



ANNEX A

HOUSE OF COMMONS

**Notice of
Written Ministerial Statement**

**Title of Secretary of State/
Ministerial head of department** SECRETARY OF STATE FOR
NORTHERN IRELAND

Subject of Statement REVIEW OF PUBLIC ADMINISTRATION

Date on which written statement to be made¹ 21 March 2006

1. Notice of written Statements for the following day will be placed on the effective Orders of the Day. Otherwise, the notices will be placed on Future Business E (written ministerial statements). Notices may be given of written statements to be made not later than 5 sitting days after the day on which notice was given.

WRITTEN MINISTERIAL STATEMENT

NORTHERN IRELAND OFFICE

Review of Public Administration

The Secretary of State for Northern Ireland (Peter Hain): I am today announcing the final outcome of the Review of Public Administration (RPA) in Northern Ireland. My previous announcement of 22 November 2005 dealt with Local Government, Education and the major Health and Social Services bodies. Today I want to deal with the remaining Executive Agencies and Public Bodies, as well as a number of residual issues carried forward from the 22 November announcement.

In addition to the major organisations in Local Government, Health and Social Services, and Education there is a plethora of other bodies that fulfil a variety of roles in the overall system of public administration. These include 15 Executive Agencies, 39 Executive and 16 Advisory Non Departmental Public Bodies or QUANGOs and 11 Tribunals: a total of 81 public bodies.

A variety of views were expressed in the consultation process on the future of these executive agencies and public bodies. However, in general, the responses reflected a concern about the number of public bodies and a recognition of the need for improved accountability. While it is acknowledged that there is a role for QUANGOS in the future arrangements for public administration in Northern Ireland, it is accepted that these should only be retained or established when there are clear advantages to the arms-length relationship.

I have now had time to reflect on all of the evidence and to take account of the views of the major stakeholders, including local government, to which significant extra functions will be transferred as a result of today's decisions. In order to streamline public administration, clarify accountability, and ensure public services are easily accessible and customer-focused, the total number of these bodies remaining will be reduced from 81 to 53. Taken together with the decisions that I announced in November 2005, this means an overall reduction in public bodies in Northern Ireland from 154 to 75 - 51%. The changes announced in November and today will result in

savings in excess of £200m per annum, and demonstrate the Government's commitment to cutting waste and strengthening front-line services in Northern Ireland.

The changes I am announcing today will be achieved, in the main, by merging bodies or transferring complete functions to local government or central government. Many of the remaining bodies will have reduced responsibilities through some of their functions transferring to local government. All of the bodies that remain will be required to work with councils in the community planning process. Functions that are transferred to local government will be accompanied by an equivalent transfer of funding. To achieve this, a new system of local government financing will be developed.

Where there are a number of bodies carrying out related functions we propose to merge these into one new organisation, streamlining the delivery of those functions and saving overheads. There will be a new **Land and Property Services Agency** that will incorporate the Valuation and Lands, Rate Collection, Land Registers and Ordnance Survey Agencies. Similarly, in the area of the environment and heritage, key functions are currently spread across the Environment and Heritage Service, and the Rivers Agency, supported by four advisory bodies: the Council for Nature Conservation and the Countryside, the Historic Buildings Council, the Historic Monuments Council and the Drainage Council. On 28 February 2006 we launched an independent review of environmental governance which we expect to result in the creation of an independent agency to deliver a comprehensive range of environmental functions.

I am also announcing the establishment of a new **regional Library Authority** that will have responsibility for all libraries across Northern Ireland. It will have the capacity to develop the service beyond purely educational needs, providing a valuable resource for the wider community and recognising that the library has cultural, recreational and community roles.

Other bodies will merge into existing organisations reducing overheads and facilitating better joined-up working. The Northern Ireland Events Company will

become part of the Northern Ireland Tourist Board; the Pig Production Development Committee will become part of the Livestock & Meat Commission, and five existing Health bodies, namely, Health Estates, the Central Services Agency, the Mental Health Commission, the Practice and Education Council for Nursing and Midwifery, and the Medical and Dental Training Agency, will be merged into the new Health and Social Services structures. Driver and Vehicle Licensing will merge with the Driver and Vehicle Testing Agency, and the Construction Industry Training Board will amalgamate with the ConstructionSkills Sector Skills Council.

Other functions will be transferred to either central or local government, not only streamlining these functions but also clarifying lines of accountability. The functions of the Public Records Office, the Fisheries Conservancy Board and the civil service's internal consultancy service will transfer to their parent central government departments. The Northern Ireland Fishery Harbour Authority and the Fire Authority for Northern Ireland will transfer to local government, as will the Local Government Staff Commission once the new councils have been established. The delivery of rural development functions will also transfer to local government while the remaining policy development functions of the Rural Development Council will transfer to central government. Similarly the functions of the Northern Ireland Museums Council will transfer to local and central government. Once the new councils are established consideration will be given to the transfer of ILEX to the new council in the North West. The functions of the Disability Living Allowance Advisory Board will transfer to the equivalent GB body, whose remit will be extended.

A further number of bodies will cease to exist. These are: the Northern Ireland Housing Council, the Agriculture Wages Board and Enterprise Ulster.

Finally, local government will receive additional functions, and the accompanying funding, from some of the bodies that will remain. Some of the funding currently administered by the Arts Council and the Sports Council will become the responsibility of local government, as will some of the functions of the Northern Ireland Tourist Board and Invest Northern Ireland.

We believe that housing is essentially a local issue and for that reason we will consider the transfer of housing to local government at a future date, once the new councils are in place, fully operational and bedded in. In the meantime, however, while the Northern Ireland Housing Executive will remain, some of its non-core functions will transfer to local government when the new councils are established in 2009.

In recognition of the significant strengthening of local government within the context of a smaller number of councils, I have reconsidered my earlier decision to reduce the overall number of councillors to 50 per council, giving a total of 350. Instead, the Order that I will be putting before Parliament to direct the Local Government Boundary Commissioner, who will make the recommendation on the final number of wards for each council, will be on the basis of approximately 60 councillors per council, thus increasing overall councillor numbers to around 420 compared with 582 now.

It is essential that, for those public bodies which remain, accountability is clear. For the future, all Board members will be appointed under the guidelines laid down by the Commissioner for Public Appointments. Public bodies are accountable to their sponsoring Minister and through that Minister to the Assembly or Parliament. Board members must be chosen solely on the basis of the skills and expertise necessary to do the job. All appointments are to be made on merit and no one should be appointed to any position solely because they hold a particular position in another organisation.

There are a number of tribunals in Northern Ireland which deal with employment disputes and appeals arising from certain decisions taken by Government Departments and other public bodies. These are mainly funded and provided with administrative support by the Department responsible for the relevant area of policy. These arrangements have been considered in the light of reforms in England and Wales and of concerns about the independence of tribunals under their current administrative relationships with Departments. To secure greater independence and more streamlined administration, responsibility for the administration of those

Tribunals currently sponsored by Departments will transfer to the Northern Ireland Court Service as part of a new Courts and Tribunals Service.

All of my decisions have been underpinned by consideration of the implications for equality, social need, good relations, human rights and rural communities. The local administration arrangements will provide an anchor for *A Shared Future* and ensure that good relations actions are earthed in the needs of local communities. There are clear expectations that my decisions will lead to improved accessibility to public services - particularly for those most vulnerable in our society - improvements in the diversity of people who participate in public life, and fair treatment for staff. I believe that these three issues should be a central part of the decisions taken within organisations, sectors and across the public sector as a whole during implementation.

The decisions I have announced on the RPA will cut costs and transfer resources from bureaucracy to front-line delivery of key public services.

I have today published a summary of the full range of decisions flowing from the RPA. Copies have been placed in the Libraries of the House. All of the evidence gathered as part of the research that led to the final decisions is published on the review website at www.rpani.gov.uk.