

Written evidence submitted by Indaver (NDE0018)

New Decade, New Approach Agreement - Response from Indaver

Northern Ireland Affairs Committee - Call for Evidence Opened on 9 March 2020

Executive Summary

Northern Ireland has a government again. This is a relief and cause for hope. New Decade New Approach (NDNA) sets out an ambitious agenda for the Northern Ireland Executive which we welcome as it presents a unique opportunity to reassess the efficacy of the functions of the Northern Irish Executive.

These are early days, but a determination to pursue constructive politics is apparent – in line with what the public clearly wants. NDNA is explicit in its ambitions to address issues in health, education and infrastructure that have been growing concerns for years. The scale of the ambition is necessary. Tackling the problems facing Northern Ireland will be extremely tough and in our view requires fundamental re-shaping of some of the current decision making processes.

This paper looks back at how past Executives have governed Northern Ireland, and considers what this means for the new Executive. It concludes that serious change is needed in how the Executive works if the commitments in NDNA are to be delivered.

The effectiveness of past governments

Past Executives did important work. The existence of any government at all was a major achievement given what went before, and subsequent successes include high levels of foreign direct investment, the flourishing of sectors like tourism, cybersecurity and film.

The main focus of the Good Friday Agreement was on creating a political structure that bridged community divisions and got opposing groups to work together. That first step was essential but, in many ways the true test for Stormont will be its ability to adapt in ever changing circumstances, not just in relation to a changing world but Northern Ireland's changing needs.

Much progress has been made economically but there is much more work to be done. Challenges like existing the European Union and the COVID-19 pandemic will apply pressure to an already difficult economic situation and like many other places the pressure on health and social care services will continue to grow.

Previous Executives have too often delayed long-term planning, due in part to unavoidable factors and consequently many policy areas saw plans and strategies fall down during implementation leaving an uncertain environment. Indaver has first-hand experience of this and whilst this paper will not detail the particular issues, it is through that prism Indaver is submitting this response.

Changing the way decisions are made will not be easy, it cannot be done by politicians and civil servants alone. The whole community – including the media, civic society, academia, business and the general public – must actively contribute to a better informed and more productive debate.

Politicians need to provide leadership, and must see beyond immediate concerns, in order to put Northern Ireland on track for the future.

A new culture is needed

Northern Ireland now has a chance to do better. NDNA recognises many of the issues that have hampered Stormont over the past two decades.

Below is a summary of two key themes this submission will focus on.

Strategic Purpose and Vision – the Executive is built without a pre-existing sense of collective purpose, given its political make-up. This lack of unity is compounded by the fact departments are funded in silos. The Executive is collectively responsible for overseeing policy and the way it operates should reflect this. Politicians from different parties who are in government together need to commit to proper cooperation as part of a unified Executive. The Programme for Government framework could help achieve this greater sense of common purpose, if implemented properly - with an appropriate set of outcomes and measures, and effective external engagement.

Transparency of Decision Making – Government relies on the Executive, Assembly and civil service performing their respective roles effectively.

The public has a right to expect a government that works in their best interests. All parts of government must now demonstrate their willingness to bring in competencies that strengthen the Executive and its functions.

Civil servants must feel able to speak up in the interests of the public. The Assembly has to show it is capable of scrutinising the work of the Executive and external expert advice should be welcomed.

New Decade, New Approach

New Decade, New Approach includes a number of commitments that address the economic, social and public service problems facing Northern Ireland, and which will form part of a new Programme for Government.

Its focus on mental health, climate change, infrastructure, and reform of health and social care is welcome. It has the potential to bring substantial and much-needed change, if it is delivered well.

However, the commitments require detail. They are often unspecific or require further work, such as the development of strategies. Tangible improvements that help people in their everyday lives requires effective delivery over months and years.

NDNA emerged from a negotiation between the parties, governments and civil service. To ensure it can be implemented successfully public engagement is necessary, although that is promised in the future, it requires a defined pathway for consultation.

The deal could kick-start real reform in Northern Ireland, but this ambition must be matched by changed cultural working practises.

Terms of Reference

In order to detail suggestions and examples within the committees terms of reference below is each point taken in order, with recommendations.

In its Terms of reference the Committee invited submissions of written evidence that address:

- *whether the UK Government's commitment of £2 billion is sufficient to transform public service provision in Northern Ireland;*
 - *what evidence and calculations underpin the £2 billion commitment;*
 - *how UK Government funding should be allocated to Northern Ireland and whether it should be linked to the functioning of devolved institutions in Northern Ireland;*
 - *the potential merits and/or demerits of establishing an Independent Fiscal Council in Northern Ireland to assess the Executive's use of public money;*
 - *the potential effect of the New Decade, New Approach agreement on the future sustainability of devolved institutions in Northern Ireland; and*
 - *whether the deal excludes other measures that might improve good governance in Northern Ireland.*
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- *whether the UK Government's commitment of £2 billion is sufficient to transform public service provision in Northern Ireland;*

There is simply no way of knowing whether the UK Government's commitment is enough due to the lack of clarity about the commitments made in the *New Decade New Approach* agreement. While the National Infrastructure Commission's *National Infrastructural Assessment 2018* report has reviewed infrastructural needs up to 2050 this is only for non-devolved responsibilities (that is, nuclear energy and digital communications).

The Executive should consider commissioning a similar comprehensive review for all other infrastructure (for example, transport, water and waste) in Northern Ireland. It is already evident that current infrastructural needs in Northern Ireland outstrip demands. Similarly the UK's *National Infrastructure Delivery Plan 2016-2021* does not include devolved responsibilities.

The Executive should commission a similar plan which identifies, quantifies and sets out a time frame for what investment is required in the long-term (over the next 10 years at least) to transform Northern Ireland. This delivery plan must set out how this transformation will be achieved and how it will be funded. Any comprehensive review and delivery plan must involve all government departments and they must be founded on a common vision. A critical element to the success of Northern Ireland will be a move from annual budgeting towards a longer-term budgeting process (for example a 10 budget strategy and 5 year 'operational' plan).

Clear accountability for the drawing down of these funds will provide certainty around the impact of this funding.

- *what evidence and calculations underpin the £2 billion commitment;*

As described above, the absence of a clear strategic plan means calculations, project by project are unavailable. A comprehensive review of infrastructure needs would create processes that include measurable metrics such as value for money (VfM).

More accountability in this area would support transparency and provide a strong structure for decision making.

- how UK Government funding should be allocated to Northern Ireland and whether it should be linked to the functioning of devolved institutions in Northern Ireland;

Funding should absolutely be linked to the functioning of devolved institutions. The UK has to meet many demands for investment in infrastructure. Funding of Northern Ireland should be based on delivery of the *New Decade, New Approach* agreement. This agreement provides the Executive with the opportunity to show leadership by demonstrating to Treasury that all funding can be targeted and well used. There are many companies prepared to invest in infrastructure in Northern Ireland.

- the potential merits and/or demerits of establishing an Independent Fiscal Council in Northern Ireland to assess the Executive's use of public money;

The Executive should propose to the Office of Budget Responsibility (OBR) that it take on the role of their Independent Fiscal Council. The OBR already carries out a similar role for England, Scotland and Wales and their experience of working with these other jurisdictions could bring added value. It would seem inefficient and perhaps ineffective to set up a new system for Northern Ireland.

- the potential effect of the New Decade, New Approach agreement on the future sustainability of devolved institutions in Northern Ireland; and

The Executive has the opportunity to show leadership but it needs to develop a common vision, work across all government departments to allow joint up thinking and take, rather than avoid, difficult decisions in the interest of Northern Ireland.

It urgently needs an agreed Programme for Government which: has been signed up to by all parties; represents the Executive's common aims and is binding on each Minister and Government Department; sets out policy and services reform to allow the development of strategies and plans which identify what has to be achieved for the long-term and beyond the lifetime of the current Executive (for example for a 10 to 20 year period); and prioritises what has to be achieved.

The Executive also needs to set out and fund a long-term delivery programme (as described above). As mentioned a critical element to success will be a move from annual budgeting towards a longer-term budgeting process (for example a 10 budget strategy and 5 year 'operational' plan). If it can achieve this, then it can deliver a sustainable devolved institution. If not, the devolved institutions will be unable to realise the full potential of the *New Decade New Approach* agreement. This will be unsustainable.

- whether the deal excludes other measures that might improve good governance in Northern Ireland.

The New Decade, New Approach mentions climate change in a number of areas but it is silent on how to impact positively on climate change. In our submission we highlight the need to have a climate resilient waste management system in Northern Ireland. Waste management may not be high on the political agenda but one would not want to imagine Northern Ireland without a waste management system during the current pandemic. It is indeed an essential service.