC perspective they are statutorily bound by their decisions and are accountable and responsible for their decisions, so it has changed that. Very different in terms of that different dynamic around that table. And you can see it operating literally on the ground. So having experienced, having had the courage to move to an LCDC, we have to have the courage to question what hasn't been working for the last ten, fifteen years, which is the SPCs.

R: Fair enough. Okay. Do you think that the LCDC, obviously, I think, from what you've already answered, is stronger than the County Development Board?

I: Oh it has. It has. It has made it more meaningful. It is smaller and it is more direct. Now can I add just one difference to it now in terms of my experience with [REDACTED] And part and parcel of the reform, going back to your question one, was also the taking back of the [REDACTED] under the local authority. And that too was a fundamental change because it was giving recognition to where it should have been originally, under the leadership of the elected body, or under the council itself. And the creation of the inter-agency group, which replaced what was the company's, has been far more effective in actually making decisions and getting buy-in from the state agencies into delivery.

R: What lessons are learnt from that?

I: One, you cannot take things out of the direct control of the only governing body that exists within a county structure, at the moment, and that is the local government structure. Because you lose accountability. And it goes directly to the central departments, which you're not even sure which department it is, that you're actually answerable to. Local government is going through that. We have so many parent departments now. It's a recognition that we are truly becoming a local government because we operate, not just our parent department as it was, but through many different departments and therefore that gives more credibility to our role in terms of who we discuss with. And you can't have, which is what putting people first decided, You can't have separate vehicles bypassing that governance structure and going straight to government. If that was the intent of putting people first then we have to live it. [REDACTED],



in my view, has proven that point. In terms of we can hold to account the other agencies around their committed role to the plan in delivering on their...that's what that is about.

R: It's not part of the question here but, given say the recent results from the 2016 census, which shows that [REDACTED]

I: Black spots, yeah.

R: Yes, would you care to comment in terms of that wider role for local government vis á vis Enterprise Ireland, IDA or the Department of Social Protection in addressing those particular issues, which are critical to the communities.

I: Absolutely. I mean, the one thing the I would say is that each of those particular areas have shown an improvement and that's the first thing. And this was never a short-term gain. It was always going a long-term process. And we were, before the [REDACTED] started we had the black spots and we still have them, which actually demonstrates the need for the type of social intervention that is actually happening on the ground. What we might have to do is refocus that social intervention in terms of where it's not having the impact and that is still with the education side. And one of the key things that is demonstrated in recent times is that our targeting has been at second level plus. We need to go right back to post-primary, or sorry, I mean pre-primary. And you have to start the investment at that stage. We are losing the kids by the time they leave primary school. So if we don't break that culture, well then we'll always have the cycle of the black spots.

R: That's a very important point and in terms of that knowledge is now say gained, the ability of the local authority, or the mechanisms available to the local authority, to impact at national level, to achieve that...would you care to...

I: That comes back to the fact, again I'm using the example of [REDACTED] in my head, the plan is very strong. The commitment around the table from all the agencies, all the state agencies are sitting around that table, plus representatives from the communities themselves. So by listening from the various groupings we can actually...sorry two things. One, listening to communities and two, carrying out the type of research, which is not traditional in our system. Carrying out the type of research the likes of [REDACTED] has delivered for us, enables us to refocus our resources and demonstrate the respective departments, how it could actually be done. So the influencing on the basis of hard facts, realities and where change has

been affective. And therefore building on that change. You have to demonstrate it and we can influence accordingly.

R: Just jumping a little bit ahead, just for the future, because this is very important, because the local government is trying to respond to needs and being, bringing services to bear and giving greater accountability, would you see the possibility of any of the current functions in the department of education or social protection being devolved? Just to address the particular concerns...

I: There's a couple of things that would come to mind. My experience under the Age Friendly Ireland town and county programme has demonstrated that, very clearly, one, it influenced national policy on the national positive ageing strategy because it actually affected it. The creation of older people's councils on the ground is part and parcel of national policy and it came out of that programme, and thirdly, it effectively, we are delivering on the ground in conjunction with the HSE on their Healthy Ireland strategy. So we are translating, if you like, national strategy into operational things, through our structures that have been created. That demonstrates to me that there is potential for devolution on the community health side, not the clinical, but the community health side, health and welfare side of business and that needs to be seriously considered.

There is a question mark in my view over the future existence of the Educational Training Boards. And as to why they're not coming under a governance structure, which they're answerable to. At the moment they're a sub-committee of the council in one way, you could describe it as. Therefore why are they not part and parcel of the delivery function of the council? And if that has to be done on a joint basis across more than one authority, we're ready and willing to actually take that on, from that perspective.

The third one definitely in relation to traffic management, which is a core part of operating any city or any area itself. There's a portion of the policing I believe that could be actually operated and allow the policing authority deal primarily with the serious criminal aspects of life, outside of traffic management. So they're just a couple of immediate areas that I do see that could be translated across quite easily.

R: Right, we'll go back to...this is **question four**, which again deals with effectiveness. The plans that have been prepared, the local economic and community plan and, say, the regional action plan for jobs and you refer there to Westmeath, have either plans been, would you care to offer comment, just their effectiveness to date.

I: Okay, I think the LECP is at a very early stage and it's going to take time to measure its actual effectiveness but what it has done is given an overall perspective to the city and county. In other words it's given a commonality with respect, it has indicated very clearly where we need to tackle right across the areas and they do differ and the outcomes that have been put in there, we now have something to measure against so without the plan we would be in difficult, in terms of measuring our response, and the LCDC wouldn't have a very strong role in my view if it didn't have something to be accountable for, and it is accountable under the LECP. Because the other agencies equally have to perform. And our own one establishes a series of targets, which I believe could become, if you like, sub-committees of LCDC and strengthen the actual role of the council in that regard, by bringing other agencies together and something that we've started to look at in a different way.

The other action plan for jobs, what it has done, and it's very interesting in terms of the role of the private sector with us in relation to it, while we've provided the secretariat and the executive to it, what it has done, it has brought the private sector very clearly through an independent chair who has brought the other industries to bear on the thinking around the delivery. And again positioned the local authority, interestingly enough, at the heart of the private sector businesses by supporting them in terms of their level of activity. They're seeing a different role for the local authority. They're getting a different view of what we can do in terms of working with the larger business sector, which traditionally would have maybe operated through a chamber or another grouping out there. They're actually working directly with us, and I won't say being led by us, because we're learning from them. And that will add to our leadership.

R: Now, **question five**, again goes back to the issue of effectiveness...the reforms. I think you may have answered this already. Yes, one could say that they have had an impact on the economic development of the area, albeit early in the process still.

I: Well again, what we can say is, and again taking it into a [REDACTED] perspective. The [REDACTED] jobs over the lifetime of it. We are now three years into it and [REDACTED] have been provided. We are well ahead of our targets in that regard and may now review our targets. So, from an effectiveness perspective, we have raised the game very considerably. There has been international acknowledgement of the [REDACTED] at this point in time. That's through the [REDACTED]. So we have re-positioned ourselves in a very different place. There was a very recent publication by [REDACTED] which is an international magazine, which identifies [REDACTED] as one of the locations to actually operate within. So effectiveness, if you can measure it from that perspective...

R: You're quite happy though, just to take the last question there, the cause and effect, that it was the leadership role shown by the local authority in taking the potential of the 2014 act that created that particular dynamic.

I: No doubt in my mind that it would not have happened if one, we had not been given the chance to [REDACTED]. If two, we had not been given the opportunity to lead. And three, if we didn't have the appropriate plans in place.

R: As an aside, and now this is kind of maybe a little bit outside the thing, but certainly we can talk about quantitative, you know the target of...right, but would you be kind of stretching it a small bit, but say the qualitative nature of the jobs being created...

I: I would say that the nature of the FDI have been high quality. That's not answering the question that you put to me earlier around the [REDACTED]. So therefore we have to balance. One of the key decisions around the chasing, if that's the right word, of the [REDACTED], was that we could provide opportunities for a completely different mix of people in terms of service provision. And we wanted not to be concentrating on the [REDACTED] when they finished. So we have spread our wings between IT, ICT, Pharmaceutical and [REDACTED] have presented an opportunity for carpenters, for electricians, for hairdressers, for all of those types of service industries. That will, in my view, enable us to impact on some of those black spots. One example is the creation of the [REDACTED] and all that stuff, for want of a better word, directly from the areas of regeneration, in preparation for jobs that are coming down the line.

R: So what you're at is you're trying to marry the need on the ground in these [REDACTED] to the ambitions of both Enterprise Ireland and IDA...

I: Correct.

R: ...to position a marrying of the two, an effective matching.

I: Yes, I mean. We're providing...one of the strengths of attracting an FDI is the quality of your labour and the quality of the education. So on the high end that's almost accepted. We

have [REDACTED]. So how do we marry then that the next phase of manufacturing, which is very high skilled, but at the same time that requirement for the service industries to survive, so the retail is important to us. So the work we're doing in terms of the retail and retail excellence was critically important in creating jobs in the heart of the city. The second part of that is that, how do you redevelop the crafts. I mean there is a push now for apprenticeships to come back and I think it's a very good idea. I hope as an authority that we will do that ourselves, but we can create that opportunity by the demands [REDACTED]  
[REDACTED]  
[REDACTED] within a short period of time. There's the scale that can be asked of us, very quickly. Have we capacity to rise to that at the moment? No. So we need to retrain our people, we need to develop that and that is servicing that side of it...

R: And just taking it forward a slight bit, because a lot of, say, economic development seems to hint at this concept of clustering and can you see that leading to a clustering. So where I'm coming from is, is the specialisation bit, we'll just take it on a little bit to the NPF and, which is coming, delayed again, but that [REDACTED] emerge as a cluster centre for a particular type of investment. Not competing with [REDACTED], but emerging at a national level. Perhaps so.

I: I think you're absolutely right in terms of the clustering but we have to look outside of our respective boundaries in order to create that cluster. On international terms the gap between [REDACTED] [REDACTED] is nothing and it almost becomes, effectively, the clustering from a pharmaceutical perspective. So when you look at the region in that regard and it's a slightly different region to the one that we've been traditionally operating in, we can demonstrate a cluster [REDACTED] [REDACTED] So in my view, yes, is the answer to that. So it's the strength of [REDACTED] [REDACTED] together that provide the alternative fashion of clustering outside of the Dublin and Eastern region itself and that's the strength that's there. [REDACTED]  
[REDACTED]  
[REDACTED] Where are those kids going to go?

R: Your last statement begs a question, which I have to ask you, which is the [REDACTED] [REDACTED] and is there a case, in order to make a rational model out of it, that somehow there is some inter-regional cooperation, or a shared vision to avoid the undue old narrow competition for investment. Sorry it's a...

I: No, no it's a fair question because I do like the approach that's currently being taken by the national planning framework around the actual metropolitan areas and city areas. I do like the idea that we're talking city regions. City regions can cooperate. Individual cities can't. And if we can convince ourselves and convince the system to think on a regional basis, within what I

would regard geographical areas of cities, which create that city region, that's nothing to do with boundaries, nothing to do with the traditional county boundaries, then there's an absolute necessity to compliment what it is that we do.

R: This is a basic obvious question, what would your vision be for the local government structures in maybe the next ten to fifteen to twenty years to deliver on the NPF which is emerging.

I: I'll take the Cork, Limerick and Galway and I would see three city regions with three effective executive operations creating the type of collaboration that's necessary to which the respective regions would be answerable, and the respective local authorities would be answerable. So I would create a different type of regional structure based around, as they're now describing them, the city regions, which are five in their nature and you could have a very strong cooperation, centralised driving on the larger infrastructure, economic, future planning aspects of local governance.

R: And the current plans which would include the community and economic development plan, the county development plans and all of those would have to comply with that regional...

I: Absolutely. If you take the NPF as the gospel, the actual city regions then in terms as they're currently planning and then you break down into the county plan or the town plan or the city plan relative to it. So there's a hierarchy being created here, which are all focused on the National Planning Framework. We're moving towards a National Planning Framework, I believe, that could make sense. But we have to have the political will to ensure that they are the master plans for our respective regions and that they do actually link together. We've done it on waste management. We've managed to create the regions on a waste management basis under what is a national waste management strategy. So, we need to think about it in the context of roads, economic development, education, policing.

R: The argument, of course, that would prove it is the success that local government has responded well and delivered well is the outcomes from the 2014 act, that would be the argument to favour local government leading that regional approach.

I: It is, but that's up to local government. That's the opportunity that we spoke of at the very beginning that must be grasped. And it won't be grasped by all. And that's part of the problem, but I do believe that there's enough strength coming back to the city region aspect of it, that

there's enough responsibility falling on them that they have no choice but to take that next step. And if we look at the discussions that are going on currently in Cork, it's almost a minor issue whether it's a boundary extension or a merger, what's really going to dictate it is what is the Cork city region. What is the extent of that geographic... where does Kerry fit in to that type of thinking? Are they part of the [REDACTED] region? And they should be, in terms of [REDACTED] and if you like, [REDACTED] and there should be a merger taking place between us relative to that, hence the executive authorities that I believe are necessary in order to oversee and manage that.

R: Just to take you up on that word – the executive authorities. What's the representative and governance issue?

I: Government. Government are where the representative decision making ultimately takes place and local government becomes subject to that and the executive would be in real terms here an interesting merge between the civil and public service. Whereas the civil service protect the minister and we as executives of the public service protect the public's interests. So we would have a merger of the two.

R: Is there a risk if you went on a purely executive structure that, you know, it could become disconnected from the public or from the government process. What I'm thinking of say, for example, would it be handy, would it be politically convenient, would it work to have, say, a directly elected mayor for that process, or is that too big?

I: The scale's too big. And the...it all goes back down to what is the powers that are attached to the position, whether it be executive or elected because currently directly elected mayors are of no value because they don't have the authority that would be assumed goes with the position. While we think about it in the context of European mayoralities, they are given the authority across all the functions that we've talked about earlier, and not just simply the roads, the water, the housing. They have policing, education and health that goes with that. So the expectation in creating a directly elected mayor in this country will be that they have authority and the truth of it is, they don't. So we have got to either flip one direction or the other and you have to ask and should ask if local government has contributed so strongly, and I believe it has, to the development of this country, what has been wrong with the mix that we've had? Yes we can tinker with it, yes we can develop it, but it hasn't been all wrong.

R: Okay, you've just mentioned as we've been going along there now about power, which is **question six**, autonomy and power. If you would just maybe rise, maybe your wider knowledge

of the whole system, say, what's working well, what has been working well so far. You've mentioned [REDACTED], the planning process, the leadership role, that [REDACTED] has shown, but more generally.

I: I would have said that our... what's really our strength is our capacity to respond and to react. We are extremely well placed to bring the political power to the table, we can phone a minister, it doesn't happen very often, but the office we hold carries that respect, that you can actually get through to the top people in respective departments and that is a nature of local government. In other words the respect that exists there and we can do that and we can make it happen quite easily. Up until recently I could have told you that if you needed water I'll give you water and I think we've broken something there that might cause a problem in terms of economic development at local level. I think if... because of the nature of local government itself, we can react, we're not very good at planning. And I think that's the huge shift that has to take place at local government level in terms of enabling us to avail of that opportunity that's in Putting People First or the legislation of 2014.

R: When you say planning, you're talking about physical planning? In the Local Government Act?

I: I think it's more... planning is yeah... the development plan itself encompasses far more than the physical side and traditionally would have, actually looked at that far differently. In fact it was, before the IDA was actually established, it was the mechanism through which economic development should actually take place. It just happens I did my thesis on this, from my degree. And I would have looked at the evolution of the development plan from where it is concept to where it did happen subsequently... [Interview interrupted by colleague]... Sorry I was saying that the role of the development plan has diminished over the years from the terms of what was originally intended and this came about from an economic perspective by the establishment of the IDA and the shifting of the authority and power to a different level, which took out the accountability of the development plan in respect of that. What do we do well in that regard? We do produce a good development plan, but it has to have a greater say in relation to education, policing and health and economic development, which was envisaged originally. It needs to get back to that.

R: They were development corporations was the original expression.

I: Correct. Correct and it would be like [REDACTED] is the manifestation of that.



R: Okay. What's not working well, or what could be better?

I: I think that's an easier question to answer from our sectoral perspective. We are not forceful enough as a sector in terms of what we can do. We're shy about the leadership role that we can provide. We play too much politics, in terms of...now that's something that's evolved over the years. We like the smallness of what it is that we are but as a grouping we're a very powerful sector. But we don't have the balance between the political and the executive in that regard. What we have is, is a strong structured executive at a CCMA level, which do meet, do consider policy, do influence policy and do on occasion prompt policy to be created and in that regard we can both disseminate the policies or the requirements of ministers but we can also feed in to the respective departments. The equivalent counterpart AILG, which is the local government members association, or indeed the LAMA element of it are very poorly structured. They are not coordinated and don't half understand their potential for influence at central level. If we had directly elected mayors, what would the structures look like? How would they feed into the government departments? How would ministers actually manage that coordination programme? It presents a whole new challenge which has not been thought through, because the LGMA that exists is a shared service for local government, but doesn't cater for the political side, the question is why? And should it not be the arm of local government, which actually works both with, and gives the support to, the political and the executive side of business. Hence we have a true form of shared service for local government. And either merge AILG, its executive or disband it, preferably disband it.

R: Right. We'll go back onto, continue onto **question number seven**. And this is an issue, I suppose, stemming perhaps from the local government structures, local government laws and so on but, do we have sufficient autonomy. Now you've clearly demonstrated in the interview so far the initiative taken by [REDACTED].

I: Yeah, I don't believe we have the autonomy, no. I don't believe the autonomy is absolutely necessary because I think you don't have to own something to influence it. I think we have a huge capacity and this goes back to the potential leadership of local government itself, we have a privilege, which exists based on the longevity and the importance of what it is that local government does, to be able to influence those that are around us, either local agents, or indeed national agencies or indeed directly to departments. So autonomy is not in itself the answer. It is more about the partnership that needs to be created, the relationships that are critically important, and the buy into the respective plans that are there, and the understanding of the roles that exist within that and the commitment to deliver on those roles. That's more important than actual autonomy itself. Because we all have autonomy in our own right, but unless we come together we do not get the outcome that is necessary.

R: Do you feel in any way bounded as a chief executive by the resources, the limit on the resources that are available to you, or...that could be financial, human or...

I: To be absolutely straight about it, no. I have never felt that there is nothing that we cannot do. It's a question of having the determination to deliver on the outcome. As I say, the fact that it's not within our functional area, or within our remit, is not what's necessary. You have to have the capacity to convince others that it's necessary to be done, whether that be a separate agency, a separate grouping, or a separate authority. And it's only through that form of engagement that something will actually come out of it. So it's more important about the understanding of what you can achieve, under the auspices of local government than what you're supposed to do.

R: Very nuanced. Just in terms of say the politics, is the next, **question eight**. Working collaboratively with other local authorities and you've already kind of touched on the question of say a more regional based approach, the city metropolitan areas and so on, that are probably emerging under the national development plan, or under the national planning framework. And I suppose this question stems from maybe the unhealthy competition that would have existed in the past from local authorities, that close boundary issues and so on, have we moved beyond that?

I: Okay, I think a couple of the reforms that have taken place with the introduction of shared services have definitely changed at a national level the attitude and the potential from a local government perspective, whether it's my pay, whether it's the HAP, whether it's the road licences, so we've created, if you like, a centralised, or we understand that we can do things centrally. So, let's say, yes, structurally things can be done. Politically remains far more difficult, because these individuals who are elected are dependent upon what they deliver for their constituency. And that will always be the case whether it's a TD, a minister or local councillor. So you're always going to have a challenge here about how you create that cross border relationship and understanding that's there. Does it need to be changed? Not necessarily, because understanding what the demands are of that locality is probably far more important than looking at the overall perspective for some politicians because what we need to do is understand that what we are doing there fits into the wider game. That's the responsibility that comes with the executive in my view and also the plenary side of the larger authority. We look at it, look at it from our municipal districts perspective, if the back end of [REDACTED] is being dealt with, you satisfy a very local need, but it also might be a critical part of the connection back to either [REDACTED] so it's actually servicing a wider context and that's for the wider vision to understand what that piece of work fits, what the member of staff is doing that it fits into the wider context. So the political cooperation is not as critical as it is to ensure that the executive understanding, who have the responsibility to deliver, actually should work together but you are totally dependent on relationships there.

R: Taking that relationship issue and going back to the earlier conversation around the city metropolitan regions or whatever they'll be called, would you see it being a difficult thing that the focus will be on the city regions, to right the economy, much say like the British model, but will that create a political difficulty in those areas that are not within those regions, in terms of the rural versus urban argument?

I: It's challenging but I think that there's the two sides to it. I mean, as our colleagues [REDACTED] have introduced a very specific rural strategy that I think we could look at and adapt in terms of our approach, and probably adapt well for Tipperary as well so, there's a lesson to be learned there around that about how we can communicate. What we do here is two things, one, I would have the bi-monthly meetings with HSE, the hospitals and the Gardaí, right, as almost a public service management team in terms, outside of the blue light response we actually look at the other service we're providing, so that gives a level of co-ordination on a regional basis. And in addition to that we have the meetings of the three chief executives who invite in the IDA, who invite in Fáilte Ireland, who invite in Action Plan for Jobs, so that as a grouping we're also looking at that regional level and that cooperation is there. I would like in time to see the formalisation of that so that there would be, for the want of a better word, a chief executive managing that in the area itself. That you would have, as a management team, the HSE, the hospitals, the Gardaí, the chief executives and possibly the education and the DSP attending as a management team within that region itself. And I think it would require the authority of a chief executive to command that to come to the table. And that would be a very different position.

R: That's kind of an even further development of the concept of the NPF then?

I: It is yeah. Well, I think it's bringing the NPF to life. Sorry that's the way I'd look at it. If we're to talk about the city region, well then you have to have a better understanding...if we're planning from a traffic perspective, from a travelling management or transport perspective in relation to it, what's the impact in the hospitals, the Guards, all the rest, the education. What's the connectivity that's taking place? Where is that going to happen, if not forced to happen?

R: Well, yeah, but it is taking say, it's broadening out the concept of the NPF into a whole of public service approach...

I: Correct.

R: ...or a whole of government approach for the city region.

I: Correct.

R: And you don't think that the rural areas will be upset by it not being...when you define that geographic remit?

I: No, I think they benefit because connectivity is critically important. And if you confine it to operating within the city, that's all you've done. But when you talk about the city region, you are talking about the periphery, for want of a better word, of all your areas in that regard. And that's why I said that North Kerry is as important to us, as South Galway would be, in the context of looking at how would these locations all connected. But at the moment I don't believe that someone is having that type of opportunity, to get in that helicopter and have a little look about how all these things are connected.

R: You mentioned earlier about your team of teams. Well this is a kind of team of teams.

I: It is but I think it needs to be more formal and that's the...

R: Yes. Would you elaborate a little bit in terms of that formality, in terms of maybe the legal structures behind it or whatever? Bit too early to ask is it?

I: It is, because it's an idea more so in my head more than anything else, that I would like to see, if you like, a regional authority emerge, which is made up of an appropriate geographical region, not a merging of counties, as has been the tradition. And this brings us into the concept of city regions, because having studied the last census stuff, in particular the traffic routes, I don't know whether you had a chance to look at that, you can see where this area is pulling from, quite a large area of draw-in and that's our economic sphere of influence. So, how are we managing that? How are those people being connected? How are we going to look for the transport of...it's great to have a demonstrator in the heart of the city, but the actual transport issues are coming from a far wider area, so how to do we get to plan that. So I just see those geographical regions being managed as an authority. And I see the remit being very tight in terms of policy of strategic development, not operational by any stretch, and not influence

operations, because then that brings it back down to the local authority, whose responsibility it is to deliver and if you like, Kieran, to put it in context if you could shift our operating model onto a geographical stance you could really see how it would make sense. Because now we're talking physical, social, economic on a region that makes sense and the authority is, what it likes, operational.

R: It's very thought provoking. But, you would still, in terms of, you're talking about strategic planning and so on, and the resources needed to give effect to that. Just how would that relate say to the day-to-day operations of the local authority. For example, if you wanted to incentivise a particular area and you wanted to maybe give some financial incentives, lets just say, would you see that grouping being able to influence maybe the rate on valuation or something in that particular area?

I: No, no.

R: You'd leave that out of it.

I: No. Political decisions around local taxation is a critical part of the rationale for having local government. So I would abide by that.

R: So you'd leave that out of it?

I: I would. But if there were lessons that can be learnt from one and shared on the basis of here's an economic opportunity. Now we're talking a regional basis. So here's the incentives that could operate on a regional basis so I could promote and market that region [REDACTED]. I mean I'd be really bold now [REDACTED]. So we're really talking about when we want to promote a region...

R: A city region...

I: That it's clear that we have the infrastructure and the scale that can operate on an international basis. We're still not operating at an international basis, nor can we because we are confined to our area. And I don't want to dilute the representational value of the members by saying it's a larger region, but it's only forty. Therefore you've reduced the number of members to the

actual public. That is local government. I'm talking about a structure, that effectively above that. You can have a political representation coming from the areas, but I wouldn't like to pay lip service to that. And that's why I'm saying look there are executive planning decisions that actually operate at a higher level. IDA operate at a very executive level and they make these types of decisions. Can we not find ourselves...can we not find the wherewithal to...

R: A formula.

I: Yeah to actually do that type of thinking, which ultimately requires to be passed at local level.

R: It mightn't because if you're strategic plans, you're above...

I: Yeah, maybe it goes up.

R: ...that the county development plan has to take its guidance from that regional approach. Has to be bound by it.

I: Yeah. And therefore maybe that regional approach has to have the approval of the Oireachtas.

R: The implications would be though that investment would be guided to the city regions, which means that the other outlying areas... [REDACTED]

I: Well yeah absolutely. And again it's ensuring that there is a consistency, there is a support for that type of growth. In fact an interesting thought, it's just occurred to me, in terms of the political representation of that regional level, it could be at TD level.

R: Could be.

I: Could we suddenly give a role for our Senators and our TDs? On regional basis and really make them work, in a different way.

R: Right. Enough for today. Right. It says here...**number nine**, to just on the effectiveness of the reforms, I think you'd be fairly satisfied that they have been effective, opened the door maybe?

I: Yeah I think time will only tell. Just the level of impact that they are having. For the moment it's proving to be effective in so far as we are creating change and hopefully from a positive perspective, that change is happening. But only time will measure the actual effectiveness of that change.

R: Okay. The indications from [REDACTED] would be that it has been positive.

I: Yeah, and as I say externally it would appear.

R: But perhaps [REDACTED] was fortunate, as you said, in the outset, that we were coming from a very low base, but we had a very good infrastructure in which to work. You know the [REDACTED]. There were assets that could be brought to bear, both in terms of their presence themselves but the people in them.

I: Correct.

R: It would be much more challenging if you were in a local authority where there wasn't a third level infrastructure, where there wasn't a city of scale.

I: Well again my experience in [REDACTED] was interesting in so far as it was a very [REDACTED] It had a [REDACTED] but it had an extremely weak region and it had a very competitive region around it, in terms of the [REDACTED], in relation to it. So these towns were serious scale here so it required a different form of cooperation to ensure that there was some level of prominence given to the city, even though [REDACTED] would have challenged that consistently. Do you know what I mean so, that was a classic case of where this new type of governance model would actually be far more effective. In my view, because now you're dealing with a network of urbans that create the critical mass in order to do

something, not the individuals. And therefore, in a case like that, how do you force that system together.

R: Very good analogy actually now.

I: The other one is [REDACTED] that people often forgot about, as a critical piece of infrastructure. [REDACTED] In terms of its scale. So this is what the challenges are in the [REDACTED], and the challenge there, was how do we look after the [REDACTED] which is rare, talk of rural here, in relation to it, so getting that balanced between the rural and the urban structures meant a restructuring of the areas to ensure that the urbans actually cooperated with their respective rural environments. And that was before the reforms system kicked in. So the reform system actually backed up the structural change that was necessary to go forward.

R: Moving to **question ten**, because we're nearly out of time. The future, you have two or three minutes now on what you would like in terms of the way local government is at the moment and maybe building on the reforms under 2014, economic and so on. Was there something more that you would, instruments that you would like to be available to you, policy instruments or resources or whatever would be...

I: I think policy will always be the remit of central government. It's our capacity to feed into that policy that's lacking from a local government perspective. The local government councillors are never asked about, are never brought into the conversations, the discussions that are necessary in terms of changes on the ground. We had one very good example, Kieran, [REDACTED], which it sounds absolutely silly that an entire scheme will fall because small amendments are required. Now that is bullying and that's not giving democracy any chance. And I might be the last one to talk about that but that's an example of where local government need to be listened to by what are undemocratic groups.

R: Could I put a different spin on that maybe and say that local government itself should assert itself, you made that point earlier. That we should be asserting ourselves, because, say, if you take [REDACTED] [REDACTED] [REDACTED] r than the department of the Environment, which would be, say, our mother department, albeit we have other ones, that we should be trying to assert ourselves a



little bit more in the process. You mentioned it also on the representative side. Don't be afraid like.

I: No I think that's a very interesting point. One, I believe the lads should actually knock what's [REDACTED] to send a message out, right. Just, in other words, garner that strength that's necessary at local level and say fine, we're not doing it. Now let's see what happens, okay. The second part of that is, and this is where the strength of the directly elected mayor comes in, a directly elected mayor can actually be listened to, can actually take that platform because they have the mandate to take that platform and can easily articulate our strengths, our hopes, our ambitions and so on. Now that's moving to the next scale and that, if anything to the future is where yes, local government should go. But I think it must take its time in doing so. I think you have a directly elected mayor and then you move to a directly elected executive, which is a slightly different concept in my view. You see the mayor itself, in Irish context is ceremonial, it's representational and it does that exceptionally well. And to move to a directly represented individual is a huge first step and I think if we had the experience of a five year mayor, we'd actually see the image of the organisation change quite drastically because it would be out there. It would be seen for what is good, the papers would follow the good as well as the bad. From a chief executive's perspective, who has unusually in law, almost a equal role, if not a stronger role, than a mayor or otherwise, cannot put themselves forward in the same format because you do not have the political mandate to actually take that on, yet there's an expectation that someone will follow out and lead out. So that balance is difficult for us. So the move to the representational would be a very big step in my view. And then the move to the executive authority that comes with that would be the next step and I think it will come. I'll be retired but I think it will come.

R: Okay. Any final comments before we wrap up?

I: No, other than the fact that, look it, I wouldn't be in the game here, Kieran, if I didn't have extraordinary believe in what we can do, as a local government sector and I think we're only starting to tap its potential.

R: Sin a' bhfuil de cúrsaí spóirt!

Date: 25<sup>th</sup> July 2017.

Researcher (R): Kieran Lehane

Interviewee (I): Chief Executive L2

R: **First question**, which the theme of the question is the effectiveness of the change in local government and the reform of local government. So the 2014 act provided for increased activity for local authorities in promoting economic development. Do you think that the 2014 act has had that impact here?

I: I do. I do. And in many ways welcomed that provision in the 2014 act because it really puts the local authorities in a position in centre field in economic development and enterprise activity in their functional areas. And it gives them better control and a better feel in that area. Now while you may have been doing it before under the Planning and Development Act, this brings us into the central arena of it, working with the partners, for example the agreements of Enterprise Ireland are good. I think that they're beneficial to local areas. I think our stronger collaboration with IDA for example is a very positive step and I think the provisions, I think it's section 66 of the act, where it's written there and we must review what we're doing, I think they're very strong as well. And I think it gives local authorities an extra string to their bow, in terms of their own, what would you call it, role? And in the way we organise around that is important too. That we must have a front of office space, a visible window where we're supporting economic development. As opposed to our traditional role in planning and economic, planning and development. And I think where this comes to the fore is, if you have the Local Enterprise Office, with our business support unit side by side and our planning function across the corridor, that you have this kind of facility for people, entrepreneurs, business people to come in a to be able to avail of those services. Across the board, whether it's preliminary enquiries on planning, whether it's requests for training, whether it's for some aspect of retail coordination and being champions of retail. It has really been, I think, a breath of fresh air, for local authorities. But it also depends on how you avail of those powers. They could be there and local authorities could say, oh they don't apply to me. But I've looked at them very critically and said, there is a space for us here. Particularly in counties that don't get the rub of the green from IDA and all these promotions for inward investment into the country. And we're not going to ever be in a position to compete with Dublin, Cork, Limerick, Galway. But we have to determine our own niche and we have to take local actions on a practical level that will put us in a particular strategic direction. So it's kind of a lot of the stuff we did before, it's formalising it. Mopping up the micro enterprises, small, medium and if we're lucky to be able to attract in some bigger fish as well. We might not necessarily go the route of IDA or Enterprise Ireland. We might see what's happening and might be able to determine the degree of local support for business. And of course business costs. So that's it on the economic development side and how we do that...what have we done about it? Well we've established a business support unit. We have our own staff in there and they work cheek by jowl with the

Local Enterprise Office. Local Enterprise Officer reports in here on a regular basis. We have cross functional teams involved in that and we're looking at things like parcels of land, servicing, things like development contributions, clustering effects, all that kind of stuff. And keeping a very close eye on statistics. And with some of the heads of business around that, the county.

R: How have you found involvement with say the other organisations in terms of maybe the Chamber of Commerce, IDA, Enterprise Ireland, all that stuff?

I: I think it's fair to say Kieran, [REDACTED] might be unique in that it doesn't have a chamber of commerce. It has a very weak business association. It was one of the first things I noticed when I came here. And I've strived to put that in place but people are kind of, it seems to me, reluctant to come together. And I think it's a good thing for an area that people have another point of contact other than the local authority. That they can ask the business community, well what's it's like, Mick, to do business here in [REDACTED]? They can't get that too handily. And we even went to the extent of maybe supporting the private business community to establish their chamber of commerce. They're aligned with [REDACTED], which is no good. A local town the size of [REDACTED] warrants and deserves its own chamber of commerce. They have the usual stuff of main street, high street traders but that's very self-interest orientated. It doesn't deal with the expansive promotional aspects of development.

R: So would you say that the local authority say, in terms of the effectiveness under the 2014 act and the reform for economic development, that the [REDACTED] County Council has assumed a leadership role?

I: Oh yeah. Without doubt. And the local business community actually look to us for the leadership role. And in many terms, [REDACTED] is a place where, you know, acknowledging business performance hasn't been out there in the public arena. As I say, there hasn't been a business event for the public here for eight years. So our own team here together put a business awards, let's say, event in place in the spring. And it was highly patronised. Huge interest in it. And very complimentary of [REDACTED] County Council on what they're doing. Bringing people together. Networking. That kind of stuff. And of course it went down very well, but they look to us. The main point here is they look to us for leadership. And we'll continue to do that. Now we put a budget aside for it where we asked for local contributions and all that. And you know, ironically the same kind of applies to tourism where there's a kind of an absence of tourism leadership. It is wrong for a place to be looking for others to do it for them. And that's the role of the local authority now under this new reform act, where the local authority provides that leadership and those ingredients, whether we have all the competencies, I don't know. That's another area, but you can develop them and you can acquire them and you can get support from time to time.

But you can provide leadership and the kind of strategic direction at all times, so I think it's been of great value.

R: Okay. So you would imagine, well the answer to the **question two** is, in terms of effectiveness, that you have found the provisions of the 2014 act effective?

I: It's effective. It will take a while to yield results. But we do see signs of coming together. Whether it's on the back of the national improvement, but we do see this as a point of contact. A lot of people come in here, you know, for those nuggets of information. Particularly LEO, as I say, measure one, measure two. All those kind of things. And we get quite an amount of good press in relation to it, you know the...

R: And in terms of say the generally held view say of Enterprise Ireland and IDA as being the main economic job creation agencies, has your leadership role extended into working with them or anything?

I: We work with them but it's a very...it's great to have them there because when things go wrong, they get blamed, right? We can produce...we will try and produce results locally. Now Enterprise Ireland and IDA are still seen as the big kind of...the big items of machinery in bringing jobs. You know, the general Joe Public doesn't know too much about LEO or doesn't know too much about the service level agreements of Enterprise Ireland. So I would say that we do, in a way, they're big government organisations, but we do the local bit and we, you know, we, obviously [REDACTED] Action Plan for Jobs, we do an awful lot with them. We have a hot desk here for an IDA if they want to call in and do their stuff in here but we meet with them frequently and it's a kind of a...it's a hard job everywhere to try and get IDA to bring clients but...

R: Have you been able to influence them at all, do you think? Because of that leadership role that you mentioned?

I: Ah yeah we have yeah because we insist, I insist on meeting an IDA representative, Midland representative on a frequent basis. You know, if we call and ask him to come down, if he's passing and say look, what's on the agenda? You know, if you keep on banging the gate you're going to get...

R: And is that just person to person or is there actually a formal mechanism of doing it?

I: No it's person to person.

R: Person to person.

I: Person to person. I mean you do have to build up trust and confidence with individuals in it and you know while we all know the, say the Dublin based Julie Sinnamon and Enterprise Ireland, what works is the local people, the local area representatives if you can call them that. Whether it's South East and Midlands and you just, you know, you have a conversation with them. And of course you invite them in to address their specific...

R: Okay you've just touched there on the issue of governance. We'll move on to **question three** which deals with governance and particularly the role of the Local Community and Development Committee, which has both the community side which I'm not really looking at particularly, but you may choose to reference it if you wish, but more like on the economic aspect of it and your economic SPC. So, just setting up the operation of the LCDC, how has gone for ye?

I: That has gone well. We haven't had any friction in [REDACTED] Some counties have. We've worked well with our local LEADER partner. The economic side of it is more or less devolved to the council, the community elements are dealt with by the LCDC and we have set up the LAG. But by and large it has worked well.

R: In terms of participative democracy, which it represents. How's it gone from that perspective?

I: Very hard for me to comment on that. You know we have our PPN network. You'd wonder at times is the information flowing back to them. Certainly there was a huge involvement at the beginning in the formation of the LECP and the community elements of that. But I know they operate their own network and we have our PPN officer. You don't really see her read a lot about it, no. So things don't seem to have changed hugely and there still is a kind of, I don't know, there still is a kind of absence of knowledge, you know, that they're there and you should be doing it now. But when it comes to Creative Ireland for example, you operate these workshops, people don't seem to realise that those vehicles are already there to use. And they're

not being...they may not be used properly. I won't say categorically whether they are or not. But it seems to me they may not be in proper use at the moment. It's seems to be a transient thing. I know they're there and they get some kind of funding but whether...

R: Would you see the LCDC as being stronger or better than the old City and County Development Boards or is it...

I: I think the LECF has provided them with a focus and what I would notice that every month and every meeting they begin to understand how they're aligned to this process and that they really can't go anywhere without it. So it kind of focuses the mind. Whether the energy is there to deliver what's in it is another thing. Because there's so many agents involved in it. And the question of public expectation and funding is behind all that as well. But I think the, I think they're all very willing, you know, and they want to see things progressing, and they've had patience in waiting for the process to come through with rules of engagement and the, you know the, what do you call it? Article 48 checks and all that kind of stuff that they've, they've waited for that and now they want to see the real delivery through the LEADER program and the SICAP program.

R: Of course the LCDC is a statutory independent committee of the council. So it's of the council but not within the council.

I: That's right, yeah.

R: And given that it's made up of mostly extern people, to what extent is it independent in terms of assuming its responsibility or...

I: Well you see, this is the thing Kieran, it can vary from county to county. For example I took a decision that I wouldn't go anywhere near chairing it. I wanted it to stand on its own feet, have an independent person chairing it. I don't believe in bringing back into the mother ship. There may be a case where there might be a tension that would arise because now the department have started to give the LCDC funds for its administration and also the municipal districts, which seems to leave the local authority to one side, except as a financial partner. That's a bit kind of funny, if I can call it that. It's an independent committee of the council but it cannot act as a client for delivery. And that seems to be assumed that it can. But it doesn't have any kind of account of its own, or ability. You know it's not going to be audited from the point of view of financial...that comes back to the local authority as the financial partner. So

it's time to maybe to give it that extra teeth but with very small funding. So in a round about way it works on one level and I think there's a lot of enthusiasm, but the wait for the big bang, you know to implement this, this LECP is so dependent on...

R: So have the local development companies accepted the LCDC or are they working on it?

I: Oh yeah, yeah yeah. I mean there's been varying experiences but the one in Laois is hand in glove, get on with it, deliver...

R: Has the impact of the cuts in LEADER...?

I: Yeah that's more troublesome for the local LEADER partner than it is for the LCDC. And the bureaucracy around it in particular. Operational bubble and all that. It's very paralysing, the procurement checks and the steps to process it and all that. Communities lose their patience with that. They don't see why they would have to go doing preliminary designs and procurement drawings and health and safety and so on. I don't think that that was what it was about originally, even though it is important.

R: Would you...in your opinion...the next bullet there talks about the LCDC, the way it works and strategic policy committees. Now the LCDC is a new independent entity. Would you think that it works better than strategic policy committees or?

I: At this stage, and it's early stage yet, I'd say it does. These strategic policy committees have been very hit and miss and laboured and seemed to confuse strategy from operations. I'm saying it politely there now. Well I do think...you mentioned leadership earlier on. You do have to have leadership and direction for SPCs and I'm afraid that comes down to officials, designated directors saying, look this is what we need out of ye this year. Stop talking about the briars and the potholes. We need to talk about what we're going to do under smart travel, and bringing mass transit or better systems, you know from one part of the city to the other. Or how we go about particular items of rural transport, you know. They're the kind of things. I don't think that...whether deliberately or otherwise it's just...

R: So if there was further reform of local government would you change it, the SPC structure then?

I: I think it's training and discipline. But you can't...ah. How can you do that? How can you do that? And training and discipline is required for a lot of the companies and sub-companies that local authorities have. And trusts. You know the requirements of governance are very very heavy and a lot of, let's say, the members either don't get the training or are not aware of it, you know. It's a different world. And conflict of interest. All these kind of things. If you get paid to do a job as a chairman, for example, for an SPC, what have you produced at the end of the...are you accountable for. What did you do? Have you added to the policy landscape and value of the local authority. Did you have a look at...let's say, around the corner in housing, whatever about getting windows fixed and all that. What are you looking at? What are you contributing to the long term.

I: Yeah. Are you working with the Rebuilding Ireland or are you taking it...

R: That raises a very good question in terms of going back to your earlier comments on leadership, that the leadership has to be shown really by the executive, right?

I: Yeah, it does. It does. It does. I mean some of the stuff I see coming out of the SPCs, I say.

R: Anyway, we'll move on because of the time constraints. The role of the PPN? How has that gone for ye here?

I: I'd say positive.

R: In terms of the participative democracy side and all that, it's...

I: Positive. Yeah, yeah positive. Except as I say, some pockets of lack of awareness or forgetting about it when an issue comes up. But you're already there, use your PPN.

R: Yeah, would you, would you think that if you were on the PPN side of it and you were looking into the local government system where you have SPCs perhaps that are not working terribly well, but you have an LCDC where they are represented, which might, will have



more...would you say that the LCDC has decision making capacity, that it is freer to operation than the SPCs.

I: Oh it is yeah. It has more of an executive arm of it.

R: But then the obvious question would be that why don't we devolve functions out to the SPCs to make them more like LCDC. Would that be pushing the boat out?

I: It might be. It might be because I mean...

R: Will you elaborate? What do you think?

I: Well yeah I mean the council acting together, acting as a unit, that's where all the decisions are made. It's important from the point of view of people who put their name on the ballot, rather than being a nominee from a community. This is senior hurling, you know, when you get into that thing. When you read your powers and your executive and reserve functions, yeah.

R: Yeah but if our politicians aren't to, are to rise up to that leadership challenge, they must have some more power or responsibility or accountability of governance, whatever it may be.

I: Yeah, yeah. I can't see that happening. Populism has taken over. We have an urgent housing problem but we don't want houses here. So that's what it is about. In another climate we had an urgent waste problem but we don't want an incinerator here or we don't want a bottle bank. It's getting down to really low level stuff.

R: Yeah, it is yeah. Okay, we'll move on to the next question, **question four**, which talks about the Local Economic and Community Plan. And other plans like there was an Action Plan for Jobs. In your opinion...the theme of this question is the effectiveness of the arrangements, have they been effective. So in your opinion have the plans been effective? What can you, if you were being interviewed now...

I: Yeah. Well I've kind of experience with both regions. [REDACTED] and I think they got off to an excellent start. I'd have to say apolitically, I would have to congratulate Richard Bruton for the initiative he took in the first instance by actually getting workshops together and presiding and staying with them and asking people to, you know, write down what you think your region needs. It got off to a very good start and the business community bought into it and they nominated...and say the [REDACTED] one now, we have this steering committee and all that kind of stuff and we see where we are on the path, you know, and we meet every six months. It comes back to this now, in my view again, the local authorities are leading that process. I have the view that business are standing back a little. And I think so because they're submerged in their own business, don't have a lot of time to devote to it, but neither do we. But at least we put the effort into it. And in terms of compiling that or reporting on all that, it's all done by the local authorities in this neck of the woods anyway and the deliverables, it's generally, again in my view, it's the local authority people that keep the noise level up at these meetings. And that's the truth about it now. Because I've been to four or five now in the [REDACTED] region and only for local authority contributions, it would be a very silent affair. It would. Even with Fáilte Ireland, Coillte, OPW, Waterways Ireland. Not participating. Too much, not participating is how I would put it.

R: But would you as a chief executive then like to be able to make sure, because those organisations you've alluded to are very very important.

I: They're very important, yeah.

R: To the economic development of this part of the country. Would you like to have, what means would you have, would you like to have, sorry, to secure genuine participation, greater participation and delivery.

I: I find it very hard to answer that because a lot of them nearly kind of, would prefer to see local authorities out front, doing their talking for them. And a lot of them are covered by their own kind of corporate plans, you know, Coillte's semi-state, Bord Na Mona the same. They're very much driven by what is in their own, and they don't want to operate outside that, you know. They're looking very much at their own area. Even though they are part of the bigger process. And remember there's Action Plan for Jobs, right. And let's say, Bord Na Mona are going into other areas apart from their traditional area which is fine, you know, energy generation and that comes back to local authority in terms of planning. Dealing with the community unrest and protests and all that stuff so. And one of the things actually Kieran is, you know when you're dealing with that it would be great to have the conversation before hand, that we're going to do that, management there, solar energy there, but in the face of local

opposition, you cannot be seen to be, you know, drinking tea with some of these companies, you know.

R: But at the same time if you take the leadership role and, this is what's required for the development of the county or the region...

I: Oh you have to, I agree. Absolutely.

R: ...this is where the local authority has to step up to the plate and find the means to overcome that opposition and maybe using PPN or something like that?

I: Yeah, not too confident about PPN at that level, no, no, no. It's really, I think, it's about building up relationships and trust and knowing who you're talking to. You know if you take someone, Bord Na Mona here are very active in this area and have a lot of plans for the development of their brand and so on. Talking about solar farms, wind farms, data management, all this kind of stuff. And you have to talk to them because nothing worse than picking up the paper and seeing this is what's proposed for your area. And you didn't talk to me about this? You know. You could at least give a phone call. So you have to have that name there to do, to make contact and periodic kind of, hello, what's the current situation on this...

R: That would suggest then that there mightn't be sufficient levels of partnership, has evolved.

I: Yeah I think so. I think that's fair enough. And maybe people are afraid of it too.

R: Why would they be afraid?

I: From the point of view of lobbying, all this kind of stuff. Yeah. Or particularly people who say, if you take Eirgrid, and you know they faced a lot of opposition and some of the wind turbine developers doing all...they faced a lot of local opposition. So they have to work with the communities. It's okay working with ourselves, but hey have to, you know. And you would have seen it in the climate mitigation, you know with, last weekend they were talking about Eirgrid having to work more closely with communities. I don't know what more they can expect to do. But that's a kind of environment in which they kind of seem to operate at the

moment, but anyway. They're those ones. But on private business, I think, I'm disappointed by them actually because they they don't come up to the plate.

R: These are the various stakeholders, the stakeholder organisations?

I: Yeah, the Action Plan for Jobs and all that kind of stuff. They're very much in their own field, don't give their experience into being champions locally, you know like the way...

R: Fair enough. So is there a structure? Yes, but given the leadership role that's given to local government to bring this about then, is there maybe a structure that...

I: There is but you see, and maybe in Limerick or Dublin you might get it but I mean people soon get fed up with listening to the same voice, same thing. Don't they? And you know our local enterprise champion here, young man, very good fellow but he's his own worries about business and all that and you'd say, what is the most appropriate vehicle for that kind of thing, championing local business and promoting it and sometimes you find it might be retired or semi-retired people who come back in either from the academic or other world and say, well we've had a look at the place now and we think this is required. We think you should do that there. Whereas the local CEO of a company is probably too worried about the balance sheet this week, you know. So, anyway they're preliminary thoughts on it.

R: Oh yeah, okay. Just in terms, we just looking at **question four**, engagement of external agencies, Enterprise Ireland, IDA and the local development companies. That's been positive?

I: Yeah I think, actually we've a very good engagement with them and also with Connect Ireland at the time before the, these were kind of...

R: Have, just the last bullet there, in supporting communities and taking local economic initiatives, say something that would be of, you know, novel or different. Has there anything been undertaken by [REDACTED]. Like you mentioned a nice thing now, Niche for [REDACTED] What's the niche for [REDACTED]?

I: Well we've done a marketing strategy. We've been out in the community. We're doing it all through the supporting jobs LEO and all that kind of stuff. We've done a marketing plan for

Laois, engaging local people. But local economic development initiatives, you know, we have the, one example, you couldn't call it an initiative though Kieran, it's the rural economic development zone out in [REDACTED]

R: Oh right, yeah.

I: Very successful. You know a huge amount of people came into that and really welcomed it. Now whether you call that an initiative or not, it's part of a government program, but for the people out there it looked like an initiative. And we've done it with, in partnership with Allied Irish Banks, Backing Brave scenario, with Bank of Ireland, Enterprise Towns, which was one of the four counties last year with Roscommon, Mayo, [REDACTED] and where else, I can't remember, maybe Meath. Supporting local enterprise, all that kind of stuff and then the, lets say, with the likes of Glanbia and some of the other employers around here, and trying to get them to support you in the message and all that kind of stuff.

R: Turning to **question five** then, would you say the reforms so far, and the way that they've been implemented in [REDACTED] have had an impact on economic development?

I: Very hard to measure. Whether it's because we are on the timeline of recovery or semi-recovery, it would be nice to say that any improvement we've seen in employment statistics, in discretionary income, is as a result of [REDACTED] initiatives under this. But you can't say. We would say we haven't hindered it and we would say that we have been there as a kind of a very strong support for people who have business ideas. And we do, actually we do see, particularly through the Local Enterprise Office and their partnership, we do see quite a number of supports and people branching out into various forms of small business and a company down in [REDACTED] who are employing nine people now and doing these facilities for cycle storage, you know if you get to Heuston or you know that kind of. They call themselves [REDACTED], you know they have nine people. I don't think they'd be there only for ourselves, you know, identifying the support and kind of premises for them and giving them a moratorium on rates and we've done it, you know, for vacant sites and a lot of local authorities have done that since 2014, supporting business, you know, whether it's a kind of an easement on rates for occupying vacant premises and what we've done actually for rates for the local community is, if you pay on time you get a particular discount, if you're under a particular thing you get a discount, paint the shops schemes. So all of those in aggregation would probably amount to maybe over a million euro, you know, which goes back into the community and it means they can employ people so that's part of it, but you get that sentiment from this, you know, supporting business, supporting industry.

R: Okay, moving to **question six**, which is talking about autonomy. Would you think in your opinion that, in your experience that we have greater powers now than we had before? Are we more autonomous? Or are the powers elsewhere in terms of really driving economic development?

I: No, I think we have more autonomy. But on the other side, one of things with these reforms did, it took away our overall picture in relation to water services, which is a very important thing, and the loss of that complete package that we could offer. We could go to anyone and say, here's likely what you're going to be paying for an ESB connection. And we know you have a 110 kv three-phase, that's okay. Road access is as good. We'll have that for you. We're going to have, you know, this is the waste provisions. You have C&D waste here. You have collection. And we could always say, you need, whatever it is, fifty-seven cubic meters a day. There's a pipe there that needs to be augmented. We'll get that sorted in two years time. Everything is hunky dory. Wastewater treatment plant, you've no problem. We'll have a section 16 license for you. Those two elements. It's only now we understand the service we were giving and how important they were. And they're gone now and furthermore we did it at, I would argue, a very much value for money level because we didn't exert or exact the full cost of those provisions, whereas under the new model now, they are all in accordance with the exact letter of the law, polluter pays. Looking forwards to future capacity, build it in. You know we had a thing in the past called, maybe the Mogden formula or modified Mogden formula, where you pay your share of the load and all that was worked out and fine. Or if it wasn't that, it was in a licence. All those things were great because you'd go to a guy and say, this is what you need and there's your data sheet for your business. Come back and talk to us.

R: And can I ask you. Have you, that's a very interesting example that you've given the loss of both water supply and waste water supply. And has that already, have you felt that, have there been instances of that?

I: We have, yeah. Not alone here but elsewhere. You know where a guy might start off with a, say a distillery, a micro distillery and find that everything was fine, he got planning permission and all that, blessing and everything from the council and then he got a bill for half a million, you know. Which wouldn't have happened when the local authorities were the water services authority.

R: And there's no way around that really.

I: No there isn't. And also for the running of festivals and events you know. The big success here in [REDACTED] which attracts a lot of people but you know, in the time we dealt with it, you know, you'd give an events licence and you'd say, effluent must be going here and we'll charge you whatever it is per. But now that's all different. It's very very difficult for them, you know. They require a full Section 4 licence I think. Section, some kind of discharge licence, which means they have to sign guarantees. They have to direct it to particular plants.

R: So, if I could take that, it's a very interesting comment, but you know you took what was a locally driven, local government supplied service and it became centralised, albeit with a presence still in local authorities, but as a centrally driven model, is not as responsive.

I: That's right. We've lost a lot of autonomy in that element of business, which is, in a sense, essential support for business, or we'll call it the rural or the hospitality economy. We've lost that. We could role it into our overall service provision, and it would be a relatively easy matter to deal with, but now it's very kind of chunky, bureaucratic difficult to deal with, yeah. I don't know if it's impaired the growth of it because it's...but it has impacted on the planning of it. To the extent that last year, it was on a knife edge whether it would proceed or not. I personally intervened with the head of Irish Water to say this is crazy. You have to react as though you're supporting the event and not as a opponent of it, which is the vibe given out.

R: But isn't it extraordinary though, isn't it an extraordinary reflection that it took a phone call from you to [REDACTED] was it?

I: It did, yeah. When I heard it was going on Kieran, I said this is madness and I said you cannot be serious in treating people like this, you know, that at the last eleventh hour you need a licence that's going to cost you x,y and z and you need to wait ten days before there's any kind of feedback and you're nominating the waste-water treatment plant, which I understand fully and all that for a similar capacity and all that kind of stuff but it's too late and it's too difficult for these guys. They're going to pack up and go. Yeah so I had to say that to him. I said this is nonsense.

R: And the outcome was effective in the end.

I: Oh it was yeah. But it..

R: It took a direct phone call from the chief executive.

I: It did.

R: From one to the chief executive of another, which is probably the only way to get business done in Ireland.

I: Absolutely. This is what I keep saying to you about personal contacts.

R: And can I ask you though in that context as well was there a leadership role from the elected representatives in relation to that issue?

I: No, no. Nothing, no. But they wouldn't know anything about it. They wouldn't know anything about it. You'd keep it away from them. Yeah, you'd try and sort it out first before it becomes an issue, otherwise it wouldn't be helpful to have it all over the media.

R: Well that's an interesting take on the answer to **question six** in terms of autonomy and power. That there was a loss of that autonomy, but your own personal intervention...

I: Yeah. There's a loss of autonomy as a result of that water services act, but there's better autonomy in terms of the business world, if you follow me. This kind of promoting your own place, promoting a place that generally is not on the calling card for IDA.

R: Just in terms of that, like, what's working well? You would say the marketing, you mentioned marketing.

I: The marketing, yeah. But I mean that's a very competitive world. We're stealing each other's breakfasts, and you're always trying to compete with other places in, you know, we're always trying to point to our so-called unique characteristics, which, you know, in the global world isn't as unique as we think. So it all comes down to competitive advantage. It has made us think about our competitive advantage. It has made us think about our cost base. And the services



that we provide, how cost effective are they? And that in turn makes you think, well how many people you're employing, getting the job done better so you lower the cost on businesses, yeah.

R: The end cost. Getting better value.

I: Yeah. You become a capitalist local authority, rather than a socialist local authority. You do though. But you do, you have to look at all of those kind of things. You know it would be great to spend money on the town, if we knew there was going to be a pay back for it.

R: A return.

I: Yeah. But you have to operate around that kind of delicate balance all the time. You don't want to exceed your budgets. But for example, if you do invest in it and we've put a fair bit on-going in you know [REDACTED] and they do appreciate that, and notice and they come back to you. And for example that place that you went into today, [REDACTED], they've taken up very much on that act and they appreciate the attention that the town is getting. There's a long way to go but if they see the beginnings of it and the commitment to work with them. They might see it like.

R: Just continuing on say into **question seven** which it goes back into more on autonomy and capacity. Have you, you know, where local government is coming out of a period of austerity, as are all public services, local authorities perhaps took a greater share of the pain, lost most staff and lost an awful lot of money. Has that been a constraint on your autonomy?

I: Oh without doubt, yes. And you know we might be able to do more, strive towards greater ambition, if we had more staff in particular, more competent staff in that particular area. And we need to get the message across and we need certainty in what we're going to provide if we're saying economic development across the whole spectrum, whether it's existing business, whether it's people who might be thinking of getting out of this, of why they should stay on and trying to attract new investment in and don't forget the arable field as well, which is quite strong here, you know with all these kind of agri-technology and all that kind of stuff, which is a big part of the global economy. Like if you take agriculture in the [REDACTED], the value might be in the order of three hundred and fifty million per annum. And some very good farmers, so how do we work with them. It's through stuff we do in let's say, maintaining a clean environment. Having knowledge innovation to ground water, water quality. Glanbia, for example, do it in their own marketing strategy. We'd like to, in their own kind of environmental

strategy. We'd like to work with them because this thing of food quality. Quality in milk, abstractions from boreholes, the whole dairying thing. So we've a role to play in that as well and also in broadband in enabling firms. So if we, you know, for example, a simple thing like, we had to appoint a broadband officer, it caused a lot of internal strife because it's demanded elsewhere, GIS mapping, planning, roads, you name it. And trying to cut people in a half and a third and do a good job with a third of a person is not easy. So that kind of illustrates that we would, if you're to do justice to something like that, broadband, working with rural enterprises, you need to have someone who knows what they're talking about. If you're doing it on tourism, you know a third of a tourism officer isn't great. Donegal has three for example and they do all their tourism themselves. Fáilte Ireland aren't on the scene here so they're all what we...

R: They're not on the scene?

I: No, no, no. They've a tourism office up in [REDACTED], that's about it. But they weren't too much on the scene in [REDACTED] either, I can tell you. They had a tourism information office but they leave you to your own devices.

R: But in trying to elicit the future say for the economic development in Laois and to pin your colours to particular programs. Resources are limited. You're in the leadership role and you want to take a particular sector or sectors to grow it. It's very difficult then, isn't it, to discern, without the other state agencies, who have the specialist knowledge and perhaps the resources. How are you dealing with that?

I: Well there's two things. Either we're going to take risks with finance or we're going to be lucky that something happens. Now, how do you be lucky when we had a [REDACTED]  
[REDACTED]

R: You did.

I: We've been relying on them and they get politicized.

R: Well this is the way the system works.

I: That's how it works. So we'll be looking at things like getting more investment into [REDACTED] [REDACTED] for tourist trails, you know, the off-road bike trail, which is a five million venture. [REDACTED], as you've mentioned and to enable all those to be animated, interpreted in new places down in [REDACTED] You can say, why would we go to [REDACTED] There's nothing there to see, so we have to work on all those things. So that's what I'm saying about taking risks, you know. Do we risk our finances by taking a loan for those things? In face of a housing crisis? You know, put that in front of the members and you know which way they're going to go. They'd like you to have one thing, but what do they want? But that's what it is. It's about delivery and...

R: But no, you raise a very valid question and I'd like you to maybe elaborate on it, that this is a brave new world for local government to go into and we're assessing the risks and taking the chance because obviously you've a limited the budget here and...

I: We have.

R: and you have a high-level of accountability. More so maybe than the people in the organisations, the other stakeholder organisations. You are answerable to your council every month. So would you care just to talk about risks and risk taking?

I: Well it's a job of, first of all confirming to yourself what the risks are and being able to manage them. Like, if you're going to spend a million on something, you know, a promotional project or even the acquisition of that land out there, you know, great location, been talked about on the National Spatial Strategy and all that of years and then inland poured national enterprise work...

R: Yes I've heard of that.

I: So I took a risk on that. I said, that's a very good risk to take. Don't have the money for it now but we can manage it. I mean we're talking about small, it doesn't matter if it's ten million or one million or a hundred million, the principle is the same. The thing is, you have confidence in making that decision that something is going to happen there and it's under our control and we're the designated economic authority for the administrative area. So we can control what goes into it. We can make contacts both locally, nationally and probably even indeed overseas, through the work we do and that's where say going back to your previous question, we would

need more, I hate saying we need more resources for everything, but we need more competency, and more cleverness in the way some of the things we do...

R: Yes, how the resources are used.

I: To hit the right cords. But when you go into the elected members on that they look to you to say, do we detect any kind of uneasiness about it. No, he's gung-ho, let's do it.

R: Confidence.

I: Yeah confidence.

R: Michael Noonan said that when they...we need confidence in the economy.

I: Yeah, yeah. You go in and you say, lads there is no ifs or buts about this. This is the right thing to do. IDA aren't doing it for us. Enterprise Ireland aren't doing it for us. You do it yourselves. But how about housing manager? We're doing that too. We've a super team here who know everything there is to know about housing. We have technicians, engineers, people who are working on those and they'll deliver that as well. So they're the kind of...

R: Okay. So we're on to risk taking, which is interesting. In local government long ago there mightn't have been any way of talking about taking risks. Okay, collaboration with other local authorities and this is question eight, which deals kind of a little bit with politics, either with the large p, or the small p. And the collaborative effort between say the local authorities here in the [REDACTED] Is there much of that?

I: There's a lot of collaboration but when you get back to your own nest, you do your own thing, you know. You just keep an eye out over the long grass to see what's happening. And particularly because the [REDACTED] doesn't have a critical mass, neither does [REDACTED] by itself, neither does [REDACTED] and neither does [REDACTED] and while we're aligned as a [REDACTED], it's true to say that a lot of what happens is aligned with Dublin, and maybe if it was by... [REDACTED] in particular, you know, the IT, twenty per cent of [REDACTED] third level...no, twenty per cent of the [REDACTED] students come from [REDACTED] So I'm not going to align myself to [REDACTED] which is the reporting institute for the [REDACTED] I'm going to

talk more with [REDACTED] and their enterprise and innovation units and their start-ups and their capacities and they work along with us. We have very strong partnerships with [REDACTED] and we'd be supporting them fully for a technological university status.

R: What does the partnership constitute, do you mind if I ask you?

I: Well it involves in various projects where we actually signed them up to you know to operate REDs and to operate programs like that you know, if we're making an application for a regional enterprise fund we'd try and have them on as academic partners.

R: Do you think, just to take that one now say, take the...how far away [REDACTED]

I: Twenty-five miles.

R: Twenty-five miles, which means that there's a migration of young people out.

I: Oh yeah, yeah. Once you go...

R: Do they come back? Live here. Work here.

I: Oh I don't know. It's hard to capture that. I don't know. But they do some excellent courses there. Of course a lot of them go to Dublin as well.

R: Yes.

I: It's very hard to know if they come from...but we see a constant mishmash...

R: But in terms of a policy of say, there's a population here, there's a young population and to try to keep them young and dynamic and they're the entrepreneurs. To come back to [REDACTED]

I: Well we're trying to work on that but I mean you know people are independently minded and they want to...Dublin is not that far away, you know. Sure it's not really. You know, they're not leaving to Los Angeles. It's only kind of a [REDACTED] on the train, you know. I mean...

R: Yes, yes. Going back to the...

I: They see themselves as being at home when they're in Dublin, to be quite honest because when...

R: Fair enough. [REDACTED]

[REDACTED]

R: [REDACTED]  
[REDACTED]

[REDACTED]

R: [REDACTED] In your opinion, take off your hat now as a chief executive of [REDACTED] County Council, and try to come sort of to the future of the, you know, based on, particularly around the economic development and the challenges and so on, which you've alluded to. Is there a case for a greater joint cooperation of formal, maybe perhaps moving to a formal regional structure, to drive the economy of those four counties as a single vision. Is that possible? Or is it too disjointed?

I: I would say this Kieran, you know, if there was a serious attempt to do it, the 2014 reform period would have been the time to do it. You know, because as lot was done. Abolition of town councils. A step further would have been to look at that. But the integrity of local authorities...

R: No I wouldn't go, I wouldn't go so far...I think it would be disastrous to suggest that you could get rid of a county...

I: Oh yeah I know yeah.

R: ...but that you could come up with they say a regional assembly area.

I: I don't know. I don't know what difference it makes, to be quite honest. Look it, if I was to say to you, what's more important here in [REDACTED]

R: [REDACTED] I'd say, by a million miles. Okay. That's realistic because of its huge scale.

I: We always casting our kind of, our gaze towards [REDACTED], because we see that's where they market is. If you put a point in [REDACTED] and an hours drive, you've a population of eight hundred and fifty, nine hundred thousand people. And most of them on the east side of the county. So I'd say this. We have very little in common with [REDACTED] [REDACTED]. We're more aligned to [REDACTED] would have always challenged its presence in the [REDACTED] would have said the same as myself, all roads head to [REDACTED]. Everything in the morning, going up to building sites, going up to work [REDACTED] [REDACTED] That's the way it is.

R: Okay. That's fine. Okay reflecting in a general sense, this is **question nine**, in terms of the effectiveness so far. What's your assessment of the impact of the reforms. Any positives, negatives? Or could you care to elaborate?

I: Look, I'm in the local authority business for a long time. I don't see a huge amount of change, particularly amongst the elected members. They prefer the comfort of their own electoral areas, municipal districts, talking about local things, and depending on the experience of them, or maybe even the age profile, they're happy at that. Some of them don't like the new world of bigger municipal districts, new provisions in the act and while they want more powers, they don't always want to use them, you know, because it's not an easy thing to do. But from a staff point of view, [REDACTED] wouldn't be a great example of local government reform because we didn't have a rating town council. We didn't have to do the, what do you call it, the thing about the writs. So, [REDACTED] might have been different. Were you dealing with?

R: Well no. This interview relates to the economic...

I: ...the economic, oh sorry yeah.

R: ...rather than the structural changes.

I: No, I'll tell you Kieran, to be quite honest, we've taken this and we've embraced it. We think it's a very good part of it. And we like it. If I can put it as simple as that. And the staff like it. The staff that have been assigned this economic development role like it, and they like the whole buzz around it. And they like the different feel of doing something which they wouldn't have done in the past. We had roles in the past about economic development but they were kind of general competencies, weren't they?

I: Now it's specifically laid out, whatever it says there, that we should look at those things. Foreign Direct Investment. When did we look at that before? And when did we look at indigenous industry and all those terms. We did in the context of our main line of work and duties and if it happened it happened and that was great. Now it might have been different in some places. Some people went out of their way to direct [REDACTED] foods into a particular part of the country and all that and it worked successfully but that was with the support of the IDA primarily or through political intervention. But now we've all these things and I'd say even from a career point of view structurally, you know, it does provide a greater mix of experiences...

R: It does.

I: ...and broadening of the horizons. It makes us as, I said earlier on, more conscious of the costs of public services in the area. Although [REDACTED] is largely a public service town so a lot of public Institutions don't pay rates, you know so, that's another issue.

R: But maybe they have the shops to pay the rates?

I: Well yes. That's the thing, they bring in people.



R: Now, going on to **question ten**, we moving on to the end, what about the future? What would you suggest could be done to improve on the current situation? Is there anything more, using the Action Program for Effective Local Government, that you would see maybe the local government system delivering, you know, living up to the promise in that, that it would be the first point of contact for a lot, and a main vehicle for public service delivery in the future, for example, education services? Would you see Laois County Council having a role in the education, policing?

I: No, no I wouldn't. No.

R: Go on.

I: Not policing or education but in the greater provision of taking the temperature and providing services for demographic change and...

R: Age Friendly stuff?

I: No, not Age Friendly, diversity, cultural diversity.

R: Oh right. Okay.

I: Those kind of things, where, and it could be the same in some of the big cities where you might have people who maybe shut the door in the evening when they come home from work and learn they're welcome in the community. So I think that is a good starting point for the reform and that needs to be based on evidence which...

R: If you take say the regional bodies that you have say, the education and training boards, what are they doing for the, what good are they doing for [REDACTED]?

I: Well, we speak to them a lot actually. They provide some of the, maybe the, after hours services. They provide courses that aren't typically on the agenda for education. You know like

music generation, catering for people who, or families who wouldn't have the resources to do it themselves. So they provided those kind of little outlets and it's not an area that I'm very well up on Kieran to be quite honest with you, you know.

R: And say in terms of matching, if you have a vision for the economic development of [REDACTED] and there's particular industries or clusters, what ever it is, that you want to grow. Trying to match the educational output to those needs.

I: It hasn't developed but it's a good point. And it's one thing that we're looking at is how do we tell the story of the skill set that's available locally and generally we would go to third level education for that. We don't get it from the secondary level. But it could be something. They do actually provide, what would I call it, FETAC or vocational training, which is very useful, intermediate, back to work courses, hairdressing, typing...

R: Would you have economic blackspots in [REDACTED]

I: We do yeah. It comes out under the SICAP program and the statistics and that. We've one or two in the town and a number of rural ones so...

I: And that's chronic levels of unemployment?

R: There are. And sometimes it's very hard to get into their mind, you know that, or particularly through LEADER and SICAP. You'd be knocking on the door before you'd get a response, I'm not talking, I'm talking metaphorically, you know where you would be trying to get feedback from the local community and they're just kind of not bothered. You know, so. How you penetrate that particular area I don't know. And, but it's not on the scale now of what you have in other areas...

I: Like Limerick.

R: No it wouldn't be on that scale but and you know that would be a kind of, a very secluded kind of a one.

I: Just looking a little bit to the future again in terms of the NPF that's due to be announced by the government in the next couple of months. How do you see local government's role? Or maybe Laois in particular? In relation to the NPF?

R: Yeah well again this is the thing. Everybody's going to be competing for it. But we would be saying, and it comes back to the readiness of a place to respond, I think, to population increase and to economic, or increased levels of economic activity, you know the aspirations and that in the planning framework, you know, are basically what they were fifteen years ago. You know, proximity to work, quality of life, environmental considerations. All that kind of stuff. What would our role be there? I mean we'd be saying that we're ready for that. We have taken the step of preparing for it. We've done our own, I have it there, the vision statement for Portlaoise, in the context of the National Planning Framework. Been working on it for the last year. We've targeted things like decarbonisation of the local economy, increased economic activity in the town centre where you've, much like Limerick, you've a thousand in the centre of Limerick, you've only six hundred here. Bringing back that kind of critical mass to the town centre. Investing in the town centre, making sure that you don't go back out in to the green fields areas to be spending on infrastructural services that are already there.

I: If you have one wish as a chief executive of a local government, one additional resource, one additional power, one additional function devolved, what would it be?

R: I want water services back.

I: Did you work in water services?

R: I did. I did but I want it back from the point of view of joining up the whole thing.

I: Do you think that's likely to happen.

R: No I don't think that's likely to happen. And we'll continue to leak services rather than take them on. Because I mean, the question is, if we don't deliver on housing, whether a housing body itself, and it doesn't matter how good you are locally, if the global picture is different. But I mean that's going to call for a housing coordinator and actually housing has a big impact on economic performance. There's no point in us promoting Portlaoise if we haven't got good

places to live. We don't want to be a social housing destination but a lot of places are in danger of becoming that because you know, that kind of thing.

I: Sin an bhfuil de chúrsaí spóirt. As Micheál Óg Ó Ceallacháin used to say, fadó fadó.

Date: 22.08.2017

Researcher (R): Kieran Lehane

Interviewee (I): Local Authority Chief Executive L3

R: The **first question** to start is whether you or your organisation had any involvement leading to the reform process in local government. Maybe, for example, at a personal level or at CCMA level. This is the 2014 act.

I: I suppose it depends on whether you class that as part of the reform. So from that point of view I would have had an involvement I suppose and that whole job was around working on behalf of the thirty-one local authorities to transition water services to Irish Water, which is a significant reform in itself. So I would have had involvement in that and as local authorities in general we would have all been involved.

R: Well the establishment of Irish Water could be construed as, to a certain extent, maybe a removal of functions and powers from local authorities, which could bear on the economic development role of a council because of reliance on an independent state agency to fund investment so it's a valid thing to say. Would you just care to elaborate, just maybe a little bit on your experience of the reform say, in the removal of the water services function from local government.

I: Oh I think it's a significant enough removal. If I was being honest it's a classic one of knowing what we wanted to get to, but trying to get there way too quick. And as a result it has backfired. To me, too big a rush and we all knew why we wanted to go there as a country, I suppose, from the point of view of national policy, to remove the borrowings of the government books and in order to do that Irish Water had to be meet what they call the Market Corporation Test, so fifty per cent of their income had to be earned. And as a result of that very premise an awful lot of decisions got made way too early, that have serious enough consequences on how the country will operate into the future. I think they can be rectified. I suppose my experience would be, and only recently I've been meeting with Scottish Water in relation to what they have done. And there's certainly learning from Scottish Water, but one of the bigger challenges we have at the moment, I suppose a couple of things came out of that. One, a decision was made that Irish Water would not be rated, right, which has a significant enough impact on local authorities and their income base because we would have done an exercise when I was in my previous job, just to test how water assets would be valued for the purpose of rates, and the City Council and the County Council, there were two entities at that stage, we would have got the Irish Water, the future Irish Water assets valued and they are in receipt of four million a

year in rates from Irish Water. So if that were to be replicated across the network, it's a significant income for local authorities, but because of the ambitious proposal to make the Market Corporation Test that expense was taken away from Irish Water. So in an effort to get Irish Water up and running, the local authorities to me were deprived of a potential income. Now hopefully that decision will get reversed, because of a result of the decisions that were made more recently about no charges for domestic water, it means there is no hope of Irish Water meeting the Market Corporation Test so those pressures, that fifty per cent of the money has to be earned are now gone. There would be a big learning in that I suppose in the rush to do it and there were other decisions made around the same time that to me had a significant enough impact on local authorities. But I suppose the bigger one from an economic development point of view, and it was the reason we would have gone to meet Scottish Water, it's around how future development, the services for future development, will get funded. And because Irish Water, even though it's not earning its income, it still is operating in a regulated environment. So the regulator is saying you cannot do speculative development. Local authorities would have done speculative development in the past and would have been able to plan ahead. Like if you were to take it, if there was three landholders who were going to do housing and the last one was the one who wanted to start first and that could be for any reason and particularly in the current climate it could be for any reason that three developers, while they might still exist, they may not have the capacity to borrow from the banks, but if the one furthest from the services is the one now who can actually develop, Irish Water would expect that developer to pay for all the services. Previously the local authority would have levied development charges and been prepared to fund it and recoup the costs as it developed. Irish Water had not got the capacity to that. And it took Scottish Water ten years to figure out how to do it.

I: They were not structured to deal with developers when they set out and a bit like Irish Water they had so many compliance issues that that was their focus. Just we'll do whatever investment is needed to get compliant, whether that is with discharge or whether it's with drinking water. But they just hadn't the capacity.

R: But it does have implications for economic development.

I: Oh it does. Serious implications.

R: Because if you're in an area, or a local authority area, where maybe the water supply and the waste water treatment capacity is maxed out...

I: Yeah, you're in serious difficulty.

R: You're really constrained. The converse then I suppose arising from the National Planning Framework to be announced shortly, where it is intended at least that there would be whole of government approach to delivering that, if you're not in that plan, you're doubly disadvantaged, if you're not a growth zone for population.

I: What people mightn't realise is, with the move to Irish Water, local authorities can no longer levy under the development contribution scheme. So we cannot, like some developers would still be coming into us saying, will you not do the pipe, half a million and we'll pay you back in development levies. We actually can't do it because...

R: And can I ask you, just to take that example, which is very interesting, but say, say there was such a case arose here in this county, would you be prepared, wearing your economic development hat, to go to the council to seek sanction to borrow four hundred thousand or half a million to lay the sewer and take the chance, and take that risk?

I: I would, but you'd have to put it in the bigger context here in this county. We have significant investment to do on things that we are legally obliged, that we have the full remit for, whether that is the roads program, which is significant here in this county. I mean we've just completed a new bridge, probably at a cost of about sixteen million. We have significant roads infrastructure to complete. We have to complete the outer ring road because it's a significant impediment to getting significant development happening through An Bord Pleanála. So we have, I suppose, stuff that no-one else can do, that we are legally obliged to do and to me the real answer, and I think the concern I'd have is, if local authorities step into that breach, no-one will solve the actual problem at nation level because the problem is with Irish Water and how it's been set up. When we went to Scotland to look at Scottish Water, the government in Scotland fully accept that if this development is the right thing to do, someone has to fund it. So where they oblige Scottish Water to do something, which is for the right reason, the government realise that they have to fund it. And to me here someone needs to realise if they want infrastructure to happen, that the government are going to have to fund it. I think if local authorities start stepping in willy-nilly, it means the pressure comes of solving the problem at national level.

I: And my own view is if we don't solve this, it is...Irish Water is four years in existence at the end of this year. It hasn't really been an issue until now. Because there has been no pressure on development. It is only now when developers start coming back into the game and start

trying to actually get going on sites, and they're getting significant quotes of Irish Water and a significant time-lag in getting replies from Irish Water, that the issue will start coming to a head.

R: The theme you're coming to, the issue you're coming to is, number one, I suppose the vision and the leadership within Irish Water, but two, governance at the centre of it.

I: It is yeah.

R: Everybody wants economic development but of course somebody has to pay. So water and wastewater infrastructure are rather like roads, as you've mentioned, are key components. If you don't have them, if you don't have the infrastructure, you don't have developments. It's very difficult. So would you care to comment on the governance aspect of Irish Water having been so closely involved in.

I: I'm not so sure I've a major issue about the governance of it, right. But it's more around the acceptance that someone has to pay here. So having made the decision that there's not going to be domestic water charges, and the government are going to have to pay for us as individual customers, because that's effectively what you're doing. Irish Water, it's still costing the same to deliver water as it was when we were going to have domestic water charges.

R: It's costing a lot more surely with the Irish Water costs.

I: So the government would, even with Irish Water having been set up with the prospect that they were going to be charging for domestic water...

R: There's a shortfall, yeah.

I: Suddenly just because we're not paying domestic water doesn't mean the cost of water has changed. It hasn't. So to me there has to be an acknowledgment at national level, that if we want to do this, it has to be paid for.



R: How do you see...can I just ask you, you've raised the issue, how do you see that working its way out? Would you care to conjecture?

I: I think at national level the government are going to have to realise it.

R: That's a governance issue though, governance in government.

I: Oh yeah, that element of it. Not Irish Water itself but I think, as a country we need to decide. Like we set it up, unlike Scottish Water, which is owned by the government, Irish Water was set up differently. And to me with hindsight, if we hadn't had such a focus on getting it off the government books, that maybe we might have been better off having a Scottish Water model, where it's still owned by the government but you are getting the efficiencies. Like I'm working in local government for the last thirty odd years and I love what we do and all the rest of it but I do think there was a better way to deliver water services than individual local authorities doing it, when you look at some of the bigger schemes that need to be done. But I'm not so sure we needed to go the full way that we did and particularly now when we've fallen short and we're nearly having to go back the way and it'll be a long time in my view before water charges will come back on the agenda. But in the absence of that, someone needs to have a fairly adult conversation at a national level about what do we see as the priorities. And I suppose the concern I'd have is, if you take a foreign direct investment coming in and they approach Irish Water about three locations, and if they happen to be, in our case an agricultural one, it could a significant user of water or waste water and they go somewhere, three locations and they're looking at them. They probably will end up in the place that actually has the spare capacity to meet it. Because they won't be asked to pay the capital cost of any expansion. Whereas if they go to a place that has expansion and treatment needed, Irish Water probably will look to levy that off them.

R: Can I ask you in terms of the outcomes for, you know the outcomes of the Irish Water project, shall we say, and the fear that was garnered politically, by certain groups who said it was going to be privatised, and how the messages got mixed and maybe confused and wrong messages. In terms of an experiment at reform or you know more than an experiment, a project of reform, would you just care to make one or two comments on that?

I: It would be an interesting one to go back and look at it. Like we all know why it was attempted. But there has to be learning out of it about trying to do too much too quick. My own view, we would have brought them to give us a bit of advice and one consultant had worked in thirty-one countries on water reform, and he reckoned nowhere had he seen anyone try do what

we were trying to do. He reckoned some places you would transfer the services over to the new entity and then start the reform bit. In other cases you would reform it and then transfer it over. But he thought it was unusual that we tried to do the two things at the one time and he thought it was a rather ambitious project. And equally, I think, if you went back to the very start and you looked at the report that was done by PWC...

R: Yes I remember it.

I: ...on the establishment of Irish Water, and their recommendation was that having reviewed the existing utility companies that their view was we should establish a new entity to be Irish Water. And I think if we had done that. We implemented all the rest of the recommendations, that was the one that we didn't as a country decide to implement. But if we had stuck with the recommendation, I'm not so sure we'd have ended up in the same place and I'll tell you why. I think if it had been a new entity, you probably would have got a better mix of people in the organisation at the very start because you would have got people coming from other utility companies, everything from ESB to Bord Gáis to wherever along with local authority people and maybe department people. And I think the start point might have been something different. That we might have gone looking for a small enough fixed charge but actually focus on the real issues that are there and then over time when the investment was in, but unfortunately...

R: We went for the big bang.

I: Well that lovely thing the fiscal space just wasn't there. But interestingly now we're back anyway having to do it. But at the time no-one seemed to think it through what could happen.

R: But the astonishing thing was that eight or nine hundred thousand households out of whatever it is, one point seven or one point eight in the country...

I: Had paid anyway, yeah.

R: Were prepared to pay without too much difficulty.

I: No we just seemed to have reversed. And I thought personally now they were over the worst of it. But it became a political issue again after the last general election. I thought the worst

was over. I thought they had steadied the ship. Like if I was being perfectly honest, here in Kilkenny, Irish Water have done investment that the council probably wouldn't reach it for the next five years. Irish Water has done significant investment around the country bringing small schemes to bring the up to standard. We probably have seen ten million invested in this county. So, it's not that they're not doing a good job, it was just they're get the bad press.

R: And isn't that the communications issue?

I: But interestingly, if you talk to the Scottish Water, and you look back on their history, they went through the very same thing.

R: Did they?

I: And it took them ten years to come out of it.

R: Can I just ask you, which is a key component of local government reform and this idea that, of having a single agent say at a national level say we have it say with transport infrastructure, we have the National Transport Authority, we seem to be very good at putting responsibilities perhaps outside the domain of the democratic process into agencies and many people have spoken about the level of quangos that we have in Ireland. And the attempt to rationalise then very limited success during the bad years. And to remove it then from the democratic process. Would you care to comment on that trend? Is it good or bad? Again going back to the idea of governance and democratic accountability, participative democracy, that kind of stuff. Like you illustrated there with say the investment that has come, that has been good for this county. So there's a good example of where agenification has worked.

I: Yeah, I suppose it depends on what people call accountability. At the end of the day if you have an Irish Water or if you have NTA or whoever it is and they're being funded by the state, like to me there's governance at that level, where someone is deciding that's the priority, whether it is roads over hospitals, whether it's whatever. The problem is to me, we have no great capacity to stick to the road. We tend to veer off when the pressure comes on. And I suppose interestingly, when I was over in Scotland there lately I was just looking at some of the things they do and I thought it was interesting, if you look at the moment Waterford City and County Council are trying to make a big application for a significant capital funding from the state, right, sixty million, to attract in investment. In Scotland they have what they call the cities plan, right. Where at national level the government actually set out for each city, based

on some obviously criteria or some metric or population or something. That here is the investment funding for the next five years, ten years. I didn't actually get a chance to look it up but it was referenced to me that at least as a city you knew roughly the money that the government were going to invest in your city over the next ten years. Now I can only assume that either one a plan went in to attract that or having been given a rough allocation, that the city then does the plan. So that there's a good outline of what's going to happen here for the next ten years, from the point of view of giving a bit of certainty to private investment or to anyone to say, yeah that will happen.

R: But you see that's a very valid point because of course in England and, or in Britain, the cities are the engines of the economy, right? We don't have a Department of Cities here.

I: No.

R: In fact before we started recording you mentioned the very disparate government departments that you have to go to. So if you take this county, it's influenced by a lot of government departments. Limerick, Waterford, Cork, Galway, Dublin will be engines perhaps in the new National Planning Framework. Yet, there isn't a single government department with a single fund for cities, which points to a weakness and one wonders about the commitment or the ability of the government to commit to that kind of stuff or reform.

I: Ah look it, we saw it with the NSS and everything. We had a great strategy. You'd only have to go back now and look at where some of the government departments decentralised, when they did decentralise. Do you know what I mean? If you go back and look at that and you'd say why was Sports down in Caherciveen, it typifies why we ended up where we are.

R: It's generally accepted now that the original NSS was completely, really, discredited by the subsequent decentralisation program.

R: But anyway, we'll move on to **question two**, right. Which is the 2014 act provides for increased local authority involvement in relation to the promotion of economic development. That's very well set out here in the Reform Act 2014. Okay. What has your experience been, of you yourself or of the council's, in terms of that role, that enhanced role? Particularly around maybe, was it made clear what the role of the local authority was? Was the local authority able to assume a local leadership role and so on.

I: It's interesting, I suppose, I think bringing the LEOs in has been a useful exercise in relation to the economic development piece. But there still is that little bit between where does the IDA start and finish, where does EI start and finish and it's not just with them. You'd same the same with Fáilte Ireland. My view is all of these agencies are nearly trying to get out of the local bit. They see themselves as being very regional and they don't want to get down and dirty. So it is a question of, if that is the case, right. They need to say that and let the local authorities get into the space. But to me, at the moment, we're kind of in a bit of a mix. That IDA still want to do local, they still want to get the credit for things, and yet at another level they're regional and from the very start, I suppose, when I was, when the development boards were established before the LCDCs one of the issues that came very clear very early on was around the regional agencies, like in the Southeast region we would have had six local authorities so you had EI and Enterprise Ireland being asked to sit on six development boards, right. So it meant EI might have only had two staff in the region. So there were only three of these each a year, three of them each, and probably then with an economic sub-committee attached to any of them and any bit of work that might be coming, right. So it's a significant load coming on them. And interestingly then at local level we all want to do something very local and that might be, we're going to invest in our county material, right so we're going to do a new website, we're going to do all the material, all the collateral, and we might decide we're going to do a bit of marketing, for economic development. And yet Enterprise Ireland and IDA and you can understand why they make this decision, particularly in this region, their view was they couldn't put money into that at local level because really all they were doing was they'd do it in County A and then County B will come and they'll do it in there and they'll do it in County C and everyone will want the same thing. And all they're doing is funding each of us to compete with each other. So to me there's an element of how do we get above that? Okay, as local authorities individually we are accountable to our own councils. But I, my own view is we're very weak at regional stuff, very weak. I suppose the old regional authorities were done away with, for a good reason. Because they were incapable of making a decision, right? And they got probably regional stuff a bit of a bad name. They one thing I would have said they were good at was attracting maybe EU programs but just never got the buy-in and because of the level of political involvement as in, I don't know how many councillors from each council were sitting on them but like you had a huge amount of people sitting in a room in theory trying to make a decision. It was never going to happen. Whereas interestingly, in more recent times, in this region in particular, with the Regional Action Plan for Jobs, out of that, before anyone asks at national level the local authorities came together and we actually funded someone at director level to try and drive that process, right?

R: This is at a regional level now?

I: It has been done in this region and in my view, in my thirty years, well twenty-five years working in this region, this is the first time I have seen any progress or success working regionally. And interestingly the bit that's different is we have the private sector sitting on the steering group. It's chaired by a private sector individual that was appointed, all right, politically. Between all the local authorities we're paying for a director of service and we're paying for a second staff member to try and pull all this together. Other regions might be luckier because there may be fewer local authorities in it. We have more local councils and it's a very unusual region as regards competing because we don't have an obvious, really prominent city.

R: Is that a NUTS 3 region?

I: Yes a NUTS 3 region. So we're paying for a worker to, we can decide what they do. And the difference I'd see is the private sector involved in it, we have what they call champions under the various headings. We have a private sector chair for tourism, pharmaceuticals, branding for the region and so on. And the other difference is there's no politics.

R: Are there no political representatives on it?

I: No.

R: You've removed it, okay.

I: Yeah.

R: Consciously?

I: Very consciously from the private sectors point of view. We report into the council. Now you may... basically their view was that if they come into the room, we're gone. Because their perception is it would become a talking shop. And they didn't want to do that. So what we have now is the chief executives and the chair of the regional group meets probably every two months. We might even meet every month, looking at what are the key issues that need to be done. Every quarter, and in the meantime then the chairperson would deal with his industry champions separately. So they're all off trying to progress bits and pieces and the current EI competitive call that's out there. This time is the first time I saw the region actually working

together to get a few logical applications in. And kind of an acceptance that there are strengths in the region in certain parts of the region in certain things and that it made sense like that I mean...

R: Differentiation.

I: Yeah. For example as a result of this regional approach this county is going after an agricultural centre of excellence because a named company's global head quarters is here but that's not to say that the region are behind it.

R: You moved slightly ahead of me in terms of questions. But can I just go back to one question that you touched on was, in trying to decide the functions between EI, IDA and local authority. What the Act actually said was that the council was to take a leadership role. That's difficult to do, I suspect, from what you've described.

I: I'd say we can take a leadership role but there still is an awful dependency on the other agencies. Like no local authority in my view, maybe the Dublins but they don't even need to do it probably at a certain level because the government will do it for them. Like if you take the Brexit thing at the moment, it's the government who's trying to attract in, whether it's the medical council, or whatever it is, it's not Dublin per say. So they have the government driving whatever it is is going to come into Dublin out of that. But outside that I'm not aware of an individual local authority who really has the capacity to go out abroad and market what they do, to attract foreign direct investment. You might pick a certain sector or a certain geographic place and say right, we'll try and develop here like I know Cork will be doing it with China and they're probably ten years at it.

R: It's very very difficult.

I: So there is a reliance on what the IDA do abroad.

R: And sensibly there should be.

I: But then to me it gets a little bit fuzzy when it comes back into the country. Like we all know in theory the foreign direct investments are the ones who decide where they go on the itineraries.

R: That's what we're told. Do you believe that?

I: It's no surprise I suppose that depending on who the Minister for Finance is that that county will get far most share of their itineraries. So that's the world we operate in. And what strikes me I suppose is, if you were to do things right why wouldn't we just publish far more data and make it available. Like why do some many FOI requests have to go in from journalists or wherever else? Do you know? Enterprise Ireland, IDA, who's getting what, all the rest of it. I just think as a country we'd be better off putting it all out there and letting people see. I suppose, I would have done a project years ago and it's an interesting project because at one level we've been giving this little leadership role, right, in local authorities, and whether you take that in economic development or the LCDC. I held a simple view when I was in C&E when it was established first about the county development boards were given the job of co-ordinating what was happening in their area. I took a simple view on that, to co-ordinate what was happening you needed to know what was happening. And the best way to know what is happening is most things that happen cost money or resources, so to me the best way to try to co-ordinate it was to find out what was happening and the only way to do that was actually to know who was funding what in your area. So I did a project where we basically, over five years, tracked the money coming into [REDACTED]. Now it was around social inclusion in particular because the development boards were given a particular role on social inclusion and we actually produced a document about, fairly thick, under the, there was, I think there was, at national level they had identified something like twenty-five target groups that we were supposed to be dealing with for social inclusion and my own was that you could not break down the money under twenty-five headings because you just couldn't do it. So we actually looked at it and we came up with thirteen target groups that you were dealing with under social inclusion. That could be lone parents, it could be early school leavers, it could be travellers alright?

R: Usual remit...

I: So we actually tracked the money from the state down at local level and it was interesting exercise because what it started throwing up in [REDACTED] was there were parts of the city getting far more money then people thought they were getting. Everyone thought projects were good projects and there was no-one disputing that. And then you might say, how much would you think that project would spend? And they'd throw a figure out at you and when you gave back the answer well if I said they were spending five times that would you still think it was an awful good project? And they'd say, ah yeah, alright, I didn't know they were kind of on



that kind of money. But what it did was it actually allowed us at local level through the social inclusion committee of the CDBs to start targeting resources at areas that hadn't been and as a result, I know for a fact that there are two areas in [REDACTED] now that have improved significantly.

R: Because of that exercise?

I: Because of that exercise, because we were actually able to identify, right, what we were doing. And I was into...

R: And isn't that good government at local level?

I: Yeah but it was an awful job to do it and I'll show you the report because I actually have it here. I brought it with me.

R: Alright.

I: I still have it and I'll go back and do one again somewhere in [REDACTED] at some stage. But...

R: Ah it's not that big of a report really.

I: No but there was a lot of work in trying to put it together when you see the various strands of money coming down. And originally when we started it I had a social inclusion officer and a researcher wrote to national government department said can you give us an idea of what you're allocating to [REDACTED]. No responses, right. So we went back again and I said, well that's like someone writing into the council and asking that broad question. It goes nowhere because no-one knows the answer to it. So we actually took out the national development plan and broke down all the headings in it and wrote to the departments under the headings because I figured that someone in the department was responsible for a particular program so as a result we were able to get the money, right. But there is a simple way of doing this. I came up with a simple recommendation. They were all saying, oh we have to design systems. I said, you need no system. This is very simple. No government department allocates money without writing someone. And they tend not to allocate money unless there's been an application for something.

And if they want, what was the county development boards, or the LCDC to actually perform their role, all they have to do is copy it, on the letter of approval because it does two things. One it gives the LCDC a lot of information as to who's getting what and for what and is it a particular target group, what's the purpose of it. Is it geographical area, whatever it is. So you have that that information. And equally, it gives whoever is getting that money knowledge that someone locally actually knows I've got this. So gone are the days of being able to apply to four different places and there's nothing wrong with people applying to four different places as long as four different places don't allocate all the money to the same project and to recognise that they're claiming money from different places.

I: Interestingly, when I did that project I ended up in the Department of Finance giving a presentation to about forty very senior people and it was as a result, there was a task force at national level dealing with the CDBs and I ended up there one day giving a presentation and there was a guy from the Department of Finance at it and I focused in on a particular geographical area in Waterford and I showed that for a project that was set up by social welfare with core funding of about ninety thousand, that on an annual basis there were attracting a couple of million euro. But the project was set up, it was a community development project and the requirement from social welfare in setting up such a project was to be on the committee, to be a director of this company, you had to be a resident in the area, alright. So if you were dealing with a [REDACTED], which they weren't, which were all social housing, right, going back, built in late sixties, seventies, right? And you have community development project set up. It's actually a requirement of the initial funder that it has to be managed by the residents. And that's all grand in theory if it was only the ninety thousand. But suddenly that project grows way bigger and they're running child care and they're running social economy and they're running all kinds of things and suddenly they have a big pot of money in it and they actually have a lot of paid workers. To me it's not the board managing the workers, It's the workers managing the board and the workers are deciding what the priorities would be. That's bad governance.

R: And the politicians are becoming involved.

I: And it gets to the stage where why would a worker actually want things to improve because their job is dependent on them being the most disadvantaged area in the country. So it was a very vicious circle. But anyway on the day a guy from the Department of Finance he sat...I put up a little screen and started putting arrows in of where the money was coming from into this little project right and it was fairly interesting by the time we were finished as to how much money was going into the project and he said sure that's like, it's like as if they have a bank link card that is working in about five banks. I said no you're right, I said but don't blame them. Do not blame the community project. The system designed this. The way they're operating.

R: And they're optimising it.

I: So I said don't blame them, I said. We're the government agencies. You're the people at the top, I said. You haven't a clue as to what's happening on the ground as regards how this is joined up. It's hard enough for us to join it up on the ground. There is no way at national level that social welfare would know that the department of health were funding the same project. So I said you need to support us with the information. But it would have been a simple enough thing in my view to actually just copy the local authority.

R: Or better still, as has occurred, that that money is now routed through the LCDC.

I: Absolutely.

R: And that surely filters...

I: Now the only thing with that to me, at times I'd be happy enough, I have to say, to start with knowing, having the knowledge because sometimes at local level we can get messy enough when it comes to allocating funding as well.

R: Oh yeah.

I: And I just think if you have the knowledge, certainly my experience in [REDACTED] was, when we started putting up the picture, as to the map of the city and the disadvantaged areas and where the money was going, there was a fair silence in the room from the agencies saying Jesus, I didn't know that, I didn't know that and I didn't know...

R: But have we, in fairness now, having raised that issue, do you think that that say undue concentration to the exclusion of where other needs are has been addressed now in the changes?

I: No, no. I wouldn't see any change.

R: You wrote this report in 2002?

I: My recommendation was very simple. Copy. That still has not happened.

R: I'm sorry, forgive me. I thought from the way you said it that it had.

I: No, no, no. And more recently, I left that whole sector, I went out into environment right as a director. Left all that, came back into it when I went to [REDACTED] as chief executive because the LCDCs were being set up and I was suddenly sitting back in the middle of it. So to me we dismantled the development boards without giving them a chance to actually work. We set up LCDCs. We wrote a huge amount of legislation around the LCDCs, far too complicated in my view. When I see a piece of regulation that talks about on day a hundred and eighty-six you should do whatever in relation to a plan, like to me that is madness. Local authorities are well capable of doing plans and consulting and bringing it back out for further consultation and getting them adopted by the democratic system. We don't need someone...

R: What's wrong then, if I could ask you just to focus on it, in the two examples that you've illustrated, the LCDC being established and the initiative that you took fifteen years ago, which still hasn't been, well, adjusted or corrected, what's the core issue? What's wrong?

I: I would think at national level there would be a fear of us finding out how much money was coming into every area.

R: But why? Why would that be? That is a very serious thing because if you think of it in terms of say whatever realignment or adjustment will occur under the forthcoming National Planning Framework. The key thing is that you plan, you do your planning, you have you plan and you follow it up with resource allocation. If that doesn't follow in sequence, then national planning is going to be very difficult.

I: Yeah I would...my own view is, whose interest is served by us knowing? All that. It's probably local. But if you happen to be a local area that's doing better than everyone else.

R: You don't want it to be known.

I: You don't want it to be known.

R: So it's a political issue. In other words that this, the community mirroring or paralleling the political process and that certain maybe councillors or public representatives at TD level or ministerial level are being re-elected on the basis that they're giving out, could I use this dreadful expression, lollipops to particular communities. Could it also be inferred though that by giving this to certain communities, that you're keeping a lid on things in certain communities as well?

I: It could, but if that was the case, to me you can justify that. Like if you pick an area where the crime is high and you want to put more guards into it, to me there's a justification, do you know what I mean? That it can be done to say, well that area needs more. We'd all accept there are areas of the country that for whatever reason, but to me there has to be some bit of evidence that would justify it.

R: Also, then, by excessive intervention you can create a culture of undue dependence on the state, that they lose the capacity for innovation or entrepreneurship or getting myself up in the world.

I: Yeah, yeah.

R: Shall we move on to **question three**, right? Just in terms of your experience of the new structures and arrangements in place. Like you have, say, your LCDCs, you referred to that. Who is leading economic development here in [REDACTED]?

I: Oh I'd say the council are, yeah.

R: Okay, would you care to elaborate?

I: Well the council are here anyway. I suppose we have a LEO that does its job.

R: Could I just maybe ask you about the LEO? The LEO is enterprise development, which is different. It's entrepreneurialism so it's different from economic development.

I: But we would have now merged what was a couple of people in an economic unit with the LEO.

R: Okay.

I: So that it leaves someone coming in now, into the organisation looking to talk to someone about economic development or enterprise, they have one point of contact. And equally all their information is kept up to date and all the rest of it. Now we're not there, we have a bit to go, but like to me we have one unit now and it's fairly clear but I suppose when you ask about leading economic development the council here we have purchased what was the old [REDACTED] site. So a significant investment gone into that. We've developed the partnership with ISIF.

R: Who's ISIF?

I: The Irish Strategic Investment Fund, part of the NTMA. So the council are showing a fair leadership role here because it's a ten acre [REDACTED] site, so nice site. A lot of work to be done on it. Probably our investment in the site by the time we do the public realm area to support the other investment you're probably looking at, probably ten to fifteen million in the public realm, between servicing it and every thing else. And the way the partnership is structured is the council have put in six plots on the site into the partnership. The NTMA are matching the value of those with cash and the partnership will run for three years and we'll review it after that. If there's viable propositions coming forward, the partnership will borrow the money to do the development and be the landlord.

R: Can I ask you, in terms...the next question just there, which you might have already touched on so, if you just maybe a quick answer to it. The LCDC versus the previous development boards, the city and county development boards, how do you feel, like you alluded to say on day one hundred and eighty-six you're going to do the following, how in your...

I: Too complicated.

R:LCDC?

I: Yeah, in my view they made it too complicated, too many rules. The whole thing about the SICAP, the LEADER program. An awful lot of rules came with managing that, about who could be in the room, the minimum number, to me it's very complicated. And I'll come back to what I mentioned before the thing came on about, just if I was to look around [REDACTED] at the moment and say, right, who are the players that I really need around the table right? IDA, EI, Fáilte Ireland, OPW.

R: They're state agencies. What about the private sector?

I: Right, you'd want a few private sector but even if you stuck with the state agencies, right. Like who are, have a serious role in driving something on and particularly in [REDACTED] Fáilte Ireland would have a big role. Like they would see us as the hub [REDACTED], we're kind of their jewel in the crown. But like that doesn't mean we get any preferential treatment when we go in for a grant application. Unlike OPW who have a strategic partnership with Fáilte Ireland and the money gets taken off the top for OPW projects, right. And fair enough, to me it makes sense under Ireland's Ancient East that they're not going in having to compete with I don't know some community project somewhere but if they want [REDACTED] to be that jewel in the crown what needs to happen for that to happen? Do we get prioritised within the overall cake? How would that happen? I don't know, because suddenly...

R: Would you care to elaborate?

I: Well I suppose if you look at what they do with the OPW and they have the same relationship now with Coilte, right. They have now developed what they call a strategic relationship with both OPW and Coilte where, when Fáilte Ireland have, I don't know, two hundred million or a hundred million to invest in capital projects, out of that hundred million at the moment, I think forty million is set aside for OPW projects, right. Now they have done a strategic partnership with Coilte and the first project they're doing with Coilte is...

R: Who's the they in this case now? Fáilte Ireland?

I: Fáilte yeah. Would be Parnell's home in Rathdrum, Avondale House. Big project happening up there. But it means Coilte doesn't have to go in for that funding under the same call as the rest of us have to go in under if they work up that proposal with Fáilte Ireland, they get the funding off the top.

R: But how would you say in such a scenario...

I: If someone decides...

R: If you had the case now for a strong investment here how would you compete against Avondale?

I: That is the problem, you don't. Because they've already decided that that is a good project. Fáilte Ireland have made an assessment of that individually, right. And said that's a good project, we're going to back Coilte on it. Now some of this is obviously around Coilte having thick forests and everything else.

R: Yeah but could you say there was an enhancement project for the [REDACTED] that could take ten million, let's just say, to enhance its tourism thing because it's well established, national brand, probably a well-known international brand. Surely that would be better than starting over with Avondale house?

I: Well the only thing I'd say there is that because that's an OPW site, if they could come in. Like if the OPW worked up a proposal...

R: They'd get it.

I: They'd get it. But it's an interesting thing that at particular locations that if you take it on economic development, we can decide what we're going to prioritise at a level, right? IDA might have picked certain ports or portal areas or whatever and generally the state came in behind them with investment whether that was roads and everything else. If we decide that we have a couple of locations that for whatever reason make sense to drive a bit of tourism stuff that it would be a magnet. We all, they all want to get people out of Dublin. Is [REDACTED] the magnet to pull them down to the Southeast? And if it is, would you say, right, set aside a pot



of money. Coming back to the Cities Deal thing in Scotland, would someone says right, we're giving you ten million for the next three years, tell us what you want to do, we're not saying that you can spend it on anything, but like within tourism, come back with the four good proposals and we'll work you through them.

R: Strongly coming up from all of what you're saying is, that there's decisions being made, particularly by agencies, national agencies, that we could describe them at the centre of government, where they are making resource allocation decisions and carving up the cake first and that the local government economic development role, particularly say in relation to tourism, maybe plays second fiddle.

I: Yeah. Now there's an element as well I suppose, and I don't disagree with this, that for a long time particularly on the tourism things we funded an awful lot of things that just didn't make sense, as a country. Like we have more projects barely surviving and not meeting what they were intended to do. So I can understand Fáilte Ireland being a lot more particular.

R: More strategic. Picking winners.

I: Yeah but equally you'd wonder if someone decided right Kilkenny is in the tourism game and Waterford is in the industry game, like...

R: Yeah, your regional specialisms. We'll come to that in a few minutes. Can we kick on here? The LCDC versus the...

I: My view is that it is too complicated. Too many rules. I'm not so sure that the operation of the LEADER program by the LCDCs is going to prove to be good in the end.

R: Oh very good, go on. Would you care to elaborate?

I: [REDACTED]. But I actually think by the time they're finished with everything an awful lot of time and energy will be taken up by that. And maybe, and all we're doing really is getting bad press for the local authorities because there's a perception and I've even seen it in the Farmer's Journal, in the last month or two, where there would be a perception, fierce hard to get money now, much easier when LEADER was running this program themselves. Now

whether that's right or wrong but the local authority is being put in a space now where I'm not so sure...

R: We're a regulator rather than a developer. We're regulating the thing.

I: Yes and I just think too complicated. The other thing you have then, in relation to the PPN. I have no problem with the PPN. I would have thought the community forums served the very same thing. And the only issue I would have is in our case here, we actually have two community forums. We have a PPN, right, that serves most of things but the way the regulations, the legislation is written, it's only obliged to be used in relation to local authority structures. So the LEADER company here, who are outside of everything, we're not the LAG, the LCDC isn't the LAG, so LEADER got the job of implementing the old LEADER program. KLP got the job of implementing the LEADER program. They do not take their community reps off the PPN.

R: So you have your community forum to do that.

I: They have. Their community forum. They set up a separate community forum to do that. Now to me that makes no sense.

R: No sense?

I: Because I don't care whether it is Irish tax payers' money, or German tax payers' money, like it doesn't matter whether it's EU money or Irish money. I have a different view on life now I have to say. I don't necessarily agree that local authority has to control everything. I think if we have information, we could coordinate everything and achieve a good outcome.

R: Or enable.

I: Yeah and that's why I think coming back to the funding thing. I would never get too worried about us actually controlling the LEADER program. As long as you knew what the money was being spent on. So that you could see, and that there was some accountability in the system.

R: But isn't that what the Local Economic and Community Plan does? It was to guide. How does the LECP...

I: It was to guide but you see it's challenging. No point saying otherwise. But to me there mightn't have been any need to go there. Not particularly, because they still have to submit a proposal saying how they're complying with it and when they do their plan, it has to show.

R: And how's the governance arrangement working with the Department of Agriculture and Food and Marine? Are they linking directly with the LEADER and ignoring the LCDC?

I: Yeah. But there would be an assumption when the LEADER proposal goes in, that their proposal is compliant.

R: That there's compliance.

I: That their proposal is around whatever went into the LECP plan. But I'd actually have a completely different view. I actually don't think we need to control it. Directly. I don't necessarily...

R: Yeah because you had worked very closely with this kind of stuff in your previous life in [REDACTED]

I: Yeah. My view is information is the key.

R: Yes, but you have, going back to your 2002 report, you haven't managed to get that information.

I: That's what I'm saying. But controlling it doesn't mean you have any more information either because you're still only getting a very small piece of the pie. Like all you have at the moment is the LEADER funding. There's an awful lot more funding floating into Kilkenny from government departments. As well as LEADER.

R: Fair enough. Okay we'll move onto **question four**, right, which asks the question about the local economic and community development that you've just touched on. What's your experience of the role? Have the plans been effective, for example, in delivering new investment? This goes, touches back perhaps on the IDA, EI...

I: To me it's early days and I think they need to be given a chance. The one thing I'd hate to see happening here is what happened with the development boards. That someone in five or six years time will say this experiment isn't working, we're going to get rid of it. Instead of actually doing a proper review and seeing what can be done. I suppose the Regional Action Plan for Jobs is, as I say, the first time I've seen us working together in the region.

R: We'll come to that.

I: But when I say that, the only one's leading that at the moment, are paying for anything, are local authorities. Any initiatives...

R: Say that again slowly.

I: Any initiative under the Regional Action Plan for Jobs in our region is being funded by the local authorities at the moment. So like we're paying for a worker, we're paying for two workers, we're paying for a branding exercise, like IDA and EI couldn't find money to put into the region, okay?

R: Couldn't find money?

I: Yeah, to do any of that. So the local authorities...

R: What does that tell you? What is your view of that?

I: Well to be fair to the chairperson now, he's getting kind of cross with it because he's kind of going back...like equally now we would have, the local authorities have funded a greenway's, a regional greenway's office, Blueways Office, with a view to doing a regional, a strategy for

the region because we're one of the regions where we can actually make a fair difference at national level, because we have the potential to develop a greenway coming in through [REDACTED] that will link to Dublin. So for the first time the country might actually have a greenway. There's some potential there. But we decided we'd actually go at that from a tourism point of view and put a strategy together and we've established a greenways office but the only one funding that are the local authorities.

R: Can I just ask you that now because that's the next sub-question there, in terms of the engagement with IDA, EI, Fáilte Ireland and so on, how, like it seems to suggest to me that fine they'll talk with you but when it comes to putting their money where their mouth is perhaps they're not so...

I: Yeah and I suppose it comes back to the thing, what is their job? Like if they do that here in the this region, are they going to be asked to do the same in the other eight regions? Because these are other regions...

R: Well certainly.

I: So, that's why there'd be reluctance to do it and yet at another level to me, if someone stood back and said, under every metric you could find, this region is under-performing any other region. Even the Midlands at this stage, right? Higher unemployment than the Midlands at the moment.

R: Really?

I: Yeah, yeah. So at a level people can...

R: Serious challenges there now.

I: ...say, this region is under-performing but surely that's a justification for saying at national level right, we have to do another little bit here. So that is the one region that we're going to put a person in here to co-ordinate with the local authorities and do a bit of work. And we're going to tell the other seven regions, no we're not doing it for ye. Because here is the worst

region, and if, by some fluke, in five years time, they're no longer the worst region, we'll review it.

R: And we'll go elsewhere. But can I ask you though, if the data, you've mentioned earlier about information, another one is data, or you know sort of managed information, if the data that's coming out on the this region indicates that it is, you know, falling behind, then surely the people in IDA, EI, Fáilte Ireland etc. that you're meeting, feel duty bound in terms of any concept of the regional development.

I: Listen they don't feel...it's interesting now if you look up [REDACTED]. If you google that right, a report will come up. WIT in the last two years have started bringing out a [REDACTED], right, which is basically saying we're missing x amount of foreign direct investment jobs, like what they're doing is to say, population of the [REDACTED] is whatever, we have, I don't know, whatever percentage of national population, so based on that we should have...

R: Be getting the following, a proportional...

I: Eight per cent of FDI jobs. So we've a gap of, I don't know how many, right, a huge gap. Same with third level education, right. But I could tell you the reaction when that report comes out is phenomenal like, from IDA and EI, do not want it coming out. It's doing damage to what we're trying to do. And it might be a little...

R: It's doing damage to them?

I: Well I suppose they're saying, we're trying to say the [REDACTED] is a great place to do business. So here's this report that's coming out...

R: There's mixed messages.

I: So, and to me it's a little bit about, the facts don't lie.

R: Is that just spinning it though?

I: Well it could be that those who are bringing it out, probably spin it a bit in order to get attention, which is the bit that the IDA don't like. So if there was a way of just bringing it out and saying okay lads, here are the facts now, there is this gap here. How are we going to address it?

R: Limerick, by the way, in my thesis I analysed the allocation of foreign direct investment across the country, just because economic development is the key thing. And certainly Limerick City suffered huge and it has been rectifying in terms of the job announcements.

I: Still more have to come.

R: Yes but there's announcements coming which would support your earlier assertion that it's politically led. That then suggests that this region of Ireland is weak politically at a national level.

I: It is. But if you think about it now, until the last shake up when Varadkar got in, up until then we had two junior ministers in the whole of the region.

R: Yeah, shockingly low.

I: So unless you're going to trade soldiers...

R: No good.

I: [REDACTED]

R: But can I ask you though, why is like you're giving life to the belief or your own belief that the allocation of investment for both maybe Enterprise Ireland and IDA, key components of economic development, are subject to political influence and government influence really,

which you know is not a bad thing perhaps because the government can work, you know. But you're saying that consistently that this area according to [REDACTED] is under performing. Why then aren't you seeing that political response? Is it that the politicals at a national level, think local? So that Michael Noonan perhaps, looks after Limerick.

I: Oh I'd say, to me like the general perception would be unless you have a senior minister you're wasting your time. Unless they're in there at that table able to be involved in making the decisions, you're wasting your time. This region is unusual, that's the bit that most people don't get, I suppose. Compared to Limerick, there's no-one arguing but that Limerick is the city in the Midwest. There is no-one arguing that Galway is the city of the West.

I: Because there's not another big town between Limerick and Sligo, right? You have Castlebar and a few of those. Mayo is doing nicely for the towns it has but there's no competing with Galway and people in Mayo have no problem with driving as far as Galway for work or going to college in Galway, right? This is an unusual region. And if it doesn't stop internally eating each other up, we're never going to go anywhere. For various reasons Galway flew up to eighty thousand or whatever it is now. [REDACTED]

I: [REDACTED]

[REDACTED] I say will you stop. I have no interest. We're not competing with ye. Like I said no more if I was there now I said I'd do the road up the way.

R: But can I ask you then, can I ask you, to move to this more economic developmental role, And is there, say, you've mentioned already say that there's the group of chief executives meet and you have recruited staff for the region Action Plan for Jobs, would political forces be an impediment to further integration? Should, for example, the vexed issue, of boundary changes

I: Right, my own view is actually it shouldn't matter, what county that is in. Because the argument should be a bit bigger than that. It should be around what the city region needs to do.



R: As a metropolitan region. This is what the NPF...

I: But it doesn't need to actually control it.

R: Can I just ask you on that now because we're touching on, which obviously is very topical here given the Mackinnon report in Cork, where Cork is getting its large boundary extension and the NPF is going to effect it. Are local authorities of certain sizes just too small in terms of their resources, human resources, maybe their skill sets and so on to take up the kind of challenge, the complex challenges you are talking about. Reporting to a multitude of government departments, reporting working with and enabling a load of agencies. For example, would it make sense for [REDACTED] local authorities to come together? The unit stays the same. [REDACTED] County isn't altered. [REDACTED] County isn't altered but you have one budget, one regional chief executive to drive the entire region.

I: No. I wouldn't, right? But what I would do is I would set up a very good regional office. I think, if local authority is to mean anything, it's local. And to me that's what...

R: You're a traditionalist so in that sense.

I: I am, yeah. But I equally believe that there are ways, there are things we could do much better.

R: Strategic issues should be at a regional level.

I: Yeah, strategic issues, big issues should be at a regional level. But that can be done by the local authorities agreeing to resource a regional office. Keep the politics out of it a little bit, if that's possible, right. But like if the local authorities in the region decided, we'll fund two staff each to go into a regional office and here's what we want them to do. Here's ten issues, whether it is a bit on attracting the EU funding that we're all, in my words, flustering around with, right. We haven't the resources, we haven't the expertise, we haven't anything to go at it. The likes of the regional greenway as a strategic piece of infrastructure, let's drive it regionally. It impacts on all of them. So let's pick a few strategic issues, whether it is the port. What annoys me a little bit, and we'll try address it, when IDA bring in a foreign direct investment company

to the [REDACTED] region and they might be looking at the south of the county, right? And they might be looking at the south of the county only because the port is there. They might actually be looking at [REDACTED], they might be looking at [REDACTED]. And really it doesn't matter to me where they're looking because if it's all within forty, fifty minutes we're all going to benefit out of it, right, in some way. People might work in [REDACTED], they might live in [REDACTED]. They might live here, work here, live wherever. But it tends to be, to me, forty, forty-five minutes of a commute is nothing anymore, for most people to do on a daily basis.

R: No, no. It's not.

I: But instead of the three chief executives meeting that company together and saying right, here's what the region has to offer or, and I've proposed this and I don't mind how we would do it, that one chief executive, that we rotate who'd be meeting them, depending on what the industry is, and we sell the region as one. I don't see any reason why we wouldn't be capable of that.

R: Okay.

I: But I still think local means local. Like I could not see, when I look at some of the stuff that we're trying to do at the moment and particularly the LCDC stuff. Like I, after you leave here, I've two councillors coming into me to talk to me about [REDACTED]. They want the council to buy seven acres of land, right. And they're right, for the community. It's community zoned. No facilities over there. Kind of forgotten about because it was bypassed when the motorway, the Dublin-Cork motorway got done, right. Needs a bit of tender loving care. I have [REDACTED] on the other side being flooded by two rivers when it floods, right? Like I don't know what you do with it. You'd want a small army to go over and solve what's happening in it right? I have [REDACTED], which takes a nice bit of energy, which means that the towns around...I just think that if it went regional, I cannot see how those towns would get any amount of attention. Now you could say, with Limerick City and everything else...

R: And yet to go back to your earlier argument in relation to Fáilte Ireland and the need to pick winners. So to do that politically...

I: Yeah, no. You can pick winners on the big stuff but that doesn't mean to me that you can abandon...every town, to me and every village has a function and it's trying to work with them to get that function going.

R: We better move on here. We're on **question five**. Have the reforms been effective?

I: And we talking specifically here about LCDCs, LEOs, economic?

R: Yes. We're just in the narrow sphere of the economic development side.

I: I'd say, now an interesting bit and it has nothing to do with the reform bit. The Regional Action Plan for Jobs to me has potential, but that's not written into any piece of legislation.

R: No, it's not.

I: So maybe it's coming out of the fact that the local authorities are showing leadership. Do I really believe that that Act meant anything to anyone? No. Good local authorities would do what they're doing now anyway regardless of...

R: Some people have already said that. Which is going back to the Development Corporation Act of 1963. You don't need legislation, basically.

I: No, no. To tell you the truth of what I think.

R: The energy is either in the local authority or it's not.

I: Or it's not. The only thing it might have done was, but it hasn't really solved this issue of where the IDA and EI are. So it gave us the leadership but it didn't tell them.

R: What...yeah. Can I just ask you would you think that the merger of local authorities into a single unit has unleashed an energy ?

I: It has focused resources, alright, and I suppose if I was being perfectly honest what it has done was because someone at national level wanted that to happen, there was a pay back in relation to a couple of things. So money has been put into projects to...

R: To make them work. To deliver, to make sure that it is a success.

I: Well to make sure that it's not a failure.

I: I'll just say, we think we want the public sector to be like the private sector, right, but if we got efficient people would realise that's not what we want, right, and I mean that right? Like if we were awful efficient, you wouldn't spend half the time doing what you do. So we get awful efficient and we do everything online and we see no-one.

I: Right, so to me we need to be careful what we look for because sometimes we think we want to be efficient and my own view is when we get efficient like if you take closing Post Offices and everything, supposed to be inefficient. When we get there we don't want it. Like if we were awful efficient would you close a few libraries? Maybe you would, you know. Close fire stations, maybe you would.

R: Yeah. Is that what it's about?

I: Is that what it's about, really, I don't know, right. My own view is sometimes we look for things but we'd want to be careful. With the mergers what interested me [REDACTED] was, everyone was talking about oh if the private sector were doing this like, they wouldn't have, this would be one. I said, oh it would yeah but if the private sector were doing it they'd have one headquarters.

R: Yes.

I: So what you have now in [REDACTED] is you have the same management team, right [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

R: In Dublin.

I: Right, [REDACTED], his office is at the front of the building, right, and they don't see the lights on. So the manager is never there, right, because they only see the lights on a couple of days a week. The lads then who are in [REDACTED] are looking at his office from their roadside and they're saying he's never in the office, right. And I said but how did anyone think he was going to be in both offices, when they have two offices. And I just don't think politically anyone was prepared to make the real hard decision, which was close [REDACTED] run it as an urban and let the city...now you're not as bad, because at least they're in the one place.

R: The adjacency, yeah.

I: Like Tipperary must be madness.

R: Very difficult.

I: So to me we think we want to be efficient and we set out to do what the private sector would do but then we haven't the guts to make the decisions that that private sector would make.

R: Okay, **question six**. This is just, do you think the reforms have given local authorities greater powers to promote economic development. Now, you've already alluded to the need for clarification of precisely whose role it is and you also said that if a local authority was interested in economic development it was doing it anyway.

I: Yeah it was going to do it anyway.

R: Are you able to just, could I just ask you one, maybe tweak on that question which is, your ability to influence, have you as a chief executive felt that you have greater influence? Now I think you may have answered it...

I: Greater, I'd say, no. But when I say that I don't see any greater influence as the result of the legislation. But I do think we have huge power to influence.

R: Yes.

I: But nothing to do with the legislation.

R: Elaborate.

I: Like to me I would have the same meetings. I never...you're putting that piece of legislation there in front of me. I haven't read that piece of legislation. I could tell you, I haven't read legislation since a grade four interview back in nineteen ninety something. Because my own view is I have a moral compass that will tell me what's right and wrong. And unless the legislation actually stops me from doing something, I really don't need to know it. So I very seldom look at legislation.

R: Right.

I: Because I do what I think is right for the people of this area. And I'd fall out with the Department at times over what's right for the people here.

R: Well that's a healthy tension in the system.

I: It is yeah, because to me I'm paid by these people. My first duty is to these people, regardless of what the system might want me to do.

R: Well this might neatly answer **question seven** then, which is you always felt that you had a degree of autonomy.

I: Yeah, yeah, I would yeah. And I'd say to the staff here now, maybe I've had a privileged time working, a career in local government, but I have never been stopped doing anything that I wanted to do by anyone in the system. Money might stop it but generally speaking...

R: But you'll get around that.

I: If you can find the pot of money and you argue and you fight and you go back to Fáilte Ireland and you put the package together. It takes time and energy, but I've never actually been stopped.

R: Okay a nice question for you now to follow that, would you think that your view, in relation to discretion and autonomy and that idea that you have in terms of US chief executive and local authority, would that be shared across by other chief executives in your experience?

I: I'd say it depends on the style of chief executive. Some people might like the piece of paper that says this is what you have to do. I don't, I prefer no piece of paper.

R: Okay, you're still ducking my question. Are you in a minority or are you in a majority?

I: I'd say I'm in the majority.

R: Would you?

I: Yeah, I would in the current batch of chief executives. I would think there is a reasonable number of chief executives who would just say let's...

R: Take risks. Risk takers. They're risk takers.

I: Well within reason. Calculated risks. I mean you're not going to go out there and resources aren't there to allow you to...

R: Go mad.

I: Go mad, but equally I think we're about trying to make things happen and to make the right things happen. Now, that doesn't mean that we always get everything right but I think there's an acceptance of, we'd be trying to do the right things. Like I look at [REDACTED], doing very different things than his predecessor would have done.

R: Oh yeah.

I: And that's not to say either is right or wrong. But he has taken a certain view.

R: Yeah, different style.

I: He's got the councillors to put up the property tax to pay rent on buildings, to guarantee rent on buildings, so the private sector will develop them in five towns, right. That's different.

R: Progressive, yeah.

I: No piece of legislation says you can or you can't do it. But he was prepared to do it when others might be saying I'm not doing that.

R: Yes.

I: Like, do you know what I mean, like, why would we pay rent on something? [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

R: [REDACTED]?



I: Yeah, so certainly doing work there. Carry on.

R: Yeah, yeah. Okay. So that's question seven. Can I just ask you in terms of, you've taken a very, fairly expansionary role judging the risks and so on. What about say the resources that are available to you to deliver on that? Your, take the role as the chief executive, but say within your own, have you found say coming out of the years of austerity, that the local government system has suffered more than its fair share?

I: I would think so, yeah. I think we've seen serious enough cutbacks and serious lack of investment, even something as simple here in this organisation, I would safely say there's been no investment in IT or phones in over ten years, right. So that means your capacity to deliver the kind of customer service you'd want to deliver, to front load the stuff, to push stuff out there, so we're playing catch up. It wouldn't have happened probably if the recession hadn't happened and it just means we've done a work force plan, we're restructuring. I'd far prefer to be a much more out facing organisation. It's just going to take us time to get there. Like even our interaction with social media, the digital stuff, we're just...

R: Behind the curve?

I: Yeah. A long way behind the curve, and it will take us a long time, like we're never as local authorities going to be completely at the cutting edge but you'd like to be up there delivering services in a way that the community wanted them delivered. And that I suppose we had the capacities. The one bit that I feel we're not good at here, and it's about capacity, is just being out there proactive in communities, that rather than when the Town and Village Scheme comes out, that we're wondering what we'll put in. That you actually have, what I'd call a small plan, for every town and village, so that you'd have a rough idea of what the first three projects are, so there's no big, okay you're going to consult, but you have a fair idea where this is heading, here's what we can do out of this bit of money, you know, but we're a bit away from there at the moment.

R: Because the data that I've gotten now clearly shows that apart from the army, local government suffered the greatest reductions in staff during the austerity, which is difficult to understand because we're key deliverers in the system. We deliver the infrastructure, we maintain it. We run it. We fund a whole load of services that the recession stopped us doing, as a local authority. Back a few years ago we were very good at national level when we put the PMO together first, at pulling together good stats at national level. My view is we've kind of

fallen out of that again. Like when the PMO was set up first, it was very good at producing the document every couple of months, saying what the savings were. There's the next three projects that the sector are going to do. I'm not seeing as much of that now. And at that time, it was around showing the savings. To me now maybe it should be around showing the positive stuff we could do.

R: That brings me neatly to the next question, which is **question eight**.

I: Collaboration.

R: About working in collaboration, because one thing that came out of the recession was the shared services. Where local authorities, as you say, were able to clearly demonstrate savings. If you can have a single payroll system and all the other shared services that we have. And to go back to the earlier question, isn't it time really for local authorities to get meaningful about the local sector and have an honest discussion amongst ourselves about what our vision for local government is for the future. But what about local government itself forming a view of where we should be going?

I: Oh yeah. I just think we're poor at it. Poor. We've, like if you take even at national level at the moment at a time when IT is where the game is at, we've nearly disbanded the central support.

R: Have we? I'm not involved in it. I don't hear anything about that now.

I: Local government management computer services support is as good as gone. Like we're getting out of the forest or whatever it is. There's nearly no coordination at national level in relation to the IT stuff now. And you'd say, this is the time when we probably should be looking to do it. Particularly when you look at all the data protection stuff. Like we're all off going to struggle now about how we comply with whatever the new data protection stuff is, whatever it is. We tend to do it individually. Like even something as simple as that choice based letting. Like we're all off figuring out how we're going to do it, instead of, as someone said, if housing is the crisis at the moment, like when water was being set up, when Irish Water was being set up, at least the Department had the good sense to say, right let's pull a team together at central level, the WSTO Office, right, that we'll coordinate across the thirty-one local authorities and it'll move this on and I'd be fairly sure without the WSTO Office, Irish Water would have had a much bigger problem.

R: Oh it would have, yeah.

I: Because they would have had to knock on thirty-one doors and they would have had the same questions asked of them, but at least my having one office. But as someone said it's...

R: WSTO is the Water Services Transition Office.

I: If housing is the crisis, why hasn't local government got some central support to roll it out. Like whether that is the vacant houses that we're all going to look at vacant houses.

R: Tom Gilligan is off doing it above in Mayo isn't he?

I: Yeah and there may be data protection issues around that if you log in and give my details and who has them and, forget that bit. But it's more just around the coordination bit. Like rather than us all going off separately reinventing the wheel and doing bits and pieces and if there's learning about CPOs or if there's learning...and even what's interesting for me even is if you go back to what we've done here on the [REDACTED]. We're the first local authority to deal with [REDACTED] on that, right. [REDACTED] are trying to deal with other local authorities and you'd wonder is there any, like [REDACTED] has a different arrangement now with the Saudis, [REDACTED] has a different arrangement with how he's getting the developers to do it. We've never actually come together and said, would we all share and...

R: Sorry now, can I hop a ball at you, chief executive? Isn't that what CCMA should be doing?

I: Should be about, yeah, but there's an element of, well [REDACTED] mightn't want us to know exactly...

R: Ah stop!

I: No, but there is! But I've said it, that I'm quite willing, believe it or not, because I ended up down in Kerry giving a talk to the lads in Kerry, we were down about learning about energy,

and when Moira heard I was coming down and she knew that we were knocking about she said, will you meet our staff involved, she said, they have a Denny's site. Just explain what you're after doing so we can decide do we want to go there. But you'd say if someone at national level said like, for the first time ever, we'd a conference issue on tourism, right. Now it was the minister who kind of drove it. It was around best practice and tourism from the local authorities. But you'd say, even if we picked every quarter and said right, let's give a day, as a sector to whatever the theme is. Like it could be housing.

R: What you're talking, what you're coming at really is that local government needs more coordination at a national level or...

I: It does, yeah.

R: ...a shared policy response in learning.

I: And it's not the Department.

R: No, not at all, no.

I: Because it's the local authorities who need to come up with the solutions as opposed to the Department telling us what the solutions are. But anyway, keep going.

R: No, it's very interesting issues that are being brought up because in fairness to most chief executives, while they will act locally, they do think in terms of that bigger picture stuff.

I: All I'd say to you is, I would work reasonably hard now by any standards. The time and energy to try and do something nationally... Well, and to manage what you're doing locally is...

R: But surely then is, like you mentioned say that if the local authorities here came together and funded somebody, surely to goodness there is room for a local government whatever, agency. A stronger LGMA.

I: To me we probably have it, but we haven't prioritised what we want them to do.

R: Fair enough.

I: Like if you take it, I don't know how many staff are in the LGMA.

R: Neither do I. Ten or fifteen. Twenty?

I: But someone needs to decide what is the priority.

R: And who's the boss of that? Chief executive?

R: Anyway we'll move on to **question nine**. In terms of, and you're taking a very different line in terms of your view because I suppose you have so many years under the belt working in the system, in terms of, have the reforms been good for economic development? That's one of the acid tests for this question.

I: Have they been good. I'd say...irrelevant would be my view now. I would still be doing the same as what I'm doing today regardless of a piece of legislation.

R: Now that raises very interesting questions in terms of our mother ship, the Department of the Environment and the role of central government. That you see that really as an enabler, knowing where the pots of money are that you need to access. And that if you're responsive and progressive, in a particular local authority, then you should have success. And the different styles, as you alluded to, of the different chief executives. I think that's the answer to that question.

I: Yeah.

R: **Question 10** Okay the future, if you have a blank piece of paper, if we had a board with a piece of chalk, what do you think could be done? Are there suggestions that you wish to make about the reform? Because where I'm coming from is, is the Action Program from Effective Local Government, where the Minister for Local Government wanted to put local government at the centre of delivery of public services in their locality, which is a very, you know, that's a very high fence for local government to jump, given where you come from. Coming back to the practical things, poor phone systems, poor IT systems, lack of social media, where so many people now going about just want to be able to use their computer, like you know that's a serious gauntlet thrown down by that Minister. Very visionary now in terms of what he wanted to achieve and like say you're one of the, how many chief executives are left now at this stage, thirty is it?

I: Thirty-one.

R: Thirty-one. So you're one of the thirty-one most powerful people in relation to that vision.

I: What about the future is what you're asking me?

R: Yes.

I: I think it's good. I think if we, we have in my view probably three to four more years of hardship at local authority level. I think what people mightn't realise things are picking up and picking up at national level. At local authority level, our resources are no better than they were. In fact if anything we were going have in my view two to three years of serious tough budgets, because there'll be no appetite for putting up property tax, no appetite for putting up...

R: ARV.

I: Yeah, so we're going to have roughly same income, bar maybe Dublin where there's big growth, the rest of us will get a little bit. You're there, one job will leave another one will come in, on the scale of things it's not going to make huge difference, as regards your income. So we have a huge problem with the public expectation that things are better and our expectation to match that and I think we do have to get far cleverer. Like if in this organisation here, we could invest in the IT and the phones and actually free up a few people, so that you no longer have ten people working in motor tax answering phone calls because more people will do it on-line,

much simpler. The queries that are coming in on-line and stuff like that so you free up a bit of resources to do a few other things. Like I'll give you a simple one. Minister at the moment is talking about the vacant houses and what kind of resources we need right. I said lads when you're doing that submission just put in one thing for me, if you did the deduction at source for the rents we could all probably free up two staff. Straight forward, one piece of legislation, end of story, right. So I just think we need to be supported at national level with a few changes in legislation. Like it was interesting when they started reviewing local authorities under-performance in the collection of rates at national level, right, and a committee was set up, heads of finance and the Department of Finance and whatever, it's tax and all the rest of it. And it wasn't until the lads actually sat down at national level like I'm talking about the Department of Finance and the tax office and realised, Jesus the local authorities couldn't perform the same as the tax office because we haven't got anything like the powers.

R: That's right.

I: So suddenly they realised with a bit of a change in legislation they might actually help us. And it's the same with this, like why should one half of the state spend time paying out money and we spend two or three people chasing it on the other side. And I just think as a country we need to decide, let's get clever here, like let's do the deductions at source, let's save that much hassle and it might give us the resources to do a few other things. And I'd be the same here with if we can get the IT bit working and instead of answering phone calls if we were pushing it...like you're much better at it now Kieran in Limerick, or is that just the perception now do you mind me asking?

R: No, there is a customer relations management system.

I: And is it working like?

R: It is, in terms of the quantitative side. Now we're moving now onto the qualitative side. So, one last question, any other observations that you would like to make?

I: If I had a concern about where we're going, I think we're going to bury ourselves in reports and data.

R: Which is very much like the English system of local government.

I: I think we need to figure out ways of collecting data and not be collecting it ten times. And using it better. I just think there's a huge amount of data. I'll give you an interesting one right, a very simple one. Tourism, right. Festivals here, and Fáilte Ireland was telling the lads, ye need to do a survey of who's here. You need to prove that they're international and everything else, right? We've engaged with the Bank of Ireland, AIB, about data. I could tell you AIB and Vodafone, or any of the phone companies could give you more information from their systems than any survey will ever carry out. Because AIB could tell me, if I picked any hotel, on any night. You wouldn't want to know who's staying in it, but they can tell me, male, female, age, what they spent in the hotel, where they went in the town and what they spent. Vodafone could tell you the dwell time in a place. So if Fáilte Ireland are worried about people are only going to [REDACTED] for two hours, the phone records will probably give them that overnight. So instead of worrying about us paying a fortune to get surveys done, let's get a bit cleverer around accessing the information that's available now. And I don't know what way you could limit, the country owns the banks at this stage. Why couldn't the government just say, right, you're going to make this available.

R: Okay, any last comments.

I: No.

R: Sin a bhfuil na cúrsaí spóirt.



Date: 03.10.2017

Researcher (R): Kieran Lehane

Interviewee (I): Chief Executive L4

R: **The first question.** Can I just ask you coming from your perspective, did you or your organisation have any involvement leading to the reform process in 2014, the Local Government Reform Act? Did you or CCMA or the local authority you are in have any role?

I: Certainly the local authority I was in at the time didn't.

R: Okay.

I: Neither did I directly. I think perhaps probably through the CCMA there might have been papers done though I'm not certain. I'm not certain now to be honest with you but there probably was through the CCMA all right I'd imagine but directly none whatsoever.

R: Would you care to comment on that, the fact that this was a key piece of legislation that was coming and that like you as a, you were [REDACTED], which is you know one of the more senior positions in local government in the country. That you know, key bit of reform coming and whether you would have ambitions maybe in the future to influence reform?

I: Well it, I suppose, there are risks right around the chief executive in his own right sitting in the seat with his own council right inputting directly himself into paper, or doing a paper individually right into legislation I think right. I think I think if you're if as a chief executive you can do one or two things. First of all do something by having taken your council's view because your council is a policy maker at the end of the day right. Or secondly do it through your organised structures like the CCMA. And at the time as I say I expect the CCMA probably did do some paper on it but I don't, but even if they did I'm not aware that there were any particular significant levels of engagement with different parts of the government we'll say or different departments because in some ways this piece of legislation impacted not just on the Department of Local Government etc., it impacted on Enterprise Ireland, it impacted on IDA, it impacted on Fáilte Ireland, Tourism Ireland, every organisation really. And there, it probably

the more I think about it in terms of that type of a legislation which was very enabling, you know when it was, when it went through the Dáil I suppose maybe looking back on it, we all struggled with it for some time as chief executives and I think as councillors and had to find our way through what the opportunities were. Whereas in advance if there was a higher level of engagement and a higher level of kind of saying okay how would we want this to manifest itself once we adopt this legislation, how's it going to manifest itself in terms of the relationships between local government and the Department of Enterprise and the Department of Tourism and the various stakeholders they have we probably would have had a much more approved framework within which to work the minute the legislation was adopted. And one of the failings then that perhaps has arisen is that we, while the local government sector has grappled with it and has done a hell of a lot with it I think and has recognised a lot with it, we're now three years down the road and it's only now we're I'd say within the past year to eighteen months that we're really kind of coming out the other side and there still are challenges around that like. If for arguments sake, like take for example we, we're currently here now between [REDACTED] just about to sign off which probably Limerick has done and other organisations have done as well sign off on an overriding [REDACTED] etc. right and all that right and we're now looking at our economic marketing strategy for the [REDACTED] [REDACTED] and that, which would be [REDACTED] plus all our own local stakeholders around the place, local stakeholders around the place is the idea obviously. But one of the things that has never been teased out in terms of we'll say the real piece of meat inside in that legislation, the economic piece is what's the relationship between ourselves and the IDA because we're continuously pushing that boundary and it was only last week I indicated to the IDA rep at the time, I said look, we really need to start thinking about the concept of an MOU here between ourselves and ye on some aspects of your business and our business. And none of that was ever fleshed out before the legislation. Now maybe, maybe if you got into that before the legislation you might never get the legislation through. So maybe, you know, policy shouldn't, I suppose policy legislation provides the policy framework shouldn't necessarily provide the detail of the implementation so perhaps too much engagement mightn't be a good thing you know. But certainly there is, there is an on-going, because we're stretching the boundaries and naturally we will stretch the boundaries and the bigger authorities will, like we have found ourselves that there have been real tensions at times. Certainly we've had significant tensions with Bord Bia around work we were doing with [REDACTED] kind of a strategy right and whereby we began and we're now actively involved in taking a lot of our smaller companies abroad to various food events etc. But that was challenged significantly before we even got there and we were told like that's not your space etc. Now we've got there, we've got there and now there was, I think there was a significant confidence building needed. We needed almost, they needed to be satisfied that we could live up to their mark, we'll say right, in the same way as the IDA now knowing the, admittedly with the IDA we don't want to be replacing the IDA in terms of economic marketing but I think there's an phenomenal opportunity for the like, the IDA has only thirty-five, I think, international staff as far as I know right. They've only, like you go to America, I've met some of them, I've met the IDA staff in Atlanta, in Chicago and in Boston. There's one guy in Boston. The idea of one person in Boston covering bio-sciences right and pharma-sciences and all that area and this region has [REDACTED].

Because of that now we're actually, we've gone out there on a number of occasions right and we've stretched the boundaries with the IDA to the extent now I think that they know what's going, they're probably doing, we're about to sign up to an accelerator program now with a non-profit organisation over in Massachusetts right which will actually run an accelerated program supported by Enterprise Ireland interestingly, the IDA are aware of it going on, where over the next eighteen months we will have experts from the health and life sciences sector in Massachusetts coming over here, running boot-camps, selecting companies to be taken over there for a number of months etc. It's really, it's fantastic. Now it's costing us a good bit of money but I suppose where I'm getting the point to be made on that is that if you look at the capacity of the thirty-one local authorities or whatever number of them there are and the number of people that are being involved in economic development, they should all be recognised as almost an extension of the work of the IDA and Enterprise Ireland and Bord Bia and there's no reason why that in Massachusetts or in Atlanta or whatever that the IDA staff there or Enterprise Ireland staff there can't see us as being part of their tool kit. That's the problem, we're not seen as part of their tool kit. And we're actually doing a lot of stuff.

R: Now you've thrown up an awful lot of thoughts there.

I: They're only my thoughts right. I haven't developed them out you know and there is a lot of stuff in that okay maybe but...

R: You alluded to, the earlier comment you said that local government generally the system struggled with the legislation. Okay, so any new legislation I suppose represents change and it's a shame to hear but it's not, you're not the only one by the way to say that. And it was very interesting the example you gave with An Bord Bia because as you I suppose maybe try to clarify the role, like you wanted to support your particular producers...

I: Absolutely.

R: Yeah, you saw that as a key thing for [REDACTED], but just move on to **question two** because and I've, this is kind of the structure but the 2014 act provides for greater local authority involvement, increased local authority involvement, you've alluded to that very clearly in relation to economic development and the community side. I'm not touching on the community side in this interview because it's a whole different ball game. But do you think, has local government got an enhanced and clearer role in economic development. Just to touch on those points. Would you care to elaborate on it?

I: It's certainly, for the first point in terms of enhanced, it most certainly has. There's no doubt about that and I think we know we have a significantly enhanced space that we're operating in. I mean even if you took I suppose to look at where we would have been three years ago in terms of the number of staff we have in economic development compared to what it is now I'd say we're at double the numbers now and that would be excluding the Local Enterprise Offices entirely. So we certainly would across our food side of the stuff, across tourism in particular and across just economic development generally right, that area we would have at least doubled the number of staff inside it.

R: What would that, in terms of absolute numbers roughly, what would that be?

I: Oh God, I don't know but if you took it at the high level I suppose we've a specific director for economic development and tourism okay, now Leader comes in as well so I know the community piece isn't but actually the leader has an economic development piece there as well. We have, we have one, two, I have four at SEO level.

R: In the scale of other divisions within the council you've put resources into that.

I: Absolutely, I have. We have one SEO specifically heading up all our tourism operations and another heading up, another SEO heading up our, what I call our economic infrastructure side of things right. We'd have units, lands and all that type of stuff and that. We've another then who would be, now European projects comes within his remit as well, which has an economic twist to it but, and we have, what's the fourth, well the fourth actually, would actually be somebody who's shared between city and county on the Action Plan for Jobs.

R: But it's quite clear now that you as chief executive here, you have enhanced it by putting the resources into it. You did.

I: No doubt about it. Absolutely.

R: And I presume you got political support for that?

I: Yes, big time. And one of like, we had, and so there's a range of staff under that as well right. Obviously, right and quite significant I would say, I would say there's probably...

R: Maybe twenty?

I: There probably is I would say and even add with two LEOs we're talking about another ten or fifteen on top of that again you know so there's a lot there.

R: Yes. Can I ask you though to go back to the first bit, the clearer role, you were trying to define what the role that [REDACTED] Council has in relation say to IDA or Bord Bia, Fáilte Ireland?

I: I think the role is unclear.

R: Okay, would you care to elaborate though on say because you're a pathfinder local authority now putting a lot of resources into it. Limerick is doing the same, other places maybe less so. So you're ploughing the furrow there.

I: Yeah, I suppose if you take maybe a couple of different areas now, take the small enterprise role right, going back to my comments about Bord Bia, going back to my comments about this accelerator program that we're putting our feet into now we'll say. Enterprise Ireland I suppose is seen as being the company that is to support the growth of those companies beyond ten or whatever right. Now, how will I put it, I suppose what I'm challenged by inside here is, in some ways with Enterprise Ireland is, if I gave you the example of that accelerator program we got involved in now right, we said, okay we want to go out and we said we need to change from this whole concept of just visiting places and marketing places. We need to get something concrete that we can build from and look at the opportunities so we went to Boston, went there a second time and a third time and through our connections, through a whole range of different organisations we eventually eked out the Mass challenge, if you google the Mass Challenge Program right and they offer...

R: Mass as in Massachusetts?

I: Mass as in yeah. They operate in Switzerland, in Egypt, in Brazil etc., and they run as I say a tailored program of coming into your area, getting a very deep understanding of the particular area you want them to focus on, we were particularly focusing now on the life sciences and

health innovation, they would bring their experts in. They will look at the, they'll ultimately then run a program right which is geared at selecting up to twenty companies from them they would eke out to do a bit of further work on what ones of those would be most capable into introducing into the Massachusetts

R: And are you doing this program for [REDACTED]?

I: I'm just about to sign the contract for it this evening or tomorrow now I'd say.

R: And Mass challenge is a company is it in the United States?

I: It's a not for profit company.

R: In the United States?

I: In the states. Based in Boston.

R: And it does, what does it, does it assess weaknesses, opportunities thing for economic development?

I: Oh they'll do that. But they'll actually, they're like, we're like this is costing us a quarter of a million over two years. One hundred and twenty five thousand a year, but we'll, there's two things we'll get out of it. One we'll get a very very deep understanding of that life sciences part area inside in here right and that but we'll also as an organisation be doing something that Enterprise Ireland aren't doing in this space in [REDACTED]

R: This is EI rather than IDA now.

I: Yes because what we're at here is companies, we're looking at companies who might be capable of growing from an export point of view, right. But interestingly [REDACTED] has given me a letter and signed off...

R: She's the [REDACTED]

I: [REDACTED] of it alright. Went to her, explained what we're at and she was, and we've meetings down here with the Enterprise Ireland people to try and get a sense of well you know and they are supporting us now, right.

R: And is this to identify kind of this clustering you mentioned...

I: It is.

R: ...they life sciences, health sciences stuff so [REDACTED] will emerge as perhaps, without being judgemental now, as an international location for this kind of investment.

I: It's exactly that. And indeed it's part and parcel of one of the other benefits from this is that it might well lead to a fairly serious cluster application under the Action Plan for Jobs in January this year, right.

R: Yes.

I: Okay, January next year. But it certainly is aimed at raising significantly, we said okay we know that there's a phenomenal I suppose commonality between the whole Massachusetts area and all that and first of all we built, the Irish connection is the one thing right, which started this through the Boston Irish business association there and through the Boston Irish Business Association there, there was a lady who [REDACTED] at six years of age, right. Here's the unique thing, right and she, [REDACTED] actually, meeting her tonight for dinner now she's over with a group of five right from Boston at the moment and she worked for an organisation called Mass Bio who have nine hundred companies as a network cluster over there and she was their key network manager right. And we met her and she said, I'm going to be moving jobs in about a year and a half, she said I'll do whatever you want me of me now and she has got us into this program etc. So it's really about trying to raise the profile...

R: Can I ask you now as the boss of this organisation in [REDACTED] and the investment at two fifty is not insignificant but it's not massive but clearly there is potentially huge payback, in developing the relationship with Enterprise Ireland and perhaps with IDA in trying to define the role maybe that the local authority has, would you say there's a partnership arrangement with EI?

I: I would say there is because what has happened is that their regional manager is sitting, is going to be sitting as one of our advisory group on this so we've an advisory group now set up around this here now locally of the head of innovation hub manager in [REDACTED] retired head of research in [REDACTED] then who is the regional manager for the [REDACTED], he runs, he covers from [REDACTED]. He's sitting on that advisory group plus somebody else externally and that group will be part and parcel of working with...

R: It begs the question though that like because is EI, but you're in Boston, which is really IDA.

I: Except that what we're focusing on here is supporting smaller companies here to grow here. To grow into the international market.

R: And in terms of foreign direct investment which is clearly the basis of a lot of economic development here, what's your thoughts on that? I'll give you an observation because I met somebody from [REDACTED] and they said that it was ridiculous that certain local authorities and I won't say which ones they were, but it didn't [REDACTED], were abroad at jobs fairs and at industry fairs in London and places like that and said it was ridiculous. Come to our county.

I: I think that's crazy as well.

R: Yeah.

I: I think any county that's trying to step into the space of attracting companies that the IDA are charged with attracting right by just simply doing these broad marketing things is a waste of time, I'll be honest I think. I think you have to read the IDA, what I've noticed about the IDA is that in the US they're very well structured. They have a particular strategy of, and their staff are expert and they're chasing big, five or six big leads all the time. That's about, that the kind of they operate on the basis of, if they, they could be two to three years working on



something or four years and ultimately if it comes off it could be very big. But I think there's, what is being missed, there's a real missed opportunity I think for maybe look at whether there's an opportunity for staff who could be funded from within a local government organisation of up-skilling those and maybe potentially utilising, if we had a small little unit here ourselves we'll say who could say okay if we went to the IDA unit we'll say I don't know Atlanta or wherever might best suit [REDACTED] economy over there right, and the IDA, we'll say okay you're chasing these right that's fine, what other market intelligence are ye not doing here right? Is there an opportunity for [REDACTED] Council to become involved almost as a sub part of the IDA office? To start from a [REDACTED] perspective getting an understanding of the way the market is moving in particular sectors that ye might not be in. Or the smaller, in the smaller, by, they're focusing on particular big leagues, there might be smaller leagues right. There's a couple of things that need to happen there. First of all, we don't have the skill set to understand how the international businesses, what's emerging in international business, what's emerging in, take the Chicago area, what target area should we be at, what's emerging, what's the, what's the data, go back to the data, what data is there for us to understand, who is growing, who will ultimately need to move into Europe at some stage. Then if we, are ye chasing them, no we're not cause they're small, we know there's a big opportunity here, but I think there's a, in a nutshell I think there's a bigger opportunity for the IDA to work with high-skilled local authority staff who might be potentially able to do that.

R: There's an obvious question follows this because [REDACTED] Council and yourself were in the fortunate position to put the resources into that and ye are assuming that leadership role, not just [REDACTED] perhaps but for the wider local government system. It begs the obvious question, you're the [REDACTED] local authority in the country, after [REDACTED], right, so very few [REDACTED] but what about the smaller counties, the you know, maybe the Midlands, let's say, we won't mention them by name but they're not in that happy position.

I: No.

R: So how do you just to expand it beyond maybe just the pure [REDACTED] into the wider local government family, it's great that you are doing this, you're resourced to do it, but the other places, in terms of that wider role.

I: More difficult and obviously tensions between them as well right but ultimately if you take, take three or four of the Midlands who might come together like ultimately any one individual local authority in the Midlands probably only has the capacity to do this kind of come to my county we are the this, this and this and it's a waste of time. There's, I, you know...

R: You sit around the table now with thirty other chief executives, yes this is the argument.

I: If you look at [REDACTED], and apply that to a group of counties in the Midlands right, I look at [REDACTED] as a region right. We have a phenomenal, if you go to [REDACTED] our focus has to be on the smaller, the food producers and all that so there's a particular thing.

R: And tourism.

I: Yeah and tourism so we'll work extremely closely with Fáilte Ireland, Tourism Ireland and our focus will be trying to maybe work with Bord Bia and those on the food promotion piece right and we do actively now twice a year or maybe three times a year take companies, we'll set up in London for about three days, we'll take, on the food side, maybe ten, twelve, fifteen companies and they absolutely and they're growing business every year out of it but if you take the regional piece, maybe if you group a number of counties together and they just begin to recognise, well okay can we just pool our resources here and maybe recognise that okay that county has a better skill, has a better opportunity of attracting this particular type of stuff, you're better of focusing on that...

R: But what you're getting at is the emergence of a shared vision for, as you touched on it, a region.

I: Yeah.

R: There's, let's say there's [REDACTED] region, which would be [REDACTED], maybe dare I say it extending eastwards to [REDACTED] or westwards to [REDACTED], and you'd have maybe [REDACTED] in with, which is a National Planning Framework. It begs the question and you could chose maybe to answer or not to answer this question, but are there, because of the complexity of the services and the challenges that are, and the leadership opportunities now being given that there are certain local authorities that are just simply too small to take on that. They're just not going to have the resources...

I: They won't.

R: The competencies, the skill sets, just the sheer capacity.

I: They won't. They won't even have the financial flexibility to be able to do this.

Like just because we're [REDACTED] authority doesn't mean that we're not stretched for resources but what we have is the capacity to kind of readjust our resources without having a, like a couple hundred thousand is nothing for us.

R: No, no same in Limerick sure.

I: Yeah absolutely so you can just decide well look I'm putting another three hundred thousand into economic development here and we'll manage somewhere out here right.

R: Yeah yeah somewhere else.

I: Smaller authorities won't, are going to be challenged that way. And they certainly won't be able to lift themselves up, to put the necessary numbers to have the right skill set inside them, that's a fact. And the regionalisation piece, look if you want my view on regionalisation, I think that local government in Ireland has to move to a regionalisation model where ultimately you have, you know, we need to get away, we almost need to get away from this county thing.

R: Can I, this begs a question now and I had it written down here right. And you're speaking now on behalf of [REDACTED] as a region and you're the chief executive of [REDACTED] but down the [REDACTED] is the chief executive [REDACTED], is there, I think you said that there might be before we started recording, is there a common vision [REDACTED] that is shared.

I: Yeah.

R: There is.

I: Absolutely.

R: So you're working to that?

I: No doubt about it we have a shared, we have a joint document for the NPF. We'll be sitting down in the next three to four weeks reconvening with our joint steering group, our joint working group, joint political group to assess the NPF document to do our submission jointly back. Set down by the two chief executives...

R: While it's straying away from the purpose of this interview but surely it, you know, just to follow the logic of the conversation we've been having, that for the longer term, for the good of the [REDACTED] of Ireland and therefore for the good of the whole of Ireland and especially the re-balancing away, attempted anyway from Dublin, that the [REDACTED] could have been the most, from that strategic perspective rather than the short term political opportunism or whatever.

I: It would have been right and if you want to put a regionalisation to be honest with you I still think that there is a [REDACTED] can be capable of being done even though you have two different authorities because we actually said continue with [REDACTED], keep your focus on [REDACTED] road and don't go too far with it but let's put in place a statutory kind of an authority about that which does your strategic economic planning, your strategic tourism planning, your strategic core strategy planning and all that but recognise the fact that you might continue to have two administrations very focused on, one very focused on your urban stuff and when you come to economic development stuff, to talk about the joint stuff right, we have, as I say, we're just about to start, we've just signed off now on our [REDACTED] brand and strategy, we're doing but the next step is a joint economic marketing strategy. Now that's not going to be marketing in the sense of kind of we're going to put, we'll go to this fair and that fair and all that. What we want to get into is going back to the concept of well agreeing with the idea of what we do, agreeing with what Enterprise Ireland do, but I can see a situation arising whereby I would say to [REDACTED] I've no interest in doing detailed work on financial services or corporate services or IT services and that, you take that on for the region, if we get a spin off that's fine and when you're doing that, if you're activating markets and you're doing anything in particular act as [REDACTED] and we'll take on the food side maybe...

R: It's division of functions. You're dividing the functions.

I: Yeah. So what are our strengths? We'll take on the health and the life sciences and different things like that, right. But we will ensure and we'll lead that but we'll ensure your staff are engaged and we'll ensure our staff are engaged so...

R: We might come back to that at the end if you don't mind because it does beg a question about the future and the experiences of devolution and what that can teach us about maybe future structures. Moving onto **question three** quickly because I'm conscious of...

I: Oh yeah okay. I'm probably going on...

R: No you're fine, you're fine. In terms of the new structures and arrangements right we have say the Local Community Development Committee which replaced the former County or City Enterprise or Development Boards, generally how do you think that's going?

I: Not well.

R: Okay.

I: I'll be straight up. Not well, not well here [REDACTED] primarily. I think that the document was superb that we produced. It was very different in that we focused on, instead of setting out actions for different agencies and all that we said what are the assets [REDACTED] And we identified thirty-one assets. One asset for argument's sake was the quality of life.

R: Right.

I: And we said okay who are the agencies now responsible for the quality of life? Another asset was might be the health of people. Another asset was...

R: That's a very different take.

I: Yeah, it was very very different. It was one of our really brilliant planner inside here came up with it. [REDACTED], he's a great guy. But and everyone bought into it because they weren't challenged by we want to know what [REDACTED] is doing, we want to know what the IDA are doing this thing or doing that. The ESP are only one player into the quality of life or into the health of people or whatever as are the health services as are us and but we've struggled to

be honest with you in continuing to get a structure and to keep a structure in place that actually doesn't eat us all up in meeting after meeting after meeting trying to capture what's going on so as to fit it all into we've got to report on this. I think concept is very good right, the concept is good but I suppose as chief executive I'm responsible for monitoring and all that, all the LECP and that but people go away and do their day jobs and they've no accountability towards me.

R: No they don't.

I: They don't have to like and not only that but you'll end up going to meetings to which senior people are not attending and there's substitutes attending etc. and all that so there's a I think the concept is fine but the governance arrangements around it are quite...

R: Would you care to elaborate on how you'd like to improve that? That's critical because it's under the theme of governance so what if you had a blank piece of paper in terms of governance, what would you like to change to the benefit of [REDACTED]?

I: I think there's, I'm a traditionalist maybe in terms of local government because I came up through it but I actually think it has to start from having some of the key institutions going back to our discussion around like policing and I know that policing comes in under joint policing now but like education like health services, those three in particular and others perhaps, social protection and those is another area right, national government needs to recognise the benefits of local democracy and how locally elected politicians can and I'm a fierce believer, I can watch our council right and I meet them twice a week and because of the manner I meet them I meet them at a strategic level because there's a whole range of other county issues but I'll go in there and I'm accountable morning noon and night to them or to the public of [REDACTED] through them and report on etc. and that but I don't see the same level of public accountability to my counterparts in health services, education services, policing services.

R: Because they report up to the minister.

I: Absolutely. So if you want to get the governance structure right at a regional level I think that there must be some way of tying the elected local government unit, right, into having a real oversight role of those other institutions.

R: The proof of that pudding then following that is, how satisfied are you that the elected representatives, the elected council [REDACTED] would be prepared to make the real decisions that a government is required to take, which is the unpopular ones. Example in Limerick now recently in the last while there's been toing and froing in terms of local property tax. Dublin City Council every year takes the handiest way out and cuts their LPT by the maximum of fifteen per cent. The track record of local government in terms of those governance, which I wouldn't disagree with what you're talking about in terms of health and education but the evidence would suggest that the political side of the local governance side which is the real governance right is not really prepared to grasp the nettle.

I: I would agree with you on that right. Even though we weren't too bad on LPT but I can see other situations where we would be but just to think this one through right, local government works in two ways, one is that the elected representatives like in a lot they like to be in a position in a lot of the cases where they recognise that they don't have the decision making authority for certain things right and they're happy to have the chief executive have that. And in some ways right, take, because they're adopting policy right, and they don't have the executive authority, there's something that does work I think whereby I still have very careful in terms of my decision making, that I won't get out of line with them, right and keep them balanced but so I don't think we should be giving too many powers to them but I think giving the powers to the executive in a manner whereby the executive have to work within their framework. I think...

R: So what the subtlety is, what you're saying is that responsibility in decision making should be maybe devolved down to a local level and after that you may argue whether it is a reserved or an executive function.

I: Absolutely, absolutely and I think, I think if you give it as an executive function and create the situation whereby the reserved is almost a, plus you get away from the fact that ultimately the ministers and things aren't taking the decisions then anyway either. Because if they, they're the worst ones out of them.

R: Yeah, yeah. Interestingly a comment was made to me by one of the other interviewees that it was the department's heartfelt wish that on the local economic and community development side that the LCDC would be making decisions but a newly appointed minister from [REDACTED] [REDACTED] has decided that he's taking that role back.

I: Right.

R: And that a lot of stuff is coming out from the new community department, [REDACTED] decision making again. Against the spirit of what the civil servants had intended in 2014 because the other corollary of what you're saying and I wouldn't disagree with it myself is that if you give that more operational and perhaps even strategic level functioning at a local level what are you leaving the centre? And finding that balance, you know. But it's there to be discussed. Okay we'll take on to **question four**, right. We don't want to go on to question four we'll go onto question ten indeed indeed, well though it's very good now it's very interactive stuff. The, just in terms of making the plans, the Local Economic and Community Plan, have they been effective or have you just marched ahead with your role anyway. Did you just take it on yourself and say, I'm going to do this.

I: No, the development was very effective, we took it on, we did it right. And we engaged really heavily with the public, through PPNs, but also with stakeholders, workshops etc., we really took it on, there's no doubt about it and it was an exceptionally good plan. I think where we've been challenged is in, we have the plan now. We still know that every body is doing their job but we've been challenged around the coordination piece around it. And the reporting on it and we've been challenged then on kind of capturing whether or not we're actually meeting what we said we should be meeting for [REDACTED] in that plan and even if we were to capture it we'd be challenged I think as an organisation in here as to what shifts we can make within the plan to try and re-shape it.

R: How would you describe the working relationship, you already touched say on Bord Bia, EI where you've joined up, but all the other agencies that are involved in this economic development side, how has it been like you were saying, good in parts or?

I: Good in parts. Good in parts. Probably, we'd have a good enough, probably one of the more difficult ones to figure out is the health service side of it to be honest with you, you know. Now we wouldn't have, we mightn't have a very great, DSP is pretty good to be honest with you I think things have changed at a national level, the DSP is not too bad. Good relationship with Tourism Ireland. Goodish with Fáilte Ireland. I think there's a lot more that Fáilte Ireland need to step back from to be honest with you. I do, I just think that [REDACTED]  
[REDACTED]

R: They are, if I would care to offer you this opinion, and let me not colour your judgement but from my experience of working with [REDACTED]  
[REDACTED]



I: Yes, I'd agree with you on that, yeah. Absolutely. No doubt about it centrally, politically I'd imagine so, yeah, absolutely yeah.

R: I don't think that they really understand local needs and local development aspirations.

I: No. No, I mean a very simple example is that we have more staff engaged ourselves in tourism here I'd say than Fáilte Ireland have in [REDACTED] and even, like even, ye probably noticed it there like we're actually, Fáilte Ireland is still seen as being the driver of local experience development etc. and all that. We're actually doing ten to twenty times more than them on the ground on experience development in terms of supporting festivals, in terms of building itineraries and everything absolutely, yeah. Now we're working closely with them but we're bringing fam trips ourselves at times, right. We do and it's, our relationship is good with them to be honest with you it was very tricky over the last two to three years, what we did was we did a joint tourism strategy and that got them into the bed a bit. I think they're beginning to know, to be fair now they are recognising the value of working with our people, that we'd be a very close relationship, working relationship between our tourism people here, hands, tourism people on the ground. But they still see themselves as being the king pins and they like the kudos themselves. We're not too worried about that right but there's, but even where there's a joint kudo to be given it's Fáilte take the lead on it right. But the rest of the organisations I would say I mean we would have a very good relationship with an Garda Síochaná day in day out and even at a JPC level, at a high strategic level we would have. What other ones would be there, I suppose...

R: Which kind of, maybe frame the question in another way. Which would be the most difficult? Is Fáilte the most difficult to work with? And is there, could you analyse maybe the reasons for that? That they haven't bought into this, like what the act, the 2014 act specifically says, it puts the onus for leadership with the local authority.

I: Fáilte certainly have not grasped that. There's no doubt about it.

R: And any idea why that would be ? Because you're getting on well with EI, IDA, Gardaí and so on. Even with DSP as you mentioned.

I: I think to be honest with you to put it simply I think what has been to be fair to Fáilte right, they've done an exceptionally effective job on that whole concept we'll say of developing their Ireland product. The Wild Atlantic Way, Ireland's Ancient East, Dublin and both the Atlantic Way and Ancient East obviously affect us big time but the example of the Wild Atlantic Way would be that we could probably see, we'd love to build maybe another product around the Wild Atlantic Way but it's a national brand and we can't, we not allowed the flexibility to define how we want to impact that national brand or utilise that national brand at a local level in particular say for [REDACTED] and that we're tied into...

R: To a national market, you are yeah.

I: And there's a benefit to that in some ways but they're very slow then to...

R: Why is that do you think? Are they just mindful of their product?

I: I think so to be fair and I suppose that's, maybe I'm being too critical of them you know because at the end of the day we all benefit from that world wide brand. There's no doubt about it and if we start, and there is a risk, like there's no place for individual authorities breaking down that national brand to be fair.

R: Right. We'll move onto **question five**. And I think you may already have answered this and if you have you needn't elaborate too much more, but have the reforms in the way that you have taken them, have they been effective do you think?

I: Yes. They have yeah I think they have. They have been very well received on the ground.

R: Could I ask you this? Could you disaggregate because there has been an economic bounce in Ireland for the last two to three years. Fastest growing economy in the European Union at this stage. We went down very quickly and economists predicted that we would bounce back up. Is it possible in your mind to disaggregate the little bit that you could claim credit for because of work and resources you've put into it? To separate out that from the overall bounce? That's to satisfy yourself that you, you know that you're putting measures in place now that distinguishes [REDACTED] in its own little way.

I: Difficult one. We're, it is a difficult one. We're not good at, like if we, good at assessing in a quantitative way what the impact might be of our own input. It's very difficult to do so.

R: Like you stuck your neck out now and you put your money where your mouth is. You put your head on the block. So that if you were before the PAC and said right, you've invested a quarter of a million euro over the last five years, great, like what have you produced for it?

I: Yeah, I mean...

R: That's you, that you could, if I could say it, that you could claim the credit instead of Fáilte Ireland.

I: I suppose, take, if I went back to tourism, I'll come back to some other thing, take tourism. We have, we stuck our neck out two years ago to support [REDACTED]. For three years they threw in a hundred thousand, thirty something thousand a year, right, to make sure they could build. We looked at, we looked at three or four festivals and said we applied the concept of, that EI apply, where are the high potential festivals. That was one of them. Another one was three festivals are run around [REDACTED] so we took two of them, [REDACTED] we said we'll give ye a hundred and twenty thousand over the next three years, forty, forty, forty. [REDACTED] has grown from having maybe eighty to ninety events two to three years ago to having two hundred and ten events held all over [REDACTED] this year. [REDACTED] was this year recognised as being, [REDACTED] was recognised by the Restaurants Association of Ireland as being the best place in Ireland to eat. So there are quantitative, qualitative type things and qualitative things coming out of that. That's how we would justify it.

R: Fair enough.

I: You know. And if we went back to [REDACTED] ones we do get numbers in terms of how many are attending events and all that and the events are increasing all the time.

R: Just to touch on this. I think you may already have answered but the reforms had given local government greater powers and clearly [REDACTED] has said right take up the cudgel here we're going to run with this. And in terms of the emerging relationship with IDA and all these different companies and so on, is it better than it was before do you think?

I: Oh yeah it is.

R: Yeah.

I: Oh it is and I think there's a stronger commitment from those national organisations that local government has a role and certainly, I can only speak from here from both a [REDACTED] [REDACTED] point of view that there is a recognition that there's a value to what we're doing as well.

R: Is there any aspect of it that you would say is not working well? That you'd say, I need to put a bit of effort into there or something?

I: I think what's not working well right is we need to really up our game I think to be honest with you in sharing a lot more information about what like it's very easy I think the IDA and Enterprise Ireland would have a lot more information about what we're doing than we have on what they're doing. Now that might be, there's a conflation point right? That we haven't developed to the stage where we're structured enough that in [REDACTED] or in this region we are regularly sitting down, it might be only once every three months almost from an economic monitoring point of view, where the IDA...

R: Go keep going, sorry.

I: So as state agencies right, we, and keeping the likes of the chambers and all them outside the door right, as state agencies we don't sit down I think regularly enough and say what's the economic performance [REDACTED] like. How are we all contributing and have we, are we progressing quarterly etc., just correlating on the economic performance, now maybe the LECP was suppose to do that but I think that's a gap. That's a gap in the system. I haven't thought it through as to how we might get it to work. Now there's a lot of high...

R: But you want to be satisfied though as a chief executive in terms of measuring your own progress not only in terms again of specific objectives in your Local Economic and Community Plan but also in terms of more strategic stuff.

I: Yeah.

R: You mentioned earlier about the Mass Challenge, right and you know identifying say the future growth for the next twenty, thirty, forty years [REDACTED] You know, how's the data going? Okay, right moving on to **question seven**. Right that was very interesting on question six. The council now has greater autonomy and capacity to make decisions like in economic development. Would you say in any way coming as we did out of say the years of austerity that you as a chief executive [REDACTED], that you were resource constrained because the general running down of the local government system? The local government system suffered proportionally, disproportionately more. Interestingly the numbers in central government civil servants didn't drop.

I: Okay I would say...

R: But in terms of numbers and capacity maybe and competences, is there stuff that you'd be you know developing the skill set of the staff to do the job you want.

I: We could do with more honestly right but I think we made, I'll put it this way, to try and, we know that we're not going to get many many more numbers. We know we're, we are where we are right. And we've taken that view ourselves, okay we might have an extra one or two per cent staff numbers next year but it's not going to be significant so but we've made a conscious decision here certainly to say okay we have to support housing massively at the moment. We have a roads program to deliver, that's fine. But where we have flexibility, any bit of flexibility to take a decision on, take, I look at things on the basis and say you know we're running motor tax, it doesn't really matter if somebody in motor, if we take two or three out of motor tax, and we have, right. It's going to have an affect on it, so what. Two or three inside in tourism or in economic development or something is going to be far more beneficial to the economy and we have taken decisions like that. So our strategic manpower planning has been impacted certainly by the economic development role which was not the case pre 2104 I think.

R: Now the next question is right up your street.

I: Go ahead.

R: Working in collaboration with other local authorities, neighbouring local authorities, right. Which by the way can include [REDACTED]

I: Which is more difficult than I'll tell you now [REDACTED] is more challenging.

R: I always enjoy the local government stuff with the [REDACTED]. The questions you got were just priceless. Do you think that the reforms and the focus on economic development has led to a greater collaboration, a greater single vision for that kind of a regional approach?

I: I do.

R: Do you meet your colleagues say in the city and in [REDACTED] and wherever. Who do ye meet or do you meet frequently?

I: No. Primarily I suppose we still look at [REDACTED] a region and so on right I'll be honest right.

R: Right but what [REDACTED]

I: [REDACTED]

R: [REDACTED].

I: [REDACTED] And [REDACTED] and myself through different structures would meet fairly regularly. Two examples would be we now have a joint five year tourism strategy, development strategy, which we led jointly, which has Fáilte Ireland, Tourism Ireland, hotel federation etc. all bought into and we've set up a separate company called [REDACTED] to drive that and employ people into it. We're now developing the brand, tourism brand, we've a new website about to be launched next year and that's all being done collaboratively, which would have happened before, the legislation may not have been the change that drove that but I think it probably consciously in our mind we felt that we had, we could step into that and we had to step into it. The economic marketing piece and the [REDACTED]

█ and all that we're doing that collaboratively and that, now that started that started a good bit ago before I even █ so it started probably before the 2014 act.

R: I can remember actually being down for a launch in City Hall. I do. Talking to some of your colleagues. I think you might have been in the city at the time. It's that long ago.

I: But we were doing a Smart Gateway Project, it was around smart thing and all, a smart city. We encouraged █ to say look can ye just expand your thought process into the city is tight but a lot of the city is outside the city, which is true so a smart gateway, we're doing a lot of joint projects under smart gateway right. So I think, now that's not to say that there hadn't been tensions...

R: I was going to...could you elaborate on what those tensions would be? And particularly perhaps if you would also consider are there political difficulties? Like you're an executive talking to an executive, but is there political difficulty even maybe not just at a local level but maybe at a national level as well and that impact on that sharing for a region, shared vision.

I: Funnily enough this might sound unusual but I think actually the political differences are capable of being managed and sometimes the executive differences are more difficult because you have, because of the way we're structured that we're are very competitive environment from an economic executives point of view right and every individual chief executive wants to achieve something themselves for their organisation and sometimes while we might have collaboration it does create tensions whereby whose who, this particular action is that more relevant to █ and are we going to get the kudos out or this or what staff members do we build around this thing. There's, maybe I'm not explaining it correctly but I think there are tensions as to who becomes and be seen as the leaders and now...

R: But sure if you're to be a leader █ you have to have some bit of ego? You have to, to survive in the political world, you do or else you're going to be steam rolled.

I: You do, You do.

R: So there's a bit of ego, that's not saying that you're egotistical...

I: No, that's true.

R: But you naturally want to leave your mark and say this is what I achieved.

I: That's true.

R: And it was better than when I came in.

I: Yeah yeah like a bit like...

R: You couldn't lead otherwise sure.

I: No, take the tourism piece. We failed to get our counterparts [REDACTED] to engage on, because I still believe that the right way to drive tourism is to have the [REDACTED] [REDACTED] And we spoke about this at Action Plan for Jobs meetings and everything. Can we do something really, the [REDACTED] no we're doing our own thing on tourism.

R: Why? Why was that now?

I: Because, because they don't want to share their, the strength of their asset, I think that's what it is.

R: Which [REDACTED] But sure God isn't that a very narrow and was that a politically led thing or an executive led thing?

I: It was executive as well. As well as...

R: But sure you're not going to have anybody detract from the tourism base in [REDACTED], you're not and you wouldn't even be fishing in the same pond.



I: No.

R: That's extraordinary, isn't it?

I: Yeah, yeah it is and that's a fact...

R: And is that [REDACTED] yours that's...

I: Yeah, yeah. I'm telling you now. So there are times then when there are times when there are times when I jump back into my box here as well I suppose as well you know.

R: That does beg the question though because when you see the scale, the way the world is going in the scale, something we touched on earlier, that really would you be better off with a more regional approach maybe certainly at a strategic level, where you have maybe, not only just [REDACTED] and I know you regard that now because of its population size and its geographical size as being a region, but there should be a move in the longer term towards thoughts coming from the local government system to a more strategic approach to services.

I: I think there should be yeah.

R: Certain key strategic services, like the [REDACTED] will somehow come up with whatever the solution will be, but it will benefit [REDACTED] and I've no trouble with [REDACTED] coming into the discussions on it. If you want to provide the link across to [REDACTED] or whatever it will be, I don't mind, you know. But like there has to be a meaningful sharing...

I: I totally agree with you on that look and to take that I would have said to take [REDACTED] [REDACTED] is isolated completely.

R: It is yeah.

I: Take that, sometimes I sit down and look at say the regional piece. I think they have a good structure down around the Action Plan for Jobs, down in the Southeast now with Waterford, Wexford and Kilkenny and probably Carlow. I think there's five of the counties coming together there, which is good. There's no reason why that can't evolve into regionalisation for well maybe not the rest of Munster but that Southeast has a particular product, [REDACTED] like I actually think that a move away from the old eight NUTs regions was a major mistake. I think there's still big strengths in those because we could have driven certain regionalised coordination through those. I think this new regional structure is a joke.

R: Yes, too big.

I: It's the twelve, too big. It's too big I think. I think we're grappling with it to be honest with you, you know.

R: Okay, **question nine** because I'm conscious of the time. Reflecting on a general sense of the reforms and your experiences to date, okay and you're a chief executive now for...

I: [REDACTED]

R: Here [REDACTED]

I: Here in [REDACTED]

R: Give me just your positives and negatives. Now it's very early days. 2014 reform, positives and negatives and the last question then logically follows on from that in a minute.

I: The positives have been that I think a couple of them right. One is that our council from an elected point of view get it to be fair.

R: Very good.

I: They do which is, they do here in [REDACTED] certainly. They're consistently buying into the broader role. Now they do want to get back to basic services, getting back to basics and all that type of stuff but interestingly getting back to basics was a big thing, a kind of a brand with our own council and that meant getting back to cutting hedges or not hedges but verges, cleaning streets and all that type of stuff which actually leads to the other product as well right. But no they do, they're very supportive of, very supportive of the role that we're playing in economic development. They love getting the economic development reports and tourism reports and all that in. They really are supportive with that and have consistently supported extra money into that area. From the other big positive I think it has. I think it has lifted the organisation from the point of view of enabling staff to stretch themselves in a lot of different ways as well. That's a big thing and the profile of the organisation has certainly increased significantly, in that we're now bolder, much more bolder about us leading certain economic development initiatives. We're not just building roads and giving planning permissions but actually everything we're doing in fact a small thing now would be say this year now for our budget I don't know whether we'll get it or not but we put in place an economic development fund and the city did as well, about five or six years ago we put specifically one per cent of the total value of the rates income into a specific fund that was economic funding. Our rates income is about one hundred and ten million maybe or so. So we'd have one point one, one point two million...

R: Into economic development.

I: Specifically into a new fund that is supporting things like programs with the [REDACTED] to be supporting the Mass Challenge now to be supporting festivals and all that. But actually every year we say we're retaining our economic development fund or increasing it from one point two to one point three million and it's a drop in the ocean out of three hundred million, what I want to get is to present the organisation in three ways. One is we've a community development role and we'll try and capture and put all of our spin that we think is community development related and that includes housing, it includes LEADER and all that type of stuff and say there's forty or fifty million we're spending on community development. We're an infrastructure development organisation and we're an economic development organisation right. So the spin we have on economic development includes beach cleaning, includes street cleaning, it...

R: They're the three pillars in, well they're the three pillars in Putting People First.

I: Are they?

R: Economic, physical and social, yeah.

I: So and I think we're trying to, we're certainly I think putting out, I think a lot of the bigger authorities are, the economic development role is economic development, right.

R: It is yeah. I know that.

I: Big time, you know, yeah.

R: Have you any negatives arising out of the change? Anything that you'd wish was better.

I: I think that there might be things that may be better. I'm not sure what they are. Just quickly now. But I don't think that there's any negative to be honest. I don't.

R: Okay, fair enough. I'm moving onto **question ten** because I'm conscious of people waiting for you. The future. I'm giving you a blackboard with a bit of chalk because that's what we understand from our age, rather than a white board with markers, what would you like, if you had a few things that you would like to change if you were, you are a leader of local authority here. And if you were trying to influence the future of local government generally. Taking on what you've, the experience of the last seven and a half years, what would you do? What would you like...

I: One big one I think that we would really need to crack is what I'd love to see happening is, and it might evolve, it won't evolve from the NPF because I don't think they'll think that far ahead but, or think that way but National Planning Framework now is going to be published at some stage, right the final, and it will set population growth and all that but actually what it needs to do it needs to set out performance targets around a whole range of different areas that's, and not just, not just saying we will go to this one, but performance...

R: What do you mean now, could you elaborate...

I: I suppose even down to right we, okay. We want you to grow your population by this much. We want you to grow your jobs, we want to grow your infrastructure investment but where I'm getting to really is that we have so many state agencies right transferring funding for stuff but I'd prefer to have a situation whereby in [REDACTED] here the state agencies and the local authorities see okay here's the Southwest region, here's the Southeast region, here's, we need to make sure that our decision making supports this group...

R: They don't read the NPF. They don't know the governance arrangements for the NPF. Like going back to the earlier comment.

I: Massively important.

R: That they're, that the Department of Education, the DSP, Health boards, policing, all of that are reporting up through the NPF structure, led by local authorities.

I: Led by local authorities. Massively important now. Leading is fine but it's ensuring that all those other agencies are focused on...

R: It's governance. It's simple governance.

I: Critically important.

R: Can I just ask you, are the CCMA talking about that because we have a key role?

I: We're not really to be honest with you I think. I haven't, you know...

R: It begs the obvious question, why?

I: That's a fair point. We, do you know what? I'll tell you why. Because we have been excluded very astutely from the regional assemblies. That's a fact. That's the way I see this now. The regional assemblies through having three directors in place around the country are directly

under the control of the Department of the Environment in some ways even though they talk about them as being statute authorities in their own right but none of, I'm supposed to be a designated manager through the regional assembly but that was only for the purposes of ensuring the transition. I'll go to an odd regional assembly meeting but I've no authority there, none whatsoever. There is no form and structure in place whereby the chief executive of the local authorities have an active role into the regional assemblies.

R: Can I ask right, [REDACTED] is going to be one of the centres. They're talking about say fifty per cent of the population outside of Dublin will be mainly into the cities of Waterford, Cork, Limerick and Galway, which are controlled by the local government system, really or managed by the local government system. So you might be doing yourself down a small little bit because I would have thought that the chief executives in those areas will have a great deal more authority for NPF than the regional assemblies, I would have thought.

I: I would hope so, depending on how the, how it is, I mean again we're going to have a regional spatial and economic strategy.

R: That's right, that's right yeah the RSESs...

I: And well look I haven't read enough into them to see how they materialise. How they materialise but they are, I'm at a loss myself at this point in time to see how influential chief executives in local government will be in shaping those. Now I could be wrong. But...

R: But it's interesting though. There's...this is a new say, shall we say centralised approach towards programmed or structured regional development in terms of population distribution and so on right which to local government is critical and central to that like you know probably has the lead role but working with the centre in a partnership arrangement. To my mind, goodness me if local government isn't able to function as has you kind of concerned, well then the NPF will fail just like the NSS.

I: Yeah and I, look I just have this sense of through the production of the NPF that the relationship on the NPF was very much from the Department's regional assemblies. If that's going to be the same for the department or the RSESs on the regional assemblies, it's quite, it was quite difficult, okay we had people who'd be you know through relationships and things you'd be able to see senior planners and so on and that's probably the way you'd have operated

as well. There is, I think there is something missing whereby even chief executive regionally never got to sit down to discuss around the NPF.

R: The specific targets, say population is the basis of it, the whole thing, the core strategy and all that.

I: Absolutely or even sitting down to [REDACTED] or whatever right.

R: Yeah yeah.

I: Like there was no forum whereby, we should have forced it, [REDACTED] sat down and said lads how are we going to deal with this. But we're all responsible for trying to influence things in some ways and we all come from different angles.

R: Well if one was say looking in from the outside to that position, which is a valid position to hold, you'd say right do it yourselves. It's up to yourselves lads, you're big boys. Get it together.

I: Get it together yeah.

R: One question that pops up when you ask me that, right and you mention it that it's you know that this would be planner led, in terms of your experience of economic development are planners necessarily the best people to lead that or would you see the skill set and the competence to head to lead economic development as being different from planning.

I: Oh it's different.

R: Oh I would have thought so.

I: No doubt about it. The planners are one input into it. One input in but what the planners in my view what planners fail to recognise is that sustainable development is about insuring that there's a whole range of other factors are taken into account and I'm not so sure that they do it to the extent that we would like them to you know.

R: No. Sin a bhfuil de cúrsaí spóirt.



Date: 18.07.2017

Researcher (R): Kieran Lehane

Interviewee (I): Senior Civil Servant N1

R: Today's date is the 18th of July. The **first question** is whether you or your organisation had any involvement in the reform process of local government, particularly in relation to the 2014 local government reform act.

I: Yes, I was very much involved in drawing up the policy program that led to the Reform Act in 2014.

R: The 2014 act provides for increased local government involvement in relation to the promotion of economic development and its function in the area. Have you any opinion or any thought at all on how well local government organisations have responded to those new functions, particularly in relation to economic development.

I: From the information and feedback that I have seen, they have responded very positively, in that it is seen as being a very significant improvement and addition to the range of functions of local government. And I think most of them have prioritised it. They probably have had some difficulties with regard to, on the economic side particularly, finding appropriate resources. Local government wasn't replete with economists or people with economic expertise and I think that's probably been a bit of a challenge to them, but by and large I think the response has been pretty positive to it.

At central level I think there's probably scope for maybe clarification of roles a little bit better. The Department of, it's now housing, planning and local government was responsible for the policy document and the legislation, but I suppose many of the practical functions rest with the department of jobs, enterprise and innovation and from, I suppose, an implementation point of view, I think there's probably scope for clarification. I'm not sure that the housing and local government department has ever fully embraced a proactive role, having brought forward the policy proposals and the legislation. And indeed put quite a bit of work into drawing up extensive guidelines on the economic and community, and I'm speaking mainly about the economic one. We don't have much knowledge on the community side of. Having invested quite an amount of time and effort in drawing up the guidelines, there hasn't, up to recently, at least been a huge amount of, I think, follow through. But maybe the follow through needs to

happen, perhaps, more on the part of JEI rather than housing and local government. That's an issue anyway for maybe...

R: And as a matter of interest, how would, in order to maximise the benefits of the legislation and that the fact that the funding for the initiative comes from the department of jobs, enterprise and innovation, would you have any thoughts in terms of how that role could be further developed in terms of either providing resources, perhaps, to the local government, or what's the mechanism, or have you any thoughts on that, to do it?

I: I think there probably will be some additional resources brought forward in the context of the national planning framework, which is probably again, where the department of housing and local government will find its main role through the new national planning framework and again I suppose it's partly conditioned by the tradition of the department. It has a strong tradition, long tradition in planning, spatial planning and related matters, not in economic development. And maybe it's never really woken up to a proper role, despite professing to be promoting a significant role for local government there. So it's probably going to default into a spatial planning role. But that, I suppose, spatial planning role in turn will probably have a bit more of an economic content in the future under the new framework.

As regards resources I think there probably will be an attempt to do something like restoring the, what were they called, gateway funds or something at the time of the NSS, which became a victim of the economic collapse. So I think there probably will be efforts. [REDACTED]

[REDACTED] In many ways I'm not sure if the expenditure of resources specifically by local authorities is that much significant. It's more, I suppose, in the nature of working through their various other functions. And the local enterprise offices are obviously a key element of the local economic development role and the resources for that come from JEI.

R: Our **third questions** relates to, can you tell me about your experiences with the new structures and arrangements that have been put in place. You mentioned just a few minutes ago that you think that local authorities have responded well, but that there were constraints because of the time of austerity perhaps and so on.

I: Well I think the big constraint probably was the expertise and availability of...not so much even, obviously, those financial resources has been an issue, but I think actual human resources as much as anything else and perhaps just not having a pool of expertise on economic development matters.

R: And could the local authorities have done anything more themselves on that front, to acquire the expertise, or to develop it?

I: They probably have been doing it, as far as I know. Again I don't have enough detailed information to be honest and there probably is, we're probably at a time now maybe where some sort of a review of how things are going on that front might well be...we're three years into it, I suppose, at this stage. There may well...you see on the community side they had more ready made resources I think, in terms of working with that community sector that was there so. In the economic area there's very limited specific economic resources anyway. So very often roles get defaulted into maybe planners, engineers. There maybe some positives in that, but there's probably negatives in it as well because, you know it's like, maybe, if you go to a doctor and you may need counselling but you'll get medication. It's whatever the practitioner...whatever tool kit he or she has at their disposal is what is going to be applied. So there probably is maybe a need to do more but that's maybe where the department could have done a bit more as well. What I would have envisioned anyway, that it would take a more proactive role in that. Resourcing itself for a start with a bit of economic expertise.

R: Does it give rise though, if you say, if you were trying to...the action programme for effective local government spoke about making the local authorities the main point of contact for public services. So this is one, say, where there was a great initiative, lets say, to give them a greater role in job creation, but it points to a very real difficulty because local authorities come under the aegis of the department of housing community and local government.

I: For some things and that's an important issue, that perhaps there's often this assumption that the local authorities are under the department of housing and local government but in fact they're under a range of departments for different purposes. The day when, it's like in the 19<sup>th</sup> century, all the poor law unions reported to the local government board and maybe up to the 1970's very much everything was reported to the department of local government. But really now it's the department of local government only in relation to the local government system, the legislation, the structures and that sort of thing and finance and HR at a national level, but as regards a range of other things like roads, the local authorities report to the department of transport. Environment, they report to a new department of environment etc. And enterprise, they report to the department of jobs etc. Except that is just a specific enterprise. The point I'm making is that there is and was always envisaged and it's reflected in the guidelines that issued in December 2014, I think it was, that there is a wider economic development role and the whole idea was to widen the span of local authorities in economic development not just this, either this...the traditional things that they did was to go out and improve the physical appearance of a place because that's kind of the thing they tended to do. Or now the operation

of the LEOs, which again is a very clear cut one. But the more difficult one is for local authorities to grasp the possibility that they have a wider economic development role but also in that there is an issue of demarcation as it were between them and the likes of the IDA and Enterprise Ireland. It's probably clear-cut enough with Enterprise Ireland in that they're agents of Enterprise Ireland to some extent with regard to the LEO's because that's the national agency that they work with. They don't have a direct relationship as far as I'm aware with IDA and there would be no welcome for and no great case for local authorities to start encroaching into the territory of the IDA in terms of going out and trying to engage with foreign investors because that's really a recipe for disaster if you have a multitude of different agencies in the country trying to engage with clients and foreign investors and so forth. Sorry I've rambled on...

R: No, no actually that's valid enough because the Shannon Development in the past would have had that role and there were two agencies from Ireland representing different bits of the country, a majority and a minority partner, and in the longer term that didn't work, I think it would be fair to say. And hence the abolition of Shannon Development.

I: I think to be honest the role of local government in certainly foreign investment is necessarily very limited. And there's even a question about the role of foreign investment itself is becoming a little be more limited as far as I'm aware there's more emphasis now being placed on trying to grow indigenous industry and help them to succeed on the export market but there's also a question, and probably rambling into other questions you've got there as well about the...maybe it's better to go through the questions because otherwise it's going to become very diffuse.

R: Yes, yes indeed. So part of the 2014 act introduced the local community development committee, which is a fusion of the community side and the economic side, which is a committee, of course, of the council but independent of the council, which is an unusual arrangement, which was...you know to talk about that idea of that being independent, part of, but independent in it's operation.

I: Well that partly comes from the situation where the whole local development sector was outside of local government and I think there was a concern on the part of that sector and indeed possibly on the part of the EU, who fund a significant element of it, not to get into a situation of appearing to bring that sector under the control as it were of the state apparatus and thereby lose some of the local initiative and the bottom up aspect of things. I would say one point, certainly a correct point, it was never envisioned that the economic role would really come under the LCDC. Maybe that has happened in practice by default. But, for example, if one looks the legislation, section 66 something in the 2001 act, while the community strand of the

local economic plans are submitted for adoption by the LCDC the economic stuff goes to the main council. So there is an actual distinction there. But again I suspect that in practice, because of convenience I suppose, the LCDC has probably taken over to some extent, the economic role. That wasn't the intention, particularly because by the nature of it the local development stuff tends to be a little bit small fry stuff, very localised in its nature and there was a concern that bringing, making that the dominant force would actually stymie some of the degree of ambition that was there for local government to be a significant player in economic development.

Which is why another set of guidelines went out somewhere in the middle of 2015 I think encouraging a regional approach, that local authorities should, as part of their economic development role have a regional focus and come together at regional...and consider the establishment of economic fora at a regional level, modelled very much on the economic forum that exists in Limerick, but to widen it to a more regional scope, which I think there was receptiveness in Limerick for, but I'm not sure that it has happened. The department did encourage it but again I don't think there was any great follow up on it. It is arguable that the extent to which economic development can realistically be pursued within the context of a county is very limited, that you really need to look more at regional type influences. Now, an exception to that possibly is the city areas, which you could regard in a sense as being focal points of a region, without worrying too much about territorial boundaries, so where the regions are, but you could argue that, well Dublin is an entity unto itself anyway, but the others sort of, Limerick, Cork, Galway and Waterford are arguably growth centres, to use the old Buchanan term perhaps, or engines of economic influence and development, for quite a wide regional hinterland and that's going to be, I think, reflected within the national planning framework as well. And may even be reflected in a governance response in the form of the establishment of some type of metropolitan authorities.

R: Okay. Now, can I just ask you – the LCDC, as we touched on there, was part of the 2014 act and a new committee to replace the old city and county development boards. Do you have any sense of how well they have performed compared to the previous arrangements.

I: Well again, any feedback that I have seen is pretty positive about them. I don't recall at the moment seeing any negative feedback on it. Other than I would again enter that caveat that, in so far as they may be used as the main economic vehicles, I'm not sure that was quite the intention. What I would say on that is that there is a significant economic component to community development but there is a much wider economic function out there outside of the local/community development sector and I would have a bit of a concern if the LCDC and its sphere of operations, i.e. local/community development, is seen as the alpha to omega of economic development. I think that would be missing a major opportunity. Now I don't think that's happening, as in Limerick for example, the existence of an economic forum, the existence

of an economic plan, which I had some involvement in drawing up the terms of reference for, that goes well beyond the scope of LCDC areas of operation. So it would be, I think, and maybe this impression is getting abroad that the LCDC is the main driver or focus of local authority economic development abroad. That was not the intention.

R: I see. So it's really the...either the economic forum or the economic SPC?

I: Yes, yes. The economic SPC of course, there was an obligation to introduce those but again, probably due to resources and constraints of one form or the other, I'd say there's been a bit of defaulting to, what's the nearest thing we have to a economic unit, is the LCDC. But that's a local development economic model and I would be concerned...and maybe in many contexts that's as good as it's going to get in a small county. What economic development role can a local authority have? I would think in the future metropolitan authorities is where the action is going to be for, either the metropolitan authorities in the form of a new structure within the local government system or the lead authorities in cities. So you're talking perhaps about Limerick City and County Council being the local authority for a significant urban economic hub, as it were, and perhaps Waterford as well. The report on local government recently in Cork has actually recommended a metropolitan plan and what it calls a metropolitan board. So there is actually a specific recommendation there. In Dublin, of course, there's been calls to establish an office of directly elected mayor, which has been construed more often than not as kind of just an individual doing wonderful things because there is an electoral mandate attached to the office but I think in terms of the sort of experience and developments abroad the more productive approach would be to consider a metropolitan authority which would have substantial powers. One individual anyway isn't going to be able to...but the media I guess and indeed maybe certain public representatives sort of always focus on the individual.

R: Do you have any thoughts on how the public participation network has...

I: Yes, I'm not sure that they're particularly effective. Possibly experience varies in it. I am aware certainly of instances where there are people on the PPNs whose role ought to be to provide public participatory input but they don't really represent the community in any sense. It's anecdotal, of course, but it's real, as well. Personally, I regard them as something, like kind of, part of process, which I don't have a great deal of regard for. Process is often a very weak alternative to real action, real thinking, real decision making. But you know they tick a box. What real contribution they make I really don't...I'm not aware that they do. They probably provide some...they probably fill some role but I think it is probably extremely limited. That element of citizen participation that they provide, I think, would fall a long way short in reality, in the actuality of what for example the council of Europe guidelines, which are about to be published if they haven't already, but a long way short of the kind of participatory activity that

happens in other countries, be in it participatory budgeting or referenda even in many cases, and interestingly the purpose is different admittedly, but what is much more interesting in this country is the development of town teams and town forums throughout the country, which are action focused, which almost are in the other direction. It's the local authority tapping into the resources, the energies, the knowledge, the commitment that is available locally in towns particularly. And by providing some support, facilitation, capacity building and above all co-ordination, bringing various representative groups, who do things, business associations, community councils, tidy towns groups together, to work together in a very productive way, that's happening throughout the country. I have seen a lot of reports. I have personal experience. That is something that is working.

R: Such as tidy towns all of that kind of stuff...

I: I'm talking specifically the forum though, the structure. I'm not sure if you're familiar with maybe but, town teams and town forums.

R: Which are...can you elaborate a little.

I: Well they are structures that have evolved particularly since the dissolution of the town councils where the local authority, i.e. the county council, engage with local communities. One model would be where some person with expertise in this area would engage with local groups, find out what the various groups who were active in the community see as the problems, the issues, the potential, the opportunities in an area. Convening a forum with representatives, a coalition of the willing as it were, with the objective of promoting the area based on whatever the opportunities, the assets, the strengths or dealing with the issues and problems that may be there, whatever they are and the council provides that support, in terms of that professional support, convening meetings, providing a link between the council, helping if there are certain funds that can be sourced to help whatever initiatives and priorities need to be pursued.

R: So in your view then say, an action led approach to that, rather than a process led approach.

I: Oh absolutely, that's the key to it really. Now there may be some role for the processing in terms of, a convenient way of consulting on things maybe, the PPN may provide input. I'm not sure, because I don't know how, say the one I'm aware of, I don't know how this person provides the input other than as a former Taoiseach and President did, by looking into his heart, because he certainly doesn't consult the community. He's not known to the community.

R: I see.

I: So how do you do that. Again the PPN has probably its role, a very limited one, I would think, in that if the council wants the vehicle for consulting it can do that, but the other one is a far more useful, far more productive, more action based and it's involved actually in getting, in tapping in as I say, it's getting the community to do something for themselves and you could say for the local authority.

R: And can I ask you this then, the context perhaps. That's a very interesting discussion, what in the context of say the current programme for partnership government and examining further reform of local government, do you think looking to the future a little bit, that you could see maybe the latter model, which is the town focused group being given, and the desire that's being, you know, brought out by some politicians for the return of town government in some form, is there a possible fusion?

I: Oh yeah, because to some extent the motivation for these town forums and these teams has, I think, grown, certainly was parallel with the dissolution with the town hall. I think the actual concept was first mooted by one of these retail excellence, one of these business related groups, but it has been taken up by a very many local authorities so it would, now I suspect that there may, in some areas, be a little bit of tension between the political representatives and the forum, particularly if the forum or the town team, whatever it may be called, there are other different titles used, is getting publicity and credit for it, which they shouldn't be doing. That's not their business to do. Getting public credit for things is the currency of the elected members and I certainly believe in the old biblical adage of render unto Caesar...

R: What is Caesar's.

I: So that's...it would be quite a mistake I think. So the two can certainly live together. What needs to happen, I think, is for good linkage, which does exist. I think again like with many things that practice may vary. If there's good linkage and reporting back to the local authority quickly. The municipal district should be engaging with the local, and this is a good way probably to do it and I'm aware of certainly examples where there is quite a good element of reporting back to the district. That supports the role, tends to be the role of the facilitator, who's assigned by the local authority to do that and to maintain good contact, but there's probably scope for the local authority members themselves to take more ownership anyway of the process and to get the credit. They have the funding to, and funding for local activities usually



comes through the municipal district now. Again practice varies, the extent of funding and that's an area that needs a bit of clarification anyway in terms of...I think part of the...it remains to be seen what happens on this programme for government issue regarding town councils, but I think many people would see that as probably the Irish local government equivalent to Brexit, the reversion to town councils. When you think it through. When you think what the implications would be. The alternative would be to build on what is there to address...there were extensive surveys done, completed last year of the local authority members and the executives and the very clear consensus was that the new structures are generally working quite well. They need a bit more time to mature and settle in and there are some adjustments that need to be made in the system, particularly with regard to the configuration and the size of the local electoral areas, possible scope for some greater powers for the municipal district members, particularly in that area of finance and budgeting, probably greater consistency of practice. It's possible that in some areas that the system isn't being quite worked as intended, which is possibly a cause of frustration to the members at the district level. There are gaps in the funding regimes as well. One obvious gap, for example, is that there are a range of towns who don't happen to be gateways or hubs under the old NSS, but equally are too big to benefit for many of the funding streams that are there, like the town and village renewal schemes and the Leader schemes so they fall in...and there are about fifteen large towns in that category. That needs to be addressed. And that would be part of addressing the, I suppose the concern that underlies the demand or the call for restoration of town councils so...

R: Anyway that's very interesting and just maybe to wrap up on just that particular topic. Given say this emerging model, which maybe is a bottom up, the town committee, the town group and the PPN, which was process driven, perhaps top down a little bit? Maybe slightly bureaucratic, and you know could have been like that, that maybe in the wider role of reform in the future that you could fuse a strengthened role at municipal district level by allowing non-elected people to become, you know, a more structured approach to the system. Just a thought.

I: It's a possibility. But then you could argue that if the thing is working well outside of the political context that there would be a danger that it becomes politicised and less less collaborative between the various individuals and groups that are actually putting in...the day a group like that becomes in any way politicised...

R: It's the end of it.

I: But most of the people who are prepared to put in voluntary work get out, other than those who may want to use it as an ambition to further some political ambition, as a stepping stone, I mean. It would kill it stone dead. So probably there may be some scope for better linkage. There may also be an argument that you could have community members brought into

municipal districts. I doubt if that would be acceptable to the elected members though so maybe it's a question of building better linkage with these...

R: Well no, what I was thinking of was you know the SPCs have a two third, one third ratio that...

I: Oh yeah that would be...there is a precedent yeah.

R: We'll just go onto **question four**, which is the plan that was made and you mentioned actually earlier about the regionalisation and you also said that you can see in the future say under the NPS where the city metropolitan regions will really become the engines and the focus, would you care to comment in terms of say the plans that have been brought forward or is it a bit too early to comment on those plans or maybe again...

I: I'm not familiar with the content of it but I have heard, those who have sort of analysed them would make the point that they're probably in many cases not ambitious enough, that they are a little bit wedded in the traditional things like spatial development, public realm all very desirable things in their own right but not enough ambition there about what the local authority can do to go after more big ticket economic development and again I think that somewhere like Limerick is an exception there, that they have been leaders in that in seeing themselves, by virtue of having that forum bringing interaction with major business leaders is very important, not just the kind of the likes of the chambers of commerce and the representatives because you'll get a representative corporate input there, but the guys who have actually done it, the leaders of major enterprises, having those involved, which I think is what has happened there and that's the model I think that will succeed.

R: Would you care to offer a comment on maybe why certain local authorities might have been reticent to widen their horizons or...

I: They just don't get it. Yeah, that's basically it. They haven't thought outside their traditional box I think and again it comes back to my analogy of my psychologist versus the psychiatrist or whatever, you'll get what you go to, you know. So if local authorities are replete with planners and engineers well it's their solutions, it's what they have in their tool kit that will be applied.

R: Which is more the hardware planning side than looking maybe visionary.

I: Yes take any sort of a town or a county, well what can we do to improve...well we'll improve the footpaths and the roads and the signage and all of that and the parking all of which is no doubt very desirable and probably...and it does have a significant role...the quality. I think ultimately the purpose of local government is to maximise the quality of life in any area. That's the all embracing, overarching, that's a way of synopsising, where are all these things, why does the local authority do something about footpaths and roads or environment? It's to improve quality of life. That's a very high level thing, so and in terms of attracting investment for example the quality of an area, the quality of life, the quality of services, facilities, education, restaurants, all kinds of things are what attracts, can be crucial in a decision to locate in an area.

R: But perhaps is it, you know take the quality of life factor, the emerging NPF preferences in terms of that, the city, metropolitan regions and so on but is it just the case that the current arrangements for local government in terms of that future envisioning quality of life stuff, that the current arrangements and structures are no longer fit for purpose.

I: Well they're not optimal.

R: No.

I: They couldn't be because you've got a range from a population of 32,000 to a population of 545,000. How could they be equally effective or efficient? They couldn't be. So, that's a simple answer there. So, but of course the county is sacrosanct, certainly as a geographical area is sacrosanct. Whether there are other ways of working around that. And the metropolitan authority, from an economic perspective, they may, because cities are the engines of growth. That is where...it is absolutely pointless thinking that you can develop significant employment outside of large urban areas.

R: So taking the emergence of the NPF and given the economic role through the LCDC and the economic SPC, what's likely to emerge over the coming years with the NPF is new arrangements at local government level to drive the NPF city metropolitan regions.

I: That's the, I think, whether it is, maybe, too strong to say that it is an intention but that is what seems to be emerging. Whether that will be politically acceptable because rural Ireland would be very concerned, yet again, it's being left behind. But the one thing that would leave rural Ireland behind is if the main centres outside of Dublin are not catching up and prospering. That is what is really killing rural Ireland more than anything else. It's absolutely unbalanced. The imbalance has probably worsened I suspect since the last economic collapse.

R: Yes, because that would have been borne out by the outcome of the last general election, which was February 2016, when the economic recovery, the slogan, Let's keep the recovery going, was not effective.

I: It resonated a bit in the Dublin area. In that I think the main government party did better in the Dublin area, relatively speaking, and did very poorly in a traditionally fairly strong area, like in Munster. In one particular county it failed to get one seat in a five-seat constituency or something.

R: It does tease out sort of the economic development role. Everything comes down to economics at the end of the day.

I: Yes of course and these issues are going to arise and there is a strong appetite for one for everyone in the audience. It killed the Buchanan concepts in the late 1960's. The idea of having eight growth centres? Sure that was relegating the rest of Ireland to the scrap heap, so instead Buchanan was consigned to the scrap heap. So here we are fifty years later to this.

R: But we're much more urbanised now.

I: It's happened anyway but in a more unbalanced way than Buchanan would have aimed for. So it actually turned out worse by default.

R: We've touched on...I think we've already answered this, do you think the reforms have given local authorities greater powers to act and you said that they did and that the result has been somewhat...

I: In the economic area, yeah. Well certainly, obviously, the LEO is a very concrete one but as well as that I suppose the greater specific legislative mandate. In many cases, the local authorities had always seen themselves as having a significant role, I think this has given it a more, a more concrete form in the form of the LEOs but that is just one element as they say, it's micro enterprise, but also the mandate to promote economic development and engage with business and so forth is more a specific responsibility now.

R: Would you be of the opinion that local authorities now have greater autonomy in this area than before. They have the legal power but do they have a degree of autonomy?

I: They have, up to a point. In the sense that they do, for example, they have the capacity through the LPT to raise some additional revenue anyway. Most of them have chosen not to do it. Many of them have chosen to actually forego some of that that added income.

R: That's correct.

I: That's another argument, but it could be argued that the local authority has the capacity to add on fifteen per cent to the national level every year and use that to promote economic development itself.

R: They could.

I: But that's one area where they have a little bit more discretion. They have the legal powers to do it. In a sense you could argue that the removal of the ultra vires rule in 1991 gave local authorities power to do almost any thing in the interest of the local area, but that's vague and it's a bit unstructured, whereas at least the additional provisions that have come on stream in 2014 act gives a more expressed, more clarified mandate on the economic development front and I think if there's a gap there at the moment it's probably more at central government level as to what the role of the different departments is, engaging with local government.

R: Would it be, just looking say at the outcome or the bits that you've picked up, would you say that while it's based in sort of, the representative structures, the LCDC is a representative structure, but that in fact it's really a matter for the executive of the council to drive it.

I: Well it always is. Because any representative structure, they will sit around and they will I suppose at best pass judgement. [REDACTED] They will pass judgement on proposals that are put before them.

R: They will.

I: The elected members, or any type of representative, they're not going to have the time, the resources and whatever, the expertise to do research, to do analysis. That has to be done by the executive so by it's nature it has to be some type of executive function that performs that role.

R: And given that, and the particular responsibility and challenge has been given to local government, that wouldn't it be preferable to see that becoming a stronger requirement for the selection of staff at senior executive...

I: A requirement to...

R: To have that capability, say, to drive the economic side of...

I: Oh yeah absolutely and this is...there probably is a gap there. That's what I mentioned previously in the fact that many of them are probably defaulting to maybe related but not necessarily specifically adequate areas of expertise. The skill sets to use a cliché may not be there. I think in fairness many of them are endeavouring to fill that gap and I think there's probably...and there's a fair bit of autonomy now. I think that some of the controls on staffing have been relaxed. I'm not au fait with the exact details, but I think there's probably a fair bit more scope to do that.

R: Any thoughts on, say, or have you come across where there has been a move to inter local authority working, sort of stemming from the idea of the NPF, a more regional, you mentioned that the action plan for jobs is regionally based.

I: It is. I suppose that's one element where a regional...and in fact that may be one...the existence of the action plan for jobs probably explains why some local authorities didn't go for the idea of an economic forum. They probably took the view that we're engaging with this action plan for jobs. That has a regional dimension. What do we need a regional economic

forum for so, maybe that's understandable so perhaps the forum idea may be doable in the metropolitan centres but the thing about the action plan for jobs, the regional action plans, they have very large groups and again it's very much a representative type forum, I suppose, where very large groups, very very large groups representing all kinds of interests come together every so often and they express a few views on things. It's a little bit different from the more sort of intensive engagement that you might get at a more tightly based economic forum of the type that was envisaged by the department where there would be some very big hitters from business brought together and they would give of their knowledge and expertise in relation to what really needs to be done in taking a more pro-active and progressive approach. There is an element to which, being honest about it, the action plan for jobs is a very interesting compendium of what's happening anyway.

R: Yes.

I: I'm not sure how many new projects or initiatives have come on stream because of the existence of the action plan for jobs. On the contrary, to some extent the action plan for jobs exists because there were things happening out there that can be bought and put between the pages of a document. Which is slightly different from the very proactive...if one looks at the guidelines that issued in December of 2014 and the little follow up some months later about the regional forum on the economic side of it, it very much emphasises and it's prompting local authorities, go and think outside...go and do things and to be proactive. Not just bring to bear...I think there were about six different categories of economic action to my recollection mentioned there and I'm not sure that they have all been fully utilized or explored.

R: Just reflecting a little bit on say the reforms and the experience to date, would you think that the...what would be your assessment of the reforms in terms of the local government system?

I: Are we talking again about purely in the economic context?

R: Or you can widen it if you wish.

I: Or generally. I suppose the thoughts of the Chinese leader Zhou Enlai come to mind, when asked to comment on the impact of the French revolution: It's a bit too early to tell. That maybe, I think it probably in fairness is a little bit too early to tell. All of the feedback that has come from the reforms generally has been positive. Other than by national politicians commenting on, particularly on the demise of town councils. And there may be other factors in that in terms

of the loss of trading grounds for politicians and quite different considerations apart from the effectiveness of the local government system and service to the community and so forth. But the positive feedback has been from the service committee 2016 of both executives and local authority members, from recent survey material collected by the LGMA on town management and development, again very positive, universally positive, I think, as regards...now most of it is not big ticket stuff either or a few examples of quite significant projects being brought forward. A lot of it is sort of the type of thing that you would expect to see public realm, village enhancement, recreational facilities, heritage. All very good, but not very big ticket stuff really, so again that probably feeds back to the lack of ambition in the economic plans. It may also mean that the county as a jurisdictional area or a territorial area for an economic plan may in many cases be a bit too small.

R: Yes. One is reminded by...was it some US election campaign, that it's the economy stupid.

I: Yeah, yeah. Oh yeah. Bill Clinton.

R: That's correct. Okay we're coming towards the end, **Question 10**, and just looking a little bit to the future. Have you any thoughts on what can be done to say improve where we are and maybe to build on what has been achieved. Address weaknesses and...

I: Yeah, well again we're talking in the economic context specifically.

R: Or you can elaborate again.

I: Well. As regard the wider look at the system, there are adjustments and tweaks needed to the new structures that were introduced, we're talking here within counties. Of course there is a case in principle for major restructuring of the counties. But that is probably some distance away because of the sort of outcry that tends to arise if any attempt is made, or perceived attempt to interfere with the counties, even though there are perhaps ways that it could be done, and maybe there could be sort of collaboration, or coming together at an administrative and executive while retaining the individual sets of local authorities but even that's probably a little bit into the future. I think where things should really start to happen is back on this concept of metropolitan governance. That could be the big...it's happening throughout Europe. France is a good example, where there are twenty two metropolitan authorities now established, since 2015, I think, so it's a very rapidly developing...and they particularly replace inter-municipal co-operation structures, which were introduced in turn to try and address the multiplicity of



municipalities, which of course are often presented as a fantastic example of local democracy but in reality have been perceived as very ineffective, incapable of operating really. So from the early 1990's onwards, possibly earlier in some cases, these intercommunit  were established on a voluntary basis and subsequently they became somewhat mandatory for any of those who were residual outliers that hadn't become involved but it has proven inadequate, quite inadequate particularly in the major urban areas and hence they have been in twenty-two areas replaced by a new metropolitan structure, which is also taking functions from the region downwards and from the department and in fact in one case the departments have been totally abolished in the Lyon area. There are no departments. The departments in France would be equivalent to county council probably, somewhat bigger but would be a reasonable approximation. They've gone, to be replaced by the Metropoles.

R: So what you're...

I: So in Ireland, what you're talking about, okay Dublin, and Dublin's almost a special case, but certainly you could...and you could say in a way that you could argue that maybe Limerick and Waterford already has almost Metropoles in that they have the city and county unified and they're not too sprawling. They're reasonably compact in both cases. What's absent of course is the adjacent county area. So if you were to establish a full metropolitan level there, you would probably in Waterford be taking...and maybe the solution to the perennial issues around there, so that you could have a metropolitan authority, which would span Waterford city, parts of the county and into neighbouring Kilkenny, which would take certain strategic functions, but without interfering otherwise. Kilkenny county council could continue to provide other local services, if that was considered...

R: So you'd have a new, could I say it this way, that you would have a new, well certainly in the city metropolitan areas, you would have a new emerging sort of quasi-regional structure.

I: Yes it is, it's kind of a city region, although I'm loath to use those terms as I know the planners have a different meaning for that, it's a wider area, but Cork is I suppose the test case in one sense because the recent report as I mentioned did recommend a metropolitan plan for a very wide area, going out as far as the CASP study area, which goes as far as Mallow, very very far out, which I think would probably be considered excessive in the context of the national planning framework, but there's a debate and an analysis and a decision making process to happen on that, one way or the other there would be some form in Cork of metropolitan entity, some form.

R: It does lead to an interesting question though, the current regional structures of assemblies. And their utility value or whatever.

I: Yeah, yeah. It does indeed. One of their reasons for existence is EU funding and we're not alone in this in that there are sort of quasi-regions in many countries, which aren't real regions but they do perform the role of maximising the draw down of EU funding because of the way that they are configured and what they produce in terms of average GDP, per capita GDP, which is largely what determines the amount of EU funding you get. So that's going to continue to be there. I think if these metropolitan authorities do come into being, their core function or one of their core functions would have to be the adoption of regional spatial and economic strategies, which currently reside with the regional assemblies. In the past they were RPG's, the current equivalents of the RPG's adopted by the old regional authorities. It would be essential, if metropolitan bodies were to have any worthwhile role, would have to have that one, and they would take it from the regional assemblies. So presumably that then would bring, could re-open the question of what is then the appropriate regional type structures. The assemblies would continue in existence as statistical regions, which is sometimes what they are called, for EU purposes, statistical in the sense of how you measure your average per capita GDP and regions are being configured and re-configured with that in mind for decades. There was a time when Limerick was in the same region as North Kerry.

R: That's right.

I: There were many different regional configurations. For EU purposes we have two regions. So. But if the metropolises happen, and that's where the reality economic growth lies, in the main growth centres and not much needs to be done to promote the success of Dublin. That's happening anyway. There are problems with Dublin, problems of congestion and cost and competitiveness and they're growing again, like they did fifteen years ago with the very dangerous...

R: We're finished at this stage. Is there anything more that you would like to add and this is part of applied research for an MA in terms of the possible devolution, maybe the functional devolution to local government?

I: Devolution has been talked about as long as the train came to Shannon I think. That's come into vogue again as well. And very little progress has been made I think. Was it the devolution committee in the mid 90's resulted in the transfer of dog licencing to local authorities was it? You could argue that at least in the 2014 act there were a few elements of what could be called

devolution. You had the community development function has at least been aligned closer to local government. A stronger economic...the LEO's moving in is a concrete one as well, moving from being under the former county enterprise boards, were purely agents of Enterprise Ireland, now they are an integral part of local government. So there are a few elements there. And we have other little specific things like ports and harbours, things like that. To go further than that, of course, you're looking at the difference that exists between the range of functions that form the local government in Ireland compared to most other countries where it's assumed that health, welfare, social care, education, police, public transport are all local. It's assumed because it's assumed that that's what a local authority is there for. It's the organ of government at local level.

R: But that goes back to the quality of life, which you set out at the start.

I: Yeah. But the reason that...there's a number of reasons why it's not here. One is that the state agency model is very strong in Ireland, stronger than in any other country, I think, where we have state agencies developed here for things that it wasn't done, things like public transport...suppose police has always been largely a national function here apart from the old Dublin. There was a thing called the DNP and then there was a DG something or other in Dublin. It ended in the 1920's. Education has had the old VECs and their successors, the ETBs. Something that was in local government and that kind of drifted away entirely. Health of course. You could write a book about that on its own.

R: But given say the importance of education and particularly vocational...

I: There ought to be a role for local government because in fact you could argue that there's a bit of a void opening up in education currently, with a change in patronage and so forth, changes there. So there ought to be a role there. In other things there was a move, obviously things have gone in the other direction, like water services, national roads and environmental protection.

R: There was Susi. Susi in education.

I: Yeah, I don't think that matters because why couldn't a national agency do that? For example, higher education grants have moved. Why shouldn't they? Why do you have to do it locally, like? It's the same everywhere, like. There's no particular local aspect to that at all. So I see nothing wrong with those moving, the nature of them...and they really didn't bring anything. If you needed it, a local office for people to actually go in to, but I imagine most of these

applications are done online now anyway and if not, by post. You don't actually need to physically engage with anybody to do things like that. It would be like making TV licences local authority funded. Motor tax has no reason for being a local authority function.

R: The headline in the action programme for effective local government, says about putting local government as the centre for public service in Limerick.

I: It says it will be the, I think, the primary vehicle for public service at local level as far as possible. It does elaborate on that in a further chapter. It talks about certain functions being of their nature appropriate for local level and others not. And say things like higher education grants have no reason to be local at all. No more than TV licences would have, nor motor tax. There's nothing local about those functions whatsoever.

R: But maybe education...

I: Education, well it could be yeah, I think. It could be. And there's kind of a gap there in the sense of that there is no agency between, in some parts, other than the ETBs, there is no agency between the individual school and a government department. And that's an issue in itself. I've heard it said that if a primary school needs to build an extension, the principle teacher has to become an expert in...a developer almost.

R: Yeah, that's correct. That's correct.

I: So that's one example where there is...what is likely, again back to the metropolitan thing, that if there were metropolitan authorities there would be a case for some functions perhaps being devolved to them from central level, but again you're up against the issue that if something is working reasonably well, like think the national transport is considered to be working pretty well, so there's no prospect of that being taken away and...

R: I'd offer you a slightly contrary view, that the national transport authority covers all public transport arrangements in the country is seen as fairly inflexible in terms of its responses to public transport needs. For example, a local authority can't erect a bus shelter. It has to be funded by the NTA, which runs slightly probably contrary to the idea of quality of life.

I: There are probably specific functions that could be moved, but as regards the national road and rail network, the infrastructure, no. But there may well be a role, I don't know...see even the bus services are largely contracted. CIE is largely a contractor at this stage rather than a...it is no longer an actual transport authority or an actual transport body. It's actually one of many contractors providing services to the NTA. So I'm not sure that that, the function in public transport is local or regional elsewhere, that there's much prospect of that. But there may be things, again probably in that metropolitan area, like in Dublin, the application of a congestion charge, if such were considered desirable. The development of maybe park and ride facilities, although again you could argue why can't the NTA do that anyway.

R: Just one last question for you, it's just it's interesting to sort of, you know the way you mentioned the economic fora and so on that are emerging and probably they will gain strength in the national planning frameworks because...

I: Well the metropolitans, the economic forum is a different thing now.

R: Yes, yes, that's what I mean, sorry. These new...where local government will interact with business leaders and so on.

I: Well that's if you did develop economic fora but it hasn't happened apart from maybe Limerick, that I'm aware of. Louth had one as well. They're very localised. But what I'm saying is that maybe the metropolitan authorities, if they are established would take that economic role forward.

R: And can I just tease you out, the last question on that because I would have some knowledge of interacting with business leaders and theirs are purely business thoughts. Whereas politicians tend to think slightly differently. Just maybe your final comment on trying to make the new metropolitan, city metropolitan regions a success and trying to drive the economy, what would you need, what sort of governance would be the key to making that work.

I: Yeah well there are some people who would believe that governments should be like the governance of a state agency, that they're technocrats if you like. But doubtful that would be politically acceptable and in fairness it's not, I think, what has happened in other countries. The heads of these metropolitan authorities are elected members.

R: But would you see perhaps where to deliver on what the governments intent is, that you need more of the business rational decision making and that there could be a revised government arrangement where at the very minimum there might be fifty-fifty between the two or where you might have business leaders making the decisions.

I: I'd say there would be massive hostility towards that.

R: Would there be?

I: What I've heard from...any experience that I've had with the local authority members, they would be...they would jealously guard against...so, but again the Cork recommendation in the Cork report is for a board to be established, which would consist of a mix of elected members and I suppose outside, maybe business type or community representatives. So maybe if that model...the jury is out on whether that aspect of the report, or what form it will...I think there will be some form of metropolitan governance for Cork because it's part of the solution there. But whether it will be exactly of the form proposed in the report or something maybe more integrated into the local government system. And there's probably pros and cons associated with both. At this stage I think that no decision has been made on that specific aspect of it.

R: Sin an bhfuil de cúrsaí spóirt!

Date: 28.08.2017

Researcher (R): Kieran Lehane

Interviewee (I): N2 Senior Civil Servant

R: **first question**, did you or the Department have any involvement leading to the reform process in local government in the 2014 act.

I: Yes, we did. The Department of Environment, Community and Local Government and we established a policy underpinning for the reform process and the legislative change that came after that, whether it was the primary legislation, the secondary legislation or the guidance that came after that. So we've set the framework through which all that reform should be happening and some of the national oversight of that as well.

R: Okay, would you care to elaborate any little bit on that?

I: In terms of the national oversight I suppose we would have, we would have monitored that, particularly on the community side in terms of working groups that we had established, the development of guidance, the on-going contact with local authorities. Working to develop the processes on the actual structures that we've established. Just trying to create a more facilitative environment that would have been there previously in terms of reform. So, for example, we'd take a far more hands on approach to the support and development of Local Community Development Committees than we probably would have seen for community, or for County Development Boards for example, or city development boards. And I suppose the idea there was that we had learned from the difficulties in the past or the challenges in the past whereby central government had established or it helped local government establish these structures and maybe for resource reasons or policy reasons took a little bit of a step backwards.

R: Can I just ask you say if you were involved in the framing of the legislation, your thoughts were on say the principles perhaps that were guiding you, the underpinning principles behind the legislation, what were they?

I: I suppose covering both the economic and the community side, while they're both developed separately within the department, I suppose the overriding principle from our perspective was, an integrated approach at a local level. Whether that was integration of the economic elements or the community elements. If you look at it in a more granular basis, if you look at just the community elements, it was the integration of the range of services and approaches that were being delivered by agencies at a local level.

R: When you say integration, would you care to elaborate? Do you mean integrated within the local authority or at a wider level?

I: At a wider level. Both, both really. Integration at all levels, whether that's at a national level, whether it's at a local authority level, or at a local level involving the local authority and the fuller range. I suppose when I'm talking about integration, I'm probably talking about it in the broader context in terms of you know moving people out of their silos. What we have are a range of programs that are, many of which are delivering towards the same types of objectives and all going off in different directions and all doing their own thing without a joined up approach to that. So for example we haven't, we weren't identifying in any structured way what the priorities for the area were, what the, what the challenges were. What we needed to

do to address those challenges. And how we might marshal the funds that we have to address those challenges. Instead we were delivering programs from a top down basis to deliver program objectives and thematic objectives without thinking about it holistically.

R: Can you give me an example of what you mean by that.

I: I suppose again because our experience would be mostly on the community side, if you look at the training interventions that are being delivered by a range of different bodies at a local level, you, we had anecdotal evidence that you would have had the same training courses being delivered on the same day, in the same town by at least two providers. And other services being delivered in the same way. And I know this is a very small example and a very micro-example but Wheels On Meals for example, we were getting feedback back that there, that a competitive process had sort of set up, so that people were, and I say this in a slightly facetious way, that you know the dinners were being delivered at half eleven in the morning because Meals On Wheels providers were trying to get out before others. So we weren't looking at things in a very measured way. Now that's an extreme example, but it gives you an indication as to the lack of integrated thought that was being brought to a lot of what was being delivered at a local level.

R: Fair enough. You've mentioned say that at the local level, but was that integration also, or that lack of integration perhaps, or that lack of coordinated thinking apparent at central government?

I: Yes and it still is.

R: And it still is. Would you care to elaborate perhaps, because that's a major issue that you've touched on.

I: The major challenge for us, over the last four or five years has been to get cross government buy in to what we are trying to do. Particularly across the key departments, whether that's on the economic side or the community side. So on the economic side, you're talking the Department of Jobs and Innovation. On the community side you're talking about a much broader range of departments from Social Protection, Children and Youth Affairs, Department of Health, ourselves, the Department of Justice. The list...the Department of Education...just goes on and on. And trying to first of all get a handle on what actually is out there is a big challenge and is still a big challenge. We've a much better idea I think now at this stage what's



going on out there and who's doing what. Because dialogue has started at a national level. What you also found though was that it was very hard to figure out who's doing what within departments, who you should be talking to and who's responsible for what and at having found the right person actually getting them to engage and to understand and believe in what you're trying to achieve. We've had a very hard slog on that front. And I think we've struggled as well within the department, in terms of the resources that were made available to that process. The process was very much knocking on doors, explaining to people what we're doing and trying to bring people along with our vision and to get into those government departments and engage with them and we just haven't had the resources to do that. So it's a multi-layered challenge at a national level. And was one of the biggest reasons for the failure of the CDB process was the lack of that national oversight, often cited.

R: And quite frequently cited at a local level also. And actually when you have regard now say to many regeneration programs going on across the country, which are multi, they're multiple issues they're trying to deal with and there's different sources of funding, and trying to coordinate that for effectiveness alone is extremely difficult. Could I just ask you maybe to comment on say your attempts, albeit now with the not adequate resources, at a central level, to try and pull it together.

I: I suppose at a very high level we have the interdepartmental on Local and Community Development, which brings together a broad range of departments that I mentioned. Plus Pobal who would be a very big player in the space at managing programs, at designing the programs and helping us with the monitoring and the evaluation of programs. And would be very experienced in that space. And we would also have CCMA representation on that. Usually two representatives, usually the chair of the CCMA and the chair of the relevant community committee, which whatever, in whatever incarnation that is, was the EETD, think it was Economic Enterprise Tourism Development. Now it's the EEEEC or the EECC, I'm not sure which. It changes on a regular basis. So we have that interdepartmental group established. But even keeping momentum behind that has been very very challenging. But we're finally beginning to see the light bulb moment around the table. And it's only with emerging practice on the ground that we're able to do that. So the most recent meeting of that committee was earlier on this year and we had a presentation from Kildare LCDC. They've a very forward thinking approach to a lot of this stuff and they developed a very strong underpinning socio-economic profile to inform everything that they're doing and it's not only what, it's not only the LCDC or the local authority that's using this profile, other organisations are using it. So, for example, two community gardaí have been appointed on the basis of what's come out of that profile and other supports have been developed on that basis. And when the local authority or the LCDC goes arguing for additional resources it's pointing to that socio-economic profile as the way forward. That was a bit of a light bulb moment for me in terms of how we should be bringing this forward in the longer term. So we felt that in terms of getting a greater understanding around the interdepartmental group table that bringing Kildare in with their

particular approach with that strong underpinning socio-economic analysis, but their area based approach to development, whether that was for Athy or Naas or some of the other areas, it would be a good exemplar for the interdepartmental group and it worked really really well and you could see, you know, people actually beginning to understand what we were trying to achieve. We'd had a similar moment probably a year previously, or a year and a half previously when we had Tipperary County Council in talking about the approach that they were taking to the plan and the development of the plan at the time, but it's only when you bring it to an implementation phase that you can actually see the full range of what has been done.

R: Would you care to offer the opinion that say at a local level there is maybe more openness to that kind of collaborative approach than maybe at central level? Is it more difficult to get traction at central level?

I: I wouldn't say that there's more openness to that approach at a local level. I'd say that there's an openness at a central level to do it but you're operating within different parameters. You're operating within a national policy framework. And you're also significantly removed from what's happening at a local level so you're not, you're not necessarily aware of what your particular agency is trying to achieve. I think that at a local level that there's significant challenges there. And that is getting those local agencies to actually buy into the process is as difficult at a local level as it is getting central government to buy in. And even where you have a national, whether it's a government department or whether it is a state agency, if the message that the government department has bought into, with our department, and there's an agreed approach, even if they have that understanding, getting that message from central down to local even within their own structure has proven challenging and continues to do so. The HSE has been very good in this space. They've bought into this lock, stock and barrel. And they have actually developed in the LCDC context a network of HSE LCDC reps that meet I think three times a year. They've developed a set of guidelines for what the reps should be looking for at a local level and how they should be engaging with the LCDC and what that organisation's priorities are and how they should be bringing it to bear. So that's one example of things that have gone very well in terms of that translation from national to local. Department of Children and Youth Affairs, similarly good relationship. Different type of structure because you've got the children and young people's service committees operating outside of the LCDC structure and not being part of it in many cases so you've got a different type of relationship there but again a good relationship between the department at central level, a clear understanding as to where we want to be going with it, but I don't know how well that's actually translating down to local level. In Kildare again another good example. They've taken the protocol that we developed between the two departments and they've torn it asunder and re-worked it and they have their own protocol because they've developed a way of working.

R: Are there any government departments where it's slower or they're...

I: The Department of Social Protection is a particularly difficult one. Just by the virtue, just by virtue of the make-up of that department and the type of supports it delivers and the way it works and again much down to the resources that we've been able to deploy to actually pursue those departments. We can't pursue them all at the same time so we've taken a sort of step by step approach with it. But we've got a, we've got a bit of a hook in there now and hopefully over the next twelve months we'll see...

R: And yet the interventions from say the Department of Social Protection at a local level would be huge, the programs they have.

I: They would be very big, but the level of flexibility that the local actors seem to have would be a lot less than you would see maybe on the LEO side, for example on the economic piece, or the LEADER piece which travels both economic and community.

R: Is that because they're nationally driven programs just delivered locally and that's it.

I: I think that's very much it. There's more flexibility inherent in those programs and they're working towards nationally agreed indicators rather than very local indicators that are specifically targeted to those counties. Whereas SICAP, for example, Social Inclusion and Community Activation Program, which is also run by our department is very much criticised for the fact that it's setting indicators that must be reached by the service providers and doesn't allow enough flexibility to be innovative and to take the longer term view.

R: Yeah but the difficulty is you see is that you are accountable up, central government, through the various government departments and programs to the minister, to the Dáil, so that's the accountability but at a local level it's very difficult to translate that accountability to a local level when you've that structure in place, it's very difficult to change. You wouldn't agree?

I: No, I would. I would agree. I'd agree with you fully. It is. It's a challenge. It needs a change, it needs a change of political and administrative culture that will take time.

I: The frameworks that are the LCDC, the Local Economic and Community Plan, the increased economic role, the recognition of a much needed role for local authorities in local development and community development. It's all there. Everything is pointing in that direction. But it's whether a central government and those actors that are actually trying to deliver this have the energy to keep pushing it and pushing it, and you know, that the vision is adhered to. That's the, that will be crucial in the success of it going forward. Interestingly enough the new public service reform program development and innovation framework that's going to replace the IRDP is going to have a number of key actions revolving around LCDCs and the LECs as far as I am aware.

R: What's the IRDP?

I: Integration Reform and Development Program which that's the reform program for the whole of the public service at a structural and administrative level. So that's going to have, that could have significant implications.

R: Very good.

I: In terms of maintaining the momentum for the next five or six years behind this, but it depends very much on how those actions are actually framed and whether we could get agreement across departments that this is the way to go. But there's a number of different layers that are working there. We're working with the Department of Public Expenditure Reform on the reform program itself, but we're also working through the IDG to try and move those actions through there and also the cabinet committee on social policy, which has taken an interest recently in what we are trying to, in what we're trying to achieve via the LCDCs in particular. Not so much on the economic side.

R: Okay. We'll move onto **question two**, after a short introduction there, which says that the 2014 act provides for increased local authority involvement in relation to promotion of economic development and promotion of the LCDC, or local and community development in its functional area. Now the topic of this applied research is around the economic side, but if you wish to elaborate a little bit. Now in your experience, we'll rephrase the question slightly, based on what you have done in interacting with local authorities, do you think that local authorities have responded well from looking at it from outside in.

I: I think there's two layers, two levels to that. One is how well they've actually run with the reform program. And number two is how well they've actually implemented it. In my experience local authorities have grasped the opportunity with two hands. They have put a lot of resources and a lot of time and a lot of effort into implementing the reforms, putting in place the structures that need to be there, the Local Economic and Community Plan for example, the LCDCs, the Local Enterprise Offices, embedding those into the structure so they've run very well with that. In terms of implementation, we're seeing some very good stuff, but I think only time will tell. We're a little early on in the process. For example we only have Local Economic and Community Plans in place in every area since around this time last year. So it's still, it's still very early stages. I suppose when we started this process back in 2013 when we were drafting the legislation, we always had it in mind that the first round of Local Economic and Community Plans would be very much just putting the framework in place and getting the structures in place. That you wouldn't start to see real progress until the second or third iteration those plans. So it's very much a long-term process.

R: Alright.

I: So we would expect, maybe coming into the review of Local Economic and Community Plans shortly, most of them will start to be reviewed towards the end of this year and into next year. But definitely towards the second integration of the plan in a few years time, that we would see you know a lot of progress and we'd have a stronger evidence base to judge that implementation.

R: Could I ask you then, do you think has local government, does it have an enhanced and clearer role in economic and community development now. Is it clearer what they have to do, given your earlier comments in response to question one, about even uncertainty at central level?

I: I think there's still a little bit of learning to be done. Both at a central level in terms of what we mean by giving them that enhanced role and number two at a local level, how does that translate to their understanding of what their role is. And again we've had a, I suppose we've had a system whereby we've bypassed local government for thirty years, forty years. Particularly in local development and also to some extent on economic development, if you look at the County Enterprise Boards for example, who operated outside local government for a long time. So we've created a local authority system, a local government system that isn't yet comfortable in the space that it's in. And I think that it hasn't quite grasped the power that it has and the capacity that it has to deliver real change at a local level. But again there's responsibility at central government to help build that capacity and understanding and to work with them to do it.

R: When you say it's not comfortable, could you a bit more specific?

I: Just in terms of the actual work that we're charging it to do that it hasn't done before. I suppose I'm speaking specifically from the local development and the community development space, the implementation of the Social Inclusion Community Activation Program for example requires a specific understanding of community development in the context of community development as an ethos, an approach, not community development in the terms of the understanding of local authorities, which would be much more broader and all encompassing in terms of, you know, the provision of play grounds and the provision of roads and access to housing estates and the general stuff that they would do for communities. There are aspects to local development and community development that speak to the community development ethos which is about building the capacity of local, of local communities to actually engage with local government, to build their skill sets to engage and to help themselves as much as local authorities to help them. So there's, so that's one example of where we have to enhance or help local authorities in.

R: May I ask now is it an issue of say capacity in local government? Or an issue of competence? Or lack of resources or what is it, do you think is leading to that.

I: I think it's just a natural evolution in their understanding of what their role is. If you haven't been doing it for twenty or thirty years and you don't know, you don't know what other people are doing well then obviously it's going to take you a while to get to that space. It's a learning curve and that's, it's more a learning curve than a capacity issue, or a competence. There's you know, it's about understanding what the space is and filling it.

R: Okay, but you'd be optimistic that local authorities would...

I: Oh hugely, yeah. Hugely.

R: Okay, we're going to go onto **question three**, which talks just about the structural arrangements, the LCDC itself and so on. Now [REDACTED] involved in this. The setting up and operation of them and how does it compare say to the previous development board. You've already actually alluded to that. Can you elaborate please?

I: How does it compare to the County Development Board? It is a little bit more focused than the County Development Board was in terms of what it's trying to achieve. We have, hopefully, the right people around the table, or we're getting to have the right people around the table. More tightly focused group of people. So the maximum on all LCDCs, the maximum membership is nineteen except for Dublin, which has twenty-one. Dublin City Council, that is, has twenty-one. One of the main criticisms of the County Development Board was that it has thirty or forty people turning up for a meeting, many of whom didn't know why they were there and weren't engaging, didn't buy in to the process. You had people pulling away from that process very quickly because they didn't see the value of being there and didn't understand it. We have a smaller, tighter focused group of people around the LCDC table and we don't have enough space for everybody who wants to engage. So there's competition and, there's competition to be on the LCDC, there's a challenges in terms of engaging everybody, very significant difference. In terms of the support that local authorities are getting to manage those structures, we've a far deeper program of support for them than would have been there before, which will help the success of the programs and there's also a greater understanding that local authorities need to have a driving role in terms of local economic and local community development if the structures that are under their auspices are going to be successful.

R: It's leadership. They need to lead.

I: Yeah, but they need to have, while they have that leadership they need to be able to put their money on the table too and bring other people in. For example, you know, if we look at Limerick, you know, there's examples there of the local authority putting very small amounts of money on the table and getting buy in from you know the other agencies around the table and putting that money on the table in the first instance, then seeing that money being taken away but the other agencies still around the table, still engaging because they've seen the value of what can be achieved.

R: Okay. How does the LCDC compare to the Enterprise Board, or the Development Board? Do you think it's a better model, it's smaller, tighter or more focused?

I: Smaller, tighter and more focused and more efficient because of it. But it has a dual role at the moment in terms of what it's trying to achieve, I suppose. Or what it's doing. It's got a program management role, if you look at LEADER for example. Now, that has proven problematic in terms of you know marrying two policy agendas and the structures that have merged because of that. But it has that program management role that the County Development Board never had. But it also has an oversight role and has a, and also has a coordination role. So it's a multi-faceted role and I think local authorities are probably struggling to get their heads around that as much as anything else.

R: Can I ask you does it, has it, what do you think of this, because I'm aware that it has occurred in County Clare, in County Kilkenny at least, where the LCDC did not become the Local Action Group. How do you feel about that?

I: We've, we're going to be working with both of those in the context that we have set up pathfinder LCDCs. In the typical traditional Irish context, we've established our pilots after we've established our main structures. So the idea is, and it sprung mainly from a conversation with the chair of Kilkenny LCDC but also representations from the chief officer in Clare questioning, you know, the validity now of the LCDC that it didn't have LEADER. So that spoke to two things. Number one, a complete misunderstanding of what we were trying to achieve via the Local Economic and Community Plan in the LCDC in the first instance, but two, it set out in very stark terms an opportunity that we have here to actually establish the LCDC as a strategic oversight body rather than a body that's just implementing LEADER. So it gives us an opportunity to implement two models side by side. And I personally think that in four or five years time, if we can continue to maintain the supports and implement that pathfinder program, which hasn't started yet. And if we can implement that and trial our new approaches through those, we could end up seeing the model in Kilkenny and in Clare being far stronger than the model in the other counties, by virtue of the fact that it's had the opportunity to focus at a very strategic level.

R: Oh, I see.

I: Rather than getting down into the management of the LEADER process which has proven very problematic.

R: Can I ask you then though, that to animate, activate and resource the vision, the high strategic objectives that you need to be able to manage the resources going in to make sure that they're delivered. So in other words, if you have one agency is controlling both the vision and the delivery that you have a better chance of success perhaps than having the two separated?

I: Yes, you do but you've got a range of agencies that are operating in that sphere that have significant budgets in and of themselves.

R: Oh, I see. Okay.



I: And you know even before we start, even when we started, and a year in, we were amazed at the amount of funding that's coming through the HSE, for example in community supports. The range of funding that's now going to be going through Healthy Ireland is probably going to be bigger than most other programs that are going through it. We're looking at, I think there's five million going into local development through the Healthy Ireland fund this year alone. A lot of that is going to be going in through LCDCs, three million euro of that, of that five million is going through LCDCs this year.

R: There's still a lot of money going to be washing through the LCDCs this year even when it's...

I: Well there's a lot of money going to be washing through the local authority system. And it's getting the balance right there is going to be the challenge over the next few years and really setting out in concrete terms what our vision is for the LCDC. Our thinking on this has changed, or should I say, [REDACTED], at an

even. I've said this so many times now that I've lost six months of my life in the last couple of months. It's changed considerably. You know, [REDACTED] now is around the Local Economic and Community Plan because that's where it all is. You know the LCDC, it's a main, and the legislation is written in a particular way, is written deliberately in that way, that the Local Economic and Community Plan is the main function, the community element is the main function of the LCDC. The implementation of that plan and the implementation of programs is a function of the LCDC but only in so far as it implements the community elements of the Local Economic and Community Plan. So we're beginning to see that the LECP is the main space where all this development and coordination and integration is going to take place. And that the LCDC is the mechanism for overseeing the implementation of the plan and driving the implementation of the plan. So my thinking on that has changed and how that relationship, and how those relationships at a local level should be evolving is also changing and how we get a truly integrated approach at a local level is changing I suppose as time moves on. And changing, you know, changing in a way that only practice and implementation can help you change.

R: Fair enough. Would you care to make any comment on PPN at all because it seems, you know, there's mixed results around the country.

I: There seems to be mixed results around the country but I think it's largely down to implementation. And how it's implemented and again like many areas on the community side, resources are an issue in terms of driving it at a national level. Very good concepts, very good

policy and strategy at a national level but the capacity to actually drive it forward isn't always there. And you're relying on the energy of individuals who will probably have been there for a long time, to bring that forward. And that's a very big challenge. If you don't have the central policy, central government policy areas driving these structures, and ensuring consistency of approach and supporting local authorities to manage these, you're going to end up with different implementation arrangements and that comes with, it comes with a range of problems and challenges which you know affect the effectiveness and the efficiency of the structures. Including the PPN, but that said some of the PPNs are working very well, some of them aren't working very very well. There's a broad spectrum. Same as LCDCs. Some LCDCs are working well. Some are working very very well. Some aren't working so well. And again this is a long term project. This is not five years or ten years. This is fifteen, twenty years in the making.

R: Really? That would be the horizon for you?

I: Well in terms of a planning framework that is truly integrated and effective and a local authority system that is fully up skilled, I think it's a long term project. And hopefully people at a central level and at a local level understand that.

R: We'll move onto **question four** which talks about the plan and any new plans, say the Regional Action Plan for Jobs and so on, in your experience, well I think you may have answered this already, that local authorities have stood up to the plate. They have, in some places maybe or inconsistently stood up to the plate.

I: I think by and large, Local Economic and Community Plans are good, are good. Especially for a first iteration. We had this discussion this morning about the level of integration that there are in the plans and how good the plans actually are. But I suppose the fact that they have brought people together to discuss what the objectives are and the priorities are for their area and what they should be doing is a very big plus in the first instance. Taking out of the equation altogether the actions to deliver on those. The fact that people have identified the priorities and objectives and have an agreed understanding on what those priorities and objectives are is a very good step forward. You then have actions that are in there and that are assigned to those priorities. A lot of those maybe would have been delivered anyway but moving towards a space where people are recognising what needs to go towards what priority and objective is a very big plus. They're big pluses.

R: Can I just ask you was there good targeting, say were they focused on particular places? Did they include measures for performance in terms of delivery of those objectives?

I: That would be one area where the plans are particularly weak, would be in terms of measuring performance. And it is something that, I suppose, it's understanding in terms of the lack of guidance that has been from a central level but I would have expected more. I would have expected an effort in each of the plans to monitor performance and set some form of a benchmark. Most of them don't, well to say most of them would be unfair because I haven't, that would mean that I've gone through them all. I haven't, but from the ones that I've seen, you know, very little on performance, measurement and monitoring. So the guidelines that we're developing at the moment for implementation, monitoring and review will have a very strong focus on monitoring the performance and the review of LECPs and it's at a range of key performance indicators that they can measure their performance.

R: And in terms of their engagement say with external agencies such as the IDA, Enterprise Ireland, the other state agencies...

I: If you look at the plans and you look at, they all tend to follow a similar format, and I think we were quite strong on the level of information, the types of information that they should have been capturing. They all set out with a lead partner and supporting partners there. If you go down through all of those, there's no plan that I've seen that doesn't have the IDA set down as a supporting partner, or Enterprise Ireland, or the Chambers of Commerce or the Local Development Companies, or other key agencies at a local level. While I would question, while they've seen the need, while they see the importance of those agencies and while they may have engaged with those agencies in terms of consultation and the development of the plan, I don't know to what extent they have actually got the engagement of those agencies in terms of the delivery of the programs. And whether they see those agencies, well how they see those agencies. If they see those agencies as actually delivery change through the LECP, and supporting the local authority, or do they see the local authority as being the enabler of those agencies to deliver at a local level. They're two different sides of the same coin.

R: And there's another side of that coin, which is the engagement with communities.

I: Yeah the famous three sided coin. Good engagement with communities by and large. A lot of them, again this would be another space where local authorities would not necessarily, you know, have a strong skill set. And not because, not because of competence or capacity. It's just because they haven't been in that space. Engagement with communities and community development and local development is a science and an art as much as anything else. Local Development Companies are well practiced in it. Other development agencies are well practiced in it. But again local authorities have stepped, you know, have stepped up to the mark,

within the confines of the resources that they have and have grabbed it with both hands. If you look at ██████ for example, undertook an engagement process, I think it was with the LECP and realised very quickly that it just wasn't cutting the mustard and had to re-do it and go at it again, which spoke of a level of understanding that you wouldn't necessarily have seen, you know. And a commitment to getting it right that you wouldn't necessarily have seen. I've had a number of chief executives, one in particular who would have had a, I suppose, a technical background, wouldn't have come from the community space, who would not have been comfortable in the space as a chief executive or director of services at the time, actually fully buying into the process and developing a level of understanding that they wouldn't have had before. So you see that across a lot of authorities. Now you have local authorities who are just so comfortable in that space that they outshine the Local Development Companies. ██████ County Council for example would have always had a very strong community focus and continue to have.

R: Okay, well it comes down I think, just to take up what you said about Longford, that there's a degree of risk and the extent to which, you know you're prepared to take that risk and go there. And if it doesn't work out, say right we'll start all over.

I: I think public servants, by their nature are conservative and don't take risk. The system doesn't reward risk. There's a very interesting book written by a guy called Matthew Syed. He's a journalist, but he wrote a book called 'Black Box Thinking' and one of the messages in the book is that far more businesses fail than succeed but the reason why businesses succeed is because of all those other businesses that have failed. So the main message is, failure is an option and failure is the only option. That unless you try and fail, you're not going to succeed.

R: And this is in business.

I: In business, but...

R: In government also.

I: ...he didn't speak largely on the government issue, but recognised that the public service in particular was quite conservative in its nature. Now he obviously wrote it from a UK perspective, but the idea still holds, to a lesser extent because you're not profit driven and you're not margin driven but we're even more conservative in the public sector than we would be elsewhere. So we need to reward I suppose innovation and ambition, you know. And I

suppose something that we'd like to see the new department judged by, you know, judged by a level of ambition rather than solely by what you've achieved.

R: When you say the new department you mean here?

I: Rural and Community Development, yeah.

R: [REDACTED]

I: Yes. New Department of Rural and Community Development, you know. So to be judged by the level of ambition. As well as results, you can't you know just go, ah well we were very ambitious but we delivered nothing, you know. But look at it, look at it more from what you are trying to achieve than just purely the results that you've achieved. And recognising that some of this takes a longer term approach and that you have to fail to succeed and that you have to get things wrong. There's stuff that we have done on the LCDC front that isn't quite working and isn't quite right. And if things go they way the might go in the next three or four years we could end up taking two steps back, not backwards, but two steps back and moving forward again and there could be people out there that will say, well you know, you failed. Yeah well we might have failed but it was, you know, we now know what doesn't work. And because we know what doesn't work, you know, we've made, we have, we will have had successes along the way and we have, we'll have measured different metrics in terms of success and we'll have an idea where we already want to go longer term.

R: Can I ask you in terms of the revised governance arrangements because the LCDC is a committee of the council but it's independent, it's statutorily independent.

I: Well it's independent in the performance of its functions. It's not independent of the council but it's independent in the performance of its functions in so far as whatever decision making powers the LCDC has they're decision making powers so it's independent insofar as those decision making powers are given to it. So an LCDC can't just decide that we're going to take a decision on housing policy and you can't tell us what to do. You know, if those functions aren't devolved to it either by local authority or by central government well then they don't have those powers.

R: No but the programs that the LCDC is responsible for in terms of its functions.

I: They are entirely independent from the implementation of those.

R: Correct, which takes that at a remove from the main body of the council and thus the political process.

I: To a certain extent but what you do...

R: So it gives the chief officer of the LCDC and the staff working and that a degree of independence and removal from...it's a new governance arrangement which allows for risk taking, yes.

I: There's opportunities there, yes.

R: Because normally if you fail, as you put it there that if we fail we can take a step back, not backwards, but in the council chamber it's very difficult for a chief executive, depending on the relationship that he has with the council, he or she has, because they'll pillory them, members of the council.

I: Yes, yes.

R: So it's interesting to see that this risk taking approach is embedded in LCDC, is supported by central government in the form of yourselves. That you're prepared to take the risk and if you make a mistake, fine, get on with it. Whereas in the traditional mode of local authority it leads to that conservatism that you characterised earlier.

I: We found it very hard at the start. I know we're starting a pathfinder program after we have LCDCs up and running. But the idea behind a pathfinder program is to build the capacity of LCDCs. And to develop models of good practice. We did have front runner LCDCs as you know yourself because you would have been around at the time and the main, the big challenge was to get them to do something different. They all wanted to do the same thing. They all wanted to know what their neighbours were doing. Don't tell us what to do but tell us how to do it. And it was mind boggling at the time. The lack of, not the lack of ambition, because they

are ambitious but the lack of courage to innovate to take initiatives on stuff and to do something that's different and out of the normal was frightening and I think some anecdotally, there are people out there in central government who think that the Local Economic and Community Plans lack ambition.

R: Oh right.

I: Lack ambition in terms of what they could achieve and what they can achieve. Now I think that's, I think it's a valid but unfair criticism. I think it's valid insofar as maybe they do lack a little bit of ambition but given where, given that the local authorities are starting from a standing start, LEOs are only just in there, are only just situated and even that relationship is...

R: LEOs are more enterprise rather than economic and community development. Two different things.

I: Exactly, exactly but even using that as an example, these structures are only just starting to bed themselves in. Whether it's the LEO or whether it's the LCDC or whether it's the economic development function more broadly. And local authorities getting their head around the power that they have to actually influence change is taking a bit of time. Even with the pathfinders, I would expect that we'll have everybody wanting to all go in the same direction.

R: Where are the pathfinders? Which areas are they in?

I: Okay, so initially we would have had four or five areas that didn't have the LEADER program because we felt that they would have had, number one, the capacity and the time to actually take a different approach that LCDCs with LEADER didn't have and number two, because they didn't have LEADER we needed to have a look at a different way of doing things and a different model of approach so we started with Clare, Galway County and Galway City.

R: And they're all pathfinders?

I: And they are all pathfinders. And we're fortunate in so far as we have a regional cluster there as well. We'll be able to have a look at how they operate on a regional basis. Now it might not be a natural region but it'll give us something to trial maybe, inter-county approaches with it.

R: I'm going to ask you that, are they three...

I: We'll come back to that.

R: Yes because that's later on.

I: We'll come back to that. So we have those three. We also have Kilkenny and we have Cork city. Kilkenny didn't get LEADER. Cork city wouldn't have had it anyway because it's a city area. So we started down the road with those five and we were loath to extend beyond them because we didn't feel we had the capacity ourselves to manage more than five or we didn't think that local authorities would have had the capacity to deliver LEADER and to take on extra stuff but I think the feedback that came back from local authorities directly and through our colleagues on the rural side of the department was that if we don't take on a number of rural pathfinders with LEADER responsibility, well then we're going to be developing a model that will have absolutely no applicability to those areas so we've identified three others. And they include Sligo and Longford who are fairly close to each other and can have that sort of cross administrative boundary relationship, and also Carlow, who'll be able to work with Carlow and Kilkenny again in a natural area. So we've been, we picked the rural ones with a little bit more of a mind towards a strategic approach to it but the non-LEADER ones sort of picked themselves.

R: And what's, with the pathfinder, what's different about pathfinder then?

I: It's not that what's different, I suppose it's what, it's us focusing on those eight LCDCs to get them to operate the way we want them to operate. We would be hoping that the other, what is it, twenty-five, will also be doing the same thing.

R: The others will learn yeah.

I: Yes. But it's probably to hothouse them, to trial new things with these guys that maybe aren't going to be, that won't be implemented immediately in the other areas. So there's a number of things that we'll be looking at with those eight pathfinders. Now it's very much a high level idea with a general plan moving forward but we've a dedicated resource now to support the



development of LCDCs in particular but hopefully when we resource the economic development role, that that person will also take oversight of that. So we have a broad capacity development program outline developed and that'll, we'll start rolling that out from September this year.

R: Okay moving on...

I: Well end of September.

R: And it'll be very interesting now. We'll move on to **question five**. Because I have to go through these structured questions. Would you say the reforms and the way they've been implemented have had an impact? Now I know it's early days. You've made this point a while ago. Is it, are they being effective?

I: Very hard for us to say. Both in terms of how early it is in the process but also in terms of the approach that the department has taken to this so far, you know, we've done no analysis of what has happened at a local level. We've also mentioned the fact that the key performance indicators in plans just don't exist in many of them so how do you measure that performance so it's far too early to actually say. Probably a more realistic measurement at the moment would be the regional plans for jobs which would have many of those actions in them anyway. But on a regional basis.

R: Okay. We'll move on then to **question six**. Right the reforms, have they given local authorities greater powers to act, as local government is seen now as a, maybe a greater influencer than it was heretofore, particularly around the economic development side.

I: It's hard to know if, it's definitely the Department of Local Government's objective to empower local authorities to be that influencer and to facilitate that change and to be the lead at a local level and they're doing everything in their power to make that happen. The next wave of local government reform is looking to extend the devolution of responsibility to local authorities and give them more power. While policy wise they have that power and responsibility, I think in practice it might fall a little bit short. And again I think, while the power is there, whether local authorities are grasping it, I think is also something that needs to be looked at. Are they actually understanding what that power actually is and what that means? What they should be doing.

R: There is actually a strategic shift occurring listening to the course of the answers that you've been giving. There is a huge shift occurring in local government.

I: Well there's a shift across the entire public service I suppose. You're moving from central controlled policy areas to, devolution of those to local authorities and to try and empower local authorities to deliver on those. Again that's a long term, it's a long term shift. But local authorities are slowly but surely getting themselves into that space and figuring that out.

R: Okay. We'll move on then to **question seven**. Does the local authority now have, I think you may have answered this already but, does it have greater autonomy and capacity to take decisions in relation to economic and community development.

I: I think it may, the evidence may suggest that it has greater autonomy over time. We'll have to see. But again greater autonomy and greater capacity are two different sides of the same coin again because if you don't have the capacity it doesn't matter what autonomy you have to deliver it, you're just not going to deliver it. Do they have the resources? Questionable. Significant shedding of resources over over the last decade say. Now we have recently put in place a program of support for local authorities whereby we are funding two positions in the community space. Now that's community stroke economic. And in support, mainly in support of the Local Economic and Community Plan process. So we've funded, we given them sanction for up to three posts as a department, well in partnership with the Department of Housing and Local Government as it now is, and we're funding two thirds of the salary of two of those three. So they've had the opportunity now to actually recruit into the community function and in a lot of cases the community and economic function sit side by side and the implementation of the plan is a joint action so there the capacity is in terms of resources and the number of resources is growing. The development of the capacity then in terms of skill sets will then develop over the next couple of years, particularly with the capacity development program that we're rolling out. We're hoping that in terms of Local Economic and Community Planning that we'll be working with a number of third level institutions to deliver courses and to fund LCDC members in particular and local authority officials to partake in that and to develop programs that are actually speaking to what's happening at a local level.

R: Can I ask you this now that based on that significant change, and your own personal experience of trying to work across government departments. Is relationship building, which is actually local government I think would be good at, is that as important as both resources and competencies as you pathfind and as this process changes and evolves. Would you develop personal relationships, for example with third level institutions at a local level, with industry

leaders, with business leaders, that and you can be seen to be engaged and then try to deliver on it.

I: I think that's, I think that's as important as resources and staff development. There's a lot of issues that speak to the capacity of the local authorities to actually deliver on this and our role is probably very much in terms of facilitatory and the provision of resources goes a long way towards that but actually building their capacity or giving them the wherewithal to develop their capacity is also important but yeah, the relationships at a local level are hugely, are hugely important in terms of developing partnerships that will deliver long term, I suppose. Sustainable growth and getting the right people involved. If you look at, if we look at it from the LCDC perspective when we look at Kildare, gives a good example of what's going right in one area, and what's not necessarily working in other areas, is the calibre of people sitting around the table in Kildare is very very high. Very high.

R: For instance, like what sort of people are there?

I: Even on the community side. The people who've come through the PPN. The CEO of the Peter McVerry trust for example is sitting on the LCDC. You're looking at you know senior people in TULSA, senior people in DSP. People in DSP who are able to make decisions and make things happen, where you don't see in other, that you don't see in other areas. And it's the same everywhere around the table. You see heavy hitters. And even people on the community side, even taking aside, putting aside the representative from the Peter McVerry trust, even people coming through generally from the PPN, very very committed and have the power to make things...

R: How did that happen with Kildare?

I: I think that they've, they've developed a process very much akin to what we want to achieve over the last twenty or thirty years anyway in Kildare. They've taken an approach that you know would have been very forward thinking, very strong community focus, but they were very clear in the type of people that they wanted around the table and probably made it very very clear to people who they wanted and what they wanted and what the benefits of that were.

R: And that would have been led by the chief executives over the years?

I: Led by the chief executive, but again the directors of services and the support staff that are working there.

R: Okay, okay. We'll move on to a more interesting one. We touched on this earlier. You said you'd like to come back, which is perhaps looking at the future of local government arrangements, right. Working in, what the LCDC, working in collaboration with other local authorities and you've alluded there to your pathfinder. You're taking a more joined up, perhaps, I wouldn't like to use the word regional approach, but where local authorities are genuinely sharing, would you care to and have you, in regard to the McKillan report and the National Planning Framework and all that stuff that's coming, which is going to alter in a very material way the way local government works.

I: I think the extent to which local authorities are cooperating across boundaries is probably patchy. But you do see it. You know if you look at, for example at the Cavan plan right.

R: Let's look at Waterford City and County which has a merged local authority and yet there's a chunk of Waterford City in South Kilkenny. Sure that's utterly nonsensical.

I: But there are, there are relationships being developed there and it will. I'm looking at this now. It's all in the LECP process. If you look at, there are relationships developing there between Kilkenny, Wexford and Waterford, between the chief executives there and a common approach to the economic development of the area. Now I know that's happening. I know anecdotally that's happening. So those relationships are developing. Whether that's translating into actions in the LECP or not, well no. No it's not.

R: Oh it's not.

I: No. Not to any great extent. But those relationships are definitely being developed. There's definitely a need, or they're definitely seeing the need to engage on a regional basis and to bring stuff forward. It is patchy. And it's happening but it's happening at a low level. If you look at Cavan. Cavan is working with Cavan and Monaghan and, is it Omagh District and Town Council in the North to develop community and local development supports. So the stuff, it is happening, but it's not happening in the big bang way that I think people expected it to happen in terms of economic development and developing you know economic regions. But Donegal are very successful in terms of the Donegal Londonderry approach to development. So that's, so it's happening but it's not happening...

R: What are you, what are the impediments to meaningful cooperation then?

I: I think it's just, I think it's people stepping outside of the silo and saying that, you know, that development of the regional approach is as much a driver of local development as anything else.

R: Is it a political issue do you think? Is it difficult for chief executive to alienate, risk of alienating their councillors?

I: I think it's difficult for, again without knowing, but I suspect it's difficult for a chief executive to be able to justify a regional approach, and putting resources into a regional approach that may not ultimately deliver for a specific area. The same, I suspect it's the same challenges that he faces in terms of putting money into say one municipal district as opposed to another.

R: Correct and I think the picture that will emerge perhaps in the next six months when finally the National Planning Framework is agreed and published and so on will be very telling in terms of the future structures of local government, particularly around the city regions or metropolitan regions answer.

I: From our department's perspective, putting aside the National Planning Framework, which is now the Department of Housing, but from our perspective in Rural and Community Development we have the economic development brief of local authorities, as you know, and I suppose one of the main things that we'll be carrying forward as part of that brief in the next few years will be the development of a regional approach to economic development. And that would, so you know it's recognised that that's just not happening at a, in a sort of a, it's happening in an ad hoc way. You'll find that there are local authorities, because of the natural regional set up that there is, you'll find that some local authorities are taking that approach, but it's not happening as a matter of course.

R: I'll ask you this question, do you think in your opinion, and I don't know how long you're in your various civil servant roles, but is the county as a basic unit of administration in terms of the modern challenges facing the state, economic development, community development, the way commuting patterns and all are, is it really fit for purpose in terms of the role that it's been given or been envisaged for it?

I: You have to have a structure. You have to have some form of administrative boundary because you have to have people who are responsible for delivering within that administrative boundary.

R: But in terms of the regional stuff?

I: Do we need to re-envision how we develop areas, regions as opposed to counties?

R: Yes.

I: Possibly. And maybe our development of the economic development role and a more regional approach to that might help local authorities step into that space. But again I'd say that's very much, that's very much long term

R: Okay, we'll go onto **question nine**. Reflecting in a general sense on the reforms and experience to date, would you say that they have been positive or negative or would you care to elaborate?

I: I think by and large positive. I think local authorities have embraced their responsibilities, have run with them well and are doing their damndest to implement them. I think they have established a very strong framework around which the future success will hinge. We're at a bit of a crossroads, you know, the supports from central government and the development of that role and the understanding of that role, we're still in a bit of a critical phase but they've done the groundwork. They've put a huge, a huge amount into it, a massive amount, you know, you can't fault them on that. So hugely positive.

R: **Question ten** is looking to the future, if you had, what would you do to improve what's there, build on achievements or? What would you like to do?

I: I'd like to see a greater engagement between central government and local government. A more formal arrangement between central government and local government, where there's real engagement. I think only by central government letting go of a large amount of what it

does and letting local authorities run with all of this stuff from an implementation perspective and a local policy perspective, that only real change will come from that, if we continue to hold onto power at a central government level, and dictate how programs should be delivered at a local level by local authorities. We're not going to allow flexibility for innovation, for initiative and if we don't have that flexibility well then we're not going to have any real integration and proper targeting of resources because it'll all be pre-determined at a national level and not where it's needed most.

R: And if you were to make a list of those services that you think could be most easily...

I: Well there's the sixty-four thousand dollar question.

R: For example isn't it ludicrous that the Minister for Health has to answer questions about community health services in the Dáil?

I: I think it's ludicrous that the minister for housing has to answer questions about the delivery of housing at a local authority level. So there's a range of functions there but unfortunately you'd be looking at, as far as I know, a complete root and branch review of the political system and the administrative system. That you'd need local authorities to actually be accountable for what they're delivering at a local level. Now I don't mean that in any pejorative way. I mean accountable in so far as local authorities are in the spotlight for what they're delivering at a local level and not a national minister. But we all have our part to play in that process and it's about getting the process right.

R: Certainly, can I say that the vision outlined by the then Minister Phil Hogan in the Action Program for Effective Local Government, a very strong vision, that local authorities would be the main source of delivery of services at a local level.

I: It's shifted a little bit since then I fear. [REDACTED]  
[REDACTED] You know, a focus on where the funding is going rather than on the structural change that's needed to target that funding in a better way. [REDACTED]  
[REDACTED] What you see are ministers with responsibility for significant chunks of funding either signing off on or refusing to sign off on arrangements that either don't deliver funding through local authorities or through the LCDC which is the model set up, or not signing off on arrangements that seek to do that and changing things.

R: [REDACTED]

[REDACTED]

R: Could you give me a for instance of that now, like, give me one say that...

I: Well a number of the rural schemes for example. Town and Village and the CLAR scheme and the way they're managed and the fact that we have set up LCDCs to manage a wide range of local and community development functions and yet we've a wide range of community development functions that have been set up since the establishment of LCDCs that are not going into LCDCs, you know.

R: Correct.

I: And it's shocking in the extreme.

R: And is that just the minister of the day or of the moment wants accountability back up to the department and perhaps claim the credit for it. [REDACTED]

I: The latter, yeah. [REDACTED]  
[REDACTED] I've said it a couple of times now, you've got to build the capacity. It's a longer term goal. Like there's officials within the department who are constantly bemoaning the lack of capacity and lack of competence of local authorities, but it's not a lack of competence. It's a lack of being in the space for a long long time. You can't just expect them to have the capacity to deliver what you want them to deliver. They just don't have it, you know.

R: Very interesting. The same thing as our earlier conversation in relation to housing. The housing departments of local governments sure were, there was no need for them anymore. And there was no programs, you know. So inevitably local authority respond to that, take their cue from it and then when suddenly there's a need to revamp up again, rebuild up maybe the capacity isn't there.



I: No it's not there at the moment but we've got to take time and we've got to be responsible for what we've done.

R: Okay, just over the hour done. Any final thoughts before we switch off?

I: Not really. A lot done, a good bit more to do.

R: Go raibh míle maith agat. Sin a bhfuil de cúrsaí spóirt!

Date: 23.09.2017

Researcher (R): Kieran Lehane

Interviewee (I): National Level Politician N3

R: **Question 1.** So, just can you tell me a little bit about your involvement leading up to the reform process, which was the 2014 local government reform act Putting People First that came before that. What was your role in it and so on?

I: I was [REDACTED] on the local government and the environment and in [REDACTED] Putting People First, which set out for the first time in the party a devolution principle and a new vehicle for financing local government and bringing together all of the strands of community and local government together under a democratic mandate and that led then to [REDACTED] [REDACTED] and subsequently the enactment of the 2013, 2014 local government act.

R: Can you tell me some of the principles that were your own personal beliefs that were reflected in the legislation?

I: There was a few principles. The first one was I wanted to devolve as much function as possible to local level and there was too many functions being deployed by the centralised government, central government across various departments, which needed to be changed in the direction of local decision making. Secondly I wanted to streamline the delivery of services across government departments, so that they could be better delivered in a more effective and efficient way with local administration. Thirdly I wanted to make local government a more enterprise driven where local enterprise could be harnessed and developed with the enactment of policies and the delivery of programs more at local level to create jobs, which was in very serious demand at the time arising from the fiscal crisis. And fourthly I wanted to give more financial decision making to local councillors in the delivery of services through the introduction of the local property tax.

R: Okay so that was fairly courageous stuff.

I: Well it was happening at a time when we had a difficult financial position. We had a program with the EU through the Troika. And it was radical reform but it required, I believe, a major

change because my experience over thirty years in local government was that every electoral cycle at national level was bringing more and more decision making into central government at the expense of local government. And I wanted to make a major change in that direction and we identified two hundred various statutes and legal requirements that were being implemented at central level that could be devolved to local government and implemented at local level.

R: Can I ask you, why do you think that trend was there of more and more power going to the centre, more decision making?

I: It goes back to the 1977 decision to abolish motor taxation and abolish domestic rates. Once a local system of governance does not have the financial capacity for local, to raise local finance at a local level, well then they're not in a position to have the flexibility and autonomy to implement services to the extent that they can.

R: So it stemmed from that financial autonomy disappearing in...

I: Yes, yes.

R: Yeah. And in your experience say, because how long, may I just ask you how long were you a member of [REDACTED]

I: Twenty-three years.

R: Twenty-three years. And your observation over those twenty-three years in terms of that trend?

I: Well I benefitted from the experience of [REDACTED] who was a councillor from 1955 to 1982 until [REDACTED]. And I was co-opted into his place in 1982 so he was able to do a lot more in terms of local action for a rural constituency that I represented than I was able to do thirty, forty years later so that, that allowed me to be able to examine the reasons why this was the case and it all stemmed back to having local discretion over local financial resources.

R: And in terms of say you had that felt belief that you needed to change, what were the kind of obstacles that [REDACTED] both political maybe and within the civil service, or did you meet any at all?

I: I met a considerable number of obstacles. First of all in my own [REDACTED], that people wanted to take I suppose the soft political option rather than taking the hard decisions about the need for local finance to be raised at local level through a local property tax, the need for utility services that were being administered by the local authority, such as water, to be delivered at central level and devolved, with a service level agreement with local authorities. All these were difficult decisions. To also bring together the community groups that had some autonomy built up through direct financial support from government departments, to bring them in and be answerable to through a democratic local mandate to the people this way rather than being stand alone entities with no decision making capacity at local level. So all of that, you know, community activity needed to be more aligned with the objectives of local governance and that was difficult as well. And then of course the implementation of all of these issues were quite challenging and you know to bring in a local property tax required a data base to be developed of all property owners in the state. It's remarkable that the Department of Finance had no database of property owners and [REDACTED] to do that through the household charge, which was as you know very difficult. We needed, we ended up having to identify the names of property owners by payments of monies in, on an incremental basis through post offices and local authority offices and eventually we were in a position to get some sort of a database that was allowing the revenue commissioners to be able to develop the necessary information and data required to implement the local property tax. [REDACTED] considerable support from Mr. Don Thornhill and a group [REDACTED] established under his chairmanship. He's a former revenue commissioner but also former secretary general of a government department and had the expertise to bring a group together to look at how a local property tax could be implemented by the Minister for Finance subsequently.

R: But actually the LPT is an outstanding example of a new tax that was brought in with ninety-eight per cent compliance.

I: Well I suppose Irish people generally don't like to have a confrontation with the revenue commissioners. And the revenue have significant additional powers that other legislation is not able to comply with but it is the only way, in order to collect money, is to do it through the, directly through the revenue commissioners if possible.

R: Yeah actually some of our finance people would suggest that local authorities do not have the level of powers that the revenue enjoy.

I: Correct.

R: And that it would have been more difficult perhaps to have run it through the local authority system because of that.

I: Absolutely and that's why we transferred it to the revenue commissioners, the local property tax and probably other charges perhaps, such as water charges in time, this is where it should, you know, be administered as well, from the point of view of collection.

R: It does raise a interesting question though because of your [REDACTED] before you and you recognising that in comparison you didn't have the degree of autonomy or effectiveness because of the centralisation of funding and powers but it took a politician with your own commitment to the process with the background that you had to decide, look we need change.

I: Well a lot of people in politics kind of make statements about what we need to do but very few get the chance of actually implementing that particular policy and I was glad of the opportunity [REDACTED] at the time to you know, be radical in relation to what was required and give more powers to local level and devolve more functions and powers to local councillors and to local authorities. And you know I look back on this [REDACTED] as a very good one in terms of the outcome of a model of local government that is somewhat nearer to what my late father could have expected to be able to be involved in in the fifties and sixties and seventies. But of course we can do more and I think that the enterprise function particularly for small business development and job creation through community development and small business development should be totally focused through local government. But of course some of the state agencies resisted that.

R: Isn't it, could I just offer you this observation, wasn't it a remarkable achievement at a time when the country was facing fairly serious challenges that [REDACTED] were able to get that kind of change for local government through the process. It was a great achievement.

I: At the same time you were able to say, you know, in the way that the Department of Finance would be looking at things in the Troika at that particular time was that we needed public sector reform. We needed streamlining of service delivery. And we were the only ones that delivered that in the Custom House at the end of the day, where twenty-five per cent less people are in

the local government system and we expect to have all sorts of new delivery mechanisms for the people at local level. It's a great challenge and a great tribute to the unions and to, in local government as well as the local government system that we're able to continue with the service delivery even though we had considerably less resources at a human level. [REDACTED] of the collaboration that I got from managers and staff in the local government system to achieve that. And of course I was very, very lucky to have two great people that were [REDACTED] in the Custom House. [REDACTED]

They were centrally involved with a lot of experience and I had a, of course on the financial side, I had [REDACTED] who was, of course, a lot of experience in local government financing.

R: Indeed.

I: So all of these, this experience and potential political landmines were certainly brought to my attention before we came to final decisions. But in terms of economic development, in terms of community development, in terms of autonomy for councillors to do certain things now with a new source of financing. And the more streamlined system by the abolition of town councils and developing the municipal system of, and you know coming into the twenty-first century through a European, a more European municipal system of governance, you know, I think, I hope that they will stand the test of time.

R: We'll move on to **question two**. Question two particularly it narrows the focus of the conversation because the particular requirements of the, or aspects of this research relates to the economic development role, which was originally stated in the 1963 Planning and Development Act. Never really realised but re-stated in the 2014 legislation, which provides for promotion of economic development by a local authority in its functional area and promotion of local and community development, which you've already touched on. In your view, has the legislation made it clear that there's an enhanced and more clear and specific role for local government in relation to economic development now?

I: The legislation has made it clear but the implementation has not gone as far as it should at local level and I think that the state agencies in the Department of Enterprise and Innovation and the Department of Local Government need to engage further in this regard to allow for Local Enterprise Offices, economic planning and development to be able to, local government need to be more centrally involved in the delivery of this particular model. That was the intention in the policy but in, sometimes turf wars develop in terms of implementation between and this is, this particular local enterprise dimension was diluted at the point of delivery to the detriment of the local government system, which I'm disappointed about. So we need to do more there in order to enhance the prospects of local government to be able to deliver for small

businesses and for job creation at local level but of course that requires financial resources as well and therefore the local property tax and you know vacant site levies and all of these financial instruments which there are, need to be wider in focus, wider in availability, that should be made available to local government are essential in order to implement some kind of local economic plan and local enterprise decision making if we want to create the jobs to sustain people in any specific local or municipal area.

R: I can recall it being reported at the time that there was, shall we say, engagement or discussion between the Department of the Environment and the Department of Enterprise in relation particularly what you alluded to there, that role, more particularly maybe an issue between you and the [REDACTED], what would have led to that say, you were looking for this enhanced role, why would that have been stopped or impeded or?

I: Well you know the civil servants in that department and the agencies mounted a rear-guard action against the, a strong Local Enterprise Office, which was to be situated in local government. And the compromises that were reached in my view has led to a situation where the Local Enterprise Office is not as strong as it should in terms of creating more service implementation.

R: And what would their concerns have been? What did they..?

I: The concerns being expressed by the Department of Enterprise at the time was that you know that there needed to be joined up thinking in relation to enterprise policy at local, regional and national level. The Action Plan on Jobs was going to realise those objectives and that, you know, that Enterprise Ireland should be the agency that would continue you know to have, not just policy discretion in relation to what happened at local level but also implementation powers. Now I thought, I fully believe that that was a wrong decision. I believe that Enterprise Ireland and the Department of Enterprise could continue to have a policy role but that the implementation in a devolved way should be a matter for local authorities and that continues to be my view.

R: Why would that be your view?

I: Because you cannot leave everything to central government in a country of twenty-six counties in a republic where not one size fits all. If you want to give local discretion for local conditions and local priorities in line with the local economic plan that is part of the legislation

for councillors to adopt and implement you have to have more flexibility and this is a, I suppose, the outcome of the Local Enterprise Offices in terms of service delivery is not as strong as I would like it to be.

R: And may I ask you in terms of, it's a few years since the law was passed and the new powers were given to local government, in your view how has it gone? In terms of the powers that were given, have the local authorities responded well?

I: I think local government is starting now to realise that they have a lot more power than perhaps they realise and local councillors of course must embrace the powers that they have been given and this is not always the case. So I would say that you know that they should, that the training and monitoring of the legislation and the implementation of the legislation should be reviewed and it should be looked at to see how it needs to be strengthened further in the context of the experience of the last three years and I hope that the Minister for Local Government will be able to do that.

R: Would it be helpful, do you think, that if the roles were clarified more? Because you mentioned that some local authorities maybe don't fully understand.

I: Well [REDACTED] the legislation and the regulations explicitly the training mechanisms to help local authority members and staff to be able to understand their new powers and responsibilities. But of course sometimes there is populist decision-making rather than actually service delivery at the core of the political philosophy at local level in certain individuals, you know, and you cannot, that's democracy. But you know that is often sometimes at the expense of having higher quality services being delivered at local level or enhancing the powers of delivery of the local authority. And I think we want to be very careful of the manner in which we implement the local property tax, that we don't, you know, reduce completely the financial autonomy that was given to local government in 2014 and to make it, you know, to make such a good source of fundraising for local government redundant.

R: I presume what you are talking about there is what has evolved in Dublin, which Dublin City Council has reduced its LPT, the members varied it down by fifteen per cent, which is the maximum permitted every year since it was implemented because they have sufficient buoyancy and sufficient commercial rates coming in.



I: Yeah this is disappointing. And Dublin I suppose can sustain a cut in property tax more than a lot of local authorities because of the size of the local authority and I also suppose, you know they have...a small change in some financial provision in local government in Dublin can yield a big amount of money. I'm disappointed though to see some national politicians now jumping on this nonsensical bandwagon about the values of property in Leitrim and Dublin. You know, and therefore some, and trying to make some correlation politically, that the person that's living in a house in Leitrim is actually paying considerably less property tax than a person living in Dublin. Now this is absolute nonsense, when you look at the services that are available in Dublin versus Leitrim. So if local government, if a local property tax is for service delivery, well surely the people that have all these services available in a major urban area like Dublin are in a better position to understand the need to maintain those services and improve them in order to, to the standard that they have become accustomed and that we will never have universities and...

R: In Leitrim.

I: In Leitrim. We'll never have big artistic and museum developments that are paid out of the, you know and maintained out of local government in places like Dublin. So you know it's looking at, it's very dishonest politics this type of, sort of presentation.

R: Yeah. Okay. Moving on to **question three**, right, which are the new structures and arrangements that were put in place such as the Local Community and Development Committee, which replaced the old County Development Boards and City Development Boards. How do you think that they have gone?

I: I don't know the full extent of how they have gone, but I get a sense again that there's issues around bedding down this particular structure, have been tortuously slow. The principle behind this particular policy decision was to bring all aspects of community development and community involvement under a democratic remit through local government. There was a lot of community funds dispersed in the good financial times of Ireland in the 2000-2007 which, directly from government departments, where there was resentment had grown up by the local government system that they weren't aware of it, or they weren't involved in these particular decisions and therefore there needed to be a framework created where we could have much more coordination, a partnership between the community and local government for the delivery of objectives. And this is the intention behind it but I hope that it will develop into, in time, into a community development vehicle that was originally intended.

R: The PPN was a new initiative at the time and could I just ask you from your own [REDACTED] perspective, have you any feedback on how that has gone?

I: Yeah well it works well where people work with it, where they invite in each municipal area the people that want to in various local organisations that want to understand what's going on in local government, how it affects their area and what plans they would have for the future, so it was there, put in place to assist the community sector in a further effort to bring more alignment into community organisations and government structures and it'll only work as well as the people that are in charge of it.

R: It could be viewed as enhancing governance.

I: It is. It's devolving input from local, to local people and local community organisations more by having this structure in place, but I'm sure that there will be difficulties in some areas where there's, where it's not, you know, treated seriously. So local government has a challenge here to make sure that it brings the community on board in a very proactive way, in a very good spirit of good will. Also it needs to, it has a structure now through the PPN network where it can actually engage in the priorities that local community organisations and of course working with the local councillors this should be a wonderful vehicle in order to get the best possible information for the implementation for the local community plans and the local enterprise plans and the local economic plans so the structures have to be used and if they're not used they won't be effective.

R: So really it's, the legislation in as much as it was a reform of local government also threw down the gauntlet.

I: They did. It is up to the local authorities now to make sure that it works. And to maybe remove some of the baggage that has been there over the years where there was slight resentment between local government and community organisations because of the old traditional ways in which community development was financed. So hopefully now that local government has put that behind them and that they are now more engaging and more embracing of the need for partnership between community and local government to deliver for the people.

R: Right thanks very much. We'll go onto **question four**, which goes back to a number of comments that you've made. At the time the legislation was being framed Ireland was in a bad place and the entire focus, the number one priority for government at the time was economic

recovery, you know bringing order back to public finances but more importantly was the Action Plan for Jobs which actually when you look at the data that emerged, the reviews of that, was hugely successful. I do remember hearing at the time that in as much as Ireland's economy went downhill very fast, that it would bounce back very quickly as well and the evidence suggests that it has come back very strongly but there was the Regional Action Plan for Jobs, do you think that local government has been effective in delivering jobs? If I could ask you maybe focusing a little bit perhaps on your own part of the world if you're still involved locally.

I: Yeah the Action Plan for Jobs was a great idea. Minister Bruton drove this very well. He didn't just produce a piece of paper with all these actions. He ensured that they were implemented, you know, and that's always the difficult part. In the Southeast of Ireland, which I'm familiar with, the five local authorities came together and they appointed an enterprise officer to drive this Action Plan on Jobs in terms of what it could deliver through the local government system in the Southeast. That was a great initiative. And you know also it depends on the individual that's driving this agenda on behalf of the local authorities and as it happened the person that was doing this work in the Southeast was somebody that had worked on County Enterprise Boards and Local Enterprise Office so understood the relationship between local enterprise and local government and understood the local government system and how it could deliver on infrastructure, on planning and on execution so I think it works well in the Southeast from what I hear.

R: And can I ask you about the inter-agency level say where you had maybe, you know you had the existing statutory providers, which would be IDA and Enterprise Ireland. How well has the interaction gone, in the Southeast of Ireland perhaps?

I: I think it has gone fairly well, but again it's a, you know, I think based on a previous comment I made about Local Enterprise Offices, I think that they could do an awful lot more if they were given more financial resources and more powers of delivery on the ground and more interface with you know the type of initiatives that they could develop in order to create jobs in rural areas but look it, it's going to take some time but it is moving in the right direction and I think that the agencies have to let go a little bit at central level as well.

R: One thing that the Irish government and public services have done very well over the years is some sense of balanced regional development, okay.

I: Yeah well I think that the, you know, central government by allocating block grants for particular projects and policy implementation put too many conditions attached in order for

that particular money to be spent. So we need to loosen up the conditions attached and we need to give more autonomy at local level.

R: This begs an immediate question, right. More autonomy, greater power, more risk taking.

I: Yes because you shouldn't be, I'm, I wouldn't say whether I was a more American or UK approach where people, you know, should always get the opportunity to be able to take a chance. And financial institutions and financial support from the state should be working more closely together to make sure that this happens. For example, the credit union movement have an enormous resource, financial resources at their disposal and they're required to have a considerable amount of money available in reserve under the rules of the central bank. And they're not technically allowed or legally allowed by the central bank to be involved in job creation, albeit there are a significant number of people I'm sure that are borrowing money from the credit union on the grounds of household borrowing but nevertheless putting that money into job creation projects. But this is the sort of, you know, Dublin 4 thinking that we need to get away from and understand that the people in the regions, if given more responsibility will deliver. And I think that the local government system is, which is the closest to the people in terms of governance and accountability are best placed to work with local financial institutions like the credit union movement and good spirited financial managers in the region in their pillar banks to get a better result with less red tape.

R: That brings us neatly onto **question five**, which is the extent to which the reforms had an impact on success. Now it is fairly early days, these things tend to be long tailed, but has it actually begun to deliver? I know one can point say to strong economic recovery in the country. But is that being felt out in the communities that need it the most?

I: Well I think it has delivered on an enormous amount because the, well if you were to go on the figures, there's an awful lot of people employed now. The highest level ever in the state. There's six per cent unemployment, which means that a lot...That's effectively full employment. So of course the quality of the jobs is an issue, the pay rates for the jobs may not always be to people's expectations and standards and that has to be looked at and I noticed that the government are looking at that. So I think insofar as, insofar as statistics are concerned, the policy and the Action Plan on Jobs has delivered. I believe that the local government system has helped in small businesses and in the planning and development for many enterprises around the country where they have dynamic management that are dynamic in implementation. And I think in the next five years if we can get reasonable access to credit for businesses and lower levels of interest rates and more competition in the financial institutions and between them, I think that we will see a lot more activity on the ground in terms of construction and in terms of new businesses and you know even, even I think local government should be looking

at the strengths and weaknesses, or the strengths particularly of the local community now for their next review of their economic plan to see is there specialisation in certain areas that they could zoom in on to help local people to be able to point them in the direction, whether it is food or whether it is the indigenous tourism sector or whatever investment is needed in order to take full advantage of the potential of the job creation in rural areas.

R: That brings us on neatly to **question six**. Sorry I have to go through these numbers just for the purposes of recording. So that local authorities have had greater powers, how in terms of the evolution of the relationship since say since [REDACTED] the legislation, do you think say maybe that the other government departments are prepared to come on board in terms of maybe that these powers that you gave to local government have worked perhaps better than they thought?

I: I don't have any knowledge of the mind-set of government departments presently.

But you know I would hope that there would be more goodwill to local government demonstrated by central government, which includes ministers in the future that would be prepared not just you know to propose certain functions to be devolved to local government that are pebble in the shoe for themselves at national level, that there would be more generously spirited in some essential functions that could be devolved. Because the essence of politics should be that government should be as close as possible to the people. And if you don't have a strong local government system then you can't deliver for the people at local level and I think we have to you know get back to the type of strong local government system that we had in the sixties and early seventies which I grew up with my experience with my late father, which was able to deliver on so many different functions and so much financial responsibility and we need to have central government to trust local government more to deliver.

R: I can remember my father, you just touched on your dad there, but I remember my father having to put away the money to pay the rates. The rates used to come in two moieties and they were a significant, from I remember my father, I was a young child now, but I can remember my father talking about them, that the money had to be put aside because at the time they linked that say to the bin service and to public lighting and like Ireland was a far poorer country in the sixties.

I: This is the tragedy of life today where people are largely well-off in this country now relative to what was the story in the fifties and sixties and people paid their way and didn't have any resentment about paying for local services at that particular time. It's amazing now that certain political people are jumping on band wagons in a populist way and telling people that you can

have everything for free. That means we're going to have higher taxation on work, which is a disgrace.

R: Yeah well this trend in populism I'm afraid, is that a response to say the years of austerity?

I: Possibly it's being used by certain political philosophies as a bulwark against so-called austerity, which there was a lot of suffering when people lost their jobs. But there's not that situation now and where people now are worried about the amount of tax they're paying because they're working. So if we cannot broaden the tax base, we cannot reduce the tax on work. So this is the challenge for government.

R: Moving onto **question seven**. Earlier on you alluded to it yourself, say that local government lost so many staff and so much out of the budgets. In fact I think that apart from the army, local government lost the greatest proportion of its staff. While interestingly civil service numbers tended to remain the same.

I: This is a classic example of public service reform as long as it doesn't affect me attitude. And you know I agree with you that local government played an enormous role as being the only public service entity that we can point to now that actually delivered on the reduction of numbers that was required in order to meet our costs associated with the program of the European Union and the IMF and you know this is something I think was amazing the type of changes and, that were made in local government, the new responsibilities, the new powers, the new service delivery that was expected and at the same time we'd twenty-five per cent less and you know it's taken as read you know I think this is, this is actually, we've seen, you know, not withstanding the fact that there was some pain to the local government system, it was seen as local government were more responsible than any other state agency or central government department in actually meeting the challenge of restoring Ireland's sovereignty.

R: Taken as read by whom?

I: Taken as read by central government decision makers and by certain media commentators who sometimes show enormous disrespect for the role that local government plays in the lives of our people.

R: Because like I've worked through that time and saw so many people leaving and perhaps it's a reflection on the system now because a particular challenge facing the government now is the supply of housing. But housing departments were run into the ground and actually can I just say on a personal note, I was there in the eighties when again housing programs were cut because of at the time, but it seems to be the case that when retrenchment is necessary that it's the local government side took the hit and the civil service...

I: There is strong evidence there to show that that is the case [REDACTED]

[REDACTED] The entire local government housing budget was absorbed into the Department of Public Expenditure for the purpose of meeting our capital requirements for the Troika. And we had no money and [REDACTED]

[REDACTED] this withdrawal of funds would have a, some consequences for our young people in the years ahead and that has now come to pass regrettably.

R: Yeah. But with your knowledge [REDACTED]

I: Well I think they were under pressure from meeting the financial targets set by the Troika. But I think that they should have allowed for some continuation of planning and development in relation to housing at a time when our population was going, you know, when there was clear evidence that it was going to grow. We had six per cent growth in 2014 in the economy and now we're faced with a situation after successive positive economic indicators in that last three of four years that we cannot house our people in our major urban areas which is...I suppose shows that the short sightedness of our centralised decision-making.

R: With your knowledge that you have now thought of [REDACTED] institutions and say the European Investment Bank, European Central Bank, do you think that the national decision makers, whether they be civil servants or ministers, and very often actually ministers have to make decisions perhaps that don't run well with the civil servants but it was actually, there were other options or other instruments available to Ireland in 2014 and 2015 had those decisions been made. Could we have borrowed for example for the EIB or from the European Central Bank more? Or were we so, was the hair shirt so tight on us like that we couldn't?

I: We didn't think outside the box in relation to the fact that loan facilities were available to us but we have always wanted the grant. The Department of Public Expenditure resented any talk of loan facilities being made to local government or indeed to housing agencies for the purposes of capital investment. It was always about had we the money for, for the free money to be available in terms of grants. And now, [REDACTED]

[REDACTED] seeking to explain the model of loan facilities at low interest rates that are available over longer terms to the state from various places including the European Investment Bank. And it's only now that there's beginning to be a realisation that we need to tap into this particular source of money, which is rather short-sighted.

R: In the discussions like I'm just back from my holidays in Britain and I'm watching the debates on Brexit and one of the things that's, they're thinking about in Britain is repaying the loans they've borrowed from the European Union. So Britain has borrowed from these European institutions and it helped sustain their economy but like Ireland didn't.

I: Ceilings were put as well on capital investment by the Troika. But that doesn't mean that we cannot leverage through the existing grants that we get from the European Union, low interest loans from the European Investment Bank. And I know that there is steps begin taken at the moment by government to try and exploit this potential and new source of money. At last.

R: Okay. Just, so you think, just to conclude on **question seven**, that local government, with the gauntlet was thrown down in terms of economic development and the enterprise boards and so on or the Local Enterprise Office, but it responded well at a time when the capacity wasn't in the, you know, when the capacities were falling.

I: It responded well to the reorganisation of local government and to the public service reform agenda. Better than any other state agency or better than any other government department.

R: Okay, we'll move onto **question eight**. Okay, in terms of, well this was about local authorities beginning to work more collaboratively, in fact you touched on it in terms of the South-eastern region, which would be Kilkenny, Wexford and Waterford.

I: And Carlow and Tipperary.



R: Carlow and Tipp. But maybe a little bit of a [REDACTED], but we're coming up now, the National Planning Framework is going to be launched which will move, we hear, towards this idea of city regions. And say Waterford in the Southeast has been campaigning for many years for university status, which by the way can I just say as a Limerick man, that when Limerick got the university, it was a transformational moment. In the way a place feels about itself, you know. Waterford has maybe lost ground, you could say, over the years, particularly maybe compared to Galway and so on. Have the local authorities in the Southeast come together effectively to work together for the Southeast for the purposes of the Southeast?

I: Well in the program for government in 2011, we succeeded in putting into the program a stipulation that there should be a university for the Southeast. This was the first recognition by the government of the day that a university for the Southeast was an essential prerequisite to economic and social development. And many of our students in the Southeast who go to Dublin and Cork or Limerick don't come back to the region in the years afterwards to, you know, to give us the benefit of their talent. So this is an urgent political priority for the country, that we have balanced regional development, and I expect that the National Planning Framework will meet that logical conclusion of implementing a proposal and the necessary legislation to put in place a structure for a university for the Southeast, with a headquarters in Waterford. But of course, Waterford has to think more regional, rather than parochial and this has been their problem for many many years. And I think that there is now a window of opportunity with the two institutes of technology in Waterford and Carlow to work closely together with outreach centres in Wexford and Kilkenny to develop a whole of regional approach towards greater third level participation within the region. And I hope in the next year that this will come to fruition in terms of decisions being made to make it happen. Of course there are other universities not too far from the region that would not like to see this happening and therefore they feel that their pool of students would be reduced somewhat but I think that's a very short-sighted view and therefore I think that, you know you saw from your example in Limerick the way that it makes a huge difference to regional development. The same would happen in the Southeast if a university is established.

R: I would regard it as perhaps the most important thing that could happen.

I: Well I had an opportunity to meet the [REDACTED] recently and I said to him very explicitly that there is a regional priority in every region. And the one for the Southeast is a university for the Southeast.

R: Could I ask you just you're reflecting that as a [REDACTED] right you know and coming from the heart and I'm reflecting that in Limerick too because my own children went to different universities over the years, you know and could a more regional approach to local government,

a greater sharing. Like you had the Regional Action Plan for Jobs, you have the Regional assemblies which we might touch on in a few minutes but could a more regional approach or greater sharing of resources between the Carlows, the Waterfords, Kilkennys, Wexfords and so on. Would that be better to try and deliver on those single regional objectives?

I: I think there's a balance to be struck between responsibilities and devolved functions to local government and then some large scale projects of a regional nature that will help to drive all counties in a region. I think the university for the Southeast is a perfect example of a regional approach for a single big political objective to help our people to be able to be educated in their own region and to be able to then develop through that expertise jobs, and employment and a standard of living that they aspire to and obviously much more, it's much less financially costly then to the parents of those particular students in order to sustain them in a college elsewhere. So there's, in every region I would expect that you could drill down that there are one or two key objectives that should be looked at on a regional perspective in terms of infrastructural provision that's needed for to drive the economic, social, educational and cultural aspects of the region. And I cannot think of anything better than the university for the Southeast as a good example of this. I'm sure every other region has their own priorities but that is a...but then I think from, I come back to the point that the vast majority of service delivery for basic services for people should be through local government.

R: But if local government had a more regional focus is where I'm coming from. If you had somebody championing the region. Say a strong local champion, that they would, would that help the process, the decision making at central government? Or is it trying to get that into the program for government? Or does it come back simply to the TDs who make it to ministers and senior ministers.

I: Well the evidence is otherwise. We didn't need a regional approach to put the program for government commitment for a university for the Southeast in 2011. And it's not stopped by local authorities in the Southeast. It's stopped at national level.

R: Is it?

I: The fact that there hasn't been sufficient impetus up to this.

R: Oh really?

I: Particularly by the other universities and the higher education authority who can come to the conclusion that this is an essential piece of a key infrastructure in the Southeast. And you know it requires then political intervention at the highest level in order to make it happen.

R: Yes, that's what actually happened in Limerick City.

I: Yes, yes of course and that's what happened in, that's what will happen in the Southeast I hope as well.

R: Yes because, just coming from the Limerick case where we didn't have a university and it was transformational to get it that you wouldn't begrudge it, you know.

I: Well I think that the university for the Southeast discussions now have had six years of bottoms up approach.

R: They need a bit of top down.

I: Now we need decisions to be made and they'll only be made when a decision is imposed because everybody realises what's required and what's required is the coming together of Waterford and Carlow Institutes of Technology, the headquarters in Waterford and then, you know, the courses, the content of any particular educational offering then to be concentrated in a number of centres in the region, principally in Waterford and Carlow.

R: Moving on to **question nine**. Reflecting in a general sense on the reforms and the experiences to date would you say that they've been positive, negative or somewhere in the middle.

I: In the local government system? I do engage some, a little bit with local councillors and they do experience some frustrations about the implementation of the reforms and the context of decision making but on the other hand I think that that's principally their own fault that they're not exploiting the potential of the legislation and the autonomy that councillors have in the new local government act of 2014 to the extent that they could. They have the prospect of agreeing

a budget every year, agreeing the local property tax variation every year, agreeing the economic plan, the community development plan and I don't think that they give it, not every councillor gives it the attention, you know, that it should, in terms of what the potential of these particular policy or structural opportunities are for them in terms of service delivery for their constituents. And I think they need to wake up to the potential that they have in the powers that they have in the legislation in order to give them that necessary opportunity to deliver.

R: That's very telling comment about the councillors that some of them haven't seen that, how would you see that being overcome? Is it a job of management to educate and inform the councillors or is it a matter for the councillors?

I: I think that the councillors have to take, through the association of Irish Local Government they should continue, continuous training and professional development in their role and it should be pointed out to them and they need to have the strength of political will to be able to take on management and take on vested interests in order to ensure they get the right results for the local community, that's the essence of power in local government, which is there at the moment but which they don't perhaps realise fully.

R: Could it be more easily delivered on if there were fewer councillors? Could that...

I: Well [REDACTED] reduced the numbers of public representatives in local government by one third and got a lot of criticism for doing so but [REDACTED] developed a municipal structure that can be improved upon for the future by reducing the size of the electoral areas so that councillors are able to deal with their constituents in a much smaller geographical district but you should of course take it into account that there are some rural areas that perhaps the number of population per councillor, there needs to be some exceptions there which is included in the legislation in the terms of reference for the boundary reviews to take account of the Inishowens and the West Corks and the West Kerrys, if there is a population there that needs representation but nevertheless the geographical distances are so huge, that they need a local councillor within easy access of them. So there's nothing that cannot be resolved within a boundary, a new boundary revision of local government areas that cannot meet the requirement of councillors to be as close as possible to the people.

R: [REDACTED] what were the key performance indicators that you would have seen coming out of that legislation? You're a man who likes to measure in terms of progress and so on.

I: Well [REDACTED] the principles which I was [REDACTED] [REDACTED] all of those principles have been implemented in the legislation. I think there's a bit more work to be done in terms of the implementation at local level and bedding down more the principles around councillors getting more power to deliver for the people and they need to utilise that more.

R: If there were three particular objectives that you would love to have seen come out of it, what would they have been?

I: The first one would be that local government should be effectively the vehicle by which enterprise delivery at local level for small businesses should be implemented and that it should be the financial resources should be able to be available at local level to achieve that. Secondly, a tighter framework around local property tax policy at local government level to ensure that we continue to have good services and even better services with local contributions from local people being at the heart of it. And we need to broaden, generally speaking, the opportunities in the financial area for local government to be able to attract new sources of financial income for to improve those services as well in addition to the property tax.

R: Would you like to see a greater clarity of role emerging to avoid uncertainty at the centre, that the resources followed that decision?

I: Yes I think that the devolution of responsibility from central government to local government needs to continue to be looked at and that the first port of call for any new initiative at central government level should be to see can it be implemented at local government level. That's in the legislation.

R: And not just the pebble in their shoe.

I: Yes.

R: As you mentioned earlier. Now, would you like to see more resources going down to the local level to follow that, both financial and human?

I: Of course I'd like to see you know more opportunity at local level for councillors to be able to raise from as wide as possible area of local resources so that they can take full responsibility for the services that they're proposing and the financial resources being put to it to deliver those services.

R: Any idea of what specific resources that you'd like to see go out to a local level in terms of that enhanced role?

I: I think every government department should be charged with responsibility by the Department of the Environment to look at what can be devolved to local government level and let resources follow that initially, but ultimately over time that those resources would be generated and spent by local councillors at local level.

R: In terms of the elected members, because you know, [REDACTED] put a lot of eggs into that particular basket, right. What greater role could the elected members take in terms of that economic development aspect of it?

I: They have the powers to be able to evaluate what is right for their area in terms of community development and economic development. Perhaps they need to bring outside expertise and you know, on board at the drafting stages of these plans to help them to evaluate how the particular geographical area of the country could actually, through specialisation be able to develop more to the advantage of what they can provide. I'm thinking of the food business in certain parts of the country, agri-tourism in other parts of the country, activity holidays and the Wild Atlantic Way. All of these type of initiatives have come from consumers demands of local and national government to provide the necessary infrastructure. I'm sure there are plenty of other examples like that that can be followed upon.

R: Any thoughts on the emerging National Planning Framework in terms of regional development and local development and so on?

I: This should be looked in the context about how we can take the pressure off of Dublin. There's an essential requirement to have strong regional development but it needs to have the national resources and the infrastructural development plans to implement it as a matter of urgency. And I think that you know Dublin has to understand that if the regions are not strong, the pressure on housing and infrastructure is going to continue to be a problem for Dublin in the years ahead.

R: It's staggering, actually, what's going into Dublin. Is it unstoppable?

I: Well it's a matter for government policy and this is where a strong government is required in order to do the right thing for the country in terms of strong regional development.

R: And do you think that's emerging?

I: Well the proof of the pudding will be in the eating.

R: Yes, yeah okay. Just turn last to the general reform question. Given the establishment of the municipal districts and so on, and there was a lot of powers could have been devolved out more, within, at a local level which unfortunately doesn't seem to have happened, which is an interesting test, you know, of local government. Into the future and the scale of some of the units, how would you see, like it's currently under consideration in government?

I: We need to look at this very carefully in terms of having local government as close as possible to the people but also a local government system and a structure that's viable. And [REDACTED] merged some local authorities, in Limerick as an example, Waterford and Tipperary. And they have been a resounding success. I don't agree with actually big entities like Cork being merged. You know, you need a strong regional centre like Cork City but at the same time you don't, you can extend the boundary, which I'm in favour of, but you have to be careful that when you're extending the boundary that you don't, you render the other local authority next door like Cork County Council as an unviable entity financially. So there is I think, my advice would be that there should be a boundary extension of Cork City to create the necessary regional focus for the southern part of our country but also to do it in a piecemeal way, not in actually a one off extension for the next fifty years. And I think that it shouldn't be too ambitious. It should be incremental.

R: So that when a certain, say Cork reaches a certain scale the city is important nationally and internationally, so it needs the resources applied to it. Galway? What about Galway?

I: No I don't, I think Galway is a huge county and there's about four different counties in one, in terms of the diversity and therefore that's the reason why [REDACTED] bring about a merger proposal for Galway.

R: Is it likely to happen do you think with the city?

I: I don't believe it will happen, no.

R: **Question 10.** Don't you, okay. Right. One last question before we wrap up, your vision for local government for the future. What would you like?

I: I think to continue the devolution role of policy from central government to local government and to continue on the path of giving more financial autonomy to local councillors and local authorities to implement their services, and as many as possible of the services to as close as possible to the citizens.

R: Do you think that political will is there at a central level?

I: It remains to be seen.

R: Sin a bhfuil na cúrsaí spóirt!

Date: 09.08.2017

Researcher (R): Kieran Lehane

Interviewee (I): Regional Level Executive R1

R: So the **first question** .Did you or your organisation have any involvement in the reform, reform process? Now that's asked say from informing the legislation, the basis of the change in 2014.



I: Okay. Well the short answer is yes I did. And the reason that I was involved, I was, at the time, up to the 2014 local government reform act, I was in the regional authority, the [REDACTED] regional authority. I was asked by the Department to participate in a regional authority working group. So I was responsible for the initial drafting of the new sections in the act that relate to regional governance and I'm not sure what part it is but the whole section on regional governance, large parts of it, were drafted by myself and two more directors and brought, as part of the discussion, papers to that regional authority workshop or regional governance workshop, where the Department officials participated, where we at regional authority level participated, but also where the chief executive of, I think it was [REDACTED] County Council at the time, also participated on behalf of the local authority managers.

R: Okay.

I: So yeah, I mean my participation was as I say principally at a regional authority level for the regional governance sections of the act.

R: And can I ask you, just in terms of that process, was it consultative, was it participative, how would you describe it? Was it that the Department were looking for you to frame what you thought the role would be?

I: Correct. I think the latter is the case. What they wanted was, they wanted a hands on, in terms of drafting sections of the act that related to what would be the future powers and roles and responsibilities of the new regional assemblies. So I suppose they wanted us to participate in the role of the director of the regional assembly versus the role of the elected members that are nominated to the regional assembly. They wanted...there was no, heretofore, there was no distinguishment between executive and reserve powers at regional authority, the old regional authority level. They wanted us to participate on how the regional assemblies might be financed. We as regional directors wanted independence from the local government system, that there wouldn't be your quarterly demand sent to each of the regional, or the local authorities in your area, to fund you in terms of, and that would add to a level of independence. Now that didn't happen because the Department didn't want to, what would I say, discombobulate the regional structure from the local structure. They wanted, and they didn't want funding to come directly from the department vote to regional assemblies. We wanted it from an independence point of view and in particular in relation to the planning function that there wouldn't be any, what would I say, conflict of interest, you know. You're being funded by local authorities, why wouldn't you support a development plan type of...and we did, we

just felt that there would be a level of independence there that would lead to a, you know, more transparency.

R: And can I ask you in terms, that would have been a material change now, that's very interesting. Why would the civil servants have been minded thus? What was their concern?

I: I believe myself that the local authority system is so powerful in terms of local governance, that they were taking their lead from local government.

R: So it was maybe concern about the possible reaction of, either the chief executives or the elected side?

I: I would say both.

R: Right.

I: So I suppose I would, you know, I would put it down to my view that there isn't, even with the reforms and some of them are excellent, even with the reforms, unless you have you know independent financial and budgetary control, it's very difficult for a regional governance structure, a real regional governance structure to exist. So that's fundamental and it's still an issue.

R: What you're talking about is financial autonomy?

I: Yes.

R: That whatever body it is, is not dependent on either say a local authority to fund it, or the exchequer through the Department.

I: Or that you would, that you would have some element of funding at regional level which you know however you do it. But in the absence of that, that you would have a vote at, from national government level.

R: Yeah, and may I ask you in terms of that change, which would have been very courageous to have taken that step forward, and ye advocated for that, how did ye propose to fund?

I: Our first option was that, you know, if there was to be real regional governance, that there would be some element of revenue collection as part of that structure and, I suppose, failing that, that there would be an allocation of the national vote from Department level and then obviously the third option was that the existing arrangement would continue.

R: And were there specific objections, to your knowledge now say, that came from the city and county managers?

I: No specific objections that I'm aware of, other than that, you know, there wasn't an appetite for it. You know, that there wasn't an appetite that, you know, regional governance would have that level of autonomy.

R: Because it's very interesting, because say, that would have been in the formative years, maybe 2012, 2013, that time and now we're moving towards a national planning framework where you're going to have city regions, okay, around Galway, Limerick, Cork and so on. And that issue will come up again for consideration because they're going to have some planning functions, that gives them a degree of independence from local authorities. You would be a strong advocate of that.

I: Well I suppose the city regions concept, it's one that has existed in Europe for decades at this point in time and I suppose it makes a lot of sense. However, the city regions don't actually reflect the regional assembly boundaries. But I suppose just to continue on in terms of the involvement of that working group. We also looked at the regional planning guidelines as they existed. And I was very strongly, personally, given that, I suppose, my own profession was planning, that the RPGs were fantastic in terms of the level of objection, of objectives, the strategic nature of them, and what they covered in terms of planning guidance to be taken into account in the drafting of city and county development plans. However my issue was that there was absolutely no power of the regional authority to enforce or compel other stakeholders to be involved or for those stake holders, when they were involved, i.e., say IDA, Enterprise

Ireland, all the other state...Fáilte Ireland etc. etc., that they would, once they would commit to an objective in, a strategic objective in a, in the RPGs, that they would follow through in terms of that commitment and there was nothing in the old legislation to make them or to compel them.

R: Why do you think, this is a very important and salient point, why would say a very powerful agency such as the IDA have been reluctant to do that, what was the incentive for them?

I: My view is that most of those state and semi-state agencies are being ruled from mothership and the real power exists in headquarters. And if you have regional offices with autonomy, giving commitments in certain...then depending on the strength of the staff in that regional office, you could have what they, what mothership would consider an inconsistent approach to either commitment to objectives, strategy for a particular region or you know for two regions, so say the Midwest had a good regional office, say with the IDA and some very progressive staff and so you would see a lot more progress on, you know the achievement of those objectives in one region over another.

R: May I ask, in terms of the mothership, in IDA terms, was the mothership IDA HQ? Or was it the Department of Enterprise and Employment?

I: Oh I think HQ from a regional assembly and regional authority point of view. HQ had sufficient autonomy to be able to. However I don't know what the, obviously from a budgetary point of view, I don't know what the relationship between those organisations and their respective governing departments would be. But certainly my view would be from HQ.

R: HQ. IDA HQ or EI HQ?

I: Correct. That they would be at...the level of engagement in the [REDACTED] was particularly good, but in other regions it wasn't as strong, because of the level of relationship that I had built up with the respective regional managers. So what we wanted in the new Regional, Spatial and Economic Strategies, the RSEs, which will replace the RPGs, we wanted to tie those agencies in. First of all to engage in the preparation of the strategies and secondly that their own internal priorities or corporate priorities would align themselves with the strategies, their priority strategy in the regional assembly plans and that there would be budgetary support for those.

R: What you're saying makes perfect sense. So why doesn't it make sense to IDA?

I: Well in the Regional, Spatial and Economic Strategies that has changed the game for them. They're much more engaged now at the regional assembly level than they were with the regional authorities so it has been a game changer. We don't know how much until we see the first iteration of the RSEs and once we see those we'll know exactly. And my view on it is that the cities and the city region concept suits those agencies down to the ground because it aligns itself with their priorities. Whereas before and I suppose say what you like, and the rural areas had a very significant representation at regional authority level. And a lot of the policies and strategies were focused on rural areas as much as, if not more so, in some cases, than urban areas. So from that perspective I think there has been a game changer. It certainly has become more urban centric.

R:And how do you feel about that?

I: I feel strongly about it. In terms of, I would be, obviously from a rural background myself, we have to make sure that there's sustainable rural development policies, but in order for the body to get blood the heart has to be healthy and the heart in my view, in terms of jobs, in terms of service provision, has to be the major urban centres.

R: Okay, fair enough. We might move on to question number two, which says that the 2014 act provides for increased local authority involvement in relation to the promotion of economic development of its functional area. Now, may I ask you, having been closely involved in drafting that legislation from the regional level and then having coming into [REDACTED] as,

I: [REDACTED]

R: So would you think that the 2014 act, the provisions of it, which was a major step, right, has delivered? What's the experience of it?

I: My view in relation [REDACTED] is it certainly has, in spades, I would say. And I suppose I would attribute and credit the management of the [REDACTED] local authority for that. And also the fact that you had the [REDACTED] who had developed a personal

interest in relation to the preparation of the strategic, [REDACTED] plan, this strategic economic plan for the [REDACTED] and its region. But particularly for the city centre, that you had an important advocate and stakeholder, and what I would consider champion for [REDACTED] and I think that you had that business acumen in conjunction with the local authority wherewithal fusing together to actually be formidable in terms of what can be generated by way of either economic activity directly through service provision or job creation or urban renewal or as is evident in the case of [REDACTED] the purchase of distressed assets and the development of those assets.

R: What the...the 2014 act came out the Action Plan for Effective Local Government Putting People First, and what that said was that local government would be given an enhanced and a clearer role. Would you care to elaborate on, I think you have spoken about enhanced and you earlier alluded to say the relationship with the IDA, EI and so on. How much clearer is the role as well?

I: Well I would say that heretofore the agencies Enterprise Ireland, IDA, Fáilte Ireland and others would have seen local authority as primarily roads, water services, motor tax and I suppose some of the, maybe harder services.

R: Yeah infrastructural services.

I: Yeah infrastructural services responsibilities only. And wouldn't have seen that you know for business to thrive and to start water provision, in terms of future proofing waste water, and all the other services need to be at the heart of the planning at local government level. But I think more importantly I think there's a clear realisation that with the support of national government local authorities can do stuff to encourage, attract and enhance economic development in their, within their jurisdiction.

R: You were in the formative stage, you were there at the coal face. So what was your clear role as distinct from IDA and EI, or was it a partnership arrangement.

I: Very much I would say the latter. I would say that risk taking at local government level has never been to the fore and I think that in [REDACTED] with the leadership that was there the, as I said earlier, the business expertise that was coming in from the outside, the economic forum that was advising the chief executive of the council that there was more of an appetite for risk

and with the preparation of the [REDACTED] strategy, which was eventually adopted by the elected members the chief executive had a clear, how would I say, direction...

R: Pathway, yeah.

I: ...from the elected members. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

R: Can I just ask you though and you can take [REDACTED] it was fairly obvious what needed to be done, okay? There is a risk taking, I take your point, there is a risk taking. To what extent, based on your knowledge now, you may or may not know the answer to this question, but to what extent was that shared across the wider local government family?

I: I would say that in Kilkenny you see that they bought the old Diageo site. Again they took the risk. I know that in Cork, the Beamish site was also another risk and in Dublin several of these. So I think that maybe in urban, larger city authorities that there's more of a acceptance, that if local authority doesn't step into the role and actually be actively involved in pulling stakeholders together, pulling finance together and getting development in the local area moving that it won't be prioritised from a national agency perspective. So the local authority really I suppose takes up the cudgel and runs with it and while I acknowledge what you say that it was obvious that these number of sites in [REDACTED] needed to be developed, but it had been obvious for the previous ten to fifteen years and when you look at, a lot of good work was done in fairness in certainly, in the assembly of the opera site, huge work. That was a magnificent achievement in its own right. But historically that's as much as the local authority would have done. It would have assembled a site and then packaged it for a private developer. But when you come into a dysfunctional construction market and economy, the local authority as a public authority was the only game changer in town. And if it had the credibility, it had the capacity and it was fast getting the skill sets to actually run with these projects. And I think you'll find that those are, those embryonic projects will actually, I think, will just sew the seeds for more of this to be done.

R: Your view begs the question and this sort of goes back to what you said a few moments ago, that this can be done more easily in an urban setting. Not necessarily a city, but Kilkenny, well Kilkenny is a city...

I: Yes it is.

R: ...but in an urban setting where a local authority is motivated by this role, which fits the national agencies and we've been very good at setting up agencies at a national level in Ireland so that the local, if the local isn't doing it, then the national agencies will just walk away, unless you're working...which raises very fundamental questions about the regionalisation of Ireland. Certainly if you don't happen to have a large urban centre in your region and unless the boss of that local authority is motivated, well then there are implications.

I: Yes but that's the case in all aspects of government. And you'll find that where you have leaders, decision makers and takers, and you have proactive governance, you'll find that business thrives in those areas. So I suppose you know, the whole governance thing kind of works from the point of view of, I suppose, local government is pervasive within its own jurisdiction and has the buy in and respect, whereas, and it's bottom up, whereas the national agencies come from the top down with the solution in their bag and the solution mightn't altogether fit.

R: The next question, **question three** out of ten. The, I don't know whether you were involved in this or not, but one of the parts of this increased governance which you touched on was the establishment of the Public Participation Network and its involvement in the Local Community Development Committee. This is based on the theme of governance, strengthening governance in 2014 and the Department is continuing to look at strengthening more governance in that way, improved governance and participative democracy and so on. Did you have any involvement in the Local Community Development Committee?

I: I sat on it as a, I suppose as a support, a professional support. I wasn't a member of it, but I was there as part of the executive of the council. And I suppose in an advisory capacity. First of all I think the LCDC concept is very positive. I would say that it will take this round of government, of local government, this five years for the LCDCs to bed in and the LECs in terms of they're all in place now. So it'll take another round of those plans in order to bed in as well. I think the good thing is that they are very much in keeping with the City and County Development Plans because the local authority is the pen holder effectively in both. And I suppose it's good from a LEADER company perspective in that the spend in rural areas is very much a more coordinated spend and I think there's more value for money being achieved now. Whereas projects were coming in, vetted in isolation of the bigger picture and I think now there's a very much, a more whole, holistic view in terms of the assessment of project applications so I think it leads to efficiencies in that.



R: And in [REDACTED].

I: No, no. And I would say that's a pity personally. I think that there would be, there has to be, as a result, there has to be seamless communication between the...

R: What happened? I don't know anything about it now but...

I: Well it happened before my time but there just seemed to be a, maybe a breakdown in the communication. But two applications were made. Unlike say the likes of [REDACTED] where a memorandum of understanding was reached. And one application was made and it's a pity it wasn't done here as well. But we are where we are and I suppose the other thing I'd say in relation to the role of the PPN, I mean I would always encourage, we have, I think over four hundred and fifty organisations represented in the one ship, which is quite extensive. So therefore it's very powerful in terms of us getting the message of the local authority through to all sections of society. But secondly that that communication channel works both ways. And that we would, if we are doing something wrong that we find out early.

R: What about the role of the, how would you compare it, or had you any experience of say the previous County Development Boards. The LCDC now.

I: Yeah. I would say that the County Development Boards previously probably ran out of steam. While they were, there was great energy and enthusiasm in the late nineties and noughties. It just ran out of steam.

R: And bringing the LEOs in to the local authority, has that been good?

I: Personally speaking yes. I would very much...with the increased economic role I think the LEO has no other you know home. Other than being at the heart of the local authority business. I think that we, as regulators and in the machinery of governance, sometimes there is a kind of a pro-business risk taking, you know, that culture, sometimes isn't natural to us, right. And I believe myself that it's important that say the likes of SPC, economic development, SPC and other levels that we bring in that advice, that the Limerick economic forum has brought to Limerick.

R: And can I ask you, that's very important because that's showing a leadership role.

I: It is.

R: Okay. And how has leadership been shown say in other local authorities? You've mentioned Kilkenny, but outside of that.

I: Yeah well I think, I think that we have [REDACTED] an advocate of rural development and economic development and I think that, I think that the synergies between the two have to be seamless. I think that economic development shouldn't be distinguished between, being between, being urban or rural. I think it's both. And I think we have to be clearly mindful of that and resources have to be allocated to both. I would say that here we're beginning to move in the direction that Limerick has gone. And we have an economic forum set up, newly set up. Terms of reference are about to be agreed. And I think what we will get is, we'll get the advice of business in relation to economic strategy and policies, for [REDACTED]. We've, I suppose traditionally, had a lot of FDI investment in the county, [REDACTED] but primarily our tourism sector has been probably one of the strongest economic sectors in the county. So I think it's a case of bringing that level, that expertise from those different business sectors into local government, advising the governing structures that we have here, and our elected members on how we could be doing business.

R: Because you're moving...certainly one of the challenges I think will be that by moving out of the traditional conventional sectors...

I: Very much so.

R: ...where there was a strong correlation between the actions of the council and political interests, such as roads, water, planning, the usual services that you're now moving into an economic development role where there actually may not be a correlation between the actions of the council and the political votes. There might be a prosperity aspect.

I: Correct and I think that this is why the special purpose vehicles are going to become more important in delivery of certain projects at local government level.

R: Okay, we'll move on to **question four**, which is the effectiveness of the plans that were made. Now it's a bit early because the plans are still fairly fresh, but local government has been in this area for many years.

I: Absolutely.

R: The plans formalised it but...

I: I would say that, you know the more recent guidelines on plan making, LCDC, County and City Development Plans and corporate plans have become more business focused. And I think that there is more awareness that economic development activity needs to happen in the respective local government areas, in order for that local government to be able to provide the services that are required by the citizens.

R: And in terms of effectiveness, clearly the local authority has a role, but so does Enterprise Ireland, so does IDA and I can't even think of other agencies that might be involved, but, so how effective was the plan, not so much in terms of the plan itself but the bringing all of those people together?

I: I think that the LECP preparation and the City and County Development Plan preparation processes are so formal now that they include stakeholder engagement from the very outset so what you find is these agencies, IDA, Fáilte Ireland, Enterprise Ireland, there's a very clear advantage for those agencies to deliver on their own objectives in their particular regions if they're in the development plans, i.e. through zoning, servicing, through other softer measures. And if local authority, through marketing, through other, I suppose areas, softer areas that we haven't been involved in before, if we work together in those areas, that there are benefits to those bigger agencies.

R: And can I ask you in terms of did you, were you involved in any of the discussions with the outside agencies now in preparing the plan?

I: Well not the LECP because I wasn't involved in the LECP preparation.

R: Because I'm just wondering was there a mutual learning? Did IDA and EI learn from you?

I: Well I suppose I couldn't, I can't comment on that because I wasn't involved. But I'll tell you what, there was mutual learning in terms of some of the, how would I say, smaller agencies. Those are being governed by some guy down in Seville, but yes from the point of view of the local different, I suppose groups, whether it be the elderly, whether it be the...they realise the benefits, so local stakeholder engagement certainly became much stronger. And I can't say what the benefit, or what the views of the national agencies are because it's a bit early.

R: You, earlier on you mentioned, we're onto **question five** at this stage, which is about have the reforms had an impact on job creation? And clearly many people point to Limerick. The question though is cause and effect. Would Limerick have happened anyway because of say the disaster of Dell or you know the loss of all of those jobs?

I: I actually think that the recession, the general economic recession was as much of an assist to Limerick as the job losses in Dell. I think the job losses in Dell were a symptom of, you know, the need to focus on job creation in major urban centres. But for decades the city centre of Limerick had been in decline, population seeping out of the place. Even in the height of the boom. So I think the economic recession in Ireland actually has done Limerick a favour in that it allowed the city centre to go so low that it was incumbent on local government, and indeed national agencies to do something about it. And I suppose the crime situation in Limerick you know hastened the whole thing in terms of a national focus on Limerick. And I think that it was the people who used the crisis, both economic, crime, to best effect in Limerick has really turned it around in terms of a model for economic development, social development and indeed I would say job creation.

R: The question is though whether the reform in 2014 would have...even that affect.

I: I would say, no it would. On its own, no. But I think it was, it coincided with a series of other changes. And I think that it was timely, in terms of...and it allowed local government the freedom to engage in areas that heretofore it had been restricted from engaging in.

R: So to sum up there, what you're saying is, it gave the local authority the opportunity and maybe the legal process to do it. But that the focus would have been coming on Limerick. So that it was a nice fusion of the two.

I: Correct.

R: And then you also had the merger of the two local authorities occurring just a few years before.

I: Well I mean that, in its own right. While it was a painful process, for the staff involved, it shows how adaptable that local government is in this country. Absolutely. The amount of change that was accepted by the individual and groups of employees in Limerick is breath taking.

R: It does come to, we come to a question later on which talks about cooperation between local authorities, which is very interesting. Okay. We'll move onto **question six**, because I'm conscious you have somebody waiting for you. Do you think the reforms that have given local authorities greater powers to act, and you obviously believe that they do, or are the powers still elsewhere? This is say where the power and the autonomy that has been given, the extent of that autonomy.

I: Yeah well I believe that the power to generate itineraries, job, company itineraries and bring them in, onto the island is very much with the state agencies. Yeah very much so. And there's a very clear distinguishment in terms of the roles. However, when you get them in, the IDA are very clearly interested now to have local government by their side in terms of these visits.

R: And is that new?

I: And that's new. And so they see the very clear benefit that the local authorities are bringing to the table of discussions in attracting these foreign direct investment companies. And also I think when you look at what has happened in terms of Troy Studios in Limerick and incubation units in, not just in Limerick but also here in [REDACTED], you find that job creation from the other side, the smaller units are very much coming from initiatives by local government. So it's coming from both sides and I think that as the years go on, local government will become much more comfortable in this economic development role. I still believe local government in its own right will not ever be travelling abroad to attract foreign direct investment. And I don't believe it should.

R: Yes, because I have heard that certain local authorities have begun to do that.

I: Well I mean in newer markets like China and other parts of the globe where there are opportunities, where local government and regional government here is seen as not having talons or having the capacity to attract these industries in. Irrespective of whether or not a fish is hooked, in Ireland it'll still have to come through the state agency, for instance the IDA. So irrespective of whether local authorities are out there doing and maybe ploughing the ground, they need the Department of Foreign Affairs, they'll need the relevant embassies, they'll need the IDA and Enterprise Ireland to land the deal.

R: This goes back to the issue we started on a while ago on the clarity of role. That I wouldn't disagree with that. I think that is the IDA's job to represent Ireland abroad.

I: Very much so.

R: And then when they arrive in. But certain local authorities apparently have taken it that it is their job now to go abroad and I have other respondents have told me that local authorities are turning up at job fairs and stuff.

I: Yeah I mean, it's very important that we don't lose the run of ourselves. And I think it's important that we understand that we have to make sure that we keep the home fires burning in relation to service provision, in relation to quality of life, in relation to retaining expertise and skills in our own regions. Rather than chasing the gold pot at the end of the rainbow.

R: So what is working well in relation to a local authority's role in economic development?

I: Well I suppose all of the things I've covered in the interview, but most importantly is the value proposition that local authorities are now providing to national agencies. In other words, we're adding significant value.

R: Okay, what's not working well?

I: Obviously if some local authorities are out there on their own, I think there's a lone wolf phenomenon that we have to be careful that we don't lose the run of ourselves and that we're, that we're, you know when we do chase, you know these foreign direct investment opportunities that we're fully aware that we have the national agencies involved, that we have the national government involved and the relevant departments. So we just need to be prudent in terms of how we proceed because we could easily lose face were we to chase, you know the unrealistic...

R: Part of the difficulty maybe that certain local authorities are feeling, going back to your earlier point, that they don't have large urban centres. Foreign direct investment is the one that gets the headline. Five hundred jobs announced. Two hundred jobs announced. And they're not tending, before they were quite dispersed, in the early days. That's not happening now. There is this clustering going on.

I: You know, and that's very much, if you look at the major urban centres world wide, you'll find that the more I suppose open and creative centres who work well together, whether it's one local authority or many, once, if business sees that they're open and that they're pro business and that they're, that they're ready to be flexible in terms of attracting business and that the quality of life in those areas is good, I think that that's the approach for the future. But it's also very important that a lot of rural areas that, and rural counties that don't have major urban centres, that have county towns and I think that those will have to receive special attention in the new National Planning Framework. I think it's one thing having city regions, but I think the role and the special role of the county town in each of the local authority areas has to be recognised in the NPF.

R: Two questions stem straightaway from that. The NSS which was the big precursor to the National Spatial Strategy was severely criticised precisely because it spread the development resources too thinly.

I: Yes, fair enough, but I think what was the real criticism of the NSS was that two years after it was published a government decentralisation program was announced which paid no heed to the policies and objectives of the NSS. I believe myself that if the Hub Towns as they were called were developed in the way that they were planned to be developed and that the gateways were treated differently. But what happened in government was they were all lumped in together. You never read a gateway, a mention of a gateway without a Hub Town and vice versa and I think resources...

R: But can you have and this comes to the question, the second question that is begged of that, which is the regional approach to planning, that you can't have in twenty-six counties, you can't have twenty-six Hub Towns. You can't have five cities. It's just too many.

I: But, I agree, but the Hub Town had national status. I think the county town will have local government priority, okay, and I think that that's where the priority will be. That population growth will be happening in those priority areas. I don't believe myself that we will have population growth in every town and village unfortunately. That's not the way it's going to work. The reality is there will be, you know, there will be a concentration in areas where job creation and job opportunities exist.

R: But if you move, if you move, which you've already alluded to, to this concept of local government being open for business. Business is pro-market, so local government is pro-market. It becomes a pro-market, you know, it would have to work with the market.

I: Okay, well within the constraints and within the, I suppose, within the auspices of the open market or the free market out there. However local government is also an influencer for the market. And I think that the existence of proper governance in Ireland is absolutely essential in order to attract either foreign direct investment or indeed have indigenous investment grow because companies require certainty. They require good governance. They require services. They require quality of life in urban and rural areas and they also require fairness. And local government is about wealth distribution as much as it is about service provision. And my belief is that if we have a fair society where we can transfer wealth from the creators to those people who either have not the capacity to create wealth, then I think we lead to a fairer society and really governance is all about that in...

R: Very important question, what constitutes good governance? Is it just as you have outlined or what in your mind constitutes good governance?

I: Well I mean just what I've said, to be I suppose pro-business on the one hand, to have the physical capacity to provide services on the other hand. And then on the third aspect to look after the people within the jurisdiction of the local government area. And by that I mean all of the people. We do not, we're a bit like the marines, we don't leave anyone behind.

R: We'll move on to **question seven** because time is passing. Which is does the local authority now have greater autonomy and I think your answer to that question is that there is, there is



that capacity for the local authority, if they choose it. But in terms of the challenges in picking up on that autonomy, the capacities of local government systems, you mentioned say about risk taking, that mentality, right. Procedures in decision making, we tend to be more regulatory. We come from a background of being conservative regulators.

I: Yeah we do.

R: Staff resources incompetencies to owe, you know. Was that a constraint because suddenly we were given this power in 2014 and off you go...

I: Yeah I, again I think that's a very important question. I think that we're up-skilling at a ferocious rate in terms of the economic directorates within local authorities. I suppose the bringing in of, you know, the business advisory forum, which is the economic forum, at chief executive stroke management team level is very useful. The partnership with state agencies is essential. But I think that there has to be more emphasis on training people in terms of what exactly it is local government is expected to do in terms of its role in economic development. There is a, I suppose, on the one hand, the development plan which creates an envelope into which development must go. But on the other hand we have to be clear that sometimes there are constraints within those plans that are unnecessary and because it's a section in an act that it must happen and transfers into a development plan, sometimes those can be very anti-business.

R: For instance?

I: Well for instance where we would be given a head count, a population allocation and we would restrict our, contract the amount of zoned land in a particular urban centre in order to comply with the population target that's given to that centre. I don't think that that's good planning, personally speaking. I think that sometimes you have to judge by the appetite in the market at the time as to how much zoned land should be provided. And some local authorities have lost out on large business propositions because they might have a ten acre zoned enterprise for economic development. But an enterprise might have required, one enterprise might have required twenty or thirty acres and because we were too, how would I say, risk adverse and too compliant, you lose out on the business. So I think that we have to be ambitious.

R: Would you see, can I just ask you, it keeps popping up in my mind when you talk about taking risks and so on, right, which I think that's what economic development is about and

reconciling that then with your conservative councillors who at the first opportunity, and maybe a hostile media when something goes wrong, will criticise.

I: I think you're dead right. I mean I think that we've been pilloried so many times through, I would say in the majority of cases, no fault of our own. Would have, at the time development plans were prepared, we thought we were doing the right thing and we took the best information that was available to us at the time. I find that market driven economies are moving fast, much faster than the six year county and city development plan period and I think that elected members will be very much influenced by how we as officials advise them on, in particular, technical matters. But also on other matters, such as how the market is reacting. And I think there's a significant amount of training for us in that space, in terms of the whole economics area that we have to learn as different professionals from different disciplines that it isn't such a big leap of faith to take a risk in terms of, it's only an increased amount of land, once you can justify it, at a given time. But we should make our plan changing capacity more flexible, in terms of how we react to business in that, if we have an FDI on the hook, and we need a hundred acres of zoned land that we can do it. And that we are pro-business in that nature. So let's be more, less systematic and more...

R: I have a more interesting question for you now. **Question number eight**, because you were local government, you went to regional and you came back to local government, right.

I: Yeah.

R: And in terms of the earlier question, in terms of, this is a very material change, very dynamic, right and the focus that's coming on NPF say on the city regions, okay. And you look at maybe the size of local authorities in Ireland in terms of what we've been discussing. You have very small counties like Leitrim with thirty thousand people, right. [REDACTED]. How on earth can, you know, some of those local authorities take up this new role and is there room for greater collaboration and perhaps local government moving to a regional level itself.

I: So, yeah I think it's very important. First of all some local authorities it's correct to say probably won't have the capacity to, or the skill sets to promote economic development like the larger authorities, say. And then it creates a very uneven pitch...

R: And the wealthier. Like you need financial autonomy.

I: Well you do, because we see the way the larger urban centres have a presence in, as you say, the far flung areas of the world, not to mind their own areas of jurisdiction and their ability to market, their ability to raise revenue, their ability to do work in economic development because economic development is difficult to define in terms of exactly what you can and should and can't do, if you know what I'm saying. I think it's, once you get a bit of a success in, from a local government perspective in economic development then you want more, then you want to do more, then you want more and then you set the bar higher and I think we have to be careful that we don't over extend ourselves, you know, and I think we'll have to be very much guided by the likes of the national agencies in that regard. But we're going to have to work together as local authorities have done in the past. I mean there's a legal provision there where local authorities can enter into agreements where one can be a lead authority on a certain piece of work and I think that we're going to have to use that mechanism more, in terms of whether...but now from a, not just a infrastructure provision capacity but also from an economic development perspective

R: Taking a visionary, taking a visionary right, and say the unparalleled growth of Dublin which is just, its zone of influence is just enormous at this stage. And then you have three considerably smaller entities on the west coast, Galway, Limerick and Cork. [REDACTED] [REDACTED] But that is being talked about for many years as the counter balance.

I: Yeah, I mean I would have always had a very strong view that the Atlantic Corridor, that the Atlantic Economic Corridor requires, certainly Galway and Limerick, but ideally Cork as well. Now Cork has always been of the view that it's big enough to create its own critical masses, to sustain its own economic provision. However I don't think so because the world is becoming a vast and has become a very big, a small place but a small place with a lot of very big cities and metropolises that you, I suppose, we compete with. And even Dublin is small in a European context. It would be the equivalent of a second city in most of the bigger European countries. So when you're in that company, the idea that you would think that you would create enough of critical mass or attractiveness by having five hundred and fifty or six hundred thousand in Cork is ridiculous. But I think if you have a million through the addition of Limerick and Galway in that corridor, then you're talking about a real magnet and a real counter pole...

R: But are our structures...fair enough, but are the local government structures that we currently have, which is a City and County Council in Limerick, the [REDACTED] [REDACTED], then the Galway City and Galway County. Are they fit for purpose to realise that vision?

I: I think that local government is fit for purpose for the legal and financial and other mandates that it has at the moment. And this is where I believe that the regional governance becomes very important, because I believe myself that at regional assembly level these economic corridors need to be at the centre of those, of their strategic planning policy and I think population targets and economic targets and I suppose investment, we need to go in to achieving and breaking down the barriers that are there. But for that to happen you need to have the powers. And our regional assembly don't have the powers to do that. So while in, I suppose, in ideal terms, and you'll see from a planning perspective the Regional and Spatial Economic Strategies will take their cue from the new National Planning Framework, in terms of, you know, these corridors of development, but in reality the development plans, it will take them ten years to digest those policies and put them into action and I would say that there will be some plans that will I suppose will have to be changed to comply with the regional.

R: Oh yeah, that's inevitable yeah.

I: So I think it's absolutely essential that the assembly and Regional and Spatial Economic Strategies have the power to, I suppose, impose a certain priority at each local government area level.

R: But in terms of trying to get that dynamic going at the Atlantic Corridor that you...what arrangements are required at say, at regional level? Are you talking about a very effective and powerful regional authority that is autonomous and can tell the local authorities this is what you got to do.

I: Ideally, yes. Ideally, yes. Not going to happen in Ireland any time soon.

R: Why? What are the impediments?

I: Well we don't have a culture of regional governance. Any effort that we have had at it, in the past, has been a half effort and the reality is that the board members, city and regional assemblies are elected members from local government and, you know the, I suppose, the power of local government won't allow that to happen, okay.

R: Interesting that you see that the local government is actually a major impediment to coordinated and strong regional growth.

I: Well I suppose national government is taking its cue from local government in this space. And the fact that we had what I would consider fairly non-committal view points from local government on the regional shake-up, the recent regional shake-up can only suggest to me that it isn't going to be...

R: The assemblies now, the three assemblies?

I: The assemblies, yeah. That like their actual shape should have followed the shape that the economic corridors were going to take. So...

R: Can I ask you this. This is very important thing now because this is the impediment to a more rational pro-business economic approach, right. Which local government is being tasked with, and is it being dominated by the fact that there are small rural authorities in which you have a chief executive.

I: Well, I suppose, it's not just the chief executive, it's the actual structure itself. You know the fact that it's accepted that local government carries all of the weight that regional assemblies don't. And if you don't have the power to affect change and influence, well then, you know, I mean the reality is the Regional Spatial and Economic Strategies have a statutory background. However the reality is, city and county development plans are more powerful.

R: **Question nine.**

R: I think that you're fairly happy that the experience to date is that the role has been, the new economic role has been effective?

I: I agree.

R: It has been effective, okay. And can I ask you one last question, **Question 10** for the future, if Liam Conneally had the power to make a decision, to make a change, to build on

achievements maybe, to address weaknesses or to advocate further reform. Now you've considerable experience, you've huge experience at regional and local level and as well as that, for your sins, you're a professional planner. If you had something that you'd say look it I want to catch the minister and the relevant civil servants and say, do the following, what would it be?

I: I think the alignment of the existing planning structure from LECPs, City and County Development Plans, Regional Strategies, right up to the NPF. If there isn't a mandatory or a seamless alignment I believe we're going to undermine...

R: Say that again now more slowly so that I can understand.

I: Say the priorities at local level, as reflected in LECPs and County and City Development Plans are not reflected at regional level and NPF level. And if the priorities aren't followed by capital budgets and expenditure, well then it's all for nothing.

R: I see.

I: Because if you set population increase targets for certain centres you must have the capacity to put the services in to cater for those population increases. You must put educational facilities in, to do likewise and you must put job creation at the heart of each of the policy of these urban and economic corridor areas. If we don't, if we designate an economic corridor from Galway through to Cork, well then we need a motorway linking the three, we need broadband communication, which is of the highest quality. We need, say shipping and other, I suppose air infrastructure, like, to be prioritised, that we don't have, what we have at the moment all of the focus on Dublin Port and Dublin Airport and I know we're a small island but if you're designating say Cork Port for container traffic and you're in competition with Foynes. There's no point in having two.

R: What political structure do we put behind that more regional approach. Would you see a smaller group of councillors maybe from each local authority directly elected or a directly elected mayor?

I: I would see a directly elected mayor as a no brainer. And I don't believe a small number of elected members from individual local authorities, putting all of that responsibility on a small

number of shoulders, I think that's an unreal. The public will recognise that a mayor, a regionally elected mayor has responsibility for the region. Whereas a local councillor just elected to his local council by his constituents, they know exactly what his function and his role and his responsibility is.

R: And in terms of the number of regional assemblies?

I: I think it should be increased. I think we should have a minimum of four and perhaps five, reconfigured to align themselves with economic corridors, with areas of compatibility that are singing off the same hymn sheet where the chief executives of the local authorities have something in common to talk about. Where national agencies have a clear policy that it's biopharma, it's biomedical, it's fuel, it's transportation and logistics. So that they have clear sectors of the economy which they will prioritise towards those different regions. Unless we have that through either a directly elected mayor, which is obvious to the people that they represent a cause and they're responsible for and we have the Minister for Sport to back that up.

R: Any final comment?

I: I wish you well with your project.

R: Sin a bhfuil de chúrsaí spóirt.

Date: 04.08.2017

Researcher (R): Kieran Lehane

Interviewee (I): Regional Level Senior Executive R2

R: **First question** and, which is whether you or your organisation had any involvement in the reform process. Now you've worked quite extensively in community development, so do you want to give any comments on your experience of local government reform process.

I: Well at the time I was working as the [REDACTED] with one of the [REDACTED] and as part of the reform process there were a number of reforms that impacted on the regional level in that the role that was previously fulfilled by the regional authorities, the eight regional planning authorities was merged and there was a reconfiguration of the regional assemblies from two to three, so we went from having two plus eight planning regions and European structural funds regions into having three regions combining European structural funds management and region economic planning and development. So in that sense we were very involved in that. We were consulted. There was out of concern around the boundaries of the three regions. There was also concern, in that Ireland still has two NUTS regions from European structural funds purposes but we have three assemblies supposed to manage those structural funds and when I left that still had not been reconciled. It's still...Ireland still hasn't applied to change its NUTS classification. So there's a lot of...that was my...so in that sense yes we were in the midst of those discussions. We wrote papers on that. We also said that if that wasn't resolved before the next round of structural funds, Ireland would not be in a position to apply for structural funds, other than for those two NUTS 2 regions because as far as Europe is concerned we still have only two NUTS 2 regions. Nor was it reconciled then from a planning and statistical point, because what of the redefined NUTS 3 regions because, for example the Louth, which is again...I can make a...it makes sense it's part of the Dublin metropolitan region planning area, had been part of the six county border region, it was now part of the Eastern Assembly area. It was also a recipient of significant cross border funding, which maybe with Brexit that won't matter so much anymore, so. There was a lot of incoherences in the system. While I understand fully the objectives, and it just, it was one of these things where it wasn't possible to get all the ducks lined in a row. I think they got as many of them as possible lined in a row from a regional point of view, but there's still a few left straggling that they still hadn't pinned down. And the policy was launched, saying that these would be addressed. There was also a misunderstanding in that a senior official from a government department had informed the people in the Custom House that that whole NUTS classification wasn't really relevant from a regional planning point of view. It wouldn't matter, but of course it mattered hugely. They just asked the wrong person, I think and got the wrong answer and proceeded, leaving it unresolved so, that was one aspect of my role.



The other aspect of my role then was that in the reforms, the regional assemblies were asked to undertake a review of the draft Local Economic and Community Plans both from the quality control point of view, but also then from their consistency, what were the then still existing regional planning guidelines...

R: Just to clarify now, this is under the 2014 act. The new LECPs.

I: The 2014, yes. So we also had a role to see what had been done was consistent with the regional planning guidelines, which were developed by the regional authorities before they had been wound down. So again there was a consistency...we were enforcing...

R: Say that again now slowly.

I: We were asked to review the consistency of the draft LECPs with the extant regional planning guidelines, eight regional planning guidelines, which had been developed by the authorities which were no longer in existence. So we were policing planning arrangements which were, that were developed by structures that no longer existed, and one or two of the staff had been absorbed but most of them had been distributed to local authorities so. That was also part of the reform.

R: Can I just ask you because you've given an awful lot there now in about four minutes. You've kind of, you know, synopsised your experience and you have fifteen years experience working at a regional level, right?

I: Yeah.

R: One word that comes up is incoherence and inconsistency and it would appear from the literature that I've studied that, does Ireland know what it wants at a regional level. There's all different kinds of regions, for example education and training boards have a particular region. You previously were in the Northern and Western Assembly, and before that you were in...

I: BMW assembly.

R: Assembly. And did you ever work in a regional authority?

I: No but the BMW assembly would have had three regional authority areas...

R: Within it.

I: ...and the Southern Eastern Assembly would have had five, of which two of them were separated out.

R: Right, but why is there, would you care to offer an opinion as to why Ireland seems to find it particularly difficult to organise itself in a coherent or a consistent way at regional level. What's the problem?

I: Well I think the problem is, yeah there's a number of...yeah, there's history, there's geography and there's kind of administrative efficiency arguments around that. Ireland's regionalism was not like European regionalism in the sense that it didn't derive from, you know, Catalan independence or Flanders or Wallonians in Belgium wanting to have their own administration, running their own affairs largely. We didn't have that. What we had was, largely Irish regionalism was driven by administrative efficiency, so if FAS wanted to have eight regions they decided what was most convenient for FAS. If the Gardaí wanted to have fifteen Garda districts whatever made sense for them, if the Department of the Environment wanted to have planning regions to impose some kind of planning guidelines, they worked out. So in that sense it wasn't that it came from a single agreed set of identities which in turn led to administrative structures which in turn led to all administrative structures following those structures so, you know so, we have the ETBs reform leading to other configurations. It's Limerick Clare would be in this region here so. So for Ireland regionalism was largely not about economic planning and development. And not about balance or social equity. It was always about administrative efficiency. And for different organisations and different functions, how you would regionalise was always different. So that's why the tourism regions were different, the fisheries regions were different, the planning regions were different, the ETB regions were different, or the VECs as they were then. So that, that to me is part of the problem. Now once you get into a stronger regional and local, I know it's the local you're interested in, economic planning and development, this becomes problematic because then you don't have coherent territories that all the key players, whether it's Enterprise Ireland, whether it's your ETBs, whether it's any of the tourism structures. We went through a phase then of dismantling, you know, we dismantled the regional tourism organisations. We dismantled the regional fisheries boards. We've reconfigured the ETB regions and so on. But for the purpose of

economic planning and development, when that was weak at local regional level the fact that there was a whole load of \*(7.08) didn't matter a lot. I know with the regional authorities, the one or two meetings that I would have attended, accounting for my management of the European structural funds, they would have talked about that a lot, because really it was only at their level that that was ever an issue. As far as FAS was concerned, or the tourism boards or the fisheries boards, it didn't really matter. It didn't really matter at all. It only matters now that we want coherent local and regional economic planning that makes sense. And then it matters hugely because we've all sorts of overlaps and inconsistencies in the boundaries. I know that...

R: Yeah, no, yeah, I'm trying to...it's difficult just as a student reading it, trying to figure it out because in a local government sense we tend to focus on our own administrative area, sort of like, the question you placed, which are very valid, that it made administrative sense for all these different regional approaches. And does it make administrative sense for local government to be structured the way it is. That's a very valid question, in the context of local government reform and perhaps the National Planning Framework that's coming. So you are fairly satisfied then that...would you care to elaborate because you're so knowledgeable on the regional and how it has evolved and your interaction maybe with the Department of the Environment as say the main engine of change for local government in terms of trying to make some sense out of regional administration or government. Just give us a few thoughts on that.

I: Well again our interaction as someone who's almost, actually a lot of it, to be honest, was a bit over the radar in the sense that we were getting soundings that, there was talks about going, having four regional assembly areas, or having three regional assembly areas. Having regional assembly areas based around the Mid-West, which would take in part of the Southern Assembly area so. There were those discussions going on and we had understood the government had settled on three and then we heard, no, no they were now reopening it and were talking about four. But that kind of...

R: I heard, I remember that.

I: And the other as well that we were conscious of and again we would have submitted a paper on, to qualify as a managing authority, which was our primary role in the assembly, we were called a managing authority under structural funds regulations, there was a minimum viable, you either had to have a population of, I think, eight hundred thousand to be considered a viable NUTS 2 region capable of managing...or you had to be maybe you'd get special status if you were like the island of Jutland off the coast of Denmark or something. They had a special dispensation. They didn't have eight hundred thousand people but it made sense for them to have their own program because they were economically very different from the mainland, but

other than that, if we had divided Ireland into four regional assembly areas, merging the two existing assemblies and the eight regional authorities, we would have ended up with only one of them being eligible to be a regional structural funds managing authority. So that didn't make sense to us. But the whole process from the regional point of view, it's a bit like taking a prime number like seventeen and trying to divide it into factors. You're always going to have something left over. I think that's really what happened and it's not, you know, I was used to attend some of the regional studies conferences and there was one guy in particular used to get on my goat because he would get fulminate about the craziness of some of this stuff and boundaries with cities and counties. He'd fulminate about the regional authority areas and the regional assemblies making no sense. And at one conference then, I think it was a politician, that was there asked him, a councillor, okay, fine, what would you do? And he had no answer. It was the first time I had ever seen him go quiet. He couldn't because...again it was like taking the prime number and trying to divide it into factors. He couldn't do it. He just...he went back into again, sort of saying, oh this doesn't make sense and that doesn't make sense and this is cut off and that is cut off and he's asked again, well ok, you do the map. You set it out from planning and all that point of view and he couldn't do it. So it's not...I'm not...it's easy to be critical but it's recognising that we are where we are and certainly in that restructuring of the regions three was a compromise, and for the moment the Eastern, the new Eastern region around Dublin has, Eastern Midlands Assembly, kind of has a watching brief around the structural funds role but they have the full authority around the economic planning and the spacial planning but not on the structural funds side so. That really won't kick in until 2020 when the new round of structural funds will come, and whatever role they will have will be decided then. But only, only if they get re-designated as a NUTS 2 region. As of now they're not designated.

R: Oh right and the other two, the Southern and the Northern Western Assemblies are NUTS 2 regions? And have the target eight hundred thousand people?

I: They have yeah, and also the strange thing though is that the investment programmes are, for example, in the office in [REDACTED] the investment program that's happening in the four Midlands counties were still, the oversight of those would still rest in the office in [REDACTED] even though they're part of the Eastern and Midlands and similarly investment programmes in Dublin are still under the oversight from the point of view of financial control and reporting and monitoring to meet the social funds regulations, by the office in Waterford but not out of the Eastern and Midlands office in Ballymun. So there's that. So to be honest that was our primary role. The role with local government was just that specific function we were given to oversee then to see, to do a quality control and there was myself and a colleague given that task on top of other duties to do a kind of review of the local economic planning and I have to say we were, in one sense the plan showed a huge diversity of what local government is involved in, absolutely. Everything from heritage, amenities, planning, infrastructure, water services at the time, tourism, managing enterprise centres, arts, all sorts of stuff.

R: The whole range.

I: But I have to say the economic plans that we saw were primarily very very poor. Very poor.

R: Now. That brings us to **question two**, which is the 2014 act, the local government reform act, provided for increased local authority involvement in relation to the promotion of economic development. Now, the question asked is really around the effectiveness. So would you, the promotion of economic development, but would you care to comment on your experience on being outside of the local government...

I: So my only experience, so I have to preface it in that sense, my only experience was in reviewing the draft Local Economic and Community plans. And I think they, yeah, they were not results oriented. None of them, I'd say the only one that made any effort to set county level targets, this is what we'll achieve, is [REDACTED], which would have been one of the weakest and poorest counties but maybe the best staffed in terms of senior management as a proportion of the population. Yeah, some of them were very poor. Like statistically...

R: Would you care to elaborate on which counties that you did look at, that were poor.

I: Well at the time we would have looked at drafts for, yeah, [REDACTED]

[REDACTED]

[REDACTED] So they would...

R: But you would say actually, Kieran, thinking of it, like they are some of the most challenged counties in terms of economic development. And this power was given to the local government and yet...why were they so poor like? Can you elaborate on that.

I: Well some of it I think was...a lot of it depends on the people who are leading it as well. In some cases, take the planning discipline, they operate very much in terms of planning policies, planning objectives and so on. So they were very good at setting down broad objectives and, but not actually, there was no targets. And the analysis was really really poor and the forward planning, you know, it was about land use planning, yes that's the way it operates in terms of planning policies and objectives and so on and exclusions and national and EU policies you

have to comply with, and how are you going to comply with them. But in terms of how many jobs your LEO is going to deliver, that to me, if you're talking about unemployment and, say in places like Limerick where unemployment blackspots are a huge issue, if that's...the fact that you do that analysis and yet you don't set any targets, you're going to do anything for that. That seemed to me to be strange. The fact that the economic infrastructure, the critical economic infrastructure that's needed to drive your county forward isn't recognised, identified and prioritised by your local authority, the fact that you might have a local tourism committee that is led by the local authority that's not saying what's the next stage in development. You're going to have new attractions, you're going to have community attractions, the local authority is going to lead on certain new things, they're going to open up a castle or something, they're going to invest x amount and you're going to deliver fifty thousand, one hundred thousand paid international visitors by 2020, all that was completely missing.

The other thing that was missing was the inter-county bit which we were also supposed to look at in particular we were supposed to look out for where there were opportunities being missed by individual counties because you might be talking about, you know, do a green way which, you know, connects up with the West Clare railway, that's a bad example, but just take that as an example and if we looked at the Clare one and there was no mention of the West Clare railway as a greenway then that made no sense. We were to look for things like that. Were there opportunities, or where it might be said, oh you know there's an opportunity in a particular agri-food sector or small foods sector and it wouldn't be viable to have a Leitrim food brand because they might only have ten quality food producers but, you know, Leitrim Sligo Roscommon might have fifty. And there you have the makings of a Breifne fine foods brand homemade or something like that. We were supposed to look, but it was very difficult. There was nothing really of a regional nature.

R: May I ask, in your opinion, to what can you attribute that weakness in the plans? Was it that number one, local authorities didn't understand really the nature of the plans, or that they didn't have the competence or experience?

I: I think it was a little bit of both. I think the whole process would have benefitted from clearer guidance. I mean the guidance that was coming from the Custom House they didn't know what they were talking about either because they're planners, and that's...that was the issue I think, it would have done with...I remember way back, way back, eighteen, nineteen, late 1980s, the Department of Agriculture piloted these rural development areas but what they did was they designated certain areas and they appointed a manager in each area and then they appointed a consultancy team to support the twelve managers in terms of developing what was then a very basic rural development plan for the Inny basin in West Meath and Longford or Inishowen peninsula in Donegal. They were pilots. They preceded Leader to a certain extent and it was the Irish system dipping its toe in the water but what they actually did well was they looked

upon it as an experiment almost. Okay, they funded a manager in each area for fifteen months or something. They appointed a consultancy team. There was a guy, Tom, was it [REDACTED] He's kind of retired now but he used to do a lot of local government evaluations and stuff at the time. I'll think of his name in a minute. But in this sense, here you are now, entering into a whole new process but there was no, that support wasn't there. They was just a guidance document. Two circulars came out, I think, and there probably was clarifications I'd say. One local authority challenged the circular which said that we didn't have any right in the first place to, even though we got a letter from the department saying we want you to do all of this and we want you to review that. We want you to cross check this, but it had no basis in the legislation or in the circular and that was challenged.

R: But to take it on a little bit further you were saying that basically local authorities just didn't really rise up to the opportunity in the LECP, and can I ask you with the benefit of hindsight, were the omissions from the plan and maybe the lack of ambition and the lack of detail, did that impact on the delivery of the plans then?

I: Delivery I can't say. I have to be honest, I can't say. Just within that and maybe just that I'm being clear, like within those plans there were particular initiatives which were clear, you know we are going to create an arts quarter in Galway city or something like that, but the arts quarter in Galway city is addressing maybe one of a hundred problems the city has, I mean, where, what are they doing to address the other ninety-nine or who's addressing the other ninety-nine or what is their ambition so. I think they lacked ambition. I think they lacked, they certainly lacked strategic thinking. I think what wasn't helpful either then was the fact that the National Planning Framework was, at that stage, a year and half late. It's now three years late probably in terms of where it was meant to be with the Labour minister at the time Alan Kelly, wasn't it? I think was minister at the time, and coinciding with that then new regional economic strategies were also to be developed for the three new planning regions and that hadn't advanced at all. The assemblies are only in the process of sorting out whether they would get seconded planners or whether they would be able to recruit additional planners to head up that side of things, which again for me raises a question, it's not just about planning, it's about economic geography, which is a similar but a different discipline, and I certainly think from the regional level it's having two or three planners and one of those is designated as a kind of head planner which is also going to be an assistant director post beside what was already an existing system director post for the European funds side. I think that whole economic geography strategic planning from a territorial point of view consistent with what was going to be the National Planning Framework, so the timing was wrong as well. I think to a certain extent it was almost the wrong way around. We were starting with the local authorities. There should have been a national one, new message, very clear new message. Three regional ones, largely developed side by side and the talking at the time was the national was going to be high level principle based, that the regional ones were going to be far more prescriptive and detailed and strategic and then the local ones were meant then to see well what can our local authority

do to fit in with that and what opportunities do we have. Again based on our capacity and what our economic structure is and so on.

R: You mentioned there that the local authorities seemed to lack ambition in their plans, which is really a very fundamental criticism of local government in terms of wearing its developmental hat.

I: Or if they had ambition, they certainly weren't going to put it out there. You weren't going to say, we're going to attract a hundred thousand additional visitors to visitor attractions under the control of the local authority. Maybe the ambition was there, but there was a great reluctance...the suggestion of targets, you should see the look on some people's faces when we mentioned we'd like to see some targets here. Because the planning documents have no targets, never had targets as far as I understand. This is...we've been doing county development plans since 1898, we've never had to set a target. To me that's a very fundamental thing about an economic plan. The government if they do a economic plan...and sometimes they'd be off the wall completely like they're going to house everybody by July 2017, crazy stuff and I sit, I happen for my sins, anyway for another reason for the prisons because we release people a lot whom into homelessness and we've a problem with that so I hear the inside corridors and what people are saying there that there's a minister who set a target that didn't know what he was talking about so I'm not talking about crazy targets either but the fact that they weren't...or that the certainly the economic structure analysis was very very weak. That they couldn't even say what people were working at in the county, other than, you know, seventeen per cent agriculture and twenty-seven per cent services or something. Where was the...they said they needed five thousand jobs to be created per annum over the next five years to restore the county to some kind of a...nothing about where that's going to come from. That to me...now granted a lot of that is outside their control, a lot of that is dependent on factors in terms of national investment, a lot of that is dependent on private investment, which they certainly can't control...

R: But it was an opportunity though.

I: To set the agenda.

R: It was, to assert themselves. For local authority to assert themselves with a whole load of agencies and to take the leadership role.



I: And saying stuff, as I said earlier, the best county to grow up in and grow old in, great. It's a nice idea and if every county wants to be the best...some of that, several of them had that sort of, something of that line. You can't all be the best.

R: So what we can say in finally...

I: It's too soon to tell in answer to that.

R: Yeah but in answer to **question two**, but nevertheless we can surmise that the weakness of the content of the plans and the ambition in the plans and the confidence and the leadership in the plans would indicate that maybe that role in economic development is getting off to a bad start anyway to say the least.

I: Enough and the other thing we mentioned in one or two places again they got upset with us because it's not to say you know they might have a hundred initiatives identified but it's more the same like you know there was no flagship. Some of them lacked complete, that kind of a, the flagship thing that's going to make the big difference that we could aim for. You know in ten years time we should have whatever...

R: Would you say that local government could be characterised as being overly cautious?

I: I just think it was the usual story, given a role, not resourced in the broader sense to deliver on that role. I mean that in the sense of...it would have made a lot of sense to stick in a team from, in the corner someone on contract for a year to run workshops, to do up, to model what some of these things could look like. To start putting indicative targets on things. That's what I'm talking about, ambitions. To actually challenge local authorities with their stuff. Rather than you know, someone in a community and enterprise office being told you've to draft up a plan, you have four months, get going. You know maybe we start with some of the, see what statistics you can get out of the CSO and...

R: We'll go onto **question three** in terms of the structures and the arrangements and so on.

I: My structures were largely at the regional level, I suppose, my familiarity would be.

R: Okay. But in term of did you interact at all say with the local community development committee?

I: No, only that...not at all, no. Only that the documents that we were getting of drafts were generally speaking had been endorsed and again that was one of the feedback we got as well, is that sort of, well you might say that it's not coherent in that the analysis says one thing or the action says another or whatever but it's been endorsed by our LCDC and therefore that's the democratic process.

R: Now that raises an interesting question because the function now between the executive and the LCDC. The LCDC were structured in such a way because the majority of the members are outside the local government system, which means that in establishing the LCDC it was there to make sure the robustness that you alluded to wasn't there. That it was to be included. Now what does that say?

I: I'd just say it's something, it weakened the process there. I think, again there was no-one, no-one to go in and challenge and I'm not talking challenge in a disruptive, Trumpian sort of sense. I'm just saying...

R: Wasn't it the job of the chief executive in the local authority to challenge?

I: Yeah and to a certain extent they were hiding behind...they were saying, well this was put before the LCDC, the made suggested amendments. We've incorporated all the amendments, what are ye talking about. You know, we're kind of saying well you say, you say one of your goals is to make this a leading tourism county in the West or whatever but you...I see nothing in the plan that would actually help you to do that. That to me is incoherent. Like are you talking about transforming some of you existing attractions or are you talking about introducing a whole new...concepts marketing plan, appointing a whole team to develop a new...and even if the action was, we're way behind in terms of even initiatives for, and this is the social inclusion, it's not just about the economic side as well you know like say you were a county that say had a large traveller population, but yet there was nothing in your plan from a community point of view that was going to do anything to change the way they're going to be integrated and developed and supported.

R: Well can I ask you now say as somebody who worked in the, you worked in the regional authority and then you moved onto the regional assembly.

I: No, I worked in...well I worked in [REDACTED] and then I worked in the [REDACTED] [REDACTED]

I: And then the regional assembly merged the functions of a regional, of three regional authorities...

R: The point I'm coming to is the governance issue. That you as a senior person working in the regional assembly, you had to report to a...to a unit, the board, or the assembly itself but it's the democratic governance affecting you that would challenge you. Not in a negative sense but how is it, that you would seem to suggest, from your comments that that governance element did not work as far as the LECP in relation to the counties you were dealing with. It failed.

I: In that sense it failed. Well it failed to deliver. I think what I'm saying is there was evidence of a problem, what the cause of the problem is a question, but that was the cause of the problem. To me the evidence was that the plans that we saw were weak, incoherent, not ambitious enough, poor, strategically poor and incoherent in many ways. What's the cause of that problem? I think, I've pointed to a few things, I think the guidance from the centre was by way of circulars was not particularly effective. There was no external strategic professional advice given. And then the question at local level is just because you bring ten players around the table or twenty players around the table, which is all your education interests, your community interests, your Leader interests, your enterprise interests, so on, so forth, you know I'd go back to whatever, when I started working on Leader, the best Leader board in the country was [REDACTED]. They were all known public figures, national figures. It was the one that failed first. So what, you know, just because you've got the best people around the table doesn't mean that you're going to have the best product and in that case I just think that the...it should have been more directed in the sense that there should have been more guidance. There should have been more strategic support.

R: Right, fair enough. Well maybe clarity of role as well?

I: Clarity of role. And it wasn't just about a consultation and firing things together and yeah, I mean some local authorities do have, you know Donegal has had, for a number of years they've had a forward planning unit. They've also had a team that deals exclusively with maximising you know their EU fund drawdown and so on and that. Any information event we ever went to

about Interreg the people from Donegal were always in the front row and already had five or six projects ready to put forward so, it wasn't...in some cases they certainly had the capacity. But also I suppose just one last point is, we were still very much in a, the dark shadow of austerity. So maybe, just maybe we had got out of the habit of being ambitious. Maybe our wings had been clipped. Maybe we had to sell that Bulgarian property that we shouldn't have bought in the first place. So we weren't going to be ambitious in setting out how we were going to build a property portfolio because that was bad news at home and we were still paying the bank for something that we didn't own anymore so. In that sense, that's context. In fairness there wasn't this encouragement, you know, take a ten year time frame, things will be back hopefully on an even keel so lets not be unambitious now. Yes it's correct you may not get money for three years to do any of this. But who knows in three years we'll balance our books, it'll become possible to borrow again if that's the way we're going to fund it or there'll be PPPs or there'll be some way of doing it so, okay the M20 is off the books now but in 2017, who knows it'll be part of the new national transport plan and it will go ahead. So...

R: Can I ask you, did you ever work with the county development boards? Have you any experience dealing with that? How does the county development board compare to the LCDC?

I: I would have had...now to be honest I would have little operation...we would have worked with a lot of the directors of services or the directors of community enterprise. In particular because one of our roles in the structural funds was to promote trans-national cooperation funding under strands, public strands B and C of Interreg. Strand A would have been the cross border one. B would be European neighbourhoods like Northwest Europe and so on and then C would have been with partners anywhere in Europe. So we promoted joint, transnational projects. Some local, some directors of community enterprise were very pro-active. Some weren't. But to be honest, I wouldn't have had any dealings with the boards or the governance of the boards.

R: Now, just wondering, I'm just wondering how the, or what the view would be in terms of how the LCDC compared to the previous CDB?

I: No I can't answer that.

R: And one thing that you touch on that I want to come back to, you mentioned, which was very interesting, this inter-county collaboration. Did you see...you know was there any shared ambition of, in terms of a joint work on anything. Anywhere.

I: It was weak. Certainly that was one of the things that we were to look out for. And it was very hard to find anything. I mean it would be from that critical infrastructure, I mean say...Shannon, if it was Clare, I've no doubt that the LCDC in Clare would have identified Shannon Airport as a huge resource and asset. But it's also an asset for Galway city. It's an asset for Limerick and so on. I don't know and this is the wrong part of the country for me, I wasn't looking at these ones but I don't know if the Limerick City or County one mentioned Shannon as a critical asset even though it's not in the county. Possibly it didn't. That to me just shows that that kind of outward looking thinking wasn't there. I'm just speculating. I might be wrong in that.

R: No you're fair enough. But is it a case though. Is it that, because they are, like Shannon Airport is a national asset and probably an international perhaps asset. But that then, that they, in saying, you know, should, not to lead the question, but should local government be moving more towards some kind of a regional basis?

I: I think for some initiatives yes. I wouldn't...even though I was wearing the regional hat, it wasn't that we were kind of saying, you know, region good, county bad or anything like that. It's just that...

R: What regional initiative now would...

I: Well I mean again in the Northwest...obviously Knock Airport is, not to the same extent as Shannon, but there's a shared asset. There's things like greenways, where you've got routes, you've got, I mentioned earlier things like food marketing concepts and stuff like that, where it wouldn't be viable to have, you know, an organic beef collective that would have its own abattoir or something. You might need a hundred organic beef producers to justify to have your own registered abattoir so that you could certify that not only is it produced organically but it can't ever be contaminated with any other product because it's going through or own abattoir. That might mean you need farmers across a number of counties. Those kind of regional economic initiatives, regional branding. There was also, quite a number of them were going down this route of...and this is where maybe they had ambition and maybe this is where I didn't feed it, it was in an area where I didn't think there was huge gains to be made. I was unconvinced. That whole area of having promotion teams, you know, we'll send a high level team over to New York at the, you know, Patrick's Day or something and we'll bring in the New York Galway association and we'll tell the what a wonderful city and county we have and they should all come and invest. That kind of thing, I'm not sure. I was always unconvinced that that...

R: Most people would agree with you.

I: I don't know. The IDA seemed to be open enough to it. You know, the particularly wanted local authorities to certainly put a bit of money into showing off the best of what your city or...has to offer, and being open obviously to visiting itineraries and so on. Anyway that was just one. Some of them were, the solution was that we'll spend money on dispatching people to say what wonderful Leitrim is and they should all invest in it. To me, it's fine to put it in there. It wouldn't be my primary...in the case of Leitrim, even, it's getting your LEO to work more effectively. It's probably far more likely to deliver jobs than the IDA ever will in Leitrim, unless you...they've got a strategic site in Carrick-on-Shannon that's vacant now, so yes. And I certainly would have that in my strategy, absolutely, that there's a potential for...the county should do everything in that sense, but you know...

R: **Question 4.** Even though now, you're reasonably critical of say the way the plans were presented and so on, did they deliver? Was it too early to say or?

I: It was too early to say.

R: Was there any feedback...

I: I was there to assess what they were proposing.

R: Would you care to offer comment...was there any evidence at all?

I: No there was evidence that they embraced the process absolutely...

R: No but of delivery afterwards like. You mentioned the absence of targets so how do you measure?

I: But how do you measure? Well that's it exactly, how do you know?

R: Yeah! But was there...did anything manifest itself because you happened to be living [REDACTED]

I: The unemployment rate went from fifteen to five per cent in Galway City over that three or four years but that could have been the result of just two hundred new retail units operating in the city area employing a thousand people and that accounts for half the difference. And the rest were just scattered across a whole range of different sectors. University maybe employing more, maybe some manufacturing units taking on more people, taking on people seasonally for contracts. There could be a whole range of things. None of which might have been in the strategy. I don't know.

R: You're living in [REDACTED], and you were working for the regional assembly, looked after [REDACTED]. Is there any evidence on the ground in [REDACTED] that the plan delivered locally and that people have a sense of that?

I: Not that I've seen no. Not as a citizen.

R: And would you care to comment outside [REDACTED]?

I: I don't know. To be honest I wouldn't be able to say. I mean there's lots of things that I'd do [REDACTED] if I was given the role but...even basic things...I mean, yeah...I mean [REDACTED] for years and years, lovely national park there. Fabulous facility, camping grounds there and everything. There's been three different attempts to get a hotelier establish a base there. It would make a huge sense. It has never managed it. Local authority has never managed to land even a medium sized hotel in a place that's crying out for a hotel. I don't know why that is. But it's something...there's something wrong there. And there were plans to do something in the park but that proved environmentally sensitive. There was plans to do something on the edge of the park but the promoter ran out of money. There was some other plans to do something in the town and in fact the only hotel left in the town was got so derelict the council had to buy it up as a distressed property almost in the last couple of weeks. But it's not fit as a hotel. I'm not sure what their plans are for it. But I don't know. I haven't seen any evidence of anything majorly strategic, but I could be wrong. I'm not doing them a disservice or anything. It's not clear to me. But I'm outside of that circle so. There may be things going on that I'm not...

R: But even...we're moving now say from the planning into the actual delivery and that's **question five** I suppose really. Has it brought successes and based on your own, you're very

knowable say in terms of what happens at a regional level and what should be happening at a local level and the suggestion would be that there isn't much really happening, which would indicate that the initiative has not worked.

I: Well I'm not seeing it anyway certainly.

R: Well that's fair enough.

I: I mean there's still lots of vacant houses around. Even though we're supposed to have a housing crisis, there's certainly not, not [REDACTED] anyway. You see...

R: Is there still vacant houses up there?

I: Well where I live, the village I lived there were four bedroom houses, detached houses selling for seventy thousand up to recently.

R: Good Lord.

I: Which the site would have cost them more than that at the time. To service the site would have cost more than that. So that was just clearance rate now. That was just to get something off the books.

R: And is it even, is it even...may I ask you now say, in terms of [REDACTED]  
[REDACTED]

I: [REDACTED]  
[REDACTED] It's a good retail town. It's a good public service town. There's been no major inward investment there. No major expanding...

R: Even say could, [REDACTED] facilitate, even if it's not going to get the inward investment, but maybe [REDACTED] is, or wherever, or [REDACTED] maybe to the [REDACTED],



that they could facilitate people living there but working elsewhere? And try to retain the population.

I: Yeah. Again I think a very basic thing is down to...is I think the road infrastructure in the county. There's a reasonably good connection [REDACTED] and there would be a lot of commuters from [REDACTED]. Once you go north of [REDACTED] town the roads are actually quite poor and even through to [REDACTED] there's a terrible bottle-neck there. There's a plan to...they've done one section of the road but it seems to be taking forever. That doesn't make sense again, if that's the main service town, you can't access it.

R: But doesn't that...yeah can I say it like...you've infrastructure, say, if they were serious about economic development...

I: That's a fundamental thing.

R: ...that's a fundamental thing.

I: Yeah there's a thing, a thing that I used to look at a lot. It's what they call a competitiveness pyramid. It was a thing done by Cambridge Econometrics. It talks about three or four different layers, you've got the building blocks of a successful regional economy. You've got your basic infrastructure, your transport, energy, communications but you also have got your industrial base, you've got your human resources and skills base. You've got your research and innovation base and then that contributes then to your employment rate and contributes to the value of the goods and services that you produce and ultimately it contributes to your GDP. That could be at a local region or a national level. The national one would have all the stuff in there in terms of like your tax rate and your cost of doing business as well. But that would apply to a certain extent at a local level as well. So it just seems to me that when you, even applying that simple pyramid to some of the...you apply it to Dublin you can see where most of the ingredients are there. Good international connectivity, major university infrastructure, ten of the twelve leading pharmaceutical companies in the world have bases in or around Dublin, or IT or whatever so. It's got all the building blocks. It's got the high employment rate for the most part. Notwithstanding there are blackspots and then the incomes are higher on average, county income there is far ahead of anything else in the country so you can see. But you go to...look at Galway, look at Cork and see there's major chunks of that missing or weak. You know how you often see these web diagrams where you know it's goes from zero out to ten and you rank on maybe ten or twelve and obviously if it's perfect it's a perfect circle and then if anything is really deficient it's like a punctured wheel, you know. I mean most of our, what

do they call that diagram, there's a name on it. Most of our cities apart from Dublin, I think, would look like punctured wheels in that they're missing, they're scoring way down low.

R: **Question 6.** But anyway, if say the IDA doesn't have a strong presence and Enterprise Ireland doesn't have a strong presence and then the local authority isn't living up to this new role, then you'd have to ask say, what future, economic future is there for...

I: Yeah and I think that's where, that's what's needed then is...I did a bit way way back I did a project when I was working with the assembly on foresight, it's just a means of what they call anticipatory intelligence about taking the longer term view and there's all these tactics you can use like visioning and blue-sky thinking and all those scenarios, there's different tools to use but to me in a county like that where the obvious channels aren't available, someone needs to start putting out there, okay we've three options here, you know. We can be a rural nirvana, we can be something, I don't know, something...

R: Or vision. What's the vision? And the options.

I: Yeah, alternative visions, you know. Where are we going? Because the problem [REDACTED] has as well I think the last two years is probably they've been, partly to answer your previous question, they've been distracted with trying to defend the [REDACTED] [REDACTED] which happens to be on the [REDACTED] [REDACTED] and that's on hold at the moment. They've had maybe a Pyrrhic victory in that's it's deferred for now but it's to be reviewed again. Yeah and I think, in a sense, where it's for them to maybe, if they're taking this lead to set that kind of strategic direction and to pose those kind of scenarios or even those alternative, what do you call them, possible, probable or plausible futures and which one of these do you think is most going to fit and that maybe it's not going to be a centre for bio-technology and IT into the future but it's going to be a fabulous place to live and bring up a family and you're going to have really good connections to where there are high-quality jobs but we really want you to live [REDACTED] It has some of the best sports facilities, parks whatever. We've got really good schools. And we're going to...and to a certain extent [REDACTED] has seen a lot of that investment. The unfortunate thing is the other towns like [REDACTED]

R: And why, why would you think that that has been missing in the dialogue from local government?

I: Part of it's political because you have to see unfortunately there's a lot of uncomfortable truths in there. The uncomfortable truths is that [REDACTED] is probably not going to get an IDA. It has a site there but it has nothing in it. One development in the site has happened alright. I'm not sure it's of any major scale. But it's kind of, yeah there's kind of awkward truths there that [REDACTED] is not going to be a tourism Mecca anytime soon. There's those kind of awkward truths. There's a lot of people fooling themselves that we can generate stuff [REDACTED] would be, I think, but there's certain things that need to happen there but to me that's where the local authority could play a role in defining that vision and setting some ambition and making it, it has to be a reasonable vision. It can't be pie in the sky.

R: But isn't leadership about the truth? Isn't it about that? And to say, look this is the truth. Because as it happens in this local authority I work with a lot of people that [REDACTED]

But isn't it much more fruitful to be honest? And say look it, perhaps, you know you mentioned the possible, the probable and the plausible, but that the future for [REDACTED] is to be a dormitory and to work then in partnership, in collaboration [REDACTED] and come together collaboratively and say okay, we accept that you, we'll support you getting the foreign direct investment. We'll support the development in [REDACTED] and that there's some sharing arrangement arrived at. So that [REDACTED] isn't left to itself or, but that it works collaboratively with [REDACTED] And maybe just becomes a dormitory town. So what? But if it got the investment to support it in that capacity from the other local authorities.

I: And maybe it's connectivity it needs rather than more empty industrial parks, you know. And there's lots of positives there. I mean there's the whole [REDACTED] thing, even though there is a practical thing in that the number of access points to the [REDACTED] there's only three or four. You know a lot of them are privately owned, so there's limited things you can do with that. Obviously it's a big food producer, lamb and beef, not so much milk. You know so...but to me, that's the challenge that they need to set out.

R: Yeah but local government has that kind of...turning now just to **question seven**. Local authority has, is given that greater autonomy now. You know, and it's time for that honest discussion.

I: Yeah but what it doesn't have...and that's a good point. It's the question of strategic autonomy, I think, is one of the things that bedevils all of this. At a regional and a local level. Ireland is very highly still centrally planned and controlled. When I started working in regional structural funds management. The people in the Department of Finance said, look we have it

all managed really really tightly. We do the National Development Plan. We do the budgets. And we manage the structural funds. So we don't, we manage in such a way that we identify what needs to be funded, that needs to happen. We then get the structural funds to come in behind that. Not the other way around. A lot of other member states do it the other way. And then we control the budget to make sure that those projects go ahead so that we fully draw down our structural funds. And they successfully manage to be like ninety-eight, ninety-nine per cent draw down of all EU funds entitlements year after year. And our role in the assembly was to make sure that that kept happening from the point of view that the certificates kept going in and the audits didn't show up anything that was of concern. And if there was anything of concern it was dealt with quickly and correctly so that there was nothing, not a cent lost. But they controlled everything. And to a certain extent there's still high control. Like the strategic autonomy Limerick has about the M20 motorway is very low. The strategic autonomy any county has about where it gets broadband in its own served areas is...we're still eighteen months away from national broadband plan. When I left eighteen months ago we were eighteen months away. We're still eighteen months away. Things like major energy projects, all of that. It's all outside of the control, largely, of the local authority. Even though its plans have to facilitate it. So it is a player but it's not a controller. So unfortunately local authorities are a policy taker when it comes to a lot of the key building blocks. And do not have strategic autonomy.

R: Would you...is that a good thing or a bad thing?

I: I think it's positive. I think where they meet, to me where they meet is where there is strong local and regional planning should meet strong national planning. I think...I use the term co-production. I think Ireland's investment planning should be co-produced. It shouldn't be a National Development Plan. I mentioned earlier the sites and innovation strategy that just says we've identified, was it fifteen, research areas that Ireland should prioritise and it should build that capacity in two or three centres only. Which to me is completely contrary because if research is going to lead on to applied research, innovation, applied usage and commercialisation, that happens in partnership with companies. But if it's all happening in UCD Nova Centre or it's all happening only in Cork Tyndall Centre, the companies are all going to cluster around there. Eventually, if the model works. I'm assuming the model works. But that's not going to do anything for [REDACTED]

R: Go on with co-production. Could you elaborate on what you might mean by that?

I: What the co-production requires is two things. It requires a national policy that's open to that, because it's a different way of doing things. It's not the way they've been doing things. They've sent out the circulars. They've controlled the budgets. They've controlled the

European money that goes to those budgets. Just to explain as well, the European Structural Funds receipts, we're all supposed to publish a list of beneficiaries. So it could be Limerick County Council, John Murphy Engineering got a grant or whatever. In Ireland, there's only one beneficiary, the Minister for Finance. Every cheque came back to finance and went no further, because Ireland pre-financed everything that it controlled. And then when the EU Structural Funds receipts came in they never got further than the national council. Just reimbursed the central exchequer anyway. So sorry, co-production is a change in that mindset. Co-production is saying...I'll just use the example. We did a...I remember I was involved in a piece of work in Galway, in Galway City and we had a consultation session around our structural funds at the time because we were supposed to consult and we had a session Galway and for them the key piece of infrastructure at the time was in fact the connection to Limerick. This was, in their view, the one thing that would make a huge difference to them, they said the connection to Dublin was intermittent, it wasn't complete at the time, but it wasn't a major constraint.

R: Which...sorry which was it?

I: The motorway. But to them the really bad piece of infrastructure was the connection down to Shannon and to Limerick but in the National Development Plan, what was the priority? The priority, of course, was the M6, to build a motorway to Dublin. Like to me co-production, you'd say there has to be some account taken that as far as the business interests in Galway were concerned, their priority project didn't match what was the national priority project which was to connect Dublin by motorway to its five major population counterparts.

R: Why in sort of, you know, defining this concept of co-production, why were the Department of Finance not amenable or that? To acknowledge that there has been development. It might have been, there might have been a time when there wasn't the capacity in the country maybe, twenty, thirty years ago, when this first started, but now that competence, well hopefully, is being arrived at.

I: I don't know. It's just that they're a very controlling group. That's the way they are. That's the way they're programmed to be. And proud of it and proud of it. So that's the way the country has been run and they feel, they say if they weren't we'd have gone bankrupt several times over. More than the twice that we did go bankrupt in my lifetime. So what I mean so...certainly that's one side. But what's needed at the local and regional level then is a far greater capacity for strategic planning and competence. And identifying and justifying the projects, initiatives, new ways of doing things. Blue sky stuff in some cases that will actually make it happen at a local level. So to me the two have to go together and what's happening now you see with the LECs is they're done. We still don't have the National Planning

Framework. And then the regional strategies are supposed to elaborate on those, will trail the national one a little bit. But the building work is supposed to happen side by side. We kind of got it backways to a certain extent.

R: But to go back now. This is a very interesting discussion on this. But to get that scale, that competence.

I: And the capacity.

R: Yeah and the capacity. There's no way the small, like the [REDACTED] County Councils of this world, simply are not resourced for that.

I: They're not resourced for that but the primary, the primary people responsible to get [REDACTED]

R: Fair point.

I: At the least they have to say we've looked at this. The best we can come up with. If we can do this, this, this and this and if you can help us with this, this, this and that we can make [REDACTED] a far better county. We'll get our county and come back up closer to the norm for the region, our employment rate, our emigration rate or whatever it is you're worried about, our age profile. We'll retain it and so on. The primary responsibility to me, [REDACTED] county council, it has to take, take that leadership role. They have been given and there's no constraint in this, except resources obviously and to a certain extent capacity requires resources and that to me, and if Limerick says, as John Moran says, that Limerick should be the central axis of a new counter weight to Dublin, then it's for the authorities here to set that out. What would that look like and what would we need to get there? Is this what we want? And that's where...and that raises awkward questions about your boundary with Clare and it raises awkward questions about other things then. Is your link with Cork absolutely essential then? Is that the one thing that will help it along the way? So that to me is...and it's also about what role Shannon and the industrial area there plays and all of that. Then also there's the bigger thing then about housing also comes in under that because that's a big issue in terms of...I think, to me the three things that all have to happen is public investment, private investment and settlement. You have to manage the three of those.

R: Going back to the question that I asked earlier, which was **question eight** now in terms of the political considerations. You've spoken about the Department of Finance and the keeping a grip on it. The characteristic of them is that they do control things. What would your thoughts be say on...we've been talking a lot about the executive side, but what about the political side?

I: The political side, yeah. Well in fairness this is something that I've heard...a critique of the Irish political system is that our political system is too localised and our administrative system is too centralised. We'd be a far better country if our politicians thought regionally and nationally and not locally. And if our central administrators were far more tuned to regional and local considerations and not just be centralists. So I think...one of the things that used to frustrate me a little bit, because you know you'd go to a conference and there was a guy who used to really get under my skin and he's a commentator on transport quite a lot, McCarthy. Colm McCarthy.

R: Oh yes

I: And once you'd mention regional at all, he'd reel off as he considered, you know the litany, you know in the old Mass they used to have the litany of the saints, he used to have the litany of the white elephants, and the stupid regional projects like the new city for the West and he's throw in Knock Airport as well just to annoy people and he'd throw in some other projects that were mooted that really were never going to go anywhere and that's fine and it was humorous. It was a bit of a laugh for his own kind of Dublin 4 cohort of economists and so forth but what he didn't come up with was, if we agree that we want a more balanced settlement and a more balanced economy, and a thriving economy outward, internationalised, outward looking, well connected and so on and socially inclusive, then we don't have that now. What do we need to do to get there? You know. Other than abandon Leitrim and Roscommon and South Sligo and East Mayo and whatever. He...what's his prescription? There has to be some investment. Something has to trigger it. And it may well be that he's right that what's been suggested are stupid and don't make economic sense but someone has to come up with something that does make economic sense and are not stupid. And then people like Colm McCarthy will say, I can back that. That's the challenge. Because, you know, suggesting, I don't know, what's the M20 going to cost? You probably know.

R: A billion.

I: A billion. That's your back of the envelop figure there.

R: Approximately.

I: What's his name is it Fred Barry? Is he still there yeah? Fred. Brilliant. Ok but that's what I'm saying that...and that used to annoy me as well because he saw no difficulty spending a billion to increase capacity at Dublin Airport but he considered the whatever subsidy Knock Airport used to get, a million a year or something to operate, he thought this was a terrible waste of money you know. But yet per capita, that was a lower public investment in the airport capacity in Knock than it was in Dublin Airport but he didn't see that. He saw Dublin Airport as absolutely essential. We can't have Dublin Airport not functioning for the state but something...so to me that strengthened capacity to prioritise, identify and promote what is needed to make these places function.

R: But can politics make that difference? Or you put it very aptly, that politicians think locally and the civil service and the public service think centrally and there is that tension between, you know, and how you get it out of Dublin basically.

I: Ah no I think in fairness I've a benign enough view of politicians, maybe I'm, I wasn't, in the assemblies we weren't particularly close to the politicians. I know you face them every month and I appreciate that. You're accountable to them more than once a month and on various fora. The assembly, what we had on the assembly, a lot of the stuff they were semi-disengaged from. They certainly had no interest in the technicalities of drawing down structural funds. They were interested in what would make a difference in terms of investment and they were, of all parties, willing to back any good idea that came forward. You know in fairness we never had to make the hard choices of, you have to prioritise things like that and that was a bit of a weakness as well in that you know it would need...but certainly I think the centre isn't going to do it so I think the local and the regional have to do it. Have to say this is what we want and we think this will work and this is what, this is the investment. Unfortunately we don't have strategic autonomy on most critical investment but we do live where we live and we do see what's needed and we do see what's possible.

R: **Question 9.** And would you say, based on your experience of a lot of local authorities, that where ideas did come up that the centre was amenable to take a punt?

I: I think they are. I think they are. I think if quality plans come forward I think they will be supported. I'm not saying that it's not without challenges and I'm not naïve. And I'm not saying there won't be competing demands and you know to come up if they say, I don't know, whatever, they're going to invest in a new greyhound track in the West or something like that.



You'll have about five towns all viciously vying for it. Unfortunately. You know when you see a town like [REDACTED] you just see how bad things are, you know. So that's just the way it is. But I think to me where local authorities, local government in particular needs to take a lead is being the ones who come up with the ambitious but viable coherent plans. That say this will make a difference, this is where we want to go. This is what Limerick can be and this is how we think we can get there. That kind of, and also I can see as well from a political point of view, to be able to come out and say we've done our LECP across all of our support organisations and our partners, you know, our LEO is going to create a thousand new jobs in small business. Our...we're going to have x number of new visitor attractions. We're going to create, we're going to support, going to double the number of people from disadvantaged areas who go to university or LIT or whatever. Whatever it is, but the figures are there and it's great. What politician wouldn't want to come out as a comhairleach and say I've chaired this board or whatever. We've done our work for the last eighteen months. This is a wonderful piece of work. Get behind it. We can deliver this, this, this and this and it's ambitious, it's quantified, it's measurable. And if it's not happening then it's, it provides a framework in which to decide why is this not working? Why is our business start operate not to where it would be? Why are our visitor numbers falling when we thought they would rise? That to me is a far more useful conversation and have that conversation in public. You know, whatever about setting a housing target that was completely unrealistic, the conversation is happening in public. It put it out there. I know he had to change portfolio maybe as a result but...

R: With what you have said there now, would the arrival of the National Planning Framework, which is due to be announced later this year now. Would you see that, just from the context say maybe of the western counties particularly. You know, would you see that as good for them or bad for them...

I: Well I think if they're going to retreat to a city led growth, in effect it's going to fall on the likes of the Northern and Western Assembly to come then with what's the vision for the northern and western counties, because if the plan is that fifty per cent of population growth is going to happen in these five population centres outside of Dublin or whatever, and the plan doesn't envisage population growth in certain areas, well then what is the plan for those areas. And again I was at an interesting conference about two years ago, shortly before I left and it was a guy over from the UK. He was kind of a retired professor of urban studies or something and he said it's the nature of economics that some cities grown and some don't, he said but we've always been planning for growth. We're really bad at planning for retrenchment, and that it may well be that the population of [REDACTED] is not going to grow much more. That's not to say we still don't need to plan for that population. And if that's going to be an older population, that's going to be a very different plan from what you might have in terms of a young vibrant population that you might want around the city.

R: But doesn't that...you know the earlier point you made say that nobody wants to talk about that. The political exigencies in Ireland that everybody wants to talk it up rather than talk or worse still talk it down.

I: Yeah and that's just one of the sectors that's kind of, is there in the shadows of the whole kind of social enterprise sector and so on and there's a lot, there's employment that can be created in community based businesses and there are supports they can get but you know even where I live in [REDACTED] they have a, it's a community run nursing home, community centre. It's a step-down facility from the hospital and so on but it's run by a local committee and board and they're part funded by the residents and they're part funded by the HSE. There's a community model. That's recognising that there's a fairly high elderly population in that part of [REDACTED] and there's a facility that's in their own parish. So that's an example, so there you go. It's creating employment, it's meeting a recognisable need and it's a realistic action area where Micheál Martin was down to see it and he said I can't see why there isn't one of these in every parish. Makes perfect sense. There's an imitative which recognises and it ticks all the boxes and it's...

R: Looking to the future and as a man who is living in [REDACTED] and who has children of your own. But looking to the future, what I mean is to say is, you came from [REDACTED], looking to the future in terms of say, this great autonomy that's been given, the greater capacity, this question certainly about the capacity, but what more do you think could a local government do in terms of say the future [REDACTED] Making it local for you now.

I: Yeah. I think they need to define a future. I think the challenge is for them is to define the future. Say back to the possible, plausible and probable futures. I think they need to set out a vision. They need to set out a coherent vision. I think they need to set out a reasonable and achievable vision and take a leadership on that. And I think that's local government fulfilling its role. They can't magic, they're not magicians. They can't make a silk purse out of a sow's ear, you know. You can't transform, you know, there's several medium sized towns [REDACTED] that are visibly dying on their feet. That to me is a challenge that they need to face up to and say, it could be just a simple thing of having some kind of incentive to convert disused shop units into social housing. Admit that [REDACTED] does not need a hundred retail units. [REDACTED] would probably have fifty, and those fifty buildings, because there's one long string of a main street, there's fifty buildings there that are still designated as retail units. Some of which have been empty for ten years and will never be a retail unit again.

R: **Question 10.** Looking to the future a little bit now. Because you were very closely involved in a lot of the stuff and if you were just to take the local government side again. If there was more powers or more autonomy or greater discretion, whatever it would be that you would like to change in the local government system, what would those things be? Just to...

I: It's difficult I suppose. I mean I'd be loathe to suggest that they should have greater borrowing capacity because that can lead into a cul-de-sac and bankrupt and limit. Even essential services end up being...paying for what ended up being investments that didn't work out or projects that didn't work out. I mean I don't know. I mean even in terms of the...I did have some qualms about even the relationship with the local development sector and that kind of reverse take over kind of a thing because when I worked with Leader back in the late nineties, there was a huge vibrancy there. And I'm not sure that that's there anymore but that was just something that was lost. Now on the other hand there's much greater, to me there's much more co-investment taking place. And again even in my own village there's been some really good interesting work done on heritage facilities there which were using Leader money wisely with local authority money and things like that.

R: Has the role say between say the local authority becoming more of a local development corporation and the old local development companies, has that, which are community based, like has there been a marriage say of the local authority sitting here and the community based coming up to them. Has that produced any dynamic at all?

I: I think there has been wins and loses on that. I think the wins are that there's some smarter combination of resources, which is really good and I've seen that in practice where they were operating kind of as two solitudes to a certain extent. The local authorities did this and the local development sector did that and...so at least where there's some really innovative solutions coming up about ways that, okay the local authority can do this and facilitate that and we can use Leader money for that and we'll bring in some other money for this, making it happen rather than each trying to do something. That's positive. I think what's lost a little bit I think was, maybe because it was a new, in a lot of areas but that Leader dynamic that was there, I've a sense that that's declined a little bit so whether you want to consider that...and they obviously would complain that they've lost their strategic autonomy but at the same time they couldn't deny that they were part of a whole and if they're more integrated into the whole that's not a bad thing. But certainly there's a little bit of the spirit I think is gone. Maybe that's a price worth paying but I think it's certainly gone.

R: Sin an bhfuil de chúrsaí spóirt.

Date: 28.07.2017

Researcher (R): Kieran Lehane

Interviewee (I): Regional Level Executive R3

R: The **first question** is just to elicit the involvement that your organisation, [REDACTED], may have had in the reform process of local government. You may or may not have had any involvement.

I: Yeah, so not personally. I'm not aware... [REDACTED]  
[REDACTED] would have been represented by civil servants, effectively, I would expect in those conversations. But not personally, no.

R: Okay and has it ever come up in a conversation in terms of, say, the reform of local government, generally.

I: No, what has come up in conversation more and more quite recently is the interpretation of the change and the interpretation by certain county councils and city and county councils across the country in relation to their interpretation of the economic development mandate.

R: Okay, would you care to elaborate on that.

I: Yeah, so I suppose I've specific examples from the [REDACTED] from my own dealings with [REDACTED] County Councils. But I'm also aware, from my other colleagues, of other county councils' interpretation. And I don't know this...I haven't read the actual, call it, mandate in detail or whatever, so I don't know what the wording is, but my understanding is that, from my dealings with my colleagues in [REDACTED] and from the, from my...looking and seeing the interpretation by county councils themselves, my belief would be from the outset, not having read it as I said, that it might be overly vague, in relation to what exactly you can or should or should not be doing in relation to economic development. And what I mean by that is, there are county councils around Ireland who have seen it, who have taken it upon themselves most recently, acting as foreign direct investment agents similar to IDA, right, and [REDACTED] for example have spent a couple hundred grand on marketing material and gone to London to run a [REDACTED] event, effectively to win foreign direct investment, even though foreign direct investment as a specific course of action sits within the mandate of IDA Ireland under the Department of Jobs, Enterprise and Innovation. The Boston office of IDA, in 2017 year to

date, has had twenty-six counties, or county councils, visit the Boston office at some stage throughout the year as part of a wider economic development mission or trade mission, right. So...sorry that's not twenty-six, thirteen counties, so half, effectively half of the countries county councils have at some stage in 2017 been in the US to win FDI and have visited the IDA office in Boston for an update conversation. So, and I use the [REDACTED] example. We've also had [REDACTED] council in recent times who have visited and attended events in London, in relation to foreign direct investment, off their own bat, spending their economic development money, effectively to go out there and position [REDACTED] for foreign direct investment. Again, even though [REDACTED] have a national remit within IDA Ireland to go out and win foreign direct investment for Ireland. So there are specific counties who, and if I was to give it critical appraisal I would say, foreign direct investment is the sexiest and the most high profile economic development result you can get, right. So generally, when a multi-national company sets up in Ireland it tends to get an awful lot of press, lot of focus, lot of attention.

R: What you're trying to do there is to ascertain or clarify the role of the local authorities. The fact that thirteen went to Boston, and that some have gone to London. [REDACTED] have gone to London. How would you, in terms of to bring order in the sense of that, and to avoid unnecessary duplication and waste of effort, and mixed messages...

I: Exactly.

R: ...being given. How would you see that clarification emerging?

I: Yes that's a very good point, right. And I've had this conversation with [REDACTED] IDA Ireland, and [REDACTED] made a very good point, and he effectively said, exactly your point, he said, if county councils around Ireland want to go away spending their own good money going to events around the world thinking that they're going to win foreign direct investment, knock themselves out. Because we all know that it has zero impact, you know. With due respect, [REDACTED] going to an event in London with a stand sitting there going 'Come to [REDACTED] for Foreign Direct Investment', it will never, ever have an impact. IDA as a brand has a, is a well known international brand, particularly in the US. It's about 'Come to Ireland'. You know, after that we try and, you know, position the deck chairs, so that it goes to certain regions and we try and influence companies to certain areas and certain cities etc. etc., but the mandate is – win it for Ireland first. So, to your point, the best example of where I've seen the interpretation done the best is arguably Limerick, right, because what Limerick has done, Limerick City and County Council have done is, they've opened a dialogue with us, right so, opened a dialogue with myself and effectively gone, which I think is the absolute right approach, the IDA manages, tries to win FDI, right. How do we make sure that Limerick is positioned within IDA, or for our clients, that when IDA is engaging with clients, that Limerick is seen as first and best

dressed? So instead of Limerick Inc. going to the US trying to win FDI, which would never work, they've come to me and said, what is it you need from Limerick City and County Council that's going to enable you to win foreign direct investment for Limerick. Creation of Innovate Limerick, creation of office space, creation of fast landing space, like Innovate Limerick have done in the Biblical centre, you can come here, twenty desks, when you outgrow that, we'll have a new office block built, etc. etc. etc., you can see a vision for long term in Limerick, everything from infrastructure, traffic congestion, roads etc. like what are the enablers, which you need at the IDA, which is going to help you sell Limerick, a) within the IDA and b) to the clients themselves if that's the case. Rather than Limerick going, you know, well we've a mandate now for economic development, we're going to go do a trade mission to the states and we're going to win loads of FDI for Limerick. They're being more strategic. Limerick has been far more strategic. They recognise IDA are the experts. They're tapping into, right, what is it? How do we become first, best dressed in Ireland to support the IDA and make sure that we overly index in our success rate and that, for me, has been one of the...is a stand-out case in point of how to do well as opposed to...

R: And can I ask you then in terms of clarifying that role that local authorities are turning up because they perceive that this is the big win and they're probably earnest and honest in what they're doing, but don't understand the process. In terms of clarifying that role, from a policy approach, or a governmental approach, what's the best way to stop this lack of clarity.

I: And waste of taxpayers money.

R: Well wasted money and endeavour and giving false belief perhaps.

I: Absolutely, and my critical appraisal of it is, is a) they're trying to do the job of a state agency already and b) the fact that they're going straight to the sexy one, right, rather than trying to take Enterprise Ireland's place and develop indigenous companies, or the LEO space, which is within their own area anyway and develop entrepreneurs, they're going, no let's go for the big sexy FDI, which is a bugbear.

R: But is it a matter for the IDA to clarify that, in terms of the relationship that you have with Limerick, that you mentioned, and Limerick understands their place in the firmament. Why is it that other local authorities don't understand that, is it that there's a lack of communication or...

I: I think a lot of it comes down to personality and capability, you know, cleverness on behalf of the particular councils, who understand the dynamic, you know, arguably, some of the counties that are trying to go solo, call it, for want of a better word, feel that they are not winning enough FDI, that the IDA isn't performing for them, right, which, you know, you can argue for both sides and whether that is correct or not but I suppose they feel that, well we're not getting enough of the...we're seeing all these companies coming in and they're not coming into our county. Therefore, we're going to actively become our own FDI agency, right. How I think it could be, I think the policy, your mandate could be tightened up in relation to the language around exactly what economic development means in specific areas. So economic development generally is broken down between indigenous, foreign direct investment and the local enterprise office as well as part of that. So having the mandate I suppose, or the amendment drafted to state specifically, you know, rather than just stating foreign direct investment because you could perceive that as, well we're going to go out and win foreign direct investment but supporting the foreign direct investment agencies, or enabling IDA to win investments for your county specifically, and working with IDA to understand what are their requirements, to encourage companies to come to your county, specifically. So rather than just having a head-line of foreign direct investment, or indigenous industry, go in there deeper, right. What exactly is it, you know, we have an agency to do that, so what is the mandate? The mandate is, work more closely to understand what is their needs. They're the experts in this field, etc. etc. etc. That's, I suppose, what I would see...

R: Interestingly the 2014 act, which we have here in front of us, section 66b says each local authority shall make, in accordance with this, a plan. The six year plan, which we'll come to in greater detail in a few minutes, but it involves the promotion of economic development in its functional area and promotion of economic development includes creating and sustaining jobs, including enterprise and economic development across economic sectors, and here it is – promoting foreign direct investment. It's not securing it. It's promoting it.

I: I would argue that that should say enabling as opposed to creating or promoting. Enabling foreign direct investment. Enabling indigenous industry. Enabling micro...so how do you enable things? So what's the definition of enable? You provide a platform, you build the infrastructure, you build the offices, or you enable offices to be built. You encourage private sector...

R: Well this is the very important point now, what you're saying is that the different actors at local government level, the IDA level, Enterprise Ireland level must have clearly specified roles that are not cutting across each other.

I: Correct.

R: And that everybody understands the boundaries of what they can do. So that all resources are being applied in one direction and not pulling in multiple directions. That's a very very important point.

I: Yeah and I think that the missing word from the legislation, is it legislation?

R: It is yeah.

I: Is enabling. You're an enabler. And, you know, Limerick City and County Council get it, right. The conversations I have with Innovate Limerick and the chief executive and the economic director and the director of services across a number of areas, they get, they understand the enabling work, right. The enabler is, provide the platform, the companies will come if the platform is created. You are able, you...it's within your ability and remit to enable. It's not within the IDA's. I can't enable infrastructure in Limerick. We don't have the budget, we don't have control etc. Be and enabler and it will come.

R: Okay. We'll turn the tables a little bit now, alright? **Question two**, which we've just spoken about the law there, allows for the local authority's increased involvement in relation to promotion of economic development, okay. Turning the spotlight a little bit more on the [REDACTED] this time right, is it the [REDACTED] experience that local authorities have responded well to this? Now you've kind of replied and said there's mixed messages, a little bit. So would you like, just to, maybe how well local authorities generally, has it been uniform or have different, some places have done something, maybe some people haven't done anything at all or...how many local authorities, sorry, have you worked with?

I: Three. Three specifically.

R: Oh three, so you're narrow enough. So maybe from talking with your colleagues in other parts of the country...

I: I would say very very mixed, mixed interpretation and mixed success. Some I would argue, some councils have seen it as a platform to engage in economic development conversations more, which is a good thing. But engage in economic development conversations with a view



to beating people with a stick, who are not performing for them, in relation to state agencies, be that Enterprise Ireland or IDA. So some people and that's an interpretation which has been taken from certain councils. Right that, okay, we've now a mandate so effectively we're going to create strategic policy committees around economic development, we're going to row in Enterprise Ireland and IDA regularly and if they're not performing we're going to put, we'll show them, we'll put them to task, right. So the interpretation is key here. Some of them like Limerick City and County Council in creating Innovate Limerick has been extremely, excuse the pun, innovative. You know, I think Wexford have done it. Limerick have done it. Very, very smart. They've created an entity within the council, which effectively is looking at all aspects, not only FDI and indigenous, but all areas of economic development and I suppose taken a very, call it, you know, off the cuff way of looking, you know, in Limerick's case, looking at the film industry, digital skills academy, as well as FDI, you know, looking at really off the wall things that, you know, we could make Limerick famous for. Right, and that's a smart move.

There are others then who, as I've said, have taken it upon themselves, that now we have an economic development remit, we need to spend more money marketing our county and go international and all that, but again no focus on their indigenous industry, where actually, you know, economic development as well, you know, you could argue tourism is economic development, you know, and again you have counties, Tipperary in my case, right, or Clare, who are effectively, they're tourist counties. They have a great platform and heritage of tourism, but because they have the words economic development now within the legislation, straight away they go, our go-to place is FDI. Oh economic development, oh right, we need more FDI companies to come in here. No, you need to focus on your strengths, and develop the sectors you're strong and traditionally always been good at. That's where you're going to get your success. You know, Limerick as a city will always be successful for FDI. Clare will always be successful for tourism. So don't try and make Clare the same as Limerick, because it's not. Now you can have bits of it and you can have a spread of economic development strategies but you need to fish where the fish are. If you're getting your traction and making your...you know, if it's tourism well then, how are you going to amplify tourism in any given county if that what it is.

R: Would there be an awareness [REDACTED] since the passing of the act, which is now three years ago, of the increased role of local government in this area?

I: Yeah, yeah and particularly in the last, I would say, arguably twelve months, it's becoming more...because as county councils have become familiar with the legislation and have begun to enact it within their local, within their organisational structure, and their management teams, we're seeing a lot more, and as I mentioned earlier, two or three examples alone in the last six months, where counties have come out with marketing material for their counties specific, that

they're trying to position for FDI. So I think it's counties have definitely taken it on board. It's starting to become more and more present and I think the proof is in the pudding. I think that will happen effectively, eventually is, counties that have spent huge amounts of money in promoting their county for FDI will realise that it doesn't, it hasn't worked, will probably revert to type and ignore the legislation and just go back to what their comfort zone is, which is effectively administration of the county, rather than actually pursue economic development strategies which will work for their county. They'll just go, no, it didn't work for us. We tried FDI. Rather than actually going, hold on a second, we're never going to win FDI, our economic development strategy should have been around tourism or indigenous, or agriculture or something else.

R: And how has [REDACTED] reacted to this increased awareness and action on the part of local government?

I: I think to be fair actually, the [REDACTED] has taken a very mature approach in relation to being slightly agnostic. And working with those counties who we believe are providing a platform to an FDI and I think the proof is in the pudding. Those counties have got success from that. Counties that have ran solo, we've just let them run solo. We've effectively ignored what they're doing in some respects. You know, respectfully ignored what they're doing, if that makes sense. We're aware of what they're doing but we can't control their interpretation of the mandate. If, you know, we've given them support but we certainly don't engage with county by county marketing strategies over seas, but those counties who have taken it upon themselves to provide enablers for IDA, well that has certainly got the attention of IDA at a national level and it's been held up as best practice. Because effectively what those counties have done is fill the void where, you know, I suppose that mandate wasn't there initially and that work wasn't being undertaken. It's providing a platform for us to win companies so.

R: Just moving on just a little bit say to **Question 3**, we've talked about the actions that were taken, but the structures, have you any knowledge of, say, the structures that local government are putting in place? Say both at the executive level, you've mentioned you've met chief executives and their staffs but have you met, say, the public representatives or the other committees, do you interact in any way with those structures? They were a key part...for example the local community development committee is the committee which is dominated with more outside than inside on it, community...particularly the community element of it. Have you interacted in any way with those or have you any experience with those?

I: Not specifically outside of...so, I'm aware that the majority of county councils at this stage have created an economic development directorate remit. So that's probably something that a lot of councils are beginning to change in their management structure. I'm aware that in that

main IDA nationally are required to attend quite a lot of strategic policy committee meetings around economic development. But that would be the extent of our interaction at council level. Either full council meeting or an SPC for economic development, tends to be the norm across the country.

R: Have you ever heard of the Public Participation Network?

I: No, no.

R: Would you say that local government has it assumed a greater leadership role in relation to economic development than it did before?

I: Yes, again it varies county by county. I would say yes, right. Leadership, yes. Leadership and ownership are two very different things. So leadership yes. Leadership as in they're all actively talking about it. Having the conversation, trying to lead for it. But taking ownership, again go back to my point about whether leadership is going, you know, someone's interpretation, yeah I'm going to lead for economic development, I'm going to bring Enterprise Ireland and IDA in here and get them to explain to me why we're not winning enough companies into our county, right. That's not taking ownership. That's, you know...ownership, going back to my earlier point is bringing IDA and Enterprise Ireland in and going, right guys, how can we improve our prospects within this county? That's taking ownership. And what can I do to support that? And what do you need from me? And, you know, as I always say, I tell this to anyone, make it, make your problem my problem, right. Put me in a position where you've provided me with all the tools, and if I don't deliver it's my fault. Rather than, because at the moment a lot of counties are giving IDA get out of jail cards, because they'll go, you're not bringing any companies to Longford. And the IDA goes, yeah I know, but you've no office space, you've no infrastructure, you've no broadband. Sure how in God's name do you expect me to bring a company in? Whereas the councils that come along and provide all the enablers and all the tools, if the IDA don't deliver then well that's a fundamental problem with the state agency. And again, I look to Limerick as being a prime example. Limerick has created the enablers that has allowed myself and the IDA bring companies in and be successful and I think once it happens once or twice, and in Limerick's case specifically, I just, they get it, like the council gets it. It's worked. They understand how it works. So leadership and ownership are two different things. Taking ownership for, what is it in our patch that we're responsible for that we can do differently, which will enable IDA, and then if IDA don't deliver, absolutely, let's beat them over the head.

R: Well taking a local authority perspective then, for a local authority to do that it has to do its home work in terms of saying, okay we're going to pick a particular location and put in the necessary infrastructure. They don't control water services anymore, but they might put in say road infrastructure or other parks or public improvements and so on, which means the council then has to vote the money to do that, and has to pick a winner, which can be difficult. There's a real difficulty because there's a rational choice model coming up against a political force, because the executive has to work in the political realm. Would you care to comment on that, or what's your experience of that been?

I: I don't envy the council in that respect, I'll say that much. I think it takes bravery upon a council executive to take on challenges which fundamentally they believe and know in their hearts and minds and have had feedback from either companies or state agencies to tell them that it's fundamentally the right thing to do for the future success into the ten, twenty, thirty years time of a particular city or county. I would say that it's certainly not, in my experience, not an easy thing to get over the line. I think communication is obviously the key. Bringing people along the journey, regular meetings, explain to bring...but also and it's the same in every walk of life, make it a non-council executive versus councillors conversation. Bring in the experts. Let them tell the elected reps why a certain piece of infrastructure may be required, be it state agencies or economic development experts, whatever. So rather than that being a dynamic between the council and the council executive, let the council executive be an enabler to get the experts to explain, because it's very easy for an elected rep to bemoan their own council executive. It's a lot harder for an elected rep to argue effectively, in inverted commas, with the experts and because, they're the experts right and when someone disagrees with an expert you kind of start to feel like well maybe I'm the fool in the room, right? So that I think that has worked for Limerick council quite well and I think given the geographical spread of elected reps, you're never going to appease every individual for various reasons but I think particularly those ones who are not affected geographically by certain decisions I think, getting them over the line initially goes a long way to securing success for an overall project.

R: In your view based on your work in the various counties, how would you see the relationship between the executive and the representative democracy, how would you characterise it? It slightly off this interview now but it's a very interesting observation.

I: To be honest with you, right. I've had far more involvement again in the Limerick side of it then with Clare and Tipp. I would say the relationship is probably a bit more dynamic and combative in Limerick than Clare and Tipp. But I also believe that, I see it as a positive if that makes sense. I think that's because Limerick is a city. I think the elected representatives are far more involved. I think in my experience in Clare and Tipp, it's a bit more rural. It's a bit more, well there's no central, there's no city there effectively anyway for a start, so there's no central

hub of activity, whereas an elected rep in Clare or Tipp might have a geographical rural area, do they really give care what direction Tipperary or Clare are going in?

R: It's very interesting, because it's come out in other interviews, is there a positive correlation between that edginess, combativeness, whatever you want to call it, in terms of trying to implement the change, in order to effect this change, which is a rational picking winners, this is what we need to do, we're making these decisions, versus the old representative parish pump approach, that it's necessary to have a healthy tension. There's both sides. There's mutual respect, they might disagree but they're getting on with it.

I: Yeah absolutely so. I agree with that. Put it to you in this way right? Elected reps might argue over which, where geographically a certain road is lined up to or how you change O'Connell Street or whatever, but they're not arguing, they're not giving out about the fact that the council wants to do it. It's a sign that they actually think it's a good idea. They're just arguing about the micro nuances of what colour it should be. And I think that speaks volumes in relation now...it would be far worse if your elected reps were sitting there going, you're doing nothing with O'Connell Street. You've let our city die. They're not saying that. They're saying we want the pink and we want the purple or whatever. So I think, I think it's a very positive thing to be honest and I think it's a good reflection of a dynamic executive and a dynamic elected reps. To be fair to them I would say you know, very involved from what I've seen, involved and care about.

R: Well I take it from your comments that this becoming involved and showing the leadership rests more on the executive side, than on the representative side.

I: Oh I think so yeah. Oh absolutely.

R: That the executive must show the leadership.

I: Yeah and bravery. Absolutely. I think it has to come from there. I think I've rarely seen innovative ideas come from the chamber of elected reps. I suppose because they're living in a microcosm of their own. You've got to show a more, helicopter view from thirty thousand feet of where we want to see the city or county to go.

R: So you could say this is answering **question five**, which we're going back, say, to the theme of effectiveness. These are all related to themes. That the reforms have been effective but mixed results.

I: I'd say very mixed results. I think they've been effective in pockets.

R: But that raises a question then because the [REDACTED] body for the whole of the country and if they're looking at the local government sector and they're seeing inconsistencies...

I: Oh very much so.

R: The [REDACTED] must be sitting back and saying, well what view would there be of the local government system within [REDACTED] given that inconsistency.

I: Yeah, now just to say, obviously I'm only talking from an FDI perspective right. So all my experience in success or not is on the FDI side. Someone might argue from an indigenous side that it's been a complete success, I don't know, right. But from an FDI perspective, extremely mixed results and actually in fact, to be honest, I would actually even argue, believe it or not, Limerick has probably been the only ones who have been very successful from an FDI perspective in this. Because of that interpretation. And that's, it's easy for me to say that, I'm [REDACTED] and all that stuff but that's genuine. When I sit in meetings with [REDACTED] [REDACTED] and we talk about this issue, because it's come up quite a bit, I can put my hand on my heart and say, well actually, it's been a huge success in Limerick, because as I mentioned earlier how we work together and what we've created, the pipeline that we're able to develop because of Innovate Limerick etc., but I also say that Clare and Tipperary, are at the...I don't hear any other positive examples around the table other than the Limerick one. The view from an IDA perspective would be that, it's not been successful nationally [REDACTED]

R: Okay, fair enough.

I: However, it's probably a fight [REDACTED] isn't overly bothered about picking or bringing up. Not fight, fight is the wrong word because it's not our fight, but it's not an issue necessarily that [REDACTED] overly bothered about bringing up with the Department of Planning or...

R: Yes but at the same time, at the same time, if local government was able to be more proactive and more effective, then that would [REDACTED]

I: Yeah. Correct.

R: So there needs... there would appear to be a want of an understanding. It goes back to the earlier point, clarifying the roles.

I: Well I believe that's a lack of leadership on the [REDACTED]

R: Oh? Okay.

I: Right so. Whether...do I believe that the leader of [REDACTED], or the leadership team within [REDACTED] have the courage to actually potentially stand on someone's toes and go back and say, this isn't actually working lads, we suggest you do x,y and z. I don't believe that leadership exists within the [REDACTED] That they're not willing to rock the boat with another department. So, that's my experience and my view. That where we're not seeing it working, we're happy, and I say we as an organisation within [REDACTED] are effectively happy to sit on our hands and let it be unsuccessful. But at least for us to bring it up with another department and suggest that it mightn't be working because maybe it's a political fear that someone might throw back and say well, you know what, you're not so good yourselves at what ye do and sure, you know, and you get into that bun fight. But I would argue that there's a lack of leadership in relation to that.

R: It might come back to, it might be suggestive of the degree of importance that certain local authorities, or their chief executives, more particularly, attach to the economic development role. And if their perception of how well they are able to influence that they maybe feel that we can influence it, we're hungry for this, or they may feel that they're not, but it's the interesting thing that it's leading to inconsistency of performance of councils.

I: Oh absolutely.

R: In as much as [REDACTED] have a responsibility, I suspect that the greater onus rests with local government. And I'm just wondering if there's ever a plenary between [REDACTED] senior executives and the chief executives of whatever department on a national level. Or is there a dialogue. Anyway, so it's effective in certain regards.

I: Yeah, and generally as well...look it I'm not trying to be particular here but if you were being slightly, ah, what's the word I'm looking for...sceptical, you could argue that Limerick's success is because it ties into Limerick Twenty Thirty plan to a large extent. That actually it just so happens that both are working side by side. And let's put it this way, if there was no such thing as Limerick Twenty Thirty, would Limerick City and County Council be as successful and be that enabler that they currently are for FDI [REDACTED]. Now that's a sceptical view of the world, but it ties into what...the journey that Limerick is on, in relation to Limerick Twenty Thirty. Now that would be a sceptics view but I don't subscribe to that view by the way, but it is an interesting...

R: **Question 6.** Do you think, has there been any sense of a greater empowerment of local government out of it? Or has [REDACTED] just carried on the way it is?

I: I think it's allowed local government to get into the conversation about economic development, but I think it's also allowed them to cherry pick, right? And it's allowed them to, depending on what their agenda might be. Again it goes back to interpretation. You can cherry pick, right? So, you know, we're going to go after FDI because they're not, [REDACTED] are crap and are doing nothing for our county, right? And we'll go after FDI, but, you know, you could look at the success of their local, of their LEO, might be unsuccessful and say what are you doing with your own LEO? That's part of your economic development remit, so you're taking the opportunity to have a pop at a state agency, and assume self-control of, in this case, foreign direct investment for your county, but it, you know, you haven't even finished your start up there, your LEO.

R: But even just to take that point, say, you know, the fascination with the big announcement, the foreign direct investment, even that is a misunderstanding...

I: Oh, completely.



R: That everything pins on the large-scale announcement, a hundred jobs, or fifty jobs or whatever it is. Whereas in fact in reality, as I understand it, most of the jobs that are created are from existing investments. It's growing the exiting ones.

I: Correct. Put it to you this way, there are seventy-one IDA companies in Clare, believe it or not, there's fifty-four in Limerick. Actually more than Clare. There are, in North Tipperary, [REDACTED] there are three, right? The likelihood of more FDI going into North Tipperary is extremely rare over the next twenty years, okay, because international trend is they want to be in cities, clusters, or where other companies are already located. So, Tipperary County Council pushing an FDI agenda, particularly in North Tipperary for instance is a complete and utter waste of time they would be far better spending that money on an agricultural strategy, a tourism strategy, other areas where they can be very successful at because they've got the infrastructure set up for it already. Its likely Limerick and Clare will continue to win more companies because there's a base there already, right? And those companies that are there already will expand more, so, you know, talk about pushing water up a hill.

R: But can I ask you, that's a very important point, in terms of trying to select your strategy. Is it that local government doesn't have the skill set or the competence to do that, that a local authority would be undertaking activities that are effectively misguided?

I: I think it's a lack of understanding and it's a lack of understanding around what the enablers for, in this case, foreign direct investment, are, number one. I also think it's peer pressure in relation to what neighbouring counties are doing and how successful they are. And a lot of that comes from the elected reps as well. And from, from TDs, right. And it becomes a political hot potato, as opposed to anything else, so...

R: But the figures are staggering now in relation to North Tipperary...

I: Well I've had it thrown at me so many times, why are all the companies going to Limerick and not coming to North Tipp? And it's like saying like, why aren't Ireland producing world class soccer players and Brazil are? You know, I mean, what's our heritage, what's or where's our strong point? Well your strong point is in rugby and GAA, so why do you think we're going to produce top class soccer players then? You know, but, it's those two things, its peer pressure from neighbouring counties and lack of understanding of what actually, like, yeah. They're the two big things.

R: Yeah, that was my next question, which was on **question six**. What is working well in respect of local authority's abilities? But there's clearly, local authorities have, in some instances anyway, a bridge...

I: But I think [REDACTED] have not helped themselves in relation...I don't think it's all the local government fault either. [REDACTED] not very good – and I would argue they don't want to be either – not very good at communicating how FDI is won.

R: But is that necessary from an [REDACTED] strategy, that that might not be understood because it might be revealing their hand to international...?

I: No, no I'm not even talking about the nuances of conversations that would be had to win a client. But I'm talking more from a, you know, will the [REDACTED] turn around and tell counties like Tipperary, like Offaly, like Laois, actually guys, the international trend is that FDI companies want to be in cities and we see that for the next ten years.

R: Yes but that's emerging now in the National Planning Framework, which is coming very shortly, where the government are going to pick the, they're calling it the city metropolitan regions, which will, I think, embed very strongly what you're talking about.

I: Yeah, but we also, [REDACTED] produces, on a quarterly basis, site visits by county, which creates a twenty-one in Limerick, four in Tipperary...I think we're feeding the animal to a certain extent. We don't explain things. We don't say, you know, well actually we can't go to Tipperary because you don't have an office block.

R: Can I ask you this question, if you were looking at how local government is organised and you were given a blank piece of paper, would you change how local government is structured by county? From an economic development perspective? Where I'm coming from, you referenced earlier about the benefits that came from the merger in Limerick, and what was unleashed?

I: Would I change the structure?

R: Yeah, in other words would you, say, take a single local authority for the mid-west?

I: I think from an [REDACTED] perspective that would be manna from heaven, because we have a regional strategy, which is for the full region, not based...

R: The NUTS, you're in the NUTS 3 region.

I: Yeah, absolutely. It would be the ideal scenario from an [REDACTED] perspective because I could talk to an individual and say, in Limerick we need office space, in North Tipperary you need this, and in Clare you need this, right? So for the different areas with the region, within the NUTS 3, there'd be...rather than...yeah. To answer your question directly, yes, it would absolutely make a huge difference. But I suppose the other thing, the other thing believe it or not, that's worked, that's worked in Limerick as well is, it's almost an facilitation role, which is within the economic director's office, or department, there's an individual who acts as a facilitator, in a lot of economic development issues, so...I am not an expert on planning, I'm not an expert on...

R: A go-to person on a single range of issues.

I: Yes. I'm not knowledgeable in how local government is ran and how the system works, but I have a contact within Limerick City County Council, if I have a client who's got an issue, I can ring that person and he will point and direct and facilitate conversations across a broad spectrum of issues, which will enable both him and me to go back to the client together with a potential solution.

R: And does that exist in other local authorities?

I: No.

R: Even, well say outside of the Mid-West? We're talking counties in other...

I: Again, I'm not aware of it really to be honest.

R: Isn't that an amazing omission?

I: But it's all small things, like, you know. Small, small things make a huge difference.

R: **Question 7.** How would you, in terms of the autonomy of local authorities and their power to make decisions, this is what you've touched on now. Would you see local authority executives as having sufficient autonomy?

I: I would, within the legislation. Like, no I would, absolutely. I think, the frustrating thing, so I've come from private to public and it's the typical stuff, it's the procurement, it's the 'that has to go to tenure' those...but that's not something which can be changed.

R: It's slower, slower moving.

I: But I think in fairness autonomy in general, I think would be quite good. Arguably.

R: Okay. Good to make decisions.

I: Yeah. Time probably a bit slower than one would like but certainly I think, to be fair, decision making is good, yeah.

R: Are there deficiencies in local government that you would like to see remedied to enable this economic creation to occur more speedily, more effectively. What would you see remedied? Communications, obviously was a big one you mentioned earlier.

I: I would probably actually, and this might sound a bit left-field, but I'd like to see councils become more active on a client to client basis.

R: Could you explain what that means?

I: So almost, and again I'm not trying to step into certain arenas, because you have your [REDACTED] and you have the chamber, right, but I do think that there is a place there for council to be more active and know the clients, or the ratepayers, as you might want to call them, a bit better, particularly on the larger scale side, because I think that relationship, again, acts as a facilitator, enables those companies to grow, even though it's under [REDACTED] remit, but again the council is acting as an enabler, and I think that's a space that one would assume [REDACTED], the chamber would usually take, but I don't think there's ever any harm in having...the more conversations you have the better. The more people you know, the better. I think the council being, maybe just a bit more closer with ratepayers on the FDI side, I think would be a...if I was to look for...

R: One thing that you'd like to change...

I: I think that would be it.

R: And have you...is there any evidence of that? Has any local authority...is that just your own thought or is there anybody...

I: No, that's just my own thought really.

R: Okay to understand their clients' needs. These are big ratepayers...

I: Yeah, I think so yeah.

R: Now, that's accountability. That's linking, these people pay a lot of rates to the local authority, we've a particular requirement in relation to whatever it might be. Even, I would know myself, say, for example, that some of the foreign direct companies in Limerick refer to the uncertainty, particularly along the planning process, that's a concern because they feed that back to their corporate HQ.

I: Look it, the other side of it as well, and in relation to things like traffic congestion. A lot of companies come to me directly. Now, technically it's not my role to facilitate traffic congestion, but I do it because it's important to the clients, that the clients are listened to, and it's important for the future economic development and enabling them to grow, focus on growing their employment numbers as opposed to worrying about traffic. But that's a case in

point where, if we were closer as a the council to those clients, they would be going directly to the council. And it's not about freeing my time or anything like that. You know, but it's how do you create less of a dynamic of us and them. Not that it's...it's not very us and them anyway, but how do you create an all encompassing, coming together of ratepayers, local government, IDA. You know, even, I think, we do it very well as it is. It could even be better. Put it that way.

R: Can I ask you, an earlier point that you made, which was in relation to, say, that the pressure that local executives can be under from their political representatives in the geographic dispersal and so on, do you think that for certain local authorities, to do something that's perhaps beyond what was intended in the legislation, like going to London or going to Boston, would you care to comment on more the political side of that, if you wish.

I: Yeah I think to be honest again, it comes down to education and knowledge of how, again in my specific case, of how FDI, how it works. Now there's two aspects to that, a) you might have someone who fully understands how it works but is using it as a political football anyway, or b) you have someone who thinks that they know how it works but actually hasn't got a idea how it works and is just kicking the idea because you're sending all the companies to Limerick. Well actually, companies decide where to go themselves, not the IDA for a start and that type of conversation, but I do think that, in those instances, to be honest with you, I think that those executives could be a bit more, could show a bit more leadership and be a bit tougher. And hold on a second actually, and maybe they should be helping to explain the dynamic, whether they know it themselves or not, but they should be, they certainly should be looking to up-skill themselves firstly, like rather than just getting kicks from a political representative and then reacting to that kick.

R: Can I ask you now about kicking? You prompted me to ask this question. The councillors try to kick the chief executive, do the TDs and the ministers try to kick ■■■ or are ■■■ processes are quite apolitical or fully apolitical?

I: No, I think they do definitely try and kick ■■■. I think I, in this region, we're particularly lucky, I would argue, that we haven't got too much of a, too much of a kicking. I do know in certain regions, in certain areas, we get a far bigger kicking than we do in the Mid-West. But you need to understand the context of it. A lot of it is local showmanship and using FDI again, because of, and this is one of the pros and the cons, one of the cons of ■■■ as a brand is quite well known, it's an easy political football then. Because if you're not in government right, what are the five things I can get on the local newspaper for? Who can I give out about that's part of the current government? Well IDA is one of them, unfortunately. So if you're not creating jobs in

my area and I'm not in government, well you know what, that's just a sign for me to go to town on you and blame you for your lack of jobs and lack of everything else.

R: So it's actually quite a skillset on the part of local government to try and work with the various large numbers of representatives.

I: I have had, I've had...one...no I've had one TD specifically who released a statement to a local newspaper bemoaning the lack of [REDACTED] activity and who rang me to tell me he was releasing it and to apologise in advance.

R: Right. That's just showmanship, shall we say.

I: So, there you go.

R: Yes, but it's trying to work with the competing political interests, you know, within a county and a region.

I: Yeah, you know and look, it's not too bad, because in general, whether you're in government or not in government, or in favour or not, or whatever the case may be. It's very hard to knock if jobs are being created. So when you're successful, it's very hard for someone to have a go and say well, we don't like the way you're creating jobs, you know.

R: Would you say within the region here you've referred to the numbers in Clare and in Limerick, which are, Clare strange enough have more foreign direct investment, probably in Shannon.

I: Well the first FDI in Ireland was in Shannon. It's a heritage thing.

R: Yes, and Tipperary, is there a degree of, would you say, maybe envy, or whatever it is, on the Tipp side, that Limerick and Clare are...

I: Yeah, I would. Unfortunately in my case because I really think that they're missing a huge opportunity, in other areas by...like, it frustrates me in some ways, and I'm not from Tipperary, but if I was I would be even more frustrated. I'd be pulling my hair out. Because you're focusing all your time and energy on something which is a fallacy, when you could be focusing it on areas that you could actually make a big difference and really become famous for.

R: [REDACTED]  
[REDACTED]

I: Good question. No, you're right. [REDACTED]  
[REDACTED]

R: Tell them the truth, surely. Executive to executive, my goodness.

I: Yeah.

R: [REDACTED]

I: The problem is and this goes back to the point I made earlier that IDA doesn't help themselves. If I go into a specific county council and say, guys by the way, listen, the reality of it is, listen you're never going to win FDI in [REDACTED], or wherever, it doesn't matter what the county name is, you're never going to win FDI here, you're wasting your time. Actually I think you should focus on agriculture and horse breeding or whatever it is, right. The first thing that's going to happen is, he's going to call the chief executive of IDA. I'll get a call and I'll be told, you're going off-piste there, you know what I mean.

R: Lack of honesty in the debate.

I: Oh yeah, completely. But if [REDACTED] had been seeing those type of things, talking with more...look the reality of foreign direct investment going forward is x,y and z. It's cities, predominantly cities with universities etc. etc., and started seeding that information, that would be a far easier conversation. No chief executive individually is going to hear, want, or is going to believe any [REDACTED] around Ireland to go in and tell them that their county, because they will assume the other twenty five counties are going to win [REDACTED] and you're isolating me.



R: But surely, surely the key to success is exploiting the assets and the resources that you have and rather than playing for the...you know, what everybody else is doing that you, you, there is unique identifiers or unique attributes, that you said earlier that you enable. Like everybody can't have a pharma, and the IDA strategy is clustering. So, Limerick will develop its cluster, Shannon, Galway, whatever. And differentiate them and you need that differentiation and play to your differences.

**Question 10.** Looking slightly to the future, okay. What would you think could be done to improve based on...it's only a very short period of three years, but if you just list out a few points that you think would help, both [REDACTED] and local government realise the potential of this new role.

I: So the single biggest one that could be acted on very quickly and doesn't cost a huge amount of investment believe it or not is, the single biggest reason we lose investments in this region is because of lack of talent or lack of people. There's only half a million people in the Mid-West, right. You're coming from large urban cities in the US, millions and millions of people. Our ability to demonstrate talent already living in the region is narrowed by the fact that our unemployment rate is below the state average at six per cent. We're effectively full employment, so if there's a company that comes in in the morning, walks off the terminal at Shannon airport, tells me they love the look of Limerick, but you know what, I need three hundred people in a year and a half and I don't think I can make three hundred software developers here because you can tell me there's thirty graduating from UL this year and thirty out of UL last year but that's sixty, right. Even if I took all sixty of them, right? I don't just need graduates. I need people with experience too. Where am I going to get them? Well I'm either going to steal from Dell and Intel in Shannon and everyone else or else I need to be able to attract them back from Dublin or wherever. Whoever, and I've said this to chief executives, whatever region grasps the nettle and, it's not sexy, right, and actually starts attracting people back to their region, before someone else gets the march on us, be it the West or the South-East or wherever, whoever starts that conversation and tries to draw people out of Dublin particularly the east coast back to the Mid-West, will benefit most from, wins the FDI.

R: That's the chicken and egg thing again isn't it? Instead of being in London and Boston, they should really be trying to get them out of Dublin.

I: Exactly.

R: And what are the factors that would attract people out of Dublin in your opinion? That a local authority could do?

I: I think the single biggest factor, you heard it here earlier on, I don't know if you picked up on it, one of the individuals here said, I never realised Uber were in Limerick. Someone living in Limerick, I presume all or most of his life. There was a, Pat Kenny did a show two weeks ago about Limerick, I don't know if you heard it. It was a damning indictment of Limerick, it was...I was seething listening to it. It was such crap. I've never heard such crap in all my life. Poorly researched, poorly debated, one-sided debate, they didn't have a counter balance from a chamber or council, from anyone. They interviewed people on the street in Limerick as part of the show to see, you know, well what's really happening in Limerick and most of the feedback from the on-street interviews was, ah sure there's been no companies coming in here since Dell, the usual nonsense. The biggest challenge is, or the single biggest thing is...it's not...everyone assumes ah sure it's the cost of living, nobody wants to live in Dublin. People that are living in Dublin are fully aware that it's cheaper to live in Limerick or Galway or Kerry or wherever it is, right. They're not so foolish not to realise that. The biggest problem getting them out of Dublin is them a) knowing what jobs are available down here and b) realising that they actually have careers and not jobs. So if my Johnny is living in Naas and working, getting the train into the IFSC every morning, right. If he comes to Limerick and works in Northern Trust, let's just say he doesn't get on with [REDACTED] does he have to go back up to Naas again? Or is there other options? That's, there, that's the oracle there. They all know it's cheaper down here, that's true. It's an non-argument. People saying...

R: So what competitive advantage then, is it that they have a career, is that what you're saying?

I: Well the competitive advantage is the...no, the competitive advantage is the costing, but people aren't going to move for cost. They're aware of it, they know it's cheaper down here but...

R: So what will they move for then?

I: They'll move for knowing that they've got the full repertoire, they've got the career, they've got the city centre life-style. The competitive advantage is the west coast. It's the west of Ireland. It's closer to home. It's the family. It's the availability of schools. It's the availability of childcare, cheaper childcare. It's the availability of housing. It's the full package, but there are people in Limerick who don't realise what's in Limerick, not to mind expats living in Dublin.

R: So, what can the local authority do about that? Because [REDACTED] isn't going to do that?

I: Exactly. So the conversation I've had, believe it or not, is as recently as this week has been around that, that that...can we...we have an excellent marketing machine in Limerick council, very good. Done a great job. Can we use that resource to actually...and even if it means working with Clare and North Tipp as well and make it...or even Galway. Like, you know, we now have the motorway. We're all one now, like.

R: Effectively, yeah.

I: How do we get people back from that Galway to Limerick corridor? And maybe that half-moon around it. Well workwise we should be targeting people from Galway to Portlaoise to Charleville effectively, right. That should be our diamond of commuting to work, but as regards getting people to live here, we should be going to the M50 belt.

R: As a matter of interest, would you see, we touched on it a little bit earlier in terms of the regional approach, but in terms of the forthcoming NPF and deciding on key decisions in the future, the oft-talked argument about say developing a counter pole to Dublin. Would you see that Limerick on its own, under the new national planning framework and Galway on its own, and Cork on its own, is sufficient? Or would you like to see that thing that you alluded to, that Galway, Limerick and Cork, it doesn't really matter, but the three of them to work in concert.

I: I'm agnostic really unless there's policy behind it. So nothing, like...everybody's been talking, like, in various forms, Atlantic Economic Corridor...I've seen probably ten or fifteen different documents on my desk that were being produced over the last ten years which effectively they all say the same thing, which is what we're talking about now, which is effectively the potential of Galway to Cork in some way, shape or form. But what the one thing that's been missing has been policy. So that a) there is no policy which has dictated that we as a government formally recognise that we need a counter pole and we're going to write it into policy, that we will overinvest in infrastructure along that band width in order to encourage a counter balance to Dublin, including the airport, the three cities, broadband, housing etc. etc. We're actually going to create new towns, we're going to build new towns along that corridor, right. So without policy it's just, it's sound bites and there will continue to be reports generated. It's all nice to see and nice to have and all that, but there's no policy there, right. So without policy it's a complete, the conversation in my eyes is a waste of air space unless there's policy behind it.

R: Right. And that's government policy?

I: Yes.

R: Led by the Department of An Taoiseach?

I: Correct. Absolutely.

R: It has to be.

I: Absolutely. And this is what I keep saying. At any opportunity that I get, I mention that. Without policy it's...

R: Okay. Any last few words before we turn off?

I: No, I...one thing which I'd be keen to understand, and this is only for my own self-interest as opposed to, with my [REDACTED] on but, a) has there been a review done of that legislation or the impact of it? If so, I'd be disappointed because everything you should do in life should come with KPIs. Whether something is successful or not, right?

R: Measure it.

I: Yeah measure it like, so like, you know, it's one thing creating policy and legislation. Is it being measured, right? That's the first point I would raise. The second point I would raise is the six aspects which were pointed out as being promoted in relation to 66b, what is the interaction at a senior corporate level with each of those by local government department, to get their feedback in relation to whether they see it working or not. And maybe that's all part of the same thing but. I would certainly like to see the policy amended to say the words enabling and to share best practice in relation to what...

R: That's interesting, yeah. Okay. Sin an bhfuil de chursai spoir.