

Written evidence submitted by the Northern Ireland Local Government Association (NDE0003)

1. Foreword / context / key message

NILGA, the Northern Ireland Local Government Association, is the representative body for district councils in Northern Ireland. NILGA provides policy guidance, represents, promotes the interests of the 11 Northern Ireland district councils and is supported by all main political parties.

*(*This submission is made, as is likely in all cases, during the Covid-19 crisis, with the result that it has not been corporately approved by NILGA's All Council Executive. It has however been validated by the Association's All-Party Office Bearers.)*

NILGA welcomes the NIAC's consultation and strongly endorses the New Decade, New Approach (NDNA) document as a framework for transformational change. The principles and priorities outlined in NDNA are compelling. NILGA endorses all of the first element of NDNA, namely the priorities for the new Northern Ireland Executive, including additions such as Climate Change action and Housing as an investment priority. It therefore will refrain from detailed comment on this aspect.

However, in regard to the second of the two elements of NDNA, namely the constitutional and political changes needed for the parties – and indeed wider society - to take a new approach to Government delivery, detail, scrutiny, and accountable performance mechanisms, it strongly urges an explicit co-design and enhanced role for local government in the long term Programme for Government – something that will be crucial to NDNA becoming an operational reality rather than just a positive strategy which materially assisted the return after three years of the Legislative Assembly in Stormont.

To this end, NILGA supports the comment by NIAC's Chair, Simon Hoare MP:

“in keeping with the spirit of improved transparency and scrutiny enshrined within the Agreement, the deal itself must also be scrutinised... Our inquiry will assess how the Agreement will affect funding for public services and the sustainability of Northern Ireland's devolved institutions.”

NILGA at the outset supports the political, institutional and funding context for the NDNA, and for this reason accepts that the distinct lack of reference to local government, (except on entries related to City / Growth Deal packages, e.g. page 40) is neither exclusionary nor problematic. However, it asserts that unless councils in Northern Ireland are given “partnership of equals” co-design opportunities, co-delivery and co-ordination responsibilities, coupled with new finance, integrated performance challenges, new human resources and additional responsibilities, within the outcomes proposed in NDNA and the emerging longer term Programme for Government, the vision will founder, scrutiny and performance will be diminished, and the institutionally led distribution of power and public spending will - in local democracy terms - by-pass local communities and councils, thereby maintaining the

democratic deficit which NIAC – and NILGA – have consulted on, discussed and provided solutions for, in the recent past (2017, 2018).

NIAC may wish to note one of its own recommendations from the “Devolution and Democracy in Northern Ireland: Dealing with the Deficit” NIAC consultation report of late 2017:

“We have heard differing views on the appropriate level of funding and powers to devolve to local councils. An increased role for local government might help improve democracy and make governance in Northern Ireland more robust in the future. When the Executive is restored, the Committee recommends that an Assembly committee be set up to review local government finances and devolved powers. If the Executive is not formed within 12 months of the publication of this report, an independent review should be commissioned by the Secretary of State.”

In the context of NDNA, and the NIAC’s consultation, **this recommendation is arguably even more resonant now, in 2020**. NILGA requests that the NIAC encourages the development of an All-Party Group (APPG) which should include in its terms a thorough analysis of the potential and practical benefits of investing in local councils as a means to improve efficiency, effectiveness, social cohesion and political connectivity within communities and a “hub of the wheel” public service delivery approach, co-ordinated via councils’ community planning lead role, concentrating on local need, local priorities and local input into decision taking, as expressed in the NDNA document in theory and as referenced in the NIAC’s terms of reference for this consultation. The APPG, as a component of the new Programme for Government, validated by both governments, which could lead to a **politically led performance element of the NDNA’s delivery, accountability and scrutiny requirements**.

If NDNA is to succeed, local government and regional government would benefit from the constructive levers of wider government to move towards the system of democratic governance and fiscal disbursement that exists in every other part of the United Kingdom, mindful also of the Irish government’s strategic commitments. For policy delivery purposes, such a move could be (i) operationally linked to statutory mechanisms such as the Ministerial Partnership Panel chaired by the Minister for Communities, set up under the NI Local Government Act (2014) and (ii) lead to a **Devolution Bill for Northern Ireland**.

2. Specific NIAC Asks

NILGA acknowledges the key elements recommended in this call for evidence, and in the interests of brevity and corporate prioritisation makes only brief key comments – except for the final template question - on some of these, namely:

- whether the UK Government’s commitment of £2 billion is sufficient to transform public service provision in Northern Ireland.

NILGA asserts that the figure is substantial and if all of it is new, then it will go some way towards bridging the fiscal deficit that the administration requires. What the sum is, is perhaps in the context of this consultation less important than how, by whom, and where it is spent. In budgetary terms, this sum alone will not be enough to cover the various objectives within the deal. Resolving Northern Ireland's waiting list crisis was costed at close to £1 billion by the Permanent Secretary of Health in 2019. Water and wastewater infrastructure across Northern Ireland, an enabler of economic development, needs over £3 billion of investment over the next seven years. Therefore, **a whole system review** of how NI's £24 billion + p.a. Public Expenditure is spent is required and the APPG referred to above could give the political push to expedite this in a manner which also could include the so-called "Augmentation Review" of the Local Government element of the Review of Public Administration, which is over three years overdue. This integration of strategic work will **save money, time and increase confidence** within the community – with evidence that joined up improvement, efficiency and effectiveness in government at all levels are on the rise.

- 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;

NILGA asserts that UK Government funding – not in terms of amounts, but in terms of distribution - should be broadly allocated in the same manner as the rest of the UK. This would necessitate **direct and proportionate support for local government in Northern Ireland** like disbursements for co-designed initiatives funded in England and delivered by councils but funded by the Department of Communities, Health and Local Government, for example, and national to local funding for City / Growth Deals and Brexit (including in the latter instance the Shared Prosperity Fund). If national government supports partnership with direct funding for councils in England, Scotland and Wales, what unique circumstances culturally and institutionally exist in N. Ireland to prevent the same happening there? As regards the link to the functioning of devolved institutions, NILGA asserts that institutions are less important than citizens and the communities they reside in. If institutions are shelved, or collapse, such things should not impair the distribution of agreed Government funding required for the delivery of a world class National Health Service, high quality education, Climate Action, a sustainable environment and economy, and essential, geographically inclusive broadband technology, housing, transport and other vital infrastructure. In the absence of any institution, contingent planning should be deployed to AVOID the inertia and severe deficits encountered in the recent past. Institutions are ultimately accountable to communities, who should not suffer if one or more of them fall or fail to perform. **Such contingent planning should formally involve local government, as in the rest of the UK.**

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

NILGA sees merit in the principle but would wish to see benchmarks of where such bodies have been created elsewhere and believes that evidence based, objective analysis is required before any new body, with new costs and new governance, is established.

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

NILGA asserts that devolved institutions are ultimately only sustainable if the electorate supports them and if they are, to a large degree, performing good fiscal management. NDNA provides a good governance framework which if applied and properly managed, will yield good results for the public.

NDNA provides sensible new governance, performance, scrutiny and accountability proposals which must be pursued, particularly those referred to in pages 12 and 13 of the NDNA document.

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

It does exclude other measures pertaining to local government, perhaps not deliberately in view of the political and fiscal context in which it was written and agreed upon. In addition to what has been stated in the foreword of this submission, NILGA believes that the long-term Programme for Government (not the current political term version) must be co-designed and co-delivered by local government. **Not to do so suggests that Northern Ireland as a democracy, going forward, does not require devolution to councils, communities and local place shaping work underpinned by a one budget approach to Community Planning, whereas the push in the rest of the UK does.** It is surely time to “level up”. The approach to empowering local communities and councils in Northern Ireland is currently predominantly transactional, not relational. The comparative absence of practical devolution (where practical means because it is more efficient, clearly, to do so) below Stormont – neighbourhood services delivered by the most local institutions and their local social, economic and environmental partners within communities, is stark.

Councils were responsible for under four per cent (£738m) of public spending in NI (2015/16), after the “great leap forward” of the council element of the Review of Public Administration, compared with 27 per cent in Scotland and Wales. The NI Executive’s 88 per cent share of total public spending was more than double that of the Scottish and Welsh Governments. The historic reasons for this – post Brexit and indeed post Covid-19 - be a must not be a barrier for moving towards a more contemporary, normal, people and locality centred, sustainable democracy in Northern Ireland – using devolution models like Cornwall, for example (avoiding the arguably more glamorous metropolitan empowerments such as Greater Manchester).

Therefore, in terms of “other measures”, NILGA encourages a thorough review of public expenditure which develops the role of local government, under the political watch of the APPG referred to, with a statutory body, the Ministerial Partnership Panel, driving it. There should be rigorously adhered to timebound, output driven measurement, delivering recommendations including a public sector transformation timetable agreed by all parties within 12 months (i.e., by June 2021).

Illustratively, neighbourhood services are the main public purse saving candidates for devolution of direct responsibility to councils. They cover local highways and local transport, cultural and related services, environment and regulation, regeneration, all public parking and planning and development. At present, councils are responsible for under half of them. If they took them all – and such a concept would of course require formal, thorough, dynamic, evidence base consultation - they would be responsible for just six to seven per cent of total NI public spending.

Justification of this “other measure” is seen when one looks at a review of the arguments for devolution in England and Wales, which show that what is key is local deliberation and decision-making about problems, priorities and solutions. The Welsh Assembly fosters this with councils. It is an underpinning delivery ethos, perhaps because the Welsh Assembly has never had to “give up” powers and responsibilities. But we live in times requiring transformation, so such an ethos will need to be learned and applied here, too. **Councils are local knowledge hubs and strategic planners**, but the key to success lies in the local community, including voluntary, third sector and business groups. To play these enhanced but very normal roles, councils will be wholly focused on outcomes and be willing to act as enablers as well as doers. What the councils bring – mindful of NDNA and this consultation - is democratic legitimacy and the ability to co-ordinate public engagement in the reform and delivery of public services. As they wrestle with public service reform, and look to make tangible NDNA for real people and local communities, our Assembly, Departments and NI agencies should consider what full involvement (with requisite resources) by and through councils could offer – indeed it is a positive and emerging feature now in local government’s “big conversations” with regional government and is pleasing to be part of, but it requires a formal push which NIAC could assist in by way of strong recommendation.

3. Conclusion

NILGA thanks the Committee, through the Chair, for considering its submission and looks forward to (i) contributing fully and diligently to any request for oral evidence and (ii) the outcomes of this consultation. In closing this written piece, members of the Committee are respectfully asked to look at the NDNA list of supporting strategies:

- *Economic/Industrial Strategy;*
- *Investment Strategy;*
- *Energy Strategy;*
- *Racial Equality Strategy;*
- *Disability Strategy;*
- *Gender Strategy;*
- *Sexual Orientation Strategy;*
- *Active Ageing Strategy;*
- *Children and Young People’s Strategy;*
- *Childcare Strategy;*
- *Child Poverty Strategy;*
- *Irish Language Strategy; and*
- *Ulster Scots Strategy*

Members of NIAC would, NILGA asserts, find it **inconceivable** in any other devolved area or in English regions, for such strategies to not materially include councils and their LGA in their preparation, resourcing, designing, delivery and review. In short, in terms of sound governance, effective public expenditure and NDNA, the incremental normalisation of Northern Ireland would ironically be transformative in practice, something that is well overdue as we look to deliver a modern, sustainable, trusted, efficient, innovative and public facing local democracy.

On behalf of NILGA, awaiting NILGA Executive formal endorsement.

31 March 2020