

CHECK AGAINST DELIVERY

**LORD ROOKER – REFORM OF LOCAL
GOVERNMENT**

**OUTCOME OF REVIEW OF PUBLIC
ADMINISTRATION**

22 NOVEMBER 2005

Good afternoon.

- I'm very pleased to be speaking from the offices of the Northern Ireland Commissioner for Children and Young People, both as Minister with responsibility for children and as Minister for local government. The reforms announced by the Secretary of State this morning following the Review of Public Administration herald the greatest change in public service for a generation and more.
- The Secretary of State set the context for this reform firmly within the framework of improved equality, 'A Shared Future' and the emerging Northern Ireland Sustainable Development Strategy. I believe that local government has the opportunity to lead Northern Ireland towards a normal civic society. A society that has sustainable and vibrant communities; is tolerant of differences and promotes diversity in all aspects of public life; one that has equality considerations at its core; and one that is seen to address the needs of those who are most vulnerable in our society. This belief has been central to my considerations

on the future of local government in Northern Ireland and will benefit current and future generations.

- Our young people growing up in Northern Ireland are our future and will be the main benefactors of these changes.
- The Secretary of State this morning outlined the key decisions – the building blocks – on which the form of local government will be built. The present 26 councils will be reduced to seven large councils with an enlarged and enhanced range of functions, to include planning, regeneration and maintenance of local roads.
- Most other services will work to the same council boundaries and, through community planning, councils will have a statutory role to plan and deliver services, working chiefly with all other major public sector providers, the voluntary and community sectors and the private sector.
- We must ensure the decisions announced today become reality as soon as possible, so that everyone – young and not so young – can begin to reap the benefits of local democracy, better services and greater choice.

- Following the Secretary of State's announcement earlier today, I want to provide more detail on his decisions as they affect local government, but also to set out a vision for the possibilities for strong dynamic local government and what they will mean for citizens in the future.
- This afternoon, also, Shaun Woodward will be giving more detail on the Health aspects of the Review of Public Administration. At the same time, Angela Smith will be explaining the Education reforms.

Core principles

- I want to expand on the core principles on which decisions have been taken, because they lie at the heart of strong local democracy.

Subsidiarity

- Northern Ireland is not large and, with a population of 1.7 million, it would be reasonable to assume that the most efficient and effective way of delivering services is always at a regional level.

- There are also real down sides to this approach. It removes the vital local element from service delivery which is the essence of local government. It also removes democratic accountability for local services, locally delivered.
- We therefore need to balance the recognised arguments for efficiencies around delivering services regionally against the real prize of strong local democracy, democratic accountability and local responsiveness.

Equality

- The Secretary of State has made clear that central to the decisions announced today have been considerations of equality, social need, good relations, and the impact on rural communities. We know from research that the RPA team and others have done that there are groups, vulnerable groups, who have difficulty accessing services; we know that there are groups in society who are significantly under-represented in public life, this is particularly so for women; and we know that there are concerns about the public sector employment.

- There is a clear expectation, and indeed challenge to you, that these decisions which are announced today will address these concerns. It is our duty to ensure that those who are most vulnerable and rely on public services can access them, that we actively promote diversity and that we ensure the people who work in the public sector are treated fairly.
- As the Secretary of State said this morning, the over-arching principle of equality will apply to all aspects of the change process - within organisations, sectors and across the public sector as a whole. This will only be effective if we focus these efforts on improved outcomes.

Common boundaries

- Our third principle, which these decisions have to satisfy, is coterminosity, or common boundaries. Anyone who has had the opportunity to work and plan services with organisations who operate to common boundaries will tell you of the real benefits this brings.
- Not only are common boundaries easier to understand for everyone, but they provide real opportunities for well-planned,

joined-up services around the same population and the same geography, which together provide a powerful common purpose.

- In England and Scotland where there is already a statutory duty to develop community plans, many people look with envy at the opportunity Northern Ireland has to achieve common boundaries for service delivery organisations. We must not let this opportunity pass.

Strong Local government

- These three principles, local accountability for services, common service boundaries and our overarching duty to increase equality of opportunity and outcome, provide the bedrock for the fourth principle - a return to strong local government.
- The demand for a return to strong local government has been consistent since the first RPA consultation in 2003. But what does strong local government mean?

- It means that local government must provide civic leadership and be at the heart of local services, locally delivered, operating at a size and a scale that will allow a council to stretch itself in terms of the services it delivers now and into the future.
- To do that, requires a population and a geography where the opportunities of raising wealth to deliver services and plan for the future can be optimised.
- It also requires a range of functions to be delivered by councils which, taken together, will have a significant impact for good on people's lives and the quality of services they receive.

Functions of Local government

- As well as the existing functions of local government, Councils will have a new or enhanced role in the following:
 - planning;
 - conservation of natural and built heritage;
 - local economic development;
 - local tourism;

- urban and rural regeneration;
 - rural development;
 - future European programmes;
 - environmental services;
 - application of building regulations;
 - community planning;
 - environmental health;
 - leisure and recreation;
 - arts and culture;
 - community development;
 - community relations;
 - emergency planning;
 - planning of bus services;
 - maintenance of local roads; and
 - maintenance of the public realm.
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- These functions are consistent with those in the further consultation document, and the responses to the consultation supported this list.

- Two further functions – youth services and library services - will not pass to local government.
- The consultation showed there was a clear desire for youth services to be co-ordinated at a regional level and they will stay within the new Education Support body. Library services also remain as a regional function. Both of these arguments have been accepted.
- I want to stress this is just the beginning. The Secretary of State noted that a further announcement on the future of Quangos outside Health and Education will take place before the end of March. I am confident this announcement will yield further functions which can transfer to local government.
- I also want to make clear that all functions which transfer to Councils will be accompanied by appropriate funding. This will require a new system of local government finance, including some transfers from Regional to District Rates and a new General Grant regime. We will want to work closely with local government to develop these new arrangements.

- I want to turn now to consider some of the major functions that councils will have responsibility for in the future.

Planning

- This is a vital addition to local government. It embraces both Area Plans and development control or the consideration of individual planning applications. Councils will have the opportunity to take a strategic view of services and infrastructure in their area when developing their Area Plans.
- Some aspects of the service will remain with central government, in particular, regional planning and the handling of large planning applications which have a significance beyond the Council where they are located.

Local Roads

- There has been considerable debate as to whether the maintenance of local roads should be a regional or a council-led function. These arguments are finely balanced. However, if strong local government is to mean anything, this important function must and will transfer to local government. It will mean the transfer of around 2000 staff and around £100 million

coming to councils for local road maintenance. The responsibility for motorway and trunk roads will remain with the regional Roads Service Agency.

- To ensure consistency for road safety and other measures, the Department of Regional Development will set standards with which Councils will have to comply. The maintenance of roads is a function where councils will wish to co-operate and share facilities to achieve economies of scale.
- These two major functions, taken together with urban and rural regeneration and environmental improvement, provide a council with the opportunity to plan strategically and develop their council area without the constant need to refer to other organisations and functions over which they had relatively little influence in the past.

Central/Local liaison arrangements

- Under the new arrangements, Local government will have a more significant role in the overall governance of Northern Ireland. I have therefore accepted the view of many who responded to the consultation and decided that there will be a formal mechanism for central/local liaison. We will develop such arrangements in co-operation with local government. But it is vital that Central and Local government respect each others role and work together for the good of Northern Ireland.

Community Planning

- One of the most important new functions coming to local government is community planning.
- Community planning is now well established in England and Scotland.
- The aim of community planning is to make sure that people and communities are genuinely engaged in decisions made about the public services which affect them. Allied to this is a commitment by those who deliver services in the council area to

work together to provide co-ordinated high-quality outcomes people rightly expect.

- Not all services can be delivered locally, or are of a type or scale which will be suitable for councils to operate.
- The community planning process recognises this and aims to draw together all service providers within its council boundary, thus allowing the council to address community needs in a more dynamic and flexible way.
- So who will be at the community planning table? I would expect to see Health and Social Services represented by the new Local Commissioning Groups, the education sectors, the Police Service of Northern Ireland, housing, the voluntary and community sectors the private sector and indeed, any other identified group or organisation relevant to the development and outworking of the community plan.
- Like Scotland, I would like to place a statutory duty on public sector bodies to participate in the community planning process and to deliver on agreed outcomes.

- A key function of councils will be to deliver sustainable development at a local level. This means taking an integrated and long-term approach which recognises that social, environmental and economic considerations must be brought together to provide solutions to neighbourhood problems.
- The government is currently developing the Northern Ireland Sustainable Development Strategy and Action Plan. We want to see sustainable development at the heart of local government and the Northern Ireland Strategy will set out the Principles and Priority Action areas under which councils will develop their own sustainable development policies and actions.
- Through the community planning process we have an opportunity to address poverty, promote good relations, target environmental inequalities and tackle the fundamental issues which prevent the achievement of sustainable communities. We recognise the efforts needed by all to rise to these challenges and we will work closely with local government in an attempt to achieve them.

Power of Well-being

- I also want to introduce a new power of well-being for councils to complement community planning and to allow councils greater flexibility as to how they develop opportunities for their area.

Community involvement

- Some have expressed the view that seven large councils could be remote from their local communities. In the consultation, we floated the idea of “Civic Councils” as a type of area committee to reflect the views of individual communities and to have a public profile in their areas. This proposal did not attract widespread support, but I do believe it is important that Councils make their own arrangements to ensure that the views of local communities are taken into account in Council deliberations. Again, I will wish to discuss how this might be facilitated and whether such a requirement should be included in legislation.

A Shared Future

- One of the key functions of councils will be to foster good community relations.

- Our policy 'A Shared Future' – Policy and Strategic Framework for Good Relations in Northern Ireland, which was published in March, will provide the reference point for developing sharing over separation across Northern Ireland.
- For the first time, in 'A Shared Future', we have in place, arguably one of the most important areas of public policy developed in the last three decades. At its core is the policy of promoting sharing rather than separation and the creation of a society where different groups live together, and not just side by side.
- The development of strong local government in Northern Ireland is, in my view, a "lightning rod" for a shared future. In future, councils will ensure that good relations actions are earthed in the needs of local communities.
- As part of the outworking of the RPA, we will establish mechanisms and procedures that will enable Northern Ireland to become a society where the promotion and protection of shared space, shared education, shared communities and shared

public services will sit at the very centre of the ethos and culture of government policy and practice.

The Voluntary and the Community Sectors

- Community planning is also a truly inclusive process, and from my own experience, I know this must embrace – and I mean fully embrace – the voluntary and community sectors who so enrich community life and well-being. They must be full partners with an equal voice at the community planning table.
- Equally, the voluntary and community sectors must also embrace this new role. It is a diverse sector and if it is to have real effect, then the voluntary and community sectors must consider how best to capture their collective voice and bring a powerful influence to bear in the community planning process.

Private Sector

- So, too, must we see a new and developing relationship with the Private sector – not as competitors for services, but by recognising that strength comes through diversity and that the Private sector has a powerful role to play, working alongside

councils and other areas of the public sector, providing joint impetus for urban and rural regeneration.

Checks and Balances

- If this vision is to be a reality, then the main political parties need the confidence to work together to make it happen.
- I know they share concerns about this, particularly in the seven council configuration, where there is a fear that minority parties or minority voices in a council area will not be treated equally.
- Across Northern Ireland, there are many good examples of agreements in both how the council operates and how decisions are taken.
- I am also aware of concerns that in some councils this is not happening. All of the main political parties here are clear that to have the confidence to get on with council business a system of statutory checks and balances must be put in place.
- The Review team has commissioned some initial research, published today, as to what types of checks and balances might

be effective or acceptable here, and I would want to begin discussions soon with the political parties to get examples of good practice and to agree how best we might take this extremely important issue forward.

- But good governance is not only about these types of checks and balances, it is about focussing on the outcomes for citizens, it is about performing effectively, it is about making informed and transparent decisions, and it is about promoting a strong values culture and demonstrating these values through behaviour. It is fundamentally about engendering trust.

The Number of Councils

- If we are to achieve the vision of strong local government I have outlined, then it must operate at a size and at a scale which is capable of making significant positive differences to people's lives, leading to:
 - the delivery of quality services across major important local government functions I have described;
 - integrated planning and co-ordinated services through the community planning system;

- a greater sense of shared space and a shared future; and
 - truly accountable local democracy.

- This morning the Secretary of State announced that all of the evidence – and I stress evidence – not opinion or speculation, pointed to seven councils as the optimum model for local government in Northern Ireland. This was a view shared by almost two-thirds of respondents to the consultation who expressed a preference.

- It is the right decision if you believe in strong local government.

- It is the right decision if you believe in developing high-quality services.

- It is the right decision if you believe in tackling inequality and targeting social need.

- It is the right decision if you believe in the reality of joined-up services.

- It is extremely important that we begin planning now for implementation in 2009, with a clear understanding that it is the configuration of local government boundaries which will provide the template around which other services must configure.

- This is not confined to local government, but to Departments and Agencies whose functions will transfer to local government and to all other service providers, who should consider now, and in their future plans, configuring their services to the same boundaries as local government.

- The research conducted or commissioned by the Review came up with a number of configurations of seven councils, but one configuration in particular merged as a best fit for:
 - addressing issues of inequality and social need;
 - achieving a balance of population size;
 - where people live and work;
 - equalising the property wealth base; and
 - taking account of the natural geography and hinterlands of established communities in Northern Ireland.

- I therefore wish to set out the proposed configuration of seven councils based on the amalgamation of the existing councils in Northern Ireland.

- Belfast will remain one council area, but I would expect it to expand in future to recognise the natural growth of the city and its community boundaries.

- In the North-east the following councils will merge:
 - Coleraine, Moyle, Ballymoney, Ballymena and Larne.

- Around Antrim:
 - Carrickfergus, Newtownabbey, Antrim and Lisburn Councils will merge.

- In Down:
 - North Down, Newtownards, Castlereagh and Down Councils will merge.

- In the South:
 - Craigavon, Armagh, Banbridge, Newry and Mourne Councils will merge.

- In the North-west:
 - Derry, Limavady, Strabane and Magherafelt Councils will merge.

- In the South-west:
 - Fermanagh, Omagh, Cookstown and Dungannon Councils will merge.

- Shortly, work will begin to appoint a Boundary Commissioner. Once appointed, the Commissioner will be asked to consider the boundaries of the configuration of councils I have just outlined and to consider the boundary of Belfast. As I have said, I expect the Commissioner will wish to develop more natural boundaries for the population who see themselves as living within the city area. Belfast is the capital city and it will have a key role as a gateway to Northern Ireland and as a driver of the development of the Province.

Modern Council workings

- The establishment of seven new Councils provides a unique opportunity to adopt modern methods and technologies. Councils will need to see themselves as commissioners of services. They will look to the community, voluntary or private sectors to provide these services or, when it is cost-effective to do so, to deliver services themselves.
- Also, with seven new Councils coming into being, they will have an ideal opportunity to co-operate. It will be in everyone's interest to decide what Councils need to do for themselves and what they can more effectively do in co-operation with others. Shared service costs are widely accepted as a cost-effective way of delivering back-office and some front-line services. The new Councils will wish to exploit these opportunities to the full.

Councillor Remuneration and Severance

- The Secretary of State this morning recognised the role that local government has played through the worst of Northern Ireland's recent history. I want to add my voice to that. It takes courage to stand as an elected representative, providing for

most of the past 35 years, the only locally elected voice in politics.

- I also fully understand and appreciate that for many serving councillors, they may not wish to carry on in their role at the next election, but rather would wish to hand over the reins of responsibility and provide the opportunity for new voices in local government to emerge. For many councillors this will be a brave and difficult decision and their contribution as locally elected councillors, coupled with their desire to step aside, will be recognised in a one-off severance payment at the time of the next local government elections.
- I also realise that the current levels of remuneration would not be appropriate for councillors in their new role, where there is responsibility for a greater range of functions and an increased workload.
- I am considering both of these issues as part of a working group on Councillors' pay and allowances and I will report in Spring 2006.

Dual Mandate

- The Secretary of State also mentioned the issue of the dual mandate, where currently 69 of our 108 MLAs are also serving councillors. All of the main political parties are agreed that with the development of a strong tier of local government, unacceptable conflicts of interest will occur. Consequently, following the restoration of Devolution, my view is that legislation should be brought forward so that in future it will not be possible to hold the elected office of MLA and local government councillor at the same time.

Number of Councillors

- As part of the consideration of council numbers, I have also considered the optimum number of councillors that I believe will be needed to give proper representation in the new councils and to take on the roles and responsibilities expected of them. I consider that a **maximum** of 50 councillors will be needed for each council, and will allow efficient council working.
- Currently, local political parties struggle to find enough candidates for local government elections. By reducing the number of councillors, and offering a more challenging role, I

believe it will be easier for parties to attract and develop a strong and more diverse cadre of prospective candidates for future elections. This can only be good for the future of local government, for the future of local democracy and for the future development of local services.

Making change happen

- There is an enormous amount of work to do over the next three years to make this a reality. I am also very aware that for many people in local government, there will be real concern about their livelihood in future. I therefore encourage every council and the Local government Staff Commission to begin developing a cohesive communication strategy to keep staff informed of developments over the configuration process. I know some councils have already begun to do this and I urge others to begin now. This should include the Trade Unions as Staff representatives and as a major stakeholder in the Review implementation.
- As I mentioned, one of the first pieces of work will be the appointment of a Local government Boundary Commissioner. This will be made under the public appointments procedures. It

will take up to a further 18 months after appointment of a Commissioner to report.

- That is why it is so important to have a sense of configuration of local government boundaries now, we cannot afford to wait a further two years before beginning the planning essential to pave the way for implementation in 2009.
- In the meantime, I expect Councils to begin working together and with other Departments and agencies to plan carefully how the transfer of functions to local government will take place.
- I would also expect to see the beginnings of the development of community planning across existing councils which will amalgamate in future.
- Also, since Councils now know who they will be merging with, they can begin to develop joint plans for capital investment. Ratepayers will not thank any Council which enters into commitments which are not fully justified under the future arrangements.

- Let me come back to where I started. Why are we doing all this? It is not for political gain or for a love of change. It is because we recognise, as the Executive and Assembly recognised back in June 2002, that we must move forward from the legacy of conflict, we must focus on the future, with due respect for a very difficult past, and we do it not for ourselves, but for the generations to follow, so that our young people will be the ones who reap the greatest reward in a new Northern Ireland proudly taking its place on the world stage. It is in this regard more than any other that I commend these reforms in local government to you.