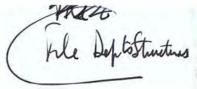
FUTURE STRUCTURES - INTERNAL RELATIONS



1. Introduction

[SLIDE 2]

[Personal introduction]

2. Purpose and Summary

[SLIDE 3]

- purpose of session is to give an overview of the various linkages between the constituent parts of the new Northern Ireland administration and to offer some thoughts on relationships within and between each part;
- summary
 - the new internal arrangements
 - the Executive Committee
 - ▲ its nature
 - ▲ its role
 - ▲ joined-up Government
 - the role of the Assembly
 - the consultative Civic Forum.
- 3. The New Internal Arrangements

[SLIDE 4]

- 3 main elements in the new <u>internal</u> arrangements:
 - the Executive Committee
 - the Assembly

- the consultative Civic Forum.
- other relevant institutions (NSMC, BIC and BIIGC) will be covered by Tony McCusker, who will deal with external relations.
- Executive Committee made up of 10 Departmental Ministers plus the First and Deputy First Ministers discharging executive authority on behalf of the Assembly.
- Assembly made up of 108 Members with responsibility for the full range of transferred matters in the economic and social field.
- a Civic Forum acting as a "consultative mechanism on social, economic and cultural issues".
- more about each of these in turn.

4. The Nature of the Executive Committee

[SLIDE 5]

- two (FM and DFM) plus 10 Departmental Ministers, the latter allocated to the Parties on the basis of the d'Hondt system by reference to the number of seats each Party has in the Assembly:
 - UUP x 3
 - SDLP x 3
 - DUP x 2
 - Sinn Fein x 2

- what's the nature of the beast?
 - not collective Government
 - not coalition
 - best described as involuntary coalition or collaborative
 Government
 - unique in the democratic world, yet one of the intriguing features of the new regime is that it will bring together politicians who traditionally divide along a different axis than the conventional economic and social one.
- against that background, there's not a lot to go on in terms of Party manifestos in the economic and social field, but there are numerous examples (for example, the 3 MEPs in Europe and local issues, from hospital closures to local enterprise development) where the Parties have come together in a common interest.
- admittedly they're doing so in opposition; time will tell whether and in what way new alliances will emerge.
- also worth mentioning that Special Advisers will have a significant role in the new regime, which at least initially could operate along European Cabinet system.
- evidence of the last 6-8 months, which admittedly have been highly political, suggests that at critical points in the

strategy/policy-making process Special Advisers could be the deal makers.

- their role, therefore, will almost certainly be more pervasive and significant than in Whitehall.

5. The Role of the Executive Committee

[SLIDE 6]

- the functions of the Executive Committee are covered in Section 20 of the Act and in paragraphs 19 and 20 of Strand 1 of the Agreement.
- the key elements of the Pledge of Office, which Ministers will be required to sign, are intended as far as possible to secure a collective approach to Government; they are:
 - to serve all the people of Northern Ireland equally, and to act in accordance with the obligations on Government to promote equality and prevent discrimination;
 - to participate with colleagues in the preparation of a Programme for Government;
 - to operate within the framework of that Programme when agreed within the Executive Committee and endorsed by the Assembly;
 - to support, and to act in accordance with, all decisions of the Executive Committee and Assembly;
 - to comply with the Ministerial Code of Conduct.

- in more general terms the Executive Committee will: [SLIDE 7]
 - prioritise executive and legislative proposals
 - it will provide a forum for discussing and agreeing issues which cut across the responsibilities of two or more Ministers
 - it will agree the budget each year, linked to a Programme of Government (of which more in a moment)
- on top of this of course each individual Minister will have his own
 Departmental responsibilities, and they may be assisted in their
 work by a Junior Minister, for which provision is made in the Act.
- the appointment and functions of Junior Ministers are reserved to the First and Deputy First Minister in the Act; ancitipated already that there will be two in the Office of the First and Deputy First Ministers, one covering the Equality Unit and the other Economic Policy Unit, but nothing beyond that at the moment.

6. Joined-Up Government

[SLIDE 8]

- as already mentioned, the nature of the regime in terms of both the model that will be operating and the structures that are being set up will put an even higher premium on cohesion, a factor recognised for example in a number of discussions which we had in unpacking the 18 December agreement early in the New Year with Reg Empey and Mark Durkan.

- there are particular linkages which the First and Deputy First
 Ministers want to see in planning, roads and the training and employment areas.
- at a more strategic level:
 - a new Economic Policy Unit at the centre will support the
 First and Deputy First Ministers and through them the
 Executive Committee as a whole in their strategic role and
 responsibilities in the formulation, co-ordination and
 management of the policies of the new administration.
 - in specific terms the Unit will assist the [SLIDE 9] FM/DFM in:
 - negotiations with HM Treasury on the Block and on EU and IFI funding
 - ▲ determining within the Executive Committee detailed strategic goals for inclusion in the Programme of Government and in allocating financial resources*
 - arbitrating on competing funding demands
 - co-ordinating the Executive's economic policies and monitoring the effectiveness of public spending (includes responsiblity for ESG and SSG)
 - ▲ co-ordinating EU policy and reviewing EU and IFI funds

- overseeing the development of joint financing of public expenditure (including PFI)*
- monitoring the financial implications of NI, Westminster and EU legislation.
- in addition, the Unit will be responsible for: [SLIDE 10]
 - driving out central initiatives, similar to the Performance and Innovation Unit in the Cabinet Office
 - ★ improving the effectiveness of management within
 Government, which includes responsibility for the Public
 Service Office and for the Continuous Improvement
 Programme*
 - evaluating the effectiveness of programmes, policies and procedures of Departments, Boards and Agencies*.

[*NB: working in conjunction with the Minister for Finance and Personnel.]

- clearly a pivotal Unit; but there remains a considerable of tension between the two main Parties on the practical outworking of all of this, particularly in relation to the effect on DFP's traditional role: discussions are continuing.
- in addition to the need for internal cohesion there [SLIDE 11] will of course also need to be:

- links with the NIO, not only on reserved matters (through the OFM/DFM) but also in areas where policy responsibilities in the reserved and transferred fields interface (for example, Criminal Justice and Drugs)
- and links with Whitehall, not only between the centre of the devolved administration and the Cabinet Office but obviously bilaterally between Departments.
- these relationships will be covered by Concordats, as necessary, between the devolved administration and Whitehall, either centrally or at Departmental level.

7. The Role of the Assembly

[SLIDE 12]

- as already noted there be a 108 Member Assembly which will be the prime source authority in respect of all devolved responsibilities.
- in the words of the Agreement it "will exercise full legislative and executive authority in respect of those matters currently within the responsibility of the 6 Northern Ireland Government Departments, with the possibility of taking on responsibility for other matters as detailed elsewhere in the Agreement" (ie reserved matters, for example policing and prisons).

[SLIDE 13]

- in addition there will be a Committee for each of the main executive functions of the Northern Ireland administration, with the Chairs and Deputy Chairs being allocated proportionally, using the d'Hondt system, and membership in broad proportion to Party strengths (thus ensuring that the opportunity of Committee places is available to all Members).
- each Committee will have a scrutiny, policy development and consultation role, and in particular will have the power to:
 - consider and advise on Departmental budgets and annual plans in the context of the overall budget allocation
 - approve relevant secondary legislation and take the committee stage of relevant primary legislation
 - call for persons and papers
 - initiate inquiries and make reports
 - consider and advise on matters brought to the committee by its Minister.
- clearly there will be a significant impact on the work of
 Departments; guidelines on the legislative process and on officials'
 dealings with committees are being worked up urgently.

[SLIDE 14]

- in terms of <u>structures and organisation</u>, no clear indication yet of the incoming administration's likely approach to Executive Agencies.
- on the broader system of public administration, however, FM and DFM have made it clear in their 15 February Report to the Assembly that they recognise that increasing the number of Departments inevitably involves some diseconomies and that they share the firm view expressed during their consultations with the Parties that the additional costs should be offset by rationalising the wider system of public administration, including Quangos, NDPBs and local government.
- this is likely to be taken forward early on in the new regime, but we are not yet clear in what way.

8. The Consultative Civic Forum

[SLIDE 15]

main features:

[SLIDE 16]

 purpose: to act as a consultative mechanism on social, economic and cultural issues (arrangements for obtaining the Forum's views on these matters will be determined by the First and Deputy First Ministers and will be subject to approval by the Assembly)

- membership: 60 plus a Chairperson, with nominations to be drawn from 10 different sectors (business, agriculture/fisheries, the trade unions, the voluntary/community sector, churches, culture, arts and sport, victims, community relations and education) as well as a special reserve for the First and Deputy First Ministers
- nominations: to be arranged by the FM/DFM drawing from a wide range of nominating bodies with adherence to:
 - gender and community background balance, geograpic spread and a balanced age profile
 - principles of public appointments (ie equality of opportunity, merit, openness and transparency of process)
- term: 3 years, with the initial membership retiring on a staggered basis to ensure a mix of experience
- chair: appointed by the First and Deputy First Ministers
 following a process of consultation and public advertisement
- administrative support: to be provided by the First and Deputy First Ministers

- procedural guidance: to be drawn up by the initial
 membership and subject to approval by the Assembly
- <u>timing</u>: to be fully operational not later than 6 months after the appointed day for devolution.

[SLIDE 17]

- impact on Departments not at all clear; very much an unknown quantity, although no shortage of interest in the wider community.
- unlikely to be able to summon Ministers or officials, but both will no doubt be expected to be as co-operative as possible.

9. Concluding Remarks

Some concluding remarks.

- we face the prospect of being under new management very soon;
 it will mean a closer, more intense form of political supervision and
 interest than we have been used to from people who have deep
 roots in the community.
- at one level that will mean a lot of parish-pump politics, with queries about pot-holes and benefit claims.
- at another level it will be very interesting to see if participative democracy, alongside the proposed involvement of wider civil

society, will be a major challenge to the primacy of representative democracy.

- senior political figures are relishing the prospect of government and are determined to break the mould.
- there will be a number of party political interests and differing agendas represented in Government.
- about a third of those elected to the Assembly will hold office of one kind or another;
- there will be preconceptions about the role the public services have played under Direct Rule and about the nature of their contribution within the new administration.
- all of this represents a major cultural shift and we need to prepare and be prepared for it.